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Conflict, Confusion, and Bias Under TRIPs Articles 22-24

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CONFLICT, CONFUSION, AND BIAS UNDER TRIPS ARTICLES 22-24

KEVIN M. MURPHY*

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INTRODUCTION

This Comment argues that the failure of the World Trade Organization (“WTO”) to account for vastly different conceptions of intellectual property, as applied to geographic indicators, signals the likely collapse of the Agreement on Trade-Related Aspects of Intellectual Property Rights (“TRIPs”).¹ The controversy over portions of the TRIPs agreement does not derive merely from the WTO Member countries’ self-interested trade policy considerations, as many commentators maintain,² but from a collision of ideals in intellectual property jurisprudence.³ This account focuses on the

1. See Agreement on Trade-Related Aspects of Intellectual Property Rights, Apr. 15, 1994, Marrakesh Agreement Establishing the World Trade Organization, Annex 1C, LEGAL INSTRUMENTS—RESULTS OF THE URUGUAY ROUND, arts. 22-24 vol. 31, 33 I.L.M. 81 (1994) Including Trade in Counterfeit Goods, December 15, 1993, Part II, Section 3, arts. 22-24 [hereinafter TRIPs] (setting forth general provisions, enforcement of and standards concerning intellectual property rights).

2. See Stacy D. Goldberg, Comment, *Who Will Raise the White Flag? The Battle Between the United States and the European Union Over the Protection of Geographical Indications*, 22 U. PA. J. INT’L ECON. L. 107, 151 (2001) (concluding that the conflict over protection of geographical indicators is “essentially an issue of international trade and global economics”); see also Harun Kazmi, *Does It Make a Difference Where that Chablis Comes from? Geographic Indications in TRIPs and NAFTA*, 12 J. CONTEMP. LEGAL ISSUES 470, 472 (2001) (suggesting that the prices that products protected under the TRIPs agreement command on the international market motivate countries’ concern over intellectual property protections).

3. See Christine Haight Farley, *Conflicts Between U.S. Law and International Treaties Concerning Geographical Indications*, 22 WHITTIER L. REV. 73, 74 (2000) (noting that part of U.S. resistance involved the obvious disparity of trade benefits that the contested portions of TRIPs would yield in the United States and the European Union); see also Albrecht Conrad, *The Protection of Geographical Indications in the TRIPs Agreement*, 86 TRADEMARK REP. 11, 13 (1996) (explaining that “those countries which have a strong tradition of recognizing geographical indications are not only concerned about the economic consequences of a dilution of their geographical names, but also about a part of their ‘cultural heritage’”).

legal dimensions of the TRIPs controversy, which are the product of fundamental misunderstandings between the European Union (“E.U.”) and the United States regarding the appropriate role of geographic indicators within an intellectual property rights regime.⁴

This Comment will first define geographical indicators,⁵ introduce TRIPs Articles 22-24,⁶ and explain the origin of intellectual property rights in geographic indicators in the United States and Europe.⁷ This account will then describe the applicable mechanisms of U.S. law⁸ and consider pertinent decisions in the European Court of Justice (“ECJ”).⁹ The background portion of this Comment will conclude by discussing the three multilateral attempts to protect geographical indicators that came before TRIPs.¹⁰

Next, this Comment will analyze the conflicting normative ends that characterize the controversy over TRIPs Articles 22-24,¹¹ arguing that what did not work within Europe under the ECJ will not work outside of Europe under TRIPs,¹² and that TRIPs Articles 22-24 will fail for the same reasons that past multilateral agreements failed.¹³ Analysis of TRIPs Articles 22-24 will then turn inward,

4. See Farley, *supra* note 3, at 75 (arguing that the dispute is about conflicting notions of trademark law, and that the United States does not actually stand to benefit from the contested portions of TRIPs); see also Goldberg, *supra* note 2, at 134, 144 (asserting, in an apparent reversal, that the conflict has nothing to do with economic considerations, but with Europe’s tradition of providing robust protection for geographic indicators and the United States’ comparatively weak jurisprudence).

5. See *infra* Part I.A (defining geographic indicators).

6. See *infra* Part I.B (describing TRIPs Articles 22-24).

7. See *infra* Part I.C (exploring the genesis of geographic indicators as an intellectual property concept in the United States and Europe).

8. See *infra* Part I.D (discussing those provisions of U.S. law that concern geographic indicators).

9. See *infra* Part I.E (noting relevant ECJ case law).

10. See *infra* Part I.F (describing comparable multilateral agreements prior to TRIPs).

11. See *infra* Part II.A (investigating the clash of normative objectives that the controversy over TRIPs Articles 22-24 embodies).

12. See *infra* Part II.B (discussing the ECJ’s unsuccessful attempts at enforcing intellectual property rights).

13. See *infra* Part II.C (contending that TRIPs Articles 22-24 exhibit the same

assessing problems with disparities between the substantive standards of TRIPs Articles 22(2)(a), 22(3), and 23(1)¹⁴ and examining inconsistencies in the exceptions available under TRIPs Article 24, and in the call for further negotiations by TRIPs Articles 23(4) and 24(1).¹⁵ Recommendations as to how the WTO should reform TRIPs,¹⁶ as well as a brief conclusion,¹⁷ will follow.

I. BACKGROUND

A. DEFINING GEOGRAPHIC INDICATORS

Geographic indicators are a means of identifying the source and denoting the quality and reputation of regionally distinct agricultural goods¹⁸ for purposes of product recognition on the international market.¹⁹ The wine market, for example, is not primarily a “branded” market,²⁰ although there are certain examples to the contrary, such as Ernest and Julio Gallo.²¹ Instead, wine producers overwhelmingly

defects as unsuccessful multilateral agreements that came before).

14. See *infra* Part II.D (exploring inconsistencies in the substantive standards available under TRIPs Articles 22(2)(a), 22(3), and 23(1)).

15. See *infra* Part II.E (dissecting the disparities in the exceptions available under TRIPs Article 24, and in the call for further negotiations in TRIPs Articles 23(4) and 24(1)).

16. See *infra* Part III (suggesting possible resolutions to TRIPs Articles 22-24's deficiencies).

17. See *infra* “Conclusion” (resolving that TRIPs Articles 22-24 surpass a sustainable level of international consensus, and create confusion and bias).

18. See *infra* text accompanying note 35 (noting varying definitions of geographic indicators, all of which encompass some reference to the influence of “natural factors,” soil, or climate).

19. See Steven A. Bowers, *Location, Location, Location: The Case Against Extending Geographical Indication Protection Under the TRIPs Agreement*, 31 AM. INTELL. PROP. L. ASS'N Q. J. 129, 131 (2003) (stating that geographic indicators identify the source of a good, denote quality, and protect business concerns).

20. See Leigh Ann Lindquist, *Champagne or Champagne? An Examination of U.S. Failure to Comply With The Geographical Provisions of the TRIPs Agreement*, 27 GA. J. INT'L & COMP. L. 309, 334-35 (1999) (noting that the wine market is not only characterized by brands, but by geographic indicators).

21. See Michael Maher, Comment, *On Vino Veritas? Clarifying the Use of Geographic References on American Wine Labels*, 89 CAL. L. REV. 1881, 1892

seek to achieve product recognition using geographic indicators.²² Better-known examples include “Champagne,” “Claret,” and “Port.”²³ Such marks do more than simply indicate the origin of a good. They denote a guarantee of quality and distinctiveness derived from a combination of unique regional, environmental, and human influences, such as climate, soil, subsoil, plants, and special methods of production—particularly traditional, collectively observed farming and processing techniques.²⁴ TRIPs itself requires “a given quality,

(2001) (listing the four pieces of information that premium wine labels typically convey to the consumer: brand name “(for example, Gallo),” grape varietal “(for example, Chardonnay),” vintage year “(for example, 1998),” or geographical indicator).

22. See Kazmi, *supra* note 2, at 471 (“As far back as nations have been engaged in trade, association of a product with its geographic origin has been a favored method of identifying the product’s source”); see also Lindquist, *supra* note 20, at 331 (noting that “[t]he average consumer orders a glass of sherry or burgundy,” indicating that geographical indicators have become commonly used as semi-generic wine types); Maher, *supra* note 21, at 1885-86 (explaining that producers use geographic indicators as marketing devices in order to limit areas of production, cultivate “regional notoriety,” and “provide monopolistic protection and value-added”).

23. See Lindquist, *supra* note 20, at 309 (listing exemplars of geographic indicators).

24. See Lisbon Agreement for the Protection of Appellations of Origin and Their International Registration, Oct. 31, 1958, as last revised Jan. 1, 1994, 923 U.N.T.S. 205, art. 2(1) [hereinafter Lisbon Agreement] (defining “appellation of origin” to mean “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”), available at <http://www.tco.ir/law/English/Regulation/International/Global%20protection%20system%20treaties/agreement.pdf> (last visited Mar. 16, 2004); see also Corrs Chambers Westgarth, Lawyers, *WTO and the Clash of the New World/Old World Wine Producers*, [hereinafter *WTO and the Clash*] (noting that the notion of “terroir” includes region-specific grape varieties, viticultural practices, soil, subsoil, and “climate environment”), at http://www.corrs.com.au/WebStreamer?page_id=2202 (last visited Mar. 16, 2004); P. Kanagavel, *Intellectual Property Rights: A Comprehensive Overview*, 85 J. PAT. & TRADEMARK OFF. SOC’Y 663, 677 (2003) (indicating that protected agricultural goods customarily possess attributes deriving from “specific local factors, such as climate and soil”); World Intellectual Property Organization, *What Is a Geographical Indication? Can Geographical Indications Only Be Used for Agricultural Products?* (listing climate, soil, skills, and traditions as characteristics bound up in the notion of geographical indicators), at http://www.wipo.org/about-ip/en/about_geographical_ind.html (last visited Mar. 16, 2004).

reputation or other characteristics . . . essentially attributable to . . . geographical origin.”²⁵

B. TRIPS ARTICLES 22-24

The WTO concluded TRIPs in 1994, at the end of the Uruguay Round of General Agreement on Tariffs and Trade (“GATT”) negotiations.²⁶ With the support of most of the developed economies, including the United States, Japan, the E.U., and Switzerland,²⁷ the settled portions of the TRIPs agreement contemplate strong international safeguards for traditional intellectual property rights, such as trademarks, copyrights, and patents.²⁸

Agreement ended when several Members proposed that TRIPs should encompass the protection of geographical indicators.²⁹ Since the Uruguay Round, the so-called “New World” wine producers³⁰ have opposed the “Old World” wine producers’³¹ efforts to extend

25. TRIPs, *supra* note 1, art. 22(1).

26. *See* Goldberg, *supra* note 2, at 116 (relating that 140 WTO Members became parties to the TRIPs agreement on January 1, 1995 at the conclusion of the Uruguay Round).

27. *See* Lindquist, *supra* note 20, at 315-16 (indicating those countries that supported the worldwide extension of a protective intellectual property rights regime during the Uruguay Round of WTO talks).

28. *See* Goldberg, *supra* note 2, at 116 (noting those areas of intellectual property that the industrialized economies readily agreed to protect under TRIPs).

29. *See* Farley, *supra* note 3, at 74-75 (explaining that during the Uruguay Round TRIPs negotiations, “the United States . . . took a strongly pro-protectionist, pro-property position,” but was subsequently “resistant to adopt the protections of geographical indications urged by some countries, such as France in particular”); *see also* Lindquist, *supra* note 20, at 315-16 (noting that consensus between the United States and the European Union faltered when discussions began on geographical indications with respect to wine and the E.U. proposed the framework of TRIPs Articles 22-24). Elsewhere, Lindquist describes TRIPs Articles 22-24 as the product of European opportunism: “[n]ow that the New World economy dominates the world, . . . the European Union . . . suddenly wants to enforce rights it long ago opted not to protect.” *Id.* at 342.

30. *See* *WTO and the Clash*, *supra* note 24, (listing the United States, Argentina, Australia, Canada, Chile, New Zealand, South Africa, and Uruguay as the so-called “New World Wine Producers”).

31. *See id.* (noting that France, Germany, Italy, Spain, Portugal, and Austria are foremost among the “Old World Wine Producers”).

TRIPs to encompass robust protections for geographic indicators.³² Although the United States gave assurances that it would enter further negotiations directed at settling its differences with the European Union on this question,³³ subsequent events indicate it has not done so.³⁴

TRIPs Article 22 defines geographic indicators³⁵ and establishes several operative requirements.³⁶ Firstly, Members must amend their laws to allow parties to prevent the use of any indicator that falsely represents the origin of a good in a way that misleads the consumer.³⁷

32. See Press Release, United States Department of State, U.S. Seeks Voluntary System on Protecting Wine, Spirits Naming Rights (Sept. 20, 2002) [hereinafter Protecting Naming Rights] (indicating that Argentina, Australia, Canada, Chile, Colombia, Costa Rica, the Dominican Republic, Ecuador, El Salvador, Guatemala, Honduras, Japan, Namibia, New Zealand, the Philippines, and Taiwan have joined the United States in opposing TRIPs' protection of geographic indicators), at <http://usinfo.state.gov/topical/econ/wto/02092001.htm> (last visited Mar. 26, 2004).

33. See TRIPs, *supra* note 1, art. 23(4) (stating, "negotiations shall be undertaken in the Council for TRIPs concerning the establishment of a multilateral system of notification and registration of geographical indications for wines"); see also Protecting Naming Rights, *supra* note 32 (noting that the Doha Development Agenda requires WTO Members to complete negotiations by September 2003).

34. See Peter M. Brody, "Semi-Generic" Geographical Wine Designations: Did Congress Trip Over TRIPs?, 89 TRADEMARK REP. 979, 979 (1999) (contending that federal legislation enacted in 1997 contravenes the United States' TRIPs obligations by strengthening American producers' ability to use false or inaccurate but non-misleading geographical indicators); see also Kazmi, *supra* note 2, at 474 (arguing that the 1997 legislation essentially flouts the TRIPs Agreement); Lindquist, *supra* note 20, at 311, 327 (contending that Congress "tested the boundaries" of TRIPs Article 23 with the 1997 legislation, and arguing that the newer law ignores the E.U.'s desire to see the ATF acknowledge "semi-generics" as protected geographical indicators).

35. See TRIPs, *supra* note 1, art. 22(1) (stating that geographic indicators are "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").

36. See Peter Brody, *Protection of Geographical Indications in the Wake of TRIPs: Existing United States Law and the Administration's Proposed Legislation*, 84 TRADEMARK REP. 520, 521-22 (1994) (noting that TRIPs Article 22 requires Members to provide the legal means to block false or inaccurate and misleading indicators and prevent their registration as trademarks).

