WHO WILL RAISE THE WHITE FLAG?
THE BATTLE BETWEEN THE UNITED STATES AND THE
EUROPEAN UNION OVER THE PROTECTION OF
GEOGRAPHICAL INDICATIONS

STACY D. GOLDBERG*

1. INTRODUCTION

"[R]enaming [Champagne, Burgundy, or Chablis] the Napa Valley Champagne, Burgundy, or Chablis would be of no avail to California wine-growers, [yet] a soothing prospect for the French producers."1 This statement captures the essence of the debate between the United States and the European Union ("EU") regarding the legal treatment and protection of geographical indications, which have been a long term source of international controversy. Geographical indications have been given various definitions, but the Agreement on Trade-Related Aspects of Intellectual Property Rights ("TRIPS") defines geographical indications as "indications which identify a good as originating in the territory of a [m]ember [country], 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."2 Exam-

* J.D. Candidate, 2001, University of Pennsylvania Law School; B.A., 1993, Tufts University. This Comment is dedicated to my parents, David and Rochelle Goldberg, for teaching me the importance of education and for their continual love and support, and to Bryan Krause for his patience and encouragement. Special thanks to Professor Graeme Dinwoodie, whose help was invaluable to this piece.


2 Agreement on Trade-Related Aspects of Intellectual Property Rights, Apr.
amples of geographical indications include Champagne, Roquefort, and Gorgonzola from the European Union and Idaho (potatoes and onions) from the United States.\(^3\) Geographical indications include both indications of source, which indicate origination in a specific geographic region, and appellations of origin, which refer to both the geographical origin and the characteristic qualities of that particular environment.\(^4\) This type of intellectual property involves "the region where the product is made and the soil in which it grows, and... the raw materials from which it's created," but the term also encompasses tradition and generations of producing a product in a particular way.\(^5\)

The above terminology and definitions have been derived from European usage. France was the first country to legislate the protection of geographical indications in 1824.\(^6\) Since that time, geographical indications have evolved into an important intellectual property right, protecting the place name and the quality of the product, for many countries.\(^7\) In contrast, the United States, hi-

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3 The Council of TRIPS provides examples of some geographical indications that are protected in various countries. See TRIPS Council, Discussion Develops on Geographical indications, at http://www.wto.org/english/tratop_e/trips_e/t_agm0_e.htm (Dec. 1-2, 1998) [hereinafter WTO Website 1]. The problem is: "Since foreign products are generally less well-known than domestic ones, foreign geographical names may not give rise to a 'goods-place association.' " Champagne... might be known as a product but not as a region in France and thus would not convey an image of geographic origin at all." Conrad, supra note 1, at 17.

4 GRAEME DINWOODIE ET AL., INTERNATIONAL INTELLECTUAL PROPERTY LAW 222-23 (forthcoming 2001).

For example, the designation ROQUEFORT for cheese would be an appellation of origin because its use suggests certain qualities associated with cheese from [that] French municipality; in contrast use of that same geographic designation for clothing from Roquefort would merely be an indication of source because Roquefort is not particularly well-known for producing clothing of any particular, distinctive quality.

Id. at 223.

5 Nancy Harmon Jenkins, Food Court, FOOD & WINE, Aug. 1999, at 66, 68.


7 Id. at 312-14.
torically, has not had separate law, apart from its system of trademarks, to protect geographical indications. "Geographical indications are similar to trademarks in that they function as source indicators," but the two different intellectual property rights are governed by very divergent systems of laws and bodies of beliefs.\(^8\) While the European Union believes that the names of many products should be protected based on their status as geographical indications, the United States disregards the validity of such protection because such names do not deserve protection under trademark law; many product names are considered to be generic terms in the United States rather than references to geographic locations that produce property rights. The U.S.-EU debate over the protection of geographical indications has centered around economically significant industries such as wine and spirits, but it extends to cheeses and other foodstuffs.

The TRIPS Agreement of 1994 was negotiated with the intent of providing greater protection for intellectual property rights ("IPRs") worldwide.\(^9\) The United States initiated the development of TRIPS because it was a leader in the production of intellectual property such as trademarks, copyrights, and patents,\(^10\) and it wanted to protect its rights abroad, especially in developing countries. The European Union, Japan, and Switzerland supported the U.S. position for greater protection.\(^11\) When the discussion led to

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\(^8\) Id. at 311.

Words or symbols with geographic significance are frequently used in the marketing of products: consider, for example, Waterford crystal, and Idaho potatoes. But each of these geographic terms—Waterford and Idaho—is used (and understood) in a different sense when applied to goods. 'Waterford' identifies the world's leading manufacturer of high-quality cut lead crystal; 'Idaho' indicates for consumers the geographic origin from which the potatoes in question come. The former ('Waterford') is a trademark; the latter ('Idaho') is a geographical indication. IDAHO is not a trademark because, unlike WATERFORD, it does not identify the goods of a single producer and distinguish them from others.

Dinwoodie et al., supra note 4, at 222. These examples are important because the interaction between trademark and geographical indication protection is a prominent focus in the debate, as will be seen later. See also 15 U.S.C. § 1127 (defining trademark).

\(^9\) See TRIPS, supra note 2 (desiring to promote effective and adequate protection of intellectual property rights).

\(^10\) See Lindquist, supra note 6, at 315.

\(^11\) Id.
the protection of geographical indications, however, the United States and the European Union fell on opposite sides of the debate.\(^\text{12}\) The United States, Canada, Japan, and Australia were staunchly opposed to the inclusion of geographical indications protection, especially for wine, while the European Union was insistent on inclusion because it is in that area that the European economic interest is greatest.\(^\text{13}\) Ultimately, "[the] important European movement to protect traditional foods from the galloping globalization that threatens the entire world of food and wine" emerged triumphant in the fight to achieve a higher level of protection for geographical indications.\(^\text{14}\) A compromise was reached with the culmination of TRIPS, and the agreement has provided a historically unprecedented level of protection for geographical indications.\(^\text{15}\) While the work on TRIPS is far from finished, ongoing negotiations between member countries were mandated to continue the commitment toward improvement of intellectual property rights\(^\text{16}\) protection.\(^\text{17}\) The U.S.-EU debate over geographical indications continues to play a politically and ideologically divisive role in the furtherance of TRIPS's goals to protect intellectual property and global economic interests.

This Comment argues that: TRIPS-plus, which is a stricter standard that anticipates even greater protection for geographical indications than that agreed upon in TRIPS, is needed to adequately protect intellectual property rights, especially geographical indications, as well as the economic interests of the member countries on an international level; the EU proposal for a multilateral system that would notify and register geographical indications is

\(^\text{12}\) Id.
\(^\text{13}\) Id. at 315-16.
\(^\text{14}\) Jenkins, supra note 5, at 66.
\(^\text{15}\) Lindquist, supra note 6, at 316.
\(^\text{17}\) See TRIPS, supra note 2, art. 24(1); Frederick M. Abbott, Report, TRIPS in Seattle: The Not-So-Surprising Failure and the Future of the TRIPS Agenda, 18 BERKELEY J. INT'L L. 165, 166 (2000) (citing negotiation for geographical indications protections as a "built-in" agenda item that remains before the TRIPS Council).
more consistent with a TRIPS-plus standard than the more lax U.S. proposal; and the U.S. request for consultation with the European Communities,\(^{18}\) pursuant to the World Trade Organization ("WTO") settlement dispute process questioning whether European Communities’ Regulation 2081/92 violates the TRIPS agreement, can be viewed as a strategic political maneuver within the context of the continuing negotiations surrounding TRIPS. Section 2 discusses protection of geographical indications prior to the TRIPS Agreement. Section 3 examines TRIPS and the level of protection and enforcement afforded geographical indications. Section 4 reviews the progress of the TRIPS negotiations and the current proposals. Section 5 analyzes the European Communities’ Regulation 2081/92 on the Protection of Geographical Indications and Designations of Origin for Agricultural Products and Foodstuffs within the context of TRIPS and addresses the U.S. complaint alleging that the regulation is in violation of the international agreement. Section 5 also suggests a proposed outcome to the ongoing TRIPS negotiations. The goal of intellectual property protection, which is of vital importance to ensure domestic economic interests and rights, and enforcement in today’s globally interdependent economy hinges on the future of TRIPS. A multilateral set of rules governing intellectual property will only be achieved through international cooperation based on mutual concessions and fair economic diplomacy.

2. DEVELOPMENT OF INTERNATIONAL PROTECTION FOR GEOGRAPHICAL INDICATIONS

Only three international agreements addressed geographical indications prior to the TRIPS Agreement of 1994:\(^{19}\) the Paris Convention for the Protection of Industrial Property,\(^{20}\) the Madrid

\(^{18}\) For the purposes of this Comment, the terms European Union and European Community are used interchangeably, since the term European Community refers to the member countries of the European Union. See Jenny Mosca, Recent Developments: 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 Tutela del Formaggio Gorgonzola v. Kiserai Champignon Hofmeister Gmbh & Co. Kg, 8 Tul. J. INT’L & COMP. L. 559, 561-64 (2000) (discussing the background behind political integration through a European common market that evolved into the present European Community).

\(^{19}\) TRIPS, supra note 2.

