Rethinking GI Extension

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Published in Dev S. Gangjee (ed.), *Research Handbook on Intellectual Property and Geographical Indications*, Edward Elgar, Cheltenham, UK, 2016, pp. 146-182

1. INTRODUCTION

It is well accepted that the final form of the GI provisions of the TRIPS Agreement represented a messy, politically expedient compromise between the EU and the US, designed largely so that the Agreement, which was otherwise so mutually beneficial to those parties, could come into being.[1] Nowhere is this compromise more evident than in the dual minimum standards of GI protection set out in Arts 22 and 23.

Under Art 22.2, WTO Members are under a general obligation in respect of other Members' GIs to prevent:

> (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 10*bis* of the Paris Convention (1967).

[*] My thanks go to Robert Burrell, Dev Gangjee and Megan Jones, and to Qi Jiang for his research assistance.

[1] See generally D Gervais, *The TRIPS Agreement: Drafting History and Analysis* (3rd edn, Sweet & Maxwell, 2008), pp. 24, 26, 305. See also P Demaret, 'The Metamorphoses of the GATT: From the Havana Charter to the World Trade Organization' (1995) 34 Columbia Journal of Transnational Law 123, 166; R Okediji, 'Public Welfare and the Role of the WTO: Reconsidering the TRIPS Agreement' (2003) 17 Emory International Law Review 819, 849–850.

Nothing in the TRIPS Agreement stipulates how Members are to afford such protection under their domestic laws.[2] Thus, Members can comply with their Art 22.2 obligations through non-GI specific laws that prevent parties from engaging in trade misrepresentations involving the use of geographical insignia in which other parties have a collective interest or reputation.[3] That is, certification trade mark schemes that allow producers or collectives to register their GIs as certification marks and bring infringement actions against unlicensed parties that use such signs are sufficient to ensure that a country meets its Art 22.2 obligations. So too are laws that prohibit third parties from engaging in 'passing off' or related causes of action that turn on whether consumers have been misled by certain deceptive marketing practices. A significant flipside of the misrepresentation-based Art 22.2 standard is that in countries that choose to comply with this obligation by the abovementioned methods – the US, Canada, Australia and New Zealand being noteworthy examples – not all commercial uses of foreign GIs will be proscribed. Such signs can potentially be legitimately used in circumstances where consumers in those countries either do not attribute geographical significance to the sign at all or do not expect there to be any connection between the sign and the place of production (for example, because the sign is used with qualifying material that makes clear the true place of origin). Thus, in non-European countries where 'feta' and 'parmesan' are understood only as types of cheese, or where a term such as 'kanterkaas' for cheese would not be recognised as having any geographical significance, Art 22.2 would not be implicated, even though the use of each of

[2] On the contrary, Art 1.1 of the TRIPS Agreement provides that 'Members shall be free to determine the appropriate method of implementing the provisions of this Agreement within their own legal system and practice'.

[3] Some commentators have suggested that the reference to 'unfair competition' in Art 22.2(b) suggests that this provision might impose a higher standard than mere misleading conduct under Art 22.2(a): see, e.g., A Taubman, 'Thinking Locally, Acting Globally: How Trade Negotiations Over Geographical Indications Improvise "Fair Trade" Rules' [2008] IPQ 231, 251–252. However, Art 10*bis* of the Paris Convention has never been interpreted to require parties to apply such a higher level of protection, and a strong argument can be made that the three examples of 'unfair competition' in Art 10*bis*(3) that each refer to misleading conduct should be read as defining the core of the action: see, e.g., W Cornish, 'Genevan Bootstraps' [1997] EIPR 336, 337; D Gangjee, *Relocating the Law of Geographical Indications* (CUP, 2012) 52–59. Art 22.2(b) does, however, have additional work to do in catching conduct that is misleading other than as to geographical origin: see the discussion in Section 3.3.

these terms as GIs is tightly restricted under EU law.[4] Similarly, Art 22.2 does not require a country to proscribe the sale of goods clearly marketed as 'Mortadella Bologna. Product of Australia'.

The Art 22.2 standard is hardly exceptional to those familiar with trade mark or consumer protection laws, and few developed countries needed to amend their domestic laws when the TRIPS Agreement came into force to comply with this obligation. However, Art 23.1 imposes an additional obligation on Members to afford a higher minimum level of protection to a subset of GIs. More particularly, it requires Members:

> [to proscribe the] use of a geographical indication identifying wines for wines not originating in the place indicated by the geographical indication in question or identifying spirits for spirits not originating in the place indicated by the geographical indication in question, 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.

Art 23.1 thus establishes something much closer to a total bar on the use of a GI, irrespective of its reputation or consumer understandings of the term in the country where protection is sought, but only in respect of two product types – wines and spirits. Thus, a New Zealand distiller could not call its locally made product 'New Zealand cognac' or even describe it as 'cognac-style brandy'. Similarly, Art 23.1 would prevent a South African winemaker from adopting the brand name 'Bull', given that this word translated into Spanish is 'Toro', which is a protected wine GI in Spain.[5] The bar on the use of such GIs is not, however, absolute: Art 23.1 (like Art 22.2) is subject to a number of exceptions in Art 24 that permit the use of terms in one Member even if these are recognised as GIs elsewhere. The key exceptions permit the use of certain pre-existing trade marks that are similar to GIs as well as terms that have

[4] It should also be noted that the fact that the first two terms are protected at all in the EU is highly controversial: see the ECJ's decisions in Joined Cases C-465/02 and C-466/02, *Federal Republic of Germany and Kingdom of Denmark v Commission* [2005] ECR I-9115 (on 'Feta') and Case C-132/05, *Commission v Federal Republic of Germany* [2008] ECR I-957 (on 'Parmesan').

[5] See http://www.dotoro.es/en/index.php.

become generic product descriptors in the country in which protection is sought.[6] It is this second exception that means that nothing in the TRIPS Agreement requires a country to proscribe the use of terms such as 'champagne', 'port' and 'burgundy' if these are understood in that country as generic terms for sparkling, fortified and a type of red wine respectively.

In the GATT Uruguay Round negotiations over TRIPS, the EU had sought the higher level of GI protection to apply to all goods,[7] reflecting the approach long taken under the domestic GI laws of a number of its members (notably France and Italy) and which had been adopted at an EU-wide level for agricultural foodstuffs,[8] wines[9] and spirits,[10] as well as under the little-utilised Lisbon Agreement for the Protection of Appellations of Origin and their International Registration 1958. The EU was also not prepared to provide any safeguards for terms that had become generic in other countries, nor was it prepared to accommodate pre-existing trade mark rights in any way.[11] The US, supported by countries such as Australia, considered that parties should only be required to prevent misleading uses of non-generic GIs, and only in respect of wines.[12] Such countries were particularly concerned about the imposition of minimum standards of protection that would effectively allow for the 'repropertisation' of generic product descriptors. The final form of Arts 22–24 of the TRIPS Agreement, which also included a provision deferring negotiations on the establishment of a multilateral register for wine and spirit GIs,[13] was not the result of the parties arriving at a

[6] TRIPS, Arts 24.5 and 24.6.

[7] See GATT Doc MTN.GNG/NG11/W/68 (29 March 1990), Art 20(1); see also Chapter 6 by Gervais in this volume.

[8] See currently Regulation No 1151/2012 of the European Parliament and of the Council of 21 November 2012 on Quality Schemes for Agricultural Products and Foodstuffs [2012] OJ L323/1. This replaced Council Regulation (EC) No 510/2006 of 20 March 2006 on the Protection of Geographical Indications and Designations of Origin for Agricultural Products and Foodstuffs [2006] OJ L93/12, itself replacing Council Regulation (EC) No 2081/92 [1992] OJ L208/1.

[9] See currently Council Regulation (EC) No 479/2008 of 29 April 2008 on the Common Organisation of the Market in Wine [2008] OJ L148/1 (replacing Council Regulations (EEC) No 2392/86 [1986] OJ L208/1 and (EC) No 1493/1999 [1999] OJ L179/1).

[10] See currently Council Regulation (EC) No 110/2008 of 15 January 2008 on the Definition, Description, Presentation, Labelling and the Protection of Geographical Indications of Spirit Drinks [2008] OJ L39/16 (replacing Council Regulation (EEC) No 1576/89 [1989] OJ L160/1).

[11] GATT Doc MTN.GNG/NG11/W/68 (29 March 1990), Arts 20–21.

[12] GATT Doc MTN.GNG/NG11/W/70 (11 May 1990), Art 19.

[13] See TRIPS Agreement, Art 23.4.

common understanding as to the intrinsic merits of protecting certain GIs in particular ways. Rather, it was the product of hard bargaining in the form of concessions made to the EU in relation to its wine and spirit GIs (which the EU had consistently argued were particularly vulnerable to 'misuse' in foreign markets) in return for the EU agreeing in concurrent trade in agriculture negotiations to reduce its domestic subsidies.[14]

Unsurprisingly, from very soon after TRIPS came into force the EU started pushing for the Agreement to be amended so that the Art 23 level of protection applies to GIs for all goods, not merely wines and spirits.[15] This position has been supported by a group of mainly developing countries, most of which can point to one or a small number of domestic GIs that already have a significant international export market.[16] This push has been coupled with a proposal to have a binding multilateral GI register, the effect of which is likely to create certain presumptions in favour of protecting a country's GIs in other countries.[17] This agenda has, however, been staunchly opposed by a group of agricultural exporters such as the US, Australia, New Zealand, Argentina, Chile and Canada, who claim, in short, that expanded

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[14] See JH Reichman, 'Compliance with the TRIPS Agreement: Introduction to a Scholarly Debate' (1996) 29 Vanderbilt Journal of Transnational Law 363, 387; T Josling, 'The War on *Terroir*: Geographical Indications as a Transatlantic Trade Conflict' (2006) 57 Journal of Agricultural Economics 337, 351. See also WTO Docs IP/C/M/29 (6 March 2001), para 93; IP/C/W/289 (29 June 2001), para 9.

[15] See WTO Doc TN/IP/W/11 (14 June 2005). On the problematic vagueness of the drafting of the EU's proposed amendment to Art 23.1, see J Hughes, 'Champagne, Feta and Bourbon: The Spirited Debate about Geographical Indications' (2006) 58 Hastings Law Journal 299, 384–385. The EU is also proposing that Art 23.2 (dealing with the registration of trade marks containing wine or spirit GIs) and Art 23.3 (dealing with homonymous wine GIs) be amended so that they apply to GIs for all goods: see generally WTO Docs IP/C/W/353 (24 June 2002), paras 14–29; TN/IP/W/11 (14 June 2005).

[16] Key developing countries that have consistently supported the EU's agenda (and which have valuable domestic GIs) include Cuba, India, Jamaica, Kenya, Pakistan and Sri Lanka. Only more recently has China supported the EU's agenda: see WTO Doc TN/C/W/52 (9 July 2008); WTO Doc TN/C/W/60 (19 April 2011).