37. See TRIPs, *supra* note 1, art. 22(2)(a) (requiring that Members change their laws in order to give litigants the legal means to block "designation or presentation of a good that indicates or suggests that the good in question originates in a

Secondly, Members must prevent acts that fall within the Paris Convention's³⁸ definition of unfair competition.³⁹ The Paris Convention loosely defines unfair competitive practices,⁴⁰ and prohibits the use of marketing devices that could prejudice the competitive environment or mislead the public as to the nature or quality of a good.⁴¹ Lastly, TRIPs Article 22(3) compels Members to prevent the registration of false or inaccurate and misleading geographic indicators as trademarks.⁴²

TRIPs Article 23 contemplates further protections for wines and spirits.⁴³ Where wines or spirits are concerned, Members must allow parties to bar the use of any false or inaccurate geographic indicator, even if the indicator appears in translation or if accompanying language demonstrates that the product actually comes from somewhere else.⁴⁴ Next, Article 23 bars registration of any wine or spirit trademark consisting of a false or inaccurate geographic indicator.⁴⁵ Finally, this portion directs Members to negotiate with

geographical area other than the true place of origin in a manner which misleads the public").

38. Paris Convention for the Protection of Industrial Property, Mar. 20, 1883, as last revised July 14, 1967, 21 U.S.T. 1583, 828 U.N.T.S. 305 [hereinafter Paris Convention].

39. See TRIPs, *supra* note 1, art. 22(2)(b) (compelling Member states to enable parties to prevent unfair competitive practices "within the meaning of Article 10bis of the Paris Convention").

40. See Paris Convention, *supra* note 38, art. 10bis(2) (defining unfair competition as anything contrary to "honest practices").

41. See *id.* art. 10bis(3)(1)-(3) (forbidding producers from employing any marketing device that could confuse consumers as to competitors' market position or a good's qualities or characteristics).

42. See TRIPs, *supra* note 1, art. 22(3) (requiring Members to refuse trademark registration for goods that do not originate from their apparent source).

43. See *id.* art. 23 (calling for "Additional Protection for Geographical Indications for Wines and Spirits").

44. See *id.* art. 23(1) (indicating that Members must give parties the means to prevent the false or inaccurate use of an indicator, even if the packaging discloses the true origin of the goods, or if the indicator appears in translation or alongside "'kind,' 'type,' 'style,' 'imitation,' or the like").

45. See *id.* art. 23(2) (prohibiting registration of any indicator that does not denote the true source of a good).

the explicit purpose of establishing a multilateral registry for any wine indicators that receive protection in the Member countries.⁴⁶

TRIPs Article 24 provides an exception for producers who have consistently used a false or inaccurate geographical indicator⁴⁷ or who have registered such an indicator as a trademark.⁴⁸ Article 24 also places the false or inaccurate use of generic indicators beyond the ambit of Articles 22 and 23.⁴⁹ Article 24 simultaneously “freezes” the protection available under Articles 22 and 23 at whatever level it existed on the eve of the Marrakesh signing.⁵⁰ Additionally, Members must negotiate increased protections for wines and spirits, and may not invoke any Article 24 exceptions in order to refuse to engage in talks.⁵¹

C. THE ORIGIN OF INTELLECTUAL PROPERTY REGIMES APPLYING TO GEOGRAPHIC INDICATORS IN THE UNITED STATES AND EUROPE

In Europe, the recognition of a proprietary interest in geographic indicators emerged from the Romanistic legal tradition,⁵² which

46. *See id.* art. 23(4) (calling upon WTO Members to discuss the establishment of a multilateral registry exclusively for wine appellations).

47. *See* TRIPs, *supra* note 1, art. 24(4) (establishing an exception to the provisions of Articles 22 and 23 for Member states whose producers have used a false or inaccurate geographical indicator “in a continuous manner with regard to the same or related goods or services in the territory of that Member state either (a) for at least 10 years preceding 15 April 1994 or (b) in good faith preceding that date”).

48. *See id.* art. 24(5) (allowing producers to continue using indicators that they have registered as trademarks “in good faith” either before implementing legislation takes effect or before national law begins to protect an indicator in its country of origin).

49. *See id.* art. 24(6) (indicating that protection does not extend to goods “for which the relevant indication is identical with the term customary in common language as the common name for such goods”).

50. *See id.* art. 24(3) (stating that Members may not diminish the level of protection their national laws afforded geographic indicators at the time the WTO became effective).

51. *See id.* art. 24(1) (calling upon WTO Members to undertake negotiations directed at strengthening Article 23, as well as forbidding parties from using Article 24(4)-(8) to challenge such talks).

52. *See* Conrad, *supra* note 3, at 17-18 (explaining that the French tradition derives from the bifurcated Romanistic system of registration of “indications of

continues to influence a majority of European countries' intellectual property regimes.⁵³ Commentators point to France's regime of "*produits de terroir*" as the quintessential example, in which judges or a government agency can award producers a proprietary right in a geographic indicator based upon their assessment of a good's relationship to its source.⁵⁴ In 1824, French legislation gave producers their first positive proprietary interest in geographic indicators.⁵⁵ A 1919 law contemplated more thorough protections for appellations of origin.⁵⁶ Under this system, qualified producers have

source" and "appellations of origin").

53. See *id.* at 19 (describing the spread, throughout Europe and South America, of the Romanistic legal tradition and, most notably, the registration system for geographical indicators).

54. See David R. Downes, *How Intellectual Property Could Be a Tool to Protect Traditional Knowledge*, 25 COLUM. J. ENVTL. L. 253, 269-70 (citing the French model as one in which regionally-distinct products may qualify for positive legal protection under the controlled appellations system if officials found that they derived a unique value or characteristic from a combination of environmental and cultural factors).

55. See Lindquist, *supra* note 20, at 312-13 (relaying that the 1824 law threatened producers who falsely designated the origin of their goods with criminal sanctions).

56. See Conrad, *supra* note 3, at 17-18 (explaining that appellations of origin receive more specified protection than mere indications of source under France's Law on the Protection of Appellations of Origin of May 6, 1919 and subsequent amendments). This system of registration divides geographic indicators into one of two categories: "indications of source" and "appellations of origin." *Id.* The first category consists of those products that bear a geographical indicator merely for purposes of source identification. *Id.* The second category consists of products that have particularly important place names. *Id.* at 18. These place names denote not only where the product comes from, but also a guarantee of quality and particular region-specific aspects of production. *Id.* French law embodies this distinction explicitly: the first category enjoys protection under a regime of unfair competition law, as by the provisions of a 1905 enactment that proscribes "usurpation of denomination." *Id.* at 17-18. Conversely, qualification for an appellation of origin requires either a judicial determination or an administrative act stating that the product satisfies all requirements attendant upon a particular appellation. See Conrad, *supra* note 3, at 18. Producers whose goods meet the requirements of a given appellation subsequently register the products with a government agency that can enforce property rights through injunctions. *Id.* See also Lindquist, *supra* note 20, at 312-13 (noting that the 1919 legislation broadened protection by recognizing quality, and not just origin, as a factor).

a positive, exclusive property right to an appellation, which they may vindicate before a judge or government agency.⁵⁷

In sharp contrast, the Anglo-American tradition has not traditionally recognized an exclusive property right in geographic indicators.⁵⁸ Most intellectual property rights regimes, including that of the United States, acknowledge five categories of intellectual property rights: patents, copyrights, trademarks, trade secrets, and industrial designs.⁵⁹ In the landmark case *In re Charles S. Loeb Pipes, Inc.*, in which a federal circuit court passed on the issue, the

57. See 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, 36-37 (1996) (relating that the French *Code de la Consommation*, grants producers a) the privilege of producing and marketing protected goods; b) a right of action that allows producers to petition the government for injunctive relief, thereby prohibiting competitors from using the controlled geographic indicator; c) the capacity to challenge the government's decision to withhold an *Appellation d'Origine Controlée* where the producer feels that he or she produces the good in compliance with existing standards of production (akin to a right of appeal); and d) immunity from the degeneration of an appellation into genericism.). Chen describes this mechanism as encompassing "the full panoply of Hohfeldian interests in property." *Id.*

58. See Conrad, *supra* note 3, at 21 (noting that the Anglo-American tradition does not grant producers a proprietary right to certification marks); see also Goldberg, *supra* note 2, at 136 (relating that the United States has not traditionally invested geographical indicators with "cultural or economic importance"); Jenny Mosca, *The Battle Between the Cheeses Signifies the Ongoing Struggle to Protect Designations of Origin Within the European Community and in the United States in Consorzio per la Tutella del Formaggio Gorgonzola v. Kaserei Champignon Hoffmeister GMBH & Co. KG*, 8 TUL. J. INT'L & COMP. L. 559, 591 (2000) (concluding that U.S. law shows "little respect" for geographical indicators, and finding it "unlikely" that U.S. law will ever fully acknowledge the French system of *Appellations d'Origine Controlée*).

59. See Doris Long & Richard Bilder, *Recent Books on International Law*, 96 AM. J. INT'L L. 755, 756 (2002) (listing the five forms of intellectual property that most international intellectual property regimes have traditionally acknowledged); see also Doris E. Long, *Let's Kill All the Intellectual Property Lawyers! Musings on the Decline and Fall of the Intellectual Property Empire*, 34 J. MARSHALL L. REV. 851, 853 n.6 (2001) (explaining that most legal regimes limit definitions of intellectual property to "broader categories of traditionally acknowledged intellectual property forms," including patents, copyrights, trademarks, trade secrets, and industrial designs, or the "same five categories that were the historic focus of both domestic and international protection regimes").

court held unequivocally that producers may not claim an exclusive property right to geographic indicators.⁶⁰

D. A MECHANISM OF UNITED STATES LAW

This section introduces the reader to portions of U.S. statutory law implicated in the current dispute.⁶¹ Applicable provisions appear in labeling laws that the Bureau of Alcohol, Tobacco, and Firearms (“ATF”) administers⁶² and the Lanham Trademark Act of July 5, 1946 and subsequent amendments that the United States Patent and Trademark Office (“USPTO”) administers.⁶³ TRIPs does not, in itself, set up a body of international intellectual property law.⁶⁴ Instead, the Agreement, like all GATT accords, compels Member nations to adjust their domestic laws so that those laws comply with its the parameters.⁶⁵ Thus, TRIPs provides no guidance as to procedures.⁶⁶ Consequently, the state of applicable U.S. law is an all-important consideration.⁶⁷

60. See *In re Charles S. Loeb Pipes, Inc.* 190 U.S.P.Q. 238, 242 (TTAB 1975) (holding that producers may not claim the exclusive right to a geographic indicator “so as to preclude others . . . from truthfully representing . . . that their goods or services originate from the same place and from using the geographic term in connection with such goods or services”).

61. See *infra* Part I.D (commenting on those portions of U.S. law that concern the protection of geographic indicators).

62. See *Generic, Semi-generic, and Non-Generic Designations of Geographic Significance*, 27 C.F.R. § 4.24 (2004) (establishing categories of protection for geographic indicators based upon a determination by “an appropriate ATF officer”).

63. See Lanham Trademark Act, 15 U.S.C. §§ 1051-1127 (1997) (governing the application for the use of trademarks).

64. See TRIPs, *supra* note 1, art. 22 (stating that “Members shall provide the legal means for interested parties to prevent” those uses of geographic indicators that TRIPs prevents); see also Stephen E. Bondura & Lloyd G. Farr, *Intellectual Property Rights Abroad and at Home after GATT*, 7 S.C. LAW. 20, 20 (1995) (indicating that the GATT itself does not establish a regime of international intellectual property law).

65. See *supra* text accompanying note 64 (explaining that GATT does not set up substantive laws, but requires Member states to align their domestic law with GATT mandates).

66. See Bondura & Farr, *supra* note 64, at 22 (relating that TRIPs goes no further than to require Members to set up their own national regime; and does not establish any international procedural mechanisms, such as a patent filing system

ATF regulations deal only with wine⁶⁸ and offer three tiers of protection for geographical indicators,⁶⁹ dependent upon whether a ATF official decides that the term is “generic,” “semi-generic,” or “nongeneric.”⁷⁰ “Generic” terms receive no protection.⁷¹ Producers from outside a traditional producing region can use “semi-generic” terms if the packaging also discloses the good’s true origin, and so long as the newcomer comports with the corresponding “standard of identity” or “trade understanding.”⁷²

or registry). Later, these authors explain that TRIPs requires Member countries to establish “minimum intellectual property protection levels” for geographical indicators, and that Members must “provide means for parties to prevent use of product descriptions” that fall under Articles 22-24. *Id.* at 22-23. *See also* Conrad, *supra* note 3, at 30 (explaining that the E.C. countries, some of which had advocated an international registry of geographic indicators under the failed Lisbon Agreement, consciously chose to avoid the establishment of any similar apparatus under TRIPs). He goes on to suggest that although this made TRIPs “easier for the many nations whose legal tradition was not familiar with the protection of geographic indications,” the inherent absence of a registry may have led to the current dispute. *Id.* at 30-31. Unlike previous multilateral agreements covering geographic indicators, however, TRIPs Articles 22-24 do set forth certain substantive standards for the protection of intellectual property. *Id.* at 31. Conrad notes that the imposition of substantive standards for the international protection of international law under TRIPs is an innovation, and that the Paris Convention, Madrid Agreement, and Lisbon Agreement contained no such “enforcement promise.” *Id.*

67. *See* Goldberg, *supra* note 2, at 135 (stating that “considerable differences found in the legal systems of Member countries is a problem that constantly plagues multinational agreements”).

68. *See* Chen, *supra* note 57, at 42 (noting that, whereas the French system of *Appellations d’Origine Controlée* covers a substantial variety of food and drink, U.S. law covers only wine).

69. *See* 27 C.F.R. § 4.24 (contemplating three levels of protection for geographic indicators based upon the determinations of an ATF official).

70. *See* 27 C.F.R. § 4.24 (a)(1), (b)(1), (c)(1) (establishing different levels of protection for “generic,” “semi-generic,” and “nongeneric” geographic indicators based upon consumer perceptions). Dependent upon the judgment of the “appropriate” ATF officer, the law states that producers can use false or inaccurate indicators in certain circumstances. *Id.* § 4.24(b)(1). By contrast, producers may not falsely or inaccurately use “nongenerics,” but such protection will apply only if the ATF official determines that consumers understand the indicator to designate a specific wine deriving from a certain region. *Id.* § 4.24(c)(1).

71. *See id.* § 4.24(a)(1) (establishing, by omission, that generic indicators do not receive any protection under the ATF regulations).

