

**The Spirited Debate Over
Geographic Indications**

Justin Hughes*

It should be borne in minds that, as is the case with trademarks, an unduly high level of protection of geographical indications and designations of origin would impede the integration of national markets by imposing unjustified restrictions on the free flow of goods.

– European Union Advocate General Francis Jacobs (1999)¹

Tell me what you eat and I will tell you what you are.

--Anthelme Brillat-Savarin (1825)²

* Assistant Professor, Cardozo School of Law; Hosier Distinguished Visiting Chair, DePaul College of Law. Research for this article was supported by summer research grants from Cardozo Law School, Yeshiva University, as well as time for work permitted by the Hosier Chair at DePaul. My thanks to Lynn LoPucki, Nuno Rocha de Carvalho, and Chrystal Garipuy for comments, suggestions, discussion, and/or research assistance on this manuscript. For the remaining errors, I am, as Charles Dickens said, “hoping defects will find excuse.” Charles Dickens, *A Poor Man’s Tale of a Patent*, reprinted in JEREMY PHILLIPS, CHARLES DICKENS AND A POOR MAN’S TALE OF THE PATENT 15 (1984).

¹ 1999 ECJ LEXIS 1241 at *57 (opinion of Advocate General Jacobs).

² ANTHELME BRILLAT-SAVARIN, *PHYSIOLOGIE DU GOUT*, IV (1825) (“Dis-moi ce que tu manges, je te dirai ce que tu es. »), reprinted in *THE ANCHOR BOOK OF FRENCH QUOTATIONS* 242 (Norbert Guterman, ed., 1963).

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Not so long ago, exotic goods came from exotic places – if they came at all. People grew, cured, and cooked local foods; they built with local materials. The people in the village of Roquefort ate their cheese because that is what was available, not because they insisted on Roquefort cheese. Over time, each increase in world trade de-localizes consumption and, in the process, establishes reputations for goods produced in distant places. The trade of Phoenician sailors made purple-hued Phoenician cloth widely known – and coveted – in the ancient world. In the 15th century, swords from Bizen became known among the samurai class in Japan for their impressive strength and suppleness, just as the violins from Cremona became celebrated in Europe for the "warmth" of their sound. In each case, a geographic name became associated, far beyond the borders of that geographic location, with a product known for highly desirable and seemingly unique characteristics.³

This accretion of meaning seems to be much the same as traditionally happened with a trademark. With trademarks, it is the commercially, organizationally, and legally circumscribed group - the "house" -- that became identified with a product known for desirable characteristics. Frequently the two happen in tandem: not only did "Cremona" become famous for violins, but so did Stradivarius, Amari, and Guarneri – each name initially designating a single violinmaker and later a production house.⁴ Indeed, it is assumed by some that geographic designations were a historic precursor of trademarks.⁵

In either case, geographic or organizational source, people may try to free ride off the meaning of a particular word. The law offers radically different responses to such free-riding, depending on *when* the law is asked to intervene and what the effects of the free-riding have been up until that moment.

³ See generally CAROLINE BUHL, *LE DROIT DES NOMS GEOGRAPHIQUES* 323 (1997).

⁴ Stradivari Antonio (1644 1737); Stradivari Francesco (1671 1743); and Stradivari Omobono (1679 1742). Amati Antonio (1555 1640); Amati Francesco (1640 - ?); Amati Hieronymus (1556 1630) - Amati Hieronymus (1649 - 1740); Amati Nicolo (1596 1684) - Amati Antonio Hieronymus (1555 -1630).

⁵ "In antiquity, geographic indications were the prevailing type of designation for products. With the development of the productive forces and production relationships, the use of other types of designations, intended to distinguish the goods of one manufacturer from the similar goods of other manufacturers, tended to spread. Thus, certain manufacturers names have become trade names." attributed to Dr. Grigoriev, speaking at the Symposium on the International Protection of Geographical Indications, Santenay, France, November 8-9, 1989, cited in M.C. Coerper, *The Protection of Geographical Indications in the United States of America*, 29 I.P. 232 (1990).

If the free-riding use of the word(s) has eliminated the geographical or organizational source from the meaning of the word(s) and given the words a product-descriptive meaning,⁶ the use typically will be allowed to stand. Escalator, cellophane, saki, camembert, thermos, swiss cheese – “genericization” works the same way on both geographical designations and trademarks.

If the law intervenes earlier and focuses on the activities of an individual, the result is likely to be different. Counterfeit consumer goods are the most blatant example of unacceptable free riding. Free-riding off geographic source names can also involve fraud and/or deceptions. In such situations, the free-riding is likely to be judged harshly against two concerns -- protecting consumers from misinformation and protecting producers from activities we judge "unfair." These two concerns provide, in varying degrees, the justifications for consumer protection, unfair competition, and trademark laws on both sides of the Atlantic.

These concerns also gave rise in Europe to separate law protecting geographic words under certain circumstances. The most important of such laws has been France's law of *appellations d'origine contrôlées*, which strictly controls use of certain geographic words by designated producers in designated producing regions, with little regard for consumer deception or confusion. Such laws have traditionally been anchored in the idea of *terroir*: that a particular land is a key input for a particular product. There is no direct English translation of the notion of *terroir*, but the idea is that the product's qualities *come with the territory*. The idea reduces to an “essential land/qualities nexus”: the local producers are entitled to exclusive use of a product name because no one outside the locale can truly make the same product.

In the international arena, continental European countries have traditionally followed France's lead in seeking strong protection for appellations d'origine or "geographical indications."⁷ In fact, there are now dozens of multilateral and bilateral treaties creating obligations for different countries to protect geographical indications by one method or another. The United States has been entering such treaties for well over a century – going back to the

⁶ By “product-descriptive meaning,” a mean a meaning that relates to inherent qualities and characteristics of the product, regardless of its geographic origin.

⁷ See, e.g. Bruce Lehman, *Intellectual Property under the Clinton Administration*, 27 G.W. J. INT'L L. & ECON. 395, 409 (1993-94) (attributing the TRIPS provisions to “strong French interest in appellations such as Champagne, Burgundy, and Chablis.”)

Paris Convention of 1883 and a 1910 bilateral treaty with Portugal to reserve the word “Porto” to Portuguese producers while allowing other makers of fortified wine to continue to use “port” in the U.S. market.

In the negotiations leading up to the 1994 TRIPS Agreement and the World Trade Organization (WTO),⁸ European countries pressed for strong protection of geographical indications. The United States and others resisted. The compromise forged in the TRIPS Agreement is (i) a low and loose level of protection for all geographical indications with (ii) heightened protection for geographical indications of wines and spirits (sought by Europe), subject to (iii) important exceptions (sought by the US). Along the way, the negotiations produced what political compromises so often produce: an agreement to put off the full battle for another day. WTO members committed themselves to continue “negotiations aimed at increasing the protection of individual geographic indications,” but only for wines and spirits.⁹

So, in recent years, the US, Canada, Japan, Chile, and like minded countries -- a group called “JUSCANZ+” here¹⁰ -- have squared off against the EU about how to fulfill this obligation. The EU advocates a full-fledged international registration system that provides very strong protection of Old World agricultural producers. The JUSCANZ+ group advocate a less centralized, more market-driven approach. Typically, this takes the form of protecting geographical indications through certification and collective trademark systems, an approach

⁸ See Final Act Embodying the Results of the Uruguay Round of the Multilateral Negotiations, Marrakesh Agreement Establishing the World Trade Organization, signed at Marrakesh (Morocco), April 15, 1994, Annex 1C, Agreement on Trade-Related Aspects of Intellectual Property Rights (hereinafter TRIPS) in THE RESULTS OF THE URUGUAY ROUND OF MULTILATERAL TRADE NEGOTIATIONS - THE LEGAL TEXT 365403 (GATT Secretariat, ed., 1994), also printed at 33 I.L.M. 81 (1994).

⁹ TRIPS, Article 24.

¹⁰ For better or for worse, an informal group of industrialized nations that typically includes Japan, the U.S., Canada, Australia, and New Zealand, hence “JUSCANZ” sometimes works in tandem and sometimes in opposition to EU proposals over a wide range of issues from intellectual property to climate change. See, e.g. Liz Barratt-Brown, *Juicing the JUSCANZ*, available at <www.climatenetwork.org/eco/cops/cop1/1.c1.juscanz.html> (describing the group’s organization against an OPEC proposal); see also Earth Negotiations Bulletin <www.iisd.ca/linkages/vol14/enb1429e.html> (describing comparative EU and JUSCANZ proposals on micro-financing for developing countries); George Archibald, *Battle looms to define ‘secual rights,’* WASHINGTON TIMES, June 5, 2000, available at <www.dadi.org/fem_nuts.htm> (describing EU and JUSCANZ working together to oppose the “G-77” developing countries voting bloc at the UN); Terry Hall, *EU move leaves a sour taste*, Financial Times, July 19, 2002, at 20, col. 1. (describing how 2002 EU Wine Regulations, which touch upon all aspects of wine production for wines imported into the EU, raised protests from New Zealand, Brasil, the U.S., Australia, and Canada).

that is used in the United States, China,¹¹ and Canada.¹² There is a third group -- countries with well-known agricultural exports that are *not* wine and spirits: they want the Article 24 negotiations broadened to include all products. These include India and the Czech Republic, the latter seeking worldwide control of *Budweiser*. These discussions take place not just in the context of broader international intellectual property issues, but also in the context of long-standing, and possibly worsening, disagreement over trade in agricultural goods.¹³

The little commentary that exists on geographical indications tends to focus on the international political realities: that the US and EU, so frequently partners in intellectual property, clearly disagree on geographic indications. There has been very little sustained analysis of geographic indications on the New World side of the Atlantic.¹⁴ Yet potentially at stake is commercial control of a dizzying array of words and symbols: champagne, port, bourbon, camembert, Idaho potatoes, swiss cheese, Budweiser, sherry, saki, pictures of the Eiffel Tower or Golden Gate Bridge, dutch chocolate, shapes of bottles, budweiser, jasmine rice, coney island hot dogs, Chicago-style pizza, images of the Matterhorn or the Statue of Liberty, basmati rice, perhaps even images of Mozart and Benjamin Franklin.¹⁵ Based on ideas advocated in some quarters the list is disturbingly long.

¹¹ China amended its Implementing Rules of the Trademark Law in August 3, 2002, including amendments making their certification and collective mark law similar to the United States'. See Lehman, Lee, & Xu, *China Intellectual Property Law Newsletter*, August 26, 2002, at 2; Chiang Ling Li, *New Chinese Trademark Law*, TRADEMARK WORLD, TW 143(37), January 2002.

¹² Canada's trademark law provides for a specific category of "geographical indications" applications for non-Canadian *wines and spirits only*, but otherwise provides their protection under the regular trademark provisions. Canadian Trade Marks Act, amended effective January 1, 1996, sections 11.14-11.15. Other countries which seem to protect geographical indications through collective and certification trademarks include Belize (*Registering Trademarks In Belize*, TRADEMARK WORLD, TW 152(17), November 2002), Thailand (*Are Unregistered Marks Protected in Thailand?*, TRADEMARK WORLD, TW 152(17), November 2002).

¹³ See, e.g. William Drozdiak, *French Winemakers See Themselves as 'Hostages' to Politics*, THE WASHINGTON POST, November 10, 1992, at A19 (describing pre-WTO US-EU disagreement over oil seed subsidies and possible retaliatory US tariffs against French winemakers); Editorial, *fair spirit*, Financial Times (London), November 8, 1999 at 12 (describing EU's strong stand against South Africa on wine geographical indications as "another example of the conflict between the EU's rhetoric of free trade and the continuing protectionism in agriculture.")

¹⁴ Worthwhile exceptions exist. I am thinking particularly of Albrecht Conrad, *The Protection of Geographic Indications in the TRIPS Agreement*, 86 T.M.R. 11 (1996) and Jim Chen, *A Sober Second Look at Appellations of Origin: How the United States Will Crash France's Wine and Cheese Party*, 5 MINN. J. GLOBAL TRADE 29 (1996).

¹⁵ NORBERT OLSZAK, LES APPELLATIONS D'ORIGINE ET INDICATIONS DE PROVENANCE 34 (2001). Olszak gives as examples of indirect GIs the image of William Tell and the Cathedral at Strasbourg, the latter the

Geographic words are an efficient means to communicate both (a) a product's geographic origins, and (b) product characteristics besides geographic origin. The latter is the source of many geographic words becoming "generic."¹⁶ When people go into a *restaurant chinois* off the Champs-Elysees, they do not for a moment think that any of the food actually comes from China. Yet standing outside, they instantly know the characteristics of what will be served inside. Nine time zones away, the Californians who order *french fries* do not think the fried potatoes come from anywhere near the Champs-Elysees. We tend to overlook how such use of geographic words to describe non-geographic product characteristics is incredibly common.

Additionally, like trademarks, geographic words can generate their own utility through evocative and aesthetic uses, such that the geographic name becomes itself a desired *characteristic* of a good or service. These are typically uses of words which, in American trademark doctrine, would be 'fanciful' or 'arbitrary.'¹⁷ The evocative value of geographic words is most evident with geographic names of fictional or no-longer existent places: *ATLANTIS* waterproofing services,¹⁸ *POMPEII* game machines,¹⁹ and *SHANGRI-LA* for hotels.²⁰

subject of a litigation in France in 1968. See also L. Wichers Hoeth, *Protection of Geographic Denominations in the Netherlands*, in PROTECTION OF GEOGRAPHIC DENOMINATIONS OF GOODS AND SERVICES 75 (Herman Cohen Jehoram ed. 1980). (giving Eiffel Tower, Cologne Cathedral, and Tower Bridge as examples).

¹⁶ Olszak, *supra* note __ at 16 (Certains termes géographiques are parfois perdu dans l'usage cette significacion precise pour deviner un nom commun désignant un type de produit "Some geographic terms lose sometimes their first signification, and become a common word used by people to designate a type of product. The use of this name becaomse then necessary to identify a product and cannot therefore be restrictec to products that originally come from the geographical place that the intitiaon proper name designates."); ANDRÉ BERTRAND, LE DROIT DES MARQUES, DES SIGNES DISTINCTIFS ET DES NOMS DE DOMAINE, §3.44 at 146 (CEDAT, 2002) (Comme en matière de marques ou des indications de provenance, il est admis qu'une appellation d'origine peut perdre ce caractère par usage generalize."); *Black Hills Jewelry Mfg. v. Gold Rush, Inc.*, 633 F.2d 746, 751 (8th Cir. 1980) ("Black Hills gold" would be generic if it meant "three-color gold grape and leaf design jewelry wherever produced."); See generally, *Abercrombie & Fitch Co. v. Hunting World, Inc.*, 537 F.2d 4, 9 (2d Cir. 1976); *King-Seeley Thermos Co. v. Aladdin Indus.*, 321 F.2d 577, 579 (2d Cir. 1963).

¹⁷ A classic example from trademark law might be "Alaska brand bananas." Because almost no adult would think that bananas can be/ would be grown in Alaska See *In re Nantucket, Inc.*, 677 F.2d 95, 97, n. 5 (C.C.P.A. 1982). But use of geographic words for evocative purposes could include geographic words which are considered "suggestive" in U.S. trademark doctrine.

¹⁸ U.S. Trademark 75888738

With these three purposes in mind – (1) to communicate geographic source, (2) to communicate (non-geographic) product qualities, and (3) to create evocative value – it is clear that the publicly acknowledged theory of geographical indications is that they serve a special combination of #1 and #2: to communicate a product's geographical source *AND* non-geographic qualities of the product that are related to its geographic origin. A goal of this Article is to scrutinize whether geographic words do or do not serve this special communicative purpose. In short, **what do words designating geographic origins do when used in commerce and why - and when - would we want to create legally enforceable, exclusive rights in such words?**

Because of the limited literature in this area, some groundwork is necessary. Part I lays out some basics about geographical indications. Part II then sketches the development of protection of geographic words prior to the TRIPS Agreement. Part III presents the TRIPS provisions on geographical indications as well as the status of the negotiations mandated by TRIPS Article 24.

The discussion then turns to an analysis of what animates the two sides in this debate. Part IV explores the practical and political foundations of the EU/JUSCANZ+ differences. These include a perception that geographical indications law benefit Old World producers much more than anyone else. Part V then moves to a deeper level, presenting six basic propositions that should inform any honest and reasonable discussion of further international standards on geographical indications:

1. Geographic words naturally migrate toward non-geographic product identification, i.e. Chinese food, camembert, french fries, saki, neopolitan pizza, etc. This is part of a broader phenomenon that when technology and techniques migrate, applicable terminology tends to follow.
2. It is this very migration that explains the present form of the law of geographical indications.

19 U.S. Trademark 75888738.

20 U.S. Trademark 74148286.

3. This migration in meaning suggests that the essential land/qualities nexus – the notion of *terroir* – is at least partly a myth. Indeed, present trends in geographical indications law shows increasing abandonment of the *terroir* idea.
4. At the same time, the essential land/qualities nexus was never necessary to support limited protection of geographical indications, but such limited protection should not extend to all phrases.
5. Where a geographic word has become generic, its protection as a geographical indication should only *follow* the return of non-generic, geographic meaning. Legal protection should reflect, not dictate, consumer understanding.
6. For those seeking additional protection of geographical indications, the actual goal is control of geographic words for their *evocative value in the marketplace*.

As to the last point, advocates of dilution doctrine and the general strengthening of trademark law are hardly unfamiliar with such goals.

Inherent in this analysis is an endorsement of the position taken in Article 24 of TRIPS – that if a geographic word in any particular market principally describes non-geographic product qualities, allowing its re-properitization without a *prior* shift in popular meaning would harm consumer welfare. Where the geographic word has not yet drifted into meaning non-geographic product qualities, it should be acceptable to create limited intellectual property rights, even where the land/qualities connection is non-unique.²¹ The justification for this intellectual property protection is the same as with a trademark: we do not require a particular company to produce truly unique qualities in its product before it is eligible for a trademark. But extending such intellectual property to include ALL quality descriptive uses of a protected geographic word is *usually* counter to consumer interests. In other words, prohibitions on

²¹ "Geographical indications" are usually understood as being geographic words that signal an *essential* or *unique* connection between the product's geographic origin and the product's established non-geographic qualities. I will call this the "essential land/qualities connection" and refer to such geographical indications as "essential connection GIs." But the EU now recognizes a two tier system: for the European Union a "geographical indication" is a geographical word that signals *any* connection between the product's originating region and the product's established non-geographic qualities or characteristics. In other words, the same product qualities may be produced by other regions or other production methods. See discussion, Part II, *infra*.

phrases like "Chianti style wine," "Dutch process" (for chocolate) and "méthode champenoise sparkling wine" are often inefficient and need to be decided on a case-by-case basis.

At the end of the day, the politics of geographical indications is fueled by concerns that extend beyond consumer protection and even beyond protection of the producers' private economic concerns. In fact, French law conceptualizes the *appellation d'origine* system as part of rural law and "consumption law" more than as intellectual property.²² Staunch advocacy of geographical indications law often connects to issues of (subsidy-based) agricultural production²³ as well as cultural heritage and preservation of a "way of life" in the face of globalization.²⁴ In that vein, the European Union has recently raised the geographical indications issue in the World Trade Organization's agricultural committee. Thus, geographical indications sit at a bizarre crossroads of contested issues – intellectual property, free expression, and agricultural policy.

I. THE BASICS OF GEOGRAPHICAL INDICATIONS

There is a complex vocabulary for geographical indications reflecting how the issue has been conceptualized in different countries and at different times. The result is some ambiguity in the use of basic terms. I will use the following four ideas:²⁵

- First, a **geographic word** is a noun or adjective that names/denotes a geographic place (among other possible meanings);
- Second, a **geographic identifier** or **indication of source** is any word, phrase, or symbol that designates the place where a product was produced – regardless of reputation.²⁶ So,

²² See, e.g. DOMINIQUE DENIS, APPELLATION D'ORIGINE ET INDICATION DE PROVENANCE 1 - 8 (Daloz, 1995) (Describing appellations d'origine system in French law and policy)

²³ Chen, *supra* note at 29 ("France hopes to place the successful marketing of [appellations of origin] at the heart of its agricultural policy."); Marie-Helene Bienamy, *La protection des mentions géographiques par les appellations d'origine contrôlées*, 237 REVUE DE DROIT RURAL (1996) (describing appellations laws as « an agricultural policy of the future. »)

²⁴ Marie-Helene Bienamy, Deputy Director of France's INAO, speaking at a WIPO symposium, reported at 5 WIPR 333 (1991).

²⁵ This is similar to, but has some differences with, the tripartite vocabulary introduced in Conrad, *supra* note ___ at 13-14

"made in Pantagonia" on ROM chips would be a geographical identifier even though Pantagonia has no particular reputation for computer chips. A word could be a geographical identifier even when products from that region had a poor reputation, like "Yugoslav car" or "Soviet consumer goods." It should be clear that every geographic identifier is or includes a geographic word, but not vice versa (*Avon* for cosmetics is a geographic word, but not a geographic identifier; "hecho en Mexico" is a geographic identifier and includes a geographic word).

- Third, a **geographical indication (GI)** will be any word, phrase, or symbol attached to a product that designates the place where a product was produced and that place has a reputation for producing that product with particular desirable qualities -- that is, a known *land/qualities* nexus. The qualities may result from human production factors, *but must always result from at least some factors related to the climatological, geological, or other environmental characteristics of the place*. It follows that every geographical indication is a geographical identifier, but not vice versa ("Industria Argentina" as applied to automobiles is a geographic identifier, but not an geographical indication; *PARMA* on ham from that Italian region is a geographical indication and, also, a geographic identifier).

There are two types of land/qualities connections in GI law as it has developed in some countries. If the product has known qualities that come *essentially* and/or *uniquely* from the producing region, we have the French *appellation d'origine* (*denominazione de Origine* in Italy or *denominações de origem* in Portugal). This is the traditional core of GI jurisprudence.

But the French system has not been uniformly adopted in Europe. In particular, German law has had a looser system of "indications of provenance" in which a region's product has a reputation for certain qualities, but the product qualities are *not* claimed to be unique to the producing region. I will call such cases "non-unique land/qualities connection" GIs. The European Union now has a two tier system for GIs covering both kinds. This is discussed in Part II.D.

Geographical indications usually are or include geographic words, names or adjectives denoting places; the geographic word is often coupled with the generic term for the product

²⁶ These are sometimes called **indications of source**, but I am not using that phrase because "indication of source" is often used in distinction to "geographical indication." See, e.g. Leigh Ann Lindquist, *Champagne or Champagne: an Examination of U.S. Failure to Comply with the Geographical Provisions of the TRIPS Agreement*, 1998 Ga. J. Int'l & Comp. L. 309, 312.

(*Irish whiskey, Parma ham*). Sometimes the word stands alone (*Scotch*). Typically, the places are either towns, villages, or sub-national geographic regions: states (*Idaho potatoes*), provinces, departments (*Cognac*), or counties (*Bourbon*). Although we think of the geographical indication as the name of the place that produces the good, some of the most famous GIs are actually the *ports of* embarkation for the producing region – *Porto wine, Bourbon whiskey, and Bordeaux wines* all take their name from the region’s shipping port, not the region. Similarly, *Parmesan* cheese, named for Parma, originated – and is still produced best – in the Reggio nell’Emilia district which is across the Enza River from the district (and city of) of Parma. The cheese is now formally called *Parmigiano-Reggio* and produced in both districts (as well as some other contiguous areas).²⁷

The Parmesan/Parmigiano-Reggio example points to another issue about geographical indications: the language of the indication. In the U.S., “Parmesan” is considered a generic word, but the latter hyphenated name is a protected GI under our certification mark law. The most curious example of this problem is probably the Czech town of Ceske Budejovice, which seeks global control of the **German** adjectival name for itself. The German adjective is *Budweiser*. German courts have found this to be perfectly reasonable; an Italian court thought this was a little suspicious.

It may be difficult to determine the exact boundaries of the region “indicated,” but too large a region undermines the likelihood of a legitimate *essential connection GI* --- because production factors spread over a very large contiguous region are unlikely to be (a) consistent across the region and (b) still unique to that region. “American wheat” presumably has little or no chance to succeed as an essential connection GI because any production factors over such a broad region that are *consistent* are probably not *unique* (against wheat production factors in Australia, Canada, Russia, etc.). Nonetheless -- and despite resistance to the idea historically²⁸

²⁷ PAMELA SHELDON JOHNS, PARMIGIANO 12 – 13 (1997)

²⁸ For example in 1975, the European Communities argued against Germany’s claim that “Sekt” was an indirect geographical indication, partly on the grounds that “the Federal [German] Government gave no example demonstrating that the territory of a whole country may also be the subject of an indirect indication of origin,” *EC v. Germany*, Judgement, *supra* note ___ at 185. French law does not permit country names to be protected *appellations d’origine* and, according to the California Wine Export Program, country names like “American” do not qualify as geographical indications under EU wine doctrine. See California Wine Export Program, 2000 European Union Wine Labeling Regulations Memo at 2-3 (on file with author) [hereinafter *California Export EU Wine Labeling Memo*].

-- names of countries can be protected as geographic indications in at least some legal systems, i.e. *Canadian whiskey*, *Irish whiskey*, *Colombian coffee*, or *Swiss chocolate*.

Occasionally geographic indications are terms or identifiers that are not names of places. The best example is the word "claret" as used in the British Isles. Derived from the French "clairet," in Britain "claret" came to refer exclusively to red Bordeaux wines.²⁹ A term like "claret" that is not a place name (or adjectival derivative) but is linked to a particular place is considered an "indirect geographic indication." Another example of an indirect geographical indication could be a bottle style that has been historically used for wine from one particular region and, thereby, becomes identified with that wine. Some commentators believe that such *indirect geographic indications* could even include "depiction of landmarks, familiar landscapes, heraldic signs, [and] well-known persons,"³⁰ a disturbing extension of the concept for anyone concerned about either evocative use of symbols in advertising or free expression in general.

A. The French system of appellations d'origine contrôlées

Although there were some laws in France, Portugal, and Tuscany controlling wine labeling as early as the 14th and 15th century³¹ and the vineyards of Medoc were delimited and classified under the Second Empire in 1855,³² France's influential system for protection of appellations was not established until well into the 20th century. The first modern French law to combat fraudulently labeled wines was passed in 1905, but the first government committee on appellations of origin for wines and *eaux de vie* was not established until 1935. In 1947, that committee became the *Institut National des Appellations d'Origine* (INAO),³³ which is now part of the Ministry of Agriculture.

²⁹ *EC v. Germany*, Opinion of Advocate-General Warner, *supra* note ___ at 204.

³⁰ Conrad, *supra* note ___ at 11-12. (giving examples of the Eiffel Tower {France}, the Matterhorn {Switzerland} and Mozart {Austria}).

³¹ Buhl, *supra* note __ at 331; Olszak, *supra* note ___ at 51.

³² Olszak, *supra* note ___ at 6; A. J. LEIBLING, BETWEEN MEALS: AN APPETITE FOR PARIS 160 (1959)

³³ See Code de la Consommation, Article L. 115-19 at Code Rural, Article L. 641-5 (establishing INAO); See also Olszak, *supra* note ___ at 10. A national committee on appellations d'origine for cheese was not established until 1955. Olszak, *supra* note ___ at 11.

The French system of *appellations d'origine contrôlée* (AOC) is founded on idea of *terroir*. “Terroir” has no direct English translation, but it has the same root as territory” and the French notion is simple: the product’s qualities *come with the territory*. As one Australian wine critic describes it:

terroir . . . translates roughly as ‘the vine’s environment,’ but has connotations that extend right into the glass: in other words, if a wine tastes of somewhere, if the flavours distinctly make you think of a particular place on the surface of this globe, then that wine is expressing its terroir.³⁴

Beliefs about *terroir* run deep, a subject we will turn to in Part V.C. In addition to “terroir,” I will use the idea of an “essential land/qualities nexus.”

French statutory law protects an appellation d’origine contrôlée (AOC) not just against unauthorized uses on the relevant products, but also against any use “likely to divert or weaken the renown of the appellation d’origine.”³⁵ This standard seems roughly similar to the protection accorded famous trademarks under U.S. federal dilution law.

The INAO regulates not just the geographic boundaries for each wine AOC, but all “conditions of production,” including the grape varieties, hectare production quotas, natural alcohol content during vinification,³⁶ permitted irrigation, etc. As described below, the INAO applies the same regulatory rigor to AOC cheeses and fruit-based spirit³⁷ (the second and third largest AOC product categories). The INAO works with “interprofessional” committees organized around specific products.³⁸ Based on recommendations from the interprofessional committees, the INAO establish new appellations contrôlées.³⁹

³⁴ MAX ALLEN, SNIFF, SWIRL, & SLURP: HOW TO GET MORE PLEASURE OUT OF EVERY GLASS OF WINE 24 (London, 2002); *See also Id.* at 29 (explaining that between Alsatian Pinto Gris and Italian Pinot Grigio white wines “the difference, of course, comes almost solely from the terroir”). For a cyberspace version of the “terroir” story, see www.beaucastel.com (“terroir” page).

³⁵ “[L]e nom géographique qui constitue l’appellation d’origine . . . ne peuvent être employé . . . pour aucun autre produit ou service lorsque cette utilisation est susceptible de détourner ou d’affaiblir la notoriété d’appellation d’origine. » Article L. 115-5, Code de consommation. Discussed *infra* ____.

³⁶ *Id.* at 10.

³⁷ *See, e.g.* « L’adjonction d’eau ou de colorants est interdite, » LE MONDE, August 20, 2002, at 8 (quoting requirements for the « calvados domfrontais » AOC issued on December 31, 1997.)

