

Geographical Indications

Recent Developments and Critical issues for U.S. Trademark Owners

When is a geographic term or symbol a “geographical indication”?

A geographical indication (GI) can be a place name or it can be any sign or symbol that consumers associate with a particular good that only comes from a particular place. In many European countries, geographical indications are considered similar to regulatory standards of identity for food products that set forth requirements for 1) how the goods should be produced or manufactured, as well as 2) where the goods can be produced, processed or prepared such that the product can be labeled with a particular name. An example from Europe would be feta, which under EU law is a cheese made from sheep’s milk cured in brine and can only be labeled as such if it is made in Greece. When regulated as administrative standards, EU GI producers just follow the rules and the government takes care of everything else, including administering and enforcing the GI against non-conforming uses on behalf of the producers using public funds, as well as negotiating foreign protection.

In other countries such as the United States, GIs are like trademarks in that they are developed and marketed by producer groups on their own initiative. These producers then apply for protection through the trademark system where the applications are examined and published for opposition by affected third parties. The United States provides protection for GIs as private intellectual property rights via certification marks of regional origin, collective marks or trademarks. The producer group owner enforces these rights by way of civil action. In the case of feta in the United States, the Greek producers never sought such protection for the term in the US. In the meantime, US producers began decades ago, making the same cheese and used the term feta to identify that cheese. The Greek producers did not attempt to prevent such use. The result is that today, US consumers do not view the term feta as limited only to use on Greek-originating cheese made from sheep’s milk cured in brine and therefore, it is considered generic and can be used by anyone.

Why are GIs so controversial?

US feta producers export US feta to third countries and want to expand their markets further. However, Greece has demanded that its producers should have exclusive rights to the term feta in the United States and all over the world. Several other European countries with a lot of GIs such as Italy, France and Spain are also demanding that their governments negotiate the elimination of any existing competitive uses of their GIs in export markets. These demands from stakeholders have created significant trade tensions between the United States and the European Union. It is a race for both sides to be first to influence third country governments to adopt their view of GIs so as to support their domestic agriculture interests in existing and future export markets. Affected US interests include US GI owners (e.g., NAPA VALLEY) as well as US users of generic terms for food or beverage products (e.g., Wisconsin cheese producers using parmesan, provolone, asiago, feta, and American pilsner brewers) or trademark owners (e.g., Anheuser-Busch InBev’s BUDWEISER).

Protection for Lists of GIs has Become a Trade Demand

Bowing to a few of its Member States, in trade negotiations the EU demands an exchange of GI lists, making this a popular global model for achieving foreign protection. However, the United States

has been expressing concerns about that model in international discussions for years. A main concern is that the ability to provide due process for the applicant and for interested third parties is compromised when governments negotiate GI protection on behalf of their nationals. Governments often have asymmetrical bargaining power vis-à-vis non-government applicants and these asymmetries can negatively affect the extent to which due process and transparency are available and effective. Such bargaining over GIs can also result in decisions that prejudice the validity of previously registered trademarks, raising concern over consistency with international obligations as to trademarks.

US Stakeholders are Disenfranchised by GI Lists

Two separate US stakeholder groups have been impacted by this model of negotiating protection: US generic name users and US GI owners. While a trademark application is typically examined individually and published for third party notice and challenge, the pressure of trade negotiations typically limits the ability of a government to examine each GI on a list and limits any evaluation of the impact such protection would have on third party interests. US dairy and other producers' export markets are blocked once a government has negotiated an agreement with the EU that prohibits continued use of any terms that conflict with an EU GI. These EU GIs include parmesan, asiago, gorgonzola, feta, champagne, and chablis, names that have been used for decades around the world to identify types of cheese and wine that can come from anywhere. US businesses have discovered that there are limited opportunities to stop these GIs from being established or to invalidate them once they are accepted. The model of negotiating foreign GI protection rather than examining GI applications individually also means that those governments are ill-equipped to examine when actually called upon to do so. US GI owners like Napa Valley Vintners are refused when seeking protection in foreign markets on the grounds that their protection at home is as US certification mark of regional origin and as an American Viticulture Area under the US alcohol labeling laws, and not a GI registration, *per se*.

US GI Agenda

To assist these US stakeholder groups, the United States is seeking to advance important principles when it comes to GI protection systems at the national level. The US has been working to revive a discussion of GIs at the World Intellectual Property Organization (WIPO), the international forum for expert discussions on intellectual property rights. Discussions on GIs at WIPO for years had been blocked due to opposition from the EU and Switzerland. During that hiatus, a small group of WIPO members who are parties to the Lisbon System for the International Registration of Appellations of Origin revised this agreement in 2015 to include geographical indications and to allow the European Union to join. This expansion occurred over the strong objections of the United States and many other interested WIPO members and could further restrict US dairy export markets once it enters into force. The US is continuing to explore options for a different system at WIPO that would protect the interests of all US stakeholders. Also, the United States has been pursuing trade agreements that require GI applications or requests for protection via international agreements to be subject to examination, publication, pre-registration opposition and post-registration invalidation. In addition, the US has advocated that protection decisions should not be contingent on the type of protection available in the GI producers' home country.