[17] See currently WTO Doc TN/C/W/52 (9 July 2008), Annex, paras 1–2; WTO Doc TN/IP/21 (21 April 2011). The EU even went as far as presenting, as part of the WTO agriculture negotiations in 2003, a list of 41 of the most famous European GIs (including contentious terms such as 'Feta', 'Parmigiano Reggiano' and 'Prosciutto di Parma') and demanding that all other countries cease using these terms other than to identify European products, irrespective of any TRIPS flexibilities (see European Commission, 'WTO Talks: EU Steps Up Bid for Better Protection of Regional Quality Products', Press Release IP/03/1178, Brussels (28 August 2003), http://europa.eu/rapid/press-release_IP-03-1178_en.htm). Although the EU has since seemed to have retreated from demanding 'clawback' protection for these particular GIs, its initial demand gives a strong indication of its tactics in attempting to export its GI standards throughout the world.

protection is unnecessary and unjustified. This disagreement, which has played out primarily in the Council for TRIPS at the WTO, has become known as the 'GI extension debate', the key feature of which has been the intransigence of the two camps, and the sameness, indeed triteness, of the arguments put forward in favour of extension. In over ten years there has been no meaningful movement towards resolution of the issue.[18]

This chapter analyses the GI extension debate, focusing in particular on how and why the EU, as the main advocate of stronger global standards of protection, has failed to articulate a cogent rhetorical framework that would ease its policy agenda to general, worldwide acceptance.[19] It criticises some of the simplistic reasoning that has been used to seek to justify GI extension and attempts to explore whether other justifications for extension that have not been clearly articulated by the EU and its supporters might exist. This task in turn involves trying to unpack some of the underlying tensions between the advocates and opponents of extension that underpin the entire debate. The chapter concludes by arguing that the GI extension debate is ultimately something of a sideshow, and that increased attention needs to be paid to how GIs are being treated in preferential trade agreements. It is here that

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[18] As noted by the Director-General: WTO Doc WT/GC/W/633 (21 April 2011), para 17. In fact, the two camps cannot even agree on whether they have agreed to negotiate on extension. Advocates of extension argue that Art 24.1 of the TRIPS Agreement contains a built-in agenda to negotiate on this issue. This Article provides in full:

Members agree to enter into negotiations aimed at increasing the protection of individual geographical indications under Article 23. The provisions of [Art 24.4 to 24.8] shall not be used by a Member to refuse to conduct negotiations or to conclude bilateral or multilateral agreements. In the context of such negotiations, Members shall be willing to consider the continued applicability of these provisions to individual geographical indications whose use was the subject of such negotiations.

However, Art 24.1 can really only be read as providing that Members have agreed to enter negotiations aimed at extending protection for *specific* wine and spirits GIs (e.g., by agreeing that the genericism exception in Art 24.6 will not apply), particularly in the context of separate bilateral or multilateral negotiations. This interpretation is supported by most commentators on the issue: see, e.g., R Knaak, 'The Protection of Geographical Indications According to the TRIPS Agreement' in F Beier and G Schricker (eds), *From GATT to TRIPS – The Agreement on Trade-Related Aspects of Intellectual Property Rights* (Weinheim: VCH, 1996) 138–139; P Brody, 'Protection of Geographical Indications in the Wake of TRIPS: Existing United States Laws and the Administration's Proposed Legislation' (1994) 84 Trademark Reporter 520, 535; Josling (n 14) 352, 355. Further, while there is growing support for the idea that negotiations on GI extension form part of the Doha Work Programme (see WTO Doc TN/C/W/52 (19 July 2008)), these arguments are hollow in that nothing in the Doha Declaration committed parties to negotiate on GI extension due to the absence of any in-built agenda in the TRIPS Agreement.

[19] Cf. NW Netanel, 'Copyright and a Democratic Civil Society' (1996) 106 Yale Law Journal 283, 306.

such terms are dealt with and indeed 'traded' more openly as instruments of agricultural and viticultural policy in the context of attempts to secure greater market access for wines, spirits and foodstuffs.

2. CONTEXTUALISING THE EXTENSION DEBATE

Before assessing the merits of the arguments for and against GI extension, something needs to be said about the interests and motivations of the parties on either side of the debate. This is because the disagreement is about much more than intellectual property policy. Rather, the disagreement also needs to be seen as the product of competing understandings about the appropriate relationship between governments, agricultural producers and the land and, at its core, is about attempts to secure economic advantages for producers of particular types of agricultural and viticultural goods in international markets.

To appreciate the final point above, some political and historical context is needed. While most countries might be able to point to locally-made products sold by reference to their geographical origin, it is not the case that valuable GIs are equally distributed throughout the world. Rather, the vast majority of the world's established GIs are located within a number of European countries that have long sought in their rural policies to control and privilege a particular type of localised production of foods and alcoholic beverages. France provides the clearest example. As far back as the 19th century the French state sought to encourage traditional agricultural and viticultural practices in various regions, to manage production levels and to subsidise rural producers. It did so by developing laws that established organisations to delimit the boundaries of regions in which goods were produced, to administer the registration of the names of such regions and, most importantly, to define the qualities, characteristics and methods of production of goods from such regions whose producers were entitled to use the registered name. Because it was thought that a registered name indicated unique qualities and characteristics of goods as well as source, these laws also gave entitled producers the right to prevent non-entitled traders from using the registered name outright or from describing the broadly similar qualities of their own goods – even where the true origin of their goods was indicated.[20] These laws thus had the effect of

[20] For more detailed consideration of the French system of GI protection, see, e.g., W Moran, 'The Wine Appellation as Territory in France and California' (1993) 83 Annals of the Association of American Geographers 694; W van Caenegem, 'Registered Geographical Indications: Between Intellectual Property and

entrenching certain agricultural and viticultural production methods, while also allowing certain regional producers to charge premiums for their goods based on their perceived uniqueness and state-sanctioned quality.[21]

More importantly for present purposes, it was the above model of rural policy and GI regulation that proved to be highly influential at a European level in the latter part of the twentieth century, since it meshed with the EU's common agricultural policy goals of improving the incomes of farmers and safeguarding the rural economy. Despite some degree of internal opposition, EU-wide notification and registration schemes for Member States' GIs for wines, spirits and agricultural foodstuffs were set up in the late 1980s and early 1990s, with the stated aim of fostering the production of quality regional produce that was bound up with the uniqueness of 'place'.[22] The most noteworthy feature of these schemes is the high level of protection afforded to GI owners: the 'misuse, imitation or evocation' of protected GIs by third parties is prohibited, even where this does not result in consumer deception, and it is stipulated (somewhat disturbingly to any scholar of historical linguistics) that protected GIs cannot become generic.[23] Given its domestic policies and its large number of locally-protected GIs, the EU thus has a clear interest in seeking to ensure that its GIs are protected at much the same levels in foreign export markets – an interest that was to some extent thwarted in the GATT Uruguay Round negotiations.

Not all countries, however, share the EU's rural policies or its conception of GIs. Agricultural exporters such as the US and Australia, for example, have not traditionally sought to manage agricultural and viticultural production by prioritising small-scale, artisanal

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Rural Policy – Part II' (2003) 6 JWIP 861; Chapter 2 by Stanziani in this volume; Gangjee, *Relocating the Law of Geographical Indications* (n 3) ch 3.

[21] See, e.g., J Chen, 'A Sober Second Look at Appellations of Origin: How the United States Will Crash France's Wine and Cheese Party' (1996) 5 Minnesota Journal of Global Trade 29, 35 (the French system 'segments the production market and shields it from outside competitors, thus helping to prop up farming and related industries as significant sources of jobs').

[22] See European Commission, *Protection of Geographical Indications of Origin, Designations of Origin and Certificates of Special Character for Agricultural Products and Foodstuffs: Guide to Community Regulations* (2nd edn, 2004), pp. 4–5, at: http://ec.europa.eu/agriculture/publi/gi/broch_en.pdf.

[23] See currently Regulation 1151/2012, Arts 6(1), 13(1); Regulation 479/2008, Art 45; Regulation 110/2008, Arts 15–16.

and localised production through their rural policies.[24] Instead, agricultural production in these countries tends to be dictated more by market considerations such as the cost of labour and obtaining raw materials than by fixed geographical location. While it would be a major oversimplification to characterise the rural policies of such countries as non-interventionist and entirely free-market driven, the overarching agricultural policy framework in these countries remains different from that in place in Europe.[25] Even when the state intervenes in the US or Australia, it tends not do so in ways that chime with the logics of GI protection: in terms of agricultural production, state intervention is normally only focused on ensuring that minimum, usually health-driven, standards are met.[26] Thus, historically, these countries have not seen the need to establish registration schemes for regional names specifically to benefit rural, traditional producers. This affords at least a partial explanation for why such countries have relatively few globally-recognised GIs, and why such countries have been content to rely on traditional trade mark and consumer protection laws in order to safeguard against the misleading use of geographical insignia in the marketing of goods.

A further complication as to how GIs have been conceptualised in such 'new world' countries is that over the 19th and 20th centuries a significant number of famous European GIs for alcoholic beverages and foodstuffs were adopted as generic product descriptions in those countries. One explanation for this is that early agricultural and viticultural producers in such countries wished to emulate the products of the 'old world', and adopted European geographical insignia to try to give the best possible indication of the characteristics of their newly produced goods for their local consumers. For example, in Australia the 'Victorian Champagne Company' was established in 1881 with a view to producing local sparkling wine[27] and this company developed a local 'sparkling burgundy' shortly afterwards.[28] Sparkling wine made in accordance with the *méthode champenoise* (but with different

[24] W van Caenegem, 'Registered GIs: Intellectual Property, Agricultural Policy and International Trade' [2004] EIPR 170, 173.

[25] See generally, J Dibden, C Potter and C Cocklin, 'Contesting the Neoliberal Project for Agriculture: Productivist and Multifunctional Trajectories in the European Union and Australia' (2009) 25 Journal of Rural Studies 299.

[26] For more detailed discussion, see M Handler and R Burrell, 'GI Blues: The Global Disagreement over Geographical Indications' in K Bowrey, M Handler and D Nicol (eds), *Emerging Challenges in Intellectual Property* (OUP, 2011) 134–135.

[27] *The Argus*, Melbourne, 26 September 1881, p. 6.

[28] M Clarkin, 'Red Fizz' (2000) 74(10) Law Institute Journal (Victoria) 46.

grapes) was first made in rural Victoria in 1891 and sold as ‘champagne’.[29] Both types of wine were produced by Australian entrepreneurs who employed French winemakers to advise them on how best to imitate French oenological practices in rural Australia.[30] A related reason for why European terms became generic in the new world relates to the fact that such countries have substantial immigrant communities, and locally-made products using European names were either produced by such people or produced to appeal to them. An example of the latter is an Australian ‘feta’ produced in the mid-20th century that was marketed to Greek post-war immigrants.[31] It is worth noting that the production of the Australian versions of ‘burgundy’, ‘champagne’ and ‘feta’ described above all predated these terms being formally recognised as GIs in France and Greece respectively.[32]

Given the different perspectives on GIs outlined in the previous paragraphs, it is not surprising that countries such as Australia and the US have viewed with scepticism the EU’s domestic GI regime and the TRIPS extension campaign it is spearheading. To these and

[29] Museum of Victoria, ‘Hans William Henry Irvine, Vigneron & Politician (1856-1922)’, http://museumvictoria.com.au/collections/themes/2690/hans-william-henry-irvine-vigneron-politician-1856-1922

[30] See ibid and Clarkin, ‘Red Fizz’ (n 28). On the experience of German immigrants to the wine-producing Barossa Valley region of South Australia, see M de Zwart, ‘Geographical Indications: Europe’s Strange Chimera or Developing Countries’ Champion?’ in A Kenyon, WL Ng-Loy and M Richardson (eds), *The Law of Reputation and Brands in the Asia Pacific* (CUP, 2012).