\(^{20}\) 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 Con-
Agreement for the Repression of False or Deceptive Indications of Source on Goods,21 and the Lisbon Agreement for the Protection of Appellations of Origin and their International Registration.22

2.1. The Paris Convention for the Protection of Industrial Property

The Paris Convention for the Protection of Industrial Property23 ("Paris Convention") of 1883 was the first international agreement to address the protection of geographical indications. Its large number of member states (117 members24) agreed "mainly to border measures for false indications without defining the conditions for protection."25 The Paris Convention only provided for limited protection of geographical indications; therefore, the United States was among the signatories. It requires members to "seize or prohibit imports with false indications of source, producer, manufacturer, or merchant. In [the Paris Convention's] original form, countries prohibited such uses only in cases of serious fraud."

In 1958, Article 10 of the Convention prohibits the importation, or mandates the seizure, of goods in cases of "direct or indirect use of a false indication of the [source of the good or the] identity of the producer, manufacturer or merchant...."27 In 1958, Article 10bis(3), regarding unfair competition, was added to prohibit indications that were "liable to mislead the public as to the nature, the manufacturing process, the characteristics, the suitability for their purpose, or the quantity of the goods."28 Significantly, the word

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23 Paris Convention, supra note 20.

24 See Conrad, supra note 1, at 22 n.62 (noting that the Paris Convention had 136 members as of January 1, 1996).

25 Id. at 23.

26 Lindquist, supra note 6, at 314.

27 Paris Convention, supra note 20, art. 10 (emphasis omitted).

28 Id. art. 10bis.
"characteristics" replaced the phrase "the origin" in Article 10bis, at the prodding of the United States; this change seriously limited the protection of geographical indications. Because of this change, the Paris Convention prevents only the importation of goods containing false indications of geographic origin and is no longer applicable to indications of geographic origin that are merely misleading or "liable to mislead."

2.2. The Madrid Agreement for the Repression of False or Deceptive Indications of Source on Goods

The Madrid Agreement for the Repression of False or Deceptive Indications of Source on Goods ("Madrid Agreement") of 1891 exceeded the level of protection given to geographical indications by the Paris Convention. As of 1996, thirty-one member states had signed onto the Madrid Agreement, agreeing mainly to implement border measures and prevent the dilution of geographical indications into generic terms. Of those thirty-one members, it is noteworthy that the United States was not a signatory because of the higher level of protection that the Agreement gives to geographical indications. The Madrid Agreement provides protection against misleading geographical indications in Article 1(1), and in 1934, the Madrid Agreement was amended by adding Article 3bis, which "prohibits the use of false representations on the product itself and in advertising or other forms of public announcements." In addition, the Madrid Agreement not only provided more specific protection, it included more controversial areas of protection—most significantly, Article 4, which prohibits member countries from treating geographical indications

29 See Conrad, supra note 1, at 24-25.
30 See Lee Bendekgey & Caroline H. Mead, International Protection of Appellations of Origin and Other Geographic Indications, 82 TRADEMARK REP. 765, 781 (1992); see also Conrad, supra note 1, at 25.
31 Madrid Agreement, supra note 21.
32 Conrad, supra note 1, at 23 n.64.
33 Madrid Agreement, supra note 21, art. 1(1); see also Lindquist, supra note 6, at 314-15 n.52 (listing the signatories of the Madrid Agreement as of February 9, 1999).
34 See Conrad, supra note 1, at 22-23 (emphasizing that the United States did not sign onto the Agreement).
35 Madrid Agreement, supra note 21, art. 1(1).
36 Conrad, supra note 1, at 25.
of wines as generic terms.\textsuperscript{37} However, fewer countries signed the Agreement due to its expansion of protection for geographical indications.\textsuperscript{38} Due to its weak support, the impact of the Agreement has been minimal.

\section*{2.3. The Lisbon Agreement for the Protection of Appellations of Origin and Their International Registration}

The Lisbon Agreement for the Protection of Appellations of Origin and Their International Registration\textsuperscript{39} ("Lisbon Agreement") was enacted in 1958 as an attempt to achieve effective and enforceable protection for geographical indications. However, as of 1996, only seventeen countries\textsuperscript{40} have signed the Lisbon Agreement, due to frustration with the Revision Conference for the Paris Convention of Lisbon in 1958.\textsuperscript{41} The Lisbon Agreement provided for strict protection of geographical indications through an international registration system.\textsuperscript{42}

The international registration system for appellations of origins, modeled after the registration system for trademarks devised in the Madrid Agreement Concerning the International Registration of Marks,\textsuperscript{43} is significant because the signatories of the Lisbon Agreement were attempting to emphasize that the protection of geographical indications should be as strict as it was for trademarks. "The main feature of the [A]greement is that these appellations of origin are ‘recognized and protected as such... in the country of origin and registered at...’ an agency of [the World Intellectual Property Organization ("WIPO").]"\textsuperscript{44} Article 1 states that once a geographical indication is registered, it is protected in other member countries.\textsuperscript{45} According to Article 3, the member countries must prohibit imitations under their respective domestic laws, including the use of terms like "type" or "style", that may be

\begin{footnotesize}
\begin{enumerate}
\item Madrild Agreement, supra note 21, art. 4; see also Conrad, supra note 1, at 25.
\item See Conrad, supra note 1, at 25.
\item Lisbon Agreement, supra note 22.
\item See Conrad, supra note 1, at 23 n.66.
\item See id. at 23.
\item Lisbon Agreement, supra note 22, art. 5; see also Conrad, supra note 1, at 26 (describing how the Lisbon Agreement's focus went beyond mere border measures).
\item See Conrad, supra note 1, at 26.
\item Id.
\item Lisbon Agreement, supra note 22, art. 1.
\end{enumerate}
\end{footnotesize}
used along with the indication. A cognizable example is "California Style Champagne", but the United States is not a member of the Lisbon Agreement because of strict terms such as this one. Article 6 provides that no geographical indication can be considered generic in any other member country, so long as it is protected in the country of origin. Such strict protection would require a change of national laws for many non-member countries.

Because of its strict protection and lack of flexibility, the Agreement has few signatories. The United States was not a signatory of either the Madrid Agreement or the Lisbon Agreement, demonstrating its tendency to be lenient with regard to protection for geographical indications. In contrast, some European countries that are now a part of the European Union were members of all three international treaties that provided protection for geographical indications.

The treaties described above incur similar difficulties: "[E]ither the scope of protection remains undefined and effective protection depends upon the good will of each member country, or the agreement requires a standard of uniformity that is simply non-existent." These three Agreements exemplify the controversial negotiations that have occurred on an international level over the protection of geographical indications and set the stage for the more successful TRIPS Agreement.

46 Id. art. 3.
47 Id. art. 6.
48 Conrad, supra note 1, at 26 (citing this as one of various reasons more countries did not sign onto the Agreement).
49 See id. at 23 (noting that despite a high standard of protection for geographical indications, the Lisbon Agreement was one of the models used for drafting the TRIPS provisions).
50 Id. at 28. Conrad also describes the use of bilateral treaties as another method of international intellectual property right protection. See id. at 27-28; see also Roland Knaak, The Protection of Geographical Indications According to the TRIPS Agreement, 18 IIC STUDIES, STUDIES IN INDUSTRIAL PROPERTY AND COPYRIGHT LAW FROM GATT TO TRIPS—THE AGREEMENT ON TRADE-RELATED ASPECTS OF INTELLECTUAL PROPERTY RIGHTS 117, 122-23 (Friedrich-Karl Beier & Gerhard Schricker eds., 1996) (discussing bilateral agreements on indications of source).
3. PROTECTION OF GEOGRAPHICAL INDICATIONS UNDER TRIPS

The Uruguay Round of the General Agreement on Tariffs and Trade ("GATT") (1986-1994) brought intellectual property rights into the GATT-WTO system with the culmination of the TRIPS Agreement, which became effective on January 1, 1995. All 140 members of the WTO are members of the TRIPS Agreement as well. Therefore, the comprehensive protection afforded intellectual property by TRIPS is an international breakthrough since the Agreement is given such wide effect.

TRIPS provides protection for a variety of intellectual property rights, including copyrights and related rights, trademarks, geographical indications, industrial designs, patents, and layout-designs of integrated circuits. Geographical indications deserve protection that may last indefinitely, provided that the sign remains distinctive, because they "aim[] to stimulate and ensure fair competition and to protect consumers, by enabling them to make informed choices between various goods and services." Varying levels of the extent of protection and enforcement of intellectual property rights worldwide have become a source of tension in international economic and trade relations.

Agreements such as TRIPS were enacted to introduce more order and predictability to these national differences and to provide a

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51 For additional sources helpful in understanding and analyzing geographical indications and the TRIPS Agreement, see generally MICHAEL BLAKENEY, TRADE RELATED ASPECTS OF INTELLECTUAL PROPERTY RIGHTS: A CONCISE GUIDE TO THE TRIPS AGREEMENT (1996); DINWOODIE ET AL., supra note 4; Peter M. Brody, Protection of Geographical Indications in the Wake of TRIPS: Existing United States Laws and the Administration's Proposed Legislation, 84 TRADEMARK REP. 520 (1994); Knaak, supra note 50, at 117; Lindquist, supra note 6.

52 Intellectual property rights (exclusive for a certain period of time) given to persons or creators for their inventions, designs, or other creations, have become an increasingly important aspect of international trade. See WTO Website 2, supra note 16; WTO Website 3, supra note 16.


