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Reinventing Lisbon: The Case for a Protocol to the Lisbon Agreement (Geographical Indications)

Daniel J. Gervais*

Abstract

The Doha Development Agenda (Doha Round) of multilateral trade negotiations at the World Trade Organization (WTO) may fail unless a solution to the establishment of a multilateral register for geographical indications on wines and spirits (GIs) foreseen in the TRIPS Agreement is found. Failure of the Doha Round would entail serious intended and unintended consequences for the world trading system. Europe's insistence on a Doha deal on GIs is now accompanied by demands from several developing countries for an extension of GI protection to products other than wines and spirits. Those demanders consider the current emphasis on alcoholic beverages to be both culturally discriminatory and a commercial impediment to the ability to collect the potential additional rents associated with GIs on various products (coffee, tea, cocoa, textiles, etc.). They argue that international GI protection would support their rural and traditional products, which in turn would lead to "development from within," a development strategy that prioritizes local autonomy and broad, community-wide development goals. The GI issue has direct implications for future global food consumption patterns. As such, GIs have environmental significance and form an increasingly relevant part of global agricultural and food policy discussions.

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* Professor of Law; Co-Director, Technology and Entertainment Law Program, Vanderbilt University Law School. I wish to express my gratitude to all those who provided me with comments on earlier drafts and/or discussed parts of such drafts with me. Special thanks to Mr. Matthijs Geuze, Head, International Appellations of Origin Registry (WIPO); to Professors William Van Caenegem, Justin Hughes and Christophe Geiger; to my colleague Kevin Stack; to François Curchod (former Deputy Director General, WIPO); to Amy Cotton (USPTO); to Faculty and students who attended my lecture on geographical indications at Case Western Reserve School of Law on November 12, 2009; at the European and International Intellectual property Center (CEIPI, Strasbourg) on November 24, 2009; and at the *Ius Commune* conference (Maastricht, Netherlands) on November 27, 2009 for their excellent suggestions. Thanks also to Casey Fiesler and Susan Button for their assistance in preparing this draft. Naturally, I take full responsibility for errors and omissions, and the views expressed.

In spite of their importance in the Doha Round, negotiations on the establishment of a GI register and its possible extension beyond wines and spirits at the WTO have been at an impasse for several years. This Article is an attempt to move the discussions, and the Doha Round, forward. My focus is on the establishment of the TRIPS GI register and its relationship with the 1958 Lisbon Agreement and its register for "appellations of origin." My suggestion is that the Lisbon register offers the best substrate to establish the TRIPS register, with or without an extension to products other than wines and spirits. Real or perceived Lisbon deficiencies could be handled appropriately by adopting a protocol to the Lisbon Agreement. After an examination of differences between the Lisbon and TRIPS Agreements, and the compatibility of a GI register with US trade practices, the Article provides a detailed strategy to achieve a protocol to the Lisbon system functioning as the TRIPS register.

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I. INTRODUCTION

For the past nine years, the 153 members of World Trade Organization (WTO) have tried to bring to a close a multilateral trade negotiation round, known as the Doha Development Agenda (Doha Round), the first since the establishment of the WTO in 1995.[1] Like previous negotiation rounds concerning the General Agreement on Tariffs and Trade (GATT), the Doha Round began with a Ministerial Declaration, which constitutes the roadmap for the Round.[2] One of only three topics mentioned in the Doha Declaration in the area of intellectual property is the establishment of a register for geographical indications (GIs).[3]

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1 See World Trade Organization ("WTO"), *Doha Development Agenda: Negotiations, Implementation and Development*, online at http://www.wto.org/english/tratop_e/dda_e/dda_e.htm (visited Apr 24, 2010). President Obama is one of many world leaders to push for a successful completion to this round, as emphasized in his State of the Union address in January 2010: "But realizing those benefits also means enforcing those agreements so our trading partners play by the rules. And that's why we'll continue to shape a Doha trade agreement that opens global markets. . . ." President Barack Obama, *State of the Union Address* (Jan 27, 2010), online at http://www.whitehouse.gov/the-press-office/remarks-president-state-union-address (visited Feb 15, 2010). While the Doha Development Agenda (also referred to as the Doha Round) is the first for the WTO, there were many under the aegis of its predecessor, the GATT, namely the Geneva Round (1947); the Annecy Round (1949); the Torquay Round (1951); successive Geneva Rounds (1956, 1960–61) (Dillon), (1964–67) (Kennedy); Tokyo Round (1973–79); and the Uruguay Round (1986–94). Until the Kennedy Round, negotiators exchanged lists of maximum tariffs (and tariff reductions). Afterwards, they started to impose restrictions on various non-tariff barriers and in the last (Uruguay) Round, they included rules on trade in services and intellectual property. See WTO, *The GATT Years: From Havana to Marrakesh*, online at http://www.wto.org/english/thewto_e/whatis_e/tif_e/fact4_e.htm (visited Apr 24, 2010). For current WTO membership, see WTO, *Members and Observers*, online at http://www.wto.org/english/thewto_e/whatis_e/tif_e/org6_e.htm (visited Apr 24, 2010).

2 See WTO, *Doha Development Agenda* (cited in note 1); WTO, *Ministerial Declaration of 14 November 2001* ("*Doha Declaration*"), WT/MIN(01)/DEC/1, 41 ILM 746 (2002).

3 See WTO, *Doha Declaration*, ¶ 18 (cited in note 2). The two other topics are TRIPS & public health and "the relationship between the TRIPS Agreement and the Convention on Biological Diversity, the protection of traditional knowledge and folklore, and other relevant new developments raised by members pursuant to Art 71.1." Id, ¶¶ 17, 19. Agreement on Trade-Related Aspects of

The issue is critical for the US due to the possible impacts of a failure of the Doha Round generally.[4] However, the potential impact of GI protection on US food and wine production and consumption patterns makes the issue endogenously relevant as well.[5]

Clearly, the issue is on the Obama Administration's radar and a number of US companies with an interest in the outcome of the negotiations acknowledged that the multilateral GI register foreseen in TRIPS is an essential component of a future successful Doha Round package.[6] Yet the issue has not generated sufficient attention in the public policy discourse. The first aim of this Article is thus to illuminate the importance of the GI issue for the US. The Article also suggests a viable way forward for the US on the TRIPS GI register issue in the Doha Round. Specifically, it suggests that an existing international register not for GIs but for "appellations of origin," established at one of the twentieth century's major international intellectual property conferences—the 1958 Lisbon Conference—should serve as the canvass to weave the Doha solution on GIs.[7]

It will not be easy. The TRIPS Agreement obligates WTO Members to negotiate the establishment of a GI register, and they have been at it since 1995. Yet no significant progress has been made, despite the renewed push contained in the 2001 Doha Declaration.[8] The profile of the GI issue in the Doha Round is such, however, that it will not go away. A solution must be found. Indeed, to demonstrate the seriousness of the issue from their perspective, in July 2008 EU

Intellectual Property Rights ("TRIPS Agreement"), Marrakesh Agreement establishing the World Trade Organization, Art 23.4, Annex 1C (Apr 15, 1994). See *The Legal Texts: Results of the Uruguay Round of Multilateral Trade Negotiations*, 33 ILM 1125, 1197 (contains an obligation to negotiate towards the establishment of a register for geographical indications on wines). Additionally, under Art 22 of TRIPS, WTO members must protect geographical indications against deceptive uses but under Art 23 they must provide a higher level of protection for geographical indications on wines and spirits ("GIs"), which prohibit their use even absent deception or confusion. I return to this in Part III.A.

4 Strengthening the multilateral rules and dispute-settlement process, originally seen as a possible loss of sovereignty, is increasingly seen as being in the interest of the US, which has become the target of trade remedies (for example, antidumping) in many parts of the world. See John H. Barton and Judith L. Goldstein, *The Evolution of the Trade Regime: Politics, Law, and Economics of the GATT and the WTO* 71, 121 (Princeton 2008).

5 See Part V.A.3.

6 See, for example, Hearing on Geographic Indications Before the H Comm on Agriculture, 108th Cong 1st Sess (2003) (testimony of Michael Pellegrino, Vice President of Marketing & Strategy, Kraft Cheese Division, Kraft Foods North America).

7 The conference documents were produced (and are available only) in French. *Arrangement* was the term used in French. It was translated as "Agreement." See Lisbon Agreement for the Protection of Appellations of Origin and their International Registration ("Lisbon Agreement"), 923 UNTS 205 (Oct 31, 1958).

8 See note 2. For a detailed history see Daniel Gervais, *The TRIPS Agreement: Drafting History And Analysis* 29–45, 86–95 (Sweet & Maxwell 3d 2008).

negotiators signaled a willingness to consider substantial concessions in sectors such as agricultural tariffs—a highly sensitive field (politically)—in exchange for a deal on the TRIPS GI register (for wines and spirits).[9]

While the Europeans' focus has been on the establishment of the TRIPS Article 23.4 register, other WTO members, many of them developing countries, have insisted on an extension of the higher level of protection contained in Article 23 of TRIPS to products other than wines and spirits.[10] They consider the emphasis in TRIPS on alcoholic beverages to be both culturally discriminatory and a commercial impediment to the ability to collect potentially higher rents associated with GIs on other types of products protected.[11] A significant number of developing countries rich in traditional knowledge and related products see the expansion of GI protection to products other than wines and spirits (few developing countries are well-known as producers of products of the vine) as a way to repair historical wrongs[12] and, more broadly, as

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9 See id at 84. While Article 23.4 only mentions wines, the Doha Declaration includes spirits. See Doha Declaration, § 18 (cited in note 2).

10 For a discussion of Asian countries' positions, see Min-Chiuan Wang, *The Asian Consciousness and Interests in Geographical Indications*, 96 Trademark Rep 906, 939–40 (2006):

> In sharp contrast to the consistency of European countries' attitude toward geographical indication protection, Asian countries have taken different stands in this divide. Some of them have actively pursued the expansion of 'enhanced' protection to cover products beyond wines and spirits. Countries taking this position include India, Pakistan, Thailand, and Sri Lanka. Their position has converged with that of the European Union: belonging to the group of "Friends of GIs," these countries have struck a bargain with the European Union, which wishes to put into practice a compulsory system of registration and notification. Some other countries take the American side. Japan was the first one to put forward the Joint Proposal, together with the United States. Taiwan and the Philippines have always been faithful adherents to the American position on geographical indications.

(notes omitted).

11 Excellent bubbly wines made just outside of the Champagne region (such as Courcy) sell for approximately $15, sometimes less, while wines made within the official appellation zone sell for a multiple of that sum. The difference is the additional rent that the name "Champagne" produces. In that case, the difference is easily perceived. Not so when "Champagne" is made in Australia, California or Canada's Niagara valley. In those cases, there are real differences in the products due to the difference in the soil, sun exposure (and climate generally) and, perhaps, the barrels, knowhow and technique used as well, although those elements are more easily portable. Interestingly, the producers of Champagne are in the process of extending their region to "capture" the producers of champagne-like wines from surrounding regions. See Thiébault Dromard, *Le champagne en quête de nouvelles terres*, Le Figaro, Dec 17, 2007, online at http://www.lefigaro.fr/vins/2007/10/26/05008-20071026ARTFIG00048-le-champagne-en-quete-de-nouvelles-terres.php (visited Apr 24, 2010). According to this Article, the price of a hectare of land (approximately 2.5 acres) moving from outside to inside the appellation zone would jump by 35,000 percent to almost $1,500,000.

12 See generally, David 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*

a way to de-Westernize intellectual property rules, which some of them consider systematically discriminatory because they favor Western methods of marketing and production, and Western goods.[13] Several of those countries thus see GIs as a way of protecting but also marketing globally their rural and traditional products at a higher price, which they assert would lead to "development from within," that is, "an alternative development strategy that prioritizes local autonomy and broad, community-wide development goals."[14]

There are examples that support the potential capture of additional rents due to the *perception* of higher quality associated with certain geographical origins.[15] For some products, this ties into—or may be confused with—"fair trade" labels and certification processes concerning the sourcing of an increasingly wide range of products, many of which come from the developing world (coffee, tea, cocoa, etc.).[16] For example, among the (relatively few) appellations on the Lisbon register for products other than wines and spirits, one finds crafts and coffee from Mexico, one of the few developing nations to have made more than token use of the Lisbon system.[17] Not (yet) a Lisbon

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Venezuela, 4:5 J World Intell Prop 703 (2001). See also Gervais, *The TRIPS Agreement* at 104–07 (cited in note 8).

13 Western is used here not as a geographical reference but in its usual meaning as a reference to the most industrialized nations.

14 See Sarah Bowen, *Development from Within? The Potential for Geographical Indications in the Global South*, 12 J World Intell Prop 1, 2 (2009)

15 See Dromard, *Le champagne en quête de nouvelles terres* (cited in note 11); see Bowen, 12 J World Intell Prop at 2 (cited in note 14).

16 For a discussion of fair trade labeling initiatives, see *Fairtrade Labelling Organizations International*, online at http://www.fairtrade.net/labelling_initiatives.html (visited Apr 24, 2010).

17 See Lisbon-protected appellations such as *Talavera* (No 833) for "handcraft objects" and *Ambar de Chiapas* (No 842) registered for "semi-precious stones of vegetal origin, for its use in derivative products, namely, jewelry, art objects and religious objects." In 2007, the EU granted GI protection to its first non-European indication, namely "Café de Colombia." See also David R. Downes and Sarah A. Laird, *Innovative Mechanisms for Sharing Benefits of Biodiversity and Related Knowledge: Case Studies on Geographical Indications and Trademarks* (1999) (paper prepared for UNCTAD Biotrade Initiative); Bowen, *Development from Within?* at 2 (cited in note 14). Other examples of denominations of interest for products other wines and spirits (only a few of which are currently protected under the Lisbon system) include: "Parmigiano-Reggiano" for cheese (Italy); "Basmati" for rice (India and Pakistan); "Malbuner" for meat products (Liechtenstein); "Ulmo" for honey (Chile); "Curuba" for fruit (Colombia); "Phu Quoc" for fish sauce (Vietnam); "Antigua" (Guatemala) or "Mocha" (Yemen) for coffee; "Chuao" for cacao (Venezuela); "Ceylon" (Sri Lanka) or "Long Jin" (China) for tea; "Champagne" for sparkling wine (France); "Bordeaux" for wines (France); "Havana" for tobacco (Cuba); "Bukhara" (Uzbekistan) or "Hereke" (Turkey) for carpets; "Talavera" (Mexico) or "Arita" (Japan) for ceramics; "Limoges" for porcelain (France); "Malaysia" for palm oil; "Kalamkari" for textiles (India); "Geneva" for watches (Switzerland); and "Bobo" for masks (Burkina Faso). See Felix Addor and Alexandra Grazioli, *Geographical Indications beyond Wines and Spirits: A Roadmap for a Better Protection for*

member, India has indicated a willingness to develop and protect several indications, including for tea and rice.[18] Europe and the developing world will thus continue to seek an agreement on GIs, which they consider an essential trade facilitator, but one which others view as a nostrum.

The issue has broader implications still. Recent research suggests that GI protection impacts future global food consumption patterns and may lead to profound shifts in current agricultural models.[19] GIs tend to focus production on a nation's comparative advantage of making a product whose origin infuses it with a higher market value. As such, GIs may have deep environmental significance and they may form an increasingly relevant part of agricultural and food policy.[20]

Geographical Indications in the WTO/TRIPS Agreement, 5:6 J World Intell Prop 865 (2002); S.K. Soam, *Analysis of Prospective Geographical Indications of India*, 8:5 J World Intell Prop 679, 684 (2004).

18 See Kasturi Das, *International Protection of India's Geographical Indications with Special Reference to "Darjeeling" Tea*, 9:5 J World Intell Prop 459 (2006); S.K. Soam, 8:5 J World Intell Prop at 679 (cited in note 17).

19 See Elizabeth Barham, *Translating Terroir: The Global Challenge of French AOC Labelling*, 19 J Rural Stud 127 (2003):

> Most authors identify origin labeled products as important manifestations of "local," "quality," or "endogenous" food systems. They are seen as contributing to the "consumer turn" which may portend major shifts in the conventional agricultural model. Gilg, in fact, estimates that as global agricultural production differentiates into a bipolar system of high volume "day-to-day" foods produced and distributed by multinational corporation and lower volume niche or specialty products such as those produced under labels of origin, the latter category could come to account for as much as 30 percent of overall food sales due to their higher value.

(citations omitted), citing Andrew Gilg, *Countryside Planning: The First Half Century* 71 (Routledge 2d ed 1996). As part of its initiative on "Quality Linked to Geographical Origin," the Food and Agriculture Organization ("FAO") of the UN sponsored case studies on GIs and developing countries, holding seminars in Morocco and Chile in 2007 and a conference in Rome in 2008. See Bowen, 12 J World Intell Prop at 2 (cited in note 14).

20 See William van Caenegem, *Registered GIs: Intellectual Property, Agricultural Policy and International Trade*, 26 Eur Intell Prop Rev 170 (2004). One interesting insight of the Article is that the principal momentum behind the EU appeals for greater GI protection:

> comes from Mediterranean EU states, Italy, Portugal, Spain, and above all France, where traditional, specialised, small scale, non-commoditised agricultural practices remain relatively commonplace, with a fair degree of rural processing. In those countries registered GI systems are on the whole also well established. Some Central European states also favour the "expansionist" agenda .... Certain developing countries also favour extension of registered GIs to cover products other than wine, with some of the interest going beyond foodstuffs and into handicrafts and other forms of localised small-scale industrial production.
>
> On the other side of the debate stand certain "new world" countries that have agricultural sectors with some or all of the following characteristics: lower

Not surprisingly, the debate has captured the imagination of a number of consumer groups, many of which insist on proper labeling of products to clarify their origin, partly, it seems, in order to buy more locally produced products and reduce the carbon footprint of their consumption patterns, but also on the "quality assurance factor"[21] associated with specific GIs.[22] This is true also in the US, where consumers are increasingly differentiating among various points of origin even within US borders.[23] Hence, despite claims that GIs lead to higher prices for no "real" higher value, GI use is progressing rapidly.[24]

> levels of agricultural subsidisation; export orientation; economies of scale in agri-industries; higher levels of corporate control of production; and common adoption of European geographical terms, in some cases as generic product descriptors. These states . . . are concerned that increased GI protection has protectionist overtones, and that it will disadvantage them in the development of agricultural export trade into certain third country markets, as well as imposing onerous compliance obligations. They are also unconvinced of the inherent benefits in domestic economic terms of increased GI protection . . . . Countries such as the United States also strongly advocate the maintenance of prior trade mark rights, both on the basis of the inviolability of private property rights and the need for compensation if prior trade marks were to be effectively expropriated because of subsequent GI registrations.

Id at 172–73 (footnotes omitted).

21 See Alberto Francisco Ribeiro de Almeida, *Key Differences Between Trade Marks and Geographical Indications*, 30 Eur Intell Prop Rev 406 (2008).