³⁸ For example, « Le Comité Interprofessionnel du Vin de Champagne » was organized in 1941. The « Interprofession des appellations cidricoles » organizes producers of cider, calvados, and other apple-

In the context of wines, appellations contrôlées exist in a rigorous framework for the control of *all* vocabulary for commercial labeling. For example, the EU reserves to its own producers the term “table wine” (“vin de table”), which is a broad category of lesser wines, but still denotes quality production, i.e. there cannot be Australian or Argentine “table wine” sold in the EU. Table wines are, in turn, prohibited not just from using protected appellations and confusing similar *names*, they are also prohibited from using many general terms. In other words, in France, a table wine cannot use “clos,” “tour,” “mont,” or “moulin” in its name because these are considered evocative of appellation or high-end wines.⁴⁰

B. *The American system of certification and collective marks*

In contrast to a separate system for protectin *appellations*, many countries subsume protection of geographical indications under trademark law, particular through the categories of “certification marks” and “collective marks.” A collective mark – a phrase coined by 1946 Lanham Act – is a trademark “used by the members of a cooperative, an association, or other collective group or organization,”⁴¹ a definition that could easily include a foodstuff producers’ cooperative or trade association which imposes its own standards.⁴² Certification marks are used to “certify regional or other origin, material, mode of manufacture, quality, accuracy, or other characteristics of . . . [the] good or service.”⁴³ They are owned by a certifying entity that does not itself produce the applicable goods or service. Examples include the “Good Housing” seal of approval, the “UL” mark (Underwriters’ Laboratory), and various trademarks used to designate kosher foods.

based spirits. See Jean-Jacques Lerosier, *In Normandie, des pommes, des poires, et des appellations contrôlées*, LE MONDE, August 20, 2002, at 8. There are committees organized for various types of wine, cheeses, « fragrant plants, » beets, flax, cider, tartar, semolina, etc. See *Le Comité Interprofessionnel du Vin de Champagne*, paper on file with the author.

³⁹ *Id.* at 11; Lerosier, *supra* note ___ (town of Domfrontais given AOC for calvados on December 31, 1997 and AOC for poiré [apple and pear-based spirit] on December 12, 2001.)

⁴⁰ Olszak, *supra* note ___ at 45.

⁴¹ 15 U.S.C. § 1127

⁴² In fact, McCarthy gives as one example of a likely collective mark holder “an agricultural cooperative of sellers of farm produce.” McCarthy, § 19.99 at 19-223.

⁴³ 15 U.S.C. § 1127.

The certification mark protects a geographical indication when it is used to “certify regional . . . origin.” For example, the State government of Idaho has three registered certification marks protecting different versions of *IDAHO POTATOES*;⁴⁴ the state government permits these trademarks to be used for only one species of potatoes - the Russet Burbank. Other types of potatoes actually grown in Idaho may not be labeled "Grown in Idaho." The commission has successfully persuaded at least one court that the *IDAHO POTATOES* marks convey a land/qualities nexus in "that most consumers believed they were purchasing Russet Burbanks when buying 'Idaho' potatoes."⁴⁵ Other examples of registered certification marks include *PARMIGIANO-REGGIANO*, *ROQUEFORT*, *STILTON*, and *CALIFORNIA CHEESE* for cheese, *PARMA* for ham, *DARJEELING* for tea, *WASHINGTON* for apples, and the (Florida) *SUNSHINE TREE* for citrus.⁴⁶

To maintain USPTO registration of a certification mark, the mark holder must maintain control over use of the mark; must *not* be a manufacturer of the certified products itself; must *not* allow it to be used for anything but certification of the relevant products; and must not discriminately “refuse to certify . . . good or services . . . [that] maintain the standards or conditions which such mark certifies.”⁴⁷ But, unlike the INAO, as long as the certification standards are applied non-discriminatorily, the USPTO does not care *what* the certification standards are. Similarly, the USPTO has absolutely no grounds to patrol the standards for

⁴⁴ U.S. Trademark 72394105 (Premium Packed Idaho Potatoes); U.S. Trademark 73575663 (*WASHINGTON*, owned by Washington State Apple Advertising Commission); U.S. Trademark 74189696 (Grown in Idaho Idaho Potatoes); U.S. Trademark 75258662 (Famous Idaho Potatoes, Famous Potatoes Grown in Idaho).

⁴⁵ See *Idaho Potato Comm'n v. Russet Valley Produce, Inc. (In re Russet Valley Produce, Inc.)*, 904 P.2d 566, 567 (Idaho 1995) (punishing a licensee for improperly shipping "non-Russet Burbank potatoes" with the "Idaho" label).

⁴⁶ U.S. Trademark 74398233 (*PARMIGIANO-REGGIO*, owned by Consorzio del Formaggio Parmigiano-Reggio) U.S. Trademark 71624872 (*ROQUEFORT*, owned by community/municipality of Roquefort); U.S. Trademark Registration No. 1,959,589 (*STILTON* certification mark owned by Stilton Cheese Makers' Association); U.S. Trademark 73421053 (*REAL CALIFORNIA CHEESE*, owned by California Department of Agriculture); U.S. Trademark Registration No. 2,014,628 (*PARMA*, certification mark owned by Consorzio del Prosciutto di Parma); U.S. Trademark Registration No. 1,632,726 (*DARJEELING* certification mark owned the Tea Board of India Corporation) U.S. Trademark (*THE FLORIDA SUNSHINE TREE* and *FRESH FROM THE SUNSHINE TREE* owned by Florida Department of Citrus).

⁴⁷ 15 U.S.C. § 1064(5).

membership in a collective using a collective mark – collective marks are not even subject to the statutory limitations of certification marks.⁴⁸

Both the USPTO and at least one American court have held that certification marks can, like other trademarks, exist as a matter of common law without USPTO registration – a position also endorsed by the Restatement.⁴⁹ In a case concerning *COGNAC* as an unregistered certification mark, the T.T.A.B. concluded that the critical issue is whether *control* is being exercised over the use of the word: the certification mark rights exist “if the use of a geographical indication is controlled and limited in such a manner that it reliably indicates to purchasers that the foods bearing the designation come exclusively from a particular region.”⁵⁰ Similarly, there is no reason that common law collective marks do not exist. Thus – a point generally overlooked by Europeans – if an *appellation* or *denominazione* is controlled locally in France or Italy, the producers export to the U.S., and *no one else in the U.S. is using the geographic words for the same product*, the appellation or denominazione has common law rights under U.S. trademark doctrine.

II. PRE-TRIPS INTERNATIONAL LEGAL DEVELOPMENT OF GEOGRAPHICAL INDICATIONS

From the late 19th century forward, concern for geographical identifiers made its way into several multilateral agreements and many more bilateral agreements. The United States entered into a bilateral agreement with Portugal on the use of *Porto* as early as 1910 and there

⁴⁸ And in many circumstances, “the only possible distinction” between the two kinds of marks “is one of form.”:

That is, as to a collective trade or service mark, the sellers are members of an organization with standards of admission, while as to a certification mark, sellers are not members of an organization, but their products are certified according to set standards. This means that creating an “association” and calling a mark a “collective” mark may be a way to avoid the strict duties which Lanham Act §14(e) applies to certification marks.

McCarthy, *supra* note ___, §19.99 at 19-224.

⁴⁹ Florida v. Real Juices, 330 F. Supp. 428 (M.D. Fla. 1971) (unregistered *SUNSHINE TREE* valid certification mark for citrus from Florida); Institut National des Appellations d’Origine v. Brown-Forman, 47 U.S.P.Q.2d 1875 (T.T.A.B. 1998) (*COGNAC* valid unregistered certification mark for purposes of opposing trademark registration using “Cognac”); RESTATEMENT (THIRD) OF UNFAIR COMPETITION, § 11 (1995).

⁵⁰ Institut National des Appellations d’Origine v. Brown-Forman, 47 U.S.P.Q.2d at 1885.

was a complex web of such treaties among European states.⁵¹ But for our purposes, three multilateral agreements and the European Union's own internal efforts at geographical indications law set the stage for both the present international standards and the present debate.

A. *The Paris Convention for the Protection of Industrial Property (1883) (1967)*

The Paris Convention on Industrial Property was established in 1883 and revised several times in the twentieth century.⁵² In 1994, its substantive standards were integrated into the TRIPS Agreement. Although Article 1 provides that the Convention includes within its coverage "indications of source or appellations of origin,"⁵³ the actual treaty obligations are cast at the more general level of what I have called geographical identifiers. The Convention is structured in such a way that the substantive obligations related to geographic identifiers in Articles 10 and 10bis are derivative on obligations regarding trademarks.⁵⁴ Article 9 of the Convention requires countries to seize "on importation" goods unlawfully bearing a trademark or trade name.⁵⁵ If seizure is not available as a matter of domestic law, then Article 9 obligations may be met "by prohibition of importation or by seizure *inside* the country."⁵⁶ Article 10 then provides:

"The provisions of the preceding Article [Article 9] shall apply in case of direct or indirect use of false indication of the source of the goods or the identity of the producer, manufacturer, or merchant."⁵⁷

⁵¹ Buhl, *supra* note __ at 340 – 341 (listing some of France's bilateral treaty's prior to EU competence in this area).

⁵² For an account of the origins of the Paris Convention, see STEPHEN P. LADAS, I PATENTS, TRADEMARKS, AND RELATED RIGHTS: NATIONAL AND INTERNATIONAL PROTECTION, chapter 4 (1975).

⁵³ Paris Convention for the Protection of Industrial Property, opened for signature Mar. 20, 1883, art. 1(2), 21 U.S.T. 1583, 828 U.N.T.S. 305 (revised at Brussels on Dec. 14, 1900, at Washington on June 2, 1911, at The Hague on Nov. 6, 1925, at London on June 2, 1934, at Lisbon on Oct. 31, 1958, and at Stockholm on July 14, 1967 and as amended on September 28, 1979.) [hereinafter, "Paris Convention"]

⁵⁴ Article 10ter also provides procedural components for enforcement of unfair competition and false indications: Article 10ter(1) requires a member state to provide "appropriate legal remedies" to nationals of other member states, while 10ter(2) seeks to ensure that "federations and associations representing interested industrialists, producers, or merchants" to enforce Article 10 and 10bis rights.

⁵⁵ Paris Convention, art. 9(1).

⁵⁶ Paris Convention, art. 9(5) (emphasis added).

⁵⁷ Paris Convention, art. 10(1).

The last disjunctive phrase (or the identity of the producer, manufacturer, or merchant) makes it clear that the prior phrase ("false indication of the source of the goods") means *geographic* source. Neither Article 10 nor any other provision of the Convention defines an "indication," so apparently no link between product qualities and producing region is required. In other words, the Article 10 obligation appears to require legal protection of geographic *identifiers* generally: the provisions apply to "Made in Japan" or "Industria Brasileira" on any goods as well as *ROQUEFORT* on cheese. Article 10 dates back to the original Paris Convention and is now an obligation on all WTO member through Article 2(1) of the TRIPS Agreement.

The Paris Convention also includes Article 10bis, which provides that member countries of the Paris Convention are generally "bound to assure to nationals of such countries effective protection against unfair competition"⁵⁸ and specifies that "[a]ny act of competition contrary to honest practices in industrial or commercial matters constitutes an act of unfair competition."⁵⁹ Article 10bis(3) also provides that the following shall be prohibited:

"indications or allegations the use of which in the course of trade is liable to mislead the public as to the nature, the manufacturing process, the characteristics, the suitability for their purpose, or the quantity of the goods."⁶⁰

On its face, Article 10bis(3) could be interpreted to apply to GIs, but its drafting history indicates otherwise. The Article 10bis language was added to the Convention at the 1958 Lisbon Revision Conference and originated in a proposal from the Austrian delegation. The original language proposed by Austria was to create a prohibition where the indication was "liable to mislead the public as to the nature, **the origin**, the manufacturing process, the characteristics, the suitability for their purpose, or the quantity of the goods." The United States insisted that "the origin" be removed from the provision, strongly suggesting that

⁵⁸ Paris Convention, art. 10bis(1)

⁵⁹ Paris Convention, art. 10bis(2)

⁶⁰ Paris Convention, art.10 bis(3)(3). Article 10bis(3) appears generally aimed at false or misleading advertising vis-a-vis competitors, i.e. "allegations" in 10bis(3)(2) and (3) and "acts [which] . . . create confusion . . . with the establishment, the goods, or the . . . activities, of a competitor" (10bis(3)(1)), but the 10bis(3)(3) inclusion of "indications: seems to return to issues of product labeling.

10bis(3) should not be interpreted as creating a treaty obligation vis-a-vis the land/qualities nexus of GIs.⁶¹

B. Madrid Agreement for the Repression of False or Deceptive Indications of Sources of Goods (1891)

The originally narrow scope of Article 10 of the Paris Convention may have helped fuel a prompt return to the subject of geographical indications at the end of the 19th century, producing the Madrid Agreement of 1891.⁶² As with the Paris Convention, additional diplomatic conferences have met to amend the Madrid Agreement. Although the treaty is now more or less a diplomatic dead-end, it shows the development of thinking about legal protection of geographic identifiers.

The Madrid Agreement alters the standards in the Paris Convention in a few ways. First, whereas Paris Convention Article 10 requires *false* indications to be seized on importation, Article 1(1) of the Madrid Agreement provides that "[a]ll goods bearing a false *or deceptive* indication by which . . . a place . . . is directly or indirectly indicated as being the country or place or origin shall be seized on importation . . ."⁶³ Strictly speaking, this marks an expansion of liability to include the effect of the designation on the consumer.⁶⁴ Second, Article 3bis, which was added to the Madrid Agreement at a diplomatic conference in 1934, expanding the commitment to fight false or deceptive marks or source indications "appearing on signs, advertisements, invoices, wine lists, business letters or papers, or any other communication." This marks a shift from a focus on deceptively marked goods to fighting deception throughout channels of commerce.⁶⁵

⁶¹ See J. Thomas McCarthy and Veronica Colby Devitt, *Protection of Geographic Deonominations: Domestic and International*, 69 TMR 199, 203 (1979).

⁶² Madrid Arrangement on the suppression of false or misleading indications of provenance of April 14, 1891, 828 U.N.T.S. 163 (last revised at Stockholm on July 14, 1967)

⁶³ Note that this may expand the Paris Article 10 coverage less than first appears because Paris Article 10 already applied to "*indirect* use of false indication of the source of the goods" which would seem to capture many, if not most, practices that could be called deceptive, but not directly false.

⁶⁴ A standard of a "false" designation seems to require less analysis of the consumer's reaction to the designation in the sense that the plain meaning of the word renders it true or false in relation to the goods to which it is attached.

⁶⁵ It is worth noting that instead of using the "false or deceptive" formulation of Article 1(1), the standard in Article 3bis is "capable of deceiving the public," arguably reaching an wider field of messages, just as likelihood of confusion is a looser standard than confusion and likelihood of dilution is a looser standard than (actual) dilution. The official French version of the text has as or more significant a difference in the

But most importantly for our purposes, the Madrid Agreement marked the first time wine-specific rules entered a modern multilateral treaty. Article 4 provides:

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, however, excluded from the reservation specified by this Article.

In other words, while the Madrid obligations applied to geographical identifications, Article 4 permits a national court determination that a geographical identifications/identifier has become generic within that country, effectively triggering a treaty-level reservation concerning that word. But Article 4 then immediately eliminates this possibility vis-a-vis terms of viticulture, i.e. Chianti, Burgundy, Port, etc.

C. *Lisbon Agreement on the Protection of Appellations of Origin and their International Registration (1958)*⁶⁶

Neither the Madrid Agreement nor the Paris Convention introduce a full-blown notion of "geographical indications." It was not until 1958 that concerned countries drafted a multilateral convention to create international registration of geographical *indications* similar to the system for international registration of trademarks established at the end of the 19th century. The Lisbon Agreement focuses directly on geographical indications, finally using the term *appellations of origin* in a multilateral instrument. Article 2(1) of the agreement provides:

Article 1(1) standard ("une indication fautive ou fallacieuse") versus the Article 3bis standard (les "indications . . . susceptibles de tromper le public"). Text from the World Intellectual Property Organization website, at [http://clea.wipo.int/lpbin/lpext.dll?f=file\[ibrowse-j.htm](http://clea.wipo.int/lpbin/lpext.dll?f=file[ibrowse-j.htm) or [HTTP://CLEA.WIPO.INT/PDFFILES/French/WO/WO032FR.PDF](http://CLEA.WIPO.INT/PDFFILES/French/WO/WO032FR.PDF). Similarly, the Spanish text uses "una indicación falsa o engañosa" in Article 1(1) and "las indicaciones que . . . sean susceptibles de equivocar al público" in Article 3bis. See [HTTP://CLEA.WIPO.INT/PDFFILES/Spanish/WO/WO032ES.PDF](http://CLEA.WIPO.INT/PDFFILES/Spanish/WO/WO032ES.PDF)

⁶⁶ Lisbon Agreement for the Protection of Appellations of Origin and their International Registration of October 31, 1958 (as revised at Stockholm on July 14, 1967, and as amended on September 28, 1979), 923 U.N.T.S. 189 (English text of Stockholm revision begins at 215); See also WIPO Pub. No. 264(E) at [HTTP://CLEA.WIPO.INT/PDFFILES/English/WO/WO012EN.PDF](http://CLEA.WIPO.INT/PDFFILES/English/WO/WO012EN.PDF).

“appellation of origin” means 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 factors.

Note two things about this foundational definition. First, the definition would seem to exclude indirect geographical indications (for example, bottle shapes) and words, phrases, and symbols which serve as geographical indications, but are not geographic names (like *claret* for Bordeaux wines or *vinho verde* for certain Portuguese wines). Second, the definition requires that the land/qualities connection be *exclusive* or *essential*. I believe that these two terms should be interpreted as the same (OR so overlapping as to leave us without any cases that fall under one and not the other).

The system envisioned by the Lisbon Agreement is both simple and rigorous. Each country decides how its domestic law will determine that a geographical indication is protected (whether judicial or administrative process). Once a geographical indication is protected in its country of origin and duly registered with the World Intellectual Property Organization (WIPO), all member countries of the Lisbon Agreement are required to protect that GI within their own borders. The scope of protection is broad. Article 3 expressly provides:

"Protection shall be ensured against any usurpation or imitation, even if the true origin of the product is indicated or if the appellation is used in translated form or accompanied by terms such as 'kind,' 'type,' 'make,' 'imitation,' or the like."⁶⁷

Thus, the holder of the geographical indication has the right to stop *any* use in a descriptive phrasing such as "Port-like fortified wine" or "imitation Chianti."

It is unclear what the extent of protection against “usurpation” entails. As described above, French statutory law protects an appellation against any use “likely to divert or weaken the renown of the appellation d’origine,”⁶⁸ a standard which is one possible understanding of

<<<http://www.wipo.org/eng/main.htm>>> (under Documents, Texts of WIPO-Administered treaties, Lisbon agreement) (visited April 13, 2000)

⁶⁷ Lisbon Agreement, art. 3.

⁶⁸ “[L]e nom géographique qui constitue l’appellation d’origine . . . ne peuvent être employés . . . pour aucun autre produit ou service lorsque cette utilisation est susceptible de détourner ou d’affaiblir la notoriété d’appellation d’origine. » Article L. 115-5, Code de consommation. Discussed *infra* ____.

protection against "usurpation." Whether or not protection against "usurpation" is this French standard and/or something similar to U.S. dilution law, it unquestionably decouples legal protection from any kind of consumer confusion. This "usurpation" standard has appeared in bilateral agreements concerning geographical indications where at least one country is an EU member,⁶⁹ but was not adopted in TRIPS.

While a country might determine that an "appellations of origin" is protected through judicial or bureaucratic processes, the Lisbon Agreement leaves no room for anything short of an "appellation" system. Article 1(2) makes it clear that the treaty obligation extends only to "appellations of origin of products . . . recognized and protected *as such* in the country of origin" (emphasis added)⁷⁰ Protecting appellations as certification or collective trademarks appears to be inadequate.

On the key issue of genericness, the Lisbon Agreement appears to permit member countries to decline to provide protection to any GI which has become generic in that country. Article 6 provides that once a GI has been recognized in a country pursuant to the treaty regime, it can never be declared a generic term.⁷¹ But recognition in country A of country B's claimed GI may be *initially* refused pursuant to Article 5(3).⁷²

⁶⁹ See, e.g. Article 5(2) of the Convention between the French Republic and the Spanish State on the protection of Designations of Origin, signed in Madrid on June 27, 1973 (Journal Officiel de la Republique Francais, April 18, 1975, at 4011), discussed extensively in *Exportur SA v. LOR SA and Confiserie du Tech*, European Court of Justice, Case C-3-3/91, 1992 E.C.R. 5529.

⁷⁰ The official French text is arguably more demanding, requiring that the protected appellation of origin be "reconnues et protégées à ce titre dans le pays d'origine," arguably meaning that the phrase "appellations d'origine" or a close linguistic translation must be used in the country's domestic legal regime. See <[HTTP://CLEA.WIPO.INT/PDFFILES/French/WO/WO012FR.PDF](http://CLEA.WIPO.INT/PDFFILES/French/WO/WO012FR.PDF)>

The Spanish text seems to more closely follow the "as such" construction in English ("denominaciones de origen de los productos de los otros países de la Unión particular, reconocidas y protegidas como tales en el país de origen"). See <[HTTP://CLEA.WIPO.INT/PDFFILES/Spanish/WO/WO012ES.PDF](http://CLEA.WIPO.INT/PDFFILES/Spanish/WO/WO012ES.PDF)>

⁷¹ "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." Lisbon Agreement, art. 6.

⁷² Which provides that "(3) The Office of any country may declare that it cannot ensure the protection of an appellation of origin whose registration has been notified to it, but only in so far as its declaration is notified to the International Bureau, together with an indication of the grounds therefor, within a period of one year from the receipt of the notification of registration, and provided that such declaration is not detrimental, in the country concerned, to the other forms of protection of the appellation which the owner thereof may be entitled to claim under Article 4, above." The reference to Article 4 establishes that this kind of administrative "reservation" vis-a-vis a particular GI will not automatically denude the GI of

As of July 15, 2001, there were only 20 states which are parties to the Lisbon Agreement and participating in its WIPO-administered registration system. This group includes nine European countries, only three of which are EU members (France, Portugal, and Italy); six states on the African continent (Algeria, Burkina Faso, Congo, Gabon, Togo, and Tunisia), four countries in the Americas (Mexico, Cuba, Costa Rica, and Haiti), and Israel.⁷³

D. The European Union's Pre-1994 Harmonization of GI Protection

In addition to these three global treaties, there was recognition of geographical indications in other multilateral and bilateral agreements pre-dating TRIPS. For example, in 1993 Andean Group countries recognized the right to exclusive use of proper "appellations of origin."⁷⁴ But perhaps the most important multilateral development of geographical indication principles prior to TRIPS was European Community Council Regulation 2081/92, on the protection of geographical indications and designations of origin for agricultural products and foodstuffs (the "1992 Origin Regulation").⁷⁵ The 1992 Origins Regulation does not apply to wines or spirits, where the rules on geographical indications are embedded in a web of broader industry regulations dating back at least to 1962. The most important pieces of that regulatory framework for our purposes is Council Regulation No. 1493/1999 of May 17, 1999 ("1999 Wine Regulation"),⁷⁶ recently supplemented by 2002 Wine Regulations. But for purposes of understanding pre-TRIPS developments and the basics of EU law on geographical indications, let us start with the 1992 Origins Regulation.

possible protection under the separate treaty obligations arising from the Paris Convention and the Madrid Agreement. See Lisbon Agreement, art. 4. *But see* Conrad, *supra* note ___ at 26 ("... the Agreement does not make exceptions for terms that have already become generic in some member countries.")

⁷³ Current membership list available from WIPO at <<http://www.wipo.org/treaties/registration/lisbon/index.html>>.

⁷⁴ See CARLOS M. CORREA, INTELLECTUAL PROPERTY RIGHTS, THE WTO AND DEVELOPING COUNTRIES: THE TRIPS AGREEMENT AND POLICY OPTIONS 114 (2000).

⁷⁵ [1992] 35 O.J. L208/1 [hereinafter "1992 Origins Regulation"]. According to Annexes I and II of the Regulation, it harmonizes EU law for beer; natural mineral waters and spring waters; beverages made from plant extracts; bread, pastry, cakes, confectionery, biscuits and other baker's wares; natural gums and resins; hay; and "essential oils." *Id.* at 208/8. The Regulation "shall not apply to wine products or spirit drinks." *Id.* at 208/2.

⁷⁶ Council Regulation (EC) No. 1493/1999 of 17 May 1999 on the common organization of the market in wine, [1999] O.J. L.197/1 [hereinafter "1999 Wine Regulation"]. Available at <http://europa.eu.int/eur-lex/en/lif/reg/en_register_036055.html>

Article 2(2) of the EU Origin Regulation gives us two definitions as described in Part I. The first is "designations of origin":

(a) *designation of origin* means the name of a region, a specific place or, in exceptional cases, a country, used to describe an agricultural product or a foodstuff:

- originating in that region, specific place or country, and
- the quality or characteristics of *which are essentially or exclusively due* to a particular geographical environment with its inherent natural and human factors, and the production, processing and preparation of which takes place in the defined geographical area;

(Emphasis added) Thus, designations of origin are the romantic core of the idea of geographical indications. There is a requirement of an essential connection between the land and the product's qualities – a requirement now manifested in TRIPS Article 22. This is the French notion of *terroir*. The EU Origins Regulation has a second kind of GI is broader:

(b) *geographical indication* means the name of a region, a specific place or, in exceptional cases, a country, used to describe an agricultural product or a foodstuff:

- originating in that region, specific place or country, and
- which posses a specific quality, reputation, or other characteristics attributable to that geographical origin and the production and/or processing and/or preparation of which takes place in the defined geographical area.

Thus, what the Origins Regulation calls a "geographical indication" is a product with a lesser link between its qualities and the land: the requirement is that the qualities be "attributable" to the product's geographical origin, but not necessarily "exclusively" or "essentially" so. These are what I have called *non-unique connection geographical indications*. According to the Regulation's recitals, this two tier system was appropriate because of "existing practices" in EU

member states⁷⁷ -- in short neither the French nor the Germans would give up their own approach to the issue.

Article 2(3) provides for *indirect* designations of origin at least as to "names" (not necessarily symbols). More interestingly, Article 2(4) allows for some geographical indications to be protected even "where the raw materials of the products concerned come from a geographical area larger than or different from the processing area."⁷⁸ At first blush, this appears to be the result of lobbying by interests who realized that their product "inputs" would disqualify them from the strict standards of Article 2(2)(a).

Article 5(1) provides that registrations under the Origin Regulation are to be given to groups or associations of "producers and/or processors working with the same agricultural product or foodstuff," although in exceptional circumstances a natural or legal person can apply for registration. Application for registration is done via an EU Member State's government to the Commission.⁷⁹ After an application is received, the Commission will then entertain an objection from any Member States or "any 'legitimately concerned natural or legal person'"⁸⁰ Successful registration results in a "protected designation of origin" (or "PDO") or a "protected geographical indication" (or "PGI").⁸¹ Article 13(1) establishes the protection enjoyed by PGIs and PDOs; there is no differentiation between the two:

"Registered names shall be protected against:

- (a) any direct or indirect commercial use in respect of products not covered by the registration insofar as those products are comparable to the products registered under that name or insofar as using the name exploits the reputation of the protected name;
- (b) any misuse, imitation or evocation, even if the true origin of the product is indicated or if the protected name is translated or

⁷⁷ 1992 Origins Regulation, *supra* note ____ at 208/2.

⁷⁸ This impression is reinforced by Article 2(7) which limits the 2(4) exception to applications lodged "within two years of the entry into force of this Regulation," obviously intending to grandfather in certain producer(s). EU Origin Regulation, *supra* note at art. 5, at 208/3.

⁷⁹ 1992 Origin Regulation, art. 5; *see also* In re Pistre and Others, E.U. Court of Justice case C 321-324/94, [1997] 2 C.M.L.R. 565, 573.

⁸⁰ *In re Pistre and Other* Opinion of Advocate-General Jacobs, para. 20, *supra* note ____ at 573

⁸¹ *In re Pistre and Other* Opinion of Advocate-General Jacobs, para. 21, *supra* note ____ at 573

- accompanied by an expression such as 'style,' 'type,' 'method,' 'as produced in,' 'imitation' or similar;
- (c) any other false or misleading indication as to the provenance, origin, nature, or essential qualities of the product, on the inner or outer packaging, advertising material or documents relating to the product concerned, and the packaging of the product in a container liable to convey a false impression as to its origin."⁸²

Finally, there is a catch all provision for "any other practice liable to mislead the public as to the true origin of [a] product."⁸³ It should be clear that this list mixes *consumer*-oriented standards (all of which involve different probabilities of deception or misleading) with *producer*--oriented standards that form purer property rights over a word, i.e. what use on *any* unauthorized product would NOT arguably "exploits the reputation of the protected name"?

The Commission has taken the position that the EU-level registration system pre-empts national registration systems, but some commentators and at least one EU Member State, Italy, have argued otherwise.⁸⁴ Examples of protected geographical names under the Origin Regulation are Orkney beef [UK], jambon d'Ardenne [Belgium], Roquefort cheese [France], and Jersey Royal potatoes [UK]. Professor Andre Bertrand reasons that the more restrictive definition of a "protected designation of origin" modified French law vis-à-vis the definition of an appellation d'origine, transferring the *essentiality* requirement into French law.⁸⁵

In contrast, EU regulations concerning wine GIs exist in an environment in which "the rules governing the common organization of the market in wine are extremely complex."⁸⁶ Article 50 of the 1999 Wine Regulation gives EU member states more general directions to "take all necessary measures" to protect geographical indications for wine from *third countries* in accordance with Articles 23 and 24 of TRIPS. Article 51 through 53, in combination with Annexes VII and VIII, then create a system that leaves most control in the hands of the member

⁸² 1992 Origins Regulation, art. 13(1), *supra* note ___ at 208/6.

⁸³ 1992 Origins Regulation, art. 13(1)(d), *supra* note ___ at 208/6.

⁸⁴ Beier and Knaak, *The Protection of Direct and Indirect Geographical Indications of source in Germany and the European Community*, 25 IIC No.1/1994.

