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GEORPORICAL INDICATIONS:
THE UNITED STATES’ PERSPECTIVE

By D. Peter Harvey*

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I. INTRODUCTION

The policy dispute between holders of geographical indication ("GI") rights and trademark rights is not new. Nor is the very animated debate among practitioners, scholars, and treaty negotiators about it. The fundamental issues underlying the dispute are historical and doctrinal. Both the debate and the international negotiations around the issue have intensified in recent years, in part because of the enormity of the agribusiness interests involved. Whether GIs should trump trademark rights, or vice versa, and whether and how the two schemes of protection may coexist, are not only issues that affect individual holders of these rights in particular industries and countries. These questions necessarily have significant and growing global trade implications. Reconciling the competing interests and policies that are involved in a rational way is therefore highly desirable.

In Section II, this article examines the history, economics, and politics underlying the competing interests involved in the debate. In Section III, the article then turns to the U.S. protection system for GIs, which is largely a trademark regime. In that section, the article examines first the requirements underlying qualification as a U.S. certification mark, and looks at several examples of registered and common law certification marks. The article then briefly summarizes cases that have upheld the validity of certification marks, as well as those in which protection has been refused because they are generic. The article concludes with brief discussions of collective marks and appellations of origin as further means of protection for geographical indications in the United States.

II. BACKGROUND

A. History

The seeds of the conflict between the United States' position and the European position on geographical indications were sown very early in the history of the United States. Immigrants from Europe to the United States brought with them European methods and styles of manufacture, some of which were unique to specific regions and products. European grape growers, for example, immigrated to the United States at least as early as the 1830s. They brought with


them grape varietals and traditional methods of winemaking from their home countries. They also named their new American-grown wines using the traditional names of their native regions. As a result, European geographical names have been used in the United States for well over a century, and in some cases even longer than that.3

For example, the name “champagne” was used in the United States descriptively as early as 1839 to refer to sparkling wine of the type first developed in the Champagne region of France. California’s Korbel Champagne Cellars began production of champagne in California in the 1890s and quickly achieved international fame.4 Likewise, “chablis” was adopted many decades ago by American winemakers to describe a certain type of wine with specific characteristics. A “California Chablis” won a gold medal at the 1889 Paris exposition. Many similar examples exist of United States winemakers’ use of such descriptive terms as port, angelica, sherry, claret, hock, and burgundy throughout the 1800s.5 As a result of this long descriptive usage in the United States of names that had originated as geographical indications, by the time of Prohibition such names had lost their geographical identity and served primarily to describe to the American consumer certain styles and types of wines.

U.S. regulatory recognition of European geographic names as descriptive, at least with respect to wine, began immediately following the repeal of Prohibition.6 In 1934, the Federal Alcohol Control Administration proposed regulations concerning wine labeling.7 These proposals recognized the acceptance and use of European geographical names by U.S. winemakers.

Regulations later adopted by the federal Alcohol and Tobacco Tax and Trade Bureau (“TTB”) (formerly the Bureau of Alcohol, Tobacco and Firearms) regarding the labeling and advertising of wine adopted the term “semi-generic” for designations that once had purely geographic significance but, because of their long-standing use descriptively as set forth above, became descriptive of a wine

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type or style. The TTB regulations permit the use of these terms regardless of the actual origin of the product, so long as the product label indicates its true geographic source:

Semi-generic designations may be used to designate wines of an origin other than that indicated by such name only if there appears in direct conjunction therewith an appropriate appellation of origin disclosing the true place of origin of the wine, and if the wine so designated conforms to the standard of identity, if any, for such wine contained in the regulations in this part . . . .8

In short, under this regulation, U.S. producers may label a wine with a “semi-generic” name, such as “champagne,” so long as the label also bears an appellation of origin disclosing where the wine was sourced, for example, “California champagne.” Currently, there are sixteen semi-generic names that are also type designations: angelica, burgundy, claret, chablis, champagne, chianti, malaga, marsala, madeira, moselle, port, rhine wine (also known as hock), sauterne, haut sauterne, sherry, and tokay.9 The provisions of 26 U.S.C. § 5388(c), added in 1997, allow the Secretary of the Treasury to add new names to the semi-generic list, but not to remove the names listed by Congress.