22 See David Goodman, *Rural Europe Redux? Reflections on Alternative Agro-Food Networks and Paradigm Change*, 44 Sociologia Ruralis 1, 4–5 (2004):

> Mistrust of the standardized foods produced by industrialised agriculture and processed and distributed by highly concentrated, globalised agro-industrial corporations, it is suggested, has given added salience or weighting in consumer knowledge practices to transparency. This criterion is met by schemes to assure quality, provenance and traceability, organic agroecological production practices, and forms of direct marketing. Demands for greater transparency in socionatural metabolic relations . . . speak eloquently for a relational approach to innovative food production-consumption practices.

23 See Daniele Giovannucci, Elizabeth Barham and Richard Pirog, *Defining and Marketing "Local" Foods: Geographical Indications for US Products*, 12 J World Intell Prop 6 (2009):

> Increased consumer interest in more specifically local foods has stirred new levels of awareness and yet finding and consuming authentically local produce is not necessarily easy in the absence of established rules for identifying them. This new local is becoming even more differentiated in recent years as individual producers and microclimates establish themselves with local and regional consumers. In some cases it may be less about a specific product's flavor or uniqueness and more about the fact that it is local . . . There are many reasons why a renewed concept of "local" has emerged; these include desire for freshness, support for the local economy and traditions, reduced transportation and processing affecting climate change, lower cost, a relationship with farmers, food safety, improved nutrition, better flavor, and a backlash against feelings of alienation and disconnection from the land . . . . In a 2005 US consumer survey, 72% of respondents believed that geographic characteristics such as soils influence the taste and quality of foods and 56% were willing to pay 10–30% more for local grown.

(citations omitted).

Against this backdrop, this Article is an attempt to move the debate, and the Doha Round, forward. I deliberately am not trying to address a number of normative issues undergirding the current debates, though they will inevitably surface.[25] For example, I discussed in a different paper the possible advantages of GI protection for developing countries and interesting empirical work has begun to emerge in this area.[26] Much more empirical work should be done in this connection to determine whether GI protection actually produces tangible benefits and then to hypothesize ways to optimize the system.[27] Instead, my

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The term "locavore" is used to describe those who seek to eat mostly or only locally-produced food. It was the Oxford 2007 new word of the year. See Oxford University Press USA, *Oxford Word of the Year: Locavore*, online at http://blog.oup.com/2007/11/locavore/ (visited Apr 24, 2010).

24 The reality of the notion of "higher quality" in this context is discussed below. See Part III.B. Certain commentators even believe that GIs might *increase* competition. See Massimo Vittori, *The International Debate on Geographical Indications (GIs): The Point of View of the Global Coalition of GI Producers-oriGIn,* J World Intell Prop 1747, 1749 (May 2009) ("GIs present limited risks of reducing competition in the marketplace, and rather have the potential to promote competitive behaviours among producers keen to differentiate their offer of goods through improved quality. Consumers also benefit from GIs as they reduce transaction costs in their search for 'niche products'.").

25 It would be beyond the stated aim and scope of this Article to discuss whether the success of the Doha Round is itself a positive, desirable development, whether measured by immediate impacts such as trade flows, or more meaningfully, by measuring the impact of any changes in trade flows, such as increases (if any) in welfare, income distribution, etc. Nor do I discuss what failure of the Round would mean for the world trading system in general and intellectual property at the WTO in particular. For a discussion, See Kent Jones, *The Doha Blues: Institutional Crisis And Reform In The WTO* 33–34 (Oxford 2010) (asserting that while TRIPS did not fit the institutional framework of the GATT/WTO, the Agreement was not necessarily a "bum deal" for developing countries because it strengthened multilateral disciplines).

26 Justin Hughes, *Coffee and chocolate–can we help developing country farmers through geographical indications?*, Study prepared for the International Intellectual Property Institute (2009) (on file with author).

27 Beyond the empirical evidence especially from Europe showing a correlation (though not causation of course) between high GI protection and the trade value of GI-related goods, some commentators doubt whether traditional intellectual property rationales can justify a high level of protection for geographical indications. See, for example, Kal Raustiala and Stephen R. Munzer, *The Global Struggle Over Geographic Indications,* 18 Eur J Intl L 337, 353 (2007):

> The conceptual basis of GIs poses two significant challenges . . . challenges that have received surprisingly little attention but which underscore the weak foundation of GI protection. First, property rationales grounded in moral rights or desert attributable to individuals can be marshaled to justify GI protection, but at a great cost. These theories suggest that individuals, not regions, ought to enjoy GIs and, moreover, that individuals who emigrate from a GI-associated region ought to continue to enjoy some aspects of the GI wherever they may relocate. Existing international law, of course, is aimed precisely at *preventing* emigrants, and their offspring, from using GIs originated elsewhere. Second, the more GI rights are justified with reference to human innovation, incremental improvements in quality, and the like, the less attributable the characteristics of the GI-protected good are to the local area. Yet conceptually, GIs rest fundamentally on a connection between place and

focus here is on the establishment of the TRIPS GI register and its relationship with the Lisbon Agreement. My suggestion is that the Lisbon register offers the best way forward to establish the TRIPS register, with or without an extension to products other than wines and spirits. I also suggest that possible US objections could be handled appropriately by adopting a protocol to the Lisbon Agreement and will provide a roadmap for the adoption of such a protocol.

To achieve this objective, I proceed in five parts. In Part I, I examine the definitional and substantive differences among the major protagonists and the whys and wherefores of the Lisbon Agreement, which is essential to see whether a protocol can usefully be added to the Agreement. Part II deepens the analysis by examining six specific areas which might be problematic should the US wish to join the Lisbon system, including the "first in time, first in right" principle.[28]

The protocol proposed in the last part would function as the TRIPS Article 23.4 register; it would transplant TRIPS norms into the Lisbon system. The first two parts together demonstrate that this system is not organically incapable of accepting a graft of new substantive rules on GIs of their interface with trademarks. In Part III, I complete my survey of the grounds on which the protocol would be built by considering the relevant provisions of the TRIPS Agreement. Hence, the first three parts taken together evaluate the Lisbon Agreement's main features and the corresponding TRIPS characteristics with a view to identifying which parts of Lisbon should become part of a possible protocol and which TRIPS norms, if any, should be added to the mix.

The last two parts build on the first three and discuss whether, and how, a protocol to the Lisbon Agreement could and why it should be a realistic option for the US. In Part IV, I use a theoretical lens to consider how an international system for the registration of geographical indications might clash with US business and trade practices. In Part V, I suggest a strategy to achieve a protocol to the Lisbon system functioning as the TRIPS Article 23.4 register.

> product. Hence the more human factors—which are moveable—matter, the weaker is the rationale for protecting a GI only in a specified region. In short, both of these challenges suggest that GIs, if they are to be protected, must be available to those who emigrate to new locales far from the original area which supplies the "geographic" element of the mark.

See also Stephen R. Munzer and Kal Raustiala, *The Uneasy Case for Intellectual Property Rights in Traditional Knowledge*, 27 Cardozo Arts & Ent L J 37 (2009).

28 I follow the World Intellectual Property Organization's ("WIPO") lead in using the expression "Lisbon system" for the registration system established under the Lisbon Agreement. See WIPO, *Lisbon System for the International Registration of Appellations of Origin*, online at http://www.wipo.int/lisbon/en/ (visited Apr 24, 2010). If a protocol is added to the Agreement, as suggested in this Article, both would be part of the system, as is the case now for the Madrid Agreement (trademarks) and the Madrid Protocol. See note 96; WIPO, *Madrid System for the International Registration of Marks*, online at http://www.wipo.int/madrid/en/ (visited Apr 24, 2010). For a discussion of "first in time, first in right," see note 123 and accompanying text.

II. THE INTERNATIONAL PROTECTION OF GEOGRAPHICAL DENOMINATIONS[29]

A. The Lisbon Agreement

1. Comparing the Lisbon Agreement to previous instruments.

The 1958 Lisbon Agreement was adopted on foundations laid in existing international instruments protecting geographical denominations. First is the 1883 Paris Convention for the Protection of Industrial Property, which protects trademarks and obligates Paris Union[30] member states to "assure to nationals of such [other Union] countries effective protection against unfair competition,"[31] including a prohibition against "indications or allegations the use of which in the course of trade is liable to mislead the public as to the nature, the manufacturing process, the characteristics, the suitability for their purpose, or the quantity, of the goods."[32] Second is the 1891 Madrid Agreement, which prohibits both "false or deceptive" indications of source and indications "capable of deceiving the public as to the source of the goods, and appearing on signs, advertisements, invoices, wine lists, business letters or papers, or any other commercial communication."[33]

By contrast, the Lisbon Agreement obligates countries party to the Agreement to provide protection against "any usurpation or imitation, *even if the true origin of the product is indicated* or if the appellation is used in translated form or accompanied by terms such as 'kind,' 'type,' 'make,' 'imitation,' or the like."[34] The principal difference between those two levels of protection thus hinges on

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29 I use the term "denomination" as a generic, non-legal term to describe terms used to describe a geographical location. As is discussed in Part I, some geographical denominations are protected under various legal instruments where they are referred to as "appellations or origins," "indications of source," and "geographical indications."

30 Paris Convention for the Protection of Industrial Property ("Paris Convention"), 828 UNTS 305 (Mar 20, 1883). Countries that ratified or adhered to the Paris Convention "constitute a Union for the protection of industrial property." Paris Convention, Art 1(1).

31 Id, Art 10*bis*(1).

32 Id, Art 10*bis*(3)(iii).

33 Madrid Agreement for the Repression of False or Deceptive Indications of Source on Goods ("Madrid Agreement"), 828 UNTS 389 (April 14, 1891). This agreement should not be confused with the Madrid Agreement concerning the International Registration of Trademarks ("Madrid Trademark Agreement"), 828 UNTS 389 (April 14, 1891) and the Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks ("Madrid Trademark Protocol"), S Treaty Doc No 106-41, 28 Indus Prop L. & Treaties 3-007, 001, (July–Aug 1989). See Thomas J. McCarthy, *McCarthy On Trademarks And Unfair Competition* § 29.30, Art 1 and 3*bis* (Callaghan 4th ed 1996).

34 Lisbon Agreement, Art 3 (cited in note 7) (emphasis added).

whether falsehood and/or consumer deception is required for the prohibition to become enforceable. At the higher, Lisbon level of protection, the mere use of an incorrect denomination is prohibited. A remedy must thus be provided when the product on which the protected denomination is affixed does not originate from a locality or region bearing the name from which the goods usually associated with that name are produced. Under the lower, Paris and Madrid standards, additional evidence must be adduced that this incorrect denomination may mislead consumers.

At the heart of the debate are dual-purpose denominations such as "Chablis" or "Champagne"—referred to in US regulations as "semi-generic."[35] Those denominations are considered *semi*-generic because they are understood by many consumers in the US as referring *both* to a geographical origin (in the two examples above, specific regions in France) and a type of product (using the same two examples, a crisp white wine made mostly with Chardonnay grapes and a Chardonnay-blend bubbly white wine, respectively).[36] The existence of those denominations often stems from migratory patterns. They are used by "New World" producers to associate a product produced with a type of product or location associated with the "Old World."[37]

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35 See note 219 and accompanying text.

36 See Terroir France, *French Wine Guide: French Terroirs*, online at http://www.terroir-france.com/region/ (visited Apr 24, 2010). Jim Chen might disagree:

> [W]ine connoisseurs will know that Chablis comes from grapes grown in a delimited region roughly 260 kilometers southeast of Paris and that Chablis farmers oversee the fermentation of Chablis grapes into Chablis wine according to Chablis-specific oenological guidelines. The ordinary wine-chugging philistine knows nothing of the sort. In this respect, TRIPS accomplishes nothing. The connoisseur hardly needs an international treaty to tell her what she already knows: the AOC indication on the label of a French wine guarantees a certain savor and satisfaction. The ordinary consumer, on the other hand, has no such knowledge, and American law as reinforced by TRIPS will take no steps to educate her.

Jim Chen, *A Sober Second Look at Appellations of Origin: How the United States Will Crash France's Wine and Cheese Party*, 5 Minn J Global Trade 29, 57–58 (1996).

37 See Barham, 19 J Rural Stud at 128 (cited in note 19):

> Problems arise for US producers who took pre-existing European place names for their products—a frequent phenomenon as well in other countries that experienced heavy European immigration, including Canada and many countries in Latin America. Immigrant business owners of European[*sic*] were familiar with geographical names from their home countries that were associated with quality products and used them to promote their own products. In the US and some other countries, such place names have been treated as generic names for certain types of products, to the chagrin of countries where the actual regions are located (i.e., Champagne and Chablis in France).

2. Current Lisbon membership and use.

Looking at the twenty-six countries party to the Lisbon Agreement as of January 2010,[38] one can see that, if the goal in 1958 was to establish a worldwide system of higher protection for geographical denominations used in association with specific products, the Agreement has not been wildly successful. That said, there has been progress in recent years. Approximately one-third of the Lisbon membership joined Lisbon since the conclusion of the TRIPS Agreement in 1994.[39] In spite of those additions, however, the Agreement's membership is still largely concentrated in the Mediterranean world. An examination of all current appellations on the register shows that almost all emanate from fewer than ten countries.[40] The "New World" may thus be forgiven for thinking that the Lisbon system is inadequate. Indeed, eleven countries hold 97.5 percent of all entries, and in fact the top three hold over 78 percent, with one country, France, holding 62.5 percent of the total (almost 90 percent of which are for wines & spirits).[41]

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38 Algeria, Bulgaria, Burkina Faso, Congo, Costa Rica, Cuba, Czech Republic, Democratic People's Republic of Korea, France, Gabon, Georgia, Haiti, Hungary, Iran (Islamic Republic of), Israel, Italy, Mexico, Montenegro, Nicaragua, Peru, Portugal, Republic of Moldova, Serbia, Slovakia, Togo and Tunisia. Greece, Morocco, Romania, Spain and Turkey signed the 1958 Agreement but never ratified it.

39 Democratic People's Republic of Korea (2005), Georgia (2004), Iran (2006), Montenegro (2006), Nicaragua (2006), Peru (2005) and Moldova (2001). It is worth noting that *sui generis* systems (as separate from trademark law) exist in approximately 75 countries. However, they are far from uniform in scope (products to which they apply), term of protection or process. Some countries protect certain GIs automatically (without a registration process) but only for a short period of time. See, for example, Singapore, *Geographical Indications Act 1998* (Cap 117 B, No 44). Others require registration but do not verify whether the claim to a particular quality is founded. See, for example, Malaysia, *Geographical Indications Act*, Act 602 (2000). A third group, in a practice reminiscent of trademark law (trademarks may be protected under common law rules and/or registration in the US), have a registration system for GIs but unregistered GIs are protected. See, for example, Mauritania, *Geographical Indications Act No 23* (Aug 8, 2002). A final group requires registration and verifies the accuracy of claims to a particular quality and/or requires a "codification" of the characteristics that can be expected in a product bearing the protected indication and of the exact geographic boundaries of the indication. This is the case for the French AOC system discussed below. See note 183 and accompanying text; Irina Kireeva and Bernard O'Connor, *Geographical Indications and the TRIPS Agreement: What Protection Is Provided to Geographical Indications in WTO Members?*, 13 J World Intell Prop 275 (2010).

40 An examination of each appellation currently protected under the Lisbon system formed part of the research for this Article.

41 Data extracted from WIPO, *Intellectual Property Digital Library, Lisbon Express*, online at http://www.wipo.int/ipdl/en/lisbon/ (visited Apr 24, 2010).

The exact breakdown is as follows:

Country of Origin	Total Lisbon Appellations	Appellations for W&S	Percentage of Total Lisbon Entries	Percentage of Country's Entries for W&S
France	508	456	62.5%	89.8%
Czech Republic	76	10	9.3%	13.2%
Bulgaria	51	1	6.3%	2.0%
Slovak Republic	37	33	4.6%	89.2%
Hungary	28	15	3.4%	53.6%
Italy	28	22	3.4%	78.6%
Georgia	20	18	2.5%	90.0%
Cuba	19	0	2.3%	0.0%
Mexico	11	5	1.4%	45.5%
Portugal	7	7	0.9%	100.0%
Algeria	7	7	0.9%	100.0%
Others	21	14	3.5%	66.7%
TOTAL	813	588	--	--

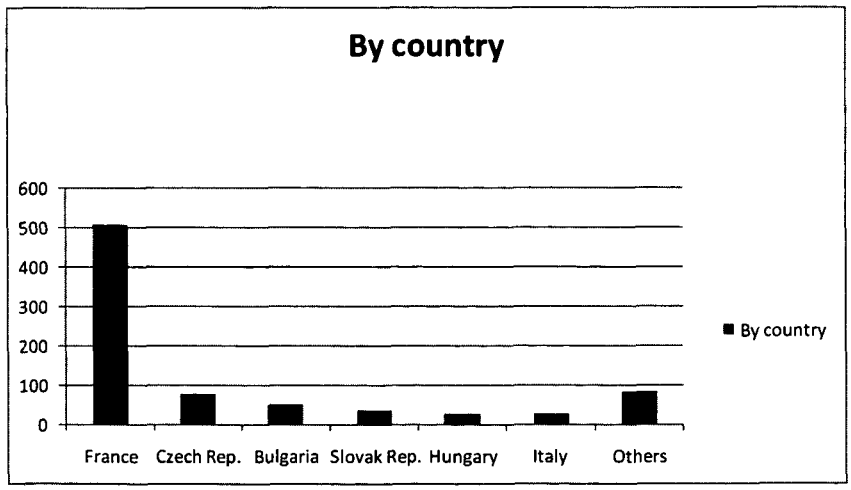


Figure 1: Lisbon Appellations by Country of Origin

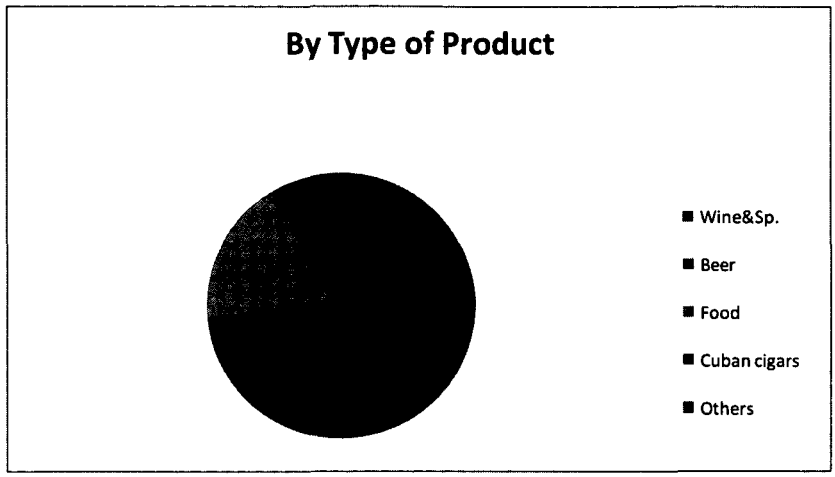


Figure 2: Lisbon Appellations by Type of Product

In terms of product areas, of the 813 accessible, active entries on the register,[42] 588 (72.3 percent) were for wines and spirits (519 for wines and thus potentially of interest for the Article 23.4 register) and an additional eleven for beer.[43] In my discussion of potential roadblocks to a US participation in the Lisbon system, I will return to the protection of names of wines and spirits and whether they indeed are a problem for US producers.[44]

In spite of the Lisbon Agreement's limited success, it is the closest international instrument to the register foreseen in the TRIPS section on geographical indications.[45] WTO members agreed to two relevant things in the TRIPS Agreement. First, they agreed to provide Lisbon-type protection (that is, even in the absence of consumer confusion) for geographical indications and Paris-type protection for other GIs:

> [I]dentifying 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

42 As of Dec 10, 2009. See id.

43 I separated wines and spirits from other products, including beer, following in the footsteps of Article 23 of the TRIPS Agreement.

