

**GEOGRAPHICAL INDICATORS: A RISING INTERNATIONAL
TRADEMARK DISPUTE BETWEEN EUROPE’S FINEST AND
CORPORATE AMERICA**

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I. INTRODUCTION

With an increasing number of foreign products becoming popularized in the United States, foreign names are on the rise towards becoming generic everyday terms. Controversy has surfaced over conflicting trademark law and policy regarding whether foreign names can be trademarked. More specifically, recent enactment of three new articles in the Trade-Related Aspects of Intellectual Property Rights (TRIPS) by the World Trade Organization has heightened these legal clashes between the United States and the European Union over the level of protection of geographical indicators for wines and spirits. This has caused an increase in conflict between US and French sparkling wine producers due to the popularization of champagne, a wine named after the region for which it was created: Champagne, France. French companies want to exclude non-EU producers from using the name “champagne” for their sparkling white wines as they are not being produced in this specific region of France, even if they use the same process to make the sparkling wine. The French companies argue that this name is a geographical indicator and thus, cannot be used by other producers outside the region of Champagne, France. Producers in the United States argue that “champagne” is a generic term to indicate sparkling white wine and cannot be protected under US trademark law. Other products outside the Champagne region have also been the topic of controversy regarding the level of protection given to geographical indicators—namely, the Italian cheese “Parmigiano-Reggiano” and the highly popularized cigar, “Habana.” A middle-ground must be established between US domestic law and international law in order to attack this conflict; a solution must be found where producers, both domestic and abroad, will be satisfied with the level of protection they are receiving on their products.

II. LEGAL OVERVIEW

A. Geographical Indicators

1. Geographical Indication Defined

A geographical indication (GI) is a sign, typically a trademark, that indicates specific products that come from a particular geographical origin or region; GIs possess qualities or a reputation stemming from that particular place of origin.¹ In order for a sign or trademark to function as a GI, that sign or trademark must identify a product as originating from a given place.² In addition, the sign or trademark must exhibit characteristics, qualities, or a reputation that

¹ *Geographical Indications*, WORLD INTELL. PROP. ORG., http://www.wipo.int/geo_indications/en/ [hereinafter *Geographical Indications*, WIPO].

² *Id.*

stems back to the place of origin; because of this, there is a link between the product and the place of its original production.³

2. The Rights of Geographical Indications

A GI provides its possessor with rights to exclude third parties from using the GI if their products do not conform to the applicable standards of that GI.⁴ In other words, third parties may not use the same GI if that product does not originate from a specific region, exude characteristics of that place of origin, or enjoy the same reputation as products from that particular place.⁵ This is similar to that of a US certification mark, which is given to a product that is in compliance with specific standards.⁶ A GI, though, does not bar someone from making a similar product using the same techniques and resources that come from a particular place of origin.⁷ What is protected here is the right over the actual sign that constitutes a GI.⁸ Typically, such signs are used for “agricultural products, foodstuffs, wine and spirit drinks, handicrafts, and industrial products,” which are typically created by resources grown or manufactured in a particular place of origin, not a place where those resources are not originally from.⁹ Generally, GIs are accepted in different countries, given that they are protected in those various countries.¹⁰ These different countries, though, use a variety of approaches to protect GIs, thus leading to disagreements.¹¹

Historically, while formal protections of GIs came into existence with the signing of the General Agreement on Tariffs and Trade (GATT) in April 1994, versions of protections initially began in 1883 with Article 1 of the Paris Convention.¹² With this Article, appellations were protected first to prevent unfair competition and second (with the implementation of Article 10) to prevent the direct or indirect use of a false indication of a good.¹³ In 1891, the Madrid Agreement endorsed these provisions while emphasizing the importance of a product using a name to indicate its source of origin; the importance of that origin

³ *Id.*

⁴ *Id.*

⁵ *Id.*

⁶ *Certification Marks*, WORLD INTELL. PROP. ORG., http://www.wipo.int/sme/en/ip_business/collective_marks/certification_marks.htm [hereinafter *Certification Marks*, WIPO].

⁷ *Geographical Indications*, WIPO, *supra* note 1.

⁸ *Id.*

⁹ *Id.*

¹⁰ *Id.*

¹¹ *Id.*

¹² Jay Shah, *History of Protection of Geographical Indications* (unpublished paper, Academia.edu), http://www.academia.edu/9619472/History_of_Protection_of_Geographical_Indications (last visited Jan. 27, 2017).

¹³ *Id.*

is used to describe and ensure the quality of a specific product.¹⁴ The Lisbon Agreement of 1958 expanded this protection to apply to arts, pottery, and textiles after mandating the protection of Appellations of Origin and emphasizing the importance of protecting goods originating from a particular region.¹⁵ Finally, this protection extended to the TRIPS and Geographical Indications Article 22 to provide an opportunity for each country to implement their own laws for the protection of GIs. This extension further sought to prevent a good from being falsely represented as originating from a place that it did not originate from.¹⁶

3. Protecting Geographical Indications

Geographical indicators can be protected by various approaches that are developed in accordance with a range of different legal traditions and within a “framework of individual historical and economic conditions.”¹⁷ In general, there are three main ways to protect a GI: (1) special regimes of protection systems; (2) the use of collective or certification marks; and (3) the use of different methods that focus on business practices, which can include administrative product approval schemes.¹⁸ Collective marks are typically defined as “signs which distinguish the geographical origin, material, and mode of manufacture or other common characteristic of goods or services of different enterprises using the collective mark.”¹⁹ Trademark law in the United States defines “collective mark” as a “trademark or service mark used by the members of a cooperative, an association, or other collective group or organization,” or a mark “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.”²⁰ Most countries—including those of the European Union and the United States—follow the provisions on the protection of collective marks; owners of these collective marks hold the responsibility of ensuring that certain standards are complied with.²¹ The purpose of collective marks is to inform the public about certain features of a particular product for which that collective mark is used. Most countries require that an application for this type of mark be accompanied with a list of regulations that govern that collective mark.²²

¹⁴ *Id.*

¹⁵ *Id.*

¹⁶ *Id.*

¹⁷ *Geographical Indications*, WIPO, *supra* note 1.

¹⁸ *Id.*

¹⁹ *Collective Marks*, WIPO, http://www.wipo.int/sme/en/ip_business/collective_marks/collective_marks.htm [hereinafter *Collective Marks*, WIPO].

²⁰ 15 U.S.C. § 1127 (2006).

²¹ *Geographical Indications*, WIPO, *supra* note 1.