[31] K Farrer, *To Feed a Nation: A History of Australian Food Science and Technology* (CSIRO Publishing, 2005) 176–177. See also Case C-317/95, *Canadane Cheese Trading AMBA and Adelfi G Kouri Anonymos Emoriki Kai Viomichaniki Etaireia v Hellenic Republic* [1997] ECR I-4681, para 17 (Ruiz-Jarabo Colomer AG) (noting the production of generic versions of feta in Europe in the post-war period ‘to satisfy demand from communities of Greek immigrants in non-member countries’). For a recent illustration of how the term ‘fetta’ is understood in Australia, see the Federal Court of Australia’s decision in *Yarra Valley Dairy Pty Ltd v Lemnos Foods Pty Ltd* [2010] FCA 1367 (involving a dispute over Yarra Valley Dairy’s claim to trade mark rights in Australian-made ‘Persian Fetta’). Lemnos Foods also produces a fine Australian-made haloumi, marketed as ‘Cyprus style cheese’: cf. the Cypriot application for EU GI registration of ‘Halloumi’ in 2009, since withdrawn (Dossier No. CY/PDO/0005/01243), at: http://ec.europa.eu/agriculture/quality/door/list.html, and the unsuccessful attempt to register HALLOUMI and ΧΑΛΛΟΥΜΙ as Community trade marks: Joined Cases T-292/14 and T-293/14, *Cyprus v OHIM* (7 October 2015).

[32] See D Gangjee, ‘(Re)Locating Geographical Indications: A Response to Bronwyn Parry’ in L Bently, J Davis and J Ginsburg (eds), *Trade Marks and Brands: An Interdisciplinary Critique* (CUP, 2008) 389–390 (on the regulation of ‘Champagne’ in France between 1908 and 1927); *Canadane Cheese Trading* (n 31), para 20 (on the regulation of ‘Feta’ in Greece in the late 1980s).

similar countries the EU's plans tend to appear to be little more than a crude attempt to secure monopolies for European producers by shielding certain valuable product names from competition, coming at a time when the EU is being required to phase out other forms of export subsidies for its agricultural producers.[33] What is equally unsurprising is that the EU has not sought to present its case for GI extension by focusing on the trade benefits that would accrue to its producers. Rather, it has attempted to make the case in more neutral terms. In countless communications to various WTO bodies it has focused on the perceived inadequacies of the present TRIPS regime and the benefits of GI extension for consumers and for producers generally, especially those from developing countries. It is to these arguments we now turn. However, when assessing these purported justifications for extension, the significant economic advantages that would accrue to European producers in relation to their already established GIs if the TRIPS Agreement were to be amended must always be kept firmly in mind. If none of these justifications are convincing, this raises real questions about whether expanded GI protection is in fact designed to do little else but set up protectionist measures aimed at propping up a European agricultural sector that is struggling to remain competitive in global markets.

3. ASSESSING THE PURPORTED JUSTIFICATIONS FOR EXTENDED GI PROTECTION

3.1 What the Imbalance between Arts 22 and 23 Does and Does Not Tell Us

The arguments that the EU and its supporters have deployed in favour of GI extension take a consistent form, whether raised in WTO communications or by commentators sympathetic to extension. The first argument that tends to be raised focuses on the lack of any justification for the different levels of GI protection contained in Arts 22 and 23 of the TRIPS Agreement. It is said that because the different minimum standards represented a political compromise made at the time of the GATT Uruguay Round negotiations and because there is nothing about wine and spirit GIs that mean that they deserve a higher level of protection than other GIs, then, as a consequence, the Art 23 level of protection should apply to all products.[34] Of

[33] See, e.g., C Lister, 'A Sad Story Told Sadly: The Prospects for US-EU Food Trade Wars' (1996) 51 Food & Drug Law Journal 303.

[34] See, e.g., WTO Docs IP/C/W/353 (24 June 2002), paras 4, 12 (referring to WTO Docs IP/C/W/204/Rev.1 (2 October 2000), paras 6–7; IP/C/W/247/Rev.1 (17 May 2001), paras 7–8, 15–16); and TN/C/W/14 (9 July 2003), paras 3, 9. This chain of reasoning has also been employed by various commentators in favour of extension: see,

all the arguments raised by advocates of extension, this is by far the weakest. The obvious problem with this argument is that it treats as axiomatic the very point that needs to be independently proved: that the Art 23 level of protection is an *appropriate* global minimum standard. There is, in fact, little disagreement between advocates and opponents of extension over the fact that the imbalance between Arts 22 and 23 is theoretically unsound, but this could just as easily support the conclusion that the additional protection for wines and spirits should be removed. Only those arguments that go to the issue of the appropriateness or otherwise of the Art 23 standard should be taken seriously.

What is in fact more interesting about the above argument is the attempt to frame the extension debate as something that can and should be considered entirely separately from other international trade negotiations. The clear suggestion is that whatever concessions on GIs were made to bring the TRIPS Agreement into being, these are irrelevant to the issue of whether the Agreement should be amended. Yet such a suggestion is hardly likely to be convincing to those countries that (as was described in the Introduction) made those concessions in the first place after having argued that the higher level of GI protection, even for wine and spirit GIs, was unnecessary.[35] As will be explored in more detail in the Conclusion, one of the major difficulties with the TRIPS GI extension debate is that extension is being presented as something that should be implemented as a matter of right, rather than as part of a broader set of interrelated trade negotiations.[36] Having said this, it is still important to see whether there are in fact stand-alone justifications for expanded GI protection that might make opponents of extension, who would otherwise be reluctant to accept any change to the TRIPS Agreement without receiving trade concessions in return, rethink their position.

3.2 Stand-Alone Arguments for Extension: An Overview

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e.g., S Balganesh 'Systems of Protection for Geographical Indications of Origin: A Review of the Indian Regulatory Framework' (2003) 6 JWIP 191, 203; A Lang, 'On the Need to Expand Article 23 of the TRIPS Agreement' (2006) 16 Duke Journal of Comparative & International Law 487, 494–497.

[35] See, e.g., P Fowler and A Zalik, 'A US Government Perspective Concerning the Agreement on the Trade-Related Aspects of Intellectual Property: Past, Present and Near Future' (2003) 17 St John's Journal of Legal Commentary 401, 407.

[36] See, e.g., WTO Docs IP/C/W/360 (26 July 2002), para 3; IP/C/W/386 (8 November 2002), para 3.

Proponents of GI extension tend to rely on a number of arguments in seeking to explain why the Art 23 level of protection should apply to all products. These can be grouped into two categories. The first, essentially negative, set of arguments focuses on the alleged inadequacies of the Art 22 standard. More particularly, it is said that Art 22 generates uncertainty of outcome in different countries in relation to litigation over the same GI, that it creates significant costs for GI owners seeking to enforce their rights in foreign markets, and that it does nothing to prevent GIs from becoming generic, or to prevent 'free-riding'. The second set of arguments addresses the costs and benefits of extension. Broadly speaking, it is said that extension would improve consumer choice and information, that it would better reward the investment of producers in maintaining the quality of goods marketed under GIs and that it would help developing country producers in particular to secure access to foreign markets. It is also said that whatever the costs that would be incurred by countries having to implement the higher level of protection in their domestic laws, these would be more than offset by the abovementioned benefits of extension.[37]

There is something of a normative hollowness to the above arguments. As presented by advocates of extension, these arguments are very much an accretion of theoretical and pragmatic concerns, where no particular issue is given any particular weight, and which ultimately skirt around the question of what, exactly, justifies the imposition of a global standard that takes the form of Art 23.1 of the TRIPS Agreement. Thus, rather than addressing each of the above arguments in turn, a more fruitful approach is to go back to first principles and explore the justifications for protecting GIs and the normative consequences of such justifications. This approach, which focuses more on the harms that are or may be caused by third party use of GIs, helps to flesh out some of the more important potential arguments in favour of extension that tend not to have been articulated in careful detail by the EU and its supporters. It also helps to expose the fundamental weaknesses of such arguments.

[37] For the most convenient summary of the EU's and its supporters' arguments on extension, see WTO Docs IP/C/W/353 (24 June 2002) and TN/C/W/14 (9 July 2003). For arguments by commentators in favour of extension that raise some or all of these concerns, see in particular F Addor and A Grazioli, 'Geographical Indications Beyond Wine and Spirits: A Roadmap for a Better Protection for Geographical Indications in the WTO TRIPS Agreement' (2002) 5 JWIP 865; Lang (n 34); M Vittori, 'The International Debate on Geographical Indications (GIs): The Point of View of the Global Coalition of GI Producers – oriGIn' (2010) 13 JWIP 304.

3.3 Justifying GI Protection: Traditional Economic Arguments

Given that a GI is intended to convey information about the origin of a collective's goods as well as information about 'reputation' or 'quality' attributable to that origin, the most obvious way of seeking to justify protecting GIs would be to look to the economic rationale for protecting trade marks, which operate as badges of origin (albeit usually of a single trader's goods).[38] The dominant justification for protecting trade marks is that they improve the efficiency of the market by lowering consumers' search costs. That is, trade marks allow consumers to quickly identify goods and services they liked previously, thereby enabling them to make faster and more efficient purchasing decisions. In this way, trade marks also provide traders with incentives to maintain and guarantee the quality of their goods and services so that consumers can be reasonably confident that a branded product has much the same qualities as similarly-branded goods or services they have acquired before.[39] Broadly similar economic arguments can be made about the information communicated by GIs and the incentives they afford to traders to maintain the quality of goods marketed under GIs.[40]

What is key, however, is that the above justifications only support a level of legal protection that prevents third parties from engaging in conduct that disrupts the above-mentioned origin and/or quality guarantee functions. It is for this reason that, for the most part, the core legal protection afforded to trade marks in most jurisdictions is closely tied to a standard that looks to whether consumers are confused or misled by a third party's branding practices, the harm being the increase in consumer search costs and the diversion of trade to that third party.[41] This in turn suggests that a misrepresentation-based standard for GI

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[38] See also K Raustiala and S Munzer, 'The Global Struggle Over Geographic Indications' (2007) 18 European Journal of International Law 337, 354–359 (assessing other justifications for protecting GIs normally used to explain other forms of IP, such as labour and desert, 'firstness', moral rights and incentives to create, and finding none of these to support the Art 23 standard).

[39] For well-known articulations of these arguments, see N Economides, 'The Economics of Trademarks' (1988) 78 Trademark Reporter 523; W Landes and R Posner, *The Economic Structure of Intellectual Property Law* (Cambridge, MA: The Belknap Press of Harvard University Press, 2003), ch 7.