72. *See id.* § 4.24(b)(1) (contemplating uses in which producers may use

Thus, producers may call a product “California Chablis” or “American Champagne,” provided the “appropriate” ATF officer determines that those indications are “semi-generic,” and that the products’ characteristics approximate those qualities that comprise the “standard of identity” of Chablis or Champagne.⁷³ “Nongeneric” terms can only indicate wines “of the origin indicated by such name.”⁷⁴ Whether or not a product receives protection as a non-generic turns on an individual official’s assessment of the American consumer’s subjective perspective.⁷⁵

The Lanham Trademark Act of 1946 is the general federal statute dealing with trademarks.⁷⁶ Comprehensive revisions to the Lanham Act took effect in November 1989, and policymakers have since amended the Act pursuant to trade negotiations.⁷⁷ Applicable provisions do not protect indicators if the mark is merely “misdescriptive” of a good’s place of origin.⁷⁸ Only if the “primary

“semi-generics”); *see also* Maher, *supra* note 21, at 1906 (concluding that these provisions “ultimately” represent Congress’ decision that wine labels should not mislead American consumers).

73. *See* Conrad, *supra* note 3, at 39 (providing two examples of “semi-generic” indicators, which producers may use under 27 C.F.R. § 4.24(b)(1), provided the terms appear in conjunction with some indication of a good’s true origin); *see also* Chen, *supra* note 57, at 50 (furnishing “California champagne” as an example of one use of a geographic indicator that the ATF laws do not prohibit).

74. *See* 27 C.F.R. § 4.24(c)(1) (noting that “such name” is not necessarily the correct designation of the wine).

75. *See* Chen, *supra* note 57, at 50 (indicating that whether a producer enjoys exclusive rights to the name “Chablis” or “Champagne,” for example, depends upon whether the trade name has become generic in the United States).

76. *See* 15 U.S.C. §§ 1051-1127 (noting that the statute deals generally with the application and registration process for trademarks and proscribes their misappropriation).

77. *See* Anne Hiarng, *Basic Principles of Trademark Law*, 759 PRACTICING. L. INST. 51, 54 (2003) (relating that the Lanham Trademark Act has been amended pursuant to trade negotiations in order to align U.S. laws with foreign trademark law).

78. *See* 15 U.S.C. § 1052 (e)(1)-(3) (stating that any trademark which serves to distinguish one producer’s good from another is eligible for protection under the statute unless it “[c]onsists of a mark which . . . is merely descriptive or deceptively misdescriptive”). However, “primarily geographically deceptively misdescriptive” marks do trigger the statute’s protections. *Id.* *See also* Maher, *supra* note 21, at 1889 (noting that the test for trademark infringement under the Lanham Act is the “likelihood of consumer confusion” test).

significance”⁷⁹ of the mark is the false or inaccurate denotation of an actual geographic place, and if consumers subjectively infer a mistaken “goods/place association” from a false or inaccurate geographical indicator, do the Act’s protections take effect.⁸⁰ Another portion of the statute allows parties to register geographic indicators with the USPTO, entitling them to the same protection as trademarks.⁸¹ However, this level of protection is only available if the term is “distinctive . . . in connection with the applicant’s goods in commerce,” which claimants must show by proof of five years of “substantially exclusive and continuous use.”⁸²

Congress amended applicable ATF laws under the Taxpayer Relief Act of 1997⁸³ in response to TRIPs Articles 23⁸⁴ and 24.⁸⁵

79. See Brody, *supra* note 36, at 522 (pointing out that legislators retained Section 2(e) of the Lanham Act through revisions, and explaining that the element of “primarily” geographically misdescriptive requires that parties show a false “goods/place” association in order to block the registration of the indicator). Parties may register even a false or inaccurate geographical indicator, provided the public does not wrongly link the corresponding good to an actual geographic source. *Id.* Brody also notes that the North American Free Trade Agreement (“NAFTA”) requires Member countries to prohibit the registration of any geographic indicators that may be “misleading” to consumers, and that it is as unclear under that agreement as it is under TRIPs exactly how the Lanham Act’s “misleading” standard conditions the United States’ obligations. *Id.* at 523, 526. He also explains that, in response to the conclusion of NAFTA, the United States did not amend the laws as they exist under 15 U.S.C. § 1052 (e)(1)-(3), but instead argued that the “primariness” standard enunciated in federal circuit case law brought the ATF regulations into compliance. *Id.* at 526. Brody also notes that whether or not the Lanham Act and the associated decisional gloss is NAFTA- or TRIPs-consistent “remains an open question,” but posits that the drafters of TRIPs did not intend to circumscribe the scope of the “misleading” language in TRIPs Article 22(2)(a) and 22(3) through the use of this “primariness” test. *Id.*

80. See *In re Société Générale des Eaux Minérales de Vittel, SA*, 824 F.2d 957, 959 (Fed. Cir. 1987) (establishing a two-pronged test for determining whether a mark is “primarily geographically deceptively misdescriptive” for purposes of 15 U.S.C. § 1052 (e)(3)).

81. See 15 U.S.C. § 1054 (making indicators “registrable . . . in the same manner and with the same effect as are trademarks”).

82. *Id.* § 1052(f).

83. See Taxpayer Relief Act of 1997, Pub. L. No. 105-34, § 910 (1997) (regulating the designation of wines and the use of semi-generic designations).

84. See TRIPs, *supra* note 1, art. 23(1) (requiring Member states to provide the “legal means” for the protection of geographical indicators for wines and spirits).

American vintners' lobbying efforts succeeded in shaping this legislation.⁸⁶ The Act "clarifies" American producers' ability to use false or inaccurate geographic indicators,⁸⁷ provided the producer also discloses the product's actual place of origin, and as long as the American good meets the corresponding "standard of identity" or "trade understanding."⁸⁸ The legislation incorporates verbatim the list of unprotected "semi-generic" geographic indicators whose non-misleading use the ATF acknowledged prior to TRIPs.⁸⁹ Moreover, the statute actually takes away the agency's discretionary power to expand the list of protected "non-generic" geographic indicators.⁹⁰

85. See *id.* art. 24(1) (compelling Member states to conduct negotiations directed towards improving their protection of geographic indicators as Article 23 defines them).

86. See Lindquist, *supra* note 20, at 327-28 (noting the influence of Washington, D.C.'s powerful wine lobby, which justified its actions on the supposed basis of consumer protection motives).

87. See S. REP. NO. 105-33, at 75 (1997) (memorializing the Senate Finance Committee's conclusion that the Treasury Department regulations concerning the use of "semi-generic" indicators should be put into law "to add clarity to the existing Code provisions" under 4.24(b) of Title 27 of the Code of Federal Regulations); see also Brody, *supra* note 34, at 980 (indicating that, while the report of the Finance Committee referred to a need for "clarity," the bill that the committee sent to the Senate floor was identical to § 4.24(b) of Title 27 of the Code of Federal Regulations). The only substantial modification was a provision that withdrew the Secretary of the Treasury's power to reclassify "semi-generic" indicators as "non-generic." *Id.* at 981-82.

88. 26 U.S.C. § 5388(c)(1)(B).

89. See *id.* § 5388(c)(2)(B) (listing Angelica, Burgundy, Claret, Chablis, Champagne, Chianti, Malaga, Marsala, Madeira, Moselle, Port, Rhine Wine (syn. Hock), Sauterne, Haut Sauterne, Sherry, and Tokay); see also Brody, *supra* note 34, at 980 (explaining that 26 U.S.C. § 5388 repeats word-for-word the list of "semi-generic" geographic indicators that the ATF acknowledged under section 4.24(b) of Title 27 of the Code of Federal Regulations).

90. See *id.* Brody, *supra* note 36, at 981-82 (arguing that Congress intended to suspend the ATF's authority to add to the list of "non-generic," protected indicators while maintaining the agency's ability to add terms to the list of unprotected "semi-generic" indicators). Previously, the ATF had the discretionary authority to increase protection for "semi-generics" by listing them as "non-generic." *Id.* at 983. Following the 1997 legislation, such reclassification requires an independent act of Congress. *Id.* at 984; see also Lindquist, *supra* note 20, at 332 (explaining that before the passage of the Taxpayer Relief Act of 1997, the ATF could amend the applicable regulations without Congressional action in order to bring the United States in line with the GATT/WTO, and that the new legislation confounds compliance with TRIPs by introducing considerable

Furthermore, the new legislation allows any producer who has permissibly used a geographic indicator to continue using it, regardless of how long he or she has done so.⁹¹ It is also noteworthy that the United States did not amend applicable provisions of the Lanham Act in response to TRIPs.⁹² The result is that the flimsy “misleading” test⁹³ is still the only source of protection rights holders receive under U.S. trademark law.⁹⁴

E. E.U. MEMBER STATES’ EFFORTS TO PROTECT GEOGRAPHICAL INDICATORS BEFORE TRIPs

The European Union has struggled over the same issues that characterize the current controversy between “New World” and “Old World” producers.⁹⁵ In 1978, the European Commission sued the

legislative impediments). Lindquist concludes that the 1997 legislation makes it more difficult for U.S. trade officials to negotiate for enhanced protections in the course of trade negotiations. *Id.*

91. See 26 U.S.C. § 5388 (lacking any requirement that a producer must have used a geographic indicator for a certain term before becoming eligible for an exception).

92. See Brody, *supra* note 36, at 533 (urging that U.S. trademark law and policy need revision in order to comply with TRIPs, and noting that the law continues to permit parties to register literally false or inaccurate geographic indicators as long as they are not “primarily geographically deceptively misdescriptive”).

93. See *supra* text accompanying notes 78-80 (explaining that the test assesses whether a false or inaccurate indicator is “primarily geographically deceptively misdescriptive,” which would violate the test, or “merely descriptive or deceptively misdescriptive,” which would pass).

94. See Brody, *supra* note 36, at 527 (relating that, should a WTO Member state complain that the United States has not amended the Lanham Act in order to align the applicable law with TRIPs, the United States will probably argue that those portions of the Act that apply the “misleading” test for geographical indicators render the Act compliant, as they did in response to NAFTA).

95. See Mosca, *supra* note 58, at 572 (noting that the issue of whether a right holder in one European country may vindicate that right throughout the European Community has caused considerable conflict within the Community). Elsewhere, Mosca refers to the tension throughout the Community resulting from clashes between “an internal market interested in abolishing obstacles to the free movement of goods and the simultaneous, and equally important, need to provide a system of registration of geographical indications and designations of origin that will confer protection in every Member State.” *Id.* at 589. *But see* Chen, *supra* note 57, at 38-39 (maintaining that E.C. law guarantees *Appellations d’Origine Controlée* to the same extent as French law, and substantiating this argument by

French government in the ECJ,⁹⁶ alleging violations of portions of the Treaty Establishing the European Economic Community (“E.C. Treaty”).⁹⁷ The Court held that products are “similar” for purposes of determining compliance with national treatment if the goods “meet the same needs from the point of view of consumers.”⁹⁸

Three years prior, the Commission sued the West German government under similar circumstances.⁹⁹ The ECJ held that laws that protect geographic indicators as property are invalid under the E.C. Treaty unless the area from which a good emanates endows it with specific attributes, thus, making it distinct from all other

reference to the fact that the Community’s definition of *Appellations d’Origine* varies little from the French definition).

96. See Case C-168/78, *Commission v. French Republic*, 1980 E.C.R. 347, ¶ 29 (explaining that the French tax system placed cereal-derived alcohol, almost all of which France imported, at a trade disadvantage by withholding the imposition of any tax on wine and fruit-derived spirits, a “main domestic product”). The French government argued that the two categories of spirits were not so similar as to render their tax structure discriminatory. *Id.* ¶¶ 26, 31-34. More specifically, the French government maintained that the products were different enough to save their tax structure from Article 95 of the E.C. Treaty because they were typically flavored differently, production involved the use of different raw materials, and based upon the distinct habits of consumption characteristic of each category of liqueur. *Id.* ¶¶ 31-34.

97. See Treaty Establishing the European Economic Community, Mar. 25, 1957, art. 9, 298 U.N.T.S. 11 (1) O.J. (C91) 2 (1992) (as amended by the Treaty on European Union) Article 9(1) (requiring the removal of import/export duties among the Members and erecting a common tariff toward non-Members), available at <http://europa.eu.int/abc/obj/treaties/en/entoc05.htm> (last visited Mar. 27, 2004). Read together with Article 95, which includes language prohibiting taxation “as to afford indirect protection to other products,” charges having “equivalent effect” to tariffs, these provisions bar domestic measures that have the effect of inhibiting the competitive position of imported goods imported from Member States. *Id.* arts. 9, 95.

98. Case C-168/78, *Commission v. French Republic*, 1980 E.C.R. 347, ¶ 2.

99. See Case C-12/74, *Commission v. Federal Republic of Germany*, 1975 E.C.R. 181, “Grounds” ¶ 2 (ruling on whether a West German regulatory scheme was E.C. Treaty-compliant). The regulation required that sixty percent of all grapes used in the production of a certain wine be German-grown, and that the corresponding appellation be reserved to wine produced in countries whose official language was German. *Id.* The scheme also allowed producers of sparkling whites made according to traditional production methods to use certain well-respected indicators, but required those who produced wine from grapes originating in a non-German-speaking country to use a diminutive appellation. *Id.*

products.¹⁰⁰ In a parallel case, the ECJ held that Members could not restrict the importation of other states' wines if those states bottled their wines consistently with accepted methods.¹⁰¹ In another case,¹⁰² the ECJ stated that any national law having the effect of impeding the free movement of goods must serve to advance both fairness in trade and public health in order to be consistent with the European Community treaty.¹⁰³

In 1988, the ECJ invalidated a French law that restricted the importation and marketing of German "Edam" cheese.¹⁰⁴ The court held that national regulations obstructing trade were presumptively incompatible with the E.C. Treaty if they restricted the movement of goods "lawfully manufactured and marketed" under the same appellation in other E.C. countries.¹⁰⁵ The court also held that it would tolerate impediments to free trade only to the extent that

100. *See id.* ¶¶ 7-8 (stating that a good must have certain qualities which are attributable to its specific place of origin, conferring distinguishing characteristics that sets the good apart in order to enjoy protection as property under the E.C. Treaty).

101. *See* Case C-16/83, *Criminal Proceedings Against Karl Prantl*, 1984 E.C.R. 1299, ¶ 35 (ruling that rights holders may not vindicate a property interest in an indicator against producers in a non-traditional producing region observing practices that are "fair and traditional" in their own state). Thus, if a practice in country B, whose producers emulate country A's customary production methods, is "fair and traditional" as well as similar to processes in country A, claims by producers in country A to proprietary rights to a geographical indicator must fail. *Id.*

102. *See* Case C-120/78, *Rewe-Zentral AG v. Bundesmonopolverwaltung für Branntwein*, 1979 E.C.R. 649, ¶ 2 (noting that the plaintiff in the main action tried to bring a shipment of French-made "Cassis de Dijon" into West Germany, but confronted a law imposing a minimum alcohol content requirement, which the French liqueur failed to meet). The West German rules barred the import of fruit liqueurs that did not have an alcohol content of twenty-five percent or greater; Cassis de Dijon typically contains between fifteen and twenty percent. *Id.* ¶ 3.