²² *Id.*

In contrast, certification marks are usually “given for compliance with defined standards, but are not confined to any membership;” they can be used by anyone who can certify that the products involved meet the standards established by those marks.²³ The difference between these two kinds of marks is that a collective mark may only be used by specific groups of enterprises, while certification marks can be utilized by anyone who complies with the standards the owner of a certification marks provides.²⁴ These approaches—namely, the special regimes of protection system and the collective or certification marks system—share commonalities.²⁵ Both set up collective use rights for those who comply with the standards set forth in each mark; however, both seem to answer various important questions such as the different conditions for protection and the scope of protection. For example, a collective mark (in contrast with a regular, individual trademark) has the possibility of being an indication to designate a geographical origin of a specific good or service, whereas a trademark cannot.²⁶ A certification mark focuses more on conveying an assurance as to the standard, quality, and accuracy of a good or service such as the International Organization for Standardization (ISO), which is an organization that sets standards worldwide that may become law through other national standards and treaties.²⁷

4. Protecting Geographical Indications on an International Level

There are a number of international treaties that deal either partly or entirely with the protection of GIs, and individual countries decide which treaties they want to join and follow.²⁸ A few of the various treaties countries can join are the Trade Related Aspects of Intellectual Property Rights (TRIPS), the Paris Convention, the Lisbon Agreement, and the Madrid Agreement.²⁹ Generally, these treaties provide guidelines for both trademark and GI protection.³⁰ Registrants will ensure that they receive priority on the use of trademark names while also providing constructive notice to third parties.³¹

²³ *Certification Marks*, WIPO, *supra* note 6.

²⁴ *Id.*

²⁵ *Geographical Indications*, WIPO, *supra* note 1.

²⁶ ANN FALTER, COLLECTIVE AND CERTIFICATION TRADEMARKS IN THE EUROPEAN UNION (2013), http://www.dennemeyer.com/uploads/media/Collective_and_Certification_Trademarks_in_the_European_Union.pdf.

²⁷ *Id.*

²⁸ *Geographical Indications*, WIPO, *supra* note 1.

²⁹ *Id.*

³⁰ Deborah J. Kemp & Lynn M. Forsythe, Note, *Trademarks and Geographical Indications: A Case of California Champagne*, 10 CHAP. L. REV. 272 (2006).

³¹ *Id.* at 272.

a. International Trademark Law: Trade Related Aspects of Intellectual Property Rights

The International Agreement of TRIPS establishes a set of rules that Member States must transpose into their domestic intellectual property law systems.³² The TRIPS agreement was administered and created by the World Trade Organization (WTO) to set basic standards for various parts of intellectual property regulations.³³ Essentially, the WTO deals with rules of trade between Member States at a global or “near-global” level.³⁴ It helps trade flow as freely as possible, which is vital for a nation’s economic development and well-being.³⁵ Accordingly, the WTO is obligated to “remove obstacles” and “ensure that individuals, companies and governments know what the trade rules are around the world, and giv[e] them the confidence that there will be no sudden changes of policy.”³⁶

The purpose of the TRIPS agreement, which is followed by all WTO members, is to limit the amount of hindrances to and confusion about international trade while promoting proper protection to trademarks and intellectual property rights as a whole.³⁷ Additionally, TRIPS serves to recognize and acknowledge underlying public policy objectives of various national systems for the purposes of intellectual property protection.³⁸

Articles 22, 23, and 24 of the TRIPS agreement govern geographical indicators.³⁹ Article 22 defines a GI for purposes of the TRIPS agreement.⁴⁰ This Article explains that GIs identify goods that originate in a particular territory; GIs also establish a reputation of quality and other characteristics that make the

³² Carol Robertson, *The Sparkling Wine War: Pitting Trademark Rights Against Geographic Indications*, A.B.A. BUS. L. TODAY, May-June 2009, <https://apps.americanbar.org/buslaw/blt/2009-05-06/robertson.shtml>.

³³ *Understanding the WTO—Intellectual property: Enforcement and Protection*, WORLD TRADE ORG., https://www.wto.org/english/thewto_e/whatis_e/tif_e/agrm7_e.htm [hereinafter *Understanding the WTO*].

³⁴ *What is the World Trade Organization?*, WORLD TRADE ORG., https://www.wto.org/english/thewto_e/whatis_e/tif_e/fact1_e.htm [hereinafter *What is the WTO?*].

³⁵ *Id.*

³⁶ *Id.*

³⁷ Agreement on Trade-Related Aspects of Intellectual Property Rights pmb., Apr. 15, 1994, Marakesh Agreement Establishing the World Trade Organization, Annex 1C, 1869 U.N.T.S. 299 [hereinafter TRIPS] (explaining that “desiring to reduce distortions and impediments to international trade, and taking into account the need to promote effective and adequate protection of intellectual property rights”).

³⁸ *Id.* (“Recognizing the underlying public policy objectives of national systems for the protection of intellectual property.”).

³⁹ *See id.* Part II, § 3.

⁴⁰ *Id.* art. 22.

product known within a certain territory.⁴¹ Furthermore, the designation or presentation of a good must not indicate that the good originates in a geographical area other than the “true place of origin in a manner which misleads the public as to the geographical origin of the good.”⁴² Article 22 further serves to protect the public from a product that falsely represents itself from originating in a different territory from where it actually originated.⁴³

Conflict came to the forefront with the enactment of Article 23, which requires additional protection (further protections various countries do not want to follow) for geographical indicators, specifically for wines and spirits.⁴⁴ Article 23 prohibits the use of a GI to identify wines and spirits that do not originate in the place indicated by the GI.⁴⁵ In other words, Article 23 prevents wines and spirits from being registered under the trademark name of a geographical region in which the product did not originate.⁴⁶ Any GI that does not comply with Article 23 “shall be refused or invalidated” if the Member’s legislation permits, or at the “request of an interested party.”⁴⁷ The policy behind Article 23 is to prevent confusion between products originally produced in a particular geographical region and similar products that use the same regional designation but are not actually produced there.⁴⁸

Limitations to Article 23 exist through Article 24, which aims at increasing protection of geographical indicators under Article 23, while also establishing limitations to the protection of GIs.⁴⁹ It explains that members of the WTO are not obliged to bring a GI under protection where that mark has become

⁴¹ *Id.*

⁴² TRIPS, *supra* note 37, art. 22(2)(a) (explaining that “members shall provide the legal means for interested parties to prevent: the use of any means in the designation or presentation of a good that indicates or suggests that the good in question originates in a geographical area other than the true place of origin in a manner which misleads the public as to the geographical origin of the good”).

⁴³ *Id.* art. 22(4).