⁸⁵ ANDRE BERTRAND, *LE DROIT DES MARQUES, DES SIGNES DISTINCTIFS ET DES NOMS DE DOMAINE*, §3.44 at 145 (CEDAT, 2002)

⁸⁶ 1999 Wine Regulation, *supra* note ___, Recital 10 at 2.

states to “use the name of a specified region” to designate wines from that region.⁸⁷ This allows the French, Italian, and other appellation systems to apply to wines along the same lines as the framework provided by the Origins Regulation.

III. THE TRIPS PROVISIONS ON GEOGRAPHICAL INDICATIONS

The negotiation of the TRIPS Agreement has been described and dissected in detail by several writers and commentators.⁸⁸ Sometimes geographical indications is pointed out as a unique EU v. U.S. debate against a general backdrop of U.S./Japan/EU. But geographical indications was just one area where there were tensions between the major developed economies -- others included rental rights on music, basic elements of patent law, and certain issues related to audiovisual works.⁸⁹

The European Union's interest in protecting geographical indications came into the Uruguay Round negotiations as early as 1987, when the Europeans proposed "guidelines" for negotiating an intellectual property component in the next GATT trade round.⁹⁰ But it was not until 1990 -- and the introduction of draft treaty texts -- that the contours of the debate crystallized. The critical texts for our purposes are the European Communities' March 1990

⁸⁷ 1999 Wine Regulation, *supra* note __, Article 52 at 27.

⁸⁸ TERENCE P. STEWART, 2 THE GATT URUGUAY ROUND, A NEGOTIATING HISTORY, 2245 - 2313 [chapter on TRIPS] (1993); FROM GATT TO TRIPS – THE AGREEMENT ON TRADE-RELATED ASPECTS OF INTELLECTUAL PROPERTY RIGHTS (edited by Friedrich-Karl Beier and Gerhard Schriker) 135 – 139 (1996); *see also* Conrad; *supra* note __ at __; *See generally* MICHAEL P. RYAN, KNOWLEDGE DIPLOMACY: GLOBAL COMPETITION AND THE POLITICS OF INTELLECTUAL PROPERTY (1997); SUSAN K. SELL, POWER AND IDEAS: NORTH-SOUTH POLITICS OF INTELLECTUAL PROPERTY AND ANTITRUST (1998); JAYASHREE WATAL, INTELLECTUAL PROPERTY RIGHTS IN THE WTO AND DEVELOPING COUNTRIES 9-47 (2001) (detailing the North-South negotiation process); Correa, *supra* note ____ at 3 (noting that “[I]ndustrialized countries forced developing countries to initiate negotiation of an agreement on TRIPS with the clear objective of universalizing the standards of IPR protection that the former had incorporated in their legislation”); Marci A. Hamilton, *The TRIPS Agreement: Imperialistic, Outdated, and Overprotective*, 29 VAND. J. TRANSNAT’L L. 613 (1996).

⁸⁹ Stewart, *supra* note __ at 2313.

⁹⁰ *Guidelines Proposed by the European Communities for the Negotiation of Trade-Related Aspects of Intellectual Property Rights*, GATT Doc. No. MTN.GNG/NG11/W/16 (November 20, 1987) and *Submissions from Participants on Trade Problems Encountered in Connection with Intellectual Property Rights*, GATT Doc. No. MTN.GNG/NG11/W/7 (May 29, 1987) at 2-3 (European Union submitting that “[t]he protection of appellations of origin and of other geographical indications is of fundamental

draft ("EU draft"),⁹¹ the United States' May 1990 draft ("US draft"),⁹² and the merger/compromise of these conflicting approaches in the draft presented by GATT Director Arthur Dunkel on December 20, 1991 (the "Dunkel Draft").⁹³

The initial US draft sought to limit protection of geographical indications in three ways: only for wines, only when they were "non-generic" and *only when the public was misled or deceived*:

"Contracting parties shall provide protection for non-generic appellations of origin for wines by prohibiting their use when such use would mislead the public as to the true geographic origin of the wine."⁹⁴

While this language implicitly confronted the EU's desire for the United States to turn back the clock on the "genericization" in North America of terms like "chablis" and "champagne," the broader differences become apparent when one looks at the proposal in the EU draft:

"Geographical indications shall be protected against any use which constitutes an act of unfair competition, including use which is susceptible to mislead the public as to the true origin of the product. [sic] Shall notably be considered to constitute such:

importance" and that "the wine and spirit sector is one which is particularly vulnerable to imitation, counterfeit and usurpation [which causes] damage not only to producers, . . . but also to consumers. . . .")

⁹¹ *Draft Agreement on Trade-Related Aspects of Intellectual Property Rights, Communication from the European Community*, GATT document MTN.GNG/NG11/W/68 (March 29, 1990), reprinted in 10 WIPR 128 (1990) [hereinafter "EU Draft"].

⁹² *Draft Agreement on the Trade-Related Aspects of Intellectual Property Rights, Communication from the United States*, GATT document MTN.GNG/NG11/W/70 (May 11, 1990), reprinted in 10 WIPR 128 (1990) [hereinafter "US Draft"].

⁹³ TRIPs (Annex III), DRAFT FINAL ACT EMBODYING THE RESULTS OF THE URUGUAY ROUND OF MULTILATERAL TRADE NEGOTIATIONS, GATT Doc. No. MTN.TNC/W/FA (December 20, 1991) GATT Secretariat UR-91-0185 [hereinafter "Dunkel Draft"]. There was also a draft treaty text submitted to the GATT Brussels Ministerial meeting in December 1990 which had some bearing on the GI issue, see *Agreement on Trade-Related Aspects of Intellectual Property Rights, Including Trade in Counterfeit Goods in Draft Final Act Embodying the Results of the Uruguay Round of Multilateral Trade Negotiations*, GATT Doc. No. MTN. TNC/W/35/Rev.1 (December 3, 1990) {hereinafter "Brussels Draft"}. In 1990, there were three other draft treaty texts introduced – by Switzerland, Japan, and a coalition of developing countries [including Argentina, Brazil, Nigeria, Egypt, China, Chile, and Tanzania], but those three additional drafts were not central to the geographical indications issues.

⁹⁴ US Draft, *supra* note ___ at art. 19.

- “any direct or indirect use in trade in respect of products not coming from the place indicated or evoked by the geographical indication in question;
- “any usurpation, imitation or evocation, even where the true origin of the product is indicated or the appellation or designation is used in translation or accompanied by expressions such as 'kind,' 'type,' 'style,' 'imitation,' or the like;
- "the use of any means in the designation or presentation of the product likely to suggest a link between the product and any geographical area other than the true place of origin." ⁹⁵

Not surprisingly, this proposal is reminiscent of Article 13 of the EU Origins Regulation which was finalized ___ months later. In addition, the EU draft included a specific definition of "geographical indications" (discussed below) and a separate article on steps a country could take to prevent a geographical indication from becoming generic.⁹⁶

The EU draft proposal had enormous breadth. First, the EU draft prohibition covered any "act of unfair competition, . . . including use which is susceptible to mislead the public" making it clear that “unfair competition” was a concept more extensive than – and decoupled from – consumer confusion. Second, the definition of GI was not limited to verbal indications. Third, the prohibition on any "use of any means in the designation or presentation of the product likely to suggest a link between the product and any geographical area other than the true place of origin" is very broad. Would a chocolate which says "Girardelli – San Francisco 1881" be liable under this final criterion because Girardelli chocolates are now principally made on the other side of the bay in San Leandro? (Consider the examples in the ‘virtual supermarket’ *discussion, infra.*)

By November 1991, it had become clear that the *basic* protection of *all* geographical indications would have to be at a lower level than those sought by the EU. This can be inferred from the November 1991 working paper of negotiations chairman Arthur Dunkel which identified twenty issues concerning the level of intellectual property protection that had to be resolved before proceeding with treaty drafting. On the topic of geographical indications, the working paper identified the critical issue as being whether wines and spirits should be granted

⁹⁵ EU Draft, *supra* note ___ at art. 20(1)

⁹⁶ EU Draft, *supra* note ___ at art. 19 and art. 21, respectively. [ELABORATE]

additional protection.⁹⁷ This question was answered, at least for political purposes, in the affirmative in the December 1991 Dunkel Draft.

The Dunkel Draft was presented to negotiators as a package, for "up or down" approval. At this juncture, the United States was focused on issues of importance to the pharmaceutical and motion picture industries.⁹⁸ Further American concerns about Articles 22-24 became muted. In its final form, the TRIPS Agreement's protection of geographical indications can be thought of as having two broad effects. First, there is the extension of the unfair competition components of the Paris Convention to apply to geographical indications (through TRIPS Article 22). Second, there are additional GI protections established in TRIPS Articles 23-24. This additional menu of protection can itself be thought of as having four components:

- (a) the additional obligation to protect wine and spirits geographical indications in **Article 23**;
- (b) limitations and exceptions to these (a) and (b) obligations in **Article 24(4) - (9)**;
- (c) the obligation to conduct further negotiations to protect wine and spirit geographical indications in **Article 23 (4) and 24 (1)**.

Each of these is elaborated below.

At the outset, we should be clear what TRIPS does not do. The TRIPS Agreement is silent as to the mechanism of protection; it does not require the establishment of geographical indications or appellations of origin "as such". This open-endedness, if not ambiguity, is the obvious result of the two systems at issue. Article 18 of the US draft had proposed forcing countries to protect geographical indications "by providing for their registration as certification or collective marks."⁹⁹ This was a non-starter for continental systems with *appellation d'origine* laws and was probably proposed by the U.S. for just that purpose: to emphasize that either side could insist that the other side change its law. The natural upshot of the dueling

⁹⁷ *Progress of Work in Negotiating Groups: Stock-Taking*, GATT Doc. No. MTN.TNC/W/89/Add.1 (November 7, 1991); See also Stewart, *supra* note ___ at 2279.

⁹⁸ See Stewart, *supra* note ___ at 2284.

⁹⁹ US Draft, *supra* note ___ at art. 18.

drafts was a search for treaty language that would allow each country to fulfill these international legal obligations through their own particular domestic law tools.

A. *Article 22(1)*

Article 22 provides the principle TRIPS protection for GIs. Article 22(1) gives a definition of geographical indications and has two elements that warrant our attention as developments of international standards beyond what existed prior to TRIPS.

1. **The definition of a "geographical indication"**

The definition of a geographical indication in Article 22 is worth studying because it is now unquestionably the international legal norm in this area and because it differs from both prior international definitions and the definition in many domestic laws. Article 22(1) provides:

"Geographical indications are for purposes of this Agreement, indications which identify a good as originating in the territory of a Member, or a region or locality in that territory, where a given quality, reputation, or other characteristic of the good is essentially attributable to its geographical origin."

There are a couple important things to note about this definition. First, it is not limited to verbal designations, so images and packaging are included. Second, this provision is not limited to food stuffs, but does apparently exclude services.¹⁰⁰ So Kyoto geisha services would not be eligible, but Botswanan baskets, Egyptian cotton, and Turkish kilims would be. Still, for all practical purposes, the law of geographical indications is about foodstuffs.¹⁰¹

¹⁰⁰ Conrad, *supra* note ___ at 33-34; Communication from New Zealand, September 18, 2000, World Trade Organization, Council for Trade-Related Aspects of Intellectual Property Rights (TRIPS Council), WTO document IP/C/W/205 (00-3673) at 2 (wording of TRIPS Agreement "cover(s) geographical indications for all goods, including industrial goods.") [hereinafter *New Zealand September 2000 TRIPS Council Submission*]. *But see* Carolina Hungria de San Juan Paschoal, *Geography, Source, and Origin: the legal framework*, TRADEMARK WORLD (United Kingdom), TM 152(38), November 2002 (reasoning that "it is possible to have services protected by a geographical indication, such as 'Swiss Banking Services.'")

¹⁰¹ *See, e.g.* DOMINIQUE DENIS, APPELLATION D'ORIGINE ET INDICATION DE PROVENANCE 1 (Daloz, 1995) (« Les appellations d'origine hors de ce secteur [agro-alimentaire] sont négligeables sur le plan pratique. »)

Second, the provision is ambiguous on whether *human* production factors may be part of the tally of "quality, reputation, or other characteristic of the good." The Lisbon Agreement provides that the product's "quality and characteristics . . . are due exclusively or essentially to the geographical environment, *including natural and human factors*."¹⁰² Article 19 of the EU Draft had proposed this express "natural and human factors" construction.¹⁰³ The final Article 22(1) language lacks this express "natural and human" language.

Some commentators have interpreted this lacuna to mean that Article 22(1) *excludes* human factors of production in the consideration of GIs.¹⁰⁴ By these lights, for example, Selangor pewter from Malaysia could only merit status as a protectable GI based on the characteristics of local tin, not the pewter-making tradition of the region. But I do think this interpretation is warranted. Since the US Draft did not offer an alternative definition of a geographical indications and none of the other TRIPS drafts expressly attempted to exclude "human factors," the Dunkel Draft text – which became the final Article 22(1) -- should be construed as including both natural and human factors.

2. "essentiality" of the connection between product qualities and producing region

The most important aspect of Article 22(1) is that it made a decision among possible standards for the relationship between the product's qualities and the producing geographic source. Article 2 of the Lisbon Agreement established an arguably disjunctive standard, noting that the product's "characteristics . . . are due exclusively or essentially to the geographical environment."¹⁰⁵ The EU's 1992 Origins Regulation employs the same disjunctive language. In contrast, the WIPO's "Model Law" on geographical indications in the early 1990s required

¹⁰² Lisbon Agreement, art. 2 (emphasis added).

¹⁰³ "Geographic indications are, for the purposes of this agreement, those which designate a product as originating from a country, region or locality where a given quality, reputation or other characteristic of the product is attributable to its geographic origin, including natural and human factors." EU Draft, *supra* note ___ at art. 19. WIPO's model law in the 1990s on geographical indications also expressly referred to "the geographical environment, including natural factors, human factors, or both natural and human factors."

¹⁰⁴ Lee Bendekgey and Caroline H. Mead, *International Protection of Appellations of Origin and Other Geographical Indications*, 82 TMR 765 (1992); Conrad, *supra* note ___ at 33. Arguably, this limitation was acceptable to the EU because French law had already developed in this direction and the United States simply would not have cared.

¹⁰⁵ Lisbon Agreement, art. 2.

that the product "characteristic or qualities" be "due exclusively" to the geographic source. Article 22(1) requires only that the "given quality, reputation, or other characteristic of the good is *essentially* attributable to its geographical origin."¹⁰⁶

Is “essentiality” due to the land a looser standard than “exclusively” due to the land? Commentary on the point is fragmented and there are no judicial pronouncements on the point. A reasonable case can be made that "exclusively" and "essentially" have the same coverage. If particular geographic region A is *essential* for producing product qualities Z, surely that means no other geographic region will do as a product input. But that is the same thing as saying that region A has exclusivity for qualities Z. If geographic region B can also produce product qualities Z, then "A" is not "exclusive," but neither is it "essential." Since we should not multiply legal distinctions needlessly, I think it is reasonable to see the standard in the Lisbon Agreement, the EU Origins Regulation; and TRIPS Article 22 as the same: an *essential land/qualities connection*.

B. Article 22(2)

Article 22(2) then provides the two basic operative treaty requirements applicable to all geographical indications: “[I]n respect of geographical indications, members shall 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 that 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 10bis of the Paris Convention (1967)."

Let us first consider (b).

¹⁰⁶ The “essentially attributable” standard appears in at least one treat before TRIPS: Article 2 of the Australia-European Community Agreement, which entered into force on March 1, 1994. But this bilateral treaty itself was negotiated while TRIPS was being negotiated – and, in fact, was largely completed.

While 22(2)(b) initially appears to be a simple restatement of the unfair competition provisions of the Paris Convention in the TRIPS Agreement, recall that in the negotiation of Article 10bis in 1958, the United States delegation objected to the words "the origin" in the original Austrian proposal. The provision had to be reworded so as *not* to extend to geographical indications. Thus, the definition of GI in TRIPS Article 22(1) and the "incorporation" of 10bis in TRIPS Article 22(2)(b) implicitly expands Article 10bis coverage without formally saying so¹⁰⁷ and amounts to a U.S. concession on what it would not concede in 1958.

Article 22(2)(a) is clearly inspired by Article 20(1) of the EU Draft and is broad enough to include all advertising and communications concerning a product, in the spirit of Article 3bis of the Madrid Agreement. It essentially has three requirements: (i) that a word, phrase, or symbol "indicates or suggests" that a product comes from a geographic producing region, (ii) that the product does *not* come from that producing region, and (iii) that the public is misled by "i" and "ii." The "means" is any which "indicates or suggests" a production region, further implying that indirect GIs are included. But this phrasing still leaves open that a WTO member could claim that a word, phrase, or symbol although *apparently* a geographic word or symbol does not "indicate or suggest" a particular geographic region. Presumably a geographic name's failure to indicate or suggest a particular geographic origin could be because the name is being used for evocative or suggestive purposes *OR* because the name has become generically descriptive of the product. This possible entry point for genericness analysis was not enough for the United States delegation, which also negotiated the express genericness exception in Article 24(6).

While Article 22(2) addresses use in commerce, Article 22(3) bars registration of any trademark consisting of or including a geographical indication "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." This provision is compatible with American law that an inaccurate geographic term cannot be included in a trademark where it is "primarily geographically deceptively misdescriptive," but a trademark can include an inaccurate geographic word as long as the public is not misled as to the product or service's place of origin. For example, Pepperidge Farms has a line of U.S.-made cookies with trade names of European cities -- *BORDEAUX, GENEVA, MILANO, ST. TROPEZ, VERONA, etc.* Such marks are possible on

¹⁰⁷ Which is quite different from, for example, the express expansion of the Berne Convention's conception of "literary works" to include "computer programs, whether in source or object code" in TRIPS Article 10(1).

the grounds that consumers do not expect the cookies to come from these places and, hence, the public is not misled.

C. Article 23's additional protection of wines and spirits

Article 23 adds another layer of obligations in relation to wines and spirits on top of Article 22's deception-based provisions. Again, it does this with one provision on trademark registration and another on use in commerce. Article 23(2) provides that each WTO member country will refuse to register a trademark and will invalidate an existing trademark, with respect to wines and spirits, where the trademark "contains or consists of a geographical indication" and the wine or spirit product does not have that geographic origin.¹⁰⁸ Article 23(1), in turn, addresses use in commerce of trademarks or any other labeling which tramples on geographical indications for wines and spirits:

"Each members shall provide the legal means for interested parties to prevent use of a geographical indication identifying wine 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 accompanied by expressions such as 'kind,' 'type,' style,' 'imitation,' or the like.

[The deleted language at the ellipses provides parallel construction for spirits, but the Article is much easier to read without this convoluted parallelism.]

These two provisions of Article 23 build substantially upon Article 22's protection. Whereas Article 22(3) provides that a trademark consisting of or including a geographical indication will not be registered when it "is of such a nature as to mislead the public as to the true place of origin," Article 23(1) eliminates this condition for wines and spirits.¹⁰⁹ Where Article 22(2) bars a *misleading* use in commerce of a GI, article 23(1) bars an inaccurate GI in relation to wines and spirits – period. Subject to the limitations and exceptions in Article 24,

¹⁰⁸ "The registration of a trademark for wines which contains or consists of a geographical indication identifying wines or for spirits which contains or consists of a geographical indication identifying spirits shall be refused or invalidated, *ex officio* if a Member's legislation so permits or at the request of an interested party, with respect to such wines or spirits not having this origin." Article 23(2).

¹⁰⁹ The United States implemented this TRIPS obligation by making changes to §2(a) of the Lanham Act by Public law 103-465, § 522, 108 Stat. 4982, The Uruguay Round Agreement Act [MORE].

the trademark consisting or embodying an inaccurate geographical indication for wines or spirits can be denied registration under 23(2) and eliminated from commerce generally under 23(1). There is no defense on the grounds that the use of the inaccurate geographical indication is neither deceptive nor misleading.¹¹⁰ This “effectively constitutes a departure from the general rule laid down in Article 22” requiring deception or unfair competition, a departure which is acknowledged as “essentially the result of the demands of a number of wine-producing countries during the Uruguay Round, notably in the European Union.”¹¹¹

D. Article 24 -- Limitations and Exceptions

Articles 24(1) and (2) concern the WTO obligations on continuing negotiations, described in more detail below. Article 24(3) is simply a prohibition on back-tracking: the TRIPS obligations are a floor, not a justification to “diminish the protection of geographical indications that existed in that Member immediately prior to the entry into force of the WTO Agreement.” Article 24(4) through (9) then provides an array of limitations and exceptions to the geographical indication obligations in Articles 22 and 23.

Article 24(4) is a grandfathering clause with limited conditions. It is specific to (a) a geographical indication for wine or spirits protected in country X, where (b) producers in country Y were already using that geographic word “in connection with goods or services.” So, if *Bourbon* is a protected geographical indication in the U.S., but there is a long-standing

¹¹⁰ Conrad, *supra* note ___ at 39. See also *New Zealand September 2000 TRIPS Council Submission*, *supra* note ___ at 4 (Under Article 23(1), “[t]here is no requirement that the public be misled or that the use constitute an act of unfair competition.”)

¹¹¹ *New Zealand September 2000 TRIPS Council Submission*, *supra* note ___ at 4. In addition, Article 23(3) discusses “homonymous” geographical indications, *but only for wine*.¹¹¹ Homonymous geographical indications would be two indications that designate separate areas, but sound alike: i.e. if there was a small wine-growing region of Hungary called “Nappa,” the designation for the Hungarian and the northern Californian regions would be homonymous. Since each party may have very legitimate interests in their own geographical indication and may have come into the situation quite innocently, Article 23(3) only extols that each TRIPS member country “will determine the practical conditions” by which two such geographical indications “will be differentiated from each other” with an eye toward “equitable treatment of the producers concerned and that consumers are not misled.” This is similar in spirit to Article 12(2) of the EU Origins Regulation, which provides that “[i]f a protected name of a third country is identical to a Community protected name, registration shall be granted with due regard for local and traditional usage and the practical risks of confusion.” EU Origins Regulation, *supra* note ___ at 208/6. As Olszak points out, these kind of situations might occur when two regions are named after the same saint or for the presence of the same type of geological structure. Olszak, *supra* note ___ at 23

Bourbon cookies brand in Ruritania, nothing in TRIPS requires Ruritania to force its local baking company to give up its name. If *Port* is a protected geographical indication in Portugal, but a Chilean vineyard has been selling its locally-produced fortified wine to Santiago restaurants as *PORT*, Chile is not obliged to make the Chilean vineyard surrender the use of the term.¹¹² The 24(4) grandfathering provision has alternative time requirements for eligibility: “(a) for at least 10 years preceding 15 April 1994 or (b) in good faith preceding that date.” This weirdly worded dichotomy leads to one unquestionable result: even a “bad faith” use is grandfathered if the use began before 16 April 1984. Why such clear protection of bad faith activities? Perhaps because the concept of “good faith” is not so clear. It is nebulous enough within any one legal system; across juridical frontiers, it may be increasingly amorphous.¹¹³ The definitive ten year rule creates an absolute zone of protection regardless of disparate interpretations of “good faith.”

While Article 24(4) grandfathers certain wine and spirit trademarks, Article 24(5) provides more generally that if a trademark in country A includes a geographical indication from country B, then country A may maintain its trademark owner's rights as long as the rights arose in country A prior to either (a) TRIPS coming into effect in country A, or (b) the geographical indication being protected in country B. The measure of trademark rights having arisen in country A is a “good faith” trademark application or registration¹¹⁴ or the trademark rights having been “acquired through use in good faith.” Thus, common law trademark rights are included.

Subsections (5) provides a different sort of exception; subsection (5) again has a two part, disjunctive triggering date, but it operates in a very different way from subsection(4). Both of the time criteria in 24(4) are backward looking. In contrast, the two time criteria in 24(5) are written to recognize that more and more geographic words may become protected

¹¹² Article 24(4) covers “nationals or domiciliaries,” leaving us with a question. In the above example, is Argentina also exempted for the *PORT* produced in Chile by an Argentine national when the Argentine exports his product to Buenos Aires? By the literal wording of the provision, yes. An American domiciled in Australia could produce *TORRES* wine and, although *TORRES* recently became a protected geographical indication in the EU, neither Australia nor the U.S. would have an obligation to stop the vintner's usage.

¹¹³ See, e.g., the discussion of the Barcelona UDRP *infra*.

¹¹⁴ At least in the U.S. system it seems redundant to establish a deadline measured by having “applied for or registered in good faith,” since there will not be a registration without a preceding application. If the registration occurs before the triggering date, then the application must occur before the triggering date.

geographical indications in some countries. Subsection 24(5)(a) provides that the U.S. does not have to invalidate any trademark if rights in that trademark developed prior to January 1, 1996,¹¹⁵ regardless of it containing a geographical indication protected in other WTO countries. Subsection 24(5)(b) comes into play as countries recognize new protected geographical indications. For example, if the European Union eventually recognizes "Neopolitan pizza" as a protected designation of origin in 2015,¹¹⁶ this need not jeopardize trademark rights in "Sam's Neopolitan Pizza" acquired in Australia in 2008 or a trademark registration in "Pizza neopolitana de Maria" in Argentina in 2010. This provision is important as EU countries recognize more and more "protected designations of origin" (PDOs) under the Origins Regulation and the Wine Regulations.

Again this future-oriented grandfather clause in 24(5) protected only the trademark holder acting in "good faith" in their application, registration, or commercial use of the trademark. As Albrecht Conrad points out, if "good faith" means without knowledge of the other parties' existence, then the scope of the Article 24(5) exception would be narrow indeed.¹¹⁷ I believe such a reading of "good faith" can be discounted, in part, by the very fact that Article 24(5) foresees new geographical indications arising. Who would market their product as "neopolitan pizza" without knowing of the existence of Naples, Italy and that there are pizza makers there? Given the communicative function and evocative possibilities for geographic words, it should not be "bad faith" to adopt a geographic word as your trademark in 2002 because you knew it was a geographic word and, say, in 2012, the word becomes a protected geographical indication in its home country.¹¹⁸

¹¹⁵ Article 65(1) provides that no WTO member is bound by the TRIPS obligations "before the expiry of a general period of one year following the date of entry into force of the WTO Agreement." The date of entry into force for original signatories of TRIPS was January 1, 1995.

¹¹⁶ See discussion at ___ *infra*.

¹¹⁷ Conrad, *supra* note ___ at 41.

¹¹⁸ Another reading of "good faith" use could be use without knowledge of that people have grounds to seek geographical indication rights in another country. But this would be a troubling difficult standard to apply. If I knew that "jambon de Dieppe" was a phrase traditionally used by pork farmers in that part of Normandy, but that the phrase was not a protected GI in France, would it be "bad faith" to market "Dieppe" brand sandwich meats or hams in California? It is probably best to understand "good faith" in section 5 as having little effect as a filter except as to demonstrably "bad faith" activities – where the record shows that I used "Dieppe" on sandwich meat in order to try to convince at least some segment of the population that (a) the meat products were imported from Europe, not produced in a meat-packing factory in Fresno, and (b) that the meat products have certain qualities people associate with meats from Dieppe.

Beyond specific grandfathering, subsection (6) of Article 24 provides the general exception for geographic words that have become generic in a WTO country. The obligations of Articles 22 and 23 do not apply in country A to country B's protected geographical indication if "the relevant indication is identical with the term customary in common language as the common name for such goods or services in the territory of" country A. If, through accident of history, *Idaho* has come to mean in Ruritania any potato, then Ruritania has no obligation to protect *Idaho* even though it is a protected geographical indication (certification mark) in the U.S. Article 24(6) application to "terms customary in common language" would seem to cover geographic words that are either generic or product descriptive under country B's laws, including that seemingly intermediary category of "semi-generic" words recognized by BAFT. Criticism of the BATF category of "semi-generic" is unwarranted because "generic" is not a legal category recognized by TRIPS; TRIPS recognizes only the general characteristic of being a "common name for such goods or services."

The second sentence of Article 24(6) provides a special exception for grape varieties. Article 22 and 23 treaty obligations do not apply if a protected geographical indication in country A "is identical with the customary name of a grape variety existing in the territory of [country B] as of the date of entry into force of the WTO Agreement." For example, "Shiraz" and "Syrah" are increasingly interchangeable for one grape variety.¹¹⁹ But "Shiraz" is the name of an Australian town and could therefore someday be protected as a geographical indication in Australia. Similarly, the Chardonnay grape variety is sometimes called a "Beaunois," the adjectival form of the Burgundy town of Beaune; the Reisling grape is sometimes called a "Johannisberger" or "Johannisberg Reisling."¹²⁰ Without the safe harbor of Article 24(6), such variety names could potentially run afoul of claimed geographical indications.

The surname of individuals are addressed in Article 24(8), which provides a specific exception for individuals who have the good or bad fortune to share the name of a protected geographical indication,¹²¹ i.e. Bob Bordeaux. The last substantive limitation on the obligations

¹¹⁹ "Syrah in France, Shiraz in Oz" as one British wine drinker commented. See <<http://www.dooyoo.co.uk/review/313738.html>>.

¹²⁰ For the principal grape varieties in Germany, see <<http://www.germanwinesociety.org/grapes.html>>. For varieties from Spain, see <<http://www.civusa.com/consumerCenter/varietals.html>>

¹²¹ "The provisions of this Section shall in no way prejudice the right of any person to use, in the course of trade, that person's name or the name of that person's predecessor in business, except where such name is used in such manner as to mislead the public." Article 24(8). This certainly seems a reasonable exception

of Article 22 and 23 is provided by Article 24(9), which provides that there is no obligation to protect geographical indications which “are not or cease to be protected in their country of origin, or which have fallen into disuse in that country.” It may be worth noting that the U.S. law of certification and collective marks does *not* impose this limitation; thus, for example, a group of Japanese swordmakers in Bizen could obtain a collective mark in the U.S. for cutlery without any parallel protection in Japan.