44 See Part IV.A.3.

45 The Paris Convention and Madrid Agreement ("Indications"), of course, offer much more limited protection. See Daniel Gervais, *The Lisbon Agreement's Misunderstood Potential,* 1:1 WIPO J 87, 88–94 (2009).

> indication is used in translation or accompanied by expressions such as "kind," "type," "style," "imitation" or the like. [46]

Second, they agreed to negotiate "in the Council for TRIPS concerning the establishment of a multilateral system of notification and registration of geographical indications for wines eligible for protection in those Members participating in the system."[47] Asking what the future role of the Lisbon Agreement might be in implementing the TRIPS Agreement is prima facie a valid question.

In fact, asking where the TRIPS Article 23.4 register will be located and by whom it will be administered, and then what, if any, will the interface with the Lisbon register be, are not just valid questions, they are unavoidable. The WTO, which administers TRIPS, has no experience in establishing or creating a multilateral intellectual property registration system. It has implicitly recognized this lack of expertise: under the cooperation agreement entered into between WIPO and the WTO, WIPO administers the registration and notification system contained in Article 6*ter* of the Paris Convention and made applicable to WTO Members who are not party to the Paris Convention.[48] Could WIPO reasonably administer the Lisbon register *and* a parallel, independent system established under Article 23.4 of the TRIPS Agreement?[49]

The first step to take to divide the critical wheat from the asserted but unfounded chaff is to understand whether TRIPS and Lisbon live in the same or compatible terminological domains.

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46 TRIPS Agreement, Art 23.1 (cited in note 3).

47 Id, Art 23.4.

48 Admittedly a short list (as of November 2009): Brunei Darussalam, Cape Verde, Fiji, Kuwait, Maldives, Myanmar, the Solomon Islands and Taipei, as well as Hong Kong and Macau (China) and the EU. See Daniel Gervais, *The TRIPS Agreement* at 757–59 (cited in note 8). The agreement between the WTO and WIPO provides, for instance, that "[t]he procedures relating to communication of emblems and transmittal of objections under the TRIPS Agreement shall be administered by the International Bureau in accordance with the procedures applicable under Article 6*ter* of the Paris Convention." *WTO-WIPO cooperation agreement*, Art 3(1)(a) (Dec 22, 1995), online at http://www.wto.org/english/tratop_e/trips_e/wtowip_e.htm (visited Apr 24, 2010).

49 See Mihály Ficsor, *Challenges to the Lisbon system* ("Ficsor report"), WIPO/GEO/LIS/08/4, 2 (2008) (Document prepared for the WIPO Forum on Geographical Indications and Appellations of Origin, Lisbon, October 30 and 31, 2008). Mr. Ficsor is Vice President of the Hungarian Patent Office and, to avoid any confusion, the son of former WIPO Assistant Director General Mihály Ficsor.

B. Comparing the Concepts

1. International definitions.

In a recent Article, I compared the Lisbon definition of "appellation of origin" and the notion of "geographical indications" in the TRIPS Agreement and other similar notions in EU law and NAFTA.[50] Without replicating that analysis, here are my main findings.

The Lisbon Agreement deals with "appellations of origin," which are defined in the Agreement as follows:

> [T]he geographical name of a country, region, or locality, which serves to designate a product originating therein, the quality and characteristics of which are due exclusively or essentially to the geographical environment, including—natural and human factors.[51]

This definition is also used to define the same term in the Paris Convention.[52] Appellations of origin are denominations that designate a geographical location, which may be as small as a village or as big as a country, in order to distinguish products produced in that geographical location and produced either according to regulations or to "local, constant and trusted usage"[53] in such location which results in certain quality or characteristics of the product and/or its fame. Typically, the special fame, quality or characteristic of the product will be due to a method of production combined with the extraction and use of local natural resources. The notion is not, however, confined to food products. Industrial products may also be protected by an appellation due to the availability of specialized skills, raw materials and/or know-how.[54] Protection may also extend to a certain presentation of products for sale.[55] The *Actes* note that an appellation of origin is usually linked to the special qualities of a product associated with a

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50 See Gervais, 1:1 WIPO at 88–94 (cited in note 45).

51 Art 2(1) of the Lisbon Agreement. The official French version says "quality *or* characteristics." See note 64. The notion *should* include (or even consist entirely of) *natural* factors because human factors are moveable and thus hard to pinpoint geographically. See note 27.

52 See G.H.C. Bodenhausen, *Guide To The Application of the Paris Convention for the Protection of Industrial Property, as revised at Stockholm in 1967* 23 (World Intell Prop 1967). It is also used in the *International Convention for the Use of Designations of Origin and Names of Cheeses* (June 1, 1951), online at http://www.admin.ch/ch/f/rs/i8/0.817.142.1.fr.pdf (visited Apr 24, 2010).

53 *Actes De La Conférence Réunie À Lisbonne Du 6 Au 31 Octobre 1958* ("*Actes*"), 813 (1963). The Acts of the Lisbon Conference were published in French only. All translations are the author's own.

54 See id. For example, Hungary has a protected appellation for fencing blades on the Lisbon register (Szentgotthárd-Lisbon appellation No 586).

55 See id at 814.

"*terroir*," while indications of source can be used in association with any kind of product.[56]

By contrast, the TRIPS Agreement is the first multilateral text dealing with the notion of "geographical indications."[57] Like appellations of origin, its focus is on quality or characteristics of goods that derive from geographical origin. Yet TRIPS adds semiotic flexibility by encompassing any *indication* (name or otherwise) that would point to a particular geographic origin as long as a certain quality or characteristic (and/or reputation) is attributable to that origin. As Ficsor noted, however, "at the end of the day, a name is something that identifies."[58] Indeed, the current practice under the Lisbon Agreement is to register denominations that may not be "names" *stricto sensu*.[59] Yet a possible semantic discrepancy remains and forms part of the protocol proposal in Part III below.[60]

Another possible difference is that appellations of origin are necessarily related to geographical environment, including natural and human factors,[61] while TRIPS notion of geographical indication uses a more general concept of "geographical origin." Additionally, TRIPS refers to "quality, reputation *or* other characteristic" of the good being essentially attributable to its geographical origin, while the English version of Lisbon mentions the "quality *and* characteristics of which are due exclusively or essentially to the geographical environment."[62] However, the only official version of the Lisbon Agreement is

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56 There is no good translation for *terroir*. Following WIPO's lead, I decided to use the French term. See WIPO Standing Committee on the Law of Trademarks, Industrial Designs and Geographical Indications: Tenth Session (Geneva, April 28–May 2, 2003), *Geographical Indications: Document prepared by the Secretariat,* WIPO Document SCT/10/4, § 28 (March 25, 2003). *Terroir* comes from *terre* (earth, land). It denotes the special characteristics that a specific geographic origin bestows upon particular products grown or produced there.

57 TRIPS Agreement, Art 22.1 (cited in note 3).

58 Ficsor, WIPO/GEO/LIS/08/4 at 5 (cited in note 49). The *Webster's Dictionary* provides two definitions of the term "name," one of which reads: "a *word or symbol* used in logic to designate an entity" (emphasis added).

59 Ficsor, WIPO/GEO/LIS/08/4 at 6.

60 By comparison, the Lanham Act, 15 USC § 1127 (2006), defines a trademark as "any word, name, symbol, or device, or any combination thereof used by a person to identify and distinguish his or her goods from those manufactured or sold by others."

61 For examples of how far this could be applied, see Florent Gevers, *Geographical Names and Signs Used as Trade Marks*, 8 Eur Intell Prop Rev 285 (1990); Luigi Sordelli, *The Future Possibilities of International Protection for Geographical Indications,* 30 Indus Prop 154 (1991).

62 TRIPS Agreement, Art 22.1 (cited in note 3) (emphasis added); Lisbon Agreement, Art 2(1) (cited in note 7). WIPO noted a number of additional small minor syntax differences which amount to distinctions without any (clear) difference. See Standing Committee on the Law of Trademarks, Industrial Designs and Geographical Indications: Ninth Session (Geneva, Nov 11–15, 2002), *The*

the French version.[63] In French, the key part of Article 2 reads "*la qualité ou les caractères*," that is the quality *or* characteristics.[64]

What remains then, is the different treatment of reputation.[65] The difference is not picayune, but a bridge between TRIPS and Lisbon can be built because the Lisbon Agreement defines "country of origin" as "the country whose name, or the country in which is situated the region or locality whose name, constitutes the appellation of origin which has given the product its *reputation.*"[66] What remains amounts to a sequencing difference: Lisbon focuses on quality and characteristics and seems to assume that a reputational advantage will follow, while TRIPS essentially opposes the three notions.

A study of thirty-seven WTO members published by the WIPO notes that there is no real difference here because states tend to take into account all of the above elements in one form or another.[67] Staying within the parameters of the text, I suggest that one may interpret the reference to "reputation" in the Lisbon Agreement as requiring reputation "next to" quality or characteristics. This view is supported by Article 2(2) but also by the use of the term "recognized" in Article 1(2).[68] The meaning of this term as it features in Article 1(2) is explained in the Report of the Fourth Commission of the Lisbon Conference[69] as follows: "Article I was approved with the addition of the word 'recognized' before the

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Definition of Geographical Indications: Document prepared by the Secretariat, WIPO Document SCT/9/4, §§ 11–12 (Oct 1, 2002).

63 Lisbon Agreement, Art 17(1)(a) (cited in note 7).

64 Admittedly, the French *ou* is somewhat more complicated and can sometimes best be translated as "and/or," but it is not a straight "and."

65 And perhaps a theoretical question as to whether Lisbon members which picked the English version to implement the Agreement are in fact in compliance if requiring evidence of both a special quality and characteristics of products associated with a given appellation.

66 Art 2(2) provides that the "country of origin is the country whose name, or the country in which is situated the region or locality whose name, constitutes the appellation of origin *which has given the product its reputation.*"

67 See WIPO document SCT/10/4, § 8 (cited in note 56):

> [O]ne [may] understand the elements listed in the definition in the same way as the factors contained in the above-mentioned Recommendations and may it be stated that the *guidelines to assist the competent authority to determine whether* [a product may benefit from protection as a geographical indication] *are not pre-conditions for reaching a determination. Rather the determination in each case will depend upon the particular circumstances of that case. In certain cases, all of the factors may be relevant. In other cases, some of the factors may be relevant.*

(emphasis in original).

The WTO study referred to here is *Review under Article 24.2 of the Application of the Provisions of the Section of the TRIPS Agreement on Geographical Indications: Summary of the Responses to the Checklist of Questions*, WTO Document IP/C/W/253/Rev.1 (Nov 24, 2003). It is discussed in the next Part.

68 See Lisbon Agreement, Art 2(2) (cited at note 7).

69 See *Actes* at 859 (cited in note 53).

words 'protected as such'—a change considered necessary to harmonize this provision with the principle according to which an appellation always protects a product having a certain degree of notoriety."[70]

Like quality, reputation depends (for many products) in significant part on consumer perception.[71] Reputation is the result of years of work in association with a product. It is the mental link between that product and a certain quality or characteristic tied to its geographical origin. Reputation is also a cause that can be measured by its effect(s), for example, consumer surveys, price differentials attributable to the perceived advantage of the product because of its origin, etc. Put differently, if potential buyers of a product want it because a quality or characteristic associated with it stems from its geographical origin (whether the cause is human or natural factors or a combination of both) then that product could be said to have a given reputation.[72]

In sum, there are differences between appellations of origin and geographical indications, but they are gaps that a protocol could easily fill because there the two systems of protection are not incommensurable. Geographical indications as the term is used in the TRIPS Agreement cover a somewhat broader scope than "appellations of origin" as defined in the Lisbon Agreement, because the former: (a) are limited to "names"; and (b) include the "reputation" parameter as a separate element, whereas in Lisbon reputation is assumed to derive from the quality or characteristics and is mentioned in the definition of "country of origin" instead of the definition of appellation itself.[73]

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70 Id.

71 As is discussed below, if reputation is "subjective" then so is quality. As I will argue below, the term "subjective" in this context is suboptimal. In fact, there are several social, cultural and economic factors that factor into the equation, which responds to conventions at the point of production and myriad consumer concerns, partly informed by cognitive marketing efforts and partly by desires to consume products that are local and/or come from more transparent production and distribution processes. On the last point, see note 201; on the other points, see note 192 and accompanying text.

72 See WIPO document SCT/10/4, § 25 (cited in note 56):

> Reputation is based, *inter alia,* on the consumer's perception of the geographical indication, i.e. on the consumer's ability to distinguish the protected product as a geographical indication in relation to the other products of the same type or a different type. In certain systems, emphasis is placed on the economic value of the reputation, insofar as the reputation is based largely on the investments which have been necessary on the part of the producers to obtain it. The corollary of these investments will consist, as for any intellectual property right, of the need to provide appropriate and sufficient protection. Thus, the consumer will be prepared to pay more for a protected product as a geographical indication, insofar as the product enjoys a certain reputation.

73 In addition, systems concerning appellations of origin usually presuppose the existence of a registration system. See WIPO document GEO/CE/I/II ¶ 41 (April 9, 1990). See also WIPO document SCT/9/4 (cited in note 62). It is also relevant to note that this European Regulation was negotiated at about the same time as TRIPS.

2. Lisbon and national definitions.

At the national level, the WTO study on geographical indications protection in thirty-seven member states[74] reveals a lack of uniformity in both definitions and administrative practices. In fact, some members protect GIs as trademarks, others under laws relating to business practices and a third group under various *sui generis* statutes.[75] Even among the latter group, practices vary widely. For example, WTO members with *sui generis* systems that include monitoring have provided monitoring authority to a variety of agencies: a specialized administrative or statutory body (Australia and Hungary); a Ministry (Greece and Romania); the industrial property office (Turkey and Venezuela); other administrative authorities or public institutions (Estonia, Spain and Japan); accredited private or public certification bodies(Finland and France); a regional or local governmental authority (Germany and Poland); or administrative authorities together with producer associations (Belgium and Italy). Moreover, a number of WTO members use different systems for different types of products.[76]

It would also be inaccurate simply to classify countries in two groups, namely those that protect geographical denominations as certification marks and those that prefer a separate, *sui generis* system—the latter often requiring evidence of the special qualities or characteristics of the product while the former only requires evidence that there is no prior user of the mark. China, for example, protects geographical denominations as certification marks but has implemented a requirement of evidence of special characteristics to be submitted by applicants and examined by a governmental authority.[77]

While the preceding list obviously does not purport to present a full picture of the protection at the national level, and *a fortiori* a true analytical picture, it shows that the degree of flexibility which exists in international treaties is unlikely to be cabined by reference to common practices at the state level.[78]

III. USING THE LISBON SYSTEM

To understand whether the Lisbon system can be developed in ways that would allow it to become the TRIPS Article 23.4 register, one must understand

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74 See WIPO document SCT/10/4 (cited in note 56).

75 See id.

76 See id.

77 See Trademark Law of the People's Republic of China §§ 3, 16 (Aug 23, 1982), online at http://www.chinaiprlaw.com/english/laws/laws11.htm (visited Apr 24, 2010).

78 For example, by reference to the Vienna Convention on the Law of Treaties ("Vienna Convention"), Art 31(3)(b), 1155 UNTS 331 (May 23, 1969).

precisely what Lisbon entails. This in turn requires a contextual analysis of the Lisbon Agreement reflecting, where this is necessary, useful lessons from the Agreement's negotiating history (*travaux préparatoires*).[79]

I will proceed by considering six substantive areas that amount to most of the provisions of the Agreement, leaving aside the definition of appellation of origin contained in Article 2, which was discussed above. In doing so, I tried to follow the structure of the Agreement. The six areas are the requirement that appellations of origin be protected "as such", the scope of protection, the registration process, the grounds for refusing an appellation, the rules concerning conflicts with prior trademarks and deemed genericness.

A. Protecting Appellations of Origin "As Such"

Article 1 of the Lisbon Agreement provides that States party to the treaty must "protect on their territories, in accordance with the terms of this Agreement, the appellations of origin of products of the other countries of the Special Union, recognized and *protected as such* in the country of origin and registered" at the International Bureau (secretariat) of (WIPO).[80] The obligation to protect appellations is thus bounded by: (a) the need for the appellation to be protected in the country of origin, and (b) the need to be registered at WIPO. This implies the existence of an international registry. However, it implies neither national registries nor a domestic *sui generis* regime for appellations of origin. This will become clearer as we look at other provisions.

Professor Justin Hughes rightly notes that Article 1 requires Lisbon members to protect appellations of origin "as such."[81] This might require that Lisbon members use the term "appellation of origin" in their national law, an

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79 In cases where the meaning of an international treaty is unclear, the Vienna Convention allows us to look at a treaty's negotiating history, Art 32 provides:

> Recourse may be had to supplementary means of interpretation, *including the preparatory work of*
>
> *the treaty and the circumstances of its conclusion*, in order to confirm the meaning resulting from the application of article 31, or to determine the meaning when the interpretation according to article 31:
>
> (*a*) leaves the meaning ambiguous or obscure; or
>
> (*b*) leads to a result which is manifestly absurd or unreasonable.

(emphasis added)

80 Lisbon Agreement, Art 1 (emphasis added) (cited in note 7). Because members of the Lisbon system saw themselves as providing for a higher protection than members of the Paris Convention but assumed they would be members of the Paris Union they created a "special union" as members of Lisbon. See Paris Convention (cited in note 30); *Actes* at 814 (cited in note 53).

81 Lisbon Agreement, Art 1(2) (cited in note 7). See Justin Hughes, *Champagne, Feta, And Bourbon: The Spirited Debate about Geographical Indications*, 58 Hastings L J 299, 312–13 (2006).

option he (rightly) views as unpalatable for many New World countries. This argument seems well-founded but the text can also be read in a different way.

The Agreement actually requires that a denomination be protected *as an appellation of origin* which means as the "geographical name of a country, region, or locality, which serves to designate a product originating therein, the quality and characteristics of which are due exclusively or essentially to the geographical environment, including natural and human factors." This means that the country must *apply the definition* but not necessarily *use the term* "appellation of origin." Perhaps more importantly, the *Actes* tell us that "as such" in Article 1(2) "means that the right to the appellation of origin must be recognized first and foremost in the country of origin."[82]

This recognition in the country of origin is meant to imply that each country can decide whether and how it will decide who may seek international recognition of geographical denominations originating from its territory.[83] This is reinforced by a statement from the proponents of the original Agreement that they felt a definition of "country of origin" was essential, but not a definition of "appellation of origin."[84] Therefore, the "as such" argument does not seem to preclude countries from joining the Lisbon system without using the term "appellation of origin," provided they comply with the definition of the term and other Lisbon obligations. Terminology is, however, a possible irritant that a definition in a possible Protocol could easily remove.[85]

B. Scope of Protection

Article 3 provides that protection must be conferred against *usurpation or imitation*, even if the true origin of the product is indicated or the appellation is accompanied by terms such as "kind," "type," "make," "imitation," or the like.[86] A prohibition against the use of translated versions of protected appellations was added at the suggestion of the host nation, Portugal.[87] The exact nature of this prohibition is far from crystalline. For example, use of a protected appellation on a product other than the product in connection with which it was registered, as with the notion of dilution under US trademark law, could lead to

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82 *Actes* at 814 (cited in note 53).