[40] See, e.g., OECD Working Party on Agricultural Policies and Markets of the Committee for Agriculture, *Appellations of Origin and Geographical Indications in OECD Member Countries: Economic and Legal Implications* (December 2000), Annex 1, http://www.origin-food.org/pdf/meet0901/oecd.pdf; C Bramley and J Kirsten, 'Exploring the Economic Rationale for Protecting Geographical Indicators in Agriculture' (2007) 46 Agrekon 69, 74–77.

[41] It must, however, be noted that although the prevention of consumer confusion has always been understood as justifying trade mark rights, the core action for infringement of a registered trade mark in some jurisdictions has

protection – that is, the Art 22.2 standard – is easily justified. At this point, it is worth emphasising the extent of protection for GI owners that is potentially provided by this standard. Art 22.2 requires Members to do more than ensure the prevention of conduct that causes confusion as to the provenance of goods. Given that Art 22.2(b) is not tied to misrepresentations as to geographical origin, this standard offers a strong degree of protection to GIs whose reputations have crossed over to foreign markets, where misrepresentations are made as to goods having certain qualities or characteristics associated with such GIs. The 'extended passing off' action that developed in a line of British Commonwealth cases from the 1960s is an excellent illustration of this. In these cases, European GI owners were able to restrain the sale in the UK of products marketed as 'Spanish Champagne',[42] 'Sherry' from South Africa, Cyprus and Australia,[43] 'Scotch Whisky' from Ecuador,[44] and British-made 'Elderflower Champagne',[45] and to prevent the sale in New Zealand of 'Australian Champagne'.[46] Importantly, in none of these cases were the sellers of these products found to have engaged in misleading conduct as to the geographical origin of their goods.[47] Rather, in each case the misrepresentation in question was that the goods had certain qualities and the cachet that was known to be exclusively associated with goods produced by the owners of the GI in question. While there are some ongoing difficulties with determining the precise contours of the extended passing off action,[48] the existence and scope of such an action casts

never turned on showing that a misrepresentation took place or even that confusion was likely. See further R Burrell and M Handler, *Australian Trade Mark Law* (OUP, 2010), chs 1 and 10.

[42] *Bollinger v Costa Brava Wine Company Ltd* [1960] Ch 262 (Ch).

[43] *Vine Products Ltd v MacKenzie & Co Ltd* [1967] FSR 402 (Ch). See further (n 70) below.

[44] *John Walker & Sons Ltd v Henry Ost & Co Ltd* [1970] RPC 489 (Ch).

[45] *Taittinger SA v Allbev Ltd* [1993] FSR 641 (CA).

[46] *Wineworths Group Ltd v Comité Interprofessionel du Vin de Champagne* [1992] 2 NZLR 327 (New Zealand Court of Appeal).

[47] See also *Chocosuisse Union des Fabricants Suisses de Chocolat v Cadbury Ltd* [1998] RPC 117 (Ch), where UK chocolate maker Cadbury was prevented from selling a locally-made 'Swiss Chalet' chocolate, with Laddie J finding that a substantial number of consumers would think that Cadbury's goods were not only Swiss but that they would have the particular qualities and characteristics of Swiss chocolate. This reasoning was not disturbed on appeal: [1999] RPC 826 (CA).

[48] See Burrell and Handler (n 41) 455–456.

serious doubt on claims made by advocates of extension that anything less than the Art 23 standard affords inadequate or even no protection for GIs.[49]

More important for present purposes, however, is that the economic justifications set out above based on analogies with trade mark law *cannot* explain the higher level of GI protection under Art 23 that does not turn on consumer confusion. Conduct that neither misrepresents the geographical origin of goods nor misrepresents their qualities does not impact on consumer search costs and does not impair the origin or quality guarantee functions of the GIs in question. To return to an example raised in the Introduction, the term 'kanterkaas' may well be an EU-registered GI for cheese from the Friesland and Westerkwartier regions of the Netherlands,[50] but it would be fair to say that it is a sign that has little or no extant reputation in Australia. As such, Australian consumers seeing cheese marketed as 'Australian kanterkaas' or under the brand name 'Kanter Cheese' are highly unlikely to be misled, either as to the origin or qualities of the goods. There is no justification for the law intervening to restrain such conduct on the basis of the economic rationales described above.[51]

Indeed, it is worth noting there would seem to be two ways in which consumer search costs would in fact be *increased* if the EU's extension agenda were to be implemented. First, some qualifiers such as 'imitation' or 'like' when used alongside a GI in the marketing of a product[52] will often provide useful information to consumers as to the qualities or

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[49] For examples of such claims, D Vivas-Eugui, 'Negotiations on Geographical Indications in the TRIPS Council and their Effect on the WTO Agricultural Negotiations – Implications for Developing Countries and the Case of Venezuela' (2001) 4 JWIP 703, 712 (arguing that extension is needed so that 'misleading identification of products' can be prevented); B Babcock, 'Geographical Indications, Property Rights and Value Added Agriculture' (2003) 9(4) Iowa Ag Review 1, 3, at: http://www.card.iastate.edu/iowa_ag_review/fall_03/IAR.pdf.

[50] See Dossier No. NL/PDO/0005/0059, at: http://ec.europa.eu/agriculture/quality/door/list.html

[51] Even in the longer term, the idea that consumer search costs will be lowered if only one party is allowed to use the sign in question rests on an untested assumption about how consumers will respond to a particular type of terminology. It cannot be taken for granted that consumers will latch on to GIs as providing a second-order description of source that will allow them to make more informed purchasing decisions, a point that is to some extent supported by empirical work on consumer responses to GIs: see, e.g., C Bonnet and M Simioni, 'Assessing Consumer Response to Protected Designation of Origin Labelling: A Mixed Multinomial Logit Approach' (2001) 28 European Review of Agricultural Economics 433.

[52] This, of course, assumes that such qualifiers are presented in such a way so that the overall appearance or marketing of the goods is not misleading.

characteristics of that comparable product. An outright prohibition on such qualifiers would make it harder for the competing trader to describe its comparable product, particularly where there is no straightforward generic term that can be used as a substitute for the GI, and consequently harder for consumers to ascertain the qualities or characteristics of the third party's product.[53] Secondly, although the EU's plans for the multilateral GI register have become more clear in recent years, one interpretation of the EU's latest proposed model is that it will be difficult for countries to resist protecting foreign GIs that are recognised in some contexts as generic terms but in others as carrying geographical significance.[54] If the US, for example, were required to recognise 'Feta' as a GI, consumers would have to become accustomed to the fact that this term would denote only sheep's milk cheese in brine produced in particular regions in Greece, and that soft white cheese in brine produced in countries such as Australia, New Zealand, Denmark or Bulgaria formerly sold under that name would henceforth be known by a new generic descriptor. Not only will consumer search costs increase,[55] but the costs of developing and educating consumers as to these new generic names would likely be borne by the product manufacturers and in turn passed on to consumers. That GI extension has the potential to increase consumer search costs in such ways calls into question the EU's assertions that GI extension would only benefit consumers by providing them with greater information about their purchases.

[53] See Hughes (n 15) 381; I Calboli, 'Expanding the Protection of Geographical Indications of Origin under TRIPS: "Old" Debate or "New" Opportunity?' (2006) 10 Marquette Intellectual Property Law Review 181, 202.

[54] The EU's current proposal contemplates that Members' GIs will be entered on a multilateral register, which 'in the absence of proof to the contrary ... shall be considered as ... prima facie evidence' in a protecting country that the registered term meets the TRIPS definition of a GI. It is further stated that authorities in the protecting country 'shall consider assertions on the genericness exception laid down in TRIPS Article 24.6 only if these are substantiated': WTO Doc TN/C/W/52 (19 July 2008), Annex, para 2. The meaning of this is unclear, and it could be argued that the effect of registration is to put the onus on a party challenging the GI owner's rights in the protecting country to show that the sign is in fact generic. Recent litigation over the registration of 'Feta' as a GI in the EU shows the difficulties that parties using such terms generically might face in attempting to make out their case against recognition of a term as a GI. For consideration, see D Gangjee, 'Say Cheese: A Sharper Image of Generic Use through the Lens of *Feta*' [2007] EIPR 172.

[55] See WTO Docs IP/C/W/289 (29 June 2001), para 25; IP/C/W/360 (26 July 2002), para 26; IP/C/W/386 (8 November 2002), para 26. See also B Goebel, 'Geographical Indications and Trademarks – The Road from Doha' (2003) 93 Trademark Reporter 964, 988–989; see, further, Chapter 13 by Goebel and Groeschl in this volume.

3.4 Preventing Dilution? Preventing Misappropriation?

If extended GI protection cannot be justified by reference to its positive impact on consumer search costs, the EU and its supporters face the more daunting task of finding a justification divorced from that which has been employed to explain the traditional contours of trade mark protection. Nevertheless, alternative arguments do exist, particularly for the type of additional protection offered by legal prohibitions on the 'dilution' of famous trade marks, which, like Art 23 of the TRIPS Agreement, do not turn on consumer confusion. Given that anti-dilution provisions are a well-established feature of US trade mark law, it is perhaps surprising that the EU and its supporters have not explicitly sought to draw analogies with such provisions in seeking to justify their extension agenda. However, when the theoretical basis of these laws is unpacked, it can be seen that they offer only a weak justification for Art 23 levels of protection for GIs.

The harms against which anti-dilution laws are said to protect are notoriously elusive. Given that such laws do not depend on consumer confusion, it is rare to see anti-dilution laws justified by reference to any benefit or protection that they might provide to consumers. It has been suggested that anti-dilution protection lowers 'imagination costs' for consumers by preventing them from having to think harder to recall a famous brand when seeing the same sign used by another party on its goods, even if such consumers are not confused as to the origin or other qualities of that other party's goods.[56] However, this 'imagination costs' argument has been the subject of scathing academic criticism[57] and enjoys no general acceptance, especially amongst the US judiciary.[58] The more widely accepted explanation for anti-dilution protection is that it serves to protect the brand owner's investment by preserving the 'attractive force' of its famous mark or marks. Most relevantly for present purposes it is said that an owner of a well-known brand needs to be protected against dilution by 'blurring', this being the atrophying of the mark by its use across a range of (usually dissimilar) goods by parties other than the brand owner, which is said to impair the mark's source distinctiveness. An argument could be made that GI owners face similar problems. That is, it

[56] *Ty, Inc v Perryman*, 306 F 3d 509, 511 (7th Cir, 2002).

[57] See, most notably, R Tushnet, 'Gone in 60 Milliseconds: Trademark Law and Cognitive Science' (2008) 86 Texas Law Review 507; G Austin, 'Tolerating Confusion about Confusion: Trademark Policies and Fair Use' (2008) 50 Arizona Law Review 137.

[58] See *Moseley v V Secret Catalogue, Inc*, 537 US 418, 429 (2003) (anti-dilution laws 'are not motivated by an interest in protecting consumers').

could be argued that the unchecked use of GIs by third parties in foreign countries will impair the distinctiveness of the GI and its ability to communicate unambiguous information about origin and quality, and that such a harm can only be prevented by an outright prohibition on the third party use of such terms that does not turn on the demonstration of any negative impact on consumers.