Finally, among all these limitations on geographical indications, Article 24(7) provides a procedural device which actually augments how much geographical indications could displace registered trademarks. This subsection is written in impressively opaque treatyese.¹²² As to geographical indications used or registered in good faith, a WTO member country *may* require any trademark holder to make its “request . . . under this Section” within a five year window. The window is triggered by one of two events: [t]he date “the adverse use of the protected indication bec[a]me generally known in that Member,” or “the date of registration of the trademark in that Member . . . if such date is earlier than the date on which the adverse use became generally known in that Member”¹²³ In other words, a WTO member is expressly permitted to limit the time frame before a Gi trumps a trademark. If the trademark was registered in Ruritania on January 1, 2002, but the “adverse” use of the protected geographical indication did not become generally known in Ruritania until 2009, by the lights of Article 24(7) Ruritania is allowed to write its domestic law in such a way that the trademark holder had only until January 1, 2007 to request exception under one of the Article 24 exceptions.

To date, there is no cumulative study of national implementation of Articles 22-24 GI protection. While the European Union seeks stronger levels of protection for wine and spirit, it appears that the EU is not abiding by its existing Article 22 - 24 obligations. Because of the structure of the Origins Regulation, producers from geographic regions outside the EU have no

considering how many surnames originated as “geographical indications” of where the individual or the family was produced, as in Geoffrey d’Anjou.

¹²² “A Member may provide that any request made under this Section in connection with the use or registration of a trademark must be presented within five years after the adverse use of the protected indication has become generally known in that Member or after the date of registration of the trademark in that Member provided that the trademark had been published by that date, if such date is earlier than the date on which the adverse use became generally known in that Member, provided that the geographical indication is not used or registered in bad faith.” Article 24(7).

¹²³ Literally, the language “provided that the geographical indication is not used or registered in bad faith.” does not require that the indication be both *used* and *registered*, but only that neither occur in bad faith. Note that this non-bad faith use could be anywhere.

apparent means to obtain a place in the EU's registration system for geographical indications because they have no EU Member national government to act upon their behalf in Brussels. On June 1, 1999, the United States initiated dispute-settlement consultations with the EU on this issue, noting that "The European Communities' Regulation 2081/92, as amended, does not provide national treatment with respect to geographical indications, and does not provide sufficient protection to pre-existing trademarks that are similar or identical to a geographical indication."¹²⁴ Three weeks later, Canada joined the consultations on the U.S. side.¹²⁵

E. Articles 23 and 24 further negotiations in the TRIPS Council

The European Union has intelligently pursued a two prong approach to further strengthen GI protection. The first prong has been to conclude bilateral agreements with as many countries as possible to increase protection of GIs outside the multilateral intellectual property framework. For example, the EU concluded an agreement with Australia by which Australia gave up use of certain geographic words claimed by the Europeans in exchange for access to the European wine market.¹²⁶ In January 2002 the EU and South Africa concluded a similar agreement by which South Africa agreed to never use hundreds and hundreds of EU geographic names¹²⁷ -- the Annex listing the now-verboden geographic terms looks like an atlas of European hamlets.¹²⁸ The EU – South Africa discussions provoked blistering comments against the EU tactics and goals, not just from South Africa (seeing itself representing developing countries),¹²⁹ but third parties as well. Early in these negotiations, the *Financial*

¹²⁴ EUROPEAN COMMUNITIES - PROTECTION OF TRADEMARKS AND GEOGRAPHICAL INDICATIONS FOR AGRICULTURAL PRODUCTS AND FOODSTUFFS - *Request for Consultations by the United States*, WTO document WT/DS174/1/IP/D/19, (99-2282), 7 June 1999.

¹²⁵ EUROPEAN COMMUNITIES - PROTECTION OF TRADEMARKS AND GEOGRAPHICAL INDICATIONS FOR AGRICULTURAL PRODUCTS AND FOODSTUFFS -- *Request to Join Consultations, Communication from Canada*, WTO document WT/DS174/3, (99-2503), June 22, 1999.

¹²⁶ Agreement between the European Community and Australia on Trade in Wine - Protocol - Exchange of Letters, 1994 O.J. (L 86). By the terms of this agreement, Australia has already stopped using Beaujolais, Cava, Chianti, Hock, Madeira, Malaga, Sancerre, Saint-Emilion, Vinho Verde, and White Bordeaux. Australia agreed, by without any time limitation for implementing, to eventually stop using Burgundy, Chablis, Champagne, Claret, Marsala, Moselle, Port, Sauternes, Sherry, and White Burgundy. See Lindquist, *supra* note ___ at 321.

¹²⁷ Nicol Degli Innocenti, *S. Africa agrees EU wine deal*, FINANCIAL TIMES (London), January 29, 2002 at 10.

¹²⁸ Agreement between the European Community and the Republic of South Africa on trade in wine, signed October 11, 1999, available at Official Journal of the European Communities, January 30, 2002, L.28/4.

¹²⁹ Victor Mallet, *Brussels is seeking to protect traditional expressions on wine and spirits*, The Financial Times (London), Nov.5, 1999 at 14 (In response to EU position that 150 wine and spirits words had to be

Times described the EU position: “[b]y attempting to ban whole chunks of wine-related language, the Europeans are trying to extend beyond reasonable bounds the definition of intellectual property.”¹³⁰

In the multilateral context, European negotiators secured express, continued discussion of geographical indications in three separate TRIPS provisions: Article 23(4), Article 24(1), and Article 24(2). This is in sharp contrast to the TRIPS provisions on copyrights and patents, which are written as complete and final.¹³¹ Once again, these three TRIPS provisions create an opaque, layered structure. At the most general level, Article 24(2) establishes a special mechanism for dialog and review of both the substantive GI commitments and the procedural commitments for further negotiations. In contrast, Article 23(4) and 24(1) are solid platforms for continuing the debate about increasing protection of geographical indications.

Article 23(4) mandates further negotiations in the TRIPS Council among the WTO members “to facilitate the protection of geographical indications for wine” only.¹³² The focus of the Article 23(4) negotiations is to be “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.”¹³³

From this short phrase, it is clear that EU was/is aiming toward a Lisbon Agreement-like international registration system. There is no other existing model for “a multilateral system of notification and registration of geographical indications for wines.” The target goal is expressed as a system in which participation is completely *optional*, i.e. a registration “system” establishing “protection in those Members participating in the system.” On this basis, countries uninterested in such a system could, in good faith, agree with continued discussions under the Article 23(4) rubric: there is no commitment to ever participate in such a system.¹³⁴

surrendered, South Africa said “that it would be betraying other developing countries if it yielded to the European Union’s demands.”)

¹³⁰ Editorial, *fair spirit*, FINANCIAL TIMES (London), November 8, 1999 at 12.

¹³¹ For that reason, discussion of further development of international legal norms in the copyright and patent fields has returned principally to the World Intellectual Property Organization. *See, e.g.*, WIPO Copyright Treaty (WCT) and WIPO Phonograms and Performers Treaty (WPPT).

¹³² TRIPS Article 23(4).

¹³³ *Id.*

¹³⁴ _____; *see also* Meltzer, *supra* note ____ at 33 (“Article 23(4) indicates that participation would be discretionary”).

Yet this optional system, if implemented, would essentially reinvigorate the Lisbon Agreement system and move it into the WTO framework – steps to eventually making it the dominant norm for the protection of geographical indications. Pursuant to the “Doha Declaration” of November 1, 2001, WTO members agreed to expand discussion of the Article 23(4) notification and registration system to include “spirits.”¹³⁵ It is not clear why the United States agreed to this expansion of the possible 23(4) registration system.

In contrast, Article 24(1) creates a more open-ended obligation: that members “agree to enter into negotiations aimed at increasing the protection of individual geographical indications under Article 23.” Because it states “Article 23,” this obligation extends to spirits as well as wines, but does not extend to all the products and foodstuffs that may qualify for protection under Article 22.¹³⁶ This multi-part negotiation system is interesting. In comparison to a single treaty provision requiring further negotiations, the tripartite bases for continued discussion of geographical indications has arguably complicated – and slowed – the negotiations. In 2000, with the EU pressing for progress on new GI laws, New Zealand reasonably responded that it wanted a full analysis of existing GI provisions under the Article 24(2) process before proceeding with discussions of *increased* protection under Article 24(1).¹³⁷

The rest of Article 24(1) shows the level of distrust over this good faith commitment. The second sentence says that the limitations built into the existing TRIPS system (Article 24(4)-(8), discussed *supra*) can be used by a Member to refuse to engage in negotiations toward increased protection which might eliminate those exceptions. This embodies the French hope

¹³⁵ MINISTERIAL DECLARATION, WTO document WT/MIN(01)/DEC/1, adopted at Doha, November 14, 2001, para. 18 (“With a view to completing the work started in the Council for Trade-Related Aspects of Intellectual Property Rights (Council for TRIPS) on the implementation of Article 23.4, we agree to negotiate the establishment of a multilateral system of notification and registration of geographical indications for wines and spirits by the Fifth Session of the Ministerial Conference”) [hereinafter *Doha Declaration*]

¹³⁶ At least one commentator believes that the EU intent (or France’s intent, in particular) with the Article 24(1) negotiations is the reappropriation of “Burgundy,” “Chablis,” and “Champagne” instead of country’s being able to treat these terms as generic under Article 24(4). See Roland Knaak, *The Protection of Geographical Indications According to the TRIPS Agreement*, in FROM GATT TO TRIPS – THE AGREEMENT ON TRADE-RELATED ASPECTS OF INTELLECTUAL PROPERTY RIGHTS (edited by Friedrich-Karl Beier and Gerhard Schrickler) 135 – 139 (1996). Countries advocating a widening of the negotiations to include all foodstuffs usually, if not always, have a specific issue in mind, as with the Czech Republic and its *Budweis* beer or India and *basmati* rice.

¹³⁷ See, *passim*, New Zealand September 2000 TRIPS Council Submission, *supra* note ____.

that they might reclaim viticultural words in countries that treat those words as generic under Article 24. The next sentence then splashes American cold water on that French hope: "[m]embers shall be willing to consider the continued applicability of these provisions to individual geographical indications whose use was the subject of such negotiations."¹³⁸ The point-counterpoint of these provisions on continuing negotiations reminds one of Francis Walder's classic observation about diplomacy – that no position "can be considered irrevocable or the word 'discussion' would have no sense."¹³⁹

In June 1998, the European Union made its first proposal for a notification and registration system under Article 23(4);¹⁴⁰ the EU 1998 proposal essentially attempted to turn a *voluntary* notification and registration system into a *binding* system on *all* WTO members in which country A would designate a geographical indication and any country that did not object to the GI within one year would be obligated to protect the GI, regardless of the Article 24 exceptions.¹⁴¹ The method for resolving objections was not elaborated nor was the mechanism for international registration to be "refused." Curiously – and greatly to the benefit of countries with GIs -- even if international registration was "refused," WTO members who had failed to object would be obligated to protect the geographical indication.¹⁴² In other words, if (a) France sought to register "chablis," (b) only the U.S. and Canada objected, and (c) international registration was refused, all WTO members would nonetheless have been obliged to protect "Chablis" as a GI and *lost* all rights to Article 24 exceptions.

This system would have imposed enormous burdens on all WTO countries. Although Article 23 envisions a voluntary notification and registration system, the clear goal of the EU 1998 proposal was that "[o]ne year after notification by the WTO Secretariat, geographical indications will become fully and indefinitely protected in all WTO Members."¹⁴³ EU countries could give notice of protected GIs on their own schedule and all other countries –

¹³⁸ TRIPS Article 24(1).

¹³⁹ FRANCIS WALDER, SAINT GERMAIN OR LA NEGOCIATION 60 (1958) ("... elle ne peut pas considerée comme irrevocable, ou le mot discussion n'aurait plus de sens. »)

¹⁴⁰ PROPOSAL FOR A MULTILATERAL REGISTER OF GEOGRAPHICAL INDICATIONS FOR WINES AND SPIRITS, Communication from the European Communities and their Member States, WTO document IP/C/W/107, (98-2930), July 28, 1998. [hereinafter *1998 EU Proposal*]

¹⁴¹ *1998 EU Proposal*, *supra* note __ at Articles III and V.

¹⁴² *1998 EU Proposal*, *supra* note __ at V.3.

¹⁴³ *1998 EU Proposal*, *supra* note __ at V.1.

including bureaucratically understaffed developing countries – would have had only 12 months to object to each new GI. The reaction to this overreaching by the EU was negative and, within 24 months, the EU submitted a revised proposal.

The modified EU proposal was submitted to WTO on June 22, 2000.¹⁴⁴ When country A submits a GI for international registration, country B would have an 18 month period (instead of 12) to begin asking “questions” and/or “challenge” country A’s registration.¹⁴⁵ The new proposal specified that these challenges would be resolved by bilateral negotiations between the notifying and challenging country. But, again, regardless of the results of the “challenge,” it appears that the international registration would proceed vis-à-vis all WTO members not challenging the registration. Indeed, registration would proceed regardless of the challenge (“Registration shall refer to an challenge under provisions C.2.”¹⁴⁶) A WTO members who did not challenge the registration within 18 month “shall not refuse [the GI’s] protection on the basis of Articles 22.1, 22.4 and 24.6 of the TRIPS Agreement.”¹⁴⁷ In other words, a WTO member who failed to “challenge” the registration of “chablis” within 18 months, would lose the right under Article 24(6) to judge “chablis” generic within its territory. The WTO member would also lose the right to question whether the essential land/qualities requirement of Article 22(1) was fulfilled. From the construction of the EU new proposal, it is clear that this loss of exceptions would still apply to WTO members *not* participating in the notification/registration system.¹⁴⁸

In the WTO Ministerial meeting in Doha, Qatar in November 2001, the EU pressed for expedited negotiations on geographical indications, prompting inclusion of the issue in the final “Doha Declaration.”¹⁴⁹ In response to this renewed pressure, the JUSCANZ+ group – with many additional countries from Asia and the Americas -- formally proposed a simple,

¹⁴⁴ IMPLEMENTATION OF ARTICLE 23.4 OF THE TRIPS AGREEMENT RELATING TO THE ESTABLISHMENT OF A MULTILATERAL SYSTEM OF NOTIFICATION AND REGISTRATION OF GEOGRAPHICAL INDICATIONS, Communication from the European Community, WTO document IP/C/W/107/Rev.1 (00-2521), June 22, 2000. [hereinafter *2000 EU Proposal*]

¹⁴⁵ *2000 EU Proposal*, *supra* note __, para. C at 4.

¹⁴⁶ *2000 EU Proposal*, *supra* note __, para. D.1. at 4.

¹⁴⁷ *2000 EU Proposal*, *supra* note __, para. D.4. at 4

¹⁴⁸ *2000 EU Proposal*, *supra* note __. Compare para. D.3. (“Participating Members”) with D.4 (“Members”), shows that D.4 is intended to apply to the entire WTO membership.

¹⁴⁹ *Doha Declaration*, *supra* note __ at ¶¶ 12, 18.

streamlined registration system – a notification system with a searchable, online database that expressly creates no new rights or obligations.¹⁵⁰ The proposal implicitly contrasted itself with the EU proposal, noting that it more closely hones to the Article 23 mandate to provide a voluntary “notification” and “registration” system that “facilitates” the protection of GIs¹⁵¹ as well as that it fulfills this goal “without undue cost or complexity.”¹⁵² The core group of New World wine producers (Argentina, Australia, Canada, Chile, New Zealand, and the U.S.) followed up the proposal with a “communication” setting out their goals and implicitly criticizing the EU proposal in diplomatically pointed language.¹⁵³

IV. PRACTICAL AND POLITICAL FOUNDATIONS OF THE DEBATE

Opposition to the EU’s *appellation* approach is easily misunderstood or mischaracterized.¹⁵⁴ North American legal and policy experts have thought little about geographical indications and when they do, their thoughts orbit around a few basic assumptions -- that a separate, European-style geographical indications law is unduly bureaucratic and imposes unneeded transaction costs on society; that any advantage in geographical indications will accrue to European countries; and that geographical indications are a static kind of entitlement, with greater similarity to protection of folklore and traditional knowledge than to the incentive-based structure of patent, copyright, and trademark law. Let us explore each of

¹⁵⁰ PROPOSAL FOR A MULTILATERAL SYSTEM FOR NOTIFICATION AND REGISTRATION OF GEOGRAPHICAL INDICATIONS FOR WINES AND SPIRITS BASED ON ARTICLE 23.4 OF THE TRIPS AGREEMENT, Communication from Argentina, Australia, Canada, Chile, Colombia, Costa Rica, Dominican Republic, Ecuador, El Salvador, Guatemala, Honduras, Japan, Namibia, New Zealand, Philippines, Chinese Taipei, and the United States, WTO Document TN/IP/W/5, October 23, 2002 (2-5799) [hereinafter *18 country JUSCANZ+ Proposal*].

¹⁵¹ *Id.* at 3-4.

¹⁵² *Id.* at 4.

¹⁵³ MULTILATERAL SYSTEM OF NOTIFICATION AND REGISTRATION OF GEOGRAPHICAL INDICATIONS . . . , Communication from Argentina, Australia, Canada, Chile, New Zealand, and the United States, WTO document TN/IP/W/6 (02-5938), October 29, 2002.

¹⁵⁴ For example, a 2001 student comment breezily notes that “the United States disregards the validity of [GI] protection because such names do not deserve protection under trademark law” [CITE] at 109. But the U.S. position, in both international negotiations and domestic practice, has been that when a geographical word deserves protection as a geographical indication, the protection can be crafted under trademark law.

these hobby horses, including how the last one relates to a partially false notion on the European side: that strong GI protection can help European agriculture remain *traditional* while New World agriculture is *industrial*.

A. *How many regulators, how much control?*

Both appellation and trademark systems are bureaucracy-dependent; *any* system for registration of intellectual property claims is a regulatory structure dependent on bureaucrats. But there are several aspects of the EU approach that are disturbing to other developed market economies. At the domestic level, the EU approach, particularly the appellations system, involves much more bureaucratic intervention in the economy than the certification/collective mark system used in the U.S. or the geographical indications committee approach used in Australia. Americans remain understandably chary of proposals that put too much work and decision-making in the hands of government employees at the expense of market signals.

European bureaucracies are criticized and lampooned with both regularity and vigor¹⁵⁵ – perhaps even more so than their American counterparts. Although the law at issue was not a geographical indications law *per se*, it might be hard to find a more unintentionally alarming description of a top-down, bureaucracy-focused approach to control of commercial use of words on products than the European Court of Justice's 1997 description of the French law governing use of the word "mountain" on products:

"Section 4 provided in essence that the products had to comply with manufacturing methods determined by joint ministerial orders of the Minister for Agriculture and the Minister for Consumer Affairs. Those orders were to be adopted following advice from the National Labelling Commission and the Regional Commissions for Quality Food Products. In relation to cooked meats, those orders were to specify the choice of raw materials; the method of cutting up, boning, mincing and trimming; the method of salting, drying, or smoking; the mixture of ingredients and the cooking method.

.....

¹⁵⁵ See, e.g. Alphonse Allais, *L'Excessive Bureaucratie* (surrealist essay on the bureaucracy involved in changing money in Europe) in ALPHONSE ALLAIS, LECTURE SUBSTANTIELLE 132 – 136 (1992).

Section 5 provided that authorisation to refer to mountain origin or any other geographical reference which was specific to mountain origin or any other geographical reference which was specific to mountain areas was to be granted by means of a joint ministerial order. That order was to be adopted by the Minister for Agriculture and the Minister for Consumer Affairs following advice from the Regional Commission for Quality Food Products"¹⁵⁶

With actual appellations d'origine contrôlées, the French government has similarly elaborate rules. Regulations for most AOC regions strictly control what grape varieties can be used; for example, only Pinot Noir grapes can be used in red wines from Burgundy, while five varietals are permitted for red wines from Bordeaux.¹⁵⁷ AOC designations for cheese place varying legal requirements on rennet used in coagulation, curd drainage, milk temperature at different points, salting, use of lactic proteins,¹⁵⁸ and even the exact size of cheese down to a few millimeters.¹⁵⁹

Not surprisingly, early in the 20th century, French wine producers themselves had “réactions d’horreur” over the amount of bureaucracy involved in the first proposals to protect wine quality in France.¹⁶⁰ The reaction of many New World winemakers is much the same. Discussing the degree of control exercised by bureaucrats in an *appellations* system, Australian wine critic Max Allen says “[I]n newer wine-making countries . . . such laws are seen as an affront to the very basic human rights of each winemaker.”¹⁶¹ To be fair, the more bureaucratic approach theoretically has the upside of stabilizing *meaning* to the geographical indications, a point discussed below. But the approach does so by limited the producer’s freedom. It also generates litigation a familiar genre of litigation, as producers fight against bureaucratic border-drawing that puts them inside or outside designated zones.¹⁶²

¹⁵⁶ In re. Jacques Pistre and Others, [1997] 2 C.M.L.R. 565, 570 – 571.

¹⁵⁷ Richard Nalley, *The Feudal System*, Expedia Travels, March/April 2001 at 71, 74 (the Chateauf-neuf-du-Pape AOC is, in contrast, permitted to use 14 grape varietals in wine production.)

¹⁵⁸ Masui and Yamada, *supra* note ___ at 28, 56, 66, 80 –81.

¹⁵⁹ Denis, *supra* note ___ at 8 (describing exact size and weights required for AOC *grand pont l’evêque*, AOC *grand pont l’evêque*, AOC *pouilly saint-pierre*, and AOC *petit pouilly saint-pierre*.)

¹⁶⁰ Olszak, *supra* note ___ at 8.

¹⁶¹ Allen, *supra* note ___ at 30.

¹⁶² *See, e.g.* Beringer Blass Wine Estates v. Geographical Indications Committee, [2002] FCAFC 295 (Federal Court of Australia, 20 September 2002) (grape growers seeking review of borders of “Coonawarra” geographical indication);

In contrast, the American view has consistently been that geographical indications can be subsumed in a proper trademark system,¹⁶³ meaning that the *obligatory* bureaucratic role is reduced to a single trademark examiner. The certification mark issues and “[t]here is no government control over what are the standards that the certifier uses.”¹⁶⁴ Subsequent issues (like non-discriminatory application of the private standards) can be hammered out before administrative and judicial courts. Unlike the U.S., Australia does have a national “geographical indications committee” (GIC), but the GIC’s mandate is principally to determine “the boundaries of the various regions and localities in Australia in which wines are produced” and “the varieties of grapes that may be used in the manufacture of wine in Australia.”¹⁶⁵

For both countries, in the project of protecting a GI the “quality controls” are principally imposed by the market – if the U.S. trademark or Australian GI does not establish a favorable reputation among a threshold of consumers, it will disappear.¹⁶⁶ There are some quality controls on foodstuffs – imposed separately by regulatory agencies, but the bureaucrats who “control” the mark do not regulate at the depth that the INAO does. The difference between New and Old World approaches reminds one of Benjamin Franklin 1784’s pamphlet *To Those Who Would Remove to America* which advised would-be immigrants that in America government jobs were few, with “no superfluous Ones as in Europe.”¹⁶⁷

This EU emphasis on more centralized, clearinghouse bureaucracies extends beyond the geographical indications – and in ways that look suspiciously like non-tariff barriers to trade. Today the European Union controls on wine production and labeling are a minefield for any non-EU producer. Not only geographical indications, but control on words such as

¹⁶³ See, e.g. Eleanor Meltzer, *TRIPS and Trademarks, or – GATT Got Your Tongue?*, 83 Trademark Reporter 18, 31, n. 61 (1994) (noting that “[m]arks of geographical indication are given their own section, not because they could not be addressed by trademark law, but because the specific concerns of European Community wine growers demanded that unique attention be given to certain regional indicators for wines and spirits.”)

¹⁶⁴ McCarthy, § 19.91 at 19-204.

¹⁶⁵ Section 3(1)(f) of the Australia Wine and Brandy Corp. Act 1980, as amended by the Australia Wine and Brandy Corp. Amendment Act 1993.

¹⁶⁶ *Peel v. Attorney Registration & Disciplinary Com.*, 496 U.S. 91, 102, 100 L.Ed. 2d 83 (1990) (“Much like a trademark, the strength of a certification mark is measured by the quality of the organization for which it stands.”)

¹⁶⁷ Benjamin Franklin, *To Those Who Would Remove to America* (pamphlet, 1784), as quoted in Edmund S. Morgan, *Poor Richard’s New Year*, NEW YORK TIMES, December 31, 2002.

“reserve,” “private cellars,” “private,” “select,” and “table wine.”¹⁶⁸ Wine labels cannot mention any competitions in which the wine has garnered prizes unless the competition is official recognized by the EU and, surprise, competitions in the U.S., New Zealand, and _____ are not “recognized.”¹⁶⁹ The EU’s 2002 Wine Regulations went further, effectively obliging non-EU countries to establish government registries of grape varieties authorized to be used in wine production in those countries – even though the EU would not police or try to control other countries’ lists. Retaliatory legislation passed the U.S. House of Representatives in 2002.¹⁷⁰ (On the Senate side, the bill did not get out of the Senate Finance Committee, but because of other, non-wine provisions in the proposed act.¹⁷¹) As the chief executive of the New Zealand Winegrowers said, “the EU wants us to have a register of grape varieties. Where do we keep it?”¹⁷² Whether New Zealand or Argentina or the United States, non-European countries simply have not had the centralized, high-regimented bureaucracy for the control of wine, spirits, and foodstuffs that the EU has and is expanding.

B. Of transaction costs and super-trademarks

In addition to concerns about creating unnecessary bureaucracy, JUSCAN+ proponents may have a legitimate concern about the creation of yet another, free-standing intellectual property structure and the uncertainty engendered as to the interaction between this proposed system and existing trademark law. This uncertainty exists in our own domestic law as to how

¹⁶⁸ The last of these the EU reserves to its own winemakers in an apparent attempt to keep the lower end market for domestic producers. See *2000 California Export EU Wine Labeling Memo*, *supra* note ___ at 2 and 12.

¹⁶⁹ *Id.* at 11.

¹⁷⁰ The legislation that would require wine importers to provide official certifications and laboratory analyses to prove that wines being brought into the U.S. meet U.S. regulatory standards. These provisions were included in the “Miscellaneous Trade and Technical Corrections Act,” H.R. 5385. The provisions would amend subsection (a) of section 5382 of the IRS code. Provisions available at <<http://www.rarewineco.com/pdfs/hr5385text.pdf>>. See also Daniel Sogg, *Trade Bill Could Limit Rare-Wine Imports*, WINE SPECTATOR, January 31 – February 28, 2003 at 17.

¹⁷¹ *Id.*

¹⁷² Terry Hall, *EU move leaves a sour taste*, Financial Times, July 19, 2002, at 20, col. 1.

patent and trademark law interact¹⁷³ as well as how copyright and trademark law interact. Similar concerns have informed U.S. Administration views on possible database protection in the U.S and its relationship to copyright law.¹⁷⁴

Once one starts down the path of recognizing geographic indications through a legal framework separate from trademark, there will inevitably be issues of primacy and friction between the two legal regimes. The degree of these problems will be affected by how strong the GI rights are in relation to the trademark rights. On this count, everything point to the EU ultimately wanting a system in which geographical indications are given broad dilution-like protection and trump (even pre-existing) trademarks: the operation of the French appellations system, the beyond-confusion protection for wines and spirits in TRIPS Article 23, the permitted limitations on assertion of trademark rights against geographical indications in Article 24(7), and the EU's recent proposals in the TRIPS Council.

Consider a couple propositions. One is that a protected appellation should not be used in a trademark.¹⁷⁵ If the same geographic word were protected as a certification or collective mark, the proposition would be true only in some circumstances. There would be occasions when a certification mark word could be integrated into a different trademark without any risk of consumer confusion, i.e. a trademark *IDAHO SCIENTIFIC* would not necessarily be confusingly similar to *Idaho* when used as a certification mark for potatoes.

¹⁷³ See, e.g. *Traffix Devices, Inc. v. Marketing Displays, Inc.*, ___ U.S. ___, 121 S. Ct. 1255, 149 L.Ed.2d 164 (2001) (holding that a prior patent over design features “is strong evidence that the features therein claimed are functional” and not protected under trademark law); *Kellogg Co. v. National Biscuit Co.*, 305 U.S. 111, 59 S.Ct. 109, 83 L.Ed. 73 (1938) (holding “shredded wheat” was generic phrase unprotectable under trademark law where the term had been used as a technological description in recently expired patents); *But see In re Weber-Stephen Products, Co.*, 3 U.S.P.Q.2d 1659 (T.T.A.B. 1987) (patent over related features did not bar trade dress protection under certain circumstances).

¹⁷⁴ See, e.g. STATEMENT OF ANDREW J. PINCUS, GENERAL COUNSEL, U.S. DEPARTMENT OF COMMERCE, BEFORE THE SUBCOMMITTEE ON COURTS AND INTELLECTUAL PROPERTY, COMMITTEE ON THE JUDICIARY, U.S. HOUSE OF REPRESENTATIVES, CONCERNING H.R. 354, March 18, 1999, available at <<http://www.uspto.gov/web/offices/dcom/olia/hr354.html>> and at <<http://www.arl.org/info/letters/pincstate.html>> (both last visited May 4, 2002) (recommending that to avoid problems with copyright, “the vast experience of courts in using the judicially-crafted principles of [copyright] fair use should be built into database protection legislation.)

