



## **Comments by the Consortium for Common Food Names Regarding the 2019 Special 301 Review**

Docket Number USTR-2018-0037

February 27, 2019

My name is Jaime Castaneda and I am the Executive Director of the Consortium for Common Food Names, or CCFN. CCFN is a non-profit alliance that represents the interests of farmers, food producers and consumers. Our mission is to preserve the legitimate right of producers worldwide to use generic names. Mr. Chairman and members of the Interagency Committee, we appreciate the opportunity to address the continuing problems that illegitimate practices involving geographical indications, or “GIs”, have caused for the U.S. food industry.

Let me start by making one thing very clear; CCFN is not opposed to genuine geographical indications or certification marks. We have no issue with NAPA Valley wine or Idaho Potatoes, or for that matter a wide variety of other compound name GIs describing products that are genuinely unique and whose qualities are inherently defined by the specific region in which they were produced.

Intellectual property is very important, and we should defend the rights of trademark holders. But we should equally protect and support the rights of people who use generic food names.

Over hundreds of years, various types of cheeses, meats, wines and many other foods and beverages have been produced outside the areas where they originated – including those from Europe. Despite this, the EU has of late chosen to respond to legitimate growing global competition not by upping its own game but instead by seeking to erect road-blocks to other suppliers to artificially favor its own producers. This misuse of GIs to create barriers to trade is unjust and must not be tolerated.

The EU is very clear in its intentions. Already, right here in the U.S. market, we have seen European groups attempt to seize usage of specific names, including parmigiano, asiago, romano and gruyere. Their goal is to increase their market share by blocking U.S. competition and forcing US companies to rebrand, which confuses consumers and results in U.S. companies losing markets.

Consider that in some areas where the EU is trying to confiscate a generic name, they don't even have a market there yet – but we do. For instance, there is little or no Italian-made asiago in some developing markets. In many cases it is the U.S. who has developed those markets. Listen to Errico Auricchio, CCFN's Chairman and the President of Belgioioso Cheese of Green Bay, Wisconsin, who said, “U.S. companies have done much of the groundwork developing consumer love and trust for our cheeses in Mexico and other places. How can we stand by and allow the EU to steal the generic names of our products and push us out? The answer is, we cannot.”

What is the value of the U.S. gaining no or low tariffs into a country's market in an FTA, if U.S.

producers are then banned from selling products in that country due to new GI concessions to the EU?

Last year we were extremely disappointed to see the previous Mexican government of President Pena Nieto cave into EU demands and relinquish many valuable names, giving the EU a virtual monopoly on these products. Upon implementation, this will translate into immediate damage to U.S. cheese producers of specialty cheeses, as well as to U.S. farmers.

Over the past few years the U.S. government has been supportive on the common names issue, but our opponents are gaining ground because we have not done enough to shore up our existing market access rights. To meet this challenge, the U.S. government must step up its game to match or exceed the force that Europe has thrown behind its GI agenda. It is not enough to warn our trading partners to not give up generic terms to the EU – the U.S. must insist upon it by securing binding commitments from our trading partners that preserve our market access rights.

A new economic study supports previous studies and helps lay out the consequences for one of the EU's primary targets: the U.S. dairy industry. The study calculates that the U.S. dairy industry could lose up to \$20 billion in a short period of time if EU GI policies continue to expand and take root internationally, including restrictions on the use of generic terms under attack today like parmesan, asiago, feta and others. The study also calculates the risk of similar attacks in the future on such popular cheeses as mozzarella and provolone.

To counter this risk, we urge the Administration to secure commitments from our trading partners that build upon the positive precedent established in the USMCA Side Letter Agreement with Mexico, which affirmed market access rights on a list of generic product terms. In addition, we encourage the Administration to evaluate the full range of tools at its disposal to address the deeply asymmetrical nature of the U.S.-EU food trade relationship. The U.S. is a large and lucrative market for many European food makers, even as the EU bans the import of accurately labeled common name U.S. foods into its own market.

It is time to enhance U.S. efforts, and to hold our trading partners to their commitments. We look forward to continuing to work closely with government agencies to achieve these ends. Thank you.

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