55 TRIPS, supra note 2.

56 WTO Website 2, supra note 16.
better system of international protection. The Preamble of the TRIPS Agreement sets forth the member states' purpose as "[d]esiring to reduce distortions and impediments to international trade, and [to take] into account the need to promote effective and adequate protection of intellectual property rights, and to ensure that measures and procedures to enforce intellectual property rights do not themselves become barriers to legitimate trade . . . ." The five broad issues covered by the Agreement are: (1) how basic principles of trade and other international intellectual property agreements should be applied; (2) how to provide adequate protection to intellectual property rights; (3) how individual countries can adequately enforce such rights on a national level; (4) how to settle disputes that will arise over these issues between members of the WTO; and (5) how to arrange for a smooth transition into the new system. This Comment will focus on the substantive standards in the Agreement aimed at protecting geographical indications, the due process provisions, and the enforcement and dispute settlement provisions.

3.1. Substantive Standards for the Protection of Geographical Indications

The standards set forth in Articles 22 through 24 of TRIPS, which give geographical indications international protection, were not adopted without controversial debate. The European Community initiated such protection by submitting a draft proposal (ultimately the one successful in the negotiations) in 1990 that served as a model for the substantive provisions of Articles 22 through 24. The United States responded in opposition with a draft based on the law of trademarks, the U.S. system of protection. The real trouble spot was the attempt to prevent geographical indications, especially wines and spirits, from becoming generic terms in Article 23—the main reason why the European Community introduced the whole topic of protection for geographical indications to

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57 WTO Website 3, supra note 16 ("[TRIPS] is an attempt to narrow the gaps in the way these rights are protected around the world, and to bring them under common international rules.").

58 TRIPS, supra note 2.

59 WTO Website 3, supra note 16.

60 Conrad, supra note 1.

61 Id.
This battle between two different systems of law—trademark versus geographical indications—was fought between the United States and the European Union; by contrast, other debates during the TRIPS negotiations usually occurred between the developed and the developing countries. This debate was a serious obstacle to the conclusion of TRIPS, forcing the unresolved issues surrounding geographical indications to be negotiated at a later date, as mandated by Article 24(1) of TRIPS.

3.1.1. Article 22: Protection of Geographical Indications

Article 22(1), derived from the Lisbon Agreement, defines geographical indications and limits the scope of the definition to agricultural products and "goods," thereby excluding services. The definition of geographical indications, which depend on geographic origin and the characteristics of a product, refers to place names that are used to identify a product, for example, "Chianti" or "Gorgonzola." "Article 22 protects only products for which a relationship between their qualities or characteristics and their origin can be shown." TRIPS does not, however, provide a test to determine what is "essentially attributable." A link is required between the characteristics of the product and the place of origin. For example, "[f]actors that have been considered in determining whether certain qualities are 'attributable' to the geographical area include soil, climate, fauna, and flora"; and "essentially" refers to a link to the cultural heritage of the region.

Article 22(2)-(4) focuses on the goals of providing consumer protection from false representations and preventing unfair competition. Under Article 22(2), members must provide legal means to prevent:

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62 Id. at 31.
63 Id.
64 See supra notes 19-22 and accompanying text.
65 TRIPS, supra note 2, art. 22; see also Conrad, supra note 1, at 33 (noting that products like Sheffield Silver or Meissen Porcelain, which are manufactured, are not protected under the TRIPS definition of geographical indications, because it is limited to agricultural products).
66 Conrad, supra note 1, at 32.
67 TRIPS, supra note 2, art. 22(1).
68 Conrad, supra note 1, at 33.
(a) the use of any means in the designation or presentation of a good that indicates or suggests that the good in question originates in a geographical area other than the true place of origin in a manner which misleads the public as to the geographical origin of the good; [and]

(b) any use which constitutes an act of unfair competition within the meaning of Article 10bis of the Paris Convention (1967).

The geographically descriptive representation must not be false or misleading and must not violate unfair competition law. Article 22(3) determines the relationship between geographical indications and trademarks: "A [m]ember shall, ex officio if its legislation so permits or at the request of an interested party, refuse or invalidate the registration of a trademark which contains or consists of a geographical indication," if it is used in such a way that "mislead[s] the public as to the true place of origin." TRIPS protects geographical indications even when in direct conflict with trademark law. "Budweiser" is an example where trademark law conflicts with geographical indications. Budweiser is considered to be a geographical indication by some because Budejovicky Budvar is a brewery based in the town of Budweis, Czech Republic (or Budejovice, in Czech), whose beer came to be known as Budweiser; Budweiser is also a trademark right owned by Anheuser-Busch in the United States. Article 22(4) also extends protection to a geographical indication "which, although literally true as to the territory, region or locality in which the goods originate, falsely represents to the public that the goods originate in another territory." For example, "a couturier from Paris, Texas, may not [be able to] use the mark PARIS on his clothes—notwithstanding geographical truth—if consumers would believe that those clothes came from Paris, France." Thus, Article 22 aims not only to protect geo-

69 TRIPS, supra note 2, art. 22(2)(a)-(b).
70 Id. art. 22(3).
71 See DINWOODIE ET AL., supra note 4, at 16.
72 TRIPS, supra note 2, art. 22(4).
73 DINWOODIE ET AL., supra note 4, at 19.
graphical indications through a system of fair competition but also to protect consumers from being misled.

3.1.2. Article 23: Additional Protection for Geographical Indications for Wines and Spirits

Article 23 of TRIPS provides an even higher level of protection for wines and spirits. Article 23(1) states that each member shall “prevent use of a geographical indication identifying wines [or spirits that do not originate] in the place indicated by the geographical indication in question .. .”74 Members are to abide by this standard “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.”75 This standard is strict because it protects geographical indications even when there is no danger of the public being misled. For example, “California Chablis” or “California-style Chablis” are truthful statements, meaning that this Chablis, which Americans consider to be a generic type of wine, originated in California. However, the issue is whether the use of the term “Chablis” is misleading with regard to origin. The United States would not think that the statement is misleading, because Chablis has become a generic term and including “California” in the name clears up any misconception of origin. The European Union would disagree, because it considers Chablis to be a geographical indication since the product was derived from Chablis, France, a geographic region with certain special qualities. Article 23(2), like Article 22(3), protects against registration of a trademark for wines which contains, or consists of, a geographical indication identifying wines or spirits.76 This provision prohibits trademark registration when a trademark is primarily geographically descriptive.77 Article 23(3) addresses homonymous geographical indications for wines whereas “[e]ach [m]ember shall determine the practical conditions under which the homonymous indications in question will be differentiated from each other, taking into account the need to ensure equitable treatment of the producers concerned and that consum-

74 TRIPS, supra note 2, art. 23(1).
75 Id.
76 Id. art. 23(2).
77 See Conrad, supra note 1, at 39.
ers are not misled."\(^7\) Article 23(3) addresses the issue of wine-growing regions in different countries that have the same name or same-sounding (homonymous) names.\(^7\) An example is Rioja, which is a wine-growing region in both Spain and Argentina; TRIPS solves this problem by protecting geographical indications from both regions. Lastly, Article 23(4) provides for future negotiations to establish a multilateral notification and registration system for geographical indications of wine.\(^8\)

3.1.3. Article 24: International Negotiations; Exceptions

Important exceptions exist in Article 24 that severely limit Articles 22 and 23. Under Article 24(4), ongoing use in a similar manner of a geographical indication by persons that had used it in the member state for ten years prior to the conclusion of TRIPS is permitted.\(^8\) Article 24(4) discusses parallel usage of geographical names for wines and spirits as in Article 23(3). A member is not required "to prevent continued and similar use of a particular geographical indication of another [m]ember identifying wines or spirits in connection with goods or services," if that geographical indication was used "in a continuous manner with regard to the same or related goods or services in the territory of that [m]ember either (a) for at least [ten] years preceding 15 April 1994 or (b) in good faith preceding that date."\(^8\) As discussed above, an example that would fall under the continuous use exception of Article 24(4) is Budweiser beer, where beer is brewed in Budweis, Bohemia, and Budweiser is also the name of an American beer.\(^8\) TRIPS did not intend to reverse past developments in the field of geographical indications, such as the case where continuous use has occurred.

Two of the most important exceptions in Article 24 are 24(5) and 24(6), respectively dealing with the relationship of geographical indications to trademarks and genericism with regard to wine and spirits. A grandfather clause is added in Article 24(5):

\(^7\) TRIPS, supra note 2, art. 23(3).
\(^8\) TRIPS, supra note 2, art. 23(4).
\(^8\) See Correa & Yusuf, supra note 79, at 177.
\(^8\) TRIPS, supra note 2, art. 24(4).
\(^8\) See Conrad, supra note 1, at 43.
Where a trademark has been applied for or registered in good faith, or where rights to a trademark have been acquired through use in good faith either:

(a) before the date of application of these provisions . . . ;
or

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

measures adopted to implement this Section shall not prejudice eligibility for or the validity of the registration of a trademark, or the right to use a trademark, on the basis that such a trademark is identical with, or similar to, a geographical indication.84

Thus, with respect to the registration of trademarks, a trademark registered in good faith before TRIPS remains valid, and a trademark consisting of a geographical indication is valid if the geographical indication has not yet been registered in its country of origin. “On the whole, the provisions on trademarks show an important feature of the section: TRIPS protects future misappropriation and moderately restricts its scope of application where past developments cannot be reversed.”85

Article 23 must be read together with Article 24(6) to understand the legal issue of degeneration of geographical indications into generic terms. Article 24(6) provides that a member is not required “to apply its provisions in respect of a geographical indication of any other [m]ember with respect to goods or services for which the relevant indication is identical with the term customary in common language as the common name for such goods or services in the territory of that [m]ember.”86 For example, under Arti-