¹⁷⁵ Bertrand, *supra* note __ at 147 (“L’antinomie des notions de marque et d’appellation d’origine conduit à la prohibition du dépôt de l’appellation d’origine à titre de marque. »)

French appellation d'origine law treats, in effect, an appellation d'origine with protection equal to or greater than a famous trademark, forbidding use of the appellation not just on similar products, but on "any other product or service where the use is susceptible of diverting or weakening the notoriety of the appellation d'origine."¹⁷⁶ This appears to encompass not just what Americans would call "tarnishment," but also "blurring." Thus, Yves St. Laurent could not use *Champagne* as the name for a high-end perfume,¹⁷⁷ although the haut couture company had believed that with a "luxury product commercialized by a company with a global reputation, there was no diminishment or weakening" of the Champagne name.¹⁷⁸

If the same breadth of trademark-trumping protection were implemented in other countries, the Champagne district wine producers could shut down the *CHAMPAGNE* café chain in California, *TEXAS CHAMPAGNE* hot sauce,¹⁷⁹ the *CHAMPAGNE POWDER* ski resort in Steamboat Springs,¹⁸⁰ and *SCHAUMPAGNER* bubble bath in Switzerland (the last of these the Champagne district producers failed to do in a Geneva court action in 1990).¹⁸¹ There would be no question of consumer confusion or even disparagement of the name. As Professor Olszak notes, "this absolutism of the appellation contrasts with a greater flexibility in the law of trademarks."¹⁸²

As the *SCHAUMPAGNER* example indicates, in a doctrine familiar from trademark law, the the geographical indication is protected from all *similar* trademarks, increasing the possible friction between two forms of protection. This problem of "balanc[ing] the conflicting

¹⁷⁶ Code de la consommation, article L. 115-5 ; Bertrand, *supra* note __ at 147. In contrast, at least one Belgian court has permitted a beer called "Bourgogne des Flandres" (Burgundy of Flanders) on the grounds that, although the beer trademark incorporated a protected appellation d'origine, consumers know that Belgium does not produce wine and would not be confused. *Id.*

¹⁷⁷ Yves St. Laurent *c/* Institut National des Appellations d'Origine, (cour d'appel, Paris, 1^{er} chambre), 15 decembre 1993, 1994 J. 145. (finding that YSL's use of the word had « diverted the notoriety which only the producers and marketers in Champagne could exploit in commercializing wine . . . »); Cubatbaco *c/* Aramis, (cour d'appel, Paris, 4eme chambre), 17 mai 2000 (same result with *Havana* for men's cologne).

¹⁷⁸ Olszak, *supra* note __ at 46.

¹⁷⁹ U.S.P.T.O. Registration No. 1526014 (Registration date Feb. 21, 1989)

¹⁸⁰ U.S.P.T.O. Registration No. 2456466 (Registration date May 29, 2001)

¹⁸¹ Geneva, 1st Chambre civile, March 30, 1990, RIPLA, 1991. The Swiss product's counterpart in the U.S. might be something like *ROYAL BAIN DE CHAMPAGNE*, Registration numbers 0856169

¹⁸² Olszak, *supra* note __ at 46.

interests of the trademark owner and those entitled to use the designation of origin"¹⁸³ arose in Europe in the 1999 *Cambozola* case, pitting the *CAMBOZOLA* trademark against the *Gorgonzola* GI. In *Cambozola*, EU Advocate General Jacobs urged a narrow interpretation of Articles 3(1)(g) and 12(2)(b) of the Trademark Directive, such as to *not* foreclose the possibility of the *CAMBOZOLA* mark continuing in use, despite its "evocation" of a protected GI.

A system that gives geographical indications primacy over trademarks is unacceptable if geographical designation status is simply a decision by one national government which is then *imposed* on all other WTO members, without the possibility of independent review within each member's national legal system. The loss of control by the domestic intellectual property system would be unprecedented – patents arise as a matter of national law, trademarks arise as a matter of national law, and copyright protection arises as a matter of national (albeit largely harmonized) law. The trend in the few countries that have strong *appellations* traditions seems to be for more and more protected GIs. For example, of the 36 protected appellations for cheese in France, only 11 are more than 25 years old.¹⁸⁴ Indeed, Camembert did not become part of a protected AOC (*Camembert de Normandie*) until 1983.¹⁸⁵ Similarly, although Cantal cheese was produced in the Auvergne region of France for over a thousand years, it was not granted *appellation* status until 1980.¹⁸⁶ New French AOCs for wine¹⁸⁷ and spirits¹⁸⁸ are also be created fairly regularly.

¹⁸³ 1999 ECJ LEXIS 1241 at *51 (opinion of Advocate General Jacobs).

¹⁸⁴ KAZUKO MASUI AND TOMOKO YAMADA, *DORLING KINDERLEY FRENCH CHEESE* 77 (1996). In addition to *Camembert*, cheese appellations have been granted in the past 25 years include Bleu de Haut Jura from Rhône-Alps, France (1977); Bleu des Causses from Midi-Pyrénées, France (1979); Cantal from Auvergne, France (1980); Brie de Melun from Ile-de-France, France (1990); and Rocadour from Midi-Pyrénées, France (1996). *Id.*

¹⁸⁵ KAZUKO MASUI AND TOMOKO YAMADA, *DORLING KINDERLEY FRENCH CHEESE* 66 (1996). Actually the AOC governs *Camembert de Normandie*, leaving "camembert" generic. See Olszak, *supra* note ___ at 20. no. 23.

¹⁸⁶ MASUI AND YAMADA, *supra* note ___ at 68 – 70.

¹⁸⁷ Just in 1990 – 91, France added at least five new appellations for wine. Gardan, *supra* note ___ at 135 (*Vacqueyras* (Languedoc, 1990), *Cremant de Limoux* (Sud-Ouest, 1990), *Floc de Gascogne* (Sud-Ouest, 1990), *Marcillac* (Sud-Ouest, 1990), *Pommeau de Normandie* (Normandie, 1991).); In 2002, at least one new wine AOC was created, see *Une A.O.C. pour les rouges de Limoux*, *Vin magazine*, No. 45, Winter 2002, at 10; See also McInerney, *supra* note ___ at 37 (discussing the Macon area of Burgundy, he notes "[t]he appellation of Viré – Clessé was finally approved and appeared on wines from these special villages for the first time in 1999."

B. *Static or dynamic entitlement, traditional or modern?*

Arguably, one of the more subtle, yet fundamental differences in transatlantic views of intellectual property is that Americans principally view intellectual property as an *ex ante* incentive structure for wealth-creation,¹⁸⁹ while continental jurists are more comfortable with a view of intellectual property as an entitlement arising from pre-existing status of the individual, particularly the *auteur*. The difference may connect to even broader socio-psychological differences --- the American leaning toward meritocracy and the possibility of tomorrow; European holding more to tradition and the accepted roles of the past. To return to Franklin's 18th century description of America for Europeans, in America "[p]eople do not enquire concerning a Stranger, What is he? But What can he DO?"¹⁹⁰

The international intellectual property system is largely a structure that rewards "doing." Yet an emphasis on "status" seems to manifest itself in moral rights as well as calls for protection of folklore and traditional knowledge. At first blush, geographical indications seem akin to such "status" rights. Like rights to folklore or traditional knowledge, rights to geographical indications crystallize protection around traditional purveyors/creators¹⁹¹ without regard to continuing originality or creativity, the hallmarks of copyright and patent law. At the same time, "entitlement" does not come at the producer's level, entitlement comes at the national level where a nation says it is entitled to a particular word in commerce and every other nation is expected to say "OK."

188 Lerosier, *supra* note ____ (town of Domfrontais given AOC for calvados on December 31, 1997 and AOC for poiré [apple and pear-based spirit] on December 12, 2001.)

189 William W. Fisher, III, *Theories of Intellectual Property*, in *NEW ESSAYS IN THE LEGAL AND POLITICAL THEORY OF PROPERTY* (S. Munzer ed., Cambridge Univ. Press, 2001); Justin Hughes, *The Philosophy of Intellectual Property*, 77 *GEO. L. J.* 287 (1988) (describing, among other theories, "incentive-based, instrumental theory" as the vision of intellectual property informing U.S. Constitution); William M. Landes & Richard A. Posner, *An Economic Analysis of Copyright Law*, 18 *J. LEG. STUD.* 325 (1989).

190 Morgan, *supra* note ____ . Two centuries later, observers as disparate as Luigi Barzini and _____ were still drawing the same difference between Americans and Europeans. *See, e.g.* LUIGI BARZINI, *THE EUROPEANS* 219 – 253 (1983) (chapter on "The Baffling Americans").

191 Paul Kuruk, *Protecting Folklore Under Modern Intellectual Property Regimes: A Reappraisal of the Tensions Between Individual and Communal Rights in Africa and the United States*, 48 *AM. U. L. REV.* 769 (1999); Susan Scafidi, *Intellectual Property and Cultural Products*, 81 *B.U. L. REV.* 793 (2001). You probably want to read Susan Scafidi's BU article, which is exactly on point. You also can cite to the TK symposium: Symposium, *Traditional Knowledge, Intellectual Property, and Indigenous Culture*, 11 *CARDOZO J. INT'L & COMP. L.* (forthcoming 2003).

In truth, geographical indications have some of the same incentive function tha Landes and Posner have identified for trademarks.¹⁹² Geographical indications can provide the same information feedback loops that trademarks provide. Some consumers come to recognize *Margaux* as having desirable characteristics; they seek out *Margaux*, expecting it to continue to have those characteristics. If enough consumers do this, the *Margaux* producers are motivated to maintain, if not enhance, the consumer-desired characteristics. In this way, the GI incents both product quality control and product quality differentiation, no differently than the way the *SNICKERS* and *BABY RUTH* trademarks give their respective owners incentives to maintain the slightly different recipes of their otherwise similar peanut/caramel/chocolate candies.¹⁹³ The incentive power of GIs in countries that have strong appellations bureaucracies (France, at least) is not that different from a certification mark. And the point has been legitimately made that where production is predominantly spread among small and medium sized enterprises, the GI – or certification mark – allows marketing on a scale that individuals enterprises cannot attempt.¹⁹⁴

If the appellations regime recertifies individual producers on a regular basis, this too is an incentive system for quality arising from the GI, although it is an incentive to maintain quality, not innovate on quality measures. In short, the appellations system creates an incentive, both good and bad, toward stasis. Greater stability in the GI (or trademark) may be of great benefit to consumers;¹⁹⁵ it allows *more* meaning for *more* consumers – which furthers the information function that Landes and Posner identified. For example, more rigid controls in wine labeling may allow consumers to get more stable and more complete explanations of “*savoir lire l’etiquette*” (how to read the label) than could be summarized from BATF rules.¹⁹⁶ On this count, we do not know how much national bureaucracy in EU countries frustrates experimentation and creativity in EU vineyards – or, conversely, stabilizes the product. There

¹⁹² William M. Landes & Richard A. Posner, *Trademark Law: an Economic Perspective*, 30 J. L. & ECON. 265 (1987).

¹⁹³ Landes & Posner, *supra* note ___ at ___; The same product differentiation function is identified for geographical indications in Friedrich-Karl Beier, *The Need for Protection of Indications of Source and Appellations of Origin in the Common Market: the Sekt/Weinbrand decision of the European Court of Justice of 20 February 1975*, in PROTECTION OF GEOGRAPHIC DENOMINATIONS OF GOODS AND SERVICES 183, 195 (Herman Cohen Jehoram ed. 1980)

¹⁹⁴ Beier, *supra* note ___ at ___ (195).

¹⁹⁵ See Justin Hughes, *Recoding Intellectual Property and Overlooked Audience Interests*, 77 Tex. L. Rev. 923 (1999) (discussing even passive audiences’ interest in stability in cultural objects protected by copyright and trademark laws).

¹⁹⁶ JACQUELINE GARDAN, *LIVRE DE CAVE: PRECIS A L’USAGE DE L’AMATEUR ECLAIRE* 13 – 14 (Porphyre Éditeur, 1991).

are plenty of reports of innovation in French, Spanish, and Italian vineyards, including new varietal mixes, new technologies, and new basic botanical and oenological research.¹⁹⁷

Perhaps a corollary of the static entitlement view among skeptics is a belief among GI supporters that European agricultural practices are “traditional” compared to the New World. Advocates of geographical indications and a vision of Europe-versus-New World agricultural production implicitly or explicitly use this slanted worldview, sufficiently so that it needs to be discussed.¹⁹⁸

For many regions in Europe, this idea of family-based, traditional farming is, in the words of Professor Dominique Denis, a “near caricature . . . that no longer corresponds to reality.”¹⁹⁹ As Denis recognizes, in some viticultural regions farmers control the production process while in others there is a “near total separation, legal and physical, between the production of grapes and the making of wine.”²⁰⁰ And the production scale can be impressive. For example, in 2001, in the Champagne district, Moët & Chandon shipped out 2,275,000 cases of that sparkling wine; Veuve Cliquot produced and sold 1,000,000 cases; Piper-Heidsieck sold 455,000 cases.²⁰¹ Not bottles, *cases*. In contrast, General Motors sold only 648,000 units of its popular *SILVERADO* SUV in 2002, Toyota sold only 70,000 *SEQUOIA*

197 See, e.g. Jancis Robinson, *The grapes of war*, Financial Times (London), Sept. 16, 1995, pg. I (reporting on Australian techniques being used in French vineyards); *Les vins de pays d’Oc: diversification, exportation, et communication*, VIN MAGAZINE, No. 45, Winter 2002, at 78 (describing new varietal mixes in Languedoc region); *Les crus du Medoc, d’hier et d’aujourd’hui*, VIN MAGAZINE, No. 45, Winter 2002, at 84 (describing new clonal varieties of grapes being used and research on plant vines).

198 “New World” because the same claims about “industrial” agricultural production apply to various kinds of agricultural production in the U.S. Canada, Australia, Argentina, and Brasil. Typical of this kind of rhetoric is Norbert Olszak writing of the New World that “[t]he vast spaces and the recourse to technology permitted the development of very large enterprises producing standard wines for the consumption of the masses.” Olszak, *supra* note ___ at 4. This is after Olszak baldly claims, without a stitch of evidence, that “terroirs” in the “New World” “are less identifiably distinct because the geological and climatological particularities are less diverse.” *Id.*

199 Denis, *supra* note ___ at 3 (describing the idea of “exploitation familiale” as “presque caricaturale, et cette description ne correspond plus à la réalité, dans de nombreuses régions tout au moins. »)

200 Denis, *supra* note ___ at 5 (« Dans d’autres pays viticoles, il existe au contraire une séparation presque totale, physique et juridique, entre la production du raisin, et l’élaboration du vin. »)

201 *Uncorking success*, THE ECONOMIST, December 21, 2002, at 45, 46. Note that these are figures for *brands*, not companies. If one wanted to compare company to company, General Motors – the world’s largest automobile maker – sold ___ units worldwide in 2001. LVMH, the world largest champagne maker, sold over 4,350,000 cases worldwide (that figure does not include smaller selling LVMH brands like *DOM PERIGNON*. *Id.*)

vehicles in the same year,²⁰² and TiVo had only 510,000 subscribers as of October 2002.²⁰³ This production in “industrial quantities”²⁰⁴ by the “shipping firms” has been true for decades.²⁰⁵

European cheese production presents the same complicated picture. In Emilia-Romagna, the production of Parmesan cheese “has the feel of big business, with more cooperatives and fewer small farms.”²⁰⁶ AOC cheeses in France are classified into four production types: *fermier*, *artisanal*, *cooperative*, and *industriel* versions.²⁰⁷ Many are available in multiple types, i.e. *industriel* and *fermier* and/or *artisanal* versions.²⁰⁸ For example, of the 3,700+ tons of *Pont l’Eveque* cheese produced in 1991, only 2% were classified as “fermier” – the rest was *artisanal*, *cooperative*, or *industriel*. Of the 3 million+ cheeses cured in the caves of Roquefort-sur-Soulzon (and thus qualifying for the AOC *Roquefort*), 60% are made by one company.²⁰⁹ And total production of AOC cheeses in France has gone from 168,000 *tons* in 1991 to over 191,000 tons in 1997;²¹⁰ it seems more likely that such an increase came principally from increased large-scale production, not new small farmers.

202 Danny Hakim, *A List Some Carmakers Don’t Covet*, THE NEW YORK TIMES, February 18, 2002, Business Day at C1, col. 2.

203 Om Malik, *The show’s over: personal video recorders will lose their independence*, Red Herring, February 2003 at 64, 65.

204 *Uncorking success*, THE ECONOMIST, December 21, 2002, at 45, 47.

205 LECHINE’S ENCYCLOPEDIA OF WINES, *supra* note ___ at 185 (“Almost all Champagne is made sparkling in the cellars of the big shipping firms”), 187 (“Only in a few isolated cases does the grower in Champagne vinify his own grapes – they are nearly always sold to one of the shipping firms. . .”); Similar market concentration is true of the Cognac AOC, where, even a handful of companies has controlled production of *Cognac* exported to the US. See Terry Robards, *The Mystique of Brandies*, THE NEW YORK TIMES MAGAZINE, December 26, 1982 at 34 (at that time four companies produced 85% of *Cognac* exports to the US).

206 PAMELA SHELDON JOHNS, PARMIGIANO 13 (1997).

207 See Masui and Yamada, *supra* note ___ at 22.

208 *Id.* at 20-21 (Abondance AOC from Rhone-Alps), 26 – 27 (Beaufort AOC from Rhône-Alps), 29 (Bleu d’Auvergne AOC from Auvergne); 152 (Livarot AOC from Basse-Normandie); 154 (Maroilles AOC from Picardie); 164 (Neuchatel AOC from Haut-Normandie); 172 (Pont l’Evêque from Basse-Normandie).

209 See Masui and Yamada, *supra* note ___ at 179 (the Société des Caves et des Producteurs Réunis). See also, <http://www.roquefort-societe.com/>.

210 See Masui and Yamada, *supra* note ___ at 77.

The production methods can also be more industrial than brand managers would like you to think. When Moët sold its *LANSON* and *POMMERY* brands, it kept the vineyards that had been used to make those Champagne wines. Those vineyards – once associated with decidedly inferior wines – are now used by Moët to increase production in its top-end brands, including *DOM PERIGNON* and *VEUVE CLIQUOT*.²¹¹ Down in Italy, many of the production facilities for *Parmigiano-Reggiano* are “gleaming laborator[ies] in every sense of the word, with white tiles, chrome fixtures and work tables, and great copper cauldrons.”²¹² In the *Chateauneuf-du-Pape* AOC, the production methods range from “ancient oak cooperage with little or no stainless steel” to one vintner that “sends its grapes through stainless-steel pipes, where the skins are flash-heated by steam entering the outer jacket of the pipes.”²¹³ In Alsace, one vintner advertises “ancestral methods and ultra-modern techniques.”²¹⁴

This is not to deny that there are artisans and artisanal producers in the hills of Champagne and Regio Emilia, just as in Argentina, Australia, and California. In Champagne, the Krug house produces *KRUG CLOS DU MESNIL*, a thousand case *blanc de blanc* wine made, year in and year out, from a single four acre vineyard.²¹⁵ The Bordeaux region is full of vintners like Francois Mitjavile, who produces only a couple thousand cases of his *LE TERTRE ROTEBEOUF Saint-Emilion* each year²¹⁶ -- in the same ballpark with the annual Napa production of Sean Thackrey’s legendary wines.²¹⁷

211 *Uncorking success*, THE ECONOMIST, December 21, 2002, at 45, 47.

212 Johns, *supra* note __ at 16.

213 Richard Nalley, *The Feudal System*, Expedia Travels, March/April 2001 at 71, 73.

214 Hugel & Fils, http://www.hugel.com/en/index_en.html (noting that following tradition, “does not exclude innovation : temperature control during fermentation and robotised palletisation at bottling are also present.”)

215 McNerney, *supra* note __ at 51.

216 McNerney, *supra* note __ at 124.

217 McNerney, *supra* note __ at 189 (For example, Thackrey’s *ORION* wine - just 500 cases - and his non-vintage *PLEIADES* Syrah-based blend - around fifteen hundred cases). For other vineyards in California that produce vintages in small number of cases, see, e.g. Crane Canyon Vineyards in the Russian River Valley, <http://www.cranecanyon.com/cgi-bin/wineguys/store/store.cgi> (describing 1999 Mourvedre, 325 cases produced, and 2000 Mourvedre, 125 cases produced); Frog’s Leap Vineyards, Napa Valley, <http://www.frogleap.com/html/wines.html> (describing 2000 Syrah (290 cases produced), 1999 Rutherford (1,110 case produced). See also Banfi Products Ccorp. V. Kendall-Jackson Winery Ltd., 74 F.Supp.2d 188, __ (E.D.N.Y. 1999) (distribution of Kendall-Jackson’s *COLLINE DI SASSI* wine as varying between 37 and 1345 cases annually in 1990- 1998).

Perhaps the European emphasis on their agriculture as “traditional” compared to New World practices is partly a function of political fears founded on political realities. While Western European countries have experienced a steep decline in their agricultural workforces similar to what the U.S. has experienced, the population statistics remain different. France has Europe’s largest farms, but they are still considerably smaller than their American counterparts.²¹⁸ In France, “about 4% of the total working population” is occupied in agricultural production (another 2.7% in “food processing,” which presumably includes much AOC production);²¹⁹ this group produces 2 - 4.5% of France’s GDP.²²⁰ In contrast, “farming employs only about 1 percent of the U.S. workforce and accounts for less than 1 percent of GDP.”²²¹ This suggests that agricultural – or “agroalimentaire” -- interests may have more political influence in France than in North America.

As in other developed countries, French agriculture continues to decline as a percentage of the country’s total GDP, a trend “mainly attributable to the steady deterioration in agricultural prices relative to prices in general with the saturation of the European single market.”²²² And a trend that could produce significant political pressures. Two decades ago, Luigi Barzini pinpointed this problem in his own analysis of French motivations within the European community. He concluded that French political leaders were motivated by a belief that they must, “sell their agricultural products at a price high enough to keep the *payans* happy”²²³ Barzini pointed to a systematic French effort to support “its costly patriarchal

218 Comparing average farm size, American farming does appear much more “large scale.” The average U.S. farm is 199 hectares (491 acres) versus the average French farm of 42 hectares and an average EU farm of 21 hectares. < <http://www.info-france-usa.org/atoz/agriculture.asp>>. But these are difficult numbers to compare. The large American farms are dedicated to grain and beef production, not the core of geographical indications issues. In France, 43% of the agricultural land is in farms larger than 100 hectares – presumably, these are also used for grain and hooved animal production.

219 Bernard Vial, *French Agriculture in the Context of Europe*, Website of the Embassy of France, available at < <http://www.info-france-usa.org/atoz/agriculture.asp>>.

220 *L’Agriculture dan l’economie nationale*, Ministere de l’agriculture francais, available at <www.agreste.agriculture.gouv.fr/default.asp?rub=bima>.

221 Agricultural/Economic Development Task Force, U.S. Department of Agriculture, available at < <http://www.rurdev.usda.gov/nrdp/agttaskforce.html>>.

222 Vial, *supra* note __.

223 LUIGI BARZINI, *THE EUROPEANS* 58 (1983)

agriculture, . . . the very expensive and excellent wines, the wonderful cheeses . . .”²²⁴
Politically prescient words indeed.

C. Big profit for Old World producers?

Would strong protection of geographical indications economically benefit European concerns with little or no benefit to producers in the Western hemisphere, Asia, or developing countries? There are two ideas in this question. The latter idea – that there would be little benefit to non-Europeans – is probably true. The former idea – that European producers would enjoy great benefits – is probably false.

While it is true that any geographical indication can have valuable name recognition built around it, today valuable geographical indications seem concentrated in Europe and North America.²²⁵ The problem is that there are not many products from developing countries that currently have reputations with the strength of *Cognac*, *Port*, *Parma ham*, or *Swiss chocolate*. There is little evidence of developing country farmers or entrepreneurs moving toward GI-based marketing.²²⁶

Some products from the developing world – cigars from Cuba, tequila from Mexico, carpets from Central Asia – have reputational bases that could be further developed. Coffee and tea may be the best general examples: serious coffee drinkers in North America appear more knowledgeable than Europeans about high end coffee producing regions (e.g. *Cerrado* in Brazil, *San Juanillo* in Costa Rica, and *Yirgacheffe* in Ethiopia). But for geographical indications to help producers from developing countries, there would have to be the same kind of reputational investment as would be needed to build up the fame of trademarks from developing countries. For example, the National Federation of Coffee Growers of Colombia has carried on a 40+ year campaign to convince North American coffee drinkers of the

²²⁴ *Id.* at 124. See also Denis, *supra* note ____ at 5 (France balances its balance of trade with foodstuff products).

²²⁵ This may be true of geographic words generally. Besides foodstuffs, consider how carmakers have used European and North American geographic names for evocative purposes in recent decades/ *CORDOBA*, *SEVILLE*, *BROADWAY* (Renault in France), *NEVADA* (Renault in France), *MALIBU*, *TAHOE*, *SANTE FE*, *YUKON*, *SEQUOIA*, etc.

²²⁶ Admittedly, this focuses on North/South international trade and there may be significant reputational value for some geographic regions even within a developing country or a group of developing countries. For example, in Nigeria, fruits and vegetables from the region around Jos are known for their quality; in Brasil, wines from the Mendoza region of Argentina are regarded as superior to most of the local production

superiority of their country's coffee. Their success is measured not just by 95% of Americans being aware that Colombia grows coffee, but also the trademark avatar of their efforts, "Juan Valdez," being a household name for 80% of Americans.²²⁷

But the Colombian coffee example makes another point: the Colombian coffee producers have done this successfully under certification mark law in the U.S.²²⁸ and general trademark law in the EU – because the EU does not allow developing countries to register geographical indications. Ironically, through such prejudicial practices, the European Commission has shown developing countries that an appellations systems is not needed -- existing laws on deceptive labeling and unfair practices may be sufficient *and* investment in reputation may best be spent on trademarks.

On the other hand, those with vested economic interests in European geographical indications may be overstating the economic yield they would enjoy if they had complete commercial control of the word. For example, Bruno Paillard, a winemaker in the Champagne district asserts that "counterfeit" *Champagne* sales in the U.S. are "probably three to four times those of authentic Champagne."²²⁹ When one looks at how few non-Champagne district sparkling wines use the word Champagne in the U.S., this assertion seems reminiscent of some claims of losses from copyright piracy.²³⁰ There *are* ways to show how much value is in the words. Have Champagne district sparkling wine sales increased in Spain since the Spanish relinquished use of *Champagne* and started labeling their own sparkling wines *Cava*? Have *Cava* sales dropped in the rest of the EU? The answer is apparently no.²³¹ Have Australian

²²⁷ National Federation of Coffee Growers of Colombia, PRESS RELEASE – *Juan Valdez turns 40. What is behind a successful campaign*, September 14, 2000, available at < http://www.juanvaldez.com/menu/news/Releases/Juan_Valdez_turns_40.pdf>. For an online history of the Juan Valdez campaign, see < <http://www.juanvaldez.com/menu/advertising/>>.

²²⁸ U.S. Trademark 73199563 (*COLOMBIAN* for coffee, certification mark registered to the Republic of Colombia, registered July 1981)

²²⁹ Lyn Farmer, *Abusing the C-word*, THE WINE NEWS, December/January 2002-03 at 8.

²³⁰ David Legard, *U.S. global piracy losses estimated at \$9.2 billion*, InfoWorld, February 14, 2002, available at www.infoworld.com/article/03/02/14/Hnpiracy_1.html (trade association estimate based, with some products, on assumption that every pirated copy is a lost sale).

²³¹ Tom Carter, *French Wrath produces bitter while*, THE WASHINGTON TIMES, November 29, 2002 ("Spain, which called its sparkling wine 'champagne' until joining the European Union, now sells more of its celebratory wine under the name of 'cava' than all the champagne from Champagne."). In fact, "Cava" seems to be having a surge in sales in northern France, see *L'Espagne effervescente en France*, VINS MAGAZINE, No. 45, Winter 2002 at 16 (describing a "succès croissant des 'cavas' (vins effervescent espagnols) dans le nord de la France").

sales of European wines increased substantially since Australian vintners phased out use of many of Europe's cherished wine words? Apparently not.²³² In reporting on the push for AOC designation by some apple and pear farmers in Normandy, *Le Monde* noted "the products stamped AOC could be the locomotive for new development of products from the Normandy *terroir*."²³³ Could be, but it probably won't be much of a locomotive, particularly as the appellations contrôlée space gets more and more crowded.

In the end, European advocacy of geographical indications should be seen more as a matter of national pride and intellectual property "theology" than as hard-headed economic strategy. In the development of international intellectual property legal norms, each side of the Atlantic has had its favorite causes. Americans have advocated semiconductor mask protection, technological protection measures for copyright works, and, now, business method patents. Europeans have advocated moral rights, increased copyright terms, extra-copyright database protection, first-to-file patenting, and, now, geographical indications. The result, as Professor Bernt Hugenholtz has noted, is a "transatlantic accelerator," a round robin of increasing intellectual property protection worldwide.²³⁴

Sometimes one side's advocacy is plainly self-interested – as was the U.S. push on semiconductor masks. Sometimes one side's advocacy is plainly irrational – as when the EU advocates stronger database protection which would only lock in U.S. advantages. GIs appears to be somewhere in between, offering some limited advantage to European producers, but probably less than they believe.

²³² Imported sparkling wine imports have dropped recently in Australia, with only a 1% increase in red wine imports and an increase in white wine imports attributed to a shortage of domestic white wine. *The Wine Contact*, October 2002 [official newsletter of Australian Wine and Brandy Corp.], available at http://www.awbc.com.au/news/awbc_contact_pdf/AustWineOct02.pdf.

²³³ Lerosier, *supra* note ____.

²³⁴ Bernt. P. Hugenholtz, *Software Patenting: the European Approach*, presentation at the IFRI Conference, Paris, June 2002, available at <<http://cip.umd.edu/hugenholtz.ppt>>

IV. PRINCIPLED FOUNDATIONS OF THE DEBATE

Once the political explanations and practical arguments are set out, one is left with Peggy Lee's question, "is that all there is?" Here, there is much more. In the introduction, I described three basic functions for geographic words in labeling products: (a) to tell us the product's geographic provenance, (b) to tell us about non-geographic characteristics of the product, or (c) for evocative purposes. The *public* argument for geographical indications is that they serve a special combination of (a) and (b). But the EU's true goal in seeking additional geographical indications law is to secure the *evocative* value of certain words for certain constituencies.

Proponents of stronger geographical indications law should not misunderstand this. Honesty does not mean hostility. But it is time to be honest about the uncertainty around the idea of *terroir*. The sections that follow explore the essential land/qualities nexus and whether it can serve to justify stronger legal protection of GIs. This discussion concludes that limited, reasonable protection of GIs does not need the idea of *terroir*, but that some proposals for increased GI protection do – and that evidence of *terroir* is insufficient to make the case for such increased protection.