There are, however, a number of difficulties with relying on anti-dilution laws to justify the need for GI extension. Putting to one side the serious competition and speech implications for other traders in being prevented from making non-confusing use of certain signs in the marketing of their goods,[59] the key problem is that the harm that is said to be caused by dilution is something that needs to be taken as an article of faith.[60] As an empirical matter, it has never been convincingly demonstrated that a single, non-confusing use of a famous sign has any impact on that sign's source distinctiveness,[61] and much the same would apply to GIs. If it cannot be shown that an individual use of a famous mark or a foreign GI causes any particular harm, why then should the law intervene? The counter-argument to this is that 'blurring' is a type of progressive harm: its effects might not be perceptible in individual cases, but if nothing is done about these individual cases the source distinctiveness of the famous mark will inevitably be eroded.[62] However, this argument still fails to articulate the harm that would result in the absence of legal protection: it assumes that 'death by a thousand cuts' will occur but without explaining what the 'death' in fact involves and why it

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[59] For detailed arguments that anti-dilution laws pose an anticompetitive threat to market efficiency, see R Klieger, 'Trade Mark Dilution: The Whittling Away of the Rational Basis for Trademark Protection' (1997) 58 University of Pittsburgh Law Review 789.

[60] This point has been made by a number of recent commentators: see, e.g., C Haight Farley, 'Why We Are Confused about the Trade Mark Dilution Law' (2006) 16 Fordham Intellectual Property, Media & Entertainment Law Journal 1175, 1184 ('[t]he main problem with dilution law is that it provides a remedy without a supportable theorization of the harm' and querying whether the harm of dilution in fact exists). See also C Long, 'Dilution' (2006) 106 Columbia Law Review 1029, 1037; M LaFrance, 'No Reason to Live: Dilution Laws as Unconstitutional Restrictions on Commercial Speech' (2007) 58 South Carolina Law Review 709, 716–717.

[61] Attempts have recently been made to use cognitive science to demonstrate that 'blurring' does in fact exist in individual cases in an attempt to justify anti-dilution laws: see, e.g., M Morrin and J Jacoby, 'Trade Mark Dilution: Empirical Measures for an Elusive Concept' (2000) 19 Journal of Public Policy and Marketing 265. For trenchant criticism of these efforts, see Tushnet (n 57).

[62] For an early articulation of this argument, see F Schechter, 'The Rational Basis for Trademark Protection' (1927) 40 Harvard Law Review 813, 830.

is inevitable. It might be argued that allowing the potential whittling away of a mark's source distinctiveness would result in suboptimal investment in the development of new brands.[63] But this argument is unconvincing. Apart from the fact that attempts to justify trade mark type regimes by reference to the need to preserve incentives for 'brand entrepreneurs' have been subjected to considerable criticism,[64] the problem in the case of GIs is that incentive-based arguments can never justify the *ex post* creation of monopolies over existing subject matter, leaving the EU's core demands for protection of its established GIs unmet. More generally, it is incumbent on advocates of extension to demonstrate that the absence of the Art 23 level protection for GIs for goods other than wine and spirits in particular countries has led to an underinvestment in the production and marketing of such goods under GIs. This is something that they have failed to do.

A potentially stronger argument that might be made by advocates of GI extension that draws on trade mark dilution theory is that the progressive harm that is sought to be protected by the Art 23 standard is that of 'genericide'. Even though the focus of anti-dilution laws tends to be on the prevention of the use of a famous sign on dissimilar goods to ensure that the sign communicates unambiguous information about a single source, it is sometimes said that one potential type of dilution is where the distinctiveness of the sign in question becomes so undermined by third party use that the sign ends up becoming a generic product descriptor, such that the 'owner' of the sign loses any exclusive value in it.[65] This is clearly only likely to happen when the third party use is on the same goods as those provided by the 'owner'. This dilution-based argument would seem to map on to the concerns raised by advocates of extension that the Art 23 level of protection is needed to prevent GIs from becoming generic,[66] concerns that would seem to be given weight by the number of famous European GI owners aggrieved by the fact that their terms have become generic descriptors in other

[63] On trade mark laws being justified on the basis that they provide incentives for the creation of new brands, see, e.g., V Chiappetta, 'Trade Marks: More Than Meets the Eye' [2003] University of Illinois Journal of Law, Technology and Policy 35; M Richardson, 'Trade Marks and Language' (2004) 26 Sydney Law Review 193.

[64] See D Gangjee and R Burrell, 'Because You're Worth It: *L'Oréal* and the Prohibition on Free Riding' (2010) 73 Modern Law Review 282, 290 and the sources cited therein.

[65] See T Martino, *Trademark Dilution* (Oxford: Clarendon, 1996), ch 9. See also H Carty, 'Dilution and Passing Off: Cause for Concern' (1996) 112 Law Quarterly Review 632, 645.

[66] See, e.g., WTO Doc IP/C/W/353 (24 June 2002), para 13.

countries or by the expenditure they have had to incur to prevent their GIs becoming generic.[67]

An obvious problem with the above argument is that much of the conduct sought to be prevented under the Art 23 standard, such as use of a GI in a comparative manner or use in translation, is highly unlikely ever to make the GI generic.[68] A more fundamental problem, however, is that it assumes that the likelihood of a GI becoming generic turns entirely on the level of legal protection afforded to such GIs, when the far more significant reason relates to the conduct of the GI owner in enforcing what rights are in fact available to it. Whatever difficulties GI owners might have faced historically in seeking to protect their interests abroad – and it should be noted that some of these difficulties have been overstated[69] – if a GI is to become generic now, this would most likely be due to the inactivity of the GI owner in failing to take action under existing laws to protect its interests. If a GI owner wishes to sell its products in certain export markets, and those countries rely only on the Art 22 standard of protection, there are steps that the owner can take to ensure that its GI does not come to be adopted as the name of the goods in question products. The most obvious of these is to register the GI as a certification trade mark, which can in most cases be secured even before the owner maintains a sufficient reputation to bring a passing off or similar action to protect its interests. Advocates of extension have not been able to demonstrate convincingly that GIs have or are likely to become generic in countries relying on misrepresentation-based standards where GI owners have taken timely action to police their rights in those countries.[70]

[67] See, e.g., the statements in *Consorzio del Prosciutto di Parma v Asda Stores Ltd* [1998] FSR 697, 701 (Ch) and *Taittinger SA v Allbev Ltd* [1993] FSR 641, 646 (CA) as to the number of cases brought to protect the 'Parma Ham' and 'Champagne' GIs.

[68] Indeed, it can be plausibly argued that 'free and fair imitation of the product often enhances the intrinsic value (and premium) of the genuine GI': WTO Doc IP/C/W/289 (29 June 2001), Attachment, para 8.

[69] For example, Australia introduced a certification trade mark regime in the mid-1950s (*Trade Marks Act 1955* (Cth), ss 83–92) and, before that, had a system for the registration of 'standardization' marks (*Trade Marks Act 1905* (Cth), s 22). Yet it was only in the mid-1990s that organisations such as the Stilton Cheese Makers Association and the Consorzio del Formaggio Parmigiano Reggiano took steps to avail themselves of this facility by registering their GIs as trade marks.

[70] Cf. *Vine Products* (n 43), where the owner of the GI 'Sherry' was unable to restrain the use of 'British Sherry' because the GI owner had delayed for a number of years in enforcing its rights while the defendant established goodwill in its 'British Sherry'.

If Art 23 protection is to be justified as a means of preventing future genericide, this can only be only be based on pragmatic grounds. That is, it would need to be accepted that for collectives that are only starting to develop a local reputation in goods marketed under a GI, the costs involved in seeking to take pre-emptive protective action abroad are so high that they justify the imposition of the Art 23 standard. Such a standard would prevent a third party from using that sign outright in order to ensure that if that collective one day wishes to trade internationally the sign has not become generic. This is not only a highly speculative concern, but raises a further question as to why GI owners should be privileged in this way. Trade mark laws do not provide this degree of pre-emptive protection for unknown marks in foreign markets. More generally, it is difficult to see why special allowances should be made to GI owners to restrain the potential genericide of their GIs when this is not done for trade mark owners, who are expected to be vigilant in enforcing their rights, throughout the world, at the risk of losing such rights. Enforcement costs and expediency are hardly sufficient reasons to increase minimum standards of GI protection at a global level.

As a final point, even if the progressive harm/genericide argument is taken at face value, there is a further problem in seeking to draw on trade mark anti-dilution laws to seek to justify GI extension in the form sought by the EU and its supporters. Anti-dilution protection under national or regional laws is always limited to 'famous' marks,[71] or marks with a reputation,[72] in the jurisdiction in question. The orthodox view is that only well-known marks are in need of protection against dilutive uses because of the investments that need to be made to develop and maintain the reputation and value in such signs. Yet the TRIPS Art 23 standard is not limited to GIs that have a particular reputation in the country where protection is sought. Again, the only reason for affording Art 23 level protection to signs without such a reputation would be for pre-emptive and/or pragmatic reasons, which are unlikely to be convincing to countries that would have to incur the costs of raising their domestic standards of protection accordingly.

In short, there are a number of problems in seeking to draw on anti-dilution law to justify expanded GI protection. The harms of dilution are, at best, difficult to perceive, and in some cases may well be attributable to the inaction of rights holders. Even if these harms are accepted, the significant costs that anti-dilution laws impose on other traders in restricting the

[71] See, under US law, 15 USC §1125(c).

[72] See, under European law, Directive 2008/95/EC of the European Parliament and of the Council of 22 October 2008 to Approximate the Laws of the Member States Relating to Trade Marks [2008] OJ L299/25, Art 5(2).

language available to them in the (non-confusing) marketing of their own goods and services must always be remembered. It is for these reasons that trade mark anti-dilution laws remain so controversial, even in countries that might appear to have embraced them.[73] There would be something extraordinary about implementing in the TRIPS Agreement a minimum standard of protection for all GIs that draws on anti-dilution laws for normative support, when anti-dilution protection for famous trade marks remains so theoretically problematic and is not itself even mandated in the Agreement.[74]

The difficulties involved in drawing analogies with anti-dilution laws to justify the need for Art 23 protection might explain why much of the EU and its supporters' case for stronger protection has ultimately rested on bare claims about preventing 'misappropriation' of or 'free-riding' on the reputation of GIs (even if this reputation does not cross national boundaries).[75] Given the problems with relying on the economic justifications for extended GI protection outlined in the previous sections, it would appear that these sorts of appeals to commercial morality and fair play are the only remaining way of explaining why WTO Members should protect others' GIs in the absence of any misleading conduct. Domestic laws that are aimed at preventing 'free-riding' without the need to show harm in the form of consumer confusion or even dilution are rare, but not unknown. For example, the ECJ has recently held that the prohibition in the European Trade Marks Directive on the taking of 'unfair advantage ... of the distinctive character or the repute' of a mark with a reputation would prevent a third party from attempting 'to ride on the coat-tails of that mark in order to benefit from its power of attraction, its reputation and its prestige, and to exploit, without paying any financial compensation and without being required to make efforts of his own in that regard, the marketing effort expended by the proprietor of that mark in order to create

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[73] See, e.g., B Beebe, 'The Continuing Debacle of US Antidilution Law: Evidence from One Year of Trademark Dilution Revision Act Case Law' (2008) 24 Santa Clara Computer & High Technology Law Journal 449 (noting US courts' continuing scepticism towards anti-dilution law, even following significant legislative revision).