83 See id at 814–15.

84 Id at 815.

85 See Part V.B.

86 Lisbon Agreement, Art 3 (cited in note 7).

87 *Actes* at 815 (cited in note 53).

usurpation.[88] Would using "Beaujolais" for, say, tires or ice cream infringe Lisbon?[89] Probably not. The *Actes* define usurpation as the "illicit adoption" of an appellation (and provides counterfeiting as a possible synonym) and, as to the latter, refers to "fraudulent imitation."[90] This seems reasonably limited in scope. The *Actes* also make clear that it is up to each country to decide what remedies should be available.[91] There is thus sufficient implementation flexibility to accommodate different legal systems. A possible Protocol should, however, align the Lisbon terminology and prohibitions with the TRIPS language, a matter to which I return in Part III and to avoid the inherent risks associated with a dual standard of protection, usurpation and imitation should thus be replaced.

Article 4 safeguards additional protection, if any, available under the Paris Convention and the Madrid Agreement under bilateral and plurilateral agreements, and applies to existing protection probably also national laws and regulations, and court or administrative decisions.

Article 8 provides that remedies for ensuring the protection of appellations of origin may be taken in each of the countries of the Special Union under the provisions of the national legislation:

1. At the instance of the competent Office or at the request of the public prosecutor
2. By any interested party, whether a natural person or a legal entity, whether public or private.[92]

This provision seems to imply ex officio powers from the national authority (office), attorney general or other official to take legal action, but there is no obligation to provide such powers. Article 8 leaves remedies essentially up to each member state, though it should amount to sufficient protection against "usurpation and imitation." [93]

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88 However, dilution is an infringement doctrine and is currently not applied during the registration process, which is limited to an examination of potential confusion or deception.

89 "Beaujolais" is a Lisbon protected appellation (No 132).

90 *Actes* at 815 (cited in note 53).

91 Id at 818.

92 Lisbon Agreement, Art 8 (cited in note 7).

93 As the WIPO Secretariat noted recently: "The Lisbon Agreement does not define the terms 'usurpation' and 'imitation'. The necessary action has to be taken before the competent authorities of each of the countries of the Union in which the appellation is protected, according to the procedural rules laid down in the national legislation of those countries." See WIPO Document LI/WG/DEV/1/2 Rev. See also text accompanying note 80.

C. The Registration Process

Article 5, which deals with the registration system, is by far the most important provision of the Lisbon Agreement. In that respect, the negotiating history is highly informative because the original draft prepared by the Secretariat was essentially rewritten at the Diplomatic Conference that adopted the Agreement, which provided ample opportunities for negotiators to comment.[94] According to Article 5, applications for registration may only be made by or through the appointed authority of a member State.[95] The national authority applies in the "name of any natural persons or legal entities, public or private, having, according to their national legislation, a right to use such appellations."[96]

Two conclusions can already be drawn: (a) a national authority must be appointed to interface with the Lisbon register; and (b) it is up to each country of origin to decide who has the right to register a Lisbon appellation.[97]

The rest of Article 5 prescribes the registration process.[98] First, WIPO must notify "without delay" any new registration and publish them in a periodical.[99] Then—and this is the core dispute resolution component of the system—any national office may declare that it "cannot ensure the protection of an appellation of origin whose registration has been notified to it . . . together with an indication of the grounds therefore."[100] The declaration of refusal must be made within one year of the receipt of WIPO's notification and may not be

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94 See Matthijs Geuze, *Let's Have another Look at the Lisbon Agreement: Its Terms in Their Context and in the Light of Its Object and Purpose*, WIPO Document, WIPO/GEO/BEI/07/10 (June 18, 2007).

95 The official French text speaks of "*administration compétente.*"

96 Lisbon Agreement, Art 5(1) (cited in note 7). The obligation to apply through a national authority is similar under the Madrid system (trademarks). See Madrid Trademark Agreement (cited in note 33); Madrid Trademark Protocol (cited in note 33). The US joined the Protocol (and thus the Madrid System) on Aug 2, 2003. See WIPO, *Madrid System for the International Registration of Marks, List of Members*, online at http://www.wipo.int/export/sites/www/treaties/en/documents/pdf/madrid_marks.pdf (visited Apr 24, 2010). One potential difference is whether the national authority is required to pass on an application to the international level (WIPO) or whether it could refuse to do so if it considered the application unfounded. The latter is certainly permissible under Lisbon.

97 Regulations under the Lisbon Agreement for the Protection of Appellations of Origin and Their International Registration ("Lisbon Regulations"), Art 4, online at http://www.wipo.int/lisbon/en/legal_texts/ (visited Apr 24, 2010) (latest version entered in force on April 1, 2002) provides that each country must inform WIPO of the name and address of the authority competent to effect each of the notifications possible under the Agreement.

98 The details of the process are contained in the Regulations.

99 Lisbon Agreement, Art 5(2) (cited in note 7).

100 Id, Art 5(3).

made later.[101] The declaration does not reduce protection that may be available under other instruments (such as the Paris Convention or the Madrid Agreement), which means that the higher protection (in the absence of any misleading element) may not be available, but protection available for a false indication would still apply (it may be protected under the trademark laws of individual countries).[102]

If a declaration of refusal is made within the appropriate delay and with justification (for example, the appellation is generic in the declaring country), WIPO then notifies the country of origin, which, in turn, notifies the right holder (that is, the applicant/holder of the registration). The *only* remedy available at that juncture for the applicant/right holder is to resort, in the refusing country, to the judicial and administrative remedies open to the nationals of that country—that is, national treatment. There are no limits in Lisbon on the grounds that may be invoked in support of a declaration under Article 5(3). The Agreement merely states that the declaration must mention the grounds for refusal.

D. Grounds for Refusing an Appellation

The refusal of foreign appellations being at the heart of the Lisbon system, I now turn to in detail the possible grounds for refusal, that is, for a Lisbon member to refuse to protect an appellation received from WIPO after its submission by another Lisbon member (the country of origin).[103]

The negotiating history mentions specifically as a ground for refusal the fact that a member considers the appellation to have become generic in its

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101 Id, Art 5(4).

102 See, for example, § 43(a)(1) of the Lanham Act (cited in note 60), which provides that:

> Any person who, on or in connection with any goods or services, or any container for goods, uses in commerce any word, term, name, symbol, or device, or any combination thereof, or any false designation of origin, false or misleading description of fact, or false or misleading representation of fact, which—
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> (A) is likely to cause confusion, or to cause mistake, or to deceive as to the affiliation, connection, or association of such person with another person, or as to the origin, sponsorship, or approval of his or her goods, services, or commercial activities by another person, or
>
> (B) in commercial advertising or promotion, misrepresents the nature, characteristics, qualities, or geographic origin of his or her or another person's goods, services, or commercial activities,
>
> shall be liable in a civil action by any person who believes that he or she is or is likely to be damaged by such act.

For a discussion, see Lillian R. BeVier, *Competitor Suits for False Advertising under Section 43(a) of the Lanham Act: A Puzzle in the Law of Deception*, 78 Va L Rev 1 (1992).

103 Lisbon Agreement, Art 5 (cited in note 7).

territory.[104] There are other grounds, however. Indeed, Italy had suggested an amendment to limit refusals *only* to cases where an appellation has become generic in the declaring country and this amendment was refused (by a vote of 7-1).[105] Clearly, therefore, there are other possible grounds for refusal. They include the case where an appellation is used for a product that violates *ordre public*,[106] or when it is simply not a proper appellation.[107] The *Actes* also make that clear: "The proposed procedure gives countries which receive the notification of an appellation of origin from the International Bureau the possibility of using any legal or factual situation to oppose the grant of protection for all or part of the territory of the Special Union."[108]

Looking at the actual practice of Lisbon members, some have refused appellations that conflicted with earlier trademarks,[109] an area that is partly regulated by TRIPS, but not by Lisbon, except for Article 5(6), which allows a member not notifying a refusal to provide for a period of coexistence of up to two years.[110] If a refusal is notified, it can be partly withdrawn to allow for a

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104 In a document prepared for the recently established Working Group on the Development of the Lisbon System, the WIPO Secretariat notes:

> [A] contracting country may refuse to protect an appellation of origin because *it considers* that the appellation has already acquired a generic character in its territory in relation to the product to which it refers or because it considers that the geographical designation does not conform to the definition of an appellation of origin in the Lisbon Agreement or because the appellation would conflict with a trademark or other right already protected in the country concerned.

WIPO Document LI/WG/DEV/1/2 Rev at 4 (cited in note 104) (emphasis added). The Working Group was established at the twenty-third (6th extraordinary) session of the Assembly of the Lisbon Union (Sept 22–30, 2008) and is responsible for exploring possible improvements to the procedures under the Lisbon Agreement. The Working Group met in Geneva from March 17–20, 2009. See the Summary by the Chair, WIPO Document LI/WG/DEV/1/3 (Mar 20, 2009). The US participated as an observer. See id at 1; *Actes* at 817 (cited in note 53).

105 Id at 835–37.

106 As Iran did in refusing "PILS." See IRAN—Declaration of refusal of protection, Appellation Nos 001 and 002, December 10, 2007 (Iran joined Lisbon in 2006). In fact, Iran refused all appellations relating to alcoholic beverages or pork meat, as well as the only Israeli appellation on the Lisbon Register (Jaffa). See Lisbon Bulletin No 37, which also contains statistics on grounds of refusal, online at http://www.wipo.int/export/sites/www/lisbon/en/docs/bulletin_2009_37.pdf (visited Apr 24, 2010).

107 The appellation "Bud" (Appellation No 598) was similarly refused by many Lisbon members as not referring to a geographical location. The case also highlights the differences between appellations and trademarks.

108 *Actes* at 817 (cited in note 53).

109 See, for example, the refusal of the appellation KHVANCHCARA by Bulgaria of May 10, 2005, Appellation No 862, because of a conflict with an earlier national trademark.

110 See *Actes* at 817 (cited in note 53); TRIPS Agreement, Art 24.5 (cited in note 3).

much longer period of coexistence, possibly for an indefinite period.[111] Reinforcing the above conclusion, the Chair of the Negotiation Committee explained that there should be no international control of the grounds for refusal. As a formal matter, a declaration of refusal must contain grounds.[112] Beyond that, it would seem the matter would be left for courts to decide or for further bilateral discussions. In the former case, perhaps the grounds for refusal could be challenged, but before the courts of the declaring (refusing) country.[113]

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111 The WIPO Secretariat is on the record that Article 5(6) does not apply in the case where a refusal is withdrawn, stating that this view was based on the fact that:

> Article 5(6) itself, as well as Rule 12 of the Lisbon Regulations, laid down a procedure for notification at the end of the one-year period in which a refusal could be issued and specified that the two-year period for phasing out prior uses of the denomination concerned in a given country that did not refuse to protect the international registration in question would have to start at the end of that one-year period and had to be notified to the International Bureau within three months after the end of the one-year period.

Continuing, the Secretariat said that it:

> was, of course, a question of interpretation whether or not Member States were also bound to eliminate prior use in case of the withdrawal of a refusal within two years from the date of such a withdrawal. Although this question had never arisen in practice under the procedures of the Lisbon system, the Secretariat had once been asked by a Member State for its understanding in this regard, as the Member State in question was, at that time, preparing the withdrawal of a refusal and was wondering whether it could grant a period to prior users that was longer than two years from the date of the withdrawal.

After ample consideration, the Secretariat had indicated to the Member State in question that it was its understanding that, in case of the withdrawal of a refusal, a longer period was allowed. The Secretariat was of the view that this would not be in the interest of right holders, nor of the Lisbon system. Allowing a longer transitional period in the case of the withdrawal of a refusal would, after all, have the advantage that during the transitional period the international registration would benefit from protection against other third parties. WIPO Document LI/WG/DEV/1/4 Prov, §§ 161–62 (Jan 8, 2010). See also WIPO document LI/WG/DEV/1/2 Rev at § 18 (cited in note 104).

112 As Ficsor notes:

> Article 5(3) [of the Lisbon Agreement] and [Lisbon] Rule 9(2)(ii) require an indication of the grounds for a declaration of refusal if the competent authority of the contracting country declares that it cannot ensure the protection of an appellation of origin whose international registration has been notified to it, but neither the Agreement, nor the Regulations specify the grounds on which a declaration of refusal can be based. It happens in practice, and thus it seems broadly accepted, that an internationally registered appellation of origin is, and can be, denied protection in a contracting country to the Lisbon Agreement because existing prior rights would conflict with that appellation.

Ficsor, WIPO/GEO/LIS/08/4 at 9 (cited in note 49).

113 A proposed amendment that would have allowed partial refusals (or partial statements of grant of protection based on the situation of coexistence) was discussed by the Lisbon Working Group. See WIPO Document LI/WG/DEV/1/2 Rev (proposed Rule 11*bis*(2)) (cited in note 104). That proposal did not reach the Lisbon Assembly. Partial refusals, however, are possible under current Rule 9(2)(iv) and partial withdrawals of refusals under current Rule 11. The proposed new Rule

As a possible alternative to a refusal, Article 5(6) provides that if an appellation: (1) has been granted protection in a given country pursuant to notification of its international registration; (2) was already in use by third parties in that country; and (3) that no refusal is notified under Article 5(3), then such third parties may be given a delay of up to two years to cease using the appellation.[114] A notification to WIPO is required. An interesting feature of this Article is that it applies only to appellations that are not subject to a refusal. If an appellation is refused and the refusal is later withdrawn, the party affecting the withdrawal may impose coexistence for an indefinite period and take any other measure to avoid the perceived expropriation of a prior mark.[115]

The fundamental underpinning of the Article 5 registration system is that the system, and especially the decision to file a declaration of refusal, is administered by each member state. The negotiating history makes plain that the negotiators did *not* want an international supervisory or oversight authority.[116] The system was viewed as a web of bilateral protection or negotiation in case of a refusal, with a fairly weak administrative center. In fact, a number of states had already exchanged lists of appellations bilaterally prior to their accession to Lisbon, which were then simply multi-lateralized using the Lisbon register. A Lisbon Union member can refuse any appellation notified to it. If and when approached by the country of origin, it may negotiate the withdrawal of such refusals[117] in the same way that bilateral agreements are now negotiated to protect certain geographical indications.[118] The *Actes* are clear in that respect: "The refusal must be accompanied by the grounds for which the country has

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11*bis*, in the version that was submitted to the Assembly, introduces procedures for the notification of statements of grant of protection in case no refusal is notified within the one year period or following a refusal (either in whole or in part). Allowing partial refusals in cases of coexistence, it would allow the Lisbon Register to reflect the actual situation in member countries as closely as possible.

114 See Lisbon Regulations, Rule 12 (cited in note 97).

115 See id at Rule 11–12. This might be considered a partial withdrawal under Rule 11.

116 *Actes* at 836 (cited in note 53).

117 See Lisbon Regulations, Rule 11 (cited in note 97) (providing the mechanism to withdraw declarations of refusal).

118 In 2005, a bilateral agreement was reached between Europe and the US on products of the vine. See US Trade Rep, *Press Release: United States and European Community Reach Agreement on Trade in Wine* (Mar 10, 2006), online at http://www.ustraderep.gov/Document_Library/Press_Releases/2006/March/United_States_European_Community_Reach_Agreement_on_Trade_in_Wine.html (visited Apr 24, 2010). For further discussion see generally Brian Rose, Comment, *No More Whining about Geographical Indications: Assessing the 2005 Agreement Between the United States and the European Community on the Trade in Wine*, 29 Houston J Intl L 731 (2007).

decided not to grant protection. Those grounds constitute a basis for possible discussion with a view to arriving at an agreement."[119]

Article 14(2)(c) provides that any country acceding to this Agreement may, within a period of one year, declare in regard to which appellations of origin, already registered at the International Bureau, it wishes to exercise the right provided for in Article 5(3).[120] This means that any new Lisbon member does not have to accept any of the registered appellations. It does, however, have a duty to examine those appellations and decide whether it wants to notify a refusal, which it must do within one year of accession.

This twelve-month period contained in Article 5 to issue a refusal is not quite the last word, however. Under Rule 16, a Lisbon member may *invalidate* a registered appellation. Once the invalidation is final (usually after all rights to appeal have been exhausted), the invalidation must be reported to the International Bureau.[121] A court or other competent authority in the country where protection is claimed can invalidate an appellation *for any reason.* Article 6, however, would seem to prevent invalidation for genericide in the country where protection is claimed, unless the appellation has become generic in its country of origin. This problem would likely surface for legacy appellations, that is, those appellations on the register at the time when a new country joins the Lisbon system and must decide, within twelve months, which appellations to refuse. For appellations registered *after* a country has joined, the scenario is much less likely: An appellation which is not refused at the time of registration (thus, a determination should have been made that it is not generic at that time) becomes generic in a country other than the country of origin. If the appellation is non-generic in the country of origin, it is still exploited by the holder of the appellation. Why then would that right holder let it lapse into genericness in

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119 *Actes* at 817 (cited in note 52). A number of proposed amendments to the Rules would streamline the system. See WIPO Doc LI/A/25/1, 1–7.

120 In practice, the International Bureau notifies the entire existing stock of Lisbon registered appellations upon accession to the new member country, which then has one year from receipt of that notification to notify any refusal(s). As noted above however, under Rule 16 an appellation may be invalidated (typically by a final decision of a court of law) after the expiry of this twelve-month period. See Lisbon Regulations, Rule 11 (cited in note 97).

121 For example, the appellation "Bud," which was refused by several Lisbon members, was invalidated in Hungary, Italy and Portugal. See WIPO International Bureau, Lisbon Registration, Appellation No 598, online at http://www.wipo.int/ipdl/en/lisbon/search-struct.jsp (visited Apr 24, 2010). The Italian invalidation refers to a final decision by the Italian Supreme Court no 13168/02 (June 18, 2002), confirming a decision by the Court of Appeal of Milan. See Lisbon Bulletin No 37.

another country?[122] Still, implausible is not impossible and this may cause a gap between Lisbon members and countries where a court may have the authority to make a finding of genericness. I will return to this issue in Part V.