A. *The drift of geographic words and the theory of the "essential" land/qualities connection*

Geographic words naturally drift toward non-geographic product identification. The drift of geographic words from meaning geographic origin to meaning non-geographic characteristics is all around us. A stroll down the aisles of your local supermarket – whether your locale is the Latin Quarter or Latin America – makes the point.

In the Paris *supermarché*, there is *sauce mexicaine*, *americaine sauce a la tomate*, and plenty of *saucés bourguignonne* and *saucés provencale* – all these products made in France (but not Burgundy or Provence). On the parallel shelves in Sao Paulo, there are sauces that are *bolonhesa*,²³⁵ *madiera*, *tipo japones* and *tipo americano*. Munichers buy *salat dressing Italienisch*,²³⁶ just as Angeleno shoppers buy *italian dressing*. The Paris grocer stocks soups

²³⁵ Package on file with the author and image available at <www.justinhughes.net/libraries/GIs>.

²³⁶ Package on file with the author and image available at <www.justinhughes.net/libraries/GIs>.

mixes that are "Chinese," "Thai," "Vietnamese," "Provençal," "Moroccan," and, perhaps my favorite, Royco Minute Soup's *CURRY TAJ MAHALI*²³⁷ -- made in Rueil-Malmaison, a town to the west of Paris in the Ile-de-France.

In Beijing, the Danes are selling Danish Camembert²³⁸ and in the Munich stores, there is plenty of camembert made in Germany. Of course, once you have cheese, you need bread. There is *American sandwich bread* in Munich and, back in Paris, there is *Swedish bread* baked in France, with a label that helpfully explains that the flat, round bread is the equivalent of a baguette in Stockholm. For something sweeter, the Sao Paulo biscuit aisle has Brazilian-produced *biscoito Champanhe*,²³⁹ delicate and subtle enough for those occasions when you are serving sparkling wine. Back in Paris, there are *HELLO* brand brownies from the LU company. Manhattan skyscrapers and the Statue of Liberty figures prominently in the packaging.²⁴⁰ Although Lady Liberty was designed by a Frenchman, given the English name and distinctly American-style recipe, it's hard to believe that this would not count as an indirect (and possibly deceptive) geographical indication.²⁴¹

What's to be learned from all? Only that use of geographic words and symbols to convey non-geographic product qualities is ubiquitous and presumably so because it is efficient. While the *HELLO* brownies are not going to win any awards from Martha Stewart, they *are* more like American brownies than any French pastry recipe. Some of these examples are traditional generic cases, i.e. camembert. Some of these are what might be called 'hyper generic' uses -- but the geographic word still connotes some characteristics of the recipe, i.e. that a "Thai" recipe for soup will have lemon grass and chile peppers;²⁴² that a "Provençale"

237 Package on file with the author and image available at <www.justinhughes.net/libraries/GIs>.

238 Package on file with the author and image available at <www.justinhughes.net/libraries/GIs>.

239 Package on file with the author and image available at <www.justinhughes.net/libraries/GIs>. *See also* <www.bauducco.com.br> (last visited April 15, 2002). The Brazilians also have something much worse: one of the country's most popular soft drinks is Antartica brand *Guarana Champagne*, without a bit of grape juice, let alone champagne. The product is, according to its label, "Original do Brasil".

240 Package on file with the author and image available at <www.justinhughes.net/libraries/GIs>.

241 Although the packaging text is in French, the *HELLO* logo has, repeatedly, "Made In LU," bearing a clever similarity to "Made In USA," especially to non-Anglophone eyes. A witty marketing joke or over the edge on deceptiveness?

242 *See, e.g.* recipes at http://www.templeofthai.com/thai_soup/thai_soup.html; <http://trikuare.cx/~magenta/recipes/pseudo-thai.html>; <http://www.pastrywiz.com/archive/thaisoup.htm>; http://www.world-recipes.info/thailand-thai/thai_soup.html.

recipe will have garlic, tomatoes, olive oil, and onions; and that “brownies” means a slightly-underbaked cake recipe with a strong [Dutch-processed] chocolate favor.²⁴³

In most if not all these cases, there is a *lack* of consumer confusion; that lack of confusion is the best indication of the drift into genericness. As the British Government noted in the 1991 *Exportur SA v. LOR SA* case before the European Court of Justice:

“it is not unusual for successful foodstuffs produced in one [Member] state to be imitated in other [Member] states. If appropriate labelling ensures that ‘imitations’ are clearly distinguishable from the originals on whose recipes they are based, there is no risk of fraud or deception and so the original name becomes generic.”²⁴⁴

In *Exportur*, two French candy makers contended that two Spanish candy names had become generic.²⁴⁵ The British Government agreed with the French producers “that “turrón de Alicante” and “turrón de Jijona” represented certain recipes for confections, whose principal distinctive ingredients, namely honey and almonds, originate in different regions or even different countries.”²⁴⁶

Perhaps “drift” is too passive a characterization of the process of genericization. We think of human progress as being about *innovation*, but most progress comes from *imitation*. Progress would be rare, episodic, and probably not worthy of the name if each innovation was only enjoyed by the innovator. Imitation of techniques and technology (in the broadest sense) is often accompanied by imitation of familiar terminology. So we get *computador* (Spanish), *televisi* (Malaysian), and *croissant* (English). Terminological imitation makes technique transfer more efficient. As the French candymakers argued in the *Exportur* case:

²⁴³ Or, as Alice May Brock said, “Tomatoes and oregano make it Italian; wine and tarragon make it French. Sour cream makes it Russian; lemon and cinnamon make it Greek. Soy sauce makes it Chinese; garlic makes it good.” <http://www.quotationspage.com/subjects/food/>

²⁴⁴ *Exportur*. 1992 E.C.R. at I-5539 paragraph 50. The candymakers argued that “turrón Jijona” had come to mean a honey nougat candy “containing ground almonds and being of a soft consistency” while “turrón Alicante” was a “brittle specialty made with whole almonds.”

²⁴⁵ At I-5535, para. 23.

²⁴⁶ At I-5539, para. 47.

in so far as [the words] indicate certain types of tourons and constitute generic terms, they are necessary in order to identify the products in question for the benefit of consumers, so that to reserve them solely for Spanish producers is unlawful.²⁴⁷

Recipes retain their names as the technology migrates (in fact, sometimes geographic words are *added* during the migration to describe the source of the technique). In *Exportur*, the imitators of the Spanish candy technology had reasonably imitated the words too. Consumers had reasonably come to rely on those words to describe the food technique generally. The original name comes to stand for the technique; this is a general process – we only call it genericization when a geographic word is involved. That is the difference between Caesar salad and Swiss cheese, honey mustard and Dijon mustard, crepes Suzette and Chicago pizza – all are general recipes, the second in each pair became so through a process of genericization of a geographic word.

B. Tokay, but not Travertine or Tiramisu

If geographic words on products have this nasty habit of drifting toward non-geographic meanings, what are producers of “successful foodstuffs” to do? Some food processing techniques are patentable, but even for the ones that have been, the most important techniques are well past 20 years in age. Copyright protection of recipes is too thin to be of any use. But if the reputational value of the geographic word could be secured to the first producers, that would help. So, how to justify arresting the (efficient) drift of meaning?

One answer was the *essential land/qualities connection* – the idea of *terroir*. If the product’s non-geographic qualities arise *only* from the product’s geographic origins, then imitators of the technique still cannot truly reproduce the product. And if the essential land/qualities connection is real, its logic can justify extending the intellectual property control to include ALL quality descriptive uses of a protected geographic word. In other words, if the *terroir* is actually needed for the technical process, then “Chianti style wine,” “Dutch process” (for chocolate) and “*méthode champenoise*” (for sparkling wine) makes no sense for products produced outside that area.

But something funny happened in the development of a law founded on the essential land/qualities connection. It did not develop to cover the products that most obviously qualify

²⁴⁷ At I-5535, para. 25.

for this idea of “essentiality.” And the question never addressed is whether there is much about the essential land/qualities connection or *terroir* that makes sense with the products that now get geographical indications protection.

An essential place/characteristics connection makes the most sense with the *least* processed products. Stone for building is a good example. In the 15th century, the Florentines imported lustrous and illustrious *bianchi marmi* from Carrara for the Duomo being constructed under Brunelleschi,²⁴⁸ in the 20th century, Angelinos imported glistening Travertine marble from outside Bagni di Tivoli for the walls of the Getty museum complex.²⁴⁹ There is not much a community can do to change the quality of stone quarried from its environs (dig deeper perhaps). And not much a community can do to make its quarried stone resemble that of the stone in another place. If the key is essentiality, should not GI protection have arisen in relation to various kinds of Travertine marble or lapis lazuli from Afghanistan or Jerusalem limestone — things whose characteristics our technology has not learned to faithfully reproduce beyond a single geographic area? These are the most unimpeachable examples of the *terroir*, of desirable final product qualities being intrinsically linked to a single geographic production area.

Instead, geographical indications cover products which are processed goods. Consider the problems with the *terroir* paradigm from each side of the *land/qualities* connection. As to the *land*, the product’s qualities are claimed to come from some combination of inputs specific to that geographic place: the climate, the topography, the geology (typically surface, but sometimes subterranean²⁵⁰), the flora, the fauna, and the *humans* (the *skilled* labor manifesting *technique*) in that place. As a popular French guide to wines asks and answers:

Is the [wine’s] character forged by heredity or environment? For all the ink that has been spilled, the problem appears false when viewed from another direction: who could state that the taste of a wine related more to the plant, “the race of the vine,” than the soil or than the year? Of the climatic conditions more than the cultivation?

²⁴⁸ ROSS KING, BRUNELLESCHI’S DOME 108 - 111 (2000).

²⁴⁹ See, RICHARD MEIER, BUILDING THE GETTY (19xx). Travertine from the same quarry was used to build the Coliseum, the Trevi Fountain, and the colonnade of St. Peter’s Basilica in Rome.

²⁵⁰ The best known example of subterranean geological features claimed to play an integral role in the processing of a product are the limestone caverns that are used to cure Roquefort cheese.

Nothing is more complicated than to preserve the learned balance of these combinations.²⁵¹

Indeed, so complicated that some treat it as a (justified) mystery, that we should just recognize it as such, and not try to analyze it. James E. Wilson, a geologist, seems a victim of this thinking, telling readers that *terroir* has a “spiritual aspect”,²⁵² Daniel Querre, a winegrower from the St. Emilion district of Bordeaux, describes *terroir* as including “something precious – unknown.”²⁵³

The typical *terroir* narrative moves between two poles, sometimes breathlessly. First, there is the gestalt vision of *terroir*, often spiced with mystery. The official website for the principal producers of *Roquefort* cheese tells us as much: “Le secret de Roquefort, c’est le rencontre entre l’animal, le minéral, et le végétale.” -- The secret of Roquefort is the meeting between the animal, the mineral, and the vegetable.²⁵⁴ This gestalt argument is also an intense preoccupation of writers on wine. The Chablis district is identified by thin topsoil, calcium-rich subsoil, and “inclemency of the climate”.²⁵⁵ For Champagne, “[I]t is partly soil, partly climate, partly vines, and partly labour and tradition which make Champagne what it is.”²⁵⁶

Narrowing the gestalt approach, Professor Norbert Olszak identifies the soil-climate-cultivation triumvirate as the justification for geographical indications protection. Professor

251 Gardan, *supra* note ___ at 9. (“Le caractère est-il forgé par l’hérité ou l’environnement ? Pour avoir fait couler beaucoup d’encre, ce problème n’en apparaît pas moins dans tout sa fausseté sitôt qu’on le regarde au travers d’un goulot. . . . »)

252 JAMES E. WILSON, *TERROIR*, ___ (U of California Press, 1999).

253 <http://www.ventanavineyards.com/dmnotes/terrior.html>

254 Further telling us that it is a combination of [lait de brebis, cave naturelle, penicillium Roqueforti] So, the *penicillium Roqueforti* fungus is a “vegetable,” so to speak. And yes, that is the actual name of the fungus that causes the Roquefort blue. *Penicillium Roqueforti* is considered a low risk microorganism. See <http://www.epa.gov/opptintr/biotech/fra/fd008.htm>.

255 ALEXIS LICHINE, WILLIAM FIFIELD, JONATHAN BARTLETT AND JANE STOCKWOOD, ALEXIS LICHINE’S *ENCYCLOPEDIA OF WINES & SPIRITS* 173 (1968) [hereinafter *LECHINE’S ENCYCLOPEDIA OF WINES*] (“The soil is hard, and hard to work. . . . The topsoil is thin and in many spots the wite, marly, calcium-rich subsoil (a formation known as Kimmeridge Clay) shows through A further hazard is the inclemency of the climate, for Chablis is more to the north than any other fine wine district of France except Champagne and Alsace.”)

256 *LECHINE’S ENCYCLOPEDIA OF WINES*, *supra* note ___ at 181.

Olszak points out that the industrial revolution made it easy for geographic names of more processed goods to become generic such as “oxford,” “tweed,” and “eau d’Cologne,” but as to foodstuffs, he writes:

In contrast, for agriculture products and particularly for viticultural products, it is not the same. One can transport the grape varieties, the winemakers, the presses, the casks or stills – and there effectively is a world market for all this, but one cannot replace the soil and the climate. Certainly, there can sometimes be one region which resembles another, but there remain subtle differences, reinforced by cultural and historic particularities, that form precisely this unique combination of natural and human factors that is *le terroir*.²⁵⁷

No one can quibble with the first part of Professor Olszak’s statement. As sure as Italian gelato makers opened businesses in Argentina, Argentine gelato makers opened businesses in America; French companies have willingly sold their equipment and oak casks (by the hundreds of thousands); Alain Ducasse can be found (occasionally) cooking in the kitchen of his restaurant in New York. So strategically speaking, the emphasis must be placed on the soil, but with a pinch of mystery for things like “culture” still left in.

In this subtler version of the story, the *terroir* is like a concerto in which one instrument plays the principal part, but a whole, specialized orchestra is needed for the overall effect. For example, the Priorat region of Spain recently has gotten attention in the U.S. for its “dense red wines” and local experts squarely attribute the character of the Priorat wines to Llicorella slate in the soil.²⁵⁸ The author of the same article on Priorat tells us that it is the combination of long hot days and cool nights that presents the winemaker with a different sort of raw material than vintners in other regions.²⁵⁹ For Port, “[a] certain type of rock called schist

²⁵⁷ Olszak, *supra* note ___ at 4. (author’s translation)

²⁵⁸ The report from Priorat typifies this kind of narrative:

“Here it is very easy to make wine,” said Jose Riera I Agustina, the winemaker at Mas Igneus. “And the reason it is easy is this,” he said, grabbing a fistful of soil. “The llicorella. The secret of the Priorat is this.” Llicorella is slate, and in Priorat it is so prevalent that many vineyards appear to have been planted in a bed of rubble.

Amanda Hesser, *In Spain, Old Growths and New Beginnings*, THE NEW YORK TIMES, May 1, 2002, at ___.

²⁵⁹ See Hessner, *supra* note ___ at ___ (“Long hot days during the summer leave the vines dry, which leads to smaller yields and grapes that are both very sweet and very concentrated in flavor. But cool nights make it difficult for tannins to develop in those grapes before the sugar content gets too high.”)

is probably the factor which, in conjunction with the climate and with methods of treatment worked out over a long time, gives the wine its character.”²⁶⁰ A 1960s guide to wines gives a particularly memorable claim about a single crucial element of the Champagne district *terroir*:

“The white pebbles [in the Champagne soil] absorb the heat of the sunshine, reflecting and radiating it evenly on to the ripening fruit and holding it well after the sun has disappeared below the horizon. Without this extra source of heat, the grapes, in some years, would never ripen at all.”²⁶¹

This extraordinary layman’s idea – a *heat retaining pebbles narrative* – may actually have some foundation in geology.²⁶² Yet it highlights two problems with the *terroir* narrative. First, are there really little white pebbles everywhere in the Champagne district?

More generally, are single appellations really consistent in key geology, flora, and climate? Or are areas within an appellation region themselves varied? -- as when one French guide to wines notes that for *Le Minervois* AOC “the four regions are differentiated from each other by their *terroir* and their climate;”²⁶³ geological studies have shown between 10-60 soil types for the AOC *Alsace grand cru*,²⁶⁴ and one of France’s leading magazines says differing “quality of terroirs” – plural -- is one of the two principal factors in the differences among cuvees sparkling wines from Champagne.²⁶⁵ Some Sonoma County vintners have studied soil

260 LECHINE’S ENCYCLOPEDIA OF WINES, *supra* note ___ at 410. (and noting that when the traditions of Port were established, “the wine was made from any number of grape varieties, almost at random. To a considerable extent, this is still the case.” [1968]).

261 LECHINE’S ENCYCLOPEDIA OF WINES, *supra* note ___ at 186.

262 See, e.g. W.H. “Terry” Wright, *Soil and wine quality: The Terroir connection*, paper presented at Geological Society of America meeting, summary available at www.sonoma.edu/geology/wright/gsa.html (noting that in some Sonoma vineyards “[p]ebbly clay loams developed on Franciscan Complex ophiolitic rock produces excellent red wine fruit.”)

263 Gardan, *supra* note ___ at 77 (“Quatre régions se différencient par leur terroir et leur climat. »)

264 B. Burtshy, *Dix terroirs, quatre cépages, cinquante grand crus. L’équation enfin résolue*, REVUE DU VIN DE FRANCE, March 2000 at 54.

265 Virginie Dumonthier, *Des Champagnes pour tous*, VINS MAGAZINE, no. 45, Winter 2003 at 22 (« LA qualité des terroirs et l’assemblage érigés en véritable institution, sont les principales sources de la diversité des cuvées proposées. »)

and slope characteristics to the point of dividing the vineyards into “flavor blocks,” miniature terroirs that are viticultured differently.²⁶⁶

Second, while the focus on one aspect of the terroir dispels some of the dissatisfaction with the “mystery” and gestalt argument, it opens the terroir claim to greater challenge – in at least two directions. The first challenge is that practically any one natural aspect of the region can be found somewhere else. Wine literature is full of such comparisons. The number of wine-producing areas that make claims akin to the hot white pebbles of Champagne borders on funny.²⁶⁷ Winemakers in Long Island and in Connecticut credit their own region “with a maritime microclimate not unlike Bordeaux.”²⁶⁸ An article in a recent British newspaper favorably compared a few sparkling wines from Sussex in southern England with Champagne district sparkling wines on the grounds that the Sussex “subsoil is remarkably like the Champagne region’s.”²⁶⁹

The second challenge is the lack of evidence about what the classical *terroir* inputs actually do. As British writer Andrew Barr has noted, the superiority of French soil because of the presence of limestone “is not . . . demonstrated by science. No expert is able adequately to explain in what way the presence of limestone might affect the flavour of the wines that

266 W.H. “Terry” Wright, *A geologist looks at Sonoma County Terroirs*, available at www.terrwrightgeology.com/terrart.html (noting this about Benziger Family Winery and describing “a rich smorgasbord of rock types and a complicated geological history” producing a “high diversity of soil types, each a niche with its own conditions of texture, structure, and nutrients” in Sonoma County).

267 See also Nalley, *supra* note ___ at 75 (reporting of Chateaufeuf-du-Pape region, “A sizeable portion of the appellation is blanketed under smooth, glacier-deposited stones the size of softballs It may be, as is often asserted, that the rocks help boost these grapes to stratospheric ripeness by retaining the warmth of the sun.”); www.beaucastel.com (“terroir” page, asserting “Beaucastel was formed in this manner with the ‘galets’ contributing significantly to the quality of the wines: they retain the heat of the day and radiate it to the vines during the night.”)

268 *Connecticut Wine Trail, Stonington Vineyards*, available at <http://www.ctwine.com/stonington.html>. See also *Connecticut Wine Trail, Chamard Vineyards* (a “unique micro-climate influenced greatly by Long Island Sound”) available at <http://www.ctwine.com/stonington.html>; Bedell Cellars, available at <http://www.bedellcellars.com/about.html> (“a maritime ‘micro-climate’ which provides optimum growing conditions for grapes. It is said to be similar to that of Bordeaux, France.”); *Castello di Borghese Vineyard, Long Island*, (describing founding of Long Island winery: “through research, soil testing and intuition, the Hargraves realized that the maritime microclimate was remarkably similar to that found in Bordeaux.”) available at <http://www.castellodiborghese.com/default.htm>.

269 Jancis Robinson, *Make sure your fizz is the biz*, Financial Times, December 28-29, 2002, at X, col. 1, at col 8. (“Champagne vintages vary enormously.”)

have been made from the grapes that grow upon it.”²⁷⁰ “Soil science,” explained one Australian winemaker in the 1990s, “is not well advanced. We do not understand the underlying principles.”²⁷¹ And when we *do* understand it, limestone – or the appropriate mix thereof will simply be added as needed, a practice that has already been undertaken by some New World vineyards.

While some regions alter themselves to produce flavors traditionally identified with other regions, traditional regions are changing their inputs while the qualities of their output are believed/claimed to be constant. This happens annually with the changing grapes used in the blends of champagne district “houses.” It also happens structurally – as when grape rootstocks and varieties are grafted. In Italy, the breed of the entire cattle stock used to produce *Parmesan* cheese changed from local stock to Swiss Bruna-Alpina stock to, finally, “descendants of North American Holsteins and Dutch Friesians.”²⁷² Similarly, up until 1984, the milk for *Parmesan* cheese only came from cows grazing on fresh grass (from April 1 to November 15), but that rule was abandoned with year around lactation²⁷³ and now the cows are not allowed to graze freely and “[t]heir food, often computer-monitored, is brought to them.”²⁷⁴ Yet no one says that *Parmigiano-Reggiano* cheese is no longer *Parmigiano-Reggiano* cheese.

All this further supports the notion that it is really human skill – the technique of balancing nature's inputs – which really produces *any* distinctness that exists among regional products. Andrew Barr has concluded that what many “connoisseurs of Burgundy have been taught to recognize as the taste of the *terroir*” is actually “a product, not of peculiarly Burgundian soil, but of peculiarly Burgundian wine-making defects.”²⁷⁵ Barr describes in detail how the “erotic” and “animal” character of red wines from Burgundy are the result of less hygienic winemaking practices than used by Oregon Pinot Noir wine producers. These practices capture “naturally-occurring vineyard and cellar yeasts strains” (versus the more

270 ANDREW BARR, *DRINK: A SOCIAL HISTORY* 112 (1995).

271 *Id.*

272 PAMELA SHELDON JOHNS, *PARMIGIANO* 23 - 24 (1997)

273 PAMELA SHELDON JOHNS, *PARMIGIANO* 25 (1997)

274 PAMELA SHELDON JOHNS, *PARMIGIANO* 24 (1997)

275 Barr, *supra* note __ at 113.

controlled yeast strains used in the New World).²⁷⁶ Natural vineyard yeast is, in some sense, truly part of the local *terroir*, but it is also something that can be – and has been -- transplanted with remarkable ease.

C. *The mythology of unique product qualities*

Let us turn to the other side of the *essential land/qualities connection* claim: do the products really have unique, discernible qualities? Was A.J. Liebling correct about the “decided individuality of wines”?²⁷⁷ The answer is both (a) almost certainly NO, and (b) at some level, perhaps yes. But the question itself seems to pit science against art, measurement against ineffable *je ne sais quoi*.

The general comparability of New World wines to Old World vintages is both an old story and a controversial issue. The modern era of this debate dates back to 1976, when Steven Spurrier organized the famed 1976 “Judgment of Paris,” a blind taste test pitting California Chardonnays against white Burgundy wines as well as California Cabernets against Cabernet-based wines from Bordeaux.²⁷⁸ Spurrier, a Englishman who owned a wineshop near the Place de la Concorde, chose nine judges – all French – with unimpeachable wine-tasting credentials. Twelve California wines; 8 French wines; 9 French judges. The winning red wine was Californian. So was the winning white wine; in fact, three of the top five white wines were Californian.²⁷⁹ Needless to say, to some French, Spurrier was just another confirmation of the French belief that the British have a constitutional inclination to be the European stalking horse for American interests.²⁸⁰

²⁷⁶ *Id.* at 113 – 114. Barr also discusses what he describes as defects in Burgundian white wine making compared to practices in “America and Australasia.” *Id.* at 115.

²⁷⁷ A. J. LEIBLING, *BETWEEN MEALS: AN APPETITE FOR PARIS* 72 (1959) (“The wines of the Rhone each have a decided individuality.”)

²⁷⁸ PAUL LUKACS, *AMERICAN VINTAGE: FROM ISOLATION TO INTERNATIONAL RENOWN – THE RISE OF AMERICAN WINE*, Introduction at ___ (2000) (“When the judges, led by Pierre Brejoux, chief inspector of the Institut National des Appellations d’Origine took their seats, they knew only that some of the wines they would be tasting came from the United States and that the others were French.”)

²⁷⁹ McInerney, *supra* note ___ at 178 – 179; Lukacs, *supra* note ___.

²⁸⁰ *See, e.g.* LUIGI BARZINI, *THE EUROPEANS* 118 (1983) (French opposition to British participation in Europe because of Britain’s “partly imaginary ‘special relation’” with Americans); [citations to recent stories about Iraq].

Who had the *better* wines is irrelevant. As Paul Lukacs notes, “[t]he real news was that, to a person, the experts had been unable to tell which wines came from which country.”²⁸¹ Lukacs continues,

[t]he egg on the judges’ collective faces came from their inability to discern what until then everyone had assume was obvious – namely, that the great French wines tasted better than other wines because they tasted, well, French.²⁸²

French writers criticize the methodology of the “Judgement of Paris” test,²⁸³ but blind taste testings have continued to show New and Old World wines to be comparable and difficult to distinguish, if not *indistinguishable*.²⁸⁴ Indeed, the principle French explanation for California’s victory in 1976 was that the California wines were ready to drink earlier and that, therefore, over time French wines aged better and would prevail. But the same blind taste test conducted by Spurrier ten years later produced similar results: the highest rated French red placed third behind two California wines that, apparently, had not aged too badly.²⁸⁵

Considering some of the best known appellations/denominazione, we can see the difficulty of establishing the essential land/qualities nexus, the very limited window of possibility for such an essential connection, and, finally, how this slender possibility does not support legal protection of geographical indications. There is widespread agreement within designated wine appellations like Champagne, Chateauf-neuf-du-Pape, Medoc, or Cognac, there is vary *tremendous* variation in quality from the expensive end to the low end (as well as among similarly-priced bottles).²⁸⁶ There are similarly recognized differences among

281 Lukacs, *supra* note ____.

282 Lukacs, *supra* note ____ at ____.

283 McInerney, *supra* note ____ at 179; Olszak, *supra* note ____ at 4.

284 Gordon Stimmell, *Seeing red over white* blindness, TORONTO STAR, January 22, 2003, at D04 (fourth annual “Tony Aspler Blind Taste Testing Award” in which Canadian wine buyers regularly identify and misidentify wine regions and types); Frank J. Prial, *Wines of the Times: Dodging Oak Bullets in \$12 Chardonnays*, THE NEW YORK TIMES, May 29, 2002, sec. F at 6, col. 3 (taste test in which Californian and Portugese wines placed ahead of three French candidates among inexpensive chardonnays); Morris, *supra* note ____ at 27 (in blind taste tests of Napa Valley J. Schram sparkling wines against “six tete-de-cuvées from Champagne,” J. Schram “always finished in the top three.”)

285 Barr, *supra* note ____ at 112.

286 A proposition that seems true of most AOCs. See, e.g. Nalley, *supra* note ____ at 74 (*Chateauf-neuf-du-Pape* wines are “all across the spectrums Some are superb, many are mediocre.”)

Parmeggio-Reggio cheese producers and even which seasons when a cheese is first made, then aged.²⁸⁷

As to the Champagne district versus other regions of the world, these days reviews and critics are more circumspect than just a few decades ago when sparkling wine from Champagne was assumed to be superior.²⁸⁸ There is also increasing evidence that other regions of the world – from Napa Valley to Sussex in southern England – can produce “convincing copies,”²⁸⁹ “true rival(s),”²⁹⁰ and “_____” of the Champagne district’s sparklers. Review after review that pits sparkling wines from Champagne against sparkling wines from other regions has the Champagne vintages generally on top, but usually with a *few* non-Champagne sparkling wines trouncing many of the Champagne products. For example, in a recent taste test of approximately 125 sparkling wines, one California sparkling (92) was only outscored by 13 of the 92 Champagne wines, while 9 California wines received the same score as 11 Champagne wines (88) and three California wines received the same score as eight Champagne wines (89).²⁹¹ If one looks at the adjectives used to describe the California and Champagne wines, there is also no significant variation.²⁹²

This problem of uniqueness is repeated again and again with different famous foodstuffs. An American writer who waxes eloquent on the uniqueness of Parmigiano-Reggiano cheese (Parmesan), bluntly notes “though few cheese experts point this out, real Brie

287 PAMELA SHELDON JOHNS, PARMIGIANO 32 (1997) (stating that “Mountain [*Parmesan*] cheeses from the fall season are often more robust due to the second growth of green grass available in the fall” and that “[c]heese from the same producer varies from season to season.”). Robinson, *supra* note ____ at col 5. (“Champagne vintages vary enormously.”)

288 LECHINE’S ENCYCLOPEDIA OF WINES, *supra* note ____ at 181 (“[s]parkling wines produced in other parts of the world may be good, but none will ever be Champagne – although some of them masquerade under the name.”)

289 Robinson, *supra* note __ at col. 8.

290 Jonathan Ray, *American dream: The Queen loves it and so do the French*, THE DAILY TELEGRAPH (London), November 2, 2002, at 7 (reporting on Nyetimber sparkling wines from Sussex, England; made by transplanted Chicagoans, which has “stunn[ed] the critics with their dazzling quality” and “came top of a blind tasting of sparkling wines in Paris – yes, Paris, France.”)

291 The taste test involved 44 California, 92 Champagne wines, and 4 wines from other regions. *Buyline*, THE WINE NEWS, December/January 2002/2003. at 89-100.