⁴⁴ Robertson, *supra* note 32 (citing under headnote: International Protection of IP).

⁴⁵ TRIPS, *supra* note 37, art. 23.

⁴⁶ *Id.* art. 23(1) (explaining that “each member shall provide the legal means for interested parties to prevent use of a geographical indication identifying wines for wines not originating in the place indicated by the geographical indication in question or identifying spirits for spirits not originating in the place indicated by the geographical indication in question, even where the true origin of the goods is indicated or the geographical indication is used in translation or accompanied by expressions”).

⁴⁷ *Id.*

⁴⁸ Kemp & Forsythe, *supra* note 30, at 271.

⁴⁹ TRIPS, *supra* note 37, art. 24(1) (explaining that “members agree to enter into negotiations aimed at increasing the protection of individual geographical indications under Article 23 In the context of such negotiations, Members shall be willing to consider the continued applicability of these provisions to individual geographical indications whose use was the subject of such negotiations”).

a common or generic term for describing the actual product.⁵⁰ In addition, many nations within the European Union recognize “Apellations d’Origine Contrôlée” (AOC), more commonly referred to as appellations of origin, which protect both the “nature and culture” of a specific region from where a product comes in addition to the process in which that product was manufactured.⁵¹ France specifically is at the forefront of nations with the strongest interest in this type of protection, for France produces various products that have become so popularized.⁵²

b. Paris Convention

The Paris Convention for the Protection of Industrial Property (Paris Convention) was one of the first major steps in ensuring that creators of intellectual property would be protected in other countries.⁵³ The Paris Convention protects industrial property, which includes trademarks, patents, service marks, industrial designs, and GIs; it aims to repress unfair competition.⁵⁴ The provisions of the Paris Convention fall within three main categories of protection: national treatment, right of priority, and common rules.⁵⁵

First, under the stipulations on national treatment, the Paris Convention provides that each Contracting State to the Convention must give the same protection to nationals of other Contracting States as it grants to its own nationals.⁵⁶ In other words, if creators of a mark or patent register within one Contracting State, they must receive the same protection in another Contracting State.⁵⁷ Second, the right of priority provides for protection for marks, patents,

⁵⁰ *Id.* art. 24(6) (explaining that a Member is required to apply this provision in “respect of a geographical indication of any other Member with respect to 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,” while further explaining that nothing in this Section “shall require a Member to apply its provisions in respect of a geographical indication of any other Member with respect to products of the vide 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”).

⁵¹ Kemp & Forsythe, *supra* note 30, at 271.

⁵² *Id.*

⁵³ Paris Convention for the Protection of Industrial Property, Mar. 20, 1883, 828 U.N.T.S. 305.

⁵⁴ *Id.*

⁵⁵ *Summary of the Paris Convention for the Protection of Industrial Property (1883)*, WORLD INTELL. PROP. ORG., http://www.wipo.int/treaties/en/ip/paris/summary_paris.html [hereinafter *Summary Paris Convention*] (last visited Oct. 22, 2016).

⁵⁶ *Id.*

⁵⁷ *Id.*

and industrial designs.⁵⁸ Under this right, applicants who first file in one Contracting State may then (within a certain period of time) apply for protection in any of the other Contracting States.⁵⁹ This is highly beneficial for an applicant wanting to have protection in more than one Contracting State, given that this right will allow an application to be “regarded as if they had been filed on the same day as the first application,” and this will give that application “priority over applications filed by others during the said period of time for the same invention, utility model, mark or industrial design.”⁶⁰ Third, there are common rules that all Contracting States must follow.⁶¹

For instance, the Paris Convention does not regulate the conditions for registering a mark because of each Contracting State’s own domestic laws.⁶² No registration application filed by a Contracting State may be refused nor may it be invalidated on grounds that “filing, registration or renewal has not been effected in the country of origin.”⁶³ The registration of a mark in one Contracting State is independent of registration in another country, which includes the country from which it originated.⁶⁴ Contracting States must refuse registration applications if the mark constitutes a “reproduction, imitation or translation, liable to create confusion, of a mark used for identical and similar goods and considered by the competent authority of that State to be well known in that state.”⁶⁵ This establishes the protection against unfair competition for each Contracting State.⁶⁶ Specifically, the Convention puts geographical indicators in the context of protecting unfair competition among marks, and it “implies that it would not recognize a geographical indication if it creates the likelihood of deception or confusion.”⁶⁷

Moreover, the United States designs much of its trademark laws—specifically unfair competition law and laws governing geographical indicators—to be consistent with other international treaties, including the Paris Convention, to which it is a signatory.⁶⁸ Both US law and the Paris Convention require members to refuse registration and use of marks that may be confused with marks

⁵⁸ *Id.*

⁵⁹ *Id.* (explaining that an “applicant may, within a certain period of time (12 months for patents and utility models; 6 months for industrial design marks), apply for protection in any of the other Contracting States”).

⁶⁰ *Summary Paris Convention, supra* note 55.

⁶¹ *Id.*

⁶² *Id.*

⁶³ *Id.*

⁶⁴ *Id.* (“Nevertheless, registration may be refused in well-defined cases, such as where the mark would infringe the acquired rights of third parties; where it is devoid of distinctive character; where it is contrary to morality or public order; or where it is of such a nature as to be liable to deceive the public.”).

⁶⁵ *Summary Paris Convention, supra* note 55.

⁶⁶ *Id.*

⁶⁷ Kemp & Forsythe, *supra* note 30, at 273.

⁶⁸ *Id.*

that are not registered but are already well known in a country. Both further prohibit misleading marks and misleading GIs.⁶⁹

c. The Lisbon Agreement

The Lisbon Agreement provides for the protection of appellations of origin.⁷⁰ This Agreement serves to protect the “geographical denomination of a country, region, or locality, which serves to designate a product originating therein, the quality or characteristic of which are due exclusively or essentially to the geographic environment, including natural and human factors.”⁷¹ It stipulates that the International Bureau of the World Intellectual Property Organization (WIPO) will keep a registry of appellations of origin upon the request of a Contracting State’s authority.⁷² The International Bureau “keeps the International Register of Appellations of Origin and formally notifies the other Contracting States of the registration.”⁷³ These appellations are effectively treated as superior to trademarks through the Lisbon Agreement, given that “earlier conflicting trademarks have two years to phase out use of the name.”⁷⁴ In response, the United States has refused to become a signatory and does not believe appellations to be superior to trademarks.⁷⁵ The Agreement provides that a registered appellation will be protected against “usurpation” or “imitation,” and it may not be deemed to have become a “generic” term in a Contracting State so long as it has continued protection in the country of origin.⁷⁶

Much criticism by the United States stems from proposed text that will be negotiated soon concerning the Lisbon Agreement.⁷⁷ Members of WIPO are expected to “raise the level of protection of geographical indications,” which is one of the key dividing points between the United States and the European Union

⁶⁹ *Id.*

⁷⁰ Lisbon Agreement for the Protection of Appellations of Origin and their International Registration, Oct. 31, 1958, 923 U.N.T.S. 205.