E. Conflicts with Prior Trademarks

The Lisbon Agreement *allows,* but does not obligate, its Members to adopt or continue to use: (1) the "first in time, first in right" approach, as promoted, *inter alia*, by INTA[123] and the International Association for the Protection of Intellectual Property (AIPPI)[124]; (2) a coexistence approach (that is, a GI and trademark with similar legal effect[125]); or (3) a GI superiority approach. Members may do so with or without a good faith requirement concerning the prior trademark. Some members actually use more than one approach. GIs have superior rights over prior trademarks in EC Regulation 1493/1999,[126] which provides for discontinuation of the use of a prior trademark if a confusingly similar designation is later protected as a GI for wine. However, EC Regulation 2081/92[127] and amended Council Regulation (EEC) No 2392/89[128] provide for coexistence under certain conditions between a prior trademark and a later GI

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122 This also seems to shield right holders against their own lack of responsibility, contrary to the *nemo turpitudinem suam allegans auditur* principle (the common law principle that individuals may not base a legal claim upon an illegal act that they perpetrated themselves).

123 See International Trademark Association ("INTA"), *Resolution on Protection of GIs and Trademarks: Request for Action by the INTA Board of Directors* (Sept 24, 1997), online at http://www.inta.org/index.php?option=com_content&task=view&id=242&Itemid=153&getcontent=3 (visited Apr 24, 2010) (Issues and Policy Committee Resolution requesting that the INTA board of directors support the "first in time, first in right" approach). See also International Vine and Wine Office, Resolution ECO 3/94 (Mar, 1994).

124 International Association for the Protection of Intellectual Property, *Question Q62: Appellations of Origin, Indications of Source and Geographic Indications Resolution*, Yearbook 1998/VIII, 389–92 at § 3 (May 29, 1998). See also text accompanying note 133;

125 This can also be the case between two appellations. By using a declaration of partial refusal, a country may allow an appellation but preserve the right of another country to use that same appellation. Mexico, for instance, refused "Pisco" but only to the extent that the registration by Peru "constitutes an obstacle to products from Chile bearing the denomination of origin Pisco." WIPO International Bureau, Lisbon Registration, Appellation No 865, *Mexico: Withdrawal of Refusal,* ¶ 6 (Oct 24, 2006), online at http://www.wipo.int/ipdl/IPDL-IMAGES/LISBON-IMAGES/0865_mx.pdf (visited Apr 24, 2010) (author's translation).

126 The Council of the European Union, *Council Regulation (EC) No 1493/1999 of 17 May 1999 on the common organisation of the market in wine*, 179 OJ L 1, 1–84, Annex VII(F) (July 14, 1999).

127 The Council of the European Communities, *Council Regulation (EEC) No 2081/92 of 14 July 1992 on the protection of geographical indications and designations of origin for agricultural products and foodstuffs*, 208 OJ L 1, 1–8 (July 24, 1992).

128 See notes 129–133.

(but not vice versa). Further, Article 3(4) of Regulation 510/2006[129] provides that a "designation of origin or geographical indication shall not be registered where, in the light of a trademark's reputation and renown and the length of time it has been used, registration is liable to mislead the consumer as to the true identity of the product."

Opponents of an absolute priority of GIs over trademarks often point to the *Torres* case.[130] Torres is a well known Spanish producer of wine. Some of its trademark registrations for TORRES date back almost 100 years. In the early 1990s, Portugal registered TORRES as a protected denomination under Articles 40(2) and (3) of EC Regulation 2392/89.[131] Under the absolute priority principle, the Spanish producer would have had to abandon a reputable trademark, causing untold damages to its goodwill and revenue. The Regulation at issue was later amended to allow for coexistence of well-known "brands" that predate the official recognition of the appellation by at least twenty-five years.[132] The US and most, if not all, countries that protect geographical indications under trademark law prefer, and would likely insist on, the "first in time, first in right" approach.[133] As noted above, a refusal under Lisbon can be partially withdrawn to allow coexistence with a prior trademark for an indefinite period or to allow

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129 The Council of the European Union, *Council Regulation (EC) 510/2006 of 20 March 2006 on the protection of geographical indications and designations of origin for agricultural products and foodstuffs*, 93 OJ L 12, 15 (Mar 31, 2006). This regulation replaced Council Regulation 2081/92 on the Protection of Geographical Indications and Designations of Origin for Agricultural Products and Foodstuffs following the WTO panel case dealing with geographical indications protection in the EU. See notes 161, 168.

130 See Nina Resinek, *Geographical Indications and Trade Marks: Coexistence or "First in Time, First in Right" Principle?*, 29 Eur Intell Prop Rev 446, 449 (2007), discussing The Council of the European Communities, *Council Regulation (EEC) 2392/89 of 23 July 1994 laying down general rules for the description and presentation of wine and grape musts*(July 24, 1989).

131 The Council of the European Communities, *Council Regulation (EEC) No 2392/89 of 24 July 1989 laying down general rules for the description and presentation of wines and grape musts*, 232 OJ L Arts 40(2)–(3).

132 See The Council of the European Communities, *Council Regulation (EEC) No 3897/91 of 16 December 1991 amending for the third time Regulation (EEC) No 2392/89 laying down general rules for the description and presentation of wines and grape musts*, 368 OJ L 368, 5, Art 1(7)(b) (Dec 31, 1991).

133 See Andrew Simpson, Christine James, and Michael Grow, *Report Q191 in the name of the United States Group: Relationship between Trademarks and Geographical Indications*, AIPPI Report 3, 5–6 (2006), online at www.aippi-us.org/images/AIPPI-Q191(2006)(2).DOC (visited Apr 24, 2010) ("For marks that are geographically descriptive of the origin of particular goods, the first person that establishes acquired distinctiveness may be able to prevail against a person attempting to use a similar mark where the latter cannot show acquired distinctiveness."). According to Irena Kireeva and Bernard O'Connor, the US, Canada, Australia, Japan and many African and Arab countries protect geographical denominations of origins associated with certain products under trademark law. See Kireeva and O'Connor, 13 J World Intell Prop at 286–89 (cited in note 39).

coexistence of homonymous denominations.[134] In the discussion of the possible protocol in Part V, I return to this issue.

F. Deemed Genericness

Article 6 of the Lisbon Agreement provides that a registered appellation cannot be *deemed to have become* generic as long as it remains protected in the country of origin.[135] The expression "deemed to have become" plainly refers to an evolution in time. Put differently, genericness is not an event; it is a process. However, the WIPO document notes:

> [E]xceptions to this general rule may apply, in particular in cases of *acquiescence*, i.e. if the exclusive right to use the appellation of origin has not been enforced vis-à-vis certain persons, who are using the appellation of origin in respect of products that do not meet the specific geographically-determined qualifications linked to the appellation of origin.[136]

Acquiescence, under normal rules, may be deemed due to a prolonged period of inaction, under a theory resembling laches.[137] This seems to imply that a Lisbon member may, in bilateral discussions, recognize the generic nature of one of its appellations in another member's territory. If an appellation is generic in a country other than the country of origin, it should be refused. If such refusal is not notified, the registration would still be invalid (as a patent would if novelty-destroying prior art was missed during the examination process) and a court could still invalidate it after registration. In spite of the above, Article 6 may be read as prohibiting a court from declaring a denomination generic, especially if the genericide happened after registration.[138] Article 6 is a clear candidate for deletion in a possible Protocol.[139]

In sum, Lisbon confers little substantive power, if any, to the International Registry and entrusts decisions about protection to the national administrations and the courts of each member state. It does not require a domestic *sui generis*

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134 See note 115 and accompanying text.

135 Lisbon Agreement, Art 6 (cited in note 7).

136 Geuze, WIPO Doc WIPO/GEO/BEI/07/10 at 8 (cited in note 94). This may be relevant in the context of the US-EU Wine Pact concluded between the EU and the US, which grandfathered a number of so-called "semi-generic" appellations, including Champagne and Chablis (Lisbon Appellations 231 and 155, respectively). The Pact is discussed later in this Article. See note 214 and accompanying text.

137 This may be defined generally as an "unreasonable delay in pursuing a right or claim." *Black's Law Dictionary*, (West 8th ed 2004).

138 Lisbon Agreement, Art 6 (cited in note 7). If the denomination was already generic at the time of registration and no refusal was notified, the registration could still be invalidated because it was not properly registered.

139 See Part V.B.

registration system—only that a national office be empowered to interface with the International Registry (either the same one or a different one for each type of notification provided for under the Agreement). To be able to use the international register, an appellation must be protected in the country of origin of the right holder (whose status is also decided under the domestic laws of each member). This necessarily implies that a legal mechanism be put in place in each member state. But this mechanism may be a national law or regulation, a court decision, a decision by a specialized agency or board, a trademark-like (application/publication/opposition/registration) system, or a *sui generis* system, as in many European countries. The Agreement does not curtail the implementation method to be used in each member state. In fact, just the opposite is true: the Lisbon Regulations provide that an application must contain, *inter alia*, "the title and date of the *legislative or administrative provisions, the judicial decisions or the date and number of the registration* by virtue of which the appellation of origin is protected in the country of origin."[140]

IV. THE TRIPS AGREEMENT

The principal difference between the approaches of different groups of industrialized countries during the TRIPS negotiations on the question of geographical indications resides in the fact that for some, protection should be accorded whenever use of an indication constituted unfair competition, while for others, an element of deception (misleading the public) is necessary.[141] This distinction basically reflects the Lisbon and Paris approaches described in the Introduction. The compromise was complex: low (Paris-type) protection for GIs generally; high (Lisbon-type) protection for GIs used in connection with wines and spirits; an agreement to negotiate the establishment of a register for wines; and rules allowing members to grandfather most existing trademarks and the generic nature of certain indications in their territory. Otherwise, existing obligations (for example, under Article 10bis of the Paris Convention in respect of unfair competition) remained in place.[142]

In the implementation of any system for the protection of geographical indications, conflicts with trademarks will emerge. While the empirical analysis of the Lisbon appellations showed much fewer potential cases of such conflicts than I anticipated (see Part IV), some conflicts have taken truly epic

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140 Lisbon Regulations Art 5(2)(a)(vi) (cited in note 97) (emphasis added).

141 See Gervais, *The TRIPS Agreement* at 294–300 (cited in note 8).

142 See id.

proportions.[143] In that respect, the TRIPS Agreement has made life simpler, and superimposing its hierarchy of norms on the Lisbon system may solve conflicts between prior trademarks and geographical indications.

A. The TRIPS Prohibitions

The TRIPS Agreement provides for two types of protection of geographical indications, as this term is understood in the Agreement. Article 22.2 obliges WTO Members to provide Paris-type protection for geographical indications. That level of protection is described here as "legal means" for interested parties to prevent (a) the use of any means (not limited to a name)[144] in the designation or presentation of a good that could mislead the public into

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143 The most famous is the conflict between Anheuser-Busch "Budweiser" and Budweiser, the German-language term for beer from the Budějovický brewery in the Czech Republic. Parties split the two most recent decisions. Anheuser-Busch Inbev essentially won a case before the European Court of Justice. See generally *Budějovický Budvar National Co v Rudolf Ammersin GmbH*, Case C-478/07 (ECJ 2009). The Court decided that EC law was exhaustive in respect of appellations for beer and that additional protection in a bilateral agreement between Austria and the Czech Republic was ineffective. Earlier, the Court of First Instance of the European Communities (CFI) overturned four decisions by the Board of Appeals of the Office for Harmonisation in the Internal Market (OHIM). See generally *Budějovický Budvar v Office for Harmonisation in the Internal Market (Trade Marks and Designs)*, Joined Cases T-225/06, T-255/06, T-257/06 and T-309/06 (ECJ 2008). For a discussion of the judicial saga, see Resinek, 29 Eur Intell Prop Rev at 447 (cited in note 130). The crux of the debate in the CFI was whether the appellant had shown it was the proprietor of a sign of more than mere local significance. "Use," as the Court rightly noted (and, on this point, agreeing with the OHIM Board), means:

> genuine use of a trade mark where the mark is used in accordance with its essential function, which is to guarantee the identity of the origin of the goods or services for which it is registered, in order to create or preserve an outlet for those goods or services; genuine use does not include token use for the sole purpose of preserving the rights conferred by the registration.

Budějovický Budvar, Case T-225/06, ¶ 161, citing *Il Ponte Finanziaria v OHIM*, case C-234/06 P, ¶ 72 (ECJ 2007). In a somewhat unconvincing twist, the Court then found that this rule, which it says applies to earlier trademarks, did not apply "when, as in the present case, the sign is an appellation of origin registered under the Lisbon Agreement or an appellation protected under the bilateral convention." Id, ¶ 163. If one were to accept this conclusion of law, (not necessarily) genuine use in one EU member state whose law does not protect a given appellation may be combined with the legal protection available in a different member State where no facts establish use (whether genuine or not). Concerning the "not merely local" requirement, the Court limited itself to a finding that protection under Lisbon in a country other than the country of origin is sufficient, even, it seems, absent any factual evidence. See id, ¶ 181.

Here is my suggestion: Anheuser-Busch Inbev could sell "American Budweiser" in Europe, and the Budějovický Budvar (brewery) could sell "Original Budweiser" in that market, with distinctive labels.

144 It would seem that the reference to "any means in the designation or presentation," combined with the open-ended mention of an "indication which identify a good" (regardless of the means) covers also indirect indications. See TRIPS Agreement, Art 22 (cited in note 3).

believing that the good in question originated in a geographical area other than the true place of origin; or (b) any use which constitutes an act of unfair competition within the meaning of Article 10*bis* of the Paris Convention. This provision does not create a full exclusive right and it allows WTO Members to implement the provision in a variety of ways.[145] Significantly, under Article 22.2(a), one must show that the *public might be misled*, a level of protection that resembles trademark protection.[146] Protection may thus be provided as a collective or certification mark.[147] The provision may also be implemented through a specific registration system. Countries that use a specific (*sui generis*) registration system usually require evidence that the product possesses a certain quality, reputation, or characteristic due to its origin. This requirement is not generally present under the trademark system.[148] However, a determination of quality by the national authority (and then, how the standard would be applied) is not required under either TRIPS or Lisbon.

A higher (Lisbon-type)[149] level of protection for *wines and spirits* was also agreed upon.[150] Using a geographical indication to identify wines or spirits not actually originating in the place indicated by the indication is prohibited, even where the true origin of the wines and spirits concerned is indicated, a translation is used, and/or the indication is accompanied by expressions such as "kind," "type," "style," "imitation," or the like. There is no need here to show that the public might be misled or that the use constitutes an act of unfair competition. The last part of Article 23.1 greatly resembles Article 3 of the Lisbon Agreement (which applies to all types of products): "Protection shall be ensured against any usurpation or imitation, even if the true origin of the product is indicated or if the appellation is used in translated form or accompanied by terms such as 'kind', 'type', 'make', 'imitation', or the like."[151]

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145 Civil judicial procedures must be available to the right holder. See id, Art 42.

146 See McCarthy, *McCarthy on Trademarks*, § 2:35 (cited in note 33).

147 See Hughes, 58 Hastings L J at 308–10 (cited in note 81).

148 See Almeida, 10 Eur Intell Prop Rev at 407–08 (cited in note 21); Hughes, 58 Hastings L J at 309–10 (cited in note 81).

149 See McCarthy, *McCarthy On Trademarks*, § 29.28 (cited in note 33).

150 See TRIPS Agreement, Art 23.1 (cited in note 3).

151 Lisbon Agreement, Art 3 (cited in note 7). See Gervais, *The TRIPS Agreement* at 305–08 (cited in note 8).

B. The TRIPS Conflict Rules

Under Article 22.3,[152] a WTO Member must, either *ex officio* if its national law so permits, or at the request of an interested party, refuse or invalidate[153] the registration of a trademark, which contains or consists of a geographical indication if: (a) the goods do not originate in the territory indicated; and (b) use of the indication in the trademark for such goods in the territory of the "Member" concerned is *of such a nature as to mislead*[154] the public as to the true place of origin.[155] Article 23.2 more or less corresponds to Article 22.3, but applies specifically to indications identifying wines and spirits, except of course that deception (misleading the public as to the true place of origin) does not have to be shown.[156] This provision, a first at the international level, extends the principle of protection of Article 23.1 to trademarks. It makes *ex officio* action possible but not mandatory.[157]

Article 23.3 deals specifically with similar (homonymous) indications for wines and spirits whose uses are not misleading (or deceptive) under Article 22.4. It is relevant in cases where protection is effected under trademark law. In such cases, both indications may be protected, but the concerned WTO Members must determine the practical conditions necessary to differentiate wines and spirits from both origins. In doing so, they must ensure that

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152 TRIPS Agreement, Art 22.3 (cited in note 3) (one of four main provisions dealing with the trademark/indication interface in the TRIPS Agreement). See also id, Arts 23.2–23.5.

153 Compare id, Art 22.3 with "cancellation" in id, Arts 15, 19.

154 As noted above, Art 22.2(a) uses "which misleads," Art 10*bis*(3) of the Paris Convention uses "is liable to mislead", and Art 22(3) uses "is of such a nature as to mislead." Compare TRIPS Agreement, Art 22(2)–(3) with Paris Convention, 21 UST 1583, 828 UNTS 305, Art 10*bis*(3) (Mar 20, 1883). The latter two tests seem very close indeed. The likelihood that the public will be misled may, as in the case of trademarks, be inferred in appropriate circumstances.

155 This element could exclude marks having acquired a secondary meaning.

156 Uruguay Round Agreements Act, Pub L No 103–465, 108 Stat 4809, § 522 (Nonregistrability of misleading geographic indications for wines and spirits) (Dec 8, 1994) reads as follows:

> Subsection (a) of section 2 of the Trademark Act of 1946 (15 U.S.C. 1052(a) is amended to read as follows: "(a) Consists of or comprises immoral, deceptive, or scandalous matter; or matter which may disparage or falsely suggest a connection with persons, living or dead, institutions, beliefs, or national symbols, or bring them into contempt, or disrepute; or a geographical indication which, when used on or in connection with wines or spirits, identifies a place other than the origin of the goods and is first used on or in connection with wines or spirits by the applicant on or after one year after the date on which the WTO Agreement (as defined in section 2(9) of the Uruguay Round Agreements Act) enters into force with respect to the United States.

157 When *ex officio* action is not mandatory, an interested party must request the invalidation or oppose the registration of a mark containing or consisting of an incorrect indication for a wine or spirit. See TRIPS Agreement, Art 23.2 (cited in note 3).

consumers are not misled and that the producers concerned are treated equitably.

The most important conflict rules are contained in Articles 24.5 and 24.6. Under the former, a WTO Member shall not bring a geographical indication conflicting with a trademark, provided that an application for registration of the mark was filed or the mark registered, or the right acquired by use (and the trademark was in fact used in good faith)[158] in the WTO member concerned either before the TRIPS Agreement became applicable in the Member concerned,[159] or before the indication in question was protected in its country of origin.[160] The WTO panel that filed a report in the *EC – Protection of Trademarks and Geographical Indications for Agricultural Products and Foodstuffs: Complaint by the United States* (*EC–Trademarks and GIs I*) explained that the coexistence of a protected indication and a trademark is a limited exception justified by Article 17.[161] Its purpose is to allow a trademark to be registered (and registration applied for) and used, even if it is identical with or similar to a geographical indication,[162] provided the trademark is at least applied for (including if it was registered) or the rights acquired through use, either before the WTO Member concerned applies Article 23 or before the indication is protected in its country of origin.