292 *Id.* (“[P]ale straw hue” describes a Gloria Ferrer Sonoma County sparkler as well as a Henriot, NV Brut Souverain sparkler from Reims; “pale gold hue” describes a Korbel California “Champagne” as well as a Billecart-Salmon from the Champagne district.)

and real Camembert taste identical.”²⁹³ And, not surprisingly, the sameness is attributed to them being “made from the same recipe, and the areas they come from have similar topography.”

One possibility remains: that there really is a difference in taste but that this difference can only be detected by the few – that the *Pont L’Eveque* cheese really does have characteristics that are not reproducible or, *at least*, have not yet been fully reproduced. At the end of the day, “subtle differences” may be all we can attribute to *terroir*. While these characteristics are discernable, they are discernable only by a very few people – the cognoscenti. Let us call this the *discerning few* theory of *terroir* and assume that it is absolutely true.

The problem is that the discerning few theory is a thin reed on which to built a justification for thick geographical indications law. While “[t]he average American who drinks wine on occasion [may] hardly pass for a connoisseur of wine,”²⁹⁴ the discerning few who can detect the subtle differences are, generally speaking, the people who read beyond the regional name. The person who can taste the *thing* that unifies all fortified wines from Oporto and distinguishes them from other fortified wines of the same style is presumably the person who can also identify subtle differences among the tastes of *Ports*. That person presumably recognizes different houses, different vintages, and different styles of the fortified wine. The usual, commonsensical assumption embodied in American trademark law is that a consumer who is that sophisticated is not misled by superficial similarities or immediate appearances of sameness.²⁹⁵ It would be a weird model of a consumer that assumed just the opposite: that she tastes the mysterious and subtle thing that unifies all fortified *Porto* wines despite their apparent differences AND is not a person who pays attention to the labeling details.

293 STEVEN JENKINS, CHEESE PRIMER 74 (1996). Mr. Jenkins is the first American to have been awarded France’s prestigious *Chevalier du Taste-Fromage*, presumably before he wrote the passage above.

294 Taylor Wine Co. v. Bully Hill Vineyards, Inc., 569 F.2d 731, 733-34 (2d Cir. 1978).

295 Engineering Dynamics, Inc. v. Structural Software, 785 F. Supp. 576, 583 – 84 (E.D. La. 1991) (no confusion as to computer user interface because of technical sophistication of computer users); Big Star Entertainment v. NextBigStar, Inc., 105 F.Supp.2d 185, 215 – 216 (S.D.N.Y. 2000) (Concluding web purchases are less likely to be confused because “manner in which products may be purchased on the web and the requirements imposed upon prospective buyers cannot be overlooked”); Michelle Brownlee, *Note, Safeguarding Style: What Protection Is Afforded to Visual Artists by the Copy right and Trademark Laws?*, 93 COLUM L. REV. 1157, 1174 (1993) (reasoning that compared to average consumers, purchasers of fine art have considerably more expertise in discerning differences in the constituent works and would be less likely to be confused as to the origin of the works).

Of course, the whole effort to *FIND* the difference may be irritatingly off-point to Europeans. As the wine critic for the *New York Times* recently wrote, “Europeans remain baffled at Americans deification of numerical ratings, jargon-ridden wine chat, and vintage arguments.”²⁹⁶ But such bafflement is not a very hopeful foundation for developing further international norms. If, when pressed, “the French winemaker would simply say *terroir*, and shrug his or her shoulders in that life-is-too-mysterious, Gallic way,”²⁹⁷ that does not get the conversation very far. If *terroir* “is an article of faith for every French vigneron,”²⁹⁸ but a mystery for everyone else, how are we to proceed? Particularly when some of the New World’s best wine minds are doubtful: as one says, “[y]ou hear so much dog shit about *terroir*. It’s used as such an excuse to attribute quality to real estate.”²⁹⁹ The French intransigence-based-on-mystery has some similarity to the continuing, scientifically-baseless refusal by France through 2002 to accept British beef on the grounds that it is “unsafe,” although the European Commission had ordered the EU reopened to British beef and, in 2001, the European Court of Justice had declared the French action illegal.³⁰⁰

Indeed, just as geographical indications law curiously arises with goods that are not the most anchored in geography, the timing of the rise of geographical indications law is also curiously suspicious. As a Canadian journalist notes blind taste tests,

“[have] become more difficult in the last decade with the globalization of wine varieties, styles, and winemaking. They’re making Aussie ‘shiraz’ and Italian-style pinot grigios in California, Burgundian pinot noirs in Oregon and New Zealand, California-dreaming chardonnays in France and Lotusland zinfandels in Italy The Balkans are awash with North American big-flavoured wines, Bordeaux-style

²⁹⁶ Howard S. Goldberg, *Bringing wine down to earth*, THE WINE NEWS, December/January 2002-2003 at 10.

²⁹⁷ Allen, *supra* note ___ at 31.

²⁹⁸ Jancis Robinson, *The grapes of war*, Financial Times (London), Sept. 16, 1995, pg. I.

²⁹⁹ Daniel Sogg, *Sean Thackrey: winemaking on the edge in a Marin eucalyptus grove*, WINE SPECTATOR, January 31 – February 28, 2003 at 95, 96. (“There is one pattern he detests – the concept of *terroir*, the notion that the growing site determines the character of wines. ‘You hear so much dog shit about *terroir*. It’s used as such an excuse to attribute quality to real estate. You wouldn’t do that with a restaurant. Every chef wants the best produce, but someone still has to cook it,’ he insists.”)

³⁰⁰ *French food agency backs British beef*, BBC News, September 20, 2002, available at <http://news.bbc.co.uk/1/hi/world/europe/2269808.stm>.

blends are sculpted everywhere, even in Austria, zippy Germanic reislings are sprouting in Ontario and New York.³⁰¹

Max Allen puts it more colorfully: “blow me if the[se] new top-notch burgundies don’t often taste disarmingly like top-notch Pinot Noir from Oregon . . . or Martinborough (New Zealand).³⁰²

In fact, two things have happened. First, transportation has made international trade in foodstuffs much more viable, opening distant markets that a local producer could serve in the past only precariously and with difficulty. But, second, just as marketing opportunities have opened up, the techniques themselves have already penetrated the newly available markets. How to respond to the alarming taste tests? To the new interchangeability of styles and tastes? British writer Andrew Barr puts it fairly directly:

[t]he response that French wine-makers have now offered to the results of tastings such as these has been to introduce an element of mysticism into the equation – to talk up their soil (*terroir*).³⁰³

And perhaps that is exactly why the Old World producers are clamoring *now* for international monopolies of their signature – dare we say ‘trademark’ – names. Production techniques are reproducible;³⁰⁴ climate and soil conditions can be quite similar among disparate regions. But names can make a difference.

³⁰¹ Stimmell, *supra* note __. Australian wine critic Max Allen describes the same process Stimmel noted, but optimistically as creating new variations: “for every bland, internationalized wine, there is an exciting alternative: a South Australian Shiraz, for example, that has been made using ancient techniques developed in Burgundy and has an extra level of texture and structure; or a Spanish Tempranillo made using Australian technology that has an extra layer of pure, varietal fruit flavour.” Allen, *supra* note __ at 66

³⁰² Allen, *supra* note __ at 73.

³⁰³ Barr, *supra* note __ at 112. Barr continues: “[I]t is essential to their purposes that French wine-makers should continue to insist that all the unusual characteristics of their fine wines should be attributed, not to wine-making technique, but to the soil of the vineyard. The French emphasis on *terroir* serves not only to combat competition from winemakers in America and Australasia, but also to create an aura around the most famous French wines: to establish them as natural phenomena, beyond the control of man.” Barr, *supra* note __ at 116.

³⁰⁴ Of course, some local production habits may be so specialized that, while they are quite reproducible, they go totally unreproduced. In Corsica, for example, the local *pâte de fromage* is often considered best “when it is infested with the *ciron* or cheese mite.” See Masui and Yamada, *supra* note __ at 126. The species

D. The essential land/qualities nexus was never needed to support limited legal protection of geographical indications

Having expressed healthy skepticism about much of terroir and a belief that whatever we can reasonably accept about the essential land/qualities nexus cannot support GI laws stronger than the current TRIPS provisions, let me now describe how the essential land/qualities nexus condition of TRIPS Article 22(1), the Lisbon Agreement, and the French AOC system is *not* needed for the reasonable – in fact, quite strong – protection accorded GIs under U.S. law.

By protecting GIs as certification and/or collective trademarks, the U.S. has never imposed an essential land/qualities nexus in its protection of *IDAHO* potatoes, *WASHINGTON STATE* apples, *ROQUEFORT*, and *PARMIGIANO-REGGIANO*. For spirits, the BAFT imposes certain quality requirements – which are extremely general by AOC standards.³⁰⁵ But quality regulations – whether BATF or INAO – are different than the essential land/qualities nexus.

There is no requirement essential land/qualities nexus in U.S. law because of the fundamentals of trademark law. *COCA-COLA* enjoys its trademark regardless of whether it can establish any unique characteristics vis-à-vis *PEPSI* or *ROYAL CROWN COLA*. Airlines enjoy strong trademarks, despite consistently, indistinguishably bad service – their joint race to the bottom in everything but safety being almost complete. *IDAHO* potatoes are protected without even any claim that they taste differently than Russet potatoes grown in other regions. A collective of French producers can obtain a collective mark in the U.S. even if refused AOC status by the INAO. In fact, while a geographical indication is “descriptive,” the normal doctrinal requirement of secondary meaning is waived in the case of a GI being registered as a certification mark.³⁰⁶ Under American law (a) certification or collective marks are available to protect a land/qualities connection even where the nexus is non-unique, and (b) unfair

appears to be *Tyroglyphus siro*, described as a mite “that lives on organic matter such as cheese.” <http://www.tiscali.co.uk/reference/dictionaries/animalsplants/data/m0049017.html>

³⁰⁵ And the relationship of BAFT regulations to U.S. trademark law is similar to the relationship of FDA or OSHA law to patent law. The patent allows the patent holder to *exclude* others from its technology, although the patent holder’s own use of the technology may be limited by FDA or OSHA regulations. Similarly, the holder of a certification or collective mark can exclude other from using it, although its own use of the mark may be subject to BAFT (or FDA) control.

³⁰⁶ 15 U.S.C. § 1054(2)(e)(2); *Roquefort v. William Faehndrich*, 303 F.2d 494 (2d Cir. 1962); *See also McCarthy*, § 19.91 at 19-203.

competition law is available to protect producers in one geographical region from deceptive or confusing use of their geographic identifier by those outside the region, regardless of sufficient secondary meaning to accord trademark status.

This latter point was established the 1980 *Black Hills Jewelry v. Gold Rush, Inc.* case³⁰⁷ in which an Eighth Circuit panel considered whether jewelry manufacturers in the “Black Hills” area of South Dakota could stop use of the phrase *Black Hills* gold on jewelry manufactured in North Dakota and New Mexico. The district court had concluded that “Black Hills gold” had not developed secondary meaning, denying the particular plaintiffs exclusive use of the phrase. In the face of this conclusion, the plaintiffs apparently pivoted their argument and claimed that “Black Hills jewelry” was a certification mark (available to anyone meeting the mark’s standards). The appellate court found that the South Dakota manufacturers were not entitled to a common law certification mark on the grounds that they fell outside the statutory definition of a certification mark (which was being used to infer the common law requirements for a common law certification mark).³⁰⁸

But the Eighth Circuit went on to conclude that the plaintiffs did have a cause of action against the North Dakota and New Mexico products on the grounds that Lanham Act section 43(a) “imposes civil liability upon ‘any person who shall * * * use in connection with any goods * * * a false designation of origin, or any false description or representation’”³⁰⁹ Recognizing the South Dakota jewelry manufacturers as aggrieved parties, the court concluded that “a group of manufacturers [can] assert the right to a geographical designation without establishing secondary meaning.”³¹⁰ This confirmed a long line of pre-Lanham Act cases had not been preempted by section 43. Thus, even where a European geographic words was not registered as a trademark – and could not be because it had not established secondary meaning (and was barred from registration under section 2(e) of the Lanham Act), the manufacturers from that region can bring a section 43 claim against good not produced in the region which are

307 633 F.2d 746 (8th Cir. 1980).

308 *Id* at 749 – 750. The Court reserved its opinion on whether there could actually be such a thing as “protection of ‘unregistered common law certification marks.’” *Id.* at 749, n. 3.

309 *Id* at 751 – 752.

310 *Id* at 751. *See also* *Scotch Whiskey Association v. Barton Distilling Company*, 489 F.2d 809 (7th Cir. 1973), *aff’g* 338 F. Supp. 595 (N.D. Ill. 1971) (false designation of whiskey not produced in Scotland as “Scotch” without requiring showing of secondary meaning).

labeled in such a way as have a “false designation of origin [or] false or misleading description of fact.”³¹¹

In the 1998 *Institute National des Appellations d'Origine v. Brown-Forman* case³¹² the T.T.A.B. was willing to go much further than the Eighth Circuit in *Black Hills Gold*. In the *Brown-Forman* case, INAO was opposing registration of a trademark *CANADIAN MIST WITH COGNAC*. The product at issue was made of a combination of *CANADIAN MIST* whiskey and fortified wine from Cognac, so there was nothing deceptive about the proposed trademark. Nonetheless, the INAO opposed on the grounds that the product – the mixture made with authentic, legitimately-purchased *Cognac* had not been authorized by the Cognac producers.

In deciding for INAO, the T.T.A.B. turned back a claim by the Canadian Mist people “that ‘Cognac’ is a generic term in which opposers can claim no exclusive or proprietary rights.”³¹³ The T.T.A.B. concluded “that the undisputed facts of record establish as a matter of law that COGNAC is a common law regional certification mark,”³¹⁴ allowing INAO to oppose the trademark registration under Lanham Act section 2(d) – a likelihood of confusion between the proposed trademark and the pre-existing common law *COGNAC* trademark.³¹⁵

The T.T.A.B. rejected the trademark applicant’s argument that “confusion” vis-à-vis a certification mark could only be as to whether the goods in question were actually certified; if the T.T.A.B. had adopted that position, *CANADIAN MIST AND COGNAC* could prevail on the grounds that the Cognac liquer it contained was, in fact, authentic and certified. Instead, the T.T.A.B. held that the same standard and criteria for a “likelihood of confusion” would apply with certification marks as with other trademarks for goods and services.³¹⁶ This meant that the

³¹¹ 15 U.S.C. 1125(a).

³¹² 47 U.S.P.Q.2d 1875, 1998 TTAB LEXIS 122 (T.T.A.B. 1998) (*COGNAC* valid unregistered certification mark for purposes of opposing trademark registration using “Cognac”)

³¹³ 47 U.S.P.Q.2d at ___, 1998 TTAB LEXIS 122, 22.

³¹⁴ 47 U.S.P.Q.2d at ___, 1998 TTAB LEXIS 122, 28.

³¹⁵ This essentially endorsed a prior, 1988 decision of the T.T.A.B. *Bureau National Interprofessionnel du Cognac v. International Better Drinks Corp.*, 6 U.S.P.Q.2d 1610, 1614 (T.T.A.B. 1988) (concluded that “. . . it is clear that the designation ‘COGNAC’ serves as a certification of regional origin, as well as of the quality of the brandy products entitled to bear the designation under French law and regulations. . .”)

³¹⁶ 47 U.S.P.Q.2d at ___, 1998 TTAB LEXIS 122, 47 – 48 (“There is nothing in the language of Section 2(d) which mandates or warrants application of one level of likelihood of confusion analysis . . . in cases where the plaintiff’s mark is a trademark or service mark, but a different and more limited likelihood of

scope of “likelihood of confusion encompasses not only confusion as to product contents but also confusion as to sponsorship, affiliation or connection.”³¹⁷ Because the INAO and the Cognac producers had not authorized the new Canadian whiskey/Cognac product, INAO could prevail under a Lanham 2(d) likelihood of confusion analysis.

Europeans seem to have failed to realize how much protection the *Brown-Forman* decision gives them under American trademark law. The standard enunciated in the case effectively gives the owners of geographical indications wide berth to prevent unauthorized uses in situations that involve no obvious confusion as to the geographic source of the goods, simply on grounds of “affiliation” or “sponsorship” confusion. Add federal dilution law for famous geographical indications under trademark law is already become uncoupled from any consumer deceit, mistake, or confusion. If *COGNAC* is a common law trademark, surely it is a famous one. And, if famous, the owners of the mark could move against all kinds of *arguably* dilutive uses, i.e. “the Cognac Lounge” for a bar, “Cognac” as a paint color, or a novel called “The Cognac Blues.” The full scope of protection enjoyed by famous certification marks like *ROQUEFORT* may be far more than is commonly appreciated – and all without any requirement of a TRIPS Article 22 essential land/qualities nexus.

But without the essential land/qualities nexus, does extending control to “style” “expressions” as provided in TRIPS Article 23(1) for **wine and spirits** make any sense? (Chianti style, Dutch process, Champagne method) On one view this is simply overreaching: the use of the word “X style” or “X-like” informs the consumer that the product is **NOT** the X product being stylized, that the product is only *like* X. On the other hand, if we follow the trademark analogy through, how would we feel about a soft drink whose label says “A Coca-Cola style beverage,” a cookie that calls itself an “Oreo-like snack,” or a line of clothes that noted, under its own trademark, that “These clothes are made according to the Evan Picone method.”

Something sounds wrong about permitting this kind of labeling, even when we all know rationally that many manufacturers can come very close to complete reproduction of a clothes designer’s look or a food product’s taste. On the other hand, while something sounds jarring about permitting these kinds of advertising slogans, Americans are strong believers in

confusion analysis in cases where the plaintiff’s mark is a certification mark. Section 2(d) does not distinguish between certification marks, on the one hand, and trademarks and service marks on the other.”)

³¹⁷ 47 U.S.P.Q.2d at ___, 1998 TTAB LEXIS 122, 51.

comparative advertising – and the heart of comparative advertising is communicating a message not very different from “X-style” or “X-like,” where X is the stronger, better known trademark.

The issue is complicated by one feature not present with trademarks like *OREO* or *COCA-COLA*: the amount of generization that has already occurred with words like Chianti, Swiss [for cheese], Dutch [for chocolate], Sherry, Champagne, and the like. Barring makers of sparkling wine from regions other than Champagne from using the phrase “*méthode champenoise*” makes no sense because everyone knows that the “*méthode champenoise*” is a technical method that can be carried out in a cave, whether in Napa Valley or Mendoza, Argentina.³¹⁸ Because control over this phrase in the European Union – and many other WTO members – is now reserved to the wine producers in the Champagne region, other EU wine producers have turned to the phrase “*méthode traditionnelle*.” In a recent survey of sparkling wines, *Gault-Milau*, one of France’s leading gastronomic publications described “*méthode champenoise*,” then turned to define “*méthode traditionnelle*”:

It conforms exactly to the method champenoise, step by step. Only the name was changed because of European legislation that limits the adjective “Champagne” to that which is uniquely from Champagne.³¹⁹

Similarly, a 1991 French guide to wines described sparkling wine from Languedoc and Alsace as being made with the “*méthode champenoise*.”³²⁰ These examples show that even French consumers had already identified “*méthode champenoise*” as a general process when legal restrictions on the phrase came online.

TRIPS Article 23 is understood as providing wine and spirit geographical indications with protection that extends beyond consumer confusion. But not all Article 23(1)

³¹⁸ LECHINE’S ENCYCLOPEDIA OF WINES, *supra* note ___ at 188 (“The Champagne process is the name for the traditional method of making a wine sparkle by allowing it to ferment a second time in the bottle.”)

³¹⁹ *Ces vins qui bullent*, GAULT-MILAU, no. 349, December 2001/January 2002 at 65, 67. And books printed for the EU market continue to define the process as *méthode champenoise*. See, e.g. Allen, *supra* note ___ at 101 (sparkling wines in Australia, the USA, and New Zealand made “using the so-called *méthode champenoise*, or “Champagne method”).

³²⁰ Gardan, *supra* note ___ at 76 (describing *La Blanquette de Limoux* from Languedoc as « Ces raisins sont suffisamment acides pour subir les manipulations de la méthode champenoise. » -- “grapes that are sufficiently acid to submit to the manipulation of the champagne method») and 101 (*Crémant d’Alsace* as “élaboré selon la méthode champenoise. » -- “made according the champagne method »)

“expressions” have the same effect *in how much they extend the GI protection beyond the bounds of consumer protection*. Saying that a product is “imitation X” strongly flags the *difference* between X and the product – at least it does so in English. No one thinks “imitation vanilla” is real vanilla; no one thinks a “Richard Nixon imitation” is the 37th President back from the grave. So prohibiting “imitation Scotch” or “imitation Reblochon” needs to be justified on the same terms by which one would or would not justify “imitation Coca-Cola.” The consumer confusion is improbable and, under standard American trademark doctrine, the trademark would only be protected if it was eligible for dilution protection.

Saying that something is or “X-like” or “X-style” still seems to highlight that the product is NOT X, but less dramatically than using the word “imitation.” The average American trademark lawyer would unquestionably be more troubled by “*OREO* style” than by “imitation *OREO*” – “*OREO* style” seems to carry a greater risk of consumer confusion. Finally, saying that a product uses the “X method” does not as clearly signal that the product is not X – it seems to engender the greatest likelihood of confusion.

E. Where words have become generic, there never was an essential land/qualities nexus and legal protection of geographical indications should only FOLLOW the rise of non-generic meaning.

Defending protection of geographical indications without the essentiality requirement on roughly the level of trademark law still does not address the problem of geographic words used in names that have become generic descriptive terms for particular types of foodstuffs. For example, it appears that recently the Mayor of Naples, Italy was petitioning the Italian Government to declare “neopolitan pizza” a protected geographical indication.³²¹ If he were successful, pizzerias from Paris to Piraeus could not longer use *neopolitan pizza* to describe a pizza that has mozzarella cheese, fresh tomatoes, oregano, and anchovies.

Musing on this proposed word grab, a writer suggested that if the Mayor were successful, those of us baking, serving, and consuming pizza outside Naples, Italy would have to content ourselves with “flat bread in the Neopolitan style.”³²² Of course, that overlooks the EU vision of geographical indication protection also forbids use of the protected word in phrases like ‘kind,’ ‘type,’ or ‘style.’ The mayor’s claim is not so outlandish under the EU

³²¹ Nancy Jenkins, *Food Court*, first appearing in the August 1999 issue of FOOD AND WINE; available at foodandwine.com, see <foodandwine.com> article search.

³²² Jenkins, *supra* note ___ at ___.

Origins Regulation because the Origins Regulation has a second tier of "geographical indication" protection where the quality or reputation of the product is merely "attributable" to the geographical region. A case might be made that "neopolitan pizza" has some characteristics or reputation "attributable" to Naples under this weaker, non-TRIPS, second tier of protection in the EU. If the good mayor succeed you can imagine the Monte Pythonesque conversations across Europe as restaurateurs struggle to serve neopolitan pizza to consumers who want neopolitan pizza without calling it neopolitan pizza.³²³

It's unquestionably true that Naples may carefully regulate the quality of pizzas baked and served within that city.³²⁴ But as to the phrase "neopolitan pizza," there are only two prospects. In the first case, there are *not* any unique characteristics to pizzas baked in Naples -- pizza masters in Boston, Paris, and Buenos Aires produce exactly the same taste with their own respective mixes of local and imported ingredients. In the second case, there really are unique taste and texture qualities to pizza baked in Naples that cannot be widely reproduced elsewhere, despite following widely known recipes and techniques.³²⁵ But the two situations are no

³²³ Imagine an exchange in one of the pizzerias frequented by students and low budget tourists in the Latin Quarter of Paris:

Patron: "Your menu lists marguerita and Quattro Formaggi (four cheeses) pizzas, then it says a pizza with mozzarella cheese, tomatoes, and anchovies. What's that?"

Serveur: "Monsieur, it is exactly what it says."

Patron: "Sounds like a Neopolitan pizza."

Serveur: "Well, I would not say *that*."

Patron: "Ok, it's a neopolitan-style pizza."

Serveur: "No, we would not call it that either."

Patron: "How about a neopolitan-like pizza?"

Serveur: "No, we would not call it that either."

³²⁴ It's true that the modern pizza was, by most accounts, first created by an Neopolitan baker. "Pizza was first created by the baker Raffeale Esposito in Naples, Italy. According to legend, Esposito wanted to create a kind of bread that would stand apart from all other kinds sold in Naples. He first experimented with adding only cheese to bread, then added sauce underneath it and let the dough take the shape of a large round pie. His creation was immediately a favorite, and Esposito was called to make a pizza for the visit of King Umberto and Queen Margherita of Italy in 1889. He made a pizza of three colors-white cheese, yellow sauce and green basil spices, to mirror the Italian flag and show his loyalty to his country. It was a hit, and he named his creation the Margherita pizza after the queen." But curiously, the same "history of pizza" claims that "In 1830, a pizzeria was established in Naples, making it possible for the rest of Italy to taste Esposito's creation," which would give Mr. Esposito a rather long run as a adult pizza maker. See <http://id.essortment.com/historyofpizza_rmef.htm> (last visited October 6, 2001).

³²⁵ See, <<http://www.ghg.net/coyej/Recipes/neopolitan.htm>> (recipe for Neopolitan pizza dough); <http://www.cyber-kitchen.com/ubbs/archive/PIZZA/Pizza_or_Calzone_Dough_Recipe_by_Chefshell.html> (Neopolitan style pizza dough). The March 2001 issue of *Dancyu*, a food publication in Japan offered

different in legal importance because even if the unique qualities exist, consumers clearly use "neopolitan pizza" to refer more generally to a pizza with mozzarella, fresh tomatoes, and anchovies,³²⁶ not to any unique qualities that *might* exist.

"Neopolitan pizza" is an unquestionably generic descriptive term under standards for "genericization" shared across the Atlantic . For example, France, Germany, and Denmark have all argued that the term "Feta" has become generic in their markets, despite the claims of Greece that it should be a protected designation of origin under Article 17 of EU Regulation 2081/92.³²⁷ Indeed, the European Court of Justice decision in the "Feta" dispute establishes a benchmark by which all the wine designations in North and South America have become generic. In ordering "Feta" to be *de-registered*, the Court said:

"account must be taken of the existence of products which are legally on the market and have therefore been legally marketed under that name in Member States other than the State of origin"

Because Feta "had been used for a considerable time in certain Member States," as a non-geographic descriptive term for cheese, it could not be a protected geographic indication within the EU.

There is another way to think about "genericness." Whereas I have focused on the acquisition of a *positive* meaning -- as to the product's non-geographic characteristics -- it is possible to understand "genericness" as the *loss* of geographic meaning. This is the approach taken by the European Advocate-General in the *Exportur v. LOR SA* case. Advocate-General Lenz noted:

"It is common ground between the participants in the proceedings before the Court that generic names are names which are neither designations of origin nor indications of provenance, as for example the name mentioned at the hearing,

an article, "Discover the Secret of Neopolitan Pizza Crust -- Popular Neopolitan restaurants show how they make their chewy creations." see <http://www.president.co.jp/dan/0103/e_top.html>.

³²⁶ See, e.g. LORENZA DE MEDICI, WILLIAMS-SONOMA KITCHEN LIBRARY: PIZZA 50 (1993) (recipe for "Neopolitan Pizza/Pizza alla Napoletana" on a par with "Four Cheese Pizza" and "Asparagus and Ham Pizza." Describing it as "a specialty of Naples" consisting of "a robust-tasting, yet well-balanced combination of pizza dough, fresh tomatoes, and anchovies.")

³²⁷ Joined Cases C-293/96, C-289/26, and C-299/96, Denmark, Germany, and France v. Commission, [1999] ECJ LEXIS 1783

‘cake anglais made in France’. Here an indication of geographical provenance has become a generic name for products whose composition and manufacture correspond to the English cake although the ingredients do not come from England nor were the products manufactured there.”³²⁸

The idea of a *losing* geographic meaning goes hand-in-hand with the notion of acquiring *non-geographic* meaning, i.e. the meaning is no longer “the place of manufacture of the product itself nor the place from which the ingredients come”; instead, “a given product’s composition and manufacture characterize it in the minds of those concerned.”³²⁹ Genericness is a recognition of the opposite of essentiality — that there really wasn’t any important characteristic of the product that was essentially or uniquely derived from one place. The important characteristics of Feta cheese, Dijon mustard, Panama hats, and Sherry are as easily reproduced in disparate locations as is vodka or mango chutney.³³⁰

There is no question that foodstuff production *techniques* globalized more rapidly than trade globalized, a differential phenomena that happened in the 19th and early 20th century. This is how *Burgundy*, *Parmesan*, *Camembert*, *Port*,³³¹ and similar words became generic in much of the English-speaking world, including Great Britain. As Olszak points out, the “the link between a precise place and the qualities of a product is not absolute” and it is a small step from saying the local wine “tastes a little like Port” to thinking it is a kind of Port.³³²

The question then becomes: if once generic, always generic? Should we be willing to allow generic words to be (re)propriertized? The answer may depend on the factual situation. In the “neopolitan pizza” situation – the case of a local government’s request for propriertization of a now-generic word – the answer should be unequivocally no. But what about a situation where the private producers have been struggling to de-genericize the word? This is arguably what is happening with *Champagne*.

³²⁸ 1992 E.C.R. at I-5549, para. 16 [Opinion of Advocate-General Lenz]. Of course, the real issue would be the generic name of ‘cake anglais’ period, not ‘cake anglais made in France.’

³²⁹ 1992 E.C.R. at I-5549, para. 18. [Opinion of Advocate-General Lenz]

³³⁰ French courts have found “Panama” generic as to hats and “Dijon” generic as to mustard prepared according to a particular recipe. See Bertrand, *supra* note ___ at 148.

³³¹ LECHINE’S ENCYCLOPEDIA OF WINES, *supra* note ___ at 185 (noting that in Britain in 1968, the “law permit[ted] . . . the use of the designation port-style for Australian port, South African port, and even British port.”)

³³² Olszak, *supra* note ___ at 17.

