

Developments in protecting common food names, as well as new threats and restrictions facing food producers globally.



1st Quarter 2016

ALERT

SAVE THE DATE! Join CCFN, USPTO and ITA at a June 21 Trademark Workshop in Chicago

The Consortium for Common Food Names is teaming up with the U.S. Patent and Trademark Office and the International Trade Administration on a June 21 seminar about trademarks and the risks posed to continued use of common food names. U.S. food and beverage companies will be briefed on European Union plans to stop them from using a number of common food names and what you can do to protect your product brands. Current cosponsors include Covington & Burling LLP, Grocery Manufacturers Association, International Dairy Foods Association, National Milk Producers Federation, U.S. Dairy Export Council, Wisconsin Cheese Makers Association and Wisconsin Milk Marketing Board. For additional information, contact CCFN's [Lorena Alfaro](#).

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Chairman's Message

Protectionism, Pure and Simple

This quarter, in place of a chairman's column, we are pleased to present a guest editorial by Robert P. (Bobby) Koch, President and Chief Executive Officer of Wine Institute, which represents 1,000 California wineries and affiliated businesses. Mr. Koch's column details how the European Union is now claiming exclusive ownership of common wine terms such as superior, vintage and fine. This is not a legitimate use of regulations. Rather, it is protectionism, pure and simple. And it is prime example of why food companies worldwide must join together to fight Europe's attempts to claw back use of names and expressions long recognized in other countries as generic.



Errico Auricchio
CCFN Chairman

Guest Column

EU Claims to Traditional Wine Terms

By Robert P. (Bobby) Koch

The European Union (EU) is the world's largest producer of wine, reaching, 58 percent of total world production and 70 percent of wine exports in 2014. The EU maintains its global dominance of the wine trade through aggressive marketing and promotion campaigns, trade-distorting subsidies exceeding \$1.3 billion per year and measures designed to confiscate goodwill and intellectual property rights associated with wine from other countries.



Bobby Koch

Members of the Consortium for Common Food Names are very familiar with geographical indication (GI) regulations. The EU uses and extends its GI regime to other countries by reserving terms for EU producers that were in common use for certain products or are under trademark in the EU or other countries. Such terms generally have little or nothing to do with the geographic origin of the products, something which is clear to consumers.

To extend the EU's dominance, its regulations provide greater economic advantage for its winemakers by asserting exclusive ownership of common, internationally used descriptors. The EU claims that those terms are distinctive European expressions, have an established reputation, and have been in use for at least 10 years. However, these so-called "traditional" expressions - several hundred of them and growing - are not tied to a specific place within the EU. They are simply common nouns and adjectives associated with winemaking practices in use around the world for decades.

Common Words Out without Approval

For example, wine labels from the United States and other countries exported to the EU can no longer include common descriptive words such as noble, superior, vintage, fine, ruby, chateau and clos unless they engage in an expensive, protracted and complex application process. The application must propose a common definition and submit evidence of extended use in the producing market. Unfortunately, U.S. wine applications encountered political opposition by EU Parliament members that has completely halted the approval process.

These terms have long been used by U.S. winemakers and have appeared on wine labels sold in Europe. The [2006 EU-U.S. Wine Agreement](#) authorized U.S. winemakers to use these terms for three years. However, in 2009 the EU refused to extend the derogation and, since then, U.S. winemakers who had not trademarked the terms prior to 2006 have been prohibited from exporting their wines to the EU.

In 2010, Wine Institute and Wine America submitted applications for approval of 13 terms and the EU approved two of the applications, covering classic and cream. However, apparently due to political pressure by EU Parliament members, the EU halted its review without explanation. Consequently, our remaining applications are in regulatory limbo.

California and U.S. winemakers have a long history of innovation. Spanish missionaries planted vineyards in California in 1779, if not earlier. Other Europeans immigrated bringing native names, customs, and, yes, traditions to the New World. Their efforts to build a wine culture in the United States has worked for the benefit of the global wine industry.