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158 This test is sometimes difficult to apply, as evidence of good (or bad) faith is not always easy to produce. Showing bad faith based entirely on circumstances is sometimes rendered more difficult in legal systems that presume good faith until the contrary is shown. In applying the test, the fact that an indication is particularly well-known and/or used (directly or indirectly) by undertakings located in or near the "true" place of origin should be taken into account. Consider Luis-Alfonso Duran, et al, AIPPI *Working Guidelines Question Q 191: Acquiescence (tolerance) to infringement of Intellectual Property Rights*, online at http://www.aippi-china.org/wtyj/wt/200902/P020090219636918836646.pdf (visited Mar 27, 2010).

159 For the rule applicable to the most industrialized nations as of January 1, 1996, see TRIPS Agreement, Art 65.1 (cited in note 3). For developing countries other than least-developed ones, most substantive provisions of the Agreement applied as of January 1, 2000. See id, Art 65.

160 See WIPO, *Possible Solutions for Conflicts Between Trademarks and Geographical Indications and for Conflicts Between Homonymous Geographical Indications*, WIPO Doc SCT/5/3, 11–12, ¶ 40 (June 8, 2000).

161 See World Trade Organization, Report of the Panel, *European Communities–Protection of Trademarks and Geographical Indications for Agricultural Products and Foodstuffs: Complaint by the United States ("EC–Trademarks and GIs I")*, WTO Doc WT/DS174/R, § 7.640 (Mar 15, 2005); World Trade Organization, Report of the Panel, *European Communities–Protection of Trademarks and Geographical Indications for Agricultural Products and Foodstuffs: Complaint by Australia ("EC–Trademarks and GIs II")*, WTO Doc WT/DS290/R, §7.640 (Mar 15, 2005). The Panel concluded, "with respect to the coexistence of GIs with prior trademarks, the Regulation is inconsistent with Article 16.1 of the TRIPS Agreement but, on the basis of the evidence presented to the Panel, this is justified by Article 17 of the TRIPS Agreement." WTO, *EC–Trademarks and GIs I* at § 7.688; WTO, *EC–Trademarks and GIs II* at § 7.686.

162 See Lisbon Agreement, Art 5(6) (cited in note 7). Gevers, 8 Eur Intell Prop Rev at 285 (cited in note 61).

More importantly, Article 24.6 provides that WTO Members may decide not to protect a geographical indication used in connection with foreign "goods or services for which the relevant indication *is identical with the term customary in common language as the common name for such goods or services in the territory of that Member.*"[163] The Article states further that members are not required to protect foreign geographical indications "with respect to products of the vine for which the relevant indication *is identical with the customary name of a grape variety* existing in the territory of that Member as of the date of entry into force of the WTO Agreement."[164] Unlike the Lisbon Agreement, nothing in TRIPS indicates that this determination, effectively a legal ruling that a geographical indication has become generic in a particular jurisdiction, should be made outside a member state's courts or by reference to any law other than that of the member state. Therefore, it is up to the US to decide what is or is not generic within its borders, and neither the TRIPS Agreement nor the Lisbon Agreement change that, though the latter would, assuming a Lisbon denomination was refused by the US as generic, implicate further negotiations with the country that put the entry on the register. This is precisely what the US did.[165]

Certain commentators go a step further and argue that the "right to use" a trademark protected under Article 16.1 of TRIPS must include the minimum rights in respect of trademarks under the Agreement. This would mean that TRIPS would *mandate* "first in time, first in right."[166] Not only would the trademark survive the challenge with an indication but its owner could oppose the use of the identical or similar indication in the country where the trademark is used and/or registered.[167]

As the panel in *EC–Trademarks and GIs I* explained, however, the coexistence of a protected indication and a trademark is a permitted *exception* to trademark rights.[168] Second, several countries protect indications not by a *sui*

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163 See TRIPS Agreement, Art 24.6 (cited in note 3) (emphasis added).

164 See id (emphasis added).

165 See 27 CFR §§ 4.24, 12.31 (current through the Feb 11, 2010 issue of the Federal Register).

166 Clark W. Lackert, *Geographical Indications: What Does the WTO TRIPS Agreement Require?*, Trademark World: Intl J Trademark Professionals 22, 24 (Aug 1998).

167 See Florent Gevers, *Topical Issues in the Protection of Geographical Indications*, in WIPO, *Symposium on the International Protection of Geographical Indications*, 155–56 (1999); Henning Harte-Bavendamm, *Geographical Indications and Trademarks: Harmony or Conflict?*, in WIPO, *Symposium on the International Protection of Geographical Indications*, 63–67 (1999).

168 And thus allowed under Article 17 of TRIPS. See WTO, *EC–Trademarks and GIs I*, § 7.688 (cited in note 161). The Panel concluded, "with respect to the coexistence of GIs with prior trademarks, the Regulation is inconsistent with Article 16.1 of the TRIPS Agreement but, on the basis of the evidence presented to the Panel, this is justified by Article 17 of the TRIPS Agreement." Id, § 7.688; WTO, *EC–Trademarks and GIs II*, § 7.686 (cited in note 161).

generis or specific intellectual property right, but as collective or certification marks, or under the tort doctrine of unfair competition (or passing off), and the conflict would thus be between two trademarks, not between a trademark and "something else," such as a GI. Additionally, common law courts have often granted limited remedies under equitable rules to allow the coexistence of two trademarks (usually one of which was acquired through use).[169] Finally, the TRIPS Agreement specifically provides for the coexistence of indications in Article 23.3, but it is not certain that TRIPS *mandates* "first in time, first in right."[170]

One of the major features of a possible Protocol to the Lisbon Agreement would be to apply the TRIPS conflict rules to the new register. Presumably, all WTO members want to comply with TRIPS and would support the parallelism.[171]

V. COMPATIBILITY OF A GI REGISTER WITH US PRACTICE

Having completed our (necessarily detailed) tour of the Lisbon Agreement and the TRIPS Agreement, I now shift gears and consider—even though the obligation to negotiate the establishment of a GI register is contained in TRIPS and as such already binds the US[172]—whether there are other reasons preventing the US from joining an international system for the registration of geographical indications. There are dozens of potentially relevant issues here, but I selected one which seemed most germane, namely whether the notion of *terroir*, which is the normative undergirding of the Lisbon system, is commensurable with US trade practice. This might also illuminate cultural differences that may make

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169 See WIPO, Standing Committee on the Law of Trademarks, Industrial Designs and Geographical Indications, *Document on Geographical Indications: Historical Background, Nature of Rights, Existing Systems for Protection and Obtaining Protection in Other Countries*, WIPO Doc SCT/8/4, 5–9, ¶¶ 11–24 (Apr 2, 2002). This is also apparently the solution in the WIPO analysis. Id at 24–25, ¶ 105.

170 See Gervais, *The TRIPS Agreement* at 315–16 (cited in note 8). Essentially, under Art 24.5, a prior trademark continues to be registrable and its owner benefits from a right to use, which may be interpreted in light of Art 16.1. Additionally, one could ask if registering a homonymous indication is an allowable exception to trademark rights under Art 17, as decided in *EC–Trademarks and GIs I*, then should *famous* marks be subject to that same exception, given their higher level of protection?

171 There is a precedent for the inclusion of a TRIPS rule in the WIPO Copyright Treaty, which contains the TRIPS version of the three-step test and applies to all copyright rights protected under TRIPS, rather than the more limited Berne Convention version, which only applies to the right of reproduction. Compare WIPO Copyright Treaty, 36 ILM 65, Art 10 (Dec 20, 1996) with Berne Convention for the Protection of Literary and Artistic Works, as revised (1976), 1161 UNTS 18388, Art 9(2) (1986).

172 See note 3.

international negotiations more complex.[173] Indeed, a critique sometimes leveled at the Lisbon system sees that system as rooted in civil (Continental) law and incompatible with modern trade and as such intrinsically inept to serve as a tool used in connection with a trade-related agreement such as TRIPS.[174] The Agreement is viewed rather suspiciously in the US both because of its Continental roots and its perceived lack of trade realism.[175] If this is true, then a protocol to the Agreement destined to allow the US to join would almost certainly be resisted, and unrealistic.

Elizabeth Barham notes, for instance, that "[o]n a deeper level, geographical indications as a form of intellectual property challenge the law, culture and economic logic of American business, oriented as it is towards liberal economic theory based on individual ownership."[176] Indeed, the only concept that is vaguely similar in current US law is that of certification marks, which "certify regional or other origin, material, mode of manufacture, quality, accuracy, or other characteristics of...[the] goods or services."[177]

Attaching a somewhat intangible, yet measurable (most notably in terms of higher prices) value to the geographic origin of a product seems to postulate the existence of a correlative, measurable difference in quality, an observable difference between products of different origin but similar composition (say, a wine produced from Merlot grapes in Napa Valley or Bourgogne (Burgundy)). One may make the (defensive) case that such differences are multi-factorial and

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173 The obligation in TRIPS Article 23.4 is subject to the WTO dispute-settlement system, but it is formulated not as an obligation to establish a register, only to negotiate. See TRIPS Agreement, Arts 24, 64 (cited in note 3). Still, due to the insistence by European and other negotiators, the "sanction" may not be in the dispute-settlement but in the failure of the Doha Round. See notes 3–6 and accompanying text.

174 See Jim Chen, 5 Minn J Global Trade at 30 (cited in note 36) ("[T]he very idea of protecting intellectual and cultural property unique to agriculture is a form of resistance to the reconciliation of agricultural law with modern economic and social conditions."). He then calls for a "dose of cold realism regarding the inhospitable legal climate that AOCs will likely find in the world's richest nation." Id at 31.

175 See id at 31.

176 Barham, 19 J Rural Stud at 129 (cited in note 19). She is known for her research on labels of origin at the Institute for Continental Climate Viticulture and Enology (University of Missouri).

177 15 USC § 1127. "Origin" is one of the factors that a certification mark may be used for. Professor Hughes mentions the following US certification marks as examples: "IDAHO POTATOES . . . PARMIGIANO-REGGIANO, ROQUEFORT, STILTON, REAL CALIFORNIA for cheese, PARMA for ham, DARJEELING for tea, WASHINGTON for apples, and the FLORIDA SUNSHINE TREE for citrus." Hughes, 58 Hastings L J at 309 (cited in note 81). See also Daniel Gervais, *Traditional Knowledge & Intellectual Property: A TRIPS-Compatible Approach*, 2005 Mich St L Rev 137, 149, 154 (arguing that neither collective nor communal ownership and perpetual protection is incompatible with the Western notion of intellectual property enshrined in the TRIPS Agreement, as demonstrated by the protection of collective and certification marks).

hard to quantify. Indeed, it is convenient to say that the human and natural factors at play are inseparable, but that is not entirely true. A number of French wine producers are producing wines in the New World, and the knowhow and equipment/technique used in both locations are fairly similar.[178] One may then posit that the remaining difference, assuming that one can measure it, lies in natural factors, such as soil and climate.

Undeniably, in considering adequacy of the Lisbon system for US industry, the cultural aspects of geographical indications, as legal flag-bearer for the *terroir*,[179] implicate a certain emotional resonance in Europe and complicate transatlantic negotiations. For French wine and food producers, the *terroir* runs deep; it is not an exaggeration to say it is linked to a search for their national identity.[180] The combination of all three (natural factors, know-how and technique) produces a unique product, related to the French concept of *terroir*.

This link between a product and the *terroir* can be traced back to the fifteenth century in Europe and is best epitomized by the system of *Appellations d'Origine Contrôlée* (AOC) in France.[181] The AOC system established "by the *Law of the 30th of July of 1935* has created a specific type of French wine: AOC

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178 MUMM is an example of a French producer from the Champagne region now also producing bubbly wine in California. See *Mumm Arround the World*, online at http://www.mumm.com/en/mumm_arround_the_world.php (visited Apr 24, 2010).

179 See Hughes, 58 Hastings L J at 301 (cited in note 81). In Spain, local table wines are known as *vino de la tierra*, wine from a certain "land." The French concept of *vin de pays* is a close cousin.

180 Some readers may be familiar with José Bové and his popular campaign against American fast-food chains, globalization, genetically-modified food, and a few other worthy causes. As Salon.com noted:

> Bovi believes the future of French food – and, by extension, of French society – is in mortal danger from wholly new factors . . . . The notion that food is both sacred and site-specific is the root of the emotionally charged French concept of "terroir." First applied to describe the association of grape variety and soil in winemaking, it has come to evoke the wholesome, earthy qualities of regional foods and cooking.

David Downie, *Let Them Eat Big Macs* (July 6, 2000) online at http://www.salon.com/business/feature/2000/07/06/frenchfood/index.html (visited Apr 24, 2010). A few biographical notes may contextualize the character. After spending a few months in jail in 2003 for the destruction of transgenic crops, Bové was pardoned and freed by President Jacques Chirac, who reduced the sentence to seven months. See *Chirac Shortens Jose Bove Jail Term*, Common Dreams.com (July 10, 2003), online at http://www.commondreams.org/headlines03/0710-07.htm (visited Mar 29, 2010). He also served six weeks in jail for smashing up a McDonald's restaurant. See *French activist Bove to go on anti-GMO hunger strike*, Reuters (Dec 10, 2007), online at http://www.reuters.com/article/environmentNews/idUSL1011368420071210 (visited Apr 24, 2010). In February 2006, he was denied entry into the US. See John Nichols, *Jose Bove's Not Welcome in Bush's USA*, The Nation (Feb 9, 2006), online at http://www.thenation.com/blogs/thebeat/58333 (visited Apr 24, 2010). In June 2009, he was elected to the European Parliament.

181 Code de la Propriété Intellectuelle, Art L 721-1, online at http://www.wipo.int/clea/fr/text_html.jsp?lang=FR&code=FR065#JD_FR065F_A721_1 (visited Apr 24, 2010).

wines.[182] These wines use the notion of *terroir* to distinguish themselves from the other wines. A *terroir* relies on natural and human factors and their specificities."[183] AOC wines often command a higher price (monopoly rent) as a result. Under the AOC system and many similar systems all administered by the *Institut national de l'origine et de la qualité* (INAO), a number of products (wines, spirits, but also cheese, candy, etc.) can be identified as having been produced in a certain region not only if the geographic provenance is factually correct, but if certain codified guidelines for the production were followed.[184] A system based on a high level of protection for denominations of origin emphasizes the second cluster of factors and uses it as a marketing tool to extract additional rent. Put differently, the consumer is asked to pay more (or less) because a white wine made with, say, Sauvignon grapes, will not be the same even if made by the same person using the same technique in Loudoun county in Virginia, the Loire valley of France, or the Marlborough region of New Zealand.[185] Wine experts agree that the acidity of the soil, the amount of rain, and sun exposure will affect the outcome. But climate variations lead to significant differences in wine produced in *any* given region—a geographic origin is thus not a guarantee of stable climate conditions.[186] Does this make a system of identification of geographical denominations associated with certain products and notably wines and spirits, incompatible with US practice?

A number of theoretical tools may be useful in efforts to circumscribe and understand the debate. I refer here in essentials to the theory of Conventions.[187] At its simplest level, a Convention is "a coordination mechanism that emerges to collectively resolve a situation that could not be done exclusively through an

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182 See Hughes, 58 Hastings L J at 307–08 (cited in note 81).

183 David Menival, The *Greatest French AOCs: A Signal of Quality for the Best Wines* (working paper, Université de Reims, Champagne-Ardenne, 2007), online at http://www.vdqs.net/Working_Papers/Text/WP_2007/Menival_249.pdf (visited Apr 24, 2010).

184 See Barham, 19 J Rural Stud at 131–32 (cited in note 19). See generally Institut national de l'origine et de la qualité, online at http://www.inao.gouv.fr/ (visited Feb 20, 2010). For wine, consider James E. Wilson, *Terroir: The Role of Geology, Climate, and Culture in the Making of French Wines* (University of California 1998).

185 Among the soil-related factors that are most important are the drainage capacity, salinity, and the ability of the soil to retain heat, thus encouraging ripening and the development of stronger roots. See David Bird, *Understanding Wine Technology: The Science of Wine Explained* 8–16 (DBQA 2005).

186 See id.

187 See Andrea Marescotti, *Marketing channels, quality hallmarks and the theory of conventions*, The Socio-Economics of Origin Labelled Products in Agri-Food Supply Chains: Spatial, Institutional and Co-ordination aspects: Proceedings of 67th European Association of Agricultural Economists ("EAAE") Seminar, (Bertil Sylvander, Dominique Barjolle, and Filippo Arfini, Eds), 103, 104–07 (2000)

individual decision."[188] While the theory is often associated in the US with game theory (for example, socialization prior to or as part of the bargaining process), a French offshoot of the theory focuses on process and specifically how "coordination between firms—and more generally between the actors within a given system—can be based on decision making mechanisms," and social interaction mechanisms between economic operators.[189] I use the latter version here because the notion that a geographical origin is directly linked to a particular quality of a product is particularly strong in that country.[190]

The "quality" of a particular product (such as wine) is neither a pure market-based phenomenon nor a completely fuzzy and subjective notion. Instead, it can be viewed as the result of an:

> endogenous social construction that contributes to coordinating the actors' activities, to the same extent as other conventions. Quality emerges from a process of negotiation among actors, with reference to common principles which are able to "justify" their actions, such as the market price, respecting specific standards, adherence to moral and ethical principles.[191]

From a Conventions theory standpoint, therefore, quality is not as much a result as a process (a "qualification convention") with strong social and identity functions and feedback loops. This "qualification convention, rather than defining the quality of the exchanged good . . . refers to the rules of the game and the role of the actor within the exchange."[192] I do not find this approach to defining or enhancing the perceived quality of a product to be a source of conflict with US practice. In fact, the approach is not dissimilar from the US approach of letting an industry define its own standards and convincing consumers that the standard matters.[193] The theory of Conventions simply acknowledges that, for certain products, that function may have "non-

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188 Id at 104.

189 Id at 105.

190 See id at 180–82 and accompanying text.

191 Marescotti, *Marketing channels, quality hallmarks and the theory of conventions* at 105 (cited in note 187), citing François Eymard-Duvernay, *La négociation de la qualité*, 217 Economie rurale 12 (1993).

192 Marescotti, *Marketing channels, quality hallmarks and the theory of conventions* at 105 (cited in note 187). To quote Orlean, "[b]ehind the nomenclature hypothesis an intense social process is hidden which progressively states an impressive set of defined goods and provide[*sic*] the structure of markets." B. Lassaut and B. Sylvander, *Producer-consumer relationships in typical products supply chains: where are the theoretical differences with standard products?*, 52d EAAE Seminar, 241–42, online at http://www.origin-food.org/pdf/eaae97/13_sylvlass.pdf (visited Apr 24, 2010), quoting André Orlean, *Logique walrasienne et incertitude qualitative: des travaux d'Akerlof et de Stiglitz aux conventions de qualité*, 14 Economie et Societé (Economia) 137, 140 (1991).

193 This is exactly like the company UL's certification marks for small electrical appliances. See *Midwest Plastic Fabricators Inc v Underwriters Laboratories Inc*, 906 F2d 1568, 1571–72 (Fed Cir 1990).

economic" components—though such components do affect economic outcomes.