[74] See Michael Handler, 'Trade Mark Dilution in Australia?' [2007] EIPR 307, 308–310. For recent confirmation that TRIPS, Art 16.3 does not mandate anti-dilution protection for well-known marks, see the Singapore Court of Appeal's decision in *Novelty Pte Ltd v Amanresorts Ltd* [2009] 3 SLR 216.

[75] See, e.g., IP/C/W/247/Rev.1 (17 May 2001), para 11; IP/C/W/308/Rev.1 (2 October 2001), paras 17, 21; IP/C/W/353 (24 June 2002) at para 4. See also Lang (n 34) 490, 493 (referring to 'parasitic free-riding'); M Agdomar, 'Removing the Greek from Feta and Adding Korbel to Champagne: The Paradox of Geographical Indications in International Law' (2008) 18 Fordham Intellectual Property, Media and Entertainment Law Journal 541, 581 (referring to the need to prevent 'agropiracy').

and maintain the image of that mark',[76] conduct that the ECJ also called 'parasitism' and 'free-riding'.[77] However, such laws are even more problematic than anti-dilution laws,[78] and do not provide a compelling argument in favour of extended GI protection.

The rhetoric of 'misappropriation', 'free-riding' and 'piracy' is commonly employed in intellectual property debates – such terms are designed to appeal to an intuitive sense of behaviour that is 'wrong' and thus ought to be prevented.[79] But it has also long been recognised that without further elaboration or justification such claims carry little force. If the problem with 'free-riding' on the reputation of GIs is viewed in economic terms, the issue is not whether one can point to the mere existence of some positive externality, such as the marketing advantage that flows to a third party in being able to use a foreign GI to convey the comparable qualities of its own goods. Rather, it is whether the law ought to intervene to ensure that that positive externality can be fully internalised by the GI owner. This can only be the case if to allow the non-confusing use of GIs by third parties that takes advantage of the GI's reputation or attractiveness would lead to an underinvestment in the creation or development of new GIs,[80] something there is no evidence to suggest would occur. In other words, even if it is accepted that some third party use of foreign GIs involves 'free-riding' on reputation or investment, advocates of extension cannot point to a free-rider *problem* that justifies legal intervention, on economic grounds, in the form of the Art 23 standard. If the issue is to be looked at in moral terms, we need to move beyond the fact that there has been an act of 'copying' or 'borrowing' and ask what it is that makes such an act unfair.[81] Too often claims of unfairness or injustice or piracy in relation to the use of foreign GIs rest solely on the assumption that the user is appropriating the GI owner's 'intellectual property',[82] but

[76] Case C-487/07, *L'Oréal SA v Bellure NV* [2009] ECR I-5185, para 49.

[77] Ibid., para 41.

[78] For sustained criticism of the ECJ's decision, see Gangjee and Burrell (n 64) (on whose arguments I draw in the following paragraph) and Jacob LJ's judgment in *L'Oréal SA v Bellure NV* [2010] RPC 23.

[79] See D Franklyn, 'Debunking Dilution Doctrine: Toward a Coherent Theory of the Anti-Free-Rider Principle in American Trademark Law' (2004) 56 Hastings Law Journal 117.

[80] See generally D Barnes, 'Trademark Externalities' (2007) 10 Yale Journal of Law and Technology 1.

[81] See generally M Spence, 'Passing Off and the Misappropriation of Valuable Intangibles' (1996) 112 Law Quarterly Review 472.

[82] See, e.g., S Goldberg, 'Who Will Raise the White Flag? The Battle Between the United States and the European Union Over the Protection of Geographical Indications' (2001) 22 University of Pennsylvania Journal of International Economic Law 107, 140 (TRIPS-plus standards are needed 'to sufficiently protect ... intellectual

since 'property' is the label given to what the law protects, such claims fail to address the question of why the law should grant protection to GI owners in the form of the Art 23 standard in the first place.[83]

Bald complaints about the theft or misappropriation of intellectual property should always be viewed sceptically, but there is a further reason why this is particularly true of complaints about the supposed misappropriation of GIs. In so far as terms such as 'champagne', 'port', 'feta' or 'haloumi' enjoy a positive reputation amongst consumers in certain countries, this cannot be attributed solely to the efforts of European wine or cheese makers. On the contrary, it was seen in Section 2 above that in countries such as Australia it was often locals or immigrants who popularised these beverages and foodstuffs amongst the broader community through goods produced *locally.* On this view, producers of Australian 'feta', 'haloumi' and the like are merely reaping the benefits of their labour and the labour of their predecessors. Any argument that such terms should become the exclusive property of European producers would involve transferring the benefit of this labour and investment to European producers without compensation – it is European producers who would be 'reaping without sowing'.

In summary, there are serious problems with attempting to rely on the idea that extended GI protection is needed to prevent dilution or misappropriation.[84] And the costs of such higher standards must always be kept in mind: as Barton Beebe has argued, '[f]rom the perspective of the public domain, freedom of commercial speech, and the goals of progressive intellectual property law, the terms of Article 23 are dismaying'.[85] That the EU and other advocates of extension have not been able to develop a cogent response to the critiques set out in this section merely reinforces the perception that the case for extension is

property rights'). See also WTO Docs IP/C/W/247/Rev.1 (17 May 2001), para 11; IP/C/W/308/Rev.1 (2 October 2001), paras 10, 14, 17, 21.

[83] Cf. E Weinrib, 'The Fiduciary Obligation' (1975) 25 University of Toronto Law Journal 1, 10–11.

[84] Dev Gangjee makes a similar point about the near-identical standard contained in Art 3 of the Lisbon Agreement 1958, noting that this standard cannot be justified on traditional 'unfair competition' grounds and instead owes more to a model based on bilateral treaties in which a party would agree to protect the GIs of the other in exchange for mutual benefits: Gangjee, *Relocating the Law of Geographical Indications* (n 3) ch 4. I return to this theme of bilateralism in the Conclusion.

[85] B Beebe, 'Intellectual Property Law and the Sumptuary Code' (2010) 123 Harvard Law Review 809, 873.

little more than a grubby attempt to secure an unwarranted worldwide monopoly, applied consistently throughout the world, for established GI producers.[86]

3.5 Policy Arguments: Fostering the Production and Consumption of Quality Goods?

If none of the arguments used to justify trade mark protection can be used to justify the Art 23 standard of protection, and the 'misappropriation' argument is little more than an emotive appeal to commercial morality devoid of any independent normative foundation, the EU and its supporters need to turn more explicitly to policy arguments to support their extension agenda. Again, there are precedents in other areas of the law for imposing outright restrictions on the use of certain insignia on policy grounds alone. One example might be 'ambush marketing' legislation, often adopted by countries in the anticipation of hosting major sporting events, that proscribes the use of certain listed expressions or prevents parties associating themselves with the event in question. Such legislation involves a conscious (if not necessarily carefully weighed) decision to restrict commercial speech in exchange for an unrelated set of social benefits, such as the development of new infrastructure, increased revenue from advertising and tourism, and support for local sporting organisations.[87] Advocates of GI extension might be able to make broadly similar arguments in favour of higher standards of GI protection.

The most interesting policy reason that the EU and its supporters have raised in the cause of GI extension relates to the desirability of diversity in agricultural production, or the need to foster the production of 'quality' goods. By appealing to the uniqueness of place, GIs are said to offer the promise of something produced in accordance with traditional, perhaps artisanal, practices that are superior in quality to (or at least substantially different from) competing goods. In this respect GIs are put forward as affording an antidote to a globalised agri-food industry that tends to be characterised by an over-production of broadly homogenous goods, sourced as cheaply as possible from largely anonymous sources, which

[86] To put it another way, it is not enough to complain that extended GI protection is needed to ensure predictability of outcome in relation to the same GI throughout the world if there is no independent justification for the Art 23 standard. For further criticism of the 'predictability of outcome' complaint, see M Handler, 'The EU's Geographical Indications Agenda and Its Potential Impact on Australia' (2004) 15 Australian Intellectual Property Journal 173, 186–188.

[87] For criticism, see L Longdin, 'Public Law Solutions to Private Law Problems: Major Events Legislation Subverts IP's Internal Balance' (2009) 4 JIPLP 726.

are then sought to be differentiated primarily by price.[88] At a time when many consumers are turning away from these sorts of mass-produced commodities and are expressing preferences for 'locally' or 'sustainably' produced goods as part of the 'new food movements',[89] GIs operate as a convenient shorthand for values such as heritage, cultural diversity and authenticity.[90]

Many would be sympathetic to the idea that there needs to be a change in the mindset of consumers in the developed world about the production and consumption of food. Notwithstanding this, the claim for a link between the generation of such a cultural change and higher standards of GI protection is weak at best. For a start, consumers who are concerned to locate goods produced at a particular place and/or in a particular manner can already do so readily. Parmigiano Reggiano, Feta produced in Greece, Prosciutto di Parma and Halloumi from Cyprus are readily available throughout the world, and any consumer keen to avoid mass-produced cheaper alternatives will have no trouble doing so.[91] Consequently, increased GI protection is in no way a precondition for the emergence of a changed attitude towards food production. The claim must therefore be that higher international standards of GI protection will help generate a broader cultural shift in attitudes. In the case of terms that already enjoy a high level of international market recognition, the argument would be that GI extension would serve to reserve well-recognised signs for high-end products, thus encouraging consumers to try (better) quality goods. In the case of new GIs the argument would be that a high level of protection would encourage producers to market their goods by reference to geographical insignia, thereby encouraging greater respect for localism, tradition and the importance of place. But even if one is untroubled by the importance that this account assigns to law in changing cultural attitudes, or the idea that GI-

[88] For recent mainstream critiques of the American agri-food industry, see *Food, Inc.* (Magnolia Pictures, 2009) and J Safran Foer, *Eating Animals* (London: Hamish Hamilton, 2009).

[89] M Pollan, 'The Food Movement, Rising' The New York Review of Books (10 June 2010).

[90] See generally, D Giovanucci, E Barham and R Pirog, 'Defining and Marketing "Local" Foods: Geographical Indications for US Products' (2010) 13 JWIP 94.

[91] Even if there are cases where foreign GI owners might face difficulty in securing the registration of their names as certification trade marks because similar signs have already been registered as trade marks (as to which see D Gangjee, 'Quibbling Siblings: Conflicts Between Trademarks and Geographical Indications' (2007) 82 Chicago-Kent Law Review 1253, 1270–1276), consumers who are sufficiently motivated to do so should always be able to source the original product.

branded goods are inherently superior to goods that are not so branded, attempts to link calls for extended GI protection to the rise of the new food movements are problematic.