B. Economics

The persistence of the dispute between owners of geographical indications rights and trademark owners is explained in large measure by the growing scope of agribusiness interests. As of 2012, there were 1,065 agricultural and foodstuff GIs, 1,561 wine GIs, and 325 spirits GIs were registered in the European Union (“EU”).10 A study for the European Commission estimated the value of GI products in 2010 at €54.3 billion, of which over half was attributable to wines.11 This figure corresponds to around 6 percent of the output of the entire EU food and drink industry. The same study estimated that the value of exports of GI products from Europe in 2010 was €11.5 billion, constituting 15 percent of all extra-EU exports of food and beverages. Roughly half of this figure represents wine and

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8. 27 C.F.R. 4.24(b)(1).
another 40 percent spirits. Exports of agricultural and food GI products made up the remaining 10 percent.\(^\text{12}\)

The United States constituted the single largest market for European GI products, and GI products accounted for 30 percent of all U.S. imports of food and beverages from the EU in 2010. Notably, the bulk of these exports was concentrated in a small number of products: champagne and cognac from France, Scotch whiskey from the United Kingdom, and grana padano and parmigiano reggiano cheese from Italy.\(^\text{13}\)

The exporters of GI products have a clear economic interest in preserving their rights in GIs. On the U.S. side of the issue, the challenged U.S. trademark owners—particularly in the wine and spirits and dairy industries—are equally determined to preserve their rights.

**C. Politics and Philosophy**

There are also powerful political and philosophical underpinnings to the United States’ position on GI products. Geographic terms serve as important sources of consumer information in identifying the source, as well as various other qualities, of certain goods and services, particularly food products and wines and spirits. As J. Thomas McCarthy states:

> Disclosure of the geographic origin of some foods and beverages can sometimes indicate to the prospective buyer significant information about the nature and quality of a product . . . . One does not have to be a connoisseur of wine to be interested in whether the wine comes from California, Burgundy, Australia or Chile or even from some specific place within those regions. With a growing world market in foodstuffs, accurate identification of the geographic origin of food and beverages has become of increasing importance.\(^\text{14}\)

Professor McCarthy goes on to note, however, that in some nations certain geographic terms have become generic names of certain kinds of products. For example, he notes: “Americans do not expect ‘French fries’ to originate in France or ‘Bikini’ bathing suits to come from that Pacific atoll.”\(^\text{15}\)

From a trademark perspective, geographical terms indicating the geographic location or origin of goods and services are not “inherently distinctive” marks.\(^\text{16}\) A geographic term used merely to

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12. *Id.*
13. *Id.* at 20.
15. *Id.*
indicate the location or origin of goods and services is purely descriptive. It cannot, without more, serve to distinguish one supplier’s goods or services from those of others. The United States Supreme Court recognized this as early as 1871:

[I]t is obvious that the same reasons which forbid the exclusive appropriation of generic names or of those merely descriptive of the article manufactured and which can be employed with truth by other manufacturers, apply with equal force to the appropriation of geographical names, designating districts of country. Their nature is such that they cannot point to the origin (personal origin) or ownership of the articles of trade to which they may be applied. They point only at the place of production, not to the producer . . . .

Of course, as in the case of other descriptive terms, geographical terms can achieve trademark—source designating—significance upon the acquisition of secondary meaning. In the *Waltham Watch* case, for example, a watchmaker located in Waltham, Massachusetts successfully secured injunctive relief against a junior producer of Waltham watches when he established that consumers had come to associate the name WALTHAM WATCH exclusively with him.18 As Justice Oliver Wendell Holmes there stated:

It was found at the hearing that the word “Waltham,” which originally was used by the plaintiff in a merely geographical sense, now, by long use in connection with the plaintiff’s watches, has come to have a secondary meaning as a designation of the watches which the public has become accustomed to associate with the name.