84 TRIPS, supra note 2, art. 24(5).
85 Conrad, supra note 1, at 43.
86 TRIPS, supra note 2, art. 24(6).
Article 24(6), the United States is not in violation of protecting a geographical indication if a geographical name in the European Union is a generic term in the United States.\textsuperscript{87} This standard is extended "with respect to products of the vine for which the relevant indication is identical with the customary name of a grape variety existing in the territory of that member as of the date of entry into force of the WTO Agreement."\textsuperscript{88} Whereas grapes, generally used to name wines, may be viewed as an indirect indication of origin, the name is allowed if the grape existed at the date of entry into force of the WTO. TRIPS has made a great effort not to disturb the status quo as much as possible. And briefly, if a geographical indication has become generic in its country of origin, then no protection is necessary under Article 24(9).\textsuperscript{9}

3.2. General Provisions

TRIPS begins by providing certain basic principles and general provisions. First, Article 1 permits members to "implement in their law more extensive protection than is required by this Agreement, provided that such protection does not contravene the provisions of this Agreement."\textsuperscript{93} TRIPS is viewed as a "minimum standards agreement," because members may legislate nationally beyond the minimum protection required by the Agreement.\textsuperscript{91} Article 1(1) also allows individual member countries to determine the appropriate method of implementation of the Agreement within their own legal system and practice.\textsuperscript{92}

Non-discrimination is a prominent feature of TRIPS in which Article 3\textsuperscript{93} and Article 4\textsuperscript{94} include fundamental rules on national and most-favored-nation treatment. National treatment means "treating one's own nationals and foreigners equally," while most-
favored-nation treatment means "equal treatment for nationals of all trading partners in the WTO."95

[T]he Agreement provides for certain basic principles, such as national and most-favored-nation treatment, and some general rules to ensure that procedural difficulties in acquiring or maintaining IPRs do not nullify the substantive benefits that should flow from the Agreement. The obligations under [TRIPS] will apply equally to all member countries . . . .96

Article 3 especially has played an important role in the harmonization of national legislation; such a unifying function is important in a system where individual members are given the freedom to legislate according to their own interests.97

3.3. Enforcement

The Preamble and Part III of TRIPS recognize the importance of enforcement mechanisms. "[N]ew rules and disciplines concerning . . . the provision of effective and appropriate means for the enforcement of trade-related intellectual property rights[] taking into account differences in national legal systems" are needed.98 Having international protection for intellectual property rights is not enough without proper enforcement. According to TRIPS,

governments have to ensure that intellectual property rights can be enforced under their laws, and that the penalties for infringement are tough enough to deter further violations. The procedures must be fair and equitable, and not unnecessarily complicated or costly. They must not entail unreasonable time-limits or unwarranted delays. People involved should be able to ask a court to review an

95  WTO Website 3, supra note 16.
96  WTO Website 4, supra note 91.
97  See Correa & Yusuf, supra note 79.
98  TRIPS, supra note 2, pmbl.
administrative decision or to appeal a lower court's ruling.99

Article 41 lays down the general obligations regarding enforcement as summarized above.100 The rest of Part III deals with domestic procedures and remedies for the enforcement of intellectual property rights.

3.4. Dispute Settlement

Disputes between members regarding respect of the obligations of the TRIPS Agreement are subject to the WTO’s dispute settlement procedures. Renato Ruggiero, former Director-General of the WTO, “calls the dispute settlement procedure the WTO’s most individual contribution to the stability of the global economy. Without enforcement, the rules-based system would be worthless. The WTO’s procedure underscores the rule of law, and it makes the trading system more secure and predictable.”101 When there are disputes between member countries, there is a resolution process on an international level to encourage conciliation.102 This process is paramount to the success of TRIPS and the ongoing negotiations.

4. CONTINUING TRIPS NEGOTIATIONS

The “built-in agenda”103 items concerning geographical indications held over for future negotiation in the TRIPS Agreement have engendered debate over the establishment of a multilateral system of notification and registration of geographical indications for wines as mandated by Article 23(4), as well as the scope of protec-

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99 WTO Website 3, supra note 16; see TRIPS, supra note 2, art. 41.
100 TRIPS, supra note 2, art. 41.
102 The WTO dispute settlement procedure “is clearly structured, with flexible timetables set for completing a case. First rulings are made by a panel. Appeals based on points of law are possible. All final rulings or decisions are made by the WTO’s full membership. No single country can block these.” Id. See generally WTO, Settling Disputes: The Panel Process, at http://www.wto.org/english/thewto_e/whatis_e/tif_e/dispu2_e.htm (last visited Feb. 15, 2001) (diagramming the various stages of a dispute).
103 Abbott, supra note 17, at 167.
tion for geographical indications. Recurrent problems have plagued the negotiations for greater protection of geographical indications and have stalled an agreement. Nevertheless, a creative compromise is needed that will provide strong protection for geographical indications.

4.1. Negotiations for a Multilateral System of Registration

The Council for Trade-Related Aspects of Intellectual Property ("TRIPS Council") is responsible for the workings of the TRIPS Agreement. Generally, the TRIPS Council is responsible for reviewing the operation of the Agreement, which includes review of the implementing legislation of individual countries as mandated under the notification procedure of Article 63.

The TRIPS Council also plays an important role as facilitator in the negotiations for the development of a multilateral registration system of geographical indications for wine, ordered by Article 23(4). Article 23(4) states: "In order to facilitate the protection of geographical indications for wines, negotiations shall be undertaken in the Council for TRIPS concerning the establishment of a multilateral system of notification and registration of geographical indications for wines eligible for protection in those [m]embers

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104 TRIPS, supra note 2, art. 23(4); WTO Website 1, supra note 3.


106 Article 63(2) of the TRIPS Agreement requires,

Members to notify the laws and regulations made effective by that [m]ember pertaining to the subject-matter of the Agreement to the Council for TRIPS in order to assist the Council in its review of the operation of the Agreement. These notifications are the basis for reviews of implementing legislation carried out by the Council. 

participating in the system.”107 Member countries have agreed to enter such negotiations with the goal of increasing the protection of geographical indications, and the TRIPS Council shall organize and facilitate the bilateral or plurilateral consultations between members needed to move the negotiations along.108

Thus far, the negotiations, an extensive project, have progressed slowly, and the TRIPS Council continues its preliminary work initiated in 1997.109 While Article 23(4) calls for negotiations of a registration system with regard to wine, issues relevant to a registration system for geographical indications for spirits will also be a part of the preliminary work.110 The TRIPS Council has focused on information gathering and organization/timing of the negotiations.111 Two proposals have been received for the registration system: (1) a proposal from the European Communities in July 1998; and (2) a joint proposal from the United States and Japan in February 1999, which was revised by a joint proposal from Canada, Chile, Japan, and the United States.112 A further request has been submitted to include a registration system for products other

107 TRIPS, supra note 2, art. 23(4).
108 Id. art. 24(1)-(3).
than wine and spirits.113 The next step for carrying forward this work is still up in the air, but progress continues to be made despite the deep ideological and legal debate between the United States and the European Union regarding the international protection of geographical indications.

4.1.1. The EU Proposal

The European Union submitted a proposal, that has been called "TRIPS-plus" or "value-added",114 for the establishment of a multilateral system of notification and registration of geographical indications for wines and spirits aiming to add substantial momentum to the negotiations.115 The main features of the EU's proposal for registering geographical indications are: submission of geographical indications to be registered; a procedure for opposing listed geographical indications; legal effect; and future means to alter the register.116 First, the European Union proposes that members may voluntarily use the registration system by submitting a list of geographical indications which are already recognized and protected as such in their country of origin along with the relevant legislation.117 Under Part III, members have one year to examine an application, and any member may oppose another's application based on reasons within the context of TRIPS.118 Grounds for refusing protection include: the geographical indication does not correspond with the definition in Article 22(1) of TRIPS; there is no protection of the geographical indication in the country of origin (Article 24(9)); the geographical indication is considered to be generic as described in Article 24(6); or any case covered under Article 22(4).119 "One year after notification by the WTO Secretariat,

113 See Minutes 1999, supra note 112.
115 EU Proposal, supra note 112. Throughout the negotiations for greater protection for geographical indications, the European Union has targeted the United States, Australia, and New Zealand in its efforts to force compliance since these countries have established wine industries that use European geographical indications domestically and have provided competition in expanding wine markets such as Asia. Lindquist, supra note 6, at 319-20.
116 See EU Proposal, supra note 112; WTO Website 5, supra note 114.
117 EU Proposal, supra note 112, at I.
118 Id. at III.
119 Id. at III; TRIPS, supra note 2, arts. 22(1), 24(9), 24(6), 24(4).
geographical indications will become fully and indefinitely protected in all WTO members. They will be responsible for taking the appropriate measures required by the TRIPS Agreement to effectively protect geographical indications registered under the multilateral system in their territories.\footnote{EU Proposal, supra note 112, at V.}

While submission of names for protection is voluntary under the EU proposal, the products accepted for registration, however, would be protected in all member countries.\footnote{See WTO Website 5, supra note 114.} Some countries question whether the European Union's interpretation of voluntary meets the voluntary participation spoken about in Article 23(4), which discusses the establishment of a registration system of geographical indications for wines "eligible for protection in those [members participating in the system]."\footnote{TRIPS, supra note 2, art. 23(4) (emphasis added).} The meaning of this phrase is unclear, but the European Union's interpretation is a logical one because having only some members participate in the system would defeat the purpose of these negotiations which aim to increase the protection of individual geographical indications under Article 23.

