

# Appellations as Intellectual Property: An International Smorgasbord

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## Introduction

- Appellations of origin (AOs) are widely regarded as intellectual property and subject to protection by national and international law
- Geographical Indications (GIs) include “appellations of origin” and “indications of source”
- Overlapping and conflicting systems of protection add to trading costs and confuse consumers
- Global wine industry would benefit from clearer framework for GIs: a sound case for a multilateral register?

## National Laws

- Protection of AO/GI form of Intellectual Property based on:
  - Unfair competition laws
  - Consumer protection (passing off)
  - Production systems (*sui generis* GI and AO laws)
  - Trademarks (collective marks, certification marks)
  - Labeling (reflects protection system)
- Balance is different in different countries:
  - EU favors *sui generis* GIs but respects trademarks
  - US uses trademarks but recognizes GIs

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## Bilateral and Regional Systems

- EU has negotiated bilateral GI protection with several countries (including Chile, Australia, South Africa, US and Canada)
- EU “view” of GI protection strongly reflected in bilateral FTAs (including EPAs): partners have to sign on to EU system
- EU GI system is itself a regional construct: expressed in EU regulations and Directives overlaying member state IP laws
- EU Wine GIs are still largely administered at the Member State level: 2008 wine regs attempt to make these more compatible

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## Bilateral and Regional Systems

- US has not negotiated specific GI agreements (except with EU)
- US – EU wine agreement (2005) pares down the number of “semi-generics” and outlaws some modifiers
- Included agreement on viticultural practices
- US has included GI protection in bilaterals (e.g. Chile, Australia), but mainly for spirits (read Kentucky whiskey)
- GI protection in NAFTA mirrors UR Agreement (TRIPS) but adds protection for specific spirits

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## Multilateral Agreements

- Plurilateral protection of IP dates back to Paris Convention (1883) that defined AO as a type of IP
- Strengthened by Madrid Agreement on Indication of Source (1891) and Madrid Protocol (1989)
- Generalized by Lisbon Agreement on Appellations (1958) – revised in 1967, and administered by WIPO (known as the Lisbon Union)
- Multilateralized by WTO/TRIPS (1994) which mandated IP protection for GIs (using much of the language of the Lisbon Agreement)

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## Multilateral Agreements

- Protection of Geographical Indications is an integral part of the TRIPS Agreement
- Article 22 mandates GI protection by all WTO members to avoid consumer confusion
- Article 23 extends protection for wines and spirits to safeguard valuable reputations
- Article 24 allows varietal names even if claimed as GIs by other members; protects “good faith” trademarks; “first in time” trademarks; generics
- Article 23 calls for a multilateral register for wines: Article 24 commits countries to enter into negotiations to increase protection under Article 23

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## Current negotiations

- TRIPS Council negotiations on multilateral register have been slow (keeping pace with the Doha Round)
- Issues revolve around the legal obligations of a register: mandatory list or useful reference?
- US, Canada, and others have a “Joint Proposal” that does not bind countries to accept the list
- EU, Switzerland, and others have a proposal (W/52) that would make the list mandatory on all WTO members
- Topic has become complicated by issues of extension of Article 23 protection and the mandatory disclosure of the source of genetic resources

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## Current negotiations

- Meanwhile, WIPO is discussing revisions to Lisbon Agreement
- Set up Working Group on the Development of the Lisbon System
- Prepared draft treaty provisions on issues such as definitions, scope of protection, trans-border AOs and GIs, dispute settlement within Lisbon system (Sept 2010)
- Assembly of the Lisbon Union to act on some amendments in Sept/Oct 2011

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## Next Steps

- Doha Round will not be completed in 2011 (or in 2012)
- Multilateral Register not likely to be in “early harvest” package for December Ministerial
- Action likely to be confined to bilaterals
- Difficult for developing countries who wish to have close trade relations with both EU and US
- Two different systems are moving further apart
- Any move to bridge the gap would be helpful for trade

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## Next Steps

- Do we need an agreed list of generics by country? This might get at the GI issue by defining the non-GIs
- Do we need a wine “sectoral” agreement among major trading countries, covering market access as well as labels
- Will market developments make the GI system less relevant?
  - Private certification schemes may arise?
  - Technology could reduce the effect of terroir?
  - Consumers could develop allegiances based on other attributes than geography?

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## Thanks for listening

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