A second rationale supporting broad usage of geographic terms by all producers is the notion that descriptive geographical terms are in the public domain. As a matter of accurate consumer information, therefore, sellers should have the right to inform customers of the geographical origin of their goods. This principle is recognized in the Restatement:

That a watch is Swiss, that wine is from California, that maple syrup is from Vermont, or that a dress has been designed in New York or Paris are facts in which consumers are interested and which sellers therefore wish to disclose in a prominent manner. While not all locales are of special importance to consumers, merchants should remain free to indicate their

17. Delaware & Hudson Canal Co. v. Clark, 80 U.S. 311, 324 (1871).
19. *Id.* at 85-86.
place of business or the origin of their goods without unnecessary risk of infringement.\textsuperscript{20}

There also appears to be a philosophical divide between those who would protect geographical indications as such, and those who would protect such terms only under a trademark regime such as in the United States. For European GI holders, particularly the French, the concept of \textit{terroir} conjures significantly more than simply the place of origin of ingredients such as wine grapes. Detailed regulations governing soil conditions, planting and production methods, and how the product is otherwise made distinguish European schemes of geographical indications, particularly appellations d'origine contrôlée ("AOCs") for wine, from mere designations of the physical source of the goods—as in the case of designated American Viticultural Areas or appellations of origin within the United States.

It is important to note that the fight between trademark holders and GI rights holders is not simply a U.S./EU contest. In \textit{Consorzio del Prosciutto di Parma \& Salumificio S. Rita SpA v. Asda Stores Ltd. \& Hygrade Foods Ltd.} (the PARMA ham case), the European Court of Justice enjoined the sale of genuine Parma ham in the U.K. because it was not sliced and packaged in Parma.\textsuperscript{21} To similar effect is \textit{Germany \& Denmark v. Commission of the European Communities}, which involved the use of FETA for cheese. There, the producers of feta-style cheese made in Denmark and Germany were enjoined by the European Court of Justice from calling their products FETA cheese, notwithstanding the broad use of "feta" to describe a type of cheese generically throughout Europe.\textsuperscript{22}

\section*{III. U.S. PROTECTIONS FOR GEOGRAPHICAL INDICATIONS}

In contrast to Europe, the United States does not give geographical indications special legal status and a registration system apart from trademark and unfair competition law. In the United States, GIs are protected in one of two ways, either: (1) under trademark law, as geographic certification or collective marks, or (2) as appellations of origin for wine.\textsuperscript{23} The United States Patent and Trademark Office ("USPTO") is bound to refuse registration of any mark that is "primarily geographically descriptive" or

\textsuperscript{20} Restatement Third, Unfair Competition § 14, comment d (1995).
\textsuperscript{23} McCarthy, § 14:1.50.
“primarily geographically deceptively misdescriptive” of the goods sold in connection with the mark, with the express exception that “indications of regional origin” may be registered as certification or collective marks.24

A. Certification Marks

The Lanham Act, the U.S. federal trademark statute, defines a “certification mark” as:

any word, name, symbol, or device, or any combination thereof—(1) used by a person other than its owner, or (2) which its owner has a bona fide intention to permit a person other than the owner to use in commerce and files an application to register on the principal register established by this Act, to certify regional or other origin, material, mode of manufacture, quality, accuracy, or other characteristics of such person’s goods or services or that the work or labor on the goods or services was performed by members of a union or other organization.25

A key feature distinguishing certification marks from ordinary trademarks is that they cannot be used by their owner on the identified goods and services. This is referred to as the “anti-use-by-owner rule.”26 Rather, certification marks are owned by one entity, usually a standards-setting and/or certifying entity, and used by others who meet the standards to certify quality, region, or other origin. Three principal categories of certification marks exist, namely, (1) quality certification marks, such as the well-known Underwriters Laboratories “seal of approval,” (2) regional or other geographic origin marks, and (3) “union-label” certification marks attesting that the goods or services were provided by union labor.