U.S. Industry Position

The U.S. wine industry believes that the EU cannot claim exclusive ownership of traditional expressions. U.S. wine labels, by law, must state the wine's origin even when a "traditional" term is used. Consumers know the wine's source and are not misled into believing the wines come from Europe. This is well demonstrated by the fact that the EU allows winemakers from other countries to use many of the same terms now being sought by the United States within the EU.

The European Commission announced that it will simplify EU wine regulations, including its traditional terms regime. Despite our receiving no response in four years to the remaining 11 applications, we are committed to regaining use of the terms in the EU.

U.S. cheese, processed meats, and wine producers are seriously threatened by the EU's attempts to appropriate common expressions for exclusive use by EU agricultural interests. For example, the EU now is attempting to reserve phrases such as mountain product and product of island farming. These descriptive phrases have no special relationship to EU-specific agriculture. All producers should be able to use them in a truthful manner. For these reasons, it is more important than ever for U.S. food producers--directly and through our

legislators, regulators and trade negotiators--to work together to ensure that discriminatory European efforts such as these are aggressively opposed across the globe.

Robert P. (Bobby) Koch is President and Chief Executive Officer of [Wine Institute](#), a policy advocacy association representing 1,000 California wineries and affiliated businesses. Wine Institute members are responsible for more than 90 percent of the nation's wine production and U.S. wine exports. Before joining Wine Institute, Koch was a senior staff member for House Majority Leader Richard A. Gephardt and House Majority Whip Tony Coelho.

Support & Successes

CCFN Off to a Fast Start in 2016 after Making Major Inroads Last Year



In January, the Consortium scored a partial victory in the effort to preserve access to the Vietnamese market for U.S. cheese producers, as the text of a free trade agreement (FTA) between Vietnam and the European Union (EU) adopted some CCFN recommendations on geographical indications (GIs). The recommendations establish stronger clarity about the scope of protection for key common names impacted by GIs, assuring those names can continue to be used in Vietnam. In addition, although the FTA imposes future restrictions on the use of the common terms asiago, fontina and gorgonzola, it allows those currently exporting asiago, fontina and gorgonzola to Vietnam--or those that establish sales in 2016--to sell into that market moving forward. Unfortunately, this grandfathering clause excludes feta by limiting the type of milk that can be used to produce it.

[Read more](#)

GIs Center Stage as TTIP Negotiations Resume; USDEC Represents CCFN



in Stakeholder Session

The 12th Transatlantic Trade and Investment Partnership (TTIP) negotiating round was held in Brussels February 22-26. Geographical

indications (GIs) have been a major issue in the talks and both the United States and European Union (EU) have pledged to intensify negotiations toward the goal of concluding an agreement in 2016. The U.S. Dairy Export Council (USDEC) represented CCFN concerns at the Brussels negotiations. During the TTIP stakeholder session, USDEC's European office stressed the opportunities already available to EU GI holders to register their products in the United States, while U.S. companies are hampered by government regulation from selling their products in the EU and, increasingly, in other world markets. More competition is better for all, USDEC argued, noting that U.S. producers of products with generic names have built markets and created demand that has benefited EU exports immensely. [Read more](#)

TPP Signed but Timing Of Congressional Action Remains Unclear



The The Trans-Pacific Partnership (TPP) was formally signed in New Zealand February 4 and many of the 12 participating countries are expected to start their domestic approval process soon. Timing of Congressional consideration of the pact is still unclear as some in Congress are calling for further steps and assurances in advance of a vote. At least six countries--together accounting for 85 percent of the gross domestic production of TPP nations--must approve the text for the agreement to be implemented. Meanwhile, Tom Suber, president of the U.S. Dairy Export Council (USDEC), called TPP's new guidelines for approving geographical indications (GIs) a major step forward in January [testimony](#) before the U.S. International Trade Commission. Suber's testimony was drafted by CCFN staff after careful review of the TPP GI provisions and discussion of their implications with the U.S. government. Suber said the new rules are preferable to the European approach of using GIs as bargaining chips in trade negotiations.