⁷¹ *Id.*

⁷² *Summary of the Lisbon Agreement for the Protection of Appellations of Origin and their International Registration (1958)*, WORLD INTELL. PROP. ORG., http://www.wipo.int/treaties/en/registration/lisbon/summary_lisbon.html [hereinafter *Summary Lisbon Agreement*] (last visited Oct 22, 2016).

⁷³ *Id.* (“A Contracting State may declare, within one year of receiving the notice of registration, that it cannot ensure the protection of a registered appellation within its territory Such a declaration must include grounds for the refusal of protection.”).

⁷⁴ Kemp & Forsythe, *supra* note 30, at 275.

⁷⁵ *Id.*

⁷⁶ *Summary Lisbon Agreement, supra* note 72.

⁷⁷ William New, *US Congressional Leaders Blast WIPO Lisbon Treaty Negotiations*, INTELL. PROP. WATCH (Feb. 13, 2015), <http://www.ip-watch.org/2015/02/13/us-congressional-leaders-blast-wipo-lisbon-treaty-negotiations/>.

in regards to intellectual property rights.⁷⁸ These proposed changes concern the United States due to the “significant impact on companies across the globe whose business depends on the use of common or generic names or on the integrity of established trademarks.”⁷⁹ While the Lisbon Treaty protects appellations of origin with stringent protection over products from specific regions in the world, the Treaty is now attempting to include GIs within those protections.⁸⁰ Such protections will govern many food and wine products coming from Europe and originating in a specific region, many of which are products whose names are common words.⁸¹

d. The Madrid System

The Madrid System for the International Registration of Marks, governed by the Madrid Agreement and the Protocol relating to that agreement, protects registered marks in a vast number of countries through an international registration system that allows registrants to obtain an international registration.⁸² It allows for a single filing of a trademark at the International Bureau of Intellectual Property instead of having to file in each country where the trademark might be marked.⁸³ Further, a Contracting Party may be designated “only if it is party to the same treaty as the Contracting Party whose office is the office of origin.”⁸⁴ After the International Bureau receives an international registration application, it will carry out an examination to insure that the registered trademark is in compliance with the Agreement, the Protocol, and its Common Registrations.⁸⁵ If no irregularities are found in the application, the mark will be recorded in the International Register; it will also be published in the *WIPO Gazette of International Marks*, which puts all designated Contracting Parties on

⁷⁸ *Id.*

⁷⁹ *Id.*

⁸⁰ *Id.*

⁸¹ *Id.*

⁸² Madrid Agreement Concerning the International Registration of Marks, Apr. 14, 1891, 828 U.N.T.S. 39.

⁸³ *Summary of the Madrid Agreement Concerning the International Registration of Marks (1891) and the Protocol Relating to that Agreement (1989)*, WORLD INTEL. PROP. ORG., http://www.wipo.int/treaties/en/registration/madrid/summary_madrid_marks.html [hereinafter *Summary Madrid Agreement*] (last visited Oct. 23, 2016) (“Instead of filing a separate national application in each country of interest, in several different languages, in accordance with different national or regional procedural rules and regulations and paying several different fees, an international registration may be obtained by simply filing one application with the International Bureau, in one language and paying one set of fees”).

⁸⁴ *Id.*

⁸⁵ *Id.*

notice.⁸⁶ International registration is effective for ten years and may be renewed for additional terms of ten years.⁸⁷

There are 56 nations that have signed the Madrid Agreement; the United States and the United Kingdom are not amongst the signatories.⁸⁸ They are, however, signatories to the Madrid Protocol, which aims to address concerns of other countries.⁸⁹ The Protocol strives to make the Madrid System more “flexible and more compatible with the domestic legislation” of different intergovernmental organizations and certain countries that have not acceded to the Agreement.⁹⁰ It is appealing to many countries, for each contracting party can decide whether or not it wants to provide protection for a mark.⁹¹ The Protocol allows US trademark owners to go online, file a single application with the United States Patent and Trademark Office (USPTO) in English, pay for the application and registration in US dollars, and potentially (after approval) obtain protection for the mark in any or all of the other 58 member countries.⁹²

B. United States Trademark System

According to WIPO, a trademark is “any sign that individualizes the goods of a given enterprise and distinguishes them from the goods of its competitors.”⁹³ Further, US law defines a trademark as any “word, name, symbol, or device, or any combination thereof” used by a person, or which a person has an “intention to use in commerce,” and that is used to “identify and distinguish his or her goods, including a unique product” and to “indicate the source of the goods.”⁹⁴

US trademark law uses the term “distinctive” as a key term of art; it is defined as something that is capable of operating as an indicator of source.⁹⁵ A “distinctive trademark” is a standard of trademark protection where trademarks are judged on a spectrum of uniqueness. The most unusual of marks are considered to be the most memorable; a fanciful term such as Xerox or an

⁸⁶ *Id.*

⁸⁷ *Id.*

⁸⁸ Kemp & Forsythe, *supra* note 30, at 273.

⁸⁹ *Id.* at 274.

⁹⁰ *Summary Madrid Agreement, supra* note 83.

⁹¹ *Madrid Protocol*, U.S. PATENT & TRADEMARK OFF., <http://www.uspto.gov/trademark/laws-regulations/madrid-protocol> (last visited Oct. 23, 2016).

⁹² *United States Joins the Madrid Protocol*, U.S. PATENT & TRADEMARK OFF., <http://www.uspto.gov/web/trademarks/usjoinsmadrid.html> (last updated Oct. 23, 2016).

⁹³ WORLD INTELLECTUAL PROP. ORG., INTRODUCTION TO INTELLECTUAL PROPERTY, THEORY AND PRACTICE, 184, ¶ 9.5 (1997) [hereinafter INTRODUCTION TO IP].

⁹⁴ 15 U.S.C. § 1127.