There is no question that during the 19th and 20th century, “champagne” and its transliterations in various languages became a generic term used to describe sparkling wines. The historical evidence of widespread generic usage in country after country is unquestionable; the evidence of widespread generic usage today is also unquestionable. For example, a 1969 American title, *The Wine Book*, offered the following observation to begin its section on the Champagne district:

The mere word “Champagne” suggests an iridescent bubble filled with luxury, with pleasure, and with sparkling elegance. . . . The writer’s pen itches with glorious epithets – but let it pause, for the word Champagne covers a vast number of wines, ranging from poor to excellent, that have nothing to do with that section of France that answers to the name Champagne.³³³

The same 1969 book did not reach the same conclusion about other well-known wine names. For example, it notes that “[a]ll the wines entitled to the label ‘Bordeaux’ come from the *département* . . . of the Gironde”³³⁴ and that Port is “[m]ade in a strictly controlled district.”³³⁵

And this does not mean that “Champagne” had become *more* generic than “Port” or “Burgundy”; those two words had also become generic to some degree as wine technologies globalized quicker than trade patterns. The 1977 *Webster’s New Collegiate Dictionary* offers a completely generic definition of “Port” (“a fortified sweet wine of rich taste and aroma”), while defining “burgundy” and “champagne” as wines coming from those French regions or “*also* a similar wine made elsewhere.”³³⁶ Almost a century earlier, Robert Louis Stevenson, a Scotsman traveling in northern California, praised “Burgundy Schramberger” from the

³³³ ALEXANDER DOROZYNSKI AND BIBIANE BELL, *THE WINE BOOK* 111 (1969).

³³⁴ *Id.* at 69.

³³⁵ While acknowledging that non-Portugese fortified wines use the “Port” name, in contrast to Champagne, this 1969 survey of wines was careful to put those uses in quotation marks:

“Made in a strictly controlled district, Port is one of the world’s most imitaed wines. The Soviet Union makes hundreds of thousands of gallons of ‘Portvein’ a year, and California produces five to ten times more ‘Port’ than Portugal itself . . .” *Id.* at 199.

³³⁶ WEBSTER’S NEW COLLEGIATE DICTIONARY (1977) at 147 [burgundy] and 185 [champagne]. The same American dictionary gives generic definitions of “camembert” (“a soft surface-ripened cheese with a thin grayish white rind and a yellow interior” at 159) and “bourbon” (“a whiskey distilled from a mash made up of not less than 51 percent corn plus malt and rye – compare CORN WHISKEY” at 131)

Schramberger vineyard in Napa; he noted “[m]uch of it goes to London – most, I think.”³³⁷ A 1971 up-scale guide to California wines had no difficulty listing 23 California vineyards making Chablis, 26 making Burgundy, 9 making Chianti, 5 making Sauternes, and a handful producing Champagne.³³⁸ A book published in London in 2002 continues the ambiguous tradition of *sometimes* referring to non-Portugese fortified wines as “vintage port.”³³⁹

The situation for each word is arguably changing, but the evidence is still mixed. For example, with “Champagne,” a 1990 U.S. magazine noted that usage of the word by California vintners was, even then, “dying out”³⁴⁰ and a December 2002 *New York Times* survey of sparkling wines from the Champagne district wrote, “[o]nce it was common to use the Champagne on wines made anywhere from California to Crimea, but the European Union cracked down,” – a curiously revealing statement of extra-territorial legal application from a non-lawyer.³⁴¹ But the “crackdown” has not been that successful outside Europe. A restaurant critic in the same month wrote “[I]n the American wine industry, Champagne is almost a generic term for sparkling wine, much like we call any photocopy a Xerox, or facial tissue a Kleenex.”³⁴² For wonderfully ambiguous evidence, consider that when a leading gastronomic magazine in the U.S. writes about Jamie Davis carrying on the sparkling wine tradition she and her husband started, it calls her “Napa Valley’s own ‘champagne widow.’”³⁴³ A California restaurant menu still says “[s]parkling wines are commonly called Champagnes, the name of the region in France where the best sparkling wines in the world are produced.”³⁴⁴ Today,

337 ROBERT LOUIS STEVENSON, *THE SILVERADO SQUATTERS* ____ (xxxx).

338 HURST HANNUM & ROBERT S. BLUMBERG, *THE FINE WINES OF CALIFORNIA* (1971).

339 See also Allen, *supra* note ____ at 47 (while describing South African, Australian, and American fortified wines as “port style” in contrast to Portugese “port,” Allen ambiguously puts all of these wines under the heading “VINTAGE PORT”).

340 Colman Andrews, *Champagne du Jour*, INVESTMENT VISION, November/December 1990 at 69, 70 (« California winemakers have traditionally described their own sparkling wines as champagne too – much to the chagrin of the French – but this usage is dying out, and most of the best California sparklers now eschew the term.”

341 _____, *Sipping Champagnes at \$40 or Less*, *New York Times*, December 11, 2003 (the article continues on to describe the EU crackdown on “champagne” and “méthode champenoise” as “an understandable but slightly holier-than-thou attitude.”) *Id.*

342 Lyn Farmer, *Abusing the C-word*, THE WINE NEWS, December/January 2002-03 at 8. Farmer goes on to say, “Yet it’s casual usage really riles the French, even more than labels such as Gallo’s Hearty Burgundy and Almaden’s Golden Sauterne.” *Id.*

343 Roger Morris, *California Sparkle*, SAVEUR, March 2003 at 25, 26.

344 Marche aux fleurs restaurant, available at <http://www.marcheauxfleursrestaurant.com/wine.shtml>.

Ukrainian winemakers produce *champanskoe*³⁴⁵ just as winemakers in California and upstate New York produce *champagne*,³⁴⁶ Argentine winemakers produce *champaña*,³⁴⁷ and at least one Brazilian winemaker offers *Champanhe Brut*.³⁴⁸

Yet there is considerable evidence that New World winemakers are increasingly abandoning the word “champagne.” For example, California’s finest sparkling wine, from the Schramberg vineyards “are no longer labeled ‘champagne,’ as they were for many decades”³⁴⁹ [MORE]

At the same time, producers in the Champagne region have been struggling mightily to re-property “Champagne.” An extensive advertising campaign has been launched in English language publications to convince at least high-end consumers that “Champagne” designates only sparkling wines from the Champagne district. An advertisement in the January 18th U.S. edition of the *Economist* starts on one page asking “Alaska Salmon From Florida?” and, on the next page, educating readers that if the sparkling wine “is not from Champagne, it is not true Champagne.”³⁵⁰ But the chosen magazines may say how far the Champagne district producers have to go: they have placed the same ad campaign in *Vanity Fair*, *The New Yorker*, *Saveur* and the *Wine Spectator*.³⁵¹ Why these publications? In these publications, the articles never mistakenly use “champagne” or “Bordeaux” or “burgundy” for non-French wines. The readers

345 For a Kiev restaurant menu listing “champanskoe” (_____), see <<http://kiev2000.com/poster/menu.asp?IdPart=21&Id=624>>. See also materials at footnote ____ *infra*.

346 Among American producers who still use “Champagne” to describe their sparkling wines are Korbel (Napa), Schramberg (Napa), Korbel (Sonoma), André (a “bulk” processor), and _____ (New York). Farmer, *supra* note ____ . One of the most highly rated California sparkling wines, Gloria Ferrer from Sonoma County, does not label the wine itself *Champagne*, although the vintner still calls itself – and appears on the label as – “Gloria Ferrer Champagne Caves” Farmer, *supra* note ____ .

347 <<http://www.drfrankwines.com/reference/winespir.html>> (discussing Chateau Frank Champagne from upstate New York); <<http://www.ny-wine.com/default.htm>> (upstate New York wineries, including “The Regent Champagne Cellars”).

348 Package on file with the author and image available at <www.justinhughes.net/libraries/GIs>.

349 Roger Morris, *California Sparkle*, *SAVEUR*, March 2003 at 25, 26.

350 Advertisement, *ECONOMIST* (U.S. edition), January 18-24, 2003, at 38-41.

351 Advertisement, *WINE SPECTATOR*, January 31 – February 28, 2003, at 137 – 139 (“Monterey Jack from Alaska” reads the tag on page 137; “Champagne Not From Champagne?” reads the full page on page 139); Advertisement, *SAVEUR*, March 2003 at 19-21 (“Gulf Shrimp from Nebraska?” reads the teaser on page 19; “Champagne Not From Champagne?” reads the full page on page 21). See generally Press Release, Office of Champagne USA, “European winemakers launch ‘Questionable origins’ ad campaign highlighting the importance of wine appellations,” January 13, 2003. (on file with author).

of such publications are the people who should *already* be convinced; there is probably very little overlap between these readers and the people who buy “Champagne” produced by Korbel, André, and other American producers. Does the focus of the campaign itself show how far the Champagne district producers have to go?

[MORE]

It seems fair to say (a) that we are in a grey period when the meaning of “champagne” appears to be shifting, but (b) that it will still be a very long time, absent laws, for the generic meaning to slip away. Exemplary of this is the commentary of Jay McInerney, novelist and wine columnist for *House and Garden*. McInerney has no question in his own mind about the meaning of “Champagne,” but then why does he title a section of his book *Vintage French Champagnes*,³⁵² a redundancy if he thought all his readers understood the word the way he does. He clearly doesn’t have this expectation of readers: when offering the rule “[t]here’s no such thing as bad champagne” he adds “By *champagne*, I mean the stuff that comes from the region of that name in northcentral France.”³⁵³

Even in France, the country that should have *least* accepted the generic use and most quickly abandoned it, there is still an echo of the word’s generic meaning. When a leading gastronomic publication ran a series of “Champagne” articles at the beginning of 2002, the second article was about sparkling wines from other regions and countries. Entitled *Ces vins qui bullent . . .* (“The wines that bubble . . .”), the editors printed “Champagne” in large letters at the top of each page, although the article was expressly about sparkling wines *not* from the Champagne district.³⁵⁴

If, over time, the generic meaning of “Champagne” is suppressed, should the Champagne regional producers regain global control of the word? Students of American

³⁵² JAY MCINERNEY, *BACCHUS & ME: ADVENTURES IN THE CELLAR* 53 (2002) (section entitled “East meets West: *Kaiseki Cuisine and Vintage French Champagne*.”)

³⁵³ *Id.* at 211 (italics in original). In another section, McInerney says “[b]y *champagne*, we mean the sparkling wine produced in the Champagne region of north-central France. Or do we? Even among northern California’s bubbly producers there seems to be some disagreement.” *Id.* at 61.

³⁵⁴ *Ces vins qui bullent*, Gault-Milau, no. 349, December 2001/January 2002 at 65. The writers and editorial staff demonstrated, in other subtle ways, their view of control of the word “Champagne” including praising an Alsatian wine as better than a “Champagne one” (“il étonne plus d’un champenois) at 67. *See also* footnote ___ *supra*.

trademark law may immediately answer that a word once generic remains generic. But there have been at least a few exceptions that bear on the *CHAMPAGNE* case. Perhaps the most important is the trademark *SINGER* in relation to sewing machines. In 1896, the U.S. Supreme Court held that *SINGER* had become a generic term for sewing machines,³⁵⁵ yet half a century later the 5th Circuit concluded that the Singer company had successfully “recaptured” the word from the public domain.³⁵⁶ McCarthy reports at least three earlier district court decisions -- going back as early as 1939 – that enforced trademark rights in *SINGER* and, therefore, were necessarily premised on the principle that the trademark had been reclaimed from its generic status.³⁵⁷ The Fifth Circuit’s decision was followed by subsequent district court enforcements of the *SINGER* trademark and, in 1970, a ruling by the Court for Custom and Patent Appeals ruling that *SINGER* had valid trademark rights in relation to sewing machines.³⁵⁸ In describing the “*SINGER* saga,” McCarthy writes:

. . . it must be recognized that *SINGER* has gone back to being a valid trademark only by “educating” buyers into not using the term as the name of a class of sewing machines, but as a symbol indicating products coming only from one source.³⁵⁹

Words that provide at least some comfort to the Champagne district producers.

A similar story surrounded the *GOODYEAR* trademark for tires and rubber products. In 1888, the U.S. Supreme Court rules that *GOODYEAR RUBBER* could not be appropriated by one company because the phrase described good produced by Charles Goodyear’s previously patented vulcanizing process.³⁶⁰ McCarthy points to the equivocal language in

³⁵⁵ Singer Mfg. Co. v. June Mfg. Co., 163 U.S. 169, 41 L.Ed. 118, 16 S.Ct. 1002 (1896).

³⁵⁶ Singer Mfg. Co. v. Briley, 207 F.2d 519, 99 U.S.P.Q. 303 (5th Cir. 1953) (affirming district court conclusion that Singer “has by constant and exclusive use of the name ‘Singer’ in designating sewing machines . . . and in advertising the same continuously and widely recaptured from the public domain the name ‘Singer’ . . .”).

³⁵⁷ J. THOMAS MCCARTHY, MCCARTHY ON TRADEMARKS, Fourth Edition, § 12:31 at 12-82 (2002).

³⁵⁸ Singer Co. v. Unishops, Inc., 421 F.2d 1371, 164 U.S.P.Q. 631 (C.C.P.A. 1970).

³⁵⁹ McCarthy, § 12:31 at 12-83.

³⁶⁰ Goodyear’s India Rubber Glove Mfg. Co. v. Goodyear Rubber Co., 128 U.S. 598, 32 L.Ed. 535, 9 S. Ct. 166 (1888).

the opinion as to whether *GOODYEAR RUBBER* was being refused protection because it was descriptive, not generic:

“. . . the name ‘Goodyear Rubber Company’ is not one capable of exclusive appropriation. ‘Goodyear Rubber’ are terms descriptive of well-known classes of goods produced by the process known as Goodyear’s invention. Names which are thus descriptive of a class of goods cannot be exclusively appropriated by any one.”³⁶¹

Later in the opinion, the Court again deploys equivocal language, saying “[n]or can a generic name, or a name merely descriptive of an article of trade . . . be employed as a trademark.”³⁶² But I think that, while the Court says “descriptive” not “generic,” their doctrinal description certainly favors the former.³⁶³

Yet beginning a few decades later, the Goodyear Tire & Rubber Company began an often pitched – and ultimately successful – battle to recover *GOODYEAR*. In the 1965 *Goodyear Tire & Rubber v. Rosenthal* case, a Minnesota district court found that the company had (re)established secondary meaning in *GOODYEAR* via hundreds of millions of dollars in advertising,³⁶⁴ explaining away the 1888 opinion as concerning descriptiveness only. A few years earlier, the Federal Trade Commission (at the behest of Goodyear Tire and Rubber) had forced a consent decree to make raincoat importers stop using the name *GOODYEAR* by itself,³⁶⁵ a result premised on the word now referring at least partially to a particular source, not solely a kind of product or manufacturing process.³⁶⁶

³⁶¹ 128 U.S. at 602.

³⁶² 128 U.S. at 603-4

³⁶³ *Rettinger v. FTC*, 392 F.2d 454, n. 2 (2d Cir. 1968) (Second Circuit panel concludes “[I]n 1888, the Supreme Court held ‘Goodyear Rubber’ to be generic and in the public domain.”)

³⁶⁴ *Goodyear Tire & Rubber Co. v. H. Rosenthal Co.*, 246 F.Supp 724 (D. Minn. 1965) (finding that “[b]etween 1952 and 1961 the advertising expenditures of the plaintiff exceeded 230 million dollars” and was then spending more than \$30 million a year on advertising.); 2 McCarthy, *supra* note 25, § 12:30 (stating that *GOODYEAR* was reclaimed from the public domain). In contrast, the Champagne district winemakers campaign will spend only \$1.5 million in ads in U.S. magazines in 2003. *Personal correspondence with Sam Heitner, Office of Champagne, USA.*

³⁶⁵ In re. *Rettinger Raincoat Mfg.*, 53 F.T.C. 132 (Federal Trade Commission decision, Aug. 17, 1956). *Rettinger* subsequently entered into a consent decree with Goodyear Tire & Rubber to stop using *GOODYEAR* completely if and when the company succeeded in getting a court order against one of *Rettinger* competitors. *Rettinger v. FTC*, 392 F.2d 454, 455 (2d Cir. 1968). *But see* *Goodyear Tire &*

The lesson of *SINGER* and *GOOD YEAR* is not that any generic words may be propertized: these cases give no comfort at all to Microsoft in its efforts to propertize the words “windows” through massive advertising.³⁶⁷ The critical difference is that *SINGER* and *GOODYEAR* each started as a proper trade name, identifying a single source of goods. Indeed, each was the surname of the inventor/innovator of the goods. In each case, a trademark migrated into the generic realm and, by the line of these cases, migrated back into trademark protection through consumer conditioning (advertising).³⁶⁸ The Singer and Goodyear stories are not so different from what wine producers in Champagne are trying to do with the word *Champagne* – reclaim a word which started out specifying a type of wine from a particular geographic region; became a generic word for sparkling, typically white wines; and appears to be migrating back slowly to mean a type of wine from a particular geographic region. In this sense, American law is compatible with one French commentators observation that “it is not impossible to think of restoring the situation by ‘regenerating’ the geographical meaning of a [generic] word.”³⁶⁹

The main difference between the *SINGER* situation and the situation with *Champagne* is that the wine producers of the Champagne district are playing on the international stage, where

Rubber v. Topps of Hartford, 247 F. Supp. 899 (D. Conn. 1965) (court refuses preliminary injunction against raincoat makers using *GOODYEAR* because secondary meaning not established and company might be equitably estopped from action).

³⁶⁶ While this is an important doctrinal difference for American trademark law, note that the standard in TRIPS Article 24(6) permit a state to refuse trademark protection to certain words is triggered when those words are “the term customary in common language as the common name for such good or services” without specifying “generic,” “descriptive,” or any other precise doctrinal category from national trademark laws. Thus, Olszak’s criticism of the BATF’s “semi-generic” category is misplaced. American trademark law has, for example, had categories of “highly descriptive” and “” words that, while not being generic, have been treated as outside the potential range of trademarkable words, slogans, and symbols. See McCarthy,

³⁶⁷ See also Harley-Davidson, Inc. v. Grottanelli, 164 F.3d 806, 49 U.S.P.Q.2d 1458 (2d Cir. 1999) (“hog” was originally generic word for large motorcycle and could not become trademark of Harley-Davidson).

³⁶⁸ The same may have occurred with the word “opry” in relationship to Nashville country music and/or the services of the Grand Old Opry in Nashville. In 1986, an Eight Circuit panel ruled that “opry” was a generic term for country western shows, but eight years later a panel of the Federal Circuit held that the plaintiffs before it could prove that the term had been reclaimed from the public domain. See Opryland USA, Inc. v. The Great American Music Show, Inc., 970 F.2d 847, 23 U.S.P.Q.2d 1471 (Fed. Cir. 1992). See also BellSouth Corp. v. White Directory Publishers, Inc., 42 F. Supp. 2d 598, 49 U.S.P.Q.2d 1801 (M.D.N.C. 1999) (BellSouth failed to prove that it had reclaimed trademark status for the generic designation of the “walking fingers’ logo).

³⁶⁹ Olszak, *supra* note ___ at 16.

the political clout of the EU is used to persuade countries to surrender previously generic words, as when Australia agreed in the 1993 Australian-EU agreement on wine to phase out 23 generic wine words and allow their re-properitization by Europeans.³⁷⁰ As the *Economist* noted, in a general study of the winemaking industry in Champagne, “French champagne makers have defended their nectar with a clever mix of brilliant marketing and zealous legal campaign to protect the crucial ‘champagne’ name.”³⁷¹

At what point should we consider the migration of meaning adequately complete to permit properitization? There are at least two standards we should think about. The first is *exclusive* use. For the Champagne district producers to reclaim “Champagne,” they must become the exclusive user of the word in relation to sparkling wines. This exclusivity needs to be only *relative*, not absolute. In the Minnesota *Goodyear v. Rosenthal* case, the defendant pointed to four other parties in the rubber industry that were still using the word “Goodyear.”³⁷² The court found that these other users were not relevant to plaintiff having established secondary meaning because of the scale of the plaintiff’s operations: total employment of the four firms was less than 1,200 people compared to the 103,000 employed by the plaintiff.³⁷³

One sees a trend in this direction as the large Champagne district “houses” purchase California vintners and, then, cause the California producers to label their wines without the word “Champagne.” Some of the best California sparkling wines are now made by subsidiaries of French wine concerns: California’s Domaine Carneros is owned by Taittinger, Roederer Estate belongs to the French Roederer concern, and Moët & Chandon produces Moët Brut Imperial Napa Valley.³⁷⁴ (Yet even many of the French-owned California wine houses continue to use the phrase “*méthode champenoise*,”³⁷⁵ so the reclamation campaign is not quite as coordinated as it first might seem.)

A second standard for when re-properitization of a word is appropriate: only when there is proof that the word lacks *any* generic meaning. This standard was announced by the First

³⁷⁰ Olszak, *supra* note ___ at 22.

³⁷¹ *Uncorking success*, *supra* note __ at 45.

³⁷² 246 F. Supp at 728.

³⁷³ *Id.*

³⁷⁴ Farmer, *supra* note ___ .

Circuit in, *Miller Brewing v. Falstaff Brewing Company*,³⁷⁶ a case revolving around the word “Lite” for beer. In 1976, a Seventh Circuit panel had ruled that “Lite” was the phonetic equivalent of “light” and a generic term for low calorie beer.³⁷⁷ A district court in Rhode Island concluded that “regardless of its character at an earlier time, LITE may not longer be generic”³⁷⁸ and allowed a preliminary injunction to issue. The First Circuit reversed, finding that the proof in the district court did not include the key finding that “Lite” had ceased to have any significant generic meaning. The *Miller Brewing* court explained that the 1953 ruling in favor of *SINGER* was possible because, by 1953, *SINGER* “had in contemporary usage no generic meaning.”³⁷⁹

F. Control of the evocative power of geographic words can be traded for something more economically rational.

Are the demands for stronger international standards protecting geographical indications – and the surrender of words that have become generic outside Europe – really about anything other than securing to European producers the evocative value of certain geographic words? The evocative value of geographical indications is (a) part of the more general phenomena of the evocative value of geographic words, and, (b) no different than the evocative value of trademarks. As Jay McInerney observation for high-end wines is as true of trademarks as the geographical indications: “[m]any of these wines are purchases and consumed as a statement rather than as a beverage. In such cases, the label is more important than the juice.”³⁸⁰ It can be important to someone that his or her shoes are Italian, just as it can be important that those same shoes are *PRADA* or *KENNETH COLE*. It may be important to the couple that they had *Champagne* on their anniversary, regardless of the taste, just as it can important that they had *DOM PERIGNON* regardless of the taste.

³⁷⁵ Farmer, *supra* note ____ .

³⁷⁶ 655 F.2d 5, 211 U.S.P.Q. 665 (1st Cir. 1981), rev’g 503 F.Supp 896 (D.C.R.I., 1981).

³⁷⁷ *Miller Brewing Co. v. G. Heileman Brewing Co., Inc.*, 561 F.2d 75, 81 (7th Cir.1977), cert. denied, 434 U.S. 1025, 98 S.Ct. 751 (1978). The Seventh Circuit subsequently ordered the cancellation of Miller’s trademark on *LITE* beer, 605 F.2d 990, 996-97 (7th Cir. 1979), cert. denied, 444 U.S. 1102, 100 S.Ct. 1067 (1980).

³⁷⁸ *Miller Brewing Co. v. Falstaff Brewing Co.*, 503 F. Supp 896, 908 (D. R.I. 1980).

³⁷⁹ 655 F.2d at ____; *See also* McCarthy at § 12:31 at 12-83.

³⁸⁰ JAY MCINERNEY, *BACCHUS & ME: ADVENTURES IN THE CELLAR* 50 (2002).

With both geographic words and standard trademarks, it may be difficult to separate the informative value from the evocative value. Consider chocolates. One can make the case that certain uses of geographical words is informative, i.e. *SWISS* chocolate (a certification mark in the United States).³⁸¹ But as with *Champagne*, one can question whether there really are any characteristics of the chocolate that are not reproduced by high-end chocolate makers in France, California, and Scandinavia.

At the same time, there are many uses that are unquestionably evocative – because the only other alternative would be deceptive. In the Paris market, there are "artesanal" chocolates called *palets mexicains*,³⁸² made in Nemours, about 80 kilometers from Paris. Then there is the Swiss chocolate maker Lindt, which offers boxes of chocolate selections called *Versailles*, *Pyrhennees*, and *Champs-Elysees*, all made in France, but not in any of these locations. One Asian chocolate maker has gone a different evocative direction with its *Ghana* brand of locally-made milk chocolate,³⁸³ available in Seoul and Tokyo. We would be remiss, too, if we didn't notice various nuts sold under *The Nutty Bavarian* mark in Brasil.³⁸⁴ Contrast these with a more borderline case between evocative, descriptive, and deceptive: Nestle's *ALPINO* brand chocolate marketed in Sao Paulo. The *ALPINO* bar is complete with Matterhorn-like summits on the front, although it is unquestionably a product of "industria brasileira."³⁸⁵ Brasil's domestic confections industry also produce a vast array of good chocolates under the *KOPENHAGEN* brand.³⁸⁶ I do not know enough about the Brazilian consumer to speculate on whether this Scandinavian name is purely evocative or marginally deceptive.

There is no reason to think that AOCs are not also used partially – and sometimes predominantly -- for evocative purposes. Professor Olszak give the example of *Coteaux du Languedoc*, granted AOC status in 1985. Prior to 1985, Olszak says that Languedoc viticulture has no particular reputation, except perhaps a negative one as a production region for vin "gross

381 U.S. Trademark 73741210 (certification mark registered to Union des Fabricants Suisses de Chocolat, Inc., registered on December 5, 1989)

382 Package on file with the author and image available at <www.justinhughes.net/libraries/GIs>. The labeling of these chocolates is probably in trouble for independent reasons, being marked "Attention, this chocolate can have aphrodesiac effects."

383 Package on file with the author and image available at <www.justinhughes.net/libraries/GIs>.

384 Package on file with the author and image available at <www.justinhughes.net/libraries/GIs>.

385 Package on file with the author and image available at <www.justinhughes.net/libraries/GIs>.

386 Package on file with the author and image available at <www.justinhughes.net/libraries/GIs>.

rouge.” Olszak characterizes this new AOC use of “Languedoc” as “evocative of [the region’s] long history, but also, for customers from northern Europe, of the vacation sun.”³⁸⁷ The continued creation of AOCs in France surely is not because *terroirs* are emerging that we never expected existed; it must be partly a function of bureaucratic inertia and partly a function of local producers clamoring for a controlled geographic word around which they can try to build evocative value. Indeed, AOC status seems to have become its own evocative signifier in France.

CONCLUSION

The battle over certain geographic words has been long and persistent. Most people do not know it, but World War I was fought over Champagne – literally, as in the bombardment of the cathedral at Rheims – but also grammatically. Pursuant to the Treaty of Versailles, Germany surrendered to France the lands of Alsace-Lorraine and the words “Champagne” and “Cognac”.³⁸⁸ A century ago, Perrier had no problem advertising itself in Germany and France as “the champagne of mineral waters,”³⁸⁹ but that same practice now would land *Source Perrier* in the docket anywhere in the European Union.

The transatlantic acrimony over a few words – champagne, Chablis, and Burgundy, in particular – sometimes makes the geographical indications debate seem like a battle over the economic future of “the immortal procession of a French meal.”³⁹⁰ But the flourishing of artisan winemaking and cheese production in the New World shows that geographical indications are not needed to incent traditional production. And the industrial scale and nature

387 Olszak, *supra* note ___ at 43 (“cette utilisation du nom de Languedoc, évocateur d’une longue histoire, mais aussi du soleil des vacances pour la clientèle d’Europe du nord. »)

388 “The appellations ‘Sekt’ and ‘Weinbrand’ became part of German commercial practice toward the beginning of this century . . . They were originally parallel appellations to those of ‘Champagner’ and ‘Kognak’ for which they were, moreover, substituted in 1923, as from that date these two names ceased to be generic appellations and became registered designations of origin limited to French products.” *EC v. Germany*, Judgment, *supra* note ___ at 186 (explanation of German government). According to Olszak, the need in France to define some appellations was “urgent” because of the French desire to include these provisions in the Treaty of Versailles, *see* Olszak, *supra* note ___ at 8 and 21.

389 Olszak, *supra* note ___ at 19 (describing marketing in Germany); *See also* Goursat Sem, *Avec le “Champagne des Eaux de Table” plus de restrictions . . .*” Original Pochoir print, author’s collection, listed in Benezit Dictionnaire, vol. 9, at 518.

390 JAMES SALTER, *A SPORT AND A PASTIME* 32 (1967, Modern Library edition, 1995).

of production of some of Europe's most venerable cheese and wines³⁹¹ shows that geographical indications are not able to guarantee traditional production either.

The European Union continues to press for a system in which geographical indications trump pre-existing trademarks and are protected against "usurpation," a notion which may forbid practically any unauthorized use in commercial speech. The European Union also seeks a system in which one country designates a word as a geographical indication and all countries must honor that decision domestically, without the chance for domestic review. But resistance is substantial – not just in the organized efforts of New World and Asian countries at the TRIPS Council, but in the very nature of how humans transmit and transfer techniques, with terminology along for the ride. Resistance to the EU's proposal to "lock up" geographic words is rooted in people's use of geographic words to convey non-descriptive characteristics and for evocative purposes. Danes make Camembert, Americans make Parmesan, and Neopolitan pizza is available in places where no Naples native has ever set foot. In Brasil, one brand of the leading soft drink flavor, Guaraná, boldly tells us, with geographic double-speak, that it is *Antartica Guaraná Champagne*.³⁹² Bureaucrats and diplomats engaged in the debate about geographical indications have too often been engaged in similar double-speak.

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³⁹¹ Barr, *supra* note __ at 123 (pointing out how the Champagne winemakings are least able to argue *terroir* "[s]ince even they admit that the reputation of champagne depends as much on the skill of the people who make it as on the soil . . .)

³⁹² See < <http://www.popsoda.com/anguar.html> >