The system of registration also attempts to create law on an international level which can join countries legally despite the fact that all members have varying systems of law to protect geographical indications within their own countries. An overarching multinational law could protect geographical indications without requiring each country to change or abandon its own laws or existing practice. The EU proposal urges that the registration system would not require countries to change their domestic system of law.\footnote{See WTO Website 5, supra note 114.}

Only the countries that successfully opposed registration would then be exempt from having to protect the geographical indications.\footnote{See id.} The EU proposal says: "If 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."\footnote{EU Proposal, supra note 112, at V(3).}

This result seems to violate TRIPS in two ways: (1) if a
member can only oppose an application based on reasons stemming from the TRIPS agreement, then a successful opposition means the geographical indication is not protectable under TRIPS; and (2) if only the opposing member need not protect the geographical indication, then it seems the most-favored-nation treatment under Article 4 would be violated. A way to solve this problem with the EU proposal is: when a geographical indication is successfully opposed, it should not be registerable at all. Finally, the EU proposal provides for a continually open register where members may apply for registration of new geographical indications or re-examine an entry at any time.

4.1.2. The U.S. Proposal

The United States responded to the EU proposal with a counterproposal after some member countries, including Australia, Japan, the Republic of Korea, Canada, Chile, and Hong Kong, expressed concerns about the EU proposal. Such criticisms of the EU proposal included: "[T]he likelihood that the proposal would change the obligations of WTO members under the TRIPS Agreement, would not be voluntary, and would impose burdensome and costly procedural requirements on both the WTO Secretariat and on WTO members." The U.S. proposal does not lay out every detail as precisely as the EU proposal, however; it merely states what the proposed system would and would not do.

Both Japan and the United States expressed the view that any system that might be developed should not establish new obligations or diminish the rights and obligations contained in Section 3 of Part II of the TRIPS Agreement; should accommodate the various systems for protection of geographical indications existing in all WTO members' legal regimes; should not impose undue burdens or costs on the WTO Secretariat; and should be voluntary and non-burdensome for the WTO members choosing to participate.

126 See U.S. Proposal, supra note 112.
127 Id.
The U.S. proposal lacks specifics and could not serve as a model for the negotiations of an international registration system.

According to the U.S. proposal, the WTO would publish a list of geographical indications supplied by member countries that are being protected domestically. "For each of these they would explain what the terms of protection are under their laws—for example whether there is an expiry date, and if so when—and whether the protection comes under an international agreement." The WTO members would agree to refer to this list when making decisions about national protection. The United States argues that this system reflects the divergent methods of protecting geographical indications in different countries. "If any member want[ed] to challenge the protection given to a geographical indication in a particular country, the challenge would have to be made" in that country’s own system. The United States believes the registration system should be completely voluntary, and that "[a] WTO member is not required to participate in this system to obtain full protection under the TRIPS Agreement for its geographical indications for wines and spirits." This proposal is certainly less protectionist and less strict than that of the European Union. The European Union criticized the U.S. proposal as being "little more than the creation of a database that would contribute little to task the protection of geographical indications." The U.S. proposal can be viewed as "minimalist," meaning that it adds little to TRIPS or the goal of greater protection for geographical indications.

4.2. Review of the Application of the Provisions of the Section on Geographical Indications Under Article 24.2

Article 24(2) requires the TRIPS Council to review the application of the provisions of the Section of TRIPS pertaining to geographical indications. Article 24(2) permits the TRIPS Council to

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123 See WTO Website 5, supra note 114.
129 Id.
130 See id.
131 See id.
132 Id.
133 U.S. Proposal, supra note 112.
134 WTO Website 5, supra note 114.
135 DINWOODIE ET AL., supra note 4, at 32.
136 Annual Report 1996, supra note 110; see also TRIPS, supra note 2, art. 24(2).
attend to "any matter affecting the compliance with the obligations under these provisions," and the Council also may take action "as may be agreed to facilitate the operation and further the objectives of this Section." The Council decided to handle the review through informal consultations in the form of the posing of questions and the submission of suggestions. These consultations resulted in a "draft Checklist of Questions about national regimes for the protection and enforcement of geographical indications." The Council suggested that members could submit replies on a voluntary basis. In July 1999, the Council requested a paper summarizing the responses to the Checklist of Questions adopted in 1998, "in order to facilitate an understanding of the more detailed information that had been provided in these responses."

The TRIPS Council is able to use the information collected to facilitate the operation of TRIPS to protect geographical indications.

4.3. Scope of the Proposed Registration System

The scope of the registration system is a problematic issue in the negotiations and the EU proposal. The TRIPS Agreement says the WTO members will negotiate an international registration system for geographical indications for wine. The issue of enhancing protection of geographical indications by providing multilateral registration for spirits and other products as well is separate from the work mandated by TRIPS under Article 23(4). The European Union proposed that the system of registration initially only encompass wines and spirits; however, "once the system is up and running and experience of its use has been accumulated, it may then be opportune to consider launching complementary discussions with the objective of extending the multilateral register's coverage to other goods, in stages." At a TRIPS Council meeting in

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137 Id.
140 Id.
141 Annual Report 1999, supra note 112 (citing that, thus far, the European Communities and twelve of their member states and nineteen other members have submitted responses).
142 TRIPS, supra note 2, art. 23(4).
143 EU Proposal, supra note 112. Countries that favor inclusion of other products are: Iceland, Czech Republic, Morocco, India, Venezuela, Cuba, Turkey, and Nigeria. See WTO Website 1, supra note 3. For a description of products other than
December of 1998, countries such as the United States, Japan, Australia, Republic of Korea, Canada, Chile, and Hong Kong critiqued the EU proposal as overly ambitious.\textsuperscript{144} The TRIPS Agreement itself only obliges negotiation for a registration system for wines.\textsuperscript{145} Since Article 23(4) falls under Article 23, Additional Protection for Geographical Indications for Wine and Spirits, a strong argument exists for including spirits in the system of registration. TRIPS never mentions additional protection, such as a registration system, for other products under Article 22.\textsuperscript{146}

Members are divided over whether geographical indications protection should be expanded. On March 21, 2000, a group of members expressed to the TRIPS Council that “[t]he higher level of protection given to place names used to identify wines and spirits should be expanded to geographical indications identifying other products.”\textsuperscript{147} While geographical indications are protected in general with respect to avoiding unfair competition and consumers being misled, members such as the European Union, Switzerland, Iceland, Turkey, the Czech Republic, Poland, Liechtenstein, Latvia, Estonia, Slovenia, Bulgaria, India, Pakistan, Mauritius, Kenya, Sri Lanka, Egypt, Cuba, Dominican Republic, Honduras, Indonesia, and Nicaragua argue that the higher level of protection given to wine and spirits should be expanded to all geographical indications.\textsuperscript{148} These members, many of which are developing coun-

\textsuperscript{144} See WTO Website 1, supra note 3.
\textsuperscript{145} See TRIPS, supra note 2, art. 23(4).
\textsuperscript{146} Id. art. 22.
\textsuperscript{148} See id. (expressing the frustration of these countries that little progress has been made with respect to the TRIPS negotiations for the protection of geographical indications); Preparations for the 1999 Ministerial Conference: Communication from Turkey, WTO Doc. WT/GC/W/249 (July 13, 1999); Preparations for the 1999 Ministerial Conference: Communication from Cuba, Dominican Republic, Egypt, Honduras, India, Indonesia, Nicaragua and Pakistan, WTO Doc. WT/GC/W/203 (June 17, 1999); Preparations for the 1999 Ministerial Conference: Communication from the Czech Republic, WTO Doc. WT/GC/W/205 (June 14, 1999) [hereinafter Czech Republic Communication]; Communication from Bulgaria, the Czech Republic, WTO Doc. WT/GC/W/206 (June 14, 1999) [hereinafter Bulgaria Communication].
tries, argue that Article 24 mandates negotiation to extend the product coverage that exists in TRIPS. The Czech Republic has stated in its communication with the Council that the Council in its 1996 Report agreed that members "would have the opportunity in the framework of the review of the application of the provisions of the section on geographical indications as provided in Article [24(2) of TRIPS] to present inputs on the issue of the scope of the protection of geographical indications." These countries believe that Article 24(2) permits input from member countries on the issue of scope since the Council is to review the application of the provisions which may lead to an increase in protection. Since the Council may attend to any matter affecting the compliance with the obligations and can take any action to facilitate operation of the objectives of the section, these countries view the extension of protection of geographical indications to be a viable issue on the agenda for negotiation. The proponents for expanding protection for geographical indications also read Article 24(1), which requires members to enter into negotiations to increase the protection of individual geographical indications under Article 23, to mean that protection can be expanded to products other than wine and spirits. This side of the debate takes a "basket" approach toward the negotiations and proposes discussing both scope and the registration system concurrently.

The other side of the debate supports concentration on the current task of setting up the multilateral registration system before negotiating an extension with respect to product coverage. The following members oppose the expansion of a higher level of pro-

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149 See generally David R. Downes, How Intellectual Property Could Be a Tool to Protect Traditional Knowledge, 25 COLUM. J. ENVTL. L. 253, 268-73 (2000) (arguing that intellectual property rights hurt the traditional economies of developing countries, but geographical indications may be an intellectual property right that is more advantageous to their developing economies).

150 See Expand, supra note 147.

151 Czech Republic Communication, supra note 148.


153 See id.

154 See id.

155 See id.

156 See Expand, supra note 147.
tection to other products: the United States, Canada, Australia, New Zealand, Mexico, Brazil, Argentina, and Hong Kong China.\textsuperscript{157} New Zealand, for example, believes that an extension to the scope of goods covered by Article 23 at this point would be premature.\textsuperscript{153} The majority of these countries have been obstinate about giving strong protection to geographical indications all along. Australia recommended that the discussion on the system for notification and registration of geographical indications be separate from the discussion on the scope of coverage of such a system, "in order to facilitate work and avoid confusion."\textsuperscript{159} While these countries wish to approach the negotiations over protection for geographical indications and the expansion of TRIPS slowly, the members that could benefit the most from greater protection of geographical indications are ready to move full speed ahead.