⁹⁵ J. THOMAS MCCARTHY, 2 MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION § 11:2 (4th ed. 1996).

arbitrary term such as Penguin for books are a few examples.⁹⁶ If a designation is not “distinctive” then it is not a mark; without achieving “distinctiveness” either through secondary meaning or inherent assumption, a certain designation cannot have the legal status of a “trademark” or a “service mark.”⁹⁷ Marks can either “acquire” distinctiveness over time or be “inherently distinctive,” which gives marks the ability, upon being used the first time, to indicate to a consumer that a mark is identifying a source of a product instead of describing the product itself.⁹⁸

Furthermore, US law provides that collective marks and certification marks (which can include marks that are indications of regional origin) may be registered under US trademark law.⁹⁹ However, US law follows both common law and federal statutory law systems.¹⁰⁰ Common law indicates that trademark rights developed through use are not rights that are governed by statutory law.¹⁰¹ This is one of the main differences between US trademark law and most other countries.¹⁰² Most other countries use only statutory law to “discern the parameters of trademark law within their borders.”¹⁰³ Countries with civil law systems “require statutory creation of protectable trademarks.”¹⁰⁴ In addition, most other countries (besides the United States) require registration of a trademark to accord trademark protection.¹⁰⁵ Unlike most other countries, the United States has not become a “signatory” on many international agreements that have been widely adopted.¹⁰⁶ This is in part due to the United States following common law trademark protections, which do not require trademarks to be registered.¹⁰⁷ For example, if a sparkling wine producer in California uses a certain mark and sells in California only, the trademark rights to that name exist only in California *or* to where the mark’s reputation extends.¹⁰⁸ For instance, if there are many Nevada purchasers, rights might extend to Nevada, as well. If a sparkling wine producer from New York uses that same name it may sell in New York only, or anywhere that the California wine producer’s rights do not extend.¹⁰⁹ Issues will stem if that New York producer attempts to sell nation-wide under that same mark; it will

⁹⁶ *NOLO*, NOLO’S PLAIN-ENGLISH LAW DICTIONARY, <http://www.nolo.com/dictionary/distinctive-trademark-term.html> (last visited Oct. 23, 2016).

⁹⁷ *Id.*

⁹⁸ *Inherent Distinctiveness Law & Legal Definition*, U.S. LEGAL DEFINITIONS, <http://definitions.uslegal.com/i/inherent-distinctiveness/> (last visited Oct. 23, 2016).

⁹⁹ 15 U.S.C. § 1054 (1999).

¹⁰⁰ *Common Law Trademark Rights*, BITLAW, <http://www.bitlaw.com/trademark/common.html#geographic> (last visited Oct. 23, 2016).

¹⁰¹ *Id.*

¹⁰² *Id.*

¹⁰³ Kemp & Forsythe, *supra* note 30, at 262.

¹⁰⁴ *Id.*

¹⁰⁵ *Id.*

¹⁰⁶ *Id.*

¹⁰⁷ *Common Law Trademark Rights*, *supra* note 100.

¹⁰⁸ *Id.*

¹⁰⁹ *Id.*

quickly find that common law rights will prevent it from selling in the California market.¹¹⁰ Federal registration, governed by federal statute, is not required in the United States to establish common law rights for a mark, nor is it required to begin using that mark.¹¹¹ The United States follows a common law system where priority of use is the basic rule of trademark ownership.¹¹² This means ownership goes to the first producer or entity to first use an inherently distinctive mark or to establish secondary meaning.¹¹³ Policy behind this lies with the reasoning that descriptive marks require “secondary meaning” so ownership will go to the first entity to acquire that meaning.¹¹⁴

1. Generic Terms

International trademark law does not protect generic terms.¹¹⁵ Such terms are common words that are not specific to any particular source, but identify specific services and products.¹¹⁶ If a trademark becomes a generic term, rights in that mark may no longer be enforceable by US trademark law because it is not possible to register a generic term as a trademark to identify that service or product.¹¹⁷ With a few exceptions, generic terms may never be protected as trademarks under US law, and marks that become generic forfeit any type of protection.

When creating a product name, consumers often use words that can be divided into five categories that range from words that are inventive and fanciful, which creates for a strong trademark, to generic terms, which are not protectable by US trademark law.¹¹⁸ *Boston Duck Tours, LP v. Super Duck Tours LLC* held that a mark is entitled to trademark protection if it is capable of functioning as a source-identifier of goods.¹¹⁹ It further held that the more distinctive the trademark is, the greater the mark’s influence in stimulating sales, its hold on the memory of purchaser, and the likelihood of associating similar designations on

¹¹⁰ *Id.*

¹¹¹ *Id.*

¹¹² *Common Law Trademark Rights*, *supra* note 100.

¹¹³ *Id.*

¹¹⁴ *Id.*

¹¹⁵ *Trademarks vs. Generic Terms*, INT’L TRADEMARK ASSOC., <http://www.inta.org/TrademarkBasics/FactSheets/Pages/TrademarksVsGenericTermsFactSheet.aspx> (last visited Oct. 23, 2016); *Strength of Trademarks*, BITLAW, <http://www.bitlaw.com/trademark/degrees.html#fanciful> (last visited Oct. 23, 2016).

¹¹⁶ *Trademarks vs. Generic Terms*, *supra* note 115.

¹¹⁷ *Id.*

¹¹⁸ *Id.*

¹¹⁹ *Boston Duck Tours, LP v. Super Duck Tours, LLC*, 531 F.3d 1 (1st Cir. 2008) (explaining that “a mark is classified as: (1) generic (least distinctive), (2) descriptive, (3) suggestive, (4) arbitrary, or (5) fanciful (most distinctive)”).

other goods with the same source.¹²⁰ The first category consumers can use for their mark name are “Fanciful Marks,” which are marks that do not have any relation to the actual goods being described, such as EXXON for petroleum products or XEROX for a copy machine.¹²¹ Second, “Arbitrary Marks” are already existing and are common words that do not describe—and do not have a meaning to—the actual product being described.¹²² An example of this can be seen with the mega-company “APPLE,” which sells computers and other electronic devices, or “LOTUS” for computer software.¹²³ Third, “Suggestive Marks” are words that suggest meaning but do not actually describe the goods themselves.¹²⁴ For example, “NETSCAPE” is suggestive of software, which allows traversing the “landscape” of the internet.¹²⁵ Fourth, “Descriptive Marks” are marks that describe a good or service; however, it is often difficult to enforce trademark protection unless that mark has obtained a secondary meaning.¹²⁶ Fifth, “Generic Terms” are words that are the “accepted” and “recognized” term that describes a class of services or goods and are not protectable by trademark law.¹²⁷

Trademarks often become generic after consumers begin to use a mark as the actual name of the product, which causes the mark to lose its actual distinctiveness.¹²⁸ This can happen as a result of improper labeling and advertising, which causes a trademark to not remain as the exclusive property of its maker.¹²⁹ “Genericide” is the term used to describe when a trademark owner unknowingly participates in the destruction of the distinctiveness of its trademark.¹³⁰ This often happens when a trademark name is meant to be used as an adjective but instead is used as a noun or verb.¹³¹ For example, Kleenex has been used to substitute a “tissue”; instead of saying correctly “I need a Kleenex tissue,” many people instead say “I need a Kleenex,” thus making Kleenex a generic term that replaces “tissue.”¹³² Because of the fear of genericide, Kleenex has had to resort to advertising directly to those who write articles about its product.¹³³ One of these strategies can be seen with companies placing messages in magazines and other trade publications targeting journalists to remind them to

¹²⁰ *Id.*

¹²¹ *Trademarks vs. Generic Terms, supra* note 115.