The most obvious problem is that once they enter the international arena, GIs fit very uncomfortably alongside calls for the consumption of sustainable, locally-produced foods – judged in environmental terms, a regime that encourages people to buy foodstuffs grown or produced many thousands of kilometres away (as the EU clearly intends) has to be judged with extreme suspicion. There is also something disingenuous about any attempt to tie GI extension to 'artisanal' standards and practices. Whilst it is true that, within parts of Europe, many GIs are owned by small collectives with local markets,[92] on the world stage the GIs that are being disputed are predominantly employed by large corporate entities. However good Champagne may be, the French Champagne houses are very much part of, and not an answer to, global agri-business. Even the idea that GIs invariably reflect 'traditional' practices has come under strong criticism, particularly in the case of relatively new GIs.[93] A further problem with the 'cultural change' argument is that it does not necessarily follow that setting legal standards to encourage the greater adoption of GIs will necessarily assist consumers in making choices about their food purchases. Even if it is accepted that some of the 'information clutter' problems associated with having numerous competing certifying and standard-setting agencies in relation to foodstuffs can be overcome through a state-controlled GI-registration system, the problem remains that even these registered GIs convey relatively little meaningful information about the particular qualities of the goods in question, the precise standards used to assess these qualities, or what distinguishes such goods from non-GI comparators or even from other GI-branded goods.[94]

If the EU faces problems selling its agenda in terms of appeals to diversity in agricultural production even to supporters of the new food movements, for governments in

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[92] These groups are themselves unlikely to benefit significantly from sales beyond their immediate region through the use of GIs: see Josling (n 14) 360.

[93] See T Broude, 'Taking "Trade and Culture" Seriously: Geographical Indications and Cultural Protection in WTO Law' (2005) 26 University of Pennsylvania Journal of International Economic Law 623, 676 ('In many cases, new GIs are indeed attempts to establish instant reputations through invented traditions that build a novel culture through self-reference to the distant or at least irrelevant past').

[94] See M Chon, 'Marks of Rectitude' (2009) 77 Fordham Law Review 2311, 2339–2341. See also, in relation to French wine-labelling, Broude, ibid., 672 ('It has simply become too difficult for the casual, nonexpert consumer to maintain a working knowledge of French appellations and their association with the kinds of wine he or she wants most.').

countries like the US, Australia, Canada or New Zealand any agenda sold in these terms is obviously problematic, since it rests on hostility to the dominant model of agricultural production and distribution in those countries. There is, moreover, an implicit claim to the mystique and superiority of old world products and values contained in the EU's appeals that is unlikely to find favour with new world policy-makers. Insofar as such policy-makers are sceptical about the uniqueness or superiority of old world locales, they would have the support of geographers who are critical of the idea that 'place' should be considered as something immutable that can lend fixed, irreproducible characteristics to agricultural produce.[95]

3.6 Policy Arguments: Supporting Developing Country Farmers and Producers?

Can other policy factors then justify GI extension? While European producers would clearly be the primary beneficiaries of GI extension, it is also important to note that a significant number of developing countries support the extension of GI protection. Initially, such countries were those that could point to one or more locally-made products sold under GIs, such as tea, coffee, rice or chocolate, that had already secured significant international market access and had developed a strong global reputation.[96] More recently a broader range of developing and least-developed countries has given its support at least to further negotiations on extension.[97] This raises the question of whether extension is justified on the basis of the benefits that might flow to farmers and producers from such countries, notwithstanding the other problems with increased GI protection outlined in the previous sections.

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[95] See, e.g., B Parry, 'Geographical Indications: Not All "Champagne and Roses"' in Bently, Davis and Ginsburg (n 32) 361.

[96] See (n 16) and the signatories to WTO Docs IP/C/W/204/Rev.1 (2 October 2000); IP/C/W/247/Rev.1 (17 May 2001) and IP/C/W/308/Rev.1 (2 October 2001).

[97] See especially WTO Doc TN/C/W/52 (9 July 2008) (negotiations on extension supported by the ACP and African Groups (see 'Groups in the WTO' [www.wto.org/english/tratop_e/dda_e/meet08_brief08_e.doc] for membership of these groups)). It is, however, arguable that the real interest of many of the ACP and African countries in adopting this position is to secure greater support for an amendment to the TRIPS Agreement to require the disclosure of the source of genetic resources and/or associated traditional knowledge in patent applications. For discussion of the EU's role in seeking to align 'disclosure of origin' and GIs as negotiation issues, see D Robinson and C Gibson, 'Governing Knowledge: Discourses and Tactics of the European Union in Trade-Related Intellectual Property Negotiations' (2011) 43 Antipode 1883, 1899.

The argument that EU-style GI protection can benefit developing countries is rarely explained in careful detail. Proponents often go little further than pointing to the existence of goods from these countries, or the traditional knowledge of producers of such goods, that could be marketed under GIs.[98] The starting point for the more nuanced argument in favour of extension would seem to be that building up a reputation in agricultural produce is a time-consuming and expensive business. Much agriculture in developing countries is conducted by individual farmers or small collectives that will never have the resources to develop recognisable brands in foreign export markets. GI protection can be said to offer a means of allowing a large group of such farmers or collectives to secure strong rights in a geographical name quickly. Once the term is recognised as a GI, it is said that a high level of protection will present the GI owner with niche marketing opportunities in foreign markets (where the geographical name will already be protected) and will allow it to charge a price premium, with consequent rents flowing back to the farmers or small collectives.[99]

While seeking to improve the livelihood of developing country farmers and producers is clearly an important and pressing development issue, there are a number of difficulties with the above arguments in favour of GI extension. As Justin Hughes has argued in a detailed study of developing country coffee and cocoa production, the essential problem with such arguments is that they tend to mistake 'the piling up of laws for the accumulation of reputational capital', with only the latter being 'the real way to help developing world agricultural products'.[100] Increasing global standards of protection would do almost nothing to improve market access for GIs from developing countries, given that almost none of these GIs have an already established global reputation.[101] Instead, producers and governments from these countries would first need to make significant investments in establishing and

[98] For a recent example, see Vittori (n 37) 306–307.

[99] See C Correa, 'Protection of Geographical Indications in Caricom Countries' (September 2002) 38–39, at: http://www.crnm.org/index.php?option=com_docman&Itemid=82; G Evans and M Blakeney, 'The Protection of Geographical Indications after Doha: Quo Vadis?' (2006) 9 Journal of International Economic Law 575, 607–608.

[100] J Hughes, 'Coffee and Chocolate – Can We Help Developing Country Farmers Through Geographical Indications?' (International Intellectual Property Institute, Washington, DC, 2009) 7, at: http://papers.ssrn.com/sol3/papers.cfm?abstract_id=1684370. On the global cocoa trade generally, see Ó Ryan, *Chocolate Nations: Living and Dying for Cocoa in West Africa* (London: Zed Books, 2011).

[101] A Kur, 'Quibbling Siblings – Comments to Dev Gangjee's Presentation' (2007) 82 Chicago-Kent Law Review 1317, 1323–1324.

maintaining the quality of locally-made products to be sold abroad, as well as certifying compliance with quality and safety standards.[102] They would also need to make concerted efforts to market their products to retailers in export markets, so that their GIs become signs of commercial value: the mere fact that such products are marketed under a GI will not necessarily guarantee that they can be sold at a premium or that the product will be a commercial success.[103] Crucially, the precise level of legal protection that is afforded to GIs is largely irrelevant to the process of developing and maintaining a marketable international reputation. Indeed, developing country producers have already had substantial success in marketing goods such as 'Darjeeling' and 'Café de Colombia' under certification trade mark schemes around the world. The more pressing issues here are ensuring that rights in foreign markets are adequately enforced, and that any premiums that are obtained from the sale of goods under GIs are ultimately returned to the farmers and producers, rather than absorbed by government authorities or other private actors.[104]

Further, it should also be noted that adopting the Art 23 level of protection would entail significant costs for developing countries, both in terms of setting up new domestic laws, registration schemes and certification mechanisms, and in relation to protecting (an inevitably larger number of) European GIs under their domestic laws. A developing country would need to think carefully about whether the requisite resources would not be better spent in other ways.[105] In short, the process of securing higher incomes for farmers in developing

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[102] See Gangjee, *Relocating the Law of Geographical Indications* (n 3) 285–286; Vivas-Eugui (n 49) 718; Correa (n 99) 39.

[103] See M Yeung and W Kerr, 'Are Geographical Indications a Wise Strategy for Developing Country Farmers? Greenfields, Clawbacks and Monopoly Rents' (2011) 14 JWIP 353. The accepted wisdom that consumers are more willing to pay a premium for GI-branded goods is not always borne out by the (admittedly limited) empirical evidence: see, e.g., A Tregear, S Kuznesof and A Moxey, 'Policy Initiatives for Regional Foods: Some Insights from Consumer Research' (1998) 23 Food Policy 383; M Loureiro and J McCluskey, 'Assessing Consumer Response to Protected Geographical Identification Labeling' (2000) 16 Agribusiness 309.

[104] See generally Hughes (n 100), 46–51, 115–122, 131–134. See also W McBride, 'GI Joe? Coffee, Location, and Regulatory Accountability' (2010) 85 New York University Law Review 2138 (arguing that while it might be thought that the adoption of domestic GI protection would empower developing country coffee producers by fostering participatory and transparent regulatory environments so as to facilitate the collective management of their reputation, developing countries without existing and well-developed institutional infrastructures will have difficulty corralling the many actors that are likely to seek to exploit GIs for private benefit).

[105] See, e.g., M O'Kicki, 'Lessons Learned from Ethiopia's Trademarking and Licensing Initiative: Is the European Union's Position on Geographical Indications Really Beneficial for Developing Nations?' (2009) 6

countries is clearly far more complicated than merely encouraging the adoption of high GI protection standards, and an inordinate focus on levels of GI protection has the potential to deflect attention away from more important development issues that might genuinely improve the livelihood of developing country farmers.[106]

4. CONCLUSION: WHY MORE ATTENTION NEEDS TO BE PAID TO GIS IN PREFERENTIAL TRADE AGREEMENTS

It is ultimately unsurprising that the EU and its supporters have failed to develop a robust narrative to explain why the GI standards in the TRIPS Agreement ought to be increased. Whether looked at in economic terms, or on policy grounds, the case for requiring all WTO Members to adopt the Art 23 level of protection is weak. Further, the EU and its supporters have done little to package their calls for extension in a way that would be attractive to countries that do not share the EU's agricultural policies or its attitudes towards GIs. While expanded GI protection is clearly likely to benefit established European producers in export markets, the same cannot be said for the countries that oppose the EU's expansionist agenda, yet such countries are not being offered any countervailing trade benefits in return for supporting GI extension. The EU's failure to address the relationship between GIs as intellectual property and as instruments of broader trade policy means that a multilateral solution to the GI extension debate that focuses exclusively on the provisions of the TRIPS Agreement, but which does not involve a genuine agreement to open up agricultural markets, is highly unlikely.[107]

Loyola University of Chicago International Law Review 311 (on the Ethiopian government's rejection of *sui generis* GI protection in favour of reliance on standard trade mark laws to market geographically branded coffee). See also Hughes (n 100) 112–115 (arguing that the Ethiopian case is perhaps better understood as an illustration of the difficulties some developing countries might face in policing even minimal certification standards).