4.4. Problems That Appear Throughout the Negotiations

4.4.1. Differences in National Laws

The considerable differences found in the legal systems of member countries is a problem that constantly plagues multinational agreements. This problem especially exists in the case of protecting geographical indications, where the United States uses a system of trademarks and the European Union uses geographical indications law. While some countries have specific geographical indications laws, "[o]thers use trademark law, consumer protection law, marketing law or common law or combinations of these."\textsuperscript{160} Some European countries have formal lists of registered geographical indications.\textsuperscript{161} Yet other countries rely on court cases to identify where the law lies.\textsuperscript{162} The difference of legal opinion regarding geographical indications has led to an all out battle between the United States and the European Union with regard to the level of protection given to geographical indications under

\textsuperscript{157} See id.


\textsuperscript{159} U.S. Proposal, supra note 112.

\textsuperscript{160} WTO Website 1, supra note 3 (reflecting responses from countries to a WTO questionnaire).

\textsuperscript{161} See id.

\textsuperscript{162} See id.
TRIPS and the negotiations that have taken place under the auspices of the TRIPS Council.

4.4.2. The U.S.-EU Debate over the Trademark/Geographical Indications Law Dichotomy

The U.S.-EU debate stems from their different treatment of geographical indications. Summarily, the United States has no geographical indication law, but rather protects geographical indications, if any, through trademark law and unfair competition law. The United States also has not historically placed cultural or economic importance on geographical indications like many countries in Europe, because the European countries developed geographical indication law from the Romanistic system of registration, while the United States developed trademark law from the Anglo-American system of certification marks. Also, geographically significant designations began to evolve into generic terms when European immigrants brought vine cuttings to the United States to grow grapes that produced wines bearing the same names as the designations used in Europe. The hostile reaction of the United States toward geographical indication law also stems from the fact that it provides indefinite intellectual property right protection for a place name whose characteristics have produced a special agricultural product. The United States believes that no one can obtain an exclusive right to use a geographic name 'so as to preclude others who have business in the same area and deal in similar articles from truthfully representing to the public that their goods or services originate from the same place and from using the geographic term in connection with such goods or services.

Rather than protect exclusive rights to geographic regions, the United States, through its system of trademarks, provides protection for a unique product or good that is distinguishable from

\[163\] See Conrad, supra note 1, at 17-21.
\[164\] Lindquist, supra note 6, at 313 (describing the evolution of use and misuse of geographical indications).
\[165\] WTO Website 2, supra note 16.
\[166\] Conrad, supra note 1, at 20-21; see also Bendekgey & Mead, supra note 30, at 768 (describing the U.S. system of trademark protection).
those manufactured or sold by others.\textsuperscript{167} The United States has very few geographical indications as compared to trademarks\textsuperscript{163} and considers many names, arguably geographical indications worthy of protection, to be generic terms to which Americans give little geographic significance.

U.S. law, based doctrinally on a system of trademarks, loosely addresses protection for geographical indications. Geographical indications law "in the United States stems from a collection of unrelated laws and regulations which together govern use and protection."\textsuperscript{169} Federal trademark law,\textsuperscript{170} regulations of the United States Bureau of Alcohol, Tobacco, and Firearms ("BATF"),\textsuperscript{171} and the Lanham Trademark Act of 1946 ("Lanham Act")\textsuperscript{172} significantly impact geographical indications.

The term "trademark" includes any word, name, symbol, or device, or any combination thereof—

(1) used by a person, or

(2) which a person has a bona fide intention to use in commerce and applies to register on the principal register established by this chapter,


\textsuperscript{168} "United States manufacturers, for example, had 13350 [sic] trademarks registered in Germany in 1971, whereas the number of geographical indications used in trade was estimated to be about 10—most notably 'Bourbon Whiskey.' . . . In 1995, the number of United States trademarks registered in Germany was 80,717." Conrad, supra note 1, at 12 n.7.

\textsuperscript{169} Bendekgey & Mead, supra note 30, at 767.


\textsuperscript{171} 27 C.F.R. § 4.24 (1994) (legislating the labeling and advertising of wines, which is of great significance to the genericism debate).

\textsuperscript{172} 15 U.S.C. § 1052(e), (f).
to identify and distinguish his or her goods, including a unique product, from those manufactured or sold by others and to indicate the source of the goods, even if that source is unknown.173

"[T]he historical and present function of the trademark law has been to afford rights to those who use words, names, symbols, or devices to identify their goods or services . . . ."174 Trademark law has not afforded "protection to geographic indications which do not provide such identification, unless they acquire a secondary meaning sufficient to qualify for trademark or service mark protection."175 Consumer perception is of great importance to the intent and function of U.S. trademark law.176 Thus, when geographical indications are perceived to be a generic term rather than a source, geographical indications do not receive any protection under a trademark system.

BATF regulates the use of geographic indications on alcoholic beverages, and the administrative body has extensively regulated which geographic indications are generic or semi-generic.177 The BATF regulations are inconsistent with the European Union's goal of protecting geographical indications from genericism.178 The Lanham Act is also inconsistent with protecting geographical indications. "Thus, the Lanham Act assumes that if consumers understand a geographic indication as describing the geographic origin of a product, the indication does not identify any particular business source, and hence is unregistrable as a trademark or service mark."179 If a geographically descriptive mark acquires secondary meaning then it may be protected under the U.S. trademark law.180 "[T]he indication will be entitled to registration, however, if its user can establish that consumers have come to understand the indication as a trademark, rather than as an indication of geographic

174 Bendekgey & Mead, supra note 30, at 769.
175 Id.
176 See id.
178 See Bendekgey & Mead, supra note 30, at 778-79.
179 Id. at 770; see 15 U.S.C. § 1052(e), (f) (articulating the statutory basis for the unregistrability of such geographic indications).
180 See Bendekgey & Mead, supra note 30, at 771.
origin, through continuous and substantially exclusive use of the
description as a mark." These three examples of U.S. law demon-
strate how opposed the U.S. system is to the kind of protection that
the European Union desires for geographical indications.182

Trademark law is certainly very different both functionally and
ideologically from geographical indication law, but that does not
mean multilateral agreement is impossible. Harmonizing the laws of
the members is not the only solution to this problem as Albrecht
Conrad suggests;183 a multilateral registration system, which pro-
vides international protection for geographical indications yet re-
spects each country's existing laws, will be sufficient. Countries
like the United States, with strong opposition to protection for
geographical indications but very strong advocacy for protection of
other intellectual property rights, have greatly influenced184 the
outcome of the entire TRIPS Agreement and will continue to exert
their influence in the TRIPS Council negotiations. Since TRIPS is a
very beneficial and economically significant multilateral agreement
that protects U.S. intellectual property rights, such as patents,
copyrights and trademarks, dismissing protection of geographical
indications, which are a priority to other members, risks member
defection from honoring the provisions of the agreement and los-
ing the benefits gained by the United States through TRIPS.

181 Id. at 770; see 15 U.S.C. § 1052(e). (f).
182 See TRIPS Council, WTO, Suggested Method for Domestic Recognition of Geo-
ographical Indications for WTO Members to Produce a List of Nationally-Protected Geo-
ographical Indications: Communication from the United States, WTO Doc. IP/C/W/134
(arguing one acceptable means of protecting geographical indications that meets
TRIPS is protection through the trademark regime and explaining the advantages
in using a TM system), available at http://docsonline.wto.org (Mar. 11, 1999). While the
trademark regime may be advantageous to the United States, it may not
be an ideal model for multinational protection of geographical indications.
183 Conrad, supra note 1, at 44 (stating that harmonizing the laws of member
states would be a task that far exceeds the mandate of the Uruguay Round).
184 The United States has negotiated successfully to include important excep-
tions like Articles 24(5) and 24(6), discussing the relationship to trademark law
and genericism respectively, which limit the protection given to geographical
indications. The battle between the United States and the European Union has led
to somewhat of a compromise that protects geographical indications yet preserves
the status quo with respect to many existing generic terms and trademarks that
were of great concern to the United States throughout the debate.
4.5. TRIPS-Plus – The Need for Strong International Protection of Intellectual Property

The provisions devoted to geographical indications in the TRIPS Agreement were some of the most contentious during the Uruguay Round, but the end result symbolizes a hard fought compromise.185 Because of the deep U.S.-EU debate over protecting geographical indications, many issues remained unresolved at the conclusion of TRIPS, necessitating further negotiations. TRIPS-plus186 is necessary to sufficiently protect international intellectual property rights and global economic interests. International trade, facilitated by the WTO Agreements, has played an essential role in U.S. economic expansion, and only compliance with, and enforcement of, these agreements will continue to ensure their benefits.187 Ensuring international respect for intellectual property rights is an immensely important global economic interest. Thus, agreements like TRIPS must be strictly enforced, as well as expanded upon, to ensure worldwide protection of intellectual property.

The EU proposal to expand geographical indication protection through a multilateral registration system can be viewed as “TRIPS-plus” or “value-added”.188 A strict proposal like the one proposed by the European Union that provides expanded protection for intellectual property rights is more consistent with a TRIPS-plus standard than the narrow U.S. proposal. Although the EU proposal has some faults,189 it serves as a better example to work from in the ongoing negotiations to increase protection for geographical indications.