103. *See id.* ¶ 8 (holding that national marketing laws that have the effect of impeding the free movement of goods must promote public health and fairness to producers in order to comport with the E.C. Treaty).

104. *See* Case C-286/86, *Ministere Public v. Gerard Deserbais*, 1988 E.C.R. 4907, ¶ 2 (explaining that the French law targeted Edam with a fat content of less than forty percent, and that the German cheese contained just over thirty-four percent fat).

105. *See id.* ¶ 19 (requiring that consumers also be provided with proper information).

national regulations advance the interests of fair-trading and consumer protection,¹⁰⁶ thereby underscoring its holding in the West German fruit liqueur case.¹⁰⁷

F. PREVIOUS MULTILATERAL ATTEMPTS TO PROTECT GEOGRAPHIC INDICATORS

Past European-led attempts to establish multilateral protection illustrate the difficulties associated with applying intellectual property concepts to geographic indicators at the international level.¹⁰⁸ The first attempt was the 1883 Paris Convention for the Protection of Industrial Property ("Paris Convention").¹⁰⁹ One hundred seventeen countries agreed to the original Paris Convention,¹¹⁰ which proscribed only the fraudulent appropriation of geographic indicators.¹¹¹ In 1958, the United States succeeded in

106. *See id.* (establishing that countries may only justify national measures that obstruct trade based on a provision's ability to advance the interests of both producers and consumers).

107. *See* Case C-120/78, *Rewe-Zentral AG v. Bundesmonopolverwaltung für Branntwein*, 1979 E.C.R. 649, ¶ 14 (finding that West Germany's minimum alcohol content requirement did not prevail over the principle of the free movement of goods, and stating that no goods could be targeted by such laws "provided that they have been lawfully produced and marketed in one of the Member States").

108. *See* discussion *infra* Part I.F (evaluating previous multilateral attempts to extend intellectual property protections to geographic indicators in order to isolate certain failings).

109. *See* Paris Convention, *supra* note 38, art. 10bis (proscribing trade and marketing practices that create confusion with competitors' business interests, and prohibiting untrue representations, that "in the course of trade," do a disservice to the business concerns of competitors or can mislead the public as to the qualities of a competitor's goods).

110. *See* Goldberg, *supra* note 2, at 112 (noting the "large number of [M]ember states"); *see also* Conrad, *supra* note 3, at 22 n.62 (stating that as of January 1, 1996, the Paris Convention had 136 Members).

111. *See* Paris Convention, *supra* note 38, art. 10 (prohibiting the "direct or indirect use of a false indication of the identity of the producer, manufacturer or merchant"); *see also* Lindquist, *supra* note 20, at 314 (explaining that, in its original form, the Paris Convention only barred the use of geographic indicators or appellations of origin in cases of "serious fraud"); *see generally* Goldberg, *supra* note 2, at 112 (describing the original Paris Convention as affording only "limited protection" of indications of source, failing to define the conditions of protection, and prohibiting only "cases of serious fraud"). Goldberg argues that this is the only

pressuring the parties to revise the applicable portions of the Paris Convention.¹¹² Following the revision, the Paris Convention only prohibited uses of geographic indicators that were absolutely false or misleading.¹¹³

The next multilateral effort to protect geographic indicators was the 1891 Madrid Agreement for the Repression of False or Deceptive Indications of Source on Goods (“Madrid Agreement”).¹¹⁴ Unlike the Paris Convention in its original or post-1958 form,¹¹⁵ the Madrid Agreement proscribes the use of misleading geographical indications,¹¹⁶ and prohibits Members from allowing geographical indicators to become generic without a decision by a national court.¹¹⁷ Valid wine appellations may never lose protection.¹¹⁸ The

reason the United States agreed to the Paris Convention. *Id.*

112. See Goldberg, *supra* note 2, at 112-13 (maintaining that the 1958 revision of Article 10 of the Paris Convention took place “at the prodding of the United States”).

113. See Paris Convention, *supra* note 38, art. 10bis(2)-(3) (prohibiting “false allegations in the course of trade” and “indications or allegations the use of which in the course of trade is liable to mislead”); see also Goldberg, *supra* note 2, at 112-13 (relating that the parties added Article 10bis(3) in 1958, concerning unfair competition, in order to prohibit the use of geographic indicators “liable to mislead the public as to the nature, the manufacturing process, the characteristics, the suitability for their purpose, or the quality of the goods,” but the word “characteristics” replaced “the origin” in response to pressure from the United States delegation) (emphasis added). This limited the Paris Convention’s scope to the prohibition of absolutely false indications of source. *Id.* at 113.

114. See Madrid Agreement for the Repression of False or Deceptive Indications of Source on Goods, Apr. 14, 1891, as amended July 14, 1967, 21 U.S.T 1583, 828 U.N.T.S. 389 [hereinafter Madrid Agreement] (proscribing the false or deceptive use of indicators which suggest that a good originated in the territory of a Member state, and granting national courts the discretion to determine whether an indicator has degenerated into genericism, except in the case of wines), available at http://www.paragon.com.tr/agreements/05_Madrid_Agreement.pdf (last visited Mar. 20, 2004).

115. See *supra* text accompanying notes 38, 109, 111, 113 (explaining that the Paris Convention proscribed the use of geographic indicators or appellations of origin only in instances of blatant fraud).

116. See Madrid Agreement, *supra* note 114, art. 1(1) (mandating that “[a]ll goods bearing a false or deceptive indication by which one of the countries to which this Agreement applies, or a place situated therein, is directly or indirectly indicated as being the country or place of origin shall be seized on importation into any of the said countries”).

117. See *id.* art. 4 (stating that “courts of each country shall decide what

Agreement thus prohibits even the non-misleading use of an indicator,¹¹⁹ such as “Roquefort-style cheese.”¹²⁰ As of 1996, only thirty-one states had joined the agreement;¹²¹ the United States is not among them.¹²²

The last attempt to protect geographic indicators multilaterally prior to TRIPs was the 1958 Lisbon Agreement for the Protection of Appellations of Origin and Their International Registration (“Lisbon Agreement”).¹²³ The Lisbon Agreement establishes a protective definition for geographic indicators,¹²⁴ and contemplates a system

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”).

118. *See id.* (establishing an exception to the provision that national courts can decide which appellations have degenerated into genericism for “regional appellations concerning the source of products of the vine”).

119. *See supra* text accompanying note 116 (pointing out that Article 1(1) of the Madrid Agreement requires the seizure of “[a]ll goods bearing a false . . . indication,” as opposed to just “deceptive” indicators, which the agreement does not actually attempt to define).

120. *See Conrad, supra* note 3, n.75 (furnishing the example of “Roquefort-style cheese” in order to illustrate the use of a term that may fall under the prohibitions of Article 1(1) of the Madrid Agreement).

121. *See Goldberg, supra* note 2, at 113 (relating that thirty-one states had signed onto the Madrid Agreement as of 1996).

122. *See id.* at 113-14 (arguing that the scope of protection the Madrid Agreement contemplates discouraged the United States and many other countries from joining); *see also Conrad, supra* note 3, at 25 (stating that the significance of the Madrid Agreement is “limited” because few nations have joined, and intimating that “divergent views” regarding the appropriate construction of the anti-genericism provisions are partially to blame for many countries’ refusal to accede to the accord); Edward Grosek, *The Multilateral Agreements That Protect Trademarks and Marks That Indicate Origins of Source*, 82 J. PAT. & TRADEMARK OFF. SOC’Y 471, 478 (2000) (relating that four Congresses presented seven bills to implement the Madrid Agreement, all of which failed to pass).

123. *See Lisbon Agreement, supra* note 24 (providing a discrete definition for “appellations,” establishing a registry and system of notification for terms that qualify, requiring Members to protect geographic indicators at the level of protection they enjoy in their country of origin, prohibiting the non-misleading use of geographic indicators, and proscribing the degeneration of valid indicators into genericism as long as their country of origin continues to protect them).

124. *See id.* art. 2(1) (defining appellations of origin for purposes of the agreement as “the geographical name of a country, region, or locality, which serves to designate a product originating therein, the quality and characteristics of

whereby Member states register geographic indicators with a central bureau of the World Intellectual Property Organization.¹²⁵ Those geographic indicators that receive protection under the national laws of their country of origin are eligible for registration.¹²⁶

Members must prohibit the use of registered geographic indicators, even if the labeling discloses the product's true place of origin or clearly denotes that the indicator is false (for example, by the use of language such as "imitation" or "style").¹²⁷ Another portion of the Lisbon Agreement prevents the degeneration of registered appellations of origin into genericism, provided they continue to receive protection in their country of origin.¹²⁸ As of

which are due exclusively or essentially to the geographical environment, including natural and human factors").

125. *See id.* arts. 1(2), 5(1)-(6) (requiring that "appellations of origin of products [be] . . . registered at the International Bureau of Intellectual Property . . . referred to in the Convention establishing the World Intellectual Property Organization"); *see also* Conrad, *supra* note 3, at 26 (contending that the main feature of the agreement is that geographic indicators are "'recognized and protected as such in the country of origin and registered at the International Bureau of Intellectual Property'"). Conrad notes that the Madrid Agreement Concerning the International Registration of Marks, a multilateral trademark regime, inspires the character of the registry contemplated in the Lisbon Agreement. *Id.*; *see also* Goldberg, *supra* note 2, at 114 (referring to Conrad's contention that the "main feature" of the Lisbon Agreement is its registry, which the author compares to the registration for trademarks under the Madrid Agreement Concerning the International Registration of Marks). Goldberg goes on to argue that this evinces the parties' intent to make the international protection of geographic indicators as robust as international trademark regimes. *Id.*

126. *See* Lisbon Agreement, *supra* note 24, art. 1(2) (requiring that countries party to the agreement "undertake to protect on their territories . . . the appellations of origin of products of the other countries . . . *recognized and protected as such in the country of origin* and registered at the International Bureau of Intellectual Property. . .") (emphasis added).

127. *See id.* art. 3 (mandating that "[p]rotection 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"); *see also* Goldberg, *supra* note 2, at 115 (noting that art. 3 would prohibit U.S. producers from calling a product "California Style Champagne," for example).

128. *See id.* art. 6 (requiring that "[a]n appellation which has been granted protection in one of the countries . . . 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").

1996, only seventeen countries were party to the Lisbon Agreement, and the United States was not among them.¹²⁹

II. ANALYSIS

The principal difficulty confronting past and present efforts to protect geographical indicators as intellectual property is simply the “diversity of various national concepts.”¹³⁰ The fact that the relevant intellectual property protections appear in such a variety of laws in both Europe and the United States suggests the same conclusion.¹³¹ So, too, does the fact that the European Community struggled with the issue of what end the protection of geographic indicators as intellectual property can legitimately serve,¹³² as well as the fate of the three multilateral attempts to protect geographic indicators that predate TRIPs.¹³³

A. CONFLICTING NORMATIVE OBJECTIVES

The TRIPs controversy is fundamentally a collision of incompatible normative goals.¹³⁴ Scholars argue that European intellectual property law generally represents producers’ interests,

129. See Conrad, *supra* note 3, at 33 n.66 (indicating that seventeen countries had signed onto the Lisbon Agreement as of 1996, and that the United States did not join).

130. See *id.* at 14 (observing that countries that promote international protection have systems that address so many approaches that such systems cannot serve as model laws for the international arena); see also Mosca, *supra* note 58, at 573 (discussing the tension that has resulted within the European Community from “the legal diversity of the Member States,” particularly vis-à-vis intellectual property rights).

131. See Mosca, *supra* note 58, at 582-584 (noting the fact that protective laws appear in unfair competition laws, trademark laws, advertising and labeling provisions, food and health regulations, and other “special” measures as evidence of “legal diversity” regarding intellectual property protection for geographical indicators within the European Union).

132. See *supra* notes 100, 103, 106, 107, 111 (demonstrating the clash of E.C. constituents over the protection of geographic indicators).

133. See *infra* Part II.C (describing the weaknesses of the Paris Convention, the Madrid Agreement, and the Lisbon Agreement).

134. See *infra* text accompanying notes 150-162 (explaining the various contours of the collision between European and American concepts of intellectual property law).

while relevant U.S. laws aim to protect consumers.¹³⁵ Applicable U.S. law has traditionally refused to acknowledge the cultural or economic significance of geographical indications alone,¹³⁶ hesitating

135. See Lori E. Simon, Comment, *Appellations of Origin: the Continuing Controversy*, 5 NW. J. INT'L L. & BUS. 132, 135 (1983) (observing that "United States trade law traditionally has been concerned with protecting the consumer from deception, whereas French law centers on the interests of the products or manufacturers and the improper use of their marks by other producers"); see also Maher, *supra* note 21, at 1888-89 (explaining that the purpose of a substantial body of U.S. law dealing with geographic indicators is to prevent the consumer from deception and to give the consumer sufficient information regarding products' identity and quality); Mosca, *supra* note 58, at 595 (citing Simon in order to underscore her argument that U.S. trade law focuses on the consumer, and that French law focuses on producers). She also refers to the influence of regional and religious divisions on notions of intellectual property protection. *Id.* at 594. Elsewhere, Mosca points to "divergent agricultural policies." *Id.* at 594-95. She also suggests that a conflict between ideas of quality embodied in the system of *Appellations d'Origine Controlée* and U.S. trademark law's concern with security may also be issues. *Id.* at 594; see also Conrad, *supra* note 3, at 15 (noting that German law has traditionally protected geographical indicators under an unfair competition act, as opposed to a consumer protection provision). Conrad goes on to maintain, however, that such provisions are "aimed at protecting the integrity of trade and the reliance of consumers on true representations concerning origin. The protection of producers is indirect." *Id.*; see also Downes, *supra* note 54, at 271 (maintaining that "[g]eographical indicators . . . benefit consumers by providing them with reliable information and assurances of authenticity"). But see Robert M. Tobiassen, *On Common Ground*, 13 TRANSNAT'L LAW. 75, 86 (2000) (contending that European-led measures designed to enhance international trade inevitably promote consumer interests by assuring a wider selection of goods and accurate information about a good's origin, as well as allowing governments to assess consumer expectations and make informed public health decisions). See generally Chen, *supra* note 57, at 33 (maintaining that, although it is difficult to draw analogies between American intellectual property law as it pertains to the protection of geographic indicators and the French system of *Appellations d'Origine Controlée*, it is evident that the French example advances both the consumer protection rationale of the United States' Lanham Act and the producer "moral rights" rationale that motivates the Berne Convention for the Protection of Literary and Artistic Works and several other regimes that aim to discourage the dilution of trade names).