Well-known examples of geographical certification marks registered in the United States include the following:

- ROQUEFORT (in stylized font) for cheese, U.S. Reg. No. 571798, to certify that cheese bearing the mark has been “manufactured from sheep’s milk only and has been cured in the natural caves of the Community of Roquefort, Department of Aveyron, France”:

- GROWN IN IDAHO (and design) for potatoes, U.S. Reg. No. 2914307, certifying that those potatoes are grown in the State of Idaho and “conform to grade, size, weight, color, shape, cleanliness, variety, internal defect, external defect, maturity and residue level standards promulgated by the certifier”:

- FLORIDA (and design) for citrus fruit and juices, U.S. Reg. No. 1200770, certifying that “the citrus fruit was grown in the state of Florida under specified standards or are processed or manufactured wholly from such citrus fruit”:

- PARMA (and design), U.S. Reg. No. 2014627, for ham made, processed, and packaged in Parma, Italy:
STILTON for cheese, U.S. Reg. No. 1959589, certifying that the goods provided are “blue moulded or white cheese produced within the county boundaries of Leicestershire, Derbyshire, and Nottinghamshire, England, with no applied pressure, forming its own crust or coat and made in cylindrical form, from full cream milk produced by English dairy herds”;

DARJEELING (and design), U.S. Reg. No. 1632726, certifying that the tea consists of “a blend of tea [which] contains at least sixty percent (60%) tea originating in the Darjeeling region of India and meets other specifications established by the issuer”;

SWISS and SWISS MADE for watches, U.S. Reg. Nos. 3047277 and 3038819, certifying the geographical origin of the watches in Switzerland.
In addition to the foregoing examples of registered geographical certification marks, the USPTO has recognized that certification mark status may be achieved under the common law. For example, the USPTO’s Trademark Trial and Appeal Board (“TTAB”) held in Institut National Des Appellations d’Origine v. Brown-Forman Corp. that COGNAC was not generic but rather had attained, in the perception of U.S. consumers, distinctive status as a symbol certifying that the brandy in question originated in the Cognac region of France.27

In that case, the Brown-Forman Corporation had filed a trademark application to register CANADIAN MIST AND COGNAC for goods identified as “an alcoholic beverage consisting primarily of a mixture of Canadian whiskey and cognac.” The applicant disclaimed the exclusive right to use the words CANADIAN and COGNAC apart from the mark as shown. The Institut National des Appellations d’Origine (“INAO”) and the Bureau National Interprofessionnel du Cognac (“BNIC”) initiated an opposition proceeding on the grounds that the term COGNAC is protected by France’s AOC system.

The TTAB granted the opposers’ motion for summary judgment, holding that COGNAC is a common law regional certification mark. The mark had not become generic, the TTAB held, because there was no evidence that it had lost its significance as an indication of regional origin by having been used on goods originating somewhere other than the place named in the mark.

In an analogous case, Tea Board of India v. Republic of Tea, Inc.,28 Republic of Tea, Inc. had applied to register the mark DARJEELING NOUVEAU for “tea,” disclaiming the word “darjeeling.” The Tea Board of India opposed that application before the TTAB, claiming ownership of one registration for DARJEELING and a pending application for the certification mark DARJEELING. The Tea Board of India also asserted that it had common law rights in the DARJEELING certification mark.

The TTAB sustained the opposition and dismissed the applicant’s counterclaim for cancellation of opposer’s DARJEELING registration. After a full trial, the TTAB held that there was insufficient probative evidence in the record to establish that the DARJEELING word mark had become generic. It dismissed certain dictionary definitions submitted by the applicant and evidence of generic use of “darjeeling” in the media, and it held that the applicant’s genericness survey was methodologically flawed. Holding that the applicant’s mark was likely to be confused with

opposer’s registration, the TTAB also dismissed the applicant’s counterclaim for cancellation.29

The certification mark holder in the SWISS watch case, Federation of the Swiss Watch Industry, was similarly successful. It owned two certification marks, U.S. Registration No. 3047277 for the mark SWISS and U.S. Registration No. 3038819 for the mark SWISS MADE, both to certify the geographic origin of goods identified as “horological and chronometric instruments, namely, watches, clocks and their component parts and fittings thereof.”30 The certification statement for each registration claimed: “The certification mark, as used by persons authorized by the certifier, certifies geographical origin of the goods in Switzerland.”