EU Doubts the Quality of These Foods Produced Outside Europe, but Contest Judges Disagree



The EU argues a bunch of food products first made in Europe simply aren't high quality unless they are still made within its borders. But a long list of 2015 food awards suggests just the opposite. Winners of the [World Cheese Awards](#), for example, included fetas and asiagos made in the United States as well as cheddars and goudas from Australia, Canada and the United Kingdom. Likewise, [Superior Taste Awards](#) from the International Taste and Quality Institute--an independent chefs organization--went to producers of Italian-heritage foods from Singapore, Oman and Iran. By any measure, including quality, there is no reason for any one group or nation to have sole rights to use these generic names.



Time to Renew Your CCFN Membership

It's that time. Letters asking Consortium members to renew their membership for 2016 went in the mail in February. CCFN depends on the support of its members. We appreciate your past help and hope we can count on you as we keep fighting to preserve your rights to common names like parmesan, bologna, asiago and black forest ham.

Items of Interest

Criticism of Europe's GI Abuse Mounts in Capital



CCFN and other opponents of Europe's campaign to monopolize the use of generic food names received some powerful ammunition in an 8,000-word [policy paper](#) issued by Washington's Cato Institute in mid-February. "The

protection of GIs beyond what is needed to prevent consumer confusion does not serve the public interest," the analysis, headlined Reign of Terroir, concluded. Author K. William Watson added that U.S. policymakers must "actively fight against European efforts to spread its model around the world." The libertarian Cato Institute is one of the most influential think tanks in the capital. Separately, Jim Mulhern, president and CEO of the National Milk Producers Federation, raised the issue of GI abuse in [testimony](#) before the Senate Finance Committee in early March. [Read more](#)

A Challenging Period for 'Made in Italy' Campaign



The early weeks of 2016 weren't kind to the Italian Trade Commission's Made in Italy campaign. First, the influential broadcast news magazine 60 Minutes aired a report alleging mafia-related adulteration of Italian olive oil. Then, Italian police seized more than 85,000 tons of green olives painted with copper sulfate to make them look fresher. Charges also surfaced that one in four Italian mozzarellas are made from foreign curd, undermining Italian claims of the uniqueness of its products.

GIs: The New Economic Development Tool?



Are geographical indications (GIs) the latest tool for boosting world and local economies? You would think so from news reports out of Japan and South Asia. In Japan, the influential Asahi Shimbun newspaper praised that country's new geographical indication system as a way to "revitalize local communities and economies." In

South Asia, areas of India and Pakistan are squabbling over a GI designation for basmati rice, saying failure to be included would hurt their economies. Meanwhile, the Indian state of Madhya Pradesh is also requested protection for a particular variety of chicken, saying it would spur national and even international sales. What ever happened to the old-fashioned goal of protecting the names of legitimate specialized foods? CCFN continues to support the importance of well-designed GIs and to believe that protections of such terms can be compatible with safeguarding common name usage and international trade obligations.

UnCommon Hero

(A profile of one of the heroes who protect and promote common food names)

Mike McCloskey
CEO, Select Milk Producers



Mike and Sue McCloskey

Call Mike McCloskey the ultimate innovator. A native of Pittsburgh who grew up in Puerto Rico, he earned a Doctorate in Veterinary Medicine from the University of Mexico City, completed a residency in Dairy Herd Health Production from U.C. Davis and then opened a dairy veterinary practice in Escondido, California. By the mid-1980s, he and his wife, Sue, were partners in their first dairy. In 1990 they moved to Southeastern New Mexico, where they partnered in two 2,500-cow dairies. A few years later, the McCloskeys, their partner and some like-minded dairy farmers formed Select Milk Producers. With McCloskey as its CEO, the cooperative soon realized a reputation for service, quality and accountability to its buyers, which included H.E.B., Deans Foods and Kroger. While continuing to grow the co-op, McCloskey developed a way to concentrate milk by removing water and lactose. The result was reduced transportation costs, which allowed distant, more profitable markets to become available. [Read more](#)

About CCFN

The Consortium for Common Food Names is an independent, international non-profit alliance that represents the interests of

consumers, farmers, food producers and retailers. We are working to protect worldwide the right to use common food names.

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Pass it Along!

Help spread the word about GI abuse by passing this newsletter on to other companies affected by the attack on common food names! Use the "*Forward this email*" feature at the bottom of this page.