136. See Goldberg, *supra* note 2, at 136 (pointing out that the history of the United States' regime of intellectual property law demonstrates little reverence for geographical indicators). But see Chen, *supra* note 57, at 29-31 (arguing that while the U.S. counterparts to *Appellations d'Origine Controlée* (AOCs) are substantially less protective than the original French model, and although the French system is "alien" to American intellectual property law, the United States' "pessimistic assessment of French AOCs is not rooted in a cultural or ideological opposition to this form of intangible property").

to confer any manner of proprietary right in geographical indicators until such terms are “invested with meaning from use in commerce.”¹³⁷ The European Union concluded a bilateral accord with the United States in 1983 that plainly reveals this distinction. The European Union agreed to allow the importation into Europe of U.S. wines treated with various additives in exchange for the United States’ commitment to prevent the degeneration of certain “non-generic” wine designations to “generic” (and hence unprotected) status in its regulatory scheme.¹³⁸

The controversy regarding TRIPs’ protective regime may have deeper roots. Some suggest that American opposition to TRIPs evinces the traditional apprehension with which U.S. trade law views agricultural cooperatives, that is, as potentially monopolistic.¹³⁹

137. See Farley, *supra* note 3, at 76 (relaying that because terms do not have rights until they become distinctive to consumers as a source indicator, the United States is reluctant to convey property rights in such terms); see also Maher, *supra* note 21, at 1889-90 (explaining that trademark protection is not customarily available to geographic indicators in American intellectual property jurisprudence until they have “become distinctive of the applicant’s goods in commerce,” meaning that the term has taken on meaning that supercedes mere reference to or description of a geographic place); Norma Dawson, *Locating Geographical Indicators - Perspectives From English Law*, 90 TRADEMARK REP. 590, 598 (2000) (describing the Anglo-American tradition as allowing the protection of some geographic terms “upon proof of distinctiveness,” and pointing out that parties could typically vindicate a right to the use of a term only by showing “evidence of secondary meaning acquired through use”). She distinguishes this sort of provision from modern-day, state-sponsored “*sui generis* intellectual property right[s]. . . “ *Id.* at 599.

138. See Letter from John M. Walker, Jr., U.S. Treasury Department, and Stephen E. Higgins, Bureau of Alcohol, Tobacco, and Firearms, to Leslie Fielding, Commission of the European Communities (July 26, 1983) (confirming the parties’ official understanding of the wine accord, which encompassed other agreements, including the EU’s decision to acknowledge wine-producing regions in the United States and agreements concerning the alignment of the United States’ and E.U.’s labeling regulations and cooperation on investigations into the wine sector), *available at* http://170.110.214.18/tcc/data/commerce_html/TCC_Documents/ECWine.html (last visited Mar. 27, 2004).

139. See Mosca, *supra* note 58, at 594-95 (explaining that the American judiciary’s reluctance to afford farming cooperatives monopoly power sufficient to “integrate” an entire segment of the agricultural market); see also Chen, *supra* note 57, at 35-36 (positing that, because the French system of *Appellations d’Origine Controlée* involves the “farmstead-to-doorstep domination of discrete product markets” and thus transforms a farmer from economically-vulnerable supplier into

Others maintain that the present state of intellectual property regimes is “crafted to protect western European values of individualism and private property” and that the regimes “ill serve the conflicting aspirations of native peoples simultaneously to protect and exploit their heritage and knowledge.”¹⁴⁰ One writer sees the conflict as a clash of Protestant and Catholic ideals.¹⁴¹ Another scholar argues that the fate of international intellectual property law depends upon the outcome of the TRIPs dispute.¹⁴² The controversy has, therefore, become a forum for deep-seated historical and cultural disagreement.¹⁴³

B. WHAT DID NOT WORK WITHIN EUROPE UNDER ECJ CASE LAW WILL NOT WORK BEYOND EUROPE UNDER TRIPS ARTICLES 22-24

One writer argues that E.C. law “undoubtedly protects [*Appellations d’Origine*] in their full sense under French law.”¹⁴⁴ A

a “captain of agribusiness,” the system often calls upon the government to shelve or abrogate the principles of free enterprise). Chen goes on to explain that “American courts have balked at granting farmers and their cooperatives the degree of monopoly power needed to integrate an entire line of food processing into their business portfolios,” which, according to this author, is the exact objective of the French system of controlled ownership of trade names. *Id.* at 36.

140. See Long & Bilder, *supra* note 59, at 758-59 (arguing that “the insistence on private ownership of IP rights ignores communitarian ownership principles, while the reliance on concepts of technological novelty . . . does not value continuity or tradition—hallmarks of indigenous creativity”).

141. See Chen, *supra* note 57, at 30 (explaining that, while *Appellations d’Origine Controlée* are common in Catholic Europe, American examples are considerably less all-encompassing). Chen goes on to note that *Appellations* “as quality control . . . fulfills . . . ‘Catholic’ satisfaction and service objectives.” *Id.* at 35; see also Mosca, *supra* note 58, at 594 (quoting Veronique Romain Prot, *Origine Geographique et Signes de Qualité: Protection Internationale*, 237 REVUE DE DROIT RURAL manuscript at 2 (venturing that Protestant, Western European notions of “quality” favor security and regularity of recognition, while Catholic, southern European ideals favor “authenticity” and other concepts tied to land and the quality of a good).

142. See Goldberg, *supra* note 2, at 111 (implying that the future of the ideals embodied in international intellectual property protection depends upon the effective resolution of the TRIPs dispute).

143. See discussion *supra* Parts I.C, II.A (discussing the deeply embedded differences between the United States’ and the European Union’s approach to the protection of geographical indicators as intellectual property).

144. See Chen, *supra* note 57, at 38 (indicating that “[t]he relevant regulations of

substantial body of ECJ jurisprudence suggests otherwise.¹⁴⁵ Specifically, the ECJ has repeatedly refused to grant producers the scope and degree of intellectual property protection that the European Union now asks the WTO to vindicate under TRIPs.¹⁴⁶ This body of law takes a consistently restrictive view of the extent to which rights holders can enforce a proprietary interest in geographic terms.¹⁴⁷

In sum, the ECJ explicitly fixed the level of protection it would afford to consumer perceptions (not the preservation of a competitive trade environment),¹⁴⁸ stated that pro-property laws must advance public health and safety objectives,¹⁴⁹ enunciated a rule requiring that

the Council of Ministers of the European Union create two regimes governing appellations of origin”).

145. See *supra* Part I.E (describing the disposition of several ECJ cases in order to illustrate inter-European conflicts over intellectual property protections for geographic indicators).

146. See Mosca, *supra* note 58, at 572 (concluding from a survey of applicable ECJ case law that a commercial property right holder “may not always be able to obtain protection, throughout the [European] Community, either because there exist lawful conflicting rights in another State, or because another State does not protect the right or imposes differing requirements for recognition of the right”).

147. See Case C-168/78, *Commission v. French Republic*, 1980 E.C.R. 347, ¶ 2 (enunciating a standard created from the viewpoint of the consumer); see also *supra* text accompanying notes 96-107 (demonstrating that the ECJ is only willing to vindicate producers’ intellectual property rights in geographic indicators to the extent that the indicators conform to a number of strict criteria); *infra* text accompanying notes 169-173 (noting the limited variety of property rights that the ECJ will uphold in geographic indicators).

148. See *supra* text accompanying note 147 (holding that consumer perceptions, as well as similar physical characteristics, govern the inquiry whether imported and domestic products are sufficiently “similar” to render discriminatory national tax provisions inconsistent with the E.C. Treaty’s underlying principle of equality of treatment for domestic and imported goods).

149. See *supra* text accompanying note 103 (establishing that national legislation that acts as an obstacle to the free movement of goods must further the objectives of public health and fairness to producers in order to comport with the E.C. Treaty). Whether this holding requires that a national law further one or both of these normative objectives is unclear from the language of the case itself. *Id.*; see also *supra* text accompanying note 106 (noting that impediments to the free movement of goods within the European Community that derive from differing treatment in the national laws are permissible to the extent that countries are able to justify them as essential to the “imperative requirements” of consumer protection and fair trade).

the region from which a good originates must impart a good with unique distinguishing characteristics in order for protections to be treaty-consistent,¹⁵⁰ and held that producers located in traditional producing regions cannot vindicate a proprietary right against outsiders whose production methods accord with established techniques.¹⁵¹ This string of case law evinces a permissive, trade-liberalizing approach¹⁵² to the protection of geographic indicators that countenances market latecomers' efforts to emulate the qualities and characteristics of traditional goods.¹⁵³ In this light, TRIPs' pro-producer approach appears less like the offshoot of a robust European legal tradition, and more like a legal innovation that ignores the most basic normative ends that motivate relevant E.C. law.¹⁵⁴

C. TRIPS ARTICLES 22-24 WILL (AND SHOULD) FAIL FOR THE SAME REASONS THAT PAST MULTILATERAL AGREEMENTS FAILED

One writer maintains that TRIPs is "the better alternative to the virtually ineffective international agreements on intellectual property

150. See *supra* text accompanying note 100 (setting up a standard whereby the ECJ will only uphold legal measures aimed at the protection of geographic indicators if the corresponding good has unique attributes owing to its specific geographical origin which make it distinct from all other goods).

151. See *supra* text accompanying note 101 (ruling that the ECJ will not enforce a property right to a geographic indicator if competitors from outside a traditional producing region employ customary production methods that are "identical or similar" to traditional processes, and if the competitor's goods comply with local standards of quality in his or her country). The methods producers use outside a good's traditional place of origin must only be "identical or similar" to traditional methods, as well as "fair and traditional." *Id.*

152. See Mosca, *supra* note 58, at 573 (referring to another ECJ decision in which the court held that national laws that afford intellectual property protection to geographic indicators cannot be arbitrary or amount to a loosely veiled trade restriction).

153. See *supra* text accompanying notes 101, 103, 106, 147- 152 (demonstrating the ECJ's unwillingness to vindicate property rights in geographic indicators unless the property right satisfies certain restrictive criteria, and refusing to allow national laws to discriminate against goods which meet standards of quality and whose production embodies traditional methods of production).

154. See discussion *infra* Part II.C.1 (highlighting the failures of the TRIPs' approach as applied).

that preceded it.”¹⁵⁵ This writer disagrees: while TRIPs is substantially different from previous efforts to protect geographical indicators,¹⁵⁶ it nevertheless exhibits many of the same flaws that burdened earlier agreements, and should fail as a result.¹⁵⁷

Even before the United States effectively stripped Article 10bis of the Paris Convention in 1958 of much of its force,¹⁵⁸ the protections available under that agreement were rather narrow.¹⁵⁹ The Paris Convention does not define geographic indicators and fails to establish substantive standards for determining whether the use of a geographic indicator is misleading.¹⁶⁰ Currently, the only standard for determining whether a false or inaccurate geographic indicator falls

155. See Mosca, *supra* note 58, at 584 (explaining that even without complete U.S. compliance or criticism that certain sections have attracted, TRIPs still has legitimacy).

156. See Long & Bilder, *supra* note 59, at 756 (contending that, although arguments in favor of establishing international protections for intellectual property reach back well into the nineteenth century, TRIPs “radically altered the nature of the debate over international protection”). Long and Bilder continue that, in spite of the appearance of “facial antiquity” that the existence of past multilateral efforts to protect geographic indicators creates, the modern-day intellectual property protection on the international level dates from the beginning of the Uruguay Round of the GATT negotiations in the 1980s. *Id.* at 756; see also Lindquist, *supra* note 20, at 315 (concluding, after her discussion of the Paris Convention, Madrid Agreement, and Lisbon Agreement, that the international community did not afford protection for geographic indicators before the conclusion of the Uruguay Round of GATT/WTO negotiations in 1994).

157. See discussion *infra* Part II.C (indicating those flaws that TRIPs has in common with the Madrid Agreement and the Lisbon Agreement).

158. See *supra* text accompanying note 112 (describing how the United States pressed for the revision of Article 10bis(3) of the Paris Convention in 1958, and succeeded in relegating the applicability of those provisions affording protection to geographic indicators to egregiously fraudulent cases).

159. See *supra* text accompanying notes 38, 111 (pointing out that the Paris Convention proscribed only the seriously fraudulent use of geographic indicators, even in its original form); see also Conrad, *supra* note 3, at 24 (concluding that the Paris Convention’s protection of geographic indicators is “very limited”).

160. See *supra* text accompanying note 38 (lacking a definition of geographic indicators for purposes of the Paris Convention and omitting any guidance as to how a fact-finder should determine whether or not a false or inaccurate geographic indicator is misleading); see also Conrad, *supra* note 3, at 24 (pointing out that the Paris Convention does not define “indication of origin” and that it fails even to establish “when a representation is false”). He later discusses the substantive deficiencies of the agreement’s “misleading” language. *Id.* at 24-25.

under the Paris Convention's protective regime is the "liable to mislead" language of 10bis(3).¹⁶¹ The Paris Agreement consequently proscribes only egregious fraud.¹⁶² Although TRIPs' overall protections are certainly more robust, Articles 22(2)(a) and 22(3), which apply generally to goods that satisfy TRIPs' definition of geographical indicators, suffer from the same substantive weakness as commensurate portions of the Paris Convention.¹⁶³

The producer-states sought a more protective arrangement under the Madrid Agreement,¹⁶⁴ the most notable innovations of which were its prohibition of non-misleading geographical indications¹⁶⁵ and its anti-genericism regime.¹⁶⁶ This agreement failed to attract more than thirty-one countries due to controversy over Article 4,¹⁶⁷

161. See *supra* text accompanying notes 41, 113 (illustrating that whether or not the Paris Convention's protective regime applies depends upon whether the use of a geographic indicator is "liable to mislead," and that the agreement provides no more guidance as to how to apply this test).

162. See *supra* text accompanying notes 111, 113 (noting that the Paris Agreement only proscribes seriously fraudulent uses of false or inaccurate geographic indicators).

163. See discussion *infra* Part II.E (illustrating that TRIPs Articles 22(2)(a) and 22(3) consist of a "likely to mislead" standard akin to the Paris Convention 10bis(3)'s "liable to mislead" language, while TRIPs Article 23(1) contemplates a rule that does not turn on consumer perception).

164. See Lindquist, *supra* note 20, at 314-15 (intimating that the Paris Convention's limited prohibition of false indications of source, producer, manufacturer or merchant only in egregious cases led many parties to that agreement to seek "more precise protection" under the Madrid Agreement).

165. See *supra* text accompanying notes 116, 119 (demonstrating that the Madrid Agreement calls upon Members to seize all goods that display a false or inaccurate geographic indicator).

166. See *supra* text accompanying notes 117-118 (delegating to national courts the task of determining what appellations have degenerated into generic, and hence unprotected, status, except in the case of wine appellations, which may never degenerate).