[106] Cf. B Mercurio, 'Resolving the Public Health Crisis in the Developing World: Problems and Barriers of Access to Essential Medicines' (2007) 5 Northwestern Journal of International Human Rights 1 (on the limitations of reforming the TRIPS Agreement in attempting to ensure access to medicine in the developing world).

[107] In part due to frustration with the stalemate over the TRIPS GI negotiations, efforts have been made over recent years to revitalise the Lisbon Agreement for the Protection of Appellations of Origin and their International Registration 1958. These led to the adoption of the Geneva Act of the Lisbon Agreement on Appellations of Origin and Geographical Indications 2015. This new agreement applies to GIs as well as

Indeed, the TRIPS GI extension debate should best be considered as something of a sideshow. This is because real advances in securing higher levels of GI protection are happening through trade negotiations at the *bilateral* level – something that has not perhaps received the attention it has deserved. Over the past twenty years or so, the EU has managed to persuade a number of wine exporting countries (some of whom have been the most vocal critics of the EU's efforts to increase the TRIPS GI standards) to afford TRIPS-plus protection for European wine and spirit GIs, in return for granting producers from those countries increased access to European markets. This can be seen in the various agreements on trade in wine and/or spirits into which the EU has entered with Australia,[108] Mexico,[109] South Africa,[110] Switzerland,[111] Chile,[112] Canada[113] and the US,[114] each containing detailed

appellations of origin and sets up an International Register for GIs. However, any suggestion that this new model might somehow accommodate some of the concerns of those opposed to the EU's extension agenda ignores the underlying causes of the global disagreement of GIs relating to market access and divergent agricultural policies.

[108] Agreement between the European Community and Australia on Trade in Wine [1994] OJ L 86/94, superseded by the Agreement between the European Community and Australia on Trade in Wine [2009] OJ L28/3. For consideration of the latter agreement, see V Waye, 'Wine Market Reform: A Tale of Two Markets and Their Legal Interaction' (2010) 29 University of Queensland Law Journal 211, and see also the Federal Court of Australia's decision in *Comité Interprofessionnel du Vin de Champagne v Powell* [2015] FCA 1110 (20 October 2015).

[109] Agreement between the European Community and the United Mexican States on the Mutual Recognition and Protection of Designations for Spirit Drinks [1997] OJ L152/16.

[110] Agreement between the European Community and the Republic of South Africa on Trade in Wines [2002] OJ L28/4; Agreement between the European Community and the Republic of South Africa on Trade in Spirits [2002] OJ L28/113.

[111] Agreement between the European Community and the Swiss Confederation on Trade in Agricultural Products [2002] OJ L114/132, Annex 7 (wine) and Annex 8 (sprits).

[112] Agreement Establishing an Association between the European Community and its Member States, of the One Part, and the Republic of Chile, of the Other Part [2002] OJ L352/1, Annex V (wine) and Annex VI (spirits).

[113] Agreement between the European Community and Canada on Trade in Wines and Spirit Drinks [2004] OJ L35/3.

[114] Agreement between the European Community and the United States of America on Trade in Wine [2006] OJ L87/2. Although the Agreement refers only to 'names of origin', and Article 12.4 states that the names to be protected 'are not necessarily considered, nor excluded from being considered, geographical indications', under either US or European law, it is hard to see how the Agreement could be interpreted other than to impose conditions on the US's treatment of European GIs. For consideration, see B Rose, 'No More Whining about

provisions on the recognition and protection of specific, listed wine and/or spirit GIs.[115] A major feature of these agreements is that countries are obliged to protect or phase out the use of specific European GIs on wines or spirits from those countries, even if these are generic descriptors in such countries. This has allowed European producers to 'repropertise' valuable terms such as 'champagne', 'port', 'sherry' and 'tokay' in key export markets, putting local traders in those countries to the expense of finding new ways to describe their locally-made products.[116] In return, such countries have been provided with more stable access to European markets for locally-produced wines that are made in accordance with techniques and practices not otherwise recognised in the EU.[117] While the EU's efforts in the bilateral arena have been focused on wine and spirit GIs, its more recent energies have been directed at securing higher level protection for *all* types of GI. By way of a 2008 Economic Partnership Agreement with the EU, a bloc of Caribbean countries has agreed to afford the TRIPS Art 23 standard of protection to GIs for all goods under their domestic laws.[118] More recently, in the EU-Korea Free Trade Agreement, the Republic of Korea has agreed to provide the TRIPS Art 23 level of protection to a large number of listed European GIs for agricultural foodstuffs, a major effect of which will be that producers of generic goods such as 'feta' and 'parmesan' in third party countries will be forced to rebrand their goods for export to the South Korean market.[119]

Geographical Indications: Assessing the 2005 Agreement between the United States and the European Community on the Trade in Wine (2007) 29 Houston Journal of International Law 731.

[115] For detailed consideration of these Agreements, see M Handler and B Mercurio, 'Intellectual Property' in S Lester, B Mercurio and L Bartels (eds), *Bilateral and Regional Trade Agreements: Commentary and Analysis* (2nd edn, CUP, 2015) pp. 334–340. See also D Vivas-Eugui and C Spennemann, 'The Treatment of Geographical Indications in Recent Regional and Bilateral Free Trade Agreements' in M Perez Pugatch (ed), *The Intellectual Property Debate: Perspectives from Law, Economics and Political Economy* (Cheltenham: Edward Elgar Publishing, 2006) 305.

[116] See, e.g., Winemakers' Federation of Australia, 'Australian Fortified Wines: The Dawning of a New Era' (2009), http://www.wfa.org.au/assets/strategies-plans/pdfs/Fortified_Wines_Strategy.pdf (on plans to market 'apera' as a replacement for 'sherry' and 'topaque' as a replacement for 'tokay').

[117] For a summary of such benefits flowing to US wine producers, see http://www.ttb.gov/wine/itd_qas.shtml.

[118] Economic Partnership Agreement between the CARIFORUM States and the European Community [2008] OJ L289/I/3, Art 145B (but note Art 145C, which allows such countries to apply a 'genericism' exception).

[119] Free Trade Agreement between the European Union and the Republic of Korea [2011] OJ L127/6, Arts 10.18.4, 10.21.1 and Annex 10-A. But cf. Trade Agreement between the European Union and its Member States, of the one part, and Colombia and Peru, of the other part [2012] OJ L354/3, Art 210.1(b) of which requires that Peru and Colombia prevent the 'non-authorised use [which may cover any misuse, imitation or

It would be simplistic to say that the EU is likely to achieve through preferential trade agreements what it has failed to achieve at the WTO. One reason for this is that the US has also been addressing GIs in its preferential trade agreements over the past ten or so years. Rather than requiring its trading partners to protect a long list of US terms,[120] the US's approach has been to encourage such countries to adopt a trade mark model of protection for GIs and to manage potential conflicts between traditional trade marks and GIs by giving priority, wherever possible, to the former.[121] It is also likely that in future agreements the US will seek to impose requirements on its trading partners limiting their ability to enter into agreements with third parties that involve the automatic recognition of each other's GIs and the provision of the TRIPS Art 23 standard of protection for such GIs.[122] These approaches seem clearly designed to foster resistance towards the EU's attempts to make its model of GI protection a de facto global standard.[123]

What is more interesting about the treatment of GIs in the EU's bilateral agreements is they involve a far more explicit recognition of GIs as instruments of trade policy. That is, countries that might have little interest in increasing GI standards in the abstract are being

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evocation] of geographical indications other than those identifying wines, aromatized wines or spirits drinks *that creates confusion*, including even in cases where the name is accompanied by indications such as style, type, imitation and other similar *that creates confusion to the consumer*' (emphasis added), which falls short of the TRIPS, Art 23 standard. For comment on the draft agreement, see P Covarrubia, 'The EU and Colombia/Peru Free Trade Agreement on GIs: Adjusting Colombian and Peruvian National Laws?' (2011) 6 JIPLP 330, 336–337. The issue of GIs is likely to remain controversial in other preferential trade agreements the EU is negotiating: see, e.g., C Viju, M Yeung and W Kerr, 'Geographical Indications, Conflicted Preferential Agreements, and Market Access' (2013) 16 Journal of International Economic Law 409 (on the planned Comprehensive Economic and Trade Agreement between the EU and Canada (CETA)); see further Consolidated CETA Text (26 September 2014), Art 7, http://trade.ec.europa.eu/doclib/docs/2014/september/tradoc_152806.pdf.

[120] The US has, however, sought specific recognition for the names 'Bourbon Whiskey' and 'Tennessee Whiskey' in the Market Access chapters of some of its preferential trade agreements.

[121] For consideration of these Agreements see Handler and Mercurio (n 115).

[122] See Section E of Chapter 18 (especially Art 18.36) of the Trans-Pacific Partnership Agreement 2015, https://ustr.gov/sites/default/files/TPP-Final-Text-Intellectual-Property.pdf. The negotiating parties are Australia, Brunei Darussalam, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Singapore, Peru, the US and Vietnam.

[123] See also M Handler, 'The WTO Geographical Indications Dispute' (2006) 69 Modern Law Review 70 (on the tactical reasons for the US and Australia bringing WTO dispute settlement proceedings against the EU in relation to its GI registration scheme).

offered some other trade benefit in return, with such countries being given the opportunity to consider whether such a trade-off would be in their overall national interests. This is something that is missing from the TRIPS GI extension debate. But it would be a mistake to suggest that bilateralism offers a simple way of resolving global disagreements over GIs. Trading levels of GI protection for market access is itself highly controversial:[124] it gives trade negotiators an extraordinary degree of power in being able to fix the meaning of certain terms, taking away from domestic courts and other tribunals the ability to assess whether particular signs qualify for GI protection at all, and depriving traders of language customarily used to market their goods.[125] As Antony Taubman has argued in relation to the work of such negotiators, 'any such extreme incursion on the public domain as a constraint on the common tongue should serve a public good of high priority'.[126] For those concerned about the consequences for particular countries of increased GI protection and the relinquishing of generic product descriptors for wine, foodstuffs and other goods through preferential trade agreements, what is needed is greater scrutiny of the work of such bilateral trade negotiators, to ensure that their decisions are made transparently and with careful explanations of how and why they serve this greater 'public good'.

[124] Indeed, negotiations between the EU and South Africa in the late-1990s over the much larger Trade, Development and Cooperation Agreement almost broke down over the EU's insistence that South Africa cease using certain generic wine and spirit denominations: see E Craven and C Mather, 'Geographical Indications and the South Africa-European Union Free Trade Agreement' (2001) 33 Area 312, 313–315.

[125] See Taubman (n 3) 262–263. See also Beebe (n 85) 873–875. Cf. T Battaglene, 'The Australian Wine Industry Position on Geographical Indications', WIPO Worldwide Symposium on Geographical Indications, Parma, 27–29 June 2005, at 9 (on how allowing the EU to monopolise certain 'generics' might ultimately advantage Australian wine producers as consumers look more to brand names and varietals).

[126] Taubman (n 3) 267.