The petitioner, Swiss Watch International, Inc., sought to cancel these registrations on several grounds. It claimed that it owned a registration for the mark SWISS WATCH INTERNATIONAL and that it had been refused registration of the mark SWISS LEGEND for watches on the basis of likelihood of confusion with respondent’s marks. The petitioner asserted that the marks in question had become generic. The matter proceeded to a full trial before the TTAB, which rejected the petitioner’s evidence of genericness. This included unauthenticated and hearsay Internet exhibits showing the term SWISS used in connection with various watches, press references to a “Swiss watch” as a “metaphor for something of precision workmanship,” and a relatively small number of clearly unauthorized third-party uses of SWISS or SWISS MADE. The petition for cancellation, accordingly, was dismissed.

Finally, the TTAB very recently upheld the certification mark TEQUILA against challenge in Luxco, Inc. v. Consejo Regulador del Tequila, A.C.31 There, Luxco, Inc., an importer of tequila and distilled spirit specialties containing tequila, opposed registration of a certification mark application for TEQUILA in connection with “distilled spirits, namely, spirits distilled from the blue tequilana weber variety of agave plant” filed by Consejo Regulador de Tequila (“CRT”). The TTAB dismissed the opposition.32

Luxco based its opposition on three grounds. First, it asserted that “tequila” is generic for a type of alcoholic beverage. The TTAB recognized that, in the case of certification marks identifying geographic origin, the mark will not be deemed generic if it “retains its ability to designate geographic source.” Here, the evidence, which

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29. Id. at *25.
32. Id. at *30.
included federal regulations, dictionary definitions, advertisements, bottle labels, various publications, retail signage, and consumer surveys, supported a finding that the term “tequila” has significance as a designation of source. The TTAB dismissed this count.33

Second, Luxco asserted that the CRT does not have “legitimate control” over use of the term “tequila” in the United States or Mexico. The TTAB disagreed, noting that the Alcohol and Tobacco Tax and Trade Bureau (TTB), which has control over importation, bottling, and distribution of tequila, “has no authority to make determinations as to trademark registrability under the Trademark Act.” Moreover, as the CRT is “the entity that verifies compliance with the Official Mexican Standard for Tequila,” it is thus authorized by the Mexican government through the Mexican Institute of Industrial Property to apply to register TEQUILA as a certification mark in the United States.

Finally, Luxco asserted that the CRT had committed fraud on the USPTO by making material misrepresentations in its application regarding the status of Tequila as an appellation of origin, and that “[i]n terms of volume practically 100% of the tequila product sold in the world comes from a certified producer and certified brand.” The Board rejected this claim, holding that these statements were not made with intent to deceive and were supported by authorities suggesting a reasonable belief in the position. Accordingly, this count was also dismissed.

In not all instances, of course, has the owner of the claimed certification mark been successful. A notable example is In re Cooperativa Produttori Latte E Fontina Valle D’Acosta (the FONTINA case), where the claimed certification mark was held to be generic.34 In that case, the applicant—an Italian cooperative of cheese producers from the Valle D’Acosta region—sought registration of the word FONTINA (and design) as a certification mark, as shown below:

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33. Id. at *21.
The USPTO examining attorney assigned to the trademark application refused registration unless the applicant agreed to a disclaimer of the word FONTINA apart from the mark as shown, “because the word fontina merely describes or is the generic name for a type of cheese.”

The TTAB affirmed this decision and denied registration. It cited broad generic usage of the uncapitalized word “fontina” in common parlance, as well as in Webster’s Third International Dictionary, the Encyclopedia of Italian Cooking, Cassell’s Italian Dictionary—which defined “fontina” as “a kind of soft cheese”—and other sources. The Board also cited favorably the evidence that at least one third-party cheese maker, Universal Foods Corporation, had long been selling “fontina” cheese in the United States.

Likewise, in Institut National des Appellations D’Origine v. Vintners International Co., Inc. (the CHABLIS case), the Court of Appeals for the Federal Circuit affirmed a determination by the USPTO that “chablis” as used in the United States is a generic name for a type of wine with the general characteristics of French chablis, whether or not the grapes of the wine originated in France. “Being generic and therefore, in the public domain,” the Federal Circuit affirmed, “chablis’ does not function as a trademark to indicate origin.”