167. See Goldberg, *supra* note 2, at 113-14 (arguing that very few countries joined the Madrid Agreement because of its expanded protective regime, notably Article 4, which she calls a "controversial area of protection"). She also points out that Article 3's proscription of non-misleading uses of geographic indicators also discouraged countries from joining and that, cumulatively, the enhanced level of protection available under Articles 3 and 4 prevented the United States from signing onto the agreement. *Id.*; see also Conrad, *supra* note 3, at 25 (suggesting that differing viewpoints on the construction of Article 4 of the Madrid Agreement

which permits national courts to decide when an indicator has degenerated due to the status of a generic in all cases except valid wine appellations.¹⁶⁸ TRIPs Articles 22(2)(a), 22(3), and 23(1) affect the same substantive inequality between the levels of protection available to wines and to “other” products, albeit with less candor than Madrid Article 4, but TRIPs also privileges spirits over other regionally distinct goods.¹⁶⁹

Unlike both the Paris Convention and the Madrid Agreement,¹⁷⁰ the Lisbon Agreement features a self-contained definition for geographic indicators.¹⁷¹ The agreement adopts the highly protective¹⁷² French interpretation of “*Appellations d’Origine Controlée*.”¹⁷³ Additionally, Article 1(2) requires that Members afford geographic indicators the same level of protection they receive in their country of origin, subject to an unrestrictive registration requirement.¹⁷⁴ Article 6 parallels this provision, allowing

have prevented more parties from joining); Dawson, *supra* note 137, at 604 (urging that the Madrid Agreement and the Lisbon Agreement compel countries to acknowledge and protect geographic indicators that have become generic in their territory “because they continued to be valid and non-generic in their territories of origin”). She goes on to note that these agreements enjoy very limited membership because of such provisions. *Id.*

168. See *supra* text accompanying notes 117-118, 166 (explaining that Article 4 of the Madrid Agreement permits national courts to determine whether a geographic indicator has degenerated to the status of a generic for all products except wine appellations).

169. See discussion *infra* Part II.E (describing the disparity of protection available under TRIPs Article 22’s “misleading test,” which applies to all goods that qualify for protection under TRIPs, and TRIPs Article 23’s more robust level of protection, which applies only to wines and spirits).

170. See Paris Convention, *supra* note 38 (lacking a definition for geographic indicators); see also Madrid Agreement, *supra* note 111 (failing to define either an “indication” under Article 1 or an “appellation” under Article 4).

171. See *supra* text accompanying note 124 (defining “appellation of origin” essentially as the name of a traditional producing region which denotes that a product came from that region and possesses certain distinct attributes that traditional processes impart on the good).

172. See Conrad, *supra* note 3, at 25 (explaining that the Lisbon Agreement represents an effort to establish “effective and enforceable protection of geographical indications on a new basis”).

173. See *id.* at 26 (stating conclusively that Lisbon Agreement Article 2(1)’s definition of geographic indicators takes up “the French interpretation”).

174. See *supra* text accompanying note 126 (noting the requirement that each

degeneration only if it takes place in the indicator's country of origin.¹⁷⁵

Thus, if a Member country protects an appellation through any legal means and registers it with the World Intellectual Property Organization, all other parties to the agreement must extend protection to the term "in accordance with this agreement."¹⁷⁶ By way of redundancy, Article 3 of the Lisbon Agreement requires that Members prohibit any "usurpation or imitation," even if the product's actual place of origin is evident from the packaging or if language demonstrating that the product came from elsewhere accompanies the geographic indicator.¹⁷⁷ This provision is substantively intrusive, imposing upon Member states' regulatory sovereignty.¹⁷⁸ Because the agreement prohibits even the non-misleading use of geographic indicators¹⁷⁹ and only allows a term to degenerate internationally if it becomes generic in the country of

Member state protect geographic indicators as the country that encompasses the traditional producing region protects them).

175. See *supra* text accompanying note 128 (pointing out that Article 6 of the Lisbon Agreement establishes a rule whereby indicators which continue to receive protection in their country of origin cannot become generic under the Lisbon Agreement).

176. Paris Convention, *supra* note 38, art. 1(2).

177. See *supra* text accompanying note 127 (citing Article 3 of the Lisbon Agreement as extending protection to any use of a geographic indicator by producers outside a traditional producing region, even if the packaging demonstrates the good's true origin or features language that clearly shows that the good is not from the traditional source).

178. See Conrad, *supra* note 3, at 26 (noting that countries' inability to continue protecting geographic indicators through, for example, their unfair competition laws or advertising regulations under the Lisbon Agreement has prevented many from joining, and adding that "a number of states are not willing to transform their system of protection in order to be compatible with the standards of the Lisbon Agreement"). Elsewhere, he states that "[d]espite its high standard (or perhaps because of it) even fewer countries have adhered to the Lisbon Agreement." *Id.* at 23; see also Lindquist, *supra* note 20, at 315 (calling the Lisbon Agreement's requirements "burdensome," and pointing out that the agreement only has seventeen signatories).

179. See *supra* text accompanying notes 127, 177 (requiring that Member states protect "any usurpation or imitation" of other Members' geographic indicators, even if the labeling discloses the good's actual source or uses the indicator in conjunction with terms that clearly indicate that the product comes from outside the traditional source).

origin,¹⁸⁰ the Lisbon Agreement renders consumer perceptions irrelevant and disregards the diversity of normative ends that motivate different countries' protective regimes.¹⁸¹ This is also TRIPs' most basic and most damning flaw.¹⁸²

Another deficiency that TRIPs shares in common with other failed agreements appears in TRIPs Article 22(1), or rather, does not appear in Article 22(1).¹⁸³ Traditionally, under both U.S. and European law, some significant connection had to exist between a good and its source in order for the corresponding geographic indicator to receive protection as intellectual property.¹⁸⁴ Those geographic influences that may qualify an indicator for protection include "geographical environment, including natural and human factors,"¹⁸⁵ region-specific grape varieties, viticultural practices, soil, subsoil and "climate environment."¹⁸⁶ TRIPs Article 22(1) affords protection "where a given quality, reputation or other characteristic of the good is *essentially attributable* to its geographical origin."¹⁸⁷ This provides no guidance as to what sort of nexus must exist between a product and its source to bring the good within the ambit of the Agreement.¹⁸⁸

180. See *supra* text accompanying notes 128, 175 (explaining that Article 6 of the Lisbon Agreement prohibits Member countries from treating an indicator as a generic if the term still enjoys protection under the traditional source country's intellectual property regime).

181. See *supra* Part II.A (describing the varying normative approaches to protecting geographic indicators as intellectual property).

182. See Conrad, *supra* note 3, at 23 (arguing that the Lisbon Agreement's high level of protection "has now been taken as one of the models for . . . TRIPs provisions").

183. See *supra* text accompanying note 35 (demonstrating that geographic indicators are only valid under TRIPs if some undefined nexus exists between the corresponding good's distinctive attributes and its origin).

184. See *supra* text accompanying note 24 (describing the character of various influences that a region had to impart on a good in order for the corresponding indicator to receive protection as an "appellation of origin").

185. Lisbon Agreement, *supra* note 24, art. 2.

186. See *WTO and the Clash*, *supra* note 24 (listing additional influences that must endow a product with unique qualities for the corresponding indicator to receive protection under the archetypal French system of "*produits de terroir*").

187. TRIPs, *supra* note 1, art. 22(1) (emphasis added).

188. See Dawson, *supra* note 137, at 611 (pointing out that the notion of "reputation" that TRIPs Article 22 uses to link geographic indicator and the quality

TRIPs Article 22(1) consciously draws on Article 2 of the Lisbon Agreement,¹⁸⁹ which also lacks substantive standards in this area.¹⁹⁰ The fact that the Lisbon Agreement's "absolutist"¹⁹¹ approach protects those terms "recognized and protected as such in the country of origin" compensates for this defect, however.¹⁹² Likewise, the Madrid Agreement mentions nothing about a nexus between goods and their source, but instead prohibits the use of false indications of origin outright.¹⁹³ The French Law on the Protection of Appellations of Origin of May 6, 1919 also lacked substantive standards, but compensated by calling upon individual judges to fashion their own tests.¹⁹⁴ TRIPs has no commensurate mechanism.¹⁹⁵

and characteristics of the corresponding good is unclear, "leaves the parameters undefined," and needs clarification); *see also* Conrad, *supra* note 3, at 32 (noting that TRIPs provides no test by which to determine whether the qualities of a good are attributable to its origin, and that no positive measures prevent parties from arguing that a good does not exhibit the necessary relationship to its source).

189. *See* Goldberg, *supra* note 2, at 118 (indicating that TRIPs Article 22 "derived from the Lisbon Agreement"); *see also* Conrad, *supra* note 3, at 31-32 (noting that TRIPs Article 22(1) adopts a definition of geographical indicators that originally appeared in Article 2 of the Lisbon Agreement).

190. *See* Goldberg, *supra* note 2, at 118 (explaining that while "[a] link is required between the characteristics of the product and the place of origin" under TRIPs Article 22(1), the Agreement itself provides no substantive test for establishing attribution); *see also* Conrad, *supra* note 3, at 32 (pointing out that the Lisbon Agreement offers no test by which to determine whether the qualities or characteristics of a good are "essentially attributable" to their place of origin).

191. *See* Simon, *supra* note 135, at 147 n.82 (describing the Lisbon Agreement's protection of geographical indicators as absolute in nature).

192. *See supra* text accompanying notes 126, 174 (illustrating that the Lisbon Agreement requires each Member state to protect geographic indicators "as such in the country of origin" under Article 1(2)).

193. *See supra* text accompanying notes 116, 119, 165 (demonstrating that Article 1(1) of the Madrid Agreement prohibits all false or deceptive indicators, not just those that are likely to mislead the consumer).

194. *See also* Conrad, *supra* note 3, at 32 (explaining that the French law "required judges to develop a standard of their own" in the absence of substantive standards indicating what sort of nexus must exist between a good's unique qualities and characteristics and its source in order for protections to apply).

195. *See* TRIPs, *supra* note 1, art. 22-24 (lacking any additional provisions that would inform the "essentially attributable" test contemplated in Article 22(1)); *see also supra* text accompanying note 188 (commenting on TRIPs' failure to present a standard whereby to determine whether a sufficient nexus exists between the characteristics of a good and its origin in order for it to qualify under TRIPs Article

D. TRIPS ARTICLES 22(2)(a) AND 22(3) VERSUS 23(1):
DISPARITIES BETWEEN THE SUBSTANTIVE STANDARDS

TRIPS Articles 22(2)(a) and 22(3) allow the false or inaccurate use of geographical indicators, provided that such use does not actually mislead the public as to the origin of the good bearing that name.¹⁹⁶ These articles self-consciously focus on the consumer, making the subjective awareness or knowledge of people in the marketplace the determinative inquiry.¹⁹⁷ Article 23, by contrast, provides “Additional Protection for Geographical Indications for Wines and Spirits.”¹⁹⁸ Unlike Articles 22(2)(a) and 22(3), Article 23(1) does not require a Member state to show that the use of a geographical indicator for a wine or spirit could mislead consumers.¹⁹⁹ Article 23(1) forbids the use of *any* geographic indicator for a wine or spirit not actually emanating from the place that the indicator names, even if language such as “kind,” “type,” “style,” “imitation, or the like” accompanies the indicator in order to demonstrate that the good comes from elsewhere, or if the packaging discloses the true origin of the good.²⁰⁰

22(1)).

196. *See supra* text accompanying notes 37, 42 (pointing out that TRIPS Articles 22(2)(a) and 22(3) require Members to shape their laws so as to allow parties to prevent the use of or the registration as trademarks of false or inaccurate geographic indicators that are “of such a nature as to mislead the public as to the true place of origin”).

197. *See* Farley, *supra* note 3, at 78 (arguing that TRIPS Article 23, in contrast to Article 22, makes “a consumer’s reaction” to the false or inaccurate geographic indicator completely immaterial).

198. TRIPS, *supra* note 1, art. 22.

199. *See supra* text accompanying notes 45-46 (requiring that Members bar registration as trademarks and prevent the use of any geographic designation denoting a wine or spirit wine that does not actually come from the place indicated, even if that designation also reveals the true origin of the goods, if the geographical indication appears in translation, or if it accompanies language that clearly indicates it is not actually from a traditional producing region); *see also* Bowers, *supra* note 19, at 146 (explaining that, in contrast to TRIPS art. 22, art. 23 provides additional protections under which “there is no requirement to show that the public may be misled by using a particular geographic indication”); Farley, *supra* note 3, at 78 (stating that this measure “does not require that the use of the geographical indication be misleading in order to be actionable”).

200. *See supra* text accompanying notes 44, 199 (noting that TRIPS Article 23(1) affords protection to any false or inaccurate use of a geographic indicator,

In this sense, the manner in which TRIPs Articles 22(2)(a) and 22(3) relate to TRIPs Article 23(1) mirrors the relationship between comparable portions of the Paris Convention and Madrid Agreement.²⁰¹ TRIPs Article 22(2)(a) and 22(3), like Article 10bis of the Paris Convention, allow the false or inaccurate but non-misleading use of geographic indicators,²⁰² while TRIPs Article 23(1)—like Madrid Article I(1)—prohibits (in the case of wines) “[a]ll goods bearing a false or deceptive indication.”²⁰³ The effort to sever multilateral protection from the influence of consumer perceptions that began with Article I(1) of the Madrid Agreement culminated in Article 3 of the Lisbon Agreement, which prohibits “any usurpation or imitation”²⁰⁴ of geographical indicators, even if producers make clear to the consumer that the product does not originate from the traditional source.²⁰⁵ Thereby, TRIPs Article 23(1) borrows this standard almost verbatim from Article 3 of the Lisbon Agreement,²⁰⁶

even if language revealing the good’s true place of origin or demonstrating that the good is from elsewhere accompanies the indicator).

201. See discussion *supra* Part II.C paras. 2-3 (comparing the substantive provisions of the Paris Convention and Madrid Agreement and noting that the Madrid Agreement prohibits all false or misleading indicators while the Paris Convention prohibits only the fraudulent misapplication of indicators).

202. See *supra* text accompanying notes 37, 42, 196 (illustrating that TRIPs Articles 22(2)(a) and 22(3) require Members to grant States parties a legal remedy to bar the use of or the registration as trademarks of geographic indicators that are simultaneously false or inaccurate and misleading).

203. TRIPs, *supra* note 1, art. 23(1).

204. Lisbon Agreement, *supra* note 24, art. 3.

205. See *supra* text accompanying notes 127, 177, 179 (explaining that the Lisbon Agreement compelled its Members to prohibit the use of any false or inaccurate geographic indicator, even if the good’s actual source is apparent from the packaging or if the indicator appears in conjunction with language that shows the good came from somewhere other than the traditional source).