While supporting protection of geographical indications may seem to be against U.S. interests because such protection would only assist European economic interests since the United States uses a trademark system, a well negotiated compromise is needed that protects geographical indications and emphasizes compliance with TRIPS. The United States recognizes the utmost importance

185 Conrad, supra note 1, at 45-46.
186 See discussion supra Section 1 at p. 106 & Section 4.1.1.
188 WTO Website 5, supra note 114.
189 See discussion supra Sections 4.1.1. & 4.2.
of "securing full and timely implementation of the TRIPS Agreement" to protect important U.S. intellectual property rights abroad that are economically essential to many U.S. industries. The United States cannot expect the world to respect and protect their economic and intellectual property rights if the United States refuses to do so for other countries. Leigh Ann Lindquist agrees that "the United States should accept its responsibility to provide greater protection for geographical indications. By doing so, the United States would assist in ensuring that TRIPS remains an effective multinational treaty and set an example for compliance by other members."

It is difficult for the United States to show its aggressive support for TRIPS if it does not support the entire agreement. The United States may have to compromise some of its traditional legal positions in order to secure the validity of TRIPS which is important to U.S. economic interests.

5. Use of the Dispute Settlement Process—The U.S. Complaint Against the European Union

5.1. EU Regulation on Geographical Indications

The European Union has enacted several different regulations protecting geographical indications that specifically govern designations for wines, sparkling wines, spirits, and agricultural products and foodstuffs. In Section 5, there will be a focus on Council

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191 The United States wants to send "developing countries the message that [it is] serious about intellectual property rights obligations and that these obligations must be implemented." Esserman Testimony, supra note 187. If the United States wants developing countries to respect intellectual property rights, it must act by example and compromise with a fellow developed country regarding the protection of geographical indications.

192 Lindquist, supra note 6, at 311.

193 See id. at 336, 343.


195 See DINWOODIE ET AL., supra note 4, at 22 (providing a list of the various EU Regulations on geographical indications for wine, sparkling wine, spirits, and agricultural products and foodstuffs); Knaak, supra note 50, at 124-26; see also Coun-
Regulation No. 2081/92 on the Protection of Geographical Indications and Designations of Origin for Agricultural Products and Foodstuffs (enacted on July 24, 1992), since it has proven controversial and is now being disputed by the United States through the WTO procedures.

The Regulation only applies to agricultural products and foodstuffs and specifically excludes wines and spirits. Regulation 2081/92 establishes a Community-wide registration system to protect geographical indications and designations of origin. This registration system aims to provide consistent protection of geographical indications throughout Europe. Article 4 lays out the requirements of product “specification” that must be included in the application for registration, examples include the name of the agricultural product, description of the product, definition of the geographical area, etc. Only a group or a natural or legal person who works with the agricultural product may apply for registration of geographical indications. The registration procedure requires the group to send its application to the member state for justification, which in turn forwards the application to the Commission. Within a period of six months, the Commission shall review the application and publish the name of the geographical indication in the Official Journal of the European Communities if it qualifies for protection. Article 7 provides an opposition procedure within six months from publication for any member state that

council Regulation No. 2392/89 Laying Down General Rules for the Description and Presentation of Wines and Grape Musts, 1989 O.J. (L 232) 13 (protecting geographical indications for wine which is significant because of the corresponding subject matter in Articles 23 and 24 of TRIPS); Council Regulation No. 2081/92 on the Protection of Geographical Indications and Designations of Origin for Agricultural Products and Foodstuffs, 1992 O.J. (L 208) 1 (corresponding to the subject matter of Article 22 of TRIPS) [hereinafter EU Reg.].

See EU Reg., supra note 195, art. 1.

Id. art. 2(1) & (2) (defining these terms). For the purposes of this Comment, geographical designations are similar enough to geographical indications that discussing geographical indications is sufficient.

Id. pmbl. ¶ 11.

Id. art. 4.

"Group" is defined as an association of producers and/or processors and other interested parties working with the same agricultural product or foodstuffs. Id. art. 5(1).

Id. art. 5.

Id. art. 6.
objects to the registration. An objection may be grounded on noncompliance with Article 2, on jeopardizing the existence of an identical name or trademark legally on the market at the time of publication, or on the term being generic. If the member states can not reach an agreement as to their dispute, the Commission will decide on the appropriate result.

The Regulation also includes important issues affecting the protection of geographical indications other than the registration procedure. Article 13 describes the kind of protection given to geographical indications. "Article 13(1)(a) provides a broad scope of protection against direct or indirect use of the indication by others on comparable products or where the use would 'exploit' the reputation' of the indication." The EU Regulation provides strict protection. Article 3 declares that names which have become generic may not be registered—examples include Brie, Camembert, and Cheddar. The standard for determining whether a term is generic includes taking account of the "existing situation" in the member state in which the name originates and in the areas of consumption. The Regulation does not wish to prejudice international agreements so Article 12 makes the registration system available to non-EU countries. To take advantage of registration, the non-EU country must "provide guarantees of product and indication control that mirror those required of EU groups, and . . . provide[] equivalent protection to the name as that available in the EU." These requirements are problematic for countries with different legal systems like the United States. With respect to trademarks, "Article 14 prohibits the grant of conflicting trademark registrations (after publication of the application for registration as a geographical indication)." The European Union's desire to protect both producer and consumer interests as

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203 Id. art. 7.
204 Id. art. 7(4).
205 Id. art. 7(5).
206 Id. art. 13.
207 DINWOODIE ET AL., supra note 4, at 25.
208 Id. at 23.
209 EU Reg., supra note 195, art. 3(1).
210 Id. art. 12.
211 DINWOODIE ET AL., supra note 4, at 24.
212 Id. at 26.
well as bring clarity into the market has led to the enactment of this regulation.\textsuperscript{213}

5.1.1. EU Economic Interests

In addition to their long history of protecting geographical indications, European countries have a strong economic interest in furthering protection for geographical indications. European economic interests include: the role geographical indications play in the Community economy and in the adjustment of the Common Agricultural Policy ("CAP") (an important EU economic and agricultural program to provide farmers with subsidies); global economic gain from protecting European intellectual property rights; and higher consumer profits from the quality assured by the protected name of the product. Within the boundaries of the European Union, regulations like Regulation 2081/92 are economic in nature primarily because agricultural products and foodstuffs play an important role in the Community economy and in the CAP. In enacting Regulation 2081/92, the European Union had the following in mind:

\[\text{As part of the adjustment of the common agricultural policy[,] the diversification of agricultural production should be encouraged so as to achieve a better balance between supply and demand on the markets;... the promotion of products having certain characteristics could be of considerable benefit to the rural economy, in particular to less-favored or remote areas, by improving the incomes of farmers and by retaining the rural population in these areas.}\textsuperscript{214}

The European Union makes it very clear that it is using the protection of geographical indications as a form of a CAP subsidy.\textsuperscript{215} Jim

\begin{quote}

\textsuperscript{214} EU Reg., supra note 195, pmbl. \S 6.

\textsuperscript{215} Chen describes CAP as "the... program of agricultural subsidies that has become 'the most important... policy' of the European Union 'in terms of the number of people directly affected, its share of the [Union's] Budget and the extent of the powers transferred from national to European level]." See Jim Chen, \textit{A Sober Second Look at Appellations of Origin: How the United States Will Crash...}
\end{quote}
Chen suggests that "the legal apparatus that underlies" geographical indications is a "measure[ ] of . . . [CAP] and not . . . laws aimed at consumer protection."\footnote{216} Chen has suggested that the protection of geographical indications is more of an economic issue than an intellectual property right/consumer protection issue.\footnote{217} While CAP may be the primary aim behind regulating geographical indications within the European Union, consumer protection in terms of assuring quality and guaranty of origin is certainly an important motive of the European Union as well.\footnote{218}

On an international level, EU emphasis on protecting geographical indications through TRIPS and the negotiations stems from its global economic interests. The European Union stands to benefit substantially from the economic gains derived from protecting its intellectual property rights in geographical indications. International protection of geographical indications that assures quality and origin will positively affect the European Union's economic competitiveness in international trade, just as international protection of trademarks has helped the U.S. economy.\footnote{219} Achieving a protected name status helps products fair better in the market since their origin, quality, and reputation are emphasized.\footnote{220} The European Union wants these products that have become very popular abroad protected from imitation and genericism.

5.2. U.S. Request for Consultation Through the WTO Settlement Process

The United States submitted a request for consultation on June 1, 1999, with the European Communities regarding the protection of trademarks and geographical indications for agricultural food-stuffs in the European Union through the WTO dispute settlement


\footnote{216} Chen, supra note 215, at 61-62.

\footnote{217} Id. at 62.

\footnote{218} EU Reg., supra note 195, pmbl. ¶¶ 7, 8.


\footnote{220} Jenkins, supra note 5, at 69 (offering Pimenton de La Vera—paprika from Spain's western region of Extremadura—as an example of a protected product whose production almost tripled in the past five years).}
procedures pursuant to Article 64 of TRIPS. The United States contends that EU Regulation 2081/92, as amended, "does not provide national treatment with respect to geographical indications, and does not provide sufficient protection to pre-existing trademarks that are similar or identical to a geographical indication." The United States considers this situation to be "inconsistent with the European Communities' obligations under the TRIPS Agreement, including but not necessarily limited to Articles 3, 16, 24, 63 and 65 of the TRIPS Agreement." The U.S. complaint, which alleges that EU Regulation 2081/92 violates TRIPS, is still pending in the consultation stage; therefore, no conciliation or judgments from the WTO have been made.