¹²² *Id.*

¹²³ *Strength of Trademarks, supra* note 115.

¹²⁴ *Trademarks vs. Generic Terms, supra* note 115.

¹²⁵ *Strength of Trademarks, supra* note 115.

¹²⁶ *Trademarks vs. Generic Terms, supra* note 115.

¹²⁷ *Id.*

¹²⁸ *Id.*

¹²⁹ *Id.*

¹³⁰ *Id.*

¹³¹ *Trademarks vs. Generic Terms, supra* note 115.

¹³² *Id.*

¹³³ Megan Garber, “Kleenex Is a Registered Trademark” (*and Other Desperate Appeals*), ATLANTIC (Sept. 25, 2014), <http://www.theatlantic.com/business/archive/2014/09/kleenex-is-a-registered-trademark-and-other-appeals-to-journalists/380733/>.

include the ® when writing about their product.¹³⁴ They do this by adding an advertisement with their product name that includes the ® beside the name.¹³⁵ “Escalator,” on the other hand, was not so lucky to escape genericide. The term was a registered trademark until 1950, when the US Patent Office ruled that “escalator” had become generic.¹³⁶ Otis Elevator Co., creator of the escalator, began using “escalator” as a generic descriptive term, as a term for a moving stairway, in its own patents, and thus, overtime, the term was officially genericized.¹³⁷

“Champagne” may have been genericized after Dom Perignon of the Benedictine Abbey at Hautvillers in Champagne, France, developed the process and technique to make sparkling white wine.¹³⁸ He used black grapes, a blending technique to make this bubbly wine, and the grapes from various vineyards in the abbey to enhance the abbey’s reputation.¹³⁹ Over a period of time, not only did the name Dom become well known, but the process of making this sparkling wine called “champagne” became known around the world.¹⁴⁰ Naming a product after its place of origin is an acceptable designation for a trademark; however, it is when that name becomes popular over a period of time (in this case, the name “champagne” began to be used by public consumers all over the world) that a mark is then subjected to “genericization” and may no longer be trademarked.¹⁴¹

2. Lanham Act

Through constructive notice, the Lanham Trademark Act protects the owner of a federally registered trademark against the use of similar marks, which may result in consumer confusion and the possibility of unfair competition.¹⁴² An owner can request for registration of its trademark by filing an application in the Patent and Trademark Office.¹⁴³ By doing this, trademark owners can have peace

¹³⁴ *Id.*

¹³⁵ *Id.*

¹³⁶ Mary Beth Quirk, *15 Product Trademarks That Have Become Victims of Genericization*, CONSUMERIST (July 19, 2014), <https://consumerist.com/2014/07/19/15-product-trademarks-that-have-become-victims-of-genericization/>.

¹³⁷ *Id.*

¹³⁸ Steve Pitcher, *Winemaking Monk Dom Perignon’s Fame Continues to Bubble*, SFGATE (Dec. 15, 2005), <http://www.sfgate.com/wine/article/Winemaking-monk-Dom-Perignon-s-fame-continues-to-2588452.php>.

¹³⁹ *Id.*

¹⁴⁰ *Id.*

¹⁴¹ Kemp & Forsythe, *supra* note 30, at 288.

¹⁴² *Lanham Act*, CORNELL U. L. SCH.: LEGAL INFO. INST., https://www.law.cornell.edu/wex/lanham_act (last visited Oct. 23, 2016).

¹⁴³ 15 U.S.C. § 105(a)1 (2002) (explaining that “the owner of a trademark used in commerce may request registration of its trademark . . . in the Patent and Trademark Office The statement shall be verified by the applicant and specify that the person making the

of mind that they went through all of the requisite steps in making sure they have filed their trademark, giving notice to other trademark owners by showing “good faith” to register what they believe to be rightfully theirs.¹⁴⁴ This also establishes a “first-to-use” test to limit unfair competition due to the extensive research done in the US Trademark Office to see what trademarks have already been registered and are thus protected.¹⁴⁵

Moreover, the Lanham Act governs both US federal statutory law and common law.¹⁴⁶ It provides both for federal registration of a trademark within the US Patent Office while also providing protection for trademarks that have not been federally registered, which is not common in most other countries.¹⁴⁷ Registration, though, gives ownership to an owner of a trademark and advertises to other trademark owners that they have exclusive right over certain marks.¹⁴⁸ In addition to providing constructive notice to other trademark owners, federal statutory law, governed by the Lanham Act, provides for causes of action against those who take part in unfair competition, such as “false advertising.”¹⁴⁹ The Lanham Act prohibits any person from “using a false or misleading description of fact” that 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.”¹⁵⁰

verification believes that he or she . . . to be the owner of the mark sought to be registered; to the best of the verifier’s knowledge and belief, no other person has the right to use such mark in commerce either in the identical form thereof or in such near resemblance thereto as to be likely . . . to cause confusion, or to cause mistake, or to deceive”).

¹⁴⁴ Kemp & Forsythe, *supra* note 30, at 297.

¹⁴⁵ 15 U.S.C. §1062(a) (2000). (explaining that “upon the filing of an application for registration . . . the Director shall refer the application to the examiner in charge of the registration of marks, who shall cause an examination to be made and, if on such examination it shall appear that the applicant is entitled to registration, or would be entitled to registration upon the acceptance of the statement of use . . . the Director shall cause that mark to be published in the . . . Patent and Trademark Office”).

¹⁴⁶ Kemp & Forsyth, *supra* note 30 at 264 (citing under subsection: Lanham Act).

¹⁴⁷ *Id.* at 265.

¹⁴⁸ *Id.* at 263.