206. Compare Lisbon Agreement, *supra* note 24, art. 3 (requiring that “[p]rotection 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”), with TRIPs, *supra* note 1, art. 23(1) (prohibiting the false or inaccurate use of a geographic indicator “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”).

while Article 22(2)(a) and 22(3) retain the Paris Convention's weaker "misleading" standard.²⁰⁷

Consequently, regionally distinct goods that satisfy TRIPs' substantive requirements, but which do not fall within the ambit of the special "Additional Protections"²⁰⁸ that wine and spirits enjoy, receive only diminished protection.²⁰⁹ Moreover, by applying the "misleading" test under Articles 22(2)(a) and 22(3), while insisting on an "absolutist" standard in the case of wines and spirits under Article 23(1), the agreement shows a weakness in those areas where other multilateral treaties failed for weakness, but shows strength in those areas in which past agreements were too robust to attract broad membership.²¹⁰

Cumulatively, then, Articles 22 and 23 prohibit "free-riding" in the case of wines and spirits, but permit it in the case of all other goods.²¹¹ Moreover, Article 22's "misleading" test imposes burdens of production and proof that Article 23 does not.²¹² The moving party

207. See *supra* text accompanying notes 42, 118, 166 (noting the Paris Convention's "liable to mislead" standard).

208. TRIPs, *supra* note 1, art. 23.

209. See Brody, *supra* note 36, at 522 ("TRIPs does not outlaw registration of false geographical indications per se, but only those that will "mislead." Under U.S. law, as under TRIPs, one can register a false geographic designation as a trademark if it is "arbitrary." An arbitrary mark is one that does not lead to a false "goods-place" association on the part of the public, or in other words, does not mislead the public into believing that the goods originate in the place named."); see also Bowers, *supra* note 19, at 144-146 (referring to several Member states' complaints to the WTO regarding the substantive distinctions between TRIPs Articles 22 and 23 in order to illustrate the practical effects of this disparate treatment).

210. See *supra* text accompanying notes 40-41, 115-118, 161-162 (pointing out the Paris Convention's substantive weakness); see also *supra* text accompanying note 191 (referring to the Lisbon Agreement's "absolutist" substantive standards).

211. See Bowers, *supra* note 19, at 150 (arguing that, under TRIPs Article 22, parties from outside a traditional producing region may use a geographic indicator for their product provided it is not a wine or spirit and so long as it accompanies one of the very devices Article 23 prohibits). Producers from outside the Darjeeling region may call their product "Darjeeling-style tea" under TRIPs Article 22, while a distiller from outside the state of Tennessee may not call his or her product "Tennessee whiskey" under Article 23. *Id.* at 132.

212. See *id.* at 146 (contending that, unlike producers of goods that fall under TRIPs Article 22, producers holding a qualified geographic indicator for a wine or

in an Article 22 claim will presumably incur litigation expenses in excess of those that a party going forward with an Article 23 claim would encounter.²¹³

The “misleading” test may also be difficult to satisfy in national courts.²¹⁴ Because foreign courts will inevitably apply differing standards in the process of determining whether a false or inaccurate geographic indicator could mislead the consumer, legal uncertainty will result.²¹⁵ The “absolutist” character of Article 23’s provisions imposes no such burdens on producers of wines and spirits and creates no similar risk of legal uncertainty.²¹⁶ TRIPs thus creates two tiers of protection with marked disparities of protectiveness, which

spirit do not have the onus of proving a violation of the “misleading” test under TRIPs Article 23). By contrast, any false or inaccurate use of a wine or spirit indicator is “totally prohibited.” *Id.*

213. *See id.* at 151 (noting that the “misleading” test is “complicated and expensive” whereas Article 23 places no commensurate burden on producers in the case of geographical indicators for wines and spirits).

214. *See Brody, supra* note 36, at 524-27 (maintaining that there is “room for debate” as to how even the United States’ “misleading” standard, which is fairly clear law due to the ATF and USPTO jurisprudence, relates to TRIPs Article 22(2)(a) and 22(3), and referring to five cases in which U.S. federal courts have struggled with the “misleading” test). “These cases tend to turn on whether the public makes an association between the product and the designated geographical area, and the likelihood of consumers’ [sic] mistakenly inferring that association from defendant’s mark.” *Id.* at 527; *see also* Bowers, *supra* note 19, at 151 (arguing that judicial determinations as to whether or not a false or inaccurate geographic indicator could mislead consumers, as well as the manner in which “administrative authorities apply and interpret this discretionary element of ‘misleading the public,’” differ from one country to the next).

215. *See Bowers, supra* note 19, at 150-51 (forecasting that, because TRIPs Article 22’s absence of a substantive “misleading test” will leave the national courts of Member states to determine whether the false or inaccurate use of geographic indicators create consumer misconceptions as to the true place of origin, jurisprudence in this area will become a mess of “inconsistent decisions and legal uncertainty regarding the protection granted to geographical indications and . . . enforcement at the international level”).

216. *See* WTO Secretariat, *Proposal from Bulgaria, Cuba, the Czech Republic, Egypt, Iceland, India, Jamaica, Kenya, Liechtenstein, Mauritius, Nigeria, Pakistan, Slovenia, Sri Lanka, Switzerland, Turkey and Venezuela*, IP/C/W/247/Rev.1 at 2 (May 17, 2001) (complaining of the potential for legal uncertainty that the disparity of standards in TRIPs Articles 22 and 23 may create, available at <http://www.origin-gi.com/article.php?sid=47> (last visited March 20, 2004).

exhibits a systemic bias that favors wine and spirit producers over other similarly situated products.²¹⁷

E. INCONSISTENCIES IN THE EXCEPTIONS AVAILABLE UNDER TRIPS ARTICLE 24 AND IN THE CALL FOR FURTHER NEGOTIATIONS UNDER TRIPS ARTICLES 23(4) AND 24(1)

One of the most contentious areas of the current controversy involves the diminution of distinctive geographic indicators into non-distinctive or commonplace usage, or simply “degeneration.”²¹⁸ “When [a] geographical name is so widely used that the public comes to understand it as the name for a category of all the products of the same type but not necessarily of a certain origin,” Albrecht Conrad explains, “the name is not and cannot be protected anymore as a geographic indication.”²¹⁹ “Cheddar cheese” and “Dijon mustard” serve as examples of this misuse of the geographical name of one product to describe an entire category of products.²²⁰

TRIPs Article 24(3) prohibits Members from allowing the level of protection available under their national laws from diminishing.²²¹ This requirement imparts a leveling effect on the indirect anti-degeneration provisions of TRIPs 22(2)(a) and 22(3), on the one

217. See WTO Secretariat, *Communication from Bulgaria, the Czech Republic, Egypt, Iceland, India, Kenya, Liechtenstein, Pakistan, Slovenia, Sri Lanka, Switzerland, and Turkey*, IP/C/W/204/Rev.1 at 3 (Oct. 2, 2000) (arguing that “[t]here is no systematic or logical explanation for the distinction made in . . . the TRIPs Agreement. This distinction ignores that geographical indications for categories of goods other than wines and spirits are equally important for trade”), available at http://www.ige.ch/E/jurinfo/pdf/ip_c_w_204_rev1_e.pdf (last visited March 20, 2004).

218. See Conrad, *supra* note 3, at 30 (noting that although the E.C. countries learned a lesson about “the difficulties of an agreement that includes the obligation of the [M]embers to substantially alter their laws” from the failure of the Lisbon Agreement, the anti-degeneration measures in TRIPs Articles 23 and 24 are a “trouble spot”).

219. *Id.* at 12.

220. See Bowers, *supra* note 19, at 147 (providing these two exemplars in order to explain that TRIPs Article 24 does not purport to protect “terms with geographic origins that have become well known globally”).

221. See *supra* text accompanying note 51 (relating that TRIPs Article 24(3) requires Members to maintain a certain level of protection and that Members cannot avoid negotiations through Article 24 exceptions).

hand, and 23(1) on the other, and averts another source of systemic bias favoring wine and spirit producers.²²² However, to the extent that Article 23(1) aims indirectly to prevent the dilution or degeneration of wine and spirit indicators by proscribing their non-misleading use,²²³ TRIPs Articles 22(2)(a) and 22(3) expose all other geographic indicators (meaning non-wine or spirit indicators) to more rapid degeneration by allowing such use.²²⁴

Moreover, TRIPs Article 24(6) places those geographic indications that have already degenerated to the status of generics in a particular Member country outside the protective regime of TRIPs Articles 22 and 23.²²⁵ This commonsensical measure allows Member countries to appropriate freely terms that were already generic in one Member country at the time of negotiations.²²⁶ As one commentator observes, “TRIPs did not intend to reverse past developments in the field of geographical indications, such as the case where continuous use has occurred.”²²⁷

222. See *supra* Part II.E (illustrating the latent bias that exists in the lack of substantive standards in TRIPs Article 22(1), in the differing tests that apply to “nonconforming” or false or inaccurate geographic indicators under TRIPs Articles 22(2)(a), 22(3), and 23(1), in Article 24’s exceptions, and in Articles 23(4) and 24(1)’s call for subsequent negotiations).

223. See Conrad, *supra* note 3, at 39 (arguing that Article 23(1) makes it impossible for parties to argue that the inaccurate use of a geographical indicator is permissible as long as it is not deceptive or misleading, which thereby precludes one use of geographical indicators that could lead to the dilution of consumers’ association of a good with its place of origin).

224. See Maher, *supra* note 21, at 1910 (explaining that the existence of competing goods on the market that display the names of well-known producing regions “dilutes the value of famous place names,” even when such use, though false or inaccurate, does not mislead the consumer). Unlimited production of goods with “nonconforming” geographic indicators (by which Maher means false or inaccurate but not misleading to consumers, and which Article 22 permits) will advance “the potential dilutive effect of these nonconforming uses on the goodwill, renowned, and distinctive qualities associated with appellations of origin.” *Id.*

225. See TRIPs, *supra* note 1, art. 24(6) (providing an exception for terms that have become “customary in common language as the common name”).

226. See Bowers, *supra* note 19, at 147 (maintaining that terms which were “already generic” in a Member country “remain unprotected under the TRIPs Agreement”); see also Conrad, *supra* note 3, at 42 (calling the exception the equivalent of an acknowledgment that TRIPs “does not and cannot reverse past developments in the field”).

227. Goldberg, *supra* note 2, at 121; see also Dawson, *supra* note 137, at 604

TRIPs Article 24(3), however, proscribes any subsequent degeneration outright.²²⁸ Where TRIPs Article 24(6) is designed to be responsive to consumer perceptions,²²⁹ Article 24(3) explicitly freezes protection at the level available in a Member state prior to the Marrakesh Agreement.²³⁰ This approximates the characteristically pro-producer anti-degeneration provisions that appear in Article 6 of the Lisbon Agreement²³¹ and Article I(4) of the Madrid Agreement.²³² TRIPs Article 24(3) thus acts to divorce determinations of genericism from consumer perception, again evincing a disregard for its jurisprudential influence.²³³ More significantly, the fact that near-identical provisions discouraged many countries from joining either the Madrid Agreement or the Lisbon Agreement does not bode well for the future of TRIPs.²³⁴

(arguing that “a strict application of . . . consumer protection and unfair competition militates against the artificial re-creation of the reputation of geographical indications for the purpose of reversing genericness”).

228. *See supra* text accompanying notes 50, 221 (explaining that TRIPs Article 24(3) prohibits countries from diminishing whatever protections geographical indicators received at the time of signing the Marrakesh Agreement).

229. *See supra* text accompanying notes 225 (noting TRIPs Article 24(6)'s deference to consumer perceptions).

230. *See supra* text accompanying notes 50, 221 (illustrating that TRIPs Article 24(3) prohibits Members from decreasing the level of protection they provided at the time the agreement became binding); *see also* Chen, *supra* note 57 at 40-41 (maintaining that, by this model, genericism is contingent upon “the existing situation within the Member-State,” and noting that the Madrid Agreement establishes that courts of Member countries should decide whether a wine appellation has degenerated “by reference to the laws of the state from which the wine originates”).

231. *See supra* text accompanying notes 128, 175, 180 (illustrating that Article 6 of the Lisbon Agreement sets up a rule whereby geographical indicators that remain protected in their country of origin cannot degenerate into genericism).

232. *See supra* text accompanying notes 117, 118, 166, 168 (relating that Article I(4) of the Madrid Agreement leaves it to national courts to decide which appellations have degenerated to the status of generics, except in the case of wine appellations, which may never degenerate).

233. *See supra* text accompanying note 181 (discussing the “diversity” of normative approaches that characterizes intellectual property regimes as they apply to geographic indicators).

234. *See supra* text accompanying note 167 (maintaining that few countries signed the Madrid Agreement because Article I(4) is too strong, and because the status of an indicator turns not on consumer perceptions, but on the compelled

The “grandfathering”²³⁵ available under TRIPs Article 24(4) presents another example of systemic bias that favors older, established producers over relative newcomers in that it allows producers who have used false indicators since April 15, 1984 or earlier to continue using them.²³⁶ Additionally, the “good faith” exception available under Articles 24(4)(b) and 24(5)²³⁷ seems to be in bad faith. For instance, while it is unlikely that a newer producer could plausibly argue that he or she did not subjectively know that “Champagne” refers to a traditional producing region, the same is not true of older producers in the case of newer appellations.²³⁸

Additionally, proposals for further negotiations concerning TRIPs Article 23(4) and 24(1) exhibit the same biases and result in the same inequalities as those provisions described above.²³⁹ TRIPs Article 23(4) compels Members to take up negotiations aimed at establishing a protective registry exclusively for wines.²⁴⁰ TRIPs Article 24(1)

reciprocal acknowledgement of other Member states’ continued protection); *see also* Dawson, *supra* note 137, at 591-592 (contending that “[t]he fact that appellations of origin registered under the Lisbon Agreement can never become generic while they are protected in their state of origin is anathema to the laws in those countries which provide a lesser degree of protection, which they contend more accurately reflects actual consumer perceptions”).

235. *See supra* text accompanying note 47 (describing the exceptions to the provisions of Articles 22 and 23 that place Member states whose producers have used a false or inaccurate geographical indicator for at least ten years prior to April 15, 1994 outside the ambit of TRIPs Articles 22 and 23).

236. *See* Lindquist, *supra* note 20, at 330 (venturing that the exception available under TRIPs Article 24(4) confers an “anti-competitive” advantage on older producers).

237. *See supra* text accompanying notes 47-48 (noting that TRIPs Article 24(b) contemplates an exception to the provisions of Articles 22 and 23 for Member states in which producers have used a false or inaccurate geographical indicator “in good faith” preceding the “grandfathering” period, and explaining the exception under TRIPs Article 24(5) for trademarks obtained “in good faith”).