This is, I suggest, what Polanyi's concept of embeddedness was getting at, namely that free market capitalism is subject to social and environmental constraints that are "placed on the market to re-embed[] it in non-market concerns."[194] To use Polanyi's well-known words, "the economy is not embedded in social relations, social relations are embedded in the economy."[195] Naturally, the consumer in the US who does not share the history and culture of the French, Italian, or Spanish *terroir* may not easily identify with the "conventions" that were used to define the "quality" of the product *at its point of origin.* Yet, that same consumer can attribute a higher value to a product for a different set of reasons, usually a *perception* of a higher "quality."

Indeed, as the International Organization for Standardization (ISO) reminds us, quality is not limited to testing a product against a strict technical standard in a mass production context. It is, and this may be especially true for products made by artisans, the "totality of features and characteristics of a product or service that bears its ability to satisfy *stated or implied* needs."[196] Those "needs" may be reflected in the exotic nature of the product or the perceived qualities associated with its origin, in the same way that consumers make purchasing decisions based on perceived quality of a brand. The needs are thus fundamentally perceptions based on experience or information received from peers or marketing.[197] Quality control, in this context, is not designed for risk reduction (making sure, say, that there is e. coli bacteria in raw milk cheese) but rather the transmission to the product of the combination of knowhow and natural factors that infuse it with that *je-ne-sais-quoi* that creates the higher value in the mind of the relevant consumer.

Even if the higher price resulting from the linkage between a product and its origin is demonstrably irrational in some cases because no measurable objective quality exists between that product and its non-GI equivalent,

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194 Barham, 191 J Rural Stud at 130 (cited in note 19). See Karl Polanyi, *The Great Transformation,* xxiii-xxiv (Beacon 2001) ("The term 'embeddedness' expressed the idea that the economy is not autonomous, as it must be in economic theory, but subordinated to politics, religion, and social relations.").

195 Polanyi, *The Great Transformation* at xxiv (cited in note 194).

196 *Quality: Defintion,* Business Dictionary.com, online at http://www.businessdictionary.com/definition/quality.html (visited Apr 24, 2010) (emphasis added).

197 Marketing theory teaches that perceived quality depends on consumers' global evaluation according to the available information. See Peter A.M. Oude Ophuis and Hans C.M. Van Trijp, *Perceived Quality: A Market Driven and Consumer Oriented Approach,* 6 Food Quality & Preference 177, 177–80 (1995).

McCarthy notes that trademarks generally perform an "irrational", yet well accepted function in guiding behavior.[198]

An economist who draws up a set of criteria for market analysis finds that conclusions flow from the criteria set upward. If price, quality, and rationality are the only criteria of an economic system, then emotional consumer choices do not fit into this economic model. Advertising investment in promoting such choices is then regarded as wasteful and non-productive. The problem is that human beings, not economists' symbols, purchase products. Moreover, as noted earlier, modern economic analysis teaches that brand loyalty is not irrational consumer behavior. It is a common sense, rational method of reducing shopping or "search" costs.

Additionally, who can agree on a definition of "irrationality" when it comes to buying goods? Where is this buyer who only buys goods on the basis of price and quality alone, eschewing all feelings and emotional impulses? He or she sounds like quite a dull person.[199]

In the world of *terroir*-based products, this has given rise to the phenomenon of "cognitive marketing."[200] One could argue, of course, that all marketing is "cognitive" to the extent it involves a cognitive process. Fair enough. Marketing does aim to provide information (if the term is loosely defined) to change consumer's preferences.[201] The marketing of geographical origins via GIs, however, is arguably "more cognitive" than traditional marketing because it must engage the consumer by educating her about the somewhat intangible value that she should find in the product with a given geographical origin. Put differently and more concretely, the consumer must believe that *Brie* will be not just different but *better* because it was produced in Meaux (France) and not in Wisconsin. This hardly seems incommensurable with the principles of a "free" market economy.

VI. THE UNITED STATES AND A PROTOCOL TO THE LISBON AGREEMENT

Even if one determines that the Lisbon system is compatible with both the TRIPS Agreement and fundamental aspects of US trade practice, one must then ask what exactly must be done to render the system palatable to US negotiators.

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198 McCarthy, *McCarthy on Trademarks*, § 2.38 (cited in note 33).

199 Id.

200 See Bernard Lassaut and Bertil Sylvander, *Producer-consumer relationships in typical products supply chains: where are the theoretical differences with standard products?*, Proceedings of the 52nd EAAE Seminar 239 (1997).

201 See id at 244.

I consider first the roadblocks that would need to be removed, and then suggest how a possible protocol to the Lisbon Agreement might look.

A. Removing Roadblocks to US Participation

1. Existing appellations.

If the US enters the current Lisbon system and agrees to use the Lisbon register as fulfilling the TRIPS Article 23.4 mandate, would it have to decide within twelve months of the entry into force of the Agreement whether to refuse any of the appellations currently on the Register? After all, that is the current rule for new Lisbon members.[202] I suggest that this rule should be modified. The Protocol should require existing holders to designate any *new* Lisbon member country to which they want existing appellations to be extended.[203] Any new denomination would also be registered on this (per-country) basis. Grounds for refusal would reflect those in the TRIPS Agreement, as suggested below.[204]

As to conflict rules between trademarks and geographical indications, the TRIPS Agreement—not the skeletal Lisbon rules—should dictate the conduct of Parties on the issue of homonymous appellations and conflicts with prior trademarks.[205] The US is already bound by those rules, like all WTO Members.[206]

Interestingly, proposed Administrative Instructions for the Lisbon system are already under consideration by the Lisbon Assembly.[207] They would facilitate the use of electronic means for notifications and allow the notification of

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202 See Part II.C.

203 Under the current Lisbon Rule 23, an applicant pays a single fee of 500 Swiss Francs (approximately $465) and the appellation is notified to all Lisbon members. Under Art 5 of the Lisbon Agreement, they then have twelve months to decide whether to refuse. Under the proposed protocol, an applicant would designate countries to which an appellation would be extended and pay a per country fee, as in the Patent Cooperation Treaty ("PCT") system. See *PCT Applicant's Guide–National Phase*, § 4.005, online at http://www.wipo.int/pct/en/guide/npindex.html (visited Apr 24, 2010). That fee is charged by the competent authority in each country and is shared between WIPO and the authority in each designated country. This forces applicants to consider carefully the geographic extent of protection. Naturally, for existing applications, protection in countries party to the original Agreement would remain, but extension to protocol members would require a designation.

204 See Part V.B.

205 See Part II.E.

206 Uruguay Round Agreements Act, Pub L No 103-465, 108 Stat 4809, § 522.

207 See generally WIPO, Special Union for the Protection of Appellations of Origin and their International Registration ("Lisbon Union"), *Proposed Amendments to the Regulations under the Lisbon Agreement*, WIPO Doc LI/A/25/1, (July 25, 2009).

coexistence situations with the introduction of procedures for the notification of statements of grant of protection.[208]

2. Applying for registration in the US.

Essentially, under the proposed protocol, a Lisbon registration could be sought by a US applicant for any qualifying collective or certification mark corresponding to the notion and function of a geographical indication. Applicants submitting a trademark based on geographical designation would request that the US Patent and Trademark Office (PTO) submit it as a Lisbon denomination. Such applications (to be registered under Lisbon) would be published (as any pending mark application). The Agreement does not require a substantive examination by a governmental authority of the veracity of the claim that a particular geographical origin gives a product any particular quality, characteristics, or reputation.[209] Incoming Lisbon registrations would be published and subject to opposition by prior trademark holders. If the opposition was litigated, the national office could notify a refusal, which it could easily withdraw if the holder of the appellation won its case before national administrative and/or judicial authorities.[210] An unopposed Lisbon appellation would be protected as a certification or collective mark, thus preventing or restraining future trademark registration of the same mark, but this would not be different from registration of other marks under the current system. The higher system of protection required by TRIPS for wines and spirits already in place in the Bureau of Alcohol, Tobacco and Firearms labeling regulations would continue to apply.[211]

3. Wines and spirits.

As noted above, most of the appellations on the Lisbon register are for wines and spirits.[212] To ascertain the level of difficulty for the US in acceding to the Lisbon Agreement based on this dataset, I matched existing Lisbon entries with live registered trademarks at the PTO.[213] I found very few cases of actual conflict. Most of the Lisbon entries are for very specific appellations that are unlikely to be used as trademarks in the US. A vast majority are in a foreign language, though that is obviously not a bar to successful use as a trademark.

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208 See id at 5, ¶ 23; Annex I, Ch 4.

209 See Part II.A.

210 See Part II.C.

211 See note 219 and accompanying text.

212 See note 41 and accompanying text.

213 Search conducted in Sept 2009 on TESS. See US Patent and Trademark Office, online at http://www.uspto.gov/trademarks/index.jsp (visited Apr 24, 2010).

However, a California, Oregon, Virginia, or Tennessee winemaker is unlikely to call its product *Gevrey-Chambertin, Clos de Vougeot,* or *Puligny-Montrachet.* A restriction on future use of such terms does not seem likely to have major negative social welfare impacts in the US, especially when measured against the benefits to the small but apparently growing number of US consumers who are knowledgeable about foreign wines. Additionally, an agreement not to use those appellations in the US for wines and spirits not originating in the village or region bearing the protected name may yield reciprocal benefits to US winemakers eager to protect names such as St. Helena or Sonoma.

Those results were not surprising because the bulk of potential conflicts between current US trademarks and extant appellations on the register were settled under the Agreement between the European Community and the US on trade in wine, or before that agreement was passed.[214] Almost all wine-related appellations on the Lisbon register are already protected in the US under either Article 7(1) or 7(4) of that Pact.[215] Article 7(4) basically recalls that a number of European wine appellations were already protected under US regulations prior to the Wine Pact.[216] Article 7(1) then adds a list of additional appellations which "may be used as names of origin for wine only to designate wines of the origin indicated by such a name." They are described as "names of quality wines produced in specified regions and names of table wines with geographical indications, and . . . names of Member States [of the EU]."[217] I only found a few instances where an appellation protected under the Wine Pact seems to clash with a live trademark owned by a third party.[218]

More importantly, the Pact allows continued use of semi-generic appellations used in the US before December 13, 2005, provided the term is

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214 Agreement between the European Community and the United States of America on trade in wine ("Wine Pact"), 87 OJ Eur L, Arts 6–7 (Mar 24, 2006). See also *Agreement In The Form Of An Exchange Of Letters Between The United States Of America And The European Community On Matters Related To Trade In Wine* (Nov 23, 2005), online at http://www.ttb.gov/wine/wineagreement.pdf?cm_sp=ExternalLink-_-Federal-_-Treasury (visited Apr 24, 2010).

215 See Wine Pact, 87 OJ Eur L, Art 7(1), 7(4) (Mar 24, 2006).

216 In fact, there is arguably no new effective protection in the Wine Pact compared to the previous US situation. 27 CFR § 4.24(c) and 27 CFR § 12.31 protect names of geographic significance that have not been found by the Administrator of the Alcohol and Tobacco Tax and Trade Bureau (Department of the Treasury) to be generic or semi-generic. Examples include Bordeaux Blanc, Bordeaux, Rouge, Graves, Médoc, Saint-Julien, Château Yquem, Château Margaux, Château Lafite, Pommard, Chambertin, Montrachet, and Rhône.

217 Wine Pact, 87 OJ Eur L, Art 7(1) (Mar 24, 2006). Some of these were partially protected as sub-appellations under existing US regulations. For example, "Anjou" was protected under the regulations mentioned in the previous note, but Art 7(1) will also protect more specific sub-appellations such as "Anjou Val de Loire."

218 Examples include "Chéverny" and "Charlemagne."

only used on labels bearing the brand name for which an applicable certificate of label approval (COLA) has been issued.[219] While the Pact mentions that it does not "affect the rights and obligations of the Parties under the WTO Agreement," which includes the TRIPS Agreement, it would be politically and perhaps legally difficult for the European Communities to complain that the US violates TRIPS by implementing the Wine Pact the Europeans signed.[220]

Owing to high concentration in the US wine industry—three major producers, which are also the largest users of those dual-purpose denominations grandfathered under the Pact—the European gains in the Pact were described as Pyrrhic because they allow the continued use of semi-generic denominations, and even as a "desperate attempt" to maintain a major "agricultural subsidy."[221]

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219 COLAs are issued by the Alcohol and Tobacco Tax and Trade Bureau, under 27 CFR § 4.30. See Alcohol, Tobacco Tax and Trade Bureau, Department of the Treasury, Labeling Requirements for Wine, 27 CFR § 4.30 (current through Feb 11, 2010). For an example of the form required to obtain a COLA, see Alcohol and Tobacco Tax and Trade Bureau, *Application for and Certification/Exemption of Label/Bottle Approval*, online at http://www.ttb.gov/forms/f510031.pdf (visited Apr 24, 2010). According to Annex 2 of the Wine Pact, the full list of such denominations, which signal both a geographical origin and a type of product, is as follows: Burgundy (though not the French "Bourgogne"), Chablis, Champagne, Chianti, Claret, Haut Sauterne, Hock, Madeira, Malaga, Marsala, Moselle, Port, Retsina, Rhine, Sauterne, Sherry, and Tokay. See Wine Pact, 87 OJ Eur L, Annex 1 (Mar 24, 2006). Provisions implementing Article 6 were introduced in Dec 2006 by § 422 of the appropriately named *Tax Relief and Health Care Act of 2006,* which provides that the "requirement of this clause [to be able to use a semi-generic name on a label] is met if the wine conforms to the standard of identity, if any, for such wine contained in the regulations under this section or, if there is no such standard, to the trade understanding of such class or type" and further that:

> the requirement of this clause is met if the person, or its successor in interest, using the semi-generic designation held a Certificate of Label Approval or Certificate of Exemption from Label Approval issued by the Secretary for a wine label bearing such brand name, or brand name and fanciful name, before March 10, 2006, on which such semi-generic designation appeared.

Tax Relief and Health Care Act of 2006, Pub L No 109-432, 120 Stat 2922, § 422(a)(3)(B)(ii)–(iii) (2006). The label must identify the wine as produced in the US. See also 27 CFR § 4.24(b)(1). There seems to be a discrepancy in dates between the Agreement and the implementing legislation (Mar 10, 2006 versus Sept 14, 2005), and a further discrepancy between the date contained in the grandfathering clause and the date mentioned in Art 24.4 of the TRIPS Agreement, which provides that indications for wines or spirits that were used continuously may continue to be used if allowed by the WTO Member concerned either: (a) for at least ten years preceding Apr 15, 1994 (the date of the TRIPS Agreement); or (b) in good faith preceding that date. The date discrepancy is not new. In 1997, the Taxpayer Relief Act, 26 USC § 5388 already allowed continued use of semi-generic indications on wines without the TRIPS time constraints.

220 Wine Pact, Art 12(1) (cited in note 217).

221 See Rose, Comment, 29 Houston J Intl L at 734–35, 768–69 (cited in note 118). Rose identifies the three major American wine producers as E&J Gallo, Canadaigua, and the Wine Group. Id at 741. Recent merger activity has also led to a rapprochement of beer brewers and wine distributors. For example, Fosters of Australia acquired Beringer. See Teresa da Silva Lopes,

Undeniably, in terms of eliminating the use of semi-generic or dual purpose denominations even absent consumer deception—that is, applying the Lisbon level of protection to such denominations—the Pact is a slim victory for Brussels. For semi-generic or dual purpose names whose use may continue under Article 6 of the Wine Pact—those for which there were labels in existence prior to March 10, 2006—a refusal would be issued under Lisbon by the US and, if a framework for the application of TRIPS rules is agreed upon as proposed below, many such cases would likely have similar solutions.[222]

There are three factors, or clusters of factors, that affect the quality of a wine, namely: (a) grapes (variety); (b) soil and climate; and (c) wine-making ability (knowhow and technique).[223] The focus on the geographic origin of wines is useful for many Old World Wines that are blends and thus cannot be referred to as a single varietal.[224] That is, perhaps, the biggest European victory in negotiating the Wine Pact: an acknowledgement that GIs for wines matter. A Médoc red wine, for example, typically will include Cabernet Sauvignon and Merlot, and, depending on the more precise appellation within that region (which is itself part of the broader Bordeaux area), may also include Petit Verdot, Malbec, Cabernet Franc, and Carménère. Red wines from the Rioja region of Spain are mostly made of Tempranillo and Garnacha Tinta, but may include Graciano and Mazuelo depending on the producer and year.[225] The exact blend is left to the winemaker and depends in part on the particular climate of the year during which the wine is made.[226]

By contrast, many New World, and in particular American, consumers prefer to identify wines with a single varietal.[227] Indeed, one commentator sees the future of the wine trade moving towards single varietals combined with broad geographic designations.[228] The Wine Pact is arguably a step in the opposite direction, and seems to mesh with some emerging New World

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Global Brands: The Evolution of Multinationals in Alcoholic Beverages, in Louis Galambos and Geoffrey Jones, eds, *Cambridge Studies in the Emergence of Global Enterprise* 126 (Cambridge 2007).

222 See Lisbon Agreement, Art 5(3) (cited in note 7).

223 See note 185.

224 See id.

225 See id.

226 See Pierre Spahni, *The International Wine Trade* 84–89 (Woodhead 2d ed 2000). Consider Rose, Comment, 29 Houston J Intl L at 740–41 (cited in note 118) (noting that for lower tier "jug wines" there is strong brand affinity, but that the higher end products describe the product mostly by the variety of grape). It is mostly lower tier products that bear semi-generic names.

227 See note 185.

228 Rose, Comment, 29 Houston J Intl L at 769–70 (cited in note 118) ("The future of wine is not awash with Burgundy and Chianti, but instead is flowing with Sauvignon Blancs from New Zealand, Cabernets from Chile, and Pinot Noirs from Oregon.").

practices to blend varietals and insist on marks (whether fanciful or geographic) to identify their wines.[229] Arguably, by breaking the constraining mold of single (or double) varietal-based wines, New World producers would develop greater knowhow in blending and allow their consumers access to a greater palette.

The Pact did not solve all potential problems, of course. Real issues remain for beer and spirits.[230] Here, the Lisbon Agreement only requires bilateral discussions after a refusal, and TRIPS provides conflict rules applicable to prior trademarks.

4. Cuban cigars.

A different group of (non-alcohol related) appellations that would require at least a temporary refusal are the Cuban cigar marks. After the adoption of §211 of the Omnibus Appropriations Act of 1998, Cuban owners (generally State-owned enterprises) of certain trademarks lost the ability to enforce their rights in the US (including registering or renewing such trademarks) in trademarks used in connection with undertakings confiscated by the Cuban government on or after January 1, 1959, without the original owner's consent.[231] The provision was challenged at the WTO but survived because TRIPS basically does not regulate ownership of the rights it was meant to protect.[232] I was able to identify nineteen Cuban marks or families of marks on the Lisbon register. Interestingly, one (HABANOS) is still apparently owned by the Cuban

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229 See Irene Calboli, *Expanding the Protection of Geographical Indications of Origin Under TRIPS: "Old" Debate or "New" Opportunity?* 10 Marq Intell Prop L Rev 181, 200–01 (2006).