5.2.1. Does EU Regulation 2081/92 Violate TRIPS?

The U.S. complaint focuses on two main issues: (1) national treatment provided for under Article 3 of TRIPS and (2) the protection of trademarks under Article 16(1) of TRIPS and the relationship between trademarks and geographical indications under Article 24(5) of TRIPS.

First, Regulation 2081/92 appears to meet the requirement of national treatment under TRIPS because Article 12 of the EU

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222 U.S. Complaint, supra note 221.

223 Id.

224 See supra note 102 and accompanying text (describing the WTO dispute settlement process). See, e.g., Trading into the Future, supra note 101 (providing an example of how long a complaint takes to complete the process). After the ruling, the losing side has a certain amount of time to make required changes. See id.

225 See U.S. Complaint, supra note 221.

226 See discussion supra Section 3.2.

227 See discussion supra Section 3.1.3.

228 "Each member shall accord to the nationals of other members treatment no less favorable than that it accords to its own nationals with regard to the protection . . . ." TRIPS, supra note 2, art. 3.
Regulation permits non-EU member countries to participate in the registration system "without prejudice to international agreements." But, under Article 7 of Regulation 2081/92, the opposition procedure used to object to registration of certain geographical indications is limited to member states. It appears that the United States believes that this Article of the EU Regulation violates Article 3 of TRIPS because nationals and foreigners are treated differently. The European Union can use American common law as a defense, however. The U.S. Court of Appeals for the Second Circuit stated in Murray v. British Broadcasting Corp., "Murray argues, in essence, that the principle of national treatment contained in the Berne Convention mandates procedural opportunities identical to those accorded American plaintiffs alleging copyright infringement. We disagree." The European Union provides national treatment substantively with respect to participating in the registration system (Article 12), but it merely treats foreigners and nationals differently in terms of procedure—having a procedural right to opposition under Article 7. This substance/procedure difference when applied to national treatment is recognized by the United States; thus Article 7 may not violate Article 3 of TRIPS.

Second, the United States seems to be alleging that Article 14 of the EU Regulation violates Article 16 and Article 24 of TRIPS. Article 16 of TRIPS states:

The owner of a registered trademark shall have the exclusive right to prevent all third parties not having the owner's consent from using in the course of trade identical or similar signs for goods or services which are identical or similar to those in respect of which the trademark is registered where such use would result in a likelihood of confusion.

229 See discussion supra Section 5.1.; EU Reg., supra note 195, art. 12.
230 See discussion supra Section 5.1.; EU Reg., supra note 195, art. 7.
232 TRIPS, supra note 2, art. 16.
Article 16 gives a trademark owner an "exclusive right," but not if it prejudices existing prior rights. Trademark law is not exclusive with respect to other intellectual property rights.

Article 24 deals with the situation where trademark law coincides with geographical indication law in the case of a trademark and a geographical indication being similar or identical.\textsuperscript{233} Article 24(5) protects the trademark right if it was applied for or registered prior to an applied for or protected geographical indication.\textsuperscript{234} Article 24(5) partially says that "measures adopted to implement this Section shall not prejudice eligibility for or the validity of the registration of a trademark, or the right to use a trademark, on the basis that such a trademark is identical with, or similar to, a geographical indication."\textsuperscript{235} The United States would read Article 24(5) to mean that when trademark law and geographical indications law coincide, trademark law always wins. The European Union, by contrast, believes whichever right comes first deserves the protection. Article 14 of the EU Regulation provides for a system of first-in-time, first-in-right, whereby an application for registration of a geographical indication cannot be lodged if a trademark right has already been registered assuming the marks are similar enough to warrant confusion.\textsuperscript{236} The U.S. complaint may be warranted, however, when the situation is reversed. If a geographical indication is already registered, an application for registration of a trademark shall be refused.\textsuperscript{237} It seems that under Article 14(1) of the EU Regulation, however, that if there is an application for a trademark to be registered and an application for a geographical indication to be registered (but it has not yet been published), the geographical indication would be granted preference. Once again, the two sides' doctrinal differences lead to a difference of opinion.

Both the United States and the European Union have legitimate arguments as to why the EU Regulation does or does not violate TRIPS. At this point in the consultations, it is hard to predict how the U.S. complaint will fare because it is the first time that either the United States or the European Union has attacked each other

\textsuperscript{233} Id. art. 24.
\textsuperscript{234} Id. art. 24(5).
\textsuperscript{235} Id.
\textsuperscript{236} Id. art. 24.
\textsuperscript{237} See EU Reg., supra note 195, art. 14.
through the WTO on the issue of geographical indications protection through TRIPS. Nevertheless, the use of the dispute settlement process by the United States on this issue can be viewed as a reflection of a much larger political debate.

5.2.2. Political Maneuvering?

The U.S. complaint filed with the WTO against the European Union can be seen as a strategic political maneuver. The United States seems to be fighting the battle against greater protection for geographical indications from two fronts—within the WTO dispute settlement process and within the TRIPS negotiations. The complaint, alleging EU Regulation 2081/92 as violative TRIPS, is an interesting power play. This regulation does not even deal with wine or spirits, which is the heart of the TRIPS negotiations, but instead deals with the possibility of a strict multinational register for geographical indications which the United States opposes on the TRIPS level.238 The United States chose to challenge this particular EU Regulation rather than the many other EU Regulations that also protect geographical indications. It is also interesting that the United States chose the dispute settlement route, when its own laws have been criticized by many as not conforming to TRIPS.239 Will the European Union respond by filing a similar WTO complaint against the United States?240 The United States aggressively continues to push for a stronger preference for trademarks rather than geographical indications. The U.S. motive is to use the dispute settlement procedure as a political maneuver for the TRIPS negotiations, but how the outcome of the WTO ruling will affect the negotiations is anxiously being awaited.

5.3. A Proposed Resolution to the U.S.-EU Debate

A compromise between the United States and the European Union over the protection of geographical indications is not an impossibility. "The United States—as revealed both by its WTO complaint against the EU and by the narrowness of its international register proposals in the TRIPS Council—is clearly unpersuaded of the case for offering broad protection to geographical

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238 See U.S. Proposal, supra note 112.
239 See Brody, supra note 51.
240 See Lindquist, supra note 6, at 329.
indications (whether for wine or for other products)."\textsuperscript{241} This is not a wise position for the United States to maintain.\textsuperscript{242} With its goal toward global intellectual property right protection and enforcement of TRIPS, the United States should take a more diplomatic stance toward reaching a fair compromise. Throughout the debate, both sides have been unyielding on a few crucial issues. The European Union desperately wants increased protection for geographical indications so more of these indications will not degenerate into generic terms in the future. The United States seems inflexible about letting terms that are considered to be generic in the United States, like Chablis, Burgundy, Champagne, etc., become retroactively protected. Even though these names are technically considered semi-generic under the BATF regulations,\textsuperscript{243} consumers view them as generic. Flexibility with regard to these terms could help lead to a solution to doctrinal differences.\textsuperscript{244} A proposed resolution would be to preserve the status quo by leaving products covered by current generic and semi-generic terms (as referred to by U.S. statute) unprotected, as geographical indications; in return, however, a strong system of protection for geographical indications could be instituted to prevent future genericism. The European Union should accept this compromise because one of its main goals is to protect geographical indications from further denigration.\textsuperscript{245}

With regard to the conflict between trademark and geographical indication law, the only diplomatic solution to this doctrinal debate is to seek a system where trademark and geographical indication law can co-exist. Preferring one system over the other will only lead to further contention. A strict first-in-time, first-in-right rule without differentiation between the two systems is the best solution to this deep ideological debate, because it is the most fair and it has worked effectively in other substantive areas of law.

An international registration system for geographical indications that implements the above compromise is needed to assure protection of geographical indications globally. This multilateral

\textsuperscript{241} Dinwoodie et al., supra note 4, at 32.

\textsuperscript{242} See id.; see also Lindquist, supra note 6, at 333-34 (suggesting that the United States could take advantage of geographical indication law in its wine market).


\textsuperscript{244} Bendekgey & Mead, supra note 30, at 792.

\textsuperscript{245} See EU Reg., supra note 195.
register should only apply to wines and spirits at first, with a possibility of expansion to other agricultural products at a later date. TRIPS-plus could become broader by extending coverage to other agricultural products, but the register should start off slowly. The countries that have been opposed to the protection of geographical indications may realize that they can take advantage of this new form of intellectual property protection.

6. CONCLUSION

More headway has been made on the international protection of geographical indications in the past six years than in the prior attempts of the last hundred-plus years. The opposition from the United States stands as the last real obstacle to a successful level of protection for geographical indications. The fight for protection of geographical indications is essentially an issue of international trade and global economics. With the reality of worldwide interdependence, the international protection of intellectual property has become immensely important with respect to economic interests. The United States strongly supports TRIPS and demands strict enforcement to protect its intellectual property rights and economic benefits derived therefrom. The European Union wants this same protection with respect to geographical indications. As the United States takes its benefits from TRIPS, it may have to give as well in order to sustain the viability of this very important multilateral agreement. The United States should accede to the general objectives of the EU proposals because: (1) the EU policy toward protecting geographical indications makes sense substantively in the face of TRIPS; and (2) such cooperation is important for the legitimacy of the WTO. The lessons drawn from the U.S.-EU debate and the proposed suggestions for resolution will hopefully prove useful in future negotiations toward a viable compromise satisfying both a TRIPS-plus standard of protection for the future yet artfully preserving elements of the status quo.