238. *See* Lindquist, *supra* note 20, at 330 (stating that no vintner could credibly maintain that he failed to realize that Burgundy, France was a traditional producer famed for its reds, and concluding that “the good faith exception is easily eliminated”).

239. *See supra* Parts II.D, II.E (demonstrating a systemic bias in the absence of substantive standards in TRIPs Article 22(1), in the disparity of substantive standards in TRIPs Articles 22(2)(a), 22(3) and Article 23(1), and in the exceptions available under TRIPs Article 24).

240. *See* TRIPs, *supra* note 1, art. 23(4) (compelling Members to take up further

also requires the Members to negotiate greater protections for wines and spirits only, and prohibits the Members from using any of the Article 24 exceptions to refuse to engage in subsequent negotiations.²⁴¹ One can imagine the Vidalia onion grower's dismay at the fact that Articles 23(4) and 24(1) require talks directed at securing greater protection solely for wines and spirits, nakedly discriminating among producers and baldly promoting the interests of Europeans over others who produce equally distinct goods.²⁴²

III. RECOMMENDATIONS

TRIPs Articles 22-24 go beyond the international community's capacity for consensus²⁴³ and exhibit untenable systemic biases that work in favor of wine and spirit producers and to the disadvantage of equally-qualified producers of other goods.²⁴⁴ The WTO should dismantle TRIPs Articles 22-24 as they exist, and substitute a system of international registration that accounts for the interests of both producer and consumer.²⁴⁵ Indeed, such a fresh start was not beyond

negotiations "to facilitate the protection of geographical indications for wines").

241. *See id.* art. 24(1) (stating that "Members agree to enter into negotiations aimed at increasing the protection of individual indications under Article 23" and establishing that "[t]he provisions of paragraph 4 through 8 below shall not be used . . . to refuse to conduct negotiations").

242. *See supra* text accompanying note 222 (pointing out areas of TRIPs Articles 22-24 that favor European producers); *see also* Brody, *supra* note 36, at 535 (discussing the pressure that the United States' trading partners have exerted in an effort to augment the protections contemplated in TRIPs Article 23(4) and 24(1)).

243. *See supra* Parts II.B, II.C (arguing that the scope of the protective regime TRIPs contemplates overreaches the level of international consensus); *see also* Goldberg, *supra* note 2, at 110 (describing the TRIPs agreement as providing "a historically unprecedented level of protection for geographical indications"); Conrad, *supra* note 3, at 29 (calling TRIPs' attempt to go beyond the accepted forms of protection for geographical indicators in several WTO Member countries "rather unrealistic").

244. *See supra* Parts II.D, II.E (arguing that omissions, inconsistencies, and disparities in TRIPs Articles 22-24 result in the potential for confusion, and more significantly, for the discriminatory treatment of goods that are nevertheless eligible for protection under TRIPs' standards).

245. *See* Bowers, *supra* note 19, at 153 (referring to a communication to the WTO from the Australian delegation in order to argue that the search for a more suitable protective regime for geographic indicators "would most productively start

the drafters' contemplation: the Preamble to TRIPs itself calls for "new rules and disciplines . . . taking into account differences in national legal systems."²⁴⁶

One scholar points out that TRIPs' open-ended and indefinite scope affords "opportunities for each Member to police other Member's national laws."²⁴⁷ The preceding analysis demonstrates that substantively intrusive provisions do not engender broad, multilateral participation.²⁴⁸ A registry, on the contrary, would provide positive protection without compelling WTO Members to fundamentally alter their national laws.²⁴⁹

Both the United States and the European Union submitted proposals for a registration system under TRIPs Article 23(4).²⁵⁰ The Members committed themselves to concluding some sort of agreement on TRIPs Article 23(4)'s "built-in agenda" by September 2003,²⁵¹ but the WTO has not reported any progress to date.²⁵² The

with a consideration of the actual forms of protection that are provided in national law").

246. TRIPs, *supra* note 1, pmb1.

247. Conrad, *supra* note 3, at 31.

248. *See supra* Part II.C (describing the intrusive character of the Lisbon Agreement, and noting the agreement's failure to attract broad membership).

249. *See* Grosek, *supra* note 122, at 476-77 (arguing that "[w]ithin most foreign countries, trademark rights are dependent upon formal registration"). Grosek goes on to explain that this system promotes stability and predictability through the use of a published register of protected terms, an appellate procedure for registration disputes, and entitlement to representation. *Id.* at 477.

250. *See* 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, WTO Doc. IP/C/W/133/Rev.1 (July 26, 1999) [hereinafter United States Proposal] (cataloging the United States' proposal for a multilateral system of registration for geographic indicators), available at <http://docsonline.wto.org/> (last visited Mar. 21, 2004); *see also* WTO, Annual Report (1999) of the Council for TRIPs, WTO Doc. IP/C/19 (Oct. 22, 1999) [hereinafter E.U. Proposal A] (detailing part of the E.U. proposal for a "TRIPs plus" registry), available at <http://docsonline.wto.org/> (last visited Mar. 21, 2004); *see also* 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, WTO Doc. IP/C/W/133 (Mar. 11, 1999) [hereinafter E.U. Proposal B] (describing, in part, the E.U.'s suggestions for a "TRIPs plus" registry and notification system), available at <http://docsonline.wto.org/> (last visited Mar. 21, 2004).

251. *See* Burkhardt Goebel, *Geographical Indications and Trademarks- the Road From Doha*, 93 TRADEMARK REP. 964, 976 (2003) (noting that a system of

E.U. proposal explains how Members may apply for registration, as well as provide a mechanism whereby adverse parties may challenge, registration.²⁵³ This procedure allows parties to oppose registration based only upon the language of TRIPs Article 24(6), itself, by claiming the process has degenerated into genericism.²⁵⁴ That is, the only permissible basis for a challenge explicitly refers back to TRIPs itself.²⁵⁵ The provision is thus circular: the only way to block registration of an indicator is by demonstrating to the satisfaction of the TRIPs Council that TRIPs does not entitle the indicator to protection at all.²⁵⁶

Worse, the E.U. proposal would deny national courts any role in determining whether a good qualifies for the registry.²⁵⁷ In contrast, the U.S. proposal would entrust enforcement to the Member states' legal regimes,²⁵⁸ but would make the registry little more than a suggestive compendium of those geographic indicators eligible for registration.²⁵⁹ Alternately, the E.U. proposal suggests that a

notification and registration "is the most pressing issue" under TRIPs at present, and referring to TRIPs Article 23(4)'s agenda).

252. See WTO, Information and Media Relations Division, *TRIPs News: News and Press Releases About the TRIPS Council and TRIPs in the WTO* (lacking any new postings regarding the status of the TRIPs Council negotiations scheduled for December 2003), at http://www.wto.org/english/tratop_e/trips_e/t_news_e.htm (last visited Mar. 21 2004).

253. See E.U. Proposals A and B, *supra* note 250 (proposing that Members list geographical indicators that they want protected under TRIPs, and that opposing countries have one year from the initial listing in which to contest the application for protection on the grounds of any portion of TRIPs Articles 22-24).

254. See *id.* (restricting challenges to a Member's application for protection of a geographic indicator to the genericism provision Article 24(6) embodies).

255. See *supra* text accompanying note 254 (limiting remedies available under the proposed registration system to TRIPs Article 24(6)).

256. See Goldberg, *supra* note 2, at 129-30 (explaining that, "if a [M]ember can only oppose an application based on reasons stemming from the TRIPs agreement, then a successful opposition means the geographical indication is not protectible under TRIPs").

257. See Goebel, *supra* note 251, at 980 (pointing out that, under the E.U. proposal, "[t]he well-established systems of the national courts do not come into play at all").

258. See *id.* at 978 (explaining that the U.S. proposal would invest national court systems with the task of enforcing the registry).

259. See *id.* (referring to various proposals by the United States, Canada, Chile,

successful challenge to the eligibility of an indicator for registration should exempt only the opposing party from its TRIPs obligations.²⁶⁰ This would lead to 145 violations per successful challenge by a single Member of most-favored nation treatment under GATT Article 4, and would essentially relegate the WTO Members' TRIPs obligations to a confusing muddle of product-specific bilateral accords.²⁶¹

Instead, the system should reduce indicators' protected status to a form that would enable WTO Members to "trade" them, just like any other benefit under the GATT/WTO.²⁶² A promising analog exists in exchanges between the United States and France, and between the United States and the European Union.²⁶³ In the first transaction, the United States promised to recognize the French appellations "Cognac" and "Armagnac," while France agreed to protect

and Japan that recommend a non-binding system under which the WTO would collect data and provide the Members with notice of the registrability of geographic indicators).

260. See Proposal For a Multilateral Register of Geographical Indications For Wines and Spirits Based on Article 23.4 of the TRIPs Agreement, at V(3), WTO Doc. IP/C/W/107 (July 28, 1998) (recommending that, "[i]f registration is refused and the refusal is confirmed by the appropriate mechanism within a reasonable period of time, only a Member who had opposed the granting of protection and produced evidence to support its opposition need not apply the principle of full and indefinite protection"), available at <http://www.docsonline.wto.org/> (last visited Mar. 21, 2004). The revised E.U. proposal reiterates the necessity of establishing the "multilateral register" described in the July 28, 1998 proposal. See Implementation of Article 23.4 of the TRIPs Agreement Relating to the Establishment of a Multilateral System of Notification and Registration of Geographical Indications, WTO Doc. IP/C/W/107/Rev.1 (June 22, 2000) (describing the E.U. proposal for a multilateral register), available at <http://docsonline.wto.org/> (last visited Mar. 21, 2004).

261. See Goldberg, *supra* note 2, at 130 (suggesting that if only the party that succeeded in opposing the registration of an indicator were exempted from its TRIPs obligations, a violation of most-favored nation treatment under GATT Article 4 would occur).

262. See Conrad, *supra* note 3, at 20 (arguing that a system that successfully induced countries to exchange fixed lists would still present considerable practical difficulties).

263. See Mosca, *supra* note 58, at 596-97 (detailing the terms of two bilateral exchanges of reciprocal protection for geographic indicators, one between the United States and France, and another between the United States and the European Union).

“Bourbon” and “Bourbon Whisky” from misappropriation.²⁶⁴ In the second, the European Union promised to prohibit the inaccurate use of the terms “Tennessee whiskey/whisky,” “Bourbon,” and “Bourbon whisky” and the United States responded by protecting “Scotch whisky,” “Cognac,” “Armagnac,” and “Calvados.”²⁶⁵ Observers note the obvious limitations of this sort of transactional arrangement, but it does serve to intimate WTO Members’ ability to “trade” in protected geographic indicators when multilateral agreements do not provide the desired level of protection.²⁶⁶

At the very least, as TRIPs promotes wines and spirits over those goods that are no less valid under the agreement’s definition of geographic indicators, the Members must draft a new agreement in which subtle substantive disparities do not create systemic biases favoring one entire category of producers over another.²⁶⁷ In the course of determining which indicators are eligible, the registry should afford equal consideration to the two “mandatory requirements” that the ECJ has enunciated repeatedly: fair trade and consumer protection.²⁶⁸ The screening and approval process for any such registry of protected geographic indicators should aptly reflect and balance this dichotomy of interests.²⁶⁹ Members may adduce

264. *See id.* (referring to the understanding that the United States would prohibit an American producer from calling its good “California cognac” or “cognac-style liqueur, made in the U.S.A.” in exchange for France’s reciprocal assurances regarding “Bourbon”).

265. *See id.* (listing the terms the United States “traded” with the European Union).

266. *See id.* at 596 (calling this exchange “rather limited” because it does not prevent the continued misappropriation of the French appellations).

267. *See* discussion *supra* Parts II.D, II.E (describing portions of the TRIPs Agreement that comprise substantive deficiencies that result in a trade disadvantage to an entire class of producers).

268. *See* Case 120/78, *Rewe-Zentral AG v. Bundesmonopolverwaltung für Branntwein*, 1979 E.C.R. 649, ¶¶ 2, 8 (holding that national regulations having the effect of a trade restriction are only permissible under the E.C. Treaty to the extent that they serve the interests of free trade and consumer protection); *see also* Case 286/86, *Ministere Public v. Gerard Deserbais*, 1988 E.C.R. 4907, ¶ 8 (calling consumer protection and fair trading “imperative”).

269. *See* discussion *supra* Part II.A (discussing the differing normative approaches to protecting geographic indicators in the European Union and the United States).

expert testimony, as well as the results of polls or surveys, in support of their submission or in an attempt to block another Member from registering an indicator.²⁷⁰ When a term ceases to denote an indication of origin, as well as assurances of quality and some nexus between its qualities and place of origin, it should become unregistrable.²⁷¹ Such a system of registration will more effectively promote the ends of stability and predictability, which are fundamental to a rules-based multilateral trade regime.²⁷²

CONCLUSION

TRIPs Articles 22-24 overreach the existing state of international intellectual property law by failing to take account of the diversity of national concepts concerning geographic indicators,²⁷³ and attempting to institute a protective regime which the ECJ has consistently refused to vindicate²⁷⁴ and that has never enjoyed broad multilateral protection.²⁷⁵ The TRIPs Articles 22-24 create considerable uncertainty in the domain of international trade²⁷⁶ and, most significantly, disadvantage an entire category of producers through substantive inconsistency, which is untenable.²⁷⁷

270. See Conrad, *supra* note 3, at 16 (noting that German judges sometimes rely on surveys in order to determine whether an indicator is “geographically descriptive” in unfair competition cases).

271. See *id.* at 12 (arguing that when a geographic indicator becomes so common in everyday use that the connection between a good and its origin no longer exists in the mind of consumers, “the name is not and cannot be protected anymore as a geographic indication”).

272. See Grosek, *supra* note 122, at 476, 478-79 (explaining that international intellectual property rights regimes promote stability and seek to “eliminate . . . processes that are burdensome, expensive, or delaying”).

273. See discussion *supra* Part II.A (describing the failure of TRIPs Articles 22-24 to account for the lack of consensus between the United States and European Union regarding what normative objectives the protection of geographic indicators as intellectual property should promote).

274. See discussion *supra* Part II.B (arguing that the ECJ has consistently refused to uphold the sort of protections that TRIPs Articles 22-24 contemplate).

275. See discussion *supra* Part II.C (contending that TRIPs Articles 22-24 will fail for the same reason that past multilateral agreements failed).

276. See discussion *supra* Part II.C (demonstrating the uncertainty that results from the absence of substantive standards in TRIPs Article 22(1)).

277. See discussion *supra* Part II.D (pointing out the inequity that results from

disparities between the substantive standards of TRIPs Articles 22(2)(a), 22(3), and 23(1)); *see also* discussion *supra* Part II.E (illustrating the bias that results from inconsistencies in the exceptions available under TRIPs Article 24, and in TRIPs Article 23(4) and 24(1)'s call for further negotiations).