To similar effect, and in contrast to the views of the English courts, the U.S. regulatory authorities have recognized that “champagne” is a semi-generic reference to a certain type of sparkling wine.

37. See 27 C.F.R. § 4.24(b)(2); 27 C.F.R. § 4.21(b)(2) (“Champagne is a type of sparkling light wine which derives its effervescence solely from the secondary fermentation of the wine within glass containers of not greater than one gallon capacity, and which possesses the taste, aroma, and other characteristics attributed to champagne as made in the champagne district of France.”)

In the Agreement Between the United States of America and the European Community on Trade in Wine, the United States pledged to seek legislative changes that would limit use of certain semi-generic names, including champagne, to wines originating in the EU. The Agreement contained a “grandfather clause,” which would allow non-EU wines to continue use of those semi-generic names if the name appeared on a certificate of label approval (COLA) that was approved prior to March 10, 2006. Such labels must also include an appropriate appellation of origin. TTB Industry Circular 2006-1 Impact of the U.S. /EU Wine Agreement on Certificates of Label Approval for Wine Labels with a Semi-Generic Name or Retsina. See also TTB, Wine Appellations of Origin, https://www.ttb.gov/appellation/.
B. Collective Marks

Another means of protecting geographical indications under United States law is to register them as collective marks. Section 45 of the Lanham Act, 15 U.S.C. § 1127, defines a “collective mark” as a trademark or service mark:

(1) Used by the members of a cooperative, an association or other collective group or organization, or

(2) Which such cooperative, association or other collective group or organization has a bona fide intention to use in commerce and applies to register on the Principal Register established by this Act, and includes marks indicating membership in a union, an association, or other organization.

Examples of collective marks include those owned by agricultural cooperatives of sellers of wine, cheese, or other farm produce. Such a collective does not itself sell goods, or render services, but rather promotes the goods and services of its members. The collective is the mark owner, rather than any single one of its members, and all members of the collective group are entitled to use the mark.

Examples of registered collective marks indicating regional origin include the following:

- FRANKFURTER ÄPFELWEIN (stylized), U.S. Reg. No. 1097779, for apple wine from the city of Frankfurt, which certifies the origin of the goods in the city of Frankfurt in the nation of Germany:

  FRANKFURTER ÄPFELWEIN

- DEUTSCHES ECK (and design), U.S. Reg. No. 1350923, for beer from the middle Rhine and lower Mosel areas of Germany:

  DEUTSCHES ECK

C. Appellations of Origin of Wine

Geographical indications can have a special significance with respect to wines. The wine regulatory scheme in the United States presents another opportunity for holders of geographical indications to protect those rights.

Both federal and state regulations govern the use of American geographical place names on wine. At the federal level, in addition to complying with the requirements of the Lanham Act, an applicant must comply with regulations promulgated by the Treasury Department pursuant to the Federal Alcohol Administration Act.

The Treasury Department’s Alcohol and Tobacco Tax and Trade Bureau (TTB) permits winemakers to indicate that the wine, if it meets specific requirements, originates from a particular geographical area. The regulations are designed to assist wine consumers in identifying the origin of the grapes from which the wine is made and to assist winemakers in distinguishing their products from those originating in different areas. In practice, the regulations prevent false claims, i.e., labels that misleadingly suggest that a wine originates from a well-known viticultural area.

Appellations of origin for American wines vary widely in scope. They can include the entire United States, a single state, no more than three states that have contiguous boundaries, a county, and a location established by a “viticultural area.” “Viticultural areas” need not be defined by states, counties, or towns. They can have smaller, nonpolitical boundaries, including specific geographical features. To date, the TTB has approved 239 viticultural areas in 27 states.

The scant existing case law gives little guidance as to how disputes between trademarks and viticultural areas in the United States should best be resolved. In Leelanau Wine Cellars, Ltd. v. Black & Red, Inc., the plaintiff started using the trademark LEELANAU CELLARS for wine in 1977 and obtained registration of the mark in 1997. The TTB subsequently recognized “Leelanau” as a viticultural area in 1981. When the defendants started using the mark CHATEAU DE LEELANAU for wines that were sourced from the Leelanau viticultural area in 2000, the plaintiff sued, alleging likelihood of confusion. The Court of Appeals for the Sixth Circuit affirmed the trial court’s denial of relief, holding that there was no likelihood of confusion and that the presence of the TTB-
approved viticultural area name “substantially decreased the possibility that a potential consumer would, upon seeing the [accused] mark, necessarily think of [plaintiff’s] product.”