230 "Cognac" and "Armagnac," for example, are arguably semi-generic, as is "Pils" for beer. Another conflict, concerning "Budweiser," is discussed in note 143.

231 See Kristina Maranges, Comment, *The American Government: Cuba's Best Marketer For Its Cohiba*, 19 St Thomas L Rev 509, 511 (2007):

> Section 211(a)(2) and (d) of the Omnibus Consolidated and Emergency Supplemental Appropriations Act of 1998 [112 Stat at 2681–88] explicitly prohibits the courts' jurisdiction over trademark infringement claims of corporations owned in whole or in part by the Cuban government. Section 211(a)(2) specifically prohibits federal courts from recognizing, enforcing, or otherwise validating any assertion of rights by a "designated national" based on common-law trademark rights or on federal trademark registration. Section 211(d) goes on to define a "designated national" to include Cuba and/or Cuban nationals, including corporations controlled by the Cuban government, as prohibited owners of the marks. Therefore, the courts' mere entertainment of a case that would protect a trademark owned in whole or in part by the Cuban Government or any of its agents is illegal under federal law.

Id.

232 See World Trade Organization, Report of the Appellate Body, *United States—Section 211 Omnibus Appropriations Act of 1998*, WTO Doc WT/DS176/AB/R (Jan 2, 2002); Graeme B. Dinwoodie and Rochelle C. Dreyfuss, *Designing A Global Intellectual Property System Responsive To Change: The WTO, WIPO, and Beyond,* 46 Houston L Rev 1187, 1199–1200 (2009).

government as a US certification mark.[233] Of the eighteen others, only four seem to have been "appropriated" by US entities. That issue, therefore, seems manageable.

5. Other obstacles to US participation in the Lisbon System.

Two related substantive issues that would need to be addressed to allow the US to join a revised Lisbon system are Article 6 of the Agreement and the trademark/GI interface. Domestically, these issues boil down to this: Could the US uphold the primacy of prior marks and prevent exclusive rights from being granted on generic terms, as provided under TRIPS? Internationally, would this affect US trademark holders negatively? Article 6 may seem to prevent US courts from making a finding of genericness for a Lisbon appellation (at least without violating Lisbon if the US were to join). As mentioned above, this scenario is unlikely because major issues would surface for legacy appellations, those that would be on the register at the time of adhesion to the Lisbon Agreement and that the US would decide whether they should be refused (within twelve months of joining the system).[234]

For wines and spirits, this seems manageable and further genericide can probably be prevented by preventing the use of labels. Indeed, the Bureau of Alcohol, Tobacco, Firearms and Explosives (BATF) regulations prescribe genericness and semi-genericness for several appellations and this was reflected in the Wine Pact and should prevent future genericide. [235] For other products, the answer is less obvious. One possibility is that the US could systematically refuse any appellation not subject to BATF control. Almost 70 percent of all Lisbon entries are for wines and spirits. This solves the Article 6 issue but would not solve the developing countries' push for the extension of higher (Lisbon-type/Article 23) protection to products other than wines and spirits. Another option is to limit not the right *per se* but rather the remedies available to a right holder in an appellation who let it lapse into genericness.[236]

Clearly, the hierarchy issue is one of the most significant concerns that a possible Protocol to the Agreement should address, perhaps by incorporating a reference to TRIPS rules.[237] As noted above, TRIPS allows, but does not

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233 US Trademark 77157193, live, belonging to "Empresa Cubana del Tabaco a/k/a Cubatabaco AKA Cubatabaco Entity is subject to the jurisdiction of a Ministry of the Republic of Cuba state corporation CUBA Calle O'Reilly No 104 La Habana CUBA." US Patent and Trademark Office, online at http://tess2.uspto.gov/bin/showfield?f=doc&state=4002:t4u4em.2.1 (visited Mar 30, 2010) (TESS search last conducted Mar 30, 2010).

234 See note 138 and accompanying text.

235 See note 219 and accompanying text.

236 See note 122.

237 See Part V.B.3.

expressly mandate, the application of the "first in time, first in right" principle.[238] A WTO member might award priority to an appellation over a preexisting trademark. Yet, as the *Torres* case demonstrates[239], this rule is not applied strictly even within the cradle of appellations of origin, namely members of the EU. One case that would inevitably surface is the Budweiser/ Budějovický dispute.[240]

A wide adoption of the Lisbon system, which US participation would undoubtedly incent, would solve the "extension of scope" issue in the Doha context, unless of course the US only participated in a Protocol limited to wine and spirits denominations.[241] Countries seeking such an extension could join and then begin to use the Lisbon system for products other than wines and spirits.[242]

6. Administrative challenges.

A massive addition of new members to the Lisbon system would naturally entail administrative obligations for new and existing members and for the WIPO system. Yet, unless one agrees that there will never be an Article 23.4 register, most of those steps would have to be taken in any event, and may lead to higher transaction costs if taken elsewhere, notably in terms of information systems and personnel, if undertaken by an organization such as the WTO with no prior experience or expertise in the matter.[243] Under the proposed per-country fee, each protocol member as well as WIPO would have the resources to operate on a cost-recovery basis.[244]

Joining Lisbon would provide WTO members access to an existing system under which the necessary expertise exists for proper consideration as to whether a registered denomination is acceptable under applicable rules.

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238 See notes 123–24 and accompanying text.

239 See notes 130–32 and accompanying text.

240 See note 143.

241 While almost all wine appellations likely to be on the register in the short term are already protected under the Wine Pact, there may be other indications on products of different kinds which, although only protected in TRIPS at the lower level (consumer deception must be present) would in theory benefit from the Lisbon level, unless a Protocol incorporated the two TRIPS levels, thus establishing a dual register—a register A for wines (and possibly spirits), with a high (Art 23) level of protection, and a register B for other products, with a lower (Art 22) level of protection.

242 Lisbon appellations have to be protected against usurpation and imitation, but the exact scope of protection depends on the level of protection available in the country concerned. See note 80 and accompanying text. It may include protection against dilution, which applies even in the absence of consumer confusion. Additionally, while Lisbon does distinguish between wines and spirits, on the one hand, and other products, on the other, Members are free to protect, for example, wines and spirits differently, provided the Lisbon minimum obligations are met.

243 See note 48 and accompanying text.

244 See note 203 and accompanying text.

It is worth bearing in mind, however, that all the countries now asking for an extension to products other than wines in the WTO negotiations were and are free to join Lisbon. Very few have done so and in the past fifty years, fewer than 100 denominations for products other than food, wines, or spirits have been registered. A sudden inflow of hundreds of new GIs is thus highly improbable. GIs are typically based on traditions concerning a particular product and an allegation, whether it is verified by a state body, a private agency, or remains unverified as to certification marks that this tradition is stable and able to produce products having (or perceived as having) a certain desirable quality or characteristic, and traditions obviously take time. Hence, while the increase in administrative work would be non-negligible, it should not, for most countries, prove an insurmountable task. For poorer nations, assistance from the WTO (and possibly also the WIPO) secretariat or WTO Members could, and in fact should, be made available, as provided in the TRIPS Agreement.[245]

In sum, the proposed solution is to tailor the Lisbon system by removing major obstacles, including the Article 6 restriction on genericide, the "as such" requirement, and the difference between the definitions of geographical indication and appellation of origin, to the participation by the US in the Lisbon system via a protocol to the current Agreement.[246]

B. Protocol to the Lisbon Agreement

Why would anyone want to reinvent Lisbon? Walking down rua do Meio à Lapa after an evening of fado music and Dão wine,[247] Lisbon would strike anyone as a city hardly in need of reinventing itself. Yet, if the city may have good reasons to resist change, the Agreement that bears its name needs to move forward, or else it may be sidelined by the establishment of a parallel register under TRIPS Article 23.4, which will cover, initially at least, wine and spirit denominations already on the Lisbon register.[248]

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245 TRIPS Agreement, Art 67 (cited in note 3).

246 See Lisbon Agreement, Art 6 (cited in note 7). To solve the terminological discrepancy examined in Part I, the protocol would, therefore, allow WTO members who adhere to it to register "geographical indications." Existing Lisbon entries would be considered as geographical indications, but protocol-based indications would not (have to) be appellations under the Agreement.

247 Wines from the Dão region of Portugal are a good candidate to discuss appellations of origin/geographical indications. Not only does the region benefit from the same factors as other wine-producing regions (soil, climate, know-how) but they also rely on indigenous varietals: Touriga Nacional, Tinta Roriz (known in Spain as Tempranillo), Jaen and Alfrocheiro Preto.

248 See Part I.A.2.

A protocol to the Lisbon Agreement would allow WTO Members to keep the advantages of the Lisbon system (expertise, registration system refusals) while removing (for parties to the protocol, not the Agreement) irritants such as the rule against genericide and allow WTO Members to use—and perhaps tweak—TRIPS rules concerning conflicts between trademarks and GIs. A protocol would also fulfill the TRIPS Article 23.4 obligation if WTO Members recognized that it is the multilateral register foreseen in Article 23.4, thereby removing a thorn in the side of the Doha Round and allowing the US and other New World countries to move forward in multilateral trade negotiation.[249]

The question to ask now is whether a protocol is realistic, and then exactly how would it interface with TRIPS norms.

1. Applicable precedents.

There is a clear precedent. In 1989, a Protocol to the 1891 Madrid Agreement Concerning the International Registration of Marks was developed.[250] The Protocol allowed the US to join, notably by ensuring that all administrative operations could be conducted in English. The US eventually joined the Madrid system in 2003 and now accounts for approximately 10 percent of new registrations.[251] Interestingly, more countries are party to the Protocol (eighty-one) than to the original Agreement (fifty-six).[252]

The new instrument could also be a revision or indeed a new Act (revision). The core idea is simple: step up of the historical flange-ways, and thus avoid the related path dependency, which has manifested itself in *sui generis* regimes with particular attributes, such as their variable precedence over prior marks, and establish a true multilateral register for denominations of origin to which products owe specific qualities, characteristics, and indeed their reputation in the marketplace.

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249 A Decision by the TRIPS Council or perhaps at the Ministerial level could effectuate the arrangement officially. There are several precedents, including the Decision on compulsory licensing of patents on certain pharmaceutical products. Consider World Trade Organization, General Council, *Implementation of Paragraph 6 of the Doha Declaration on the TRIPS Agreement and Public Health, Decision of 30 August 2003*, WT/L/540 (Sept 2, 2003); World Trade Organization, General Council, *Amendment of the TRIPS Agreement, Decision of 6 December 2005,* WT/L/641 (Dec 8, 2005).

250 *Madrid Trademark Agreement*, 828 UNTS 389 (cited in note 33); *Madrid Trademark Protocol*, S Treaty Doc No 106-41, 28 Indus Prop L & Treaties 3-007, 001 (cited in note 33).

251 See WIPO, *Madrid System for the International Registration of Marks: Mid-Year Summary Report up to June 2009*, 5, online at http://www.wipo.int/export/sites/www/madrid/en/statistics/pdf/ mid_year_ report_june_2009.pdf (visited Apr 24, 2010).

252 See WIPO, *Members of the Madrid Union*, online at http://www.wipo.int/madrid/en/members/ (visited Apr 24, 2010).

Clearly, no country should have to adhere to the Lisbon Agreement to adhere to the protocol. And membership would not be limited to countries. A full revision would also make it possible for intergovernmental bodies, such as the EU, to join.[253]

One might argue that a protocol is not necessary because the US and other New World countries may join the current Lisbon Agreement, but as demonstrated in the previous section, this would leave a number of important questions and possible issues unresolved. Another option would be for the WTO and WIPO to agree to use the Lisbon staff and expertise to run a completely separate, *parallel* system, but even this approach would require a new international instrument. The Madrid Agreement and Protocol are described by WIPO as "parallel and independent," and this is precisely what is proposed here.[254]

The harder question is what would be the contents of the protocol. If, after our tour of wines and spirits the reader will allow me soda-based metaphors, the protocol could be either "Lisbon Light" or "TRIPS Zero."

2. A "Lisbon Light" protocol.

Under what I call a "Lisbon Light" scenario, WTO Members would establish a new international register, possibly limited to wines and spirits, to be administered by WIPO, thus relying on the expertise of the Lisbon staff and, more generally, on WIPO's experience in administering international intellectual property registration systems. The protocol would mirror the current registration process but apply to geographical indications (copying the TRIPS definition) and contain no substantive protection norms. However, the registration and refusal (or partial withdrawals) processes would apply, but with TRIPS providing acceptable grounds for refusal and conflict rules.[255] Thus, Articles 3 and 6 of the Agreement, for example, would disappear.[256] The current tacit acceptance (by

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253 See Peter Wilner, *The Madrid Protocol: A Voluntary Model for the Internationalization of Trademark Law*, 13 DePaul-LCA J Art & Ent L 17, 20–21 & n 18 (2003).

254 See WIPO, *Summary of the Madrid Agreement Concerning the International Registration of Marks (1891) and the Protocol Relating to that Agreement (1989)*, online at http://www.wipo.int/treaties/en/registration/madrid_protocol/summary_madrid.html (visited Apr 24, 2010).

255 If the former were chosen, the Protocol could say simply "Members may issue a complete or partial refusal in respect of any indication that conflicts with a trademark in which a third party has rights in its territory, in conformity with the relevant provisions of the TRIPS Agreement concerning conflicts between trademarks and geographical indications."

256 A possible other option is to replace Art 6 with a provision resembling Art 4 of the Madrid Agreement, which reads: "The courts of each country shall decide what appellations, on account of their generic character, do not fall within the provisions of this Agreement, regional appellations concerning the source of products of the vine being, however, excluded from the reservation specified by this Article." Madrid Agreement, 828 UNTS 389 (cited in note 33).

failing to notify a refusal) could be replaced with a formal acceptance process. Such developments would cohere with recent developments in both the Madrid and Hague systems,[257] replacing or complementing a system of tacit acceptance by adding the possibility of notifying a partial or complete acceptance. As noted above, both the extension of existing appellations to protocol members (but not also party to the Agreement) and all new protocol entries would be subject to a per-country designation.[258]

Rules concerning national offices could also be clarified to interface expressly with countries using a certification mark approach to GI protection. This would thus be modeled after the Madrid system, which is at bottom a registration system rather than an effort to define substantive protection norms.

Essentially, under this approach, a new multilateral system is established but most substantive rules are set aside, thus allowing TRIPS and the WTO dispute-settlement system to fill the gap.

3. A "TRIPS Zero" protocol.

Under this second approach, which I favor, while the Madrid Protocol model would still be relevant, the proposed approach would more closely resemble the two "Internet" treaties adopted under the aegis of WIPO in 1996.[259] WIPO Members would adopt a protocol that mirrors not just the administrative provisions of the current Lisbon system, but the TRIPS provisions concerning geographical indications and conflicts between GIs and trademarks.[260]

In reinterpreting the TRIPS rules to incorporate them in a possible protocol, lessons from the EU case on coexistence should be reflected.[261] In the case of well-known marks, in keeping with Article 16 of the TRIPS Agreement, members could be required to recognize the superiority of the famous mark.

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257 See World Trade Organization, *Common Regulations under the Madrid Agreement Concerning the International Registration of Marks and the Protocol Relating to that Agreement*, Rule 18*ter* (Sept 1, 2009); WIPO, *Common Regulations Under the 1999 Act, the 1960 Act and the 1934 Act of the Hague Agreement*, Rule 18*bis* (Jan 1, 2009), online at http://www.wipo.int/hague/en/legal_texts/hague_common_regulations.html (visited Apr 24, 2010).

258 See text accompanying notes 203–204.

259 WIPO Copyright Treaty, S Treaty Doc No 105-17, 36 ILM 65 (Dec 20, 1996) (cited in note 171); WIPO Performances and Phonograms Treaty, S Treaty Doc No 105-17, 36 ILM 76, 86 (1997).

260 Naturally, "TRIPS provisions" is potentially a dynamic notion as TRIPS may be amended in the future. In fact, an amendment to TRIPS (Art 31*bis*) was adopted by a decision of the WTO General Council of 6 December 2005. See WTO Doc WT/L/641 (cited in note 254). As of this writing (Nov 2009), it had not entered into force.

261 See note 161 and accompanying text.

4. Extension to other products.

Whether established under a "Lisbon Light" or "TRIPS Zero" approach, the question of the extension to products other than wines and spirits remains. Under Article 23.4, the new multilateral register need only apply to wine, although political agreement exists to extend it to spirits.[262] The protocol could limit a new register to those products, reflecting in large part current usage of the Lisbon register and importing the current appellations concerning wines and spirits only.[263] If WTO members agreed to extend high (Article 23) protection to all products, then the register could be opened to reflect such extension.

Another possibility, which I consider a possible solution to the extension quagmire, is to establish a register with two distinct domains: wines and spirits, for which Article 23 protection would apply; and all other products, for which Article 22 protection would apply. This may open up a more palatable way for certain countries to recognize important geographical denominations, especially those belonging to the developing world. Future negotiations might naturally move indications for certain products from one domain to the next. A simple examination of the current register would allow the existing denominations to be included in the proper domain. As explained above, existing appellations would not be extended to protocol members and the protocol would require a per-country notification.[264]

VII. CONCLUSION

This Article is an attempt to remove an obstacle to the conclusion of the Doha Round. The aim was to demonstrate that the 1958 Lisbon Agreement could function as the multilateral register for wine denominations foreseen in Article 23.4 of the TRIPS Agreement, the successful establishment of which was characterized as necessary to the success of the Doha Round by EU negotiators. To achieve this goal, I considered the substantive differences between the notions of geographical indication, used in TRIPS, and appellation of origin, used in the Lisbon Agreement. I concluded that while the former is somewhat broader in theory, there are few functional differences between the two and no organic reason that makes Lisbon incapable of functioning as the TRIPS register. In fact, by superimposing TRIPS on the Lisbon system, most issues of conflict between geographical indications and trademarks can be solved. Homonymous indications and non-famous marks may, in appropriate cases,

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262 See note 9.

263 See note 9 and accompanying text.

264 See note 203.

coexist. An empirical look at each and every appellation currently protected under Lisbon leads to a similar conclusion.

I reviewed the steps that the US would have to take to implement Lisbon and found that, while the establishment of the register foreseen in Article 23.4 of TRIPS in any form would require administrative changes and possibly legislative ones as well, the level of difficulty does not seem insurmountable, especially if, as was the purpose of this Article, joining the Lisbon system dynamites the dam on the Doha river.

Two versions of a Protocol were suggested. Each one would, in a different way, shed additional light on definitional uncertainties in the penumbra of the current Lisbon system and remove certain obstacles through the alignment of the Lisbon system with the TRIPS norms concerning conflicts with trademarks and the application of common rules concerning genericide.

I also reviewed the compatibility of the underlying Lisbon philosophy with US trade practices. I considered the importance of geographical indications and specifically the *terroir* as a culturally and, increasingly, environmentally important concept. The theory of Conventions and its linkages with trade were discussed. No fundamental conflict emerged between the Lisbon system and the American approach to the sale of food and wine products. In fact, the increasing tendency on the part of consumers to identify the origin of such products seems to support a Lisbon-type system, recognizing thereby that geographical indications are, from that perspective at least, more than "just trademarks."