¹⁴⁹ *Unfair Competition*, TABBER’S TEMPTATIONS, <http://www.tabberone.com/Trademarks/folder/UnfairCompetition.shtml> (last visited Oct. 20, 2015).

¹⁵⁰ 15 U.S.C. §1125(a) (2012) (explaining that “any person who, 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 . . . which is likely to cause confusion, or to cause mistake . . . 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”).

C. European Union Trademark System

Producers in Europe can register their trademarks at either a national level at the industrial property offices of Member States or at the European Union level as a community trademark (CTM) at the Office for Harmonization in the Internal Market (OHIM).¹⁵¹ The CTM system is just one single procedure where registration will grant the trademark owner an exclusive right to all 27 Member States of the European Union.¹⁵² The CTM is governed by the Regulation 207/2009, which created the first EU-wide intellectual property rights.¹⁵³ The Regulation states that a community trademark is obtained through registration.¹⁵⁴ The CTM system, like US trademark law, prohibits the registration of trademarks that have become generic or customary everyday terms.¹⁵⁵ Additionally, trademarks for wines, which consist of GIs to identify the wine, must be from that place of origin.¹⁵⁶ This is synonymous with TRIPS Article 23, which places additional protection for GIs for wines and spirits.¹⁵⁷ At the national level, European producers can register their trademarks at the office of Member States, which is governed by the Trademark Directive 2008/95/EC.¹⁵⁸ Through the Directive, national trademarks are ensured the same protections and conditions when registered at Member States' intellectual property offices and will enjoy the same protection.¹⁵⁹ Like in the Regulations, the Directives prohibit trademark registration for marks that have become customary words in the current language.¹⁶⁰ Furthermore, the Directive, by way of derogation from Article

¹⁵¹ European Commission Memorandum, MEMO/13/291, The Commission, Modernisation of the European Trade Mark System—Frequently Asked Questions (Mar. 27, 2013) [hereinafter EU Modernisation Memo].

¹⁵² *Id.*

¹⁵³ *Id.*

¹⁵⁴ See Directive 2008/95/EC, of the European Parliament and of the Council of 22 October 2008 to Approximate the Laws of the Member States relating to Trade Marks, 2001 O.J. (L 299) 25, 29 [hereinafter EU Directive].

¹⁵⁵ *Id.* art. 7(1)(d) (“The following shall not be registered: trademarks which consist exclusively of signs or indications which have become customary in the current language or in the bona fide established practices of the trade.”).

¹⁵⁶ See Council Regulation (EC) No 207/2009, of the Official Journal of the European Union of 26 February 2009 on the Community Trade Mark, 2009 O.J. (L 78) 4 (explaining that “[t]he following shall not be registered: trademarks for wines which contain or consist of a geographical indication identifying wines or for spirits which contain or consist of a geographical indication identifying spirits with respect to such wines or spirits not having that origin”).

¹⁵⁷ TRIPS, *supra* note 37, art. 23.

¹⁵⁸ EU Directive, *supra* note 154, art. 1 (citing “[t]his Directive shall apply to every trademark in respect of goods or services which is the subject of registration or of an application in a Member State for registration as an individual trademark”).

¹⁵⁹ EU Modernisation Memo, *supra* note 151.

¹⁶⁰ EU Directive, *supra* note 154, art. 3(d) (citing that “[t]he following shall not be registered . . . trademarks which consist exclusively of signs or indications which have

3(1)(c), states that Member States may register a sign that indicates the geographical origin of the good and that sign cannot prohibit a third party from using that geographical name so long as it is used in accordance with “honest practices.”¹⁶¹

D. Cuban Trademark System

Cuba is a “first to file” jurisdiction, meaning that an applicant who is first to file its trademark in the Cuban trademark system will be the sole owner of that mark.¹⁶² Because of this “first to file” system, companies—including many US companies—use this opportunity to file for a Cuban application for already well-known US trademarks even though that applicant does not have a legitimate claim to that trademark, and thus it is vital that legitimate US companies watch for this.¹⁶³ The Cuban trademark system allows for two ways to apply for a Cuban trademark registration: (1) an applicant may file an application through the Oficina Cubana de la Propiedad Industrial (OCPI), which is the equivalent to the USPTO; or (2) an applicant may extend a current US trademark registration by designation to Cuba by filing an international application pursuant to the Madrid Protocol treaty.¹⁶⁴ Cuba signed and became a member of the Madrid Agreement in 1989 and further signed the Madrid Protocol in 1995.¹⁶⁵ With the United States and Cuba moving towards more relaxed sanctions and export policies, US companies are more interested in the Cuban trademark system and the intellectual

become customary in the current language or in the bona fide and established practices of the trade”).

¹⁶¹ *Id.* art. 3(1)(c) (citing “The following shall not be registered . . . trademarks which consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality . . . value, geographical origin, or the time of production of the goods”). *Id.* art. 15(2) (citing that “By way of derogation from Article 3(1)(c), Member States may provide that signs . . . which may serve, in trade, to designate the geographical origin of the goods . . . may constitute collective, guarantee or certification marks. Such a mark does not entitle the proprietor to prohibit a third party from using in the course of trade such signs or indications, provided he uses them in accordance with honest practices in industrial or commercial matters; in particular, such a mark may not be invoked against a third party who is entitled to use a geographical name.”).

¹⁶² *Now Is the Time to Register Your Trademarks in Cuba!*, DISERIO MARTIN O’CONNOR & CASTIGLIONI LLP (Apr. 28, 2015), <http://www.dmoc.com/news/now-time-register-your-trademarks-cuba> [hereinafter DMOC].

¹⁶³ *Id.*

¹⁶⁴ *Id.*

¹⁶⁵ *Madrid Agreement Concerning the International Registration of Marks*, WORLD INTELL. PROP. ORG. (Oct. 14, 2016), http://www.wipo.int/export/sites/www/treaties/en/documents/pdf/madrid_marks.pdf (showing the dates of each country’s acceptance of the Madrid Agreement).

property market and thus Cuba is moving towards protecting its system and its own trademark owners.¹⁶⁶

III. LEGAL ANALYSIS

A. Legal Overview

Both the United States and the European Union are members of the WTO, and thus they both must follow the TRIPS agreement. The WTO's main functions are to ensure that trade flows freely and to encourage negotiations and discussions between contracting states.¹⁶⁷ Although both the United States and the European Union are contracting states, conflicting ideas seem to stem from the Articles within the TRIPS agreement, specifically Article 23.¹⁶⁸ The European Union, and especially France, follows Article 23 closely because it prohibits the use of a GI to identify a wine that does not originate in the place indicated by the GI. The United States, though, follows Article 24 because it almost invalidates Article 23 in regards to geographical indicators and those geographical indicators that are now generic terms used in a person's everyday life. In contrast to this, the European Union recognizes *Appellations d'Origine Contrôlée* (Appellations of Origin), which, again, can be seen to invalidate Article 24 because this protects the nature and culture of regions where products come from. What will happen when those products are now popularized words and are deemed generic?

By the same token, the European Union is a signatory to the Paris Convention, which provides that filing for the protection of a mark in one contracting state is independent from registration in another state, even the state from which it originated. Furthermore, the Convention does not protect geographical indicators that may create confusion and deception. This seems to conflict with France's ideals on the protection of geographical indicators; however, the Convention does allow for each contracting state to follow its own domestic laws. The United States is also a signatory, which may largely be due to the Convention's lack of protection for GIs and its allowance for domestic laws to govern the protection of marks. Trademark law in the United States—specifically the Lanham Act—is largely flexible in that a mark does not have to be registered in order to be protected, thus allowing for vast flexibility on the protection of marks and especially the protection of geographical indicators. On the other hand, the United States has chosen not to be a signatory to the Lisbon Agreement, which provides stringent protection for geographical indicators; the European Union is a

¹⁶⁶ DMOC, *supra* note 162.

¹⁶⁷ *Understanding the WTO*, *supra* note 33.

¹⁶⁸ Kemp & Forsythe, *supra* note 30, at 278.

signatory.¹⁶⁹ The Madrid Protocol aims to make the Madrid System more flexible and compatible with other international laws, which may be a reason the United States is a signatory. The EU is also a contracting party, which benefits countries who want extra protection in the registration of marks. The Protocol benefits from the advantages afforded by the Paris Convention in regards to the Protocol being able to allow for applications to be filed in additional designated contracting parties after the initial filing.¹⁷⁰

B. Champagne Clashes

Both the United States and all EU Member States are members of the World Trade Organization and, therefore, follow the TRIPS agreement.¹⁷¹ There are both cultural and legal clashes between EU and non-EU producers of sparkling wine over the TRIPS Agreement's articles 22, 23, and 24.¹⁷² More specifically, the French government and the United States are feuding over the laws protecting GIs and selling sparkling wine under the type designation "champagne."¹⁷³ The French government argues that "champagne" is a GI for the region of Champagne, France, where a specific method is used to produce this sparkling white wine using the grapes of that region.¹⁷⁴ The United States, on the other hand, argues that under US trademark law, generic terms are not protected; "champagne" is now a generic term for sparkling white wine, and France cannot therefore claim this name.¹⁷⁵ TRIPS Article 23 protects owners of geographical indicators from other producers using the same name to identify products that do not originate in the place indicated by that GI; however, Article 24 provides an exception to this stating that geographical indicators that have become generic terms for describing that product in question are not protected.¹⁷⁶

In light of Article 24, the European Union approved a short list of GIs in which they seek to protect, such as "champagne," because this name (and others on this list) are claimed to be generic terms and may have been registered as trademarks by non-EU producers. Such terms are also registered as GIs.¹⁷⁷ The

¹⁶⁹ *WPO-Administered Treaties: Contracting Parties > Lisbon Agreement*, WORLD INTELL. PROP. ORG., http://www.wipo.int/treaties/en/ShowResults.jsp?lang=en&treaty_id=10 (last visited Oct. 23, 2016).

¹⁷⁰ *Madrid Protocol: Fact Sheets*, INT'L TRADEMARK ASSOC., <http://www.inta.org/TrademarkBasics/FactSheets/Pages/MadridProtocol.aspx> (last updated June 2014).

¹⁷¹ *Understanding the WTO: The Organization, Members, and Observers*, WORLD TRADE ORG., https://www.wto.org/english/thewto_e/whatis_e/tif_e/org6_e.htm (last updated July 29, 2016).

¹⁷² Kemp & Forsythe, *supra* note 30, at 298.

¹⁷³ *Id.* at 282–83.

¹⁷⁴ *Id.* at 258.

¹⁷⁵ *Id.* at 259.

¹⁷⁶ *Id.* at 277.

¹⁷⁷ Kemp & Forsythe, *supra* note 30, at 279.

purpose of this list is to advance negotiations for which such geographical indicators can receive additional protection, especially for such terms that have become generic overtime.¹⁷⁸ If the European Union is successful in this endeavor, “champagne” can only be used as the name for sparkling wines produced in Champagne, France, produced with regional grapes in the traditional production style.¹⁷⁹

Policy driven differences seem to play into the conflicting positions for the name “champagne.” The Champagne Bureau—the US representative of the trade association that represents all grape growers and houses of Champagne, France—is committed to educating US producers about the importance location plays into the creation of wines.¹⁸⁰ The Champagne Bureau maintains that consumers should be able to rely on the “truthfulness” of a bottle’s label, especially given that consumers rely on proper geographical labeling to clearly tell them where their product is coming from, which is vital in choosing a wine to consume.¹⁸¹ Both the United States and the European Union have “truth-in-labeling” laws that seek to “properly inform consumers about the contents or ingredients of products” in addition to strong trademark systems, which are designed to provide protection to brand names from illegally being used by others.¹⁸² The United States, though, is one of the only countries to not reserve the champagne name exclusively for sparkling wines produced in Champagne, France.¹⁸³

The United States has been strategic in refusing to be a signatory to certain international treaties that provide enhanced protection to geographical indicators. The United States did not sign the Lisbon Agreement due to this enhanced protection, especially for the enhanced protection for products originating in specific regions in Europe.¹⁸⁴ Furthermore, because the United States follows both statutory law and common law, the United States does not require actual registration of a mark under common law.¹⁸⁵ The Lanham Act provides for federal registration of a trademark while also protecting valid trademarks without registration, which, in return, results in a broader, less stringent protection of marks.¹⁸⁶ *Abercrombie & Fitch Co. v. Hunting World, Inc.* held that there are categories of trademarks that must have increasing levels of protection.¹⁸⁷ For example, generic marks cannot be protected by US trademark

¹⁷⁸ *Id.*

¹⁷⁹ *Id.*

¹⁸⁰ *About Us*, COMITE CHAMPAGNE, <http://www.champagne.us/en/champagne-bureau/about-us> (last visited Oct. 23, 2016).

¹⁸¹ *Protecting the Champaign Name*, COMITE CHAMPAGNE, <http://www.champagne.us/en/activities/protection-of-champagne-name> (last visited Oct. 23, 2016).

¹⁸² *Id.*

¹⁸³ *Id.*