In *Sociedad Anonima Vina Santa Rita v. U.S. Dept. of Treasury* (the SANTA RITA case), the owner of the registered trademark SANTA RITA for a Chilean wine unsuccessfully sought to enjoin the TTB itself from designating a viticultural area to be called “Santa Rita Hills” for certain California wines. The District Court denied relief on the grounds that “[i]n reviewing and ultimately approving the application for the Santa Rita Hills AVA . . . the ATF carefully adhered to the applicable statutory and regulatory criteria, avoided conflict with the Lanham Act, and acted in a manner consistent with its prior rulemaking.” The court cautioned that while the creation of the Santa Rita viticultural area did not itself conflict with the plaintiff’s rights under the Lanham Act, it did not diminish the plaintiff’s rights to pursue a trademark claim against individual wineries in the future “if and when those wineries use labels that infringe or dilute the plaintiff’s mark.” *Leelanau*, which involved a challenge to an allegedly infringing mark, shows how the existence of a viticultural area might affect the likelihood of confusion analysis in a trademark infringement lawsuit. On the other hand, *Santa Rita*, where the plaintiffs challenged the actual creation of the viticultural area, shows that the mere existence of a viticultural area need not necessarily conflict with trademark rights.

The federal TTB rules governing viticultural areas generally require that at least 75% of the grapes in wines labeled with the viticultural area name must be grown in that area. However, the federal regulation contains a “grandfather clause” permitting continuing use of a mark first used before the adoption of the federal legislation on July 7, 1986, so long as the front label of the wine discloses the true source of the grapes. California passed legislation seeking to close this “loophole” with respect to the “Napa” viticultural area and other federally recognized viticultural areas within Napa County.

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45. *Id.* at 24-25.
46. *Id.* at 20.
47. *See, e.g.*, 27 C.F.R § 4.39(j)(1) (“Except as provided in subparagraph 2, a brand name of viticultural significance may not be used unless the wine meets the appellation of origin requirements for the geographic area named.”).
closing statute giving “viticultural significance” to the “Sonoma” viticultural area in 2007.\textsuperscript{49}

The first case to challenge this loophole was \textit{Bronco Wine Co. v. Jolly}.\textsuperscript{50} The plaintiff, Bronco Wine Company, was using trademarks including NAPA RIDGE and NAPA CREEK under the federal loophole for large production wines sourced outside of Napa County. It challenged California’s attempted effort to close the loophole.\textsuperscript{51} Bronco asserted that the California regulation was unconstitutional on the grounds that the federal wine labeling regulatory system preempted it. The California Supreme Court rejected Bronco’s claim, finding that California’s regulation was a proper supplementation of the federal regulation.\textsuperscript{52} The Court stated: “We do not find it surprising that Congress, in its effort to provide minimum standards for wine labels, would not foreclose a state with particular expertise and interest from providing stricter protection for consumers in order to ensure the integrity of its wine industry.”\textsuperscript{53} The Court cited the long history of concurrent state and federal regulation of wine labelling, especially in the area of the geographic origin of the wine, and the shared state and federal interest in protecting consumers from misleading wine labelling.

\textbf{IV. AUTHOR’S COMMENT}

The introduction of this article notes that the dispute between holders of GIs and trademarks is not new. This may be an understatement. One can trace the beginnings of the United States’ and Europe’s differing views on GIs and trademarks from the earliest European immigration to the United States. Interest in the topic, driven partly by the enormous economic implications for agribusinesses, the wine and spirits industry, and more general commercial interests like makers of Swiss watches, is steadily growing. Legal scholars,\textsuperscript{54} practitioners,\textsuperscript{55} world trade policy

\textsuperscript{49} Id. § 25242.
\textsuperscript{50} Bronco Wine Co. v. Jolly, 33 Cal. 4th 943 (2004).
\textsuperscript{51} Id.
\textsuperscript{52} Id. at 997.
\textsuperscript{53} Id.
analysts, and professional associations like the International Trademark Association have been paying increasing attention to the subject.

Is there hope that the competing interests represented by GIs and trademarks can be reconciled? In this author's opinion, there is. Treatment of GIs as intellectual property rights with equal status to that of other IP rights, including trademarks, is an essential element of such possible reconciliation, as is recognition of the principle of “first in time, first in right.” The formation of an international registration and notification system, such as that existing under the Madrid system, could be a useful and beneficial step to help minimize the risk of future conflicts. It bears mentioning, however, that the prospects for adoption of such a register have foundered as prior proposals of this nature, although discussed at length, were unsuccessful. For example, the Doha Round of the TRIPS (The World Trade Organization’s Agreement on Trade-Related Aspects of Intellectual Property Rights) negotiations failed to find consensus regarding the establishment of a multilateral registration system. Disagreement arose over the voluntariness of such a system, and whether WTO Members who elect not to participate in such system should be bound by its legal effects. That GIs have long enjoyed protectable status as certification and collective marks within the United States trademark registration and enforcement system should give encouragement toward reconciliation. The TTAB’s recent decision upholding the status of TEQUILA as a legitimate certification mark against a genericness attack underscores this fact.


57. At INTA's 2017 Annual Meeting in Barcelona, no fewer than three sessions featured discussion of GIs and trademarks.


The TRIPS Agreement is a multinational agreement between all members of the World Trade Organization (WTO). It seeks to establish the minimum level of protection that governments must afford to the intellectual property of other WTO Members. The Doha Declaration announced two proposals for the protection of GIs: (1) establishment of a multilateral registration system, and (2) expansion of the scope of Article 23 to extend protection of GIs for products other than wine and spirits. Discussions on both proposals continue. WTO, Intellectual Property: Protection and Enforcement, available at https://www.wto.org/english/thewto_e/whatis_e/tif_e/agrm/7_e.htm. WTO, Ministerial Declaration of 14 November 2001, WT/MIN(01)/DEC/1, ¶18. WTO, TRIPS: Geographical Indications: Background and the Current Situation, available at https://www.wto.org/english/tratop_e/trips_e/gi_background_e.htm (last updated November 2008).

59. Id.
Unquestionably, compromise will be necessary to achieve reconciliation. Neither side can have all it wants. GI advocates, in this writer’s view, must give up on their persistent calls for the right to “claw-back” long-held generic and semi-generic names while, at the same time, trademark advocates cannot realistically expect to ignore future recognition of terroir-driven and other locality-based distinctions that give producers from the involved regions legitimate market advantages.

Finally, one cannot ignore the effect of shifting world politics on this somewhat esoteric trade policy debate. The recent election of an inward-turning, nationalist administration trumpeting “America First” in the United States, the Brexit vote in the United Kingdom, and similar conservative/nationalist movements within other countries would seem at least superficially to strengthen GI advocates’ political clout as they seek favorable legislation and treaties addressing the GIs vs. trademarks issue. Given the persistent U.S./EU split on the issue, however, one would think that such strengthening is much more likely to occur in Europe than in the United States.

V. CONCLUSION

This paper offers a brief summary of the history, economics, and politics underlying the United States’ position in the long-running dispute between holders of geographical indications and trademark rights. Because GIs and trademarks serve distinct interests and purposes, there are clearly no easy answers in reconciling the two regimes of intellectual property protection. However, the increasing significance of GI-identified foodstuffs, wine, and spirits within the context of global agribusiness alone, not to mention the increasing interest of manufacturers in non-agricultural GIs, makes a resolution of the issues involved ever more urgent and compelling.

60. The potential geopolitical effect of recent worldwide elections on the GI question was highlighted in the Professor vs. Practitioner Debate session at the May 2017 International Trademark Association Annual Meeting in Barcelona, provocatively entitled, “Resolved: That Geographical Indications are The Antidote to Populist Nationalism.” (For what it may be worth, at least among attendees at that session, the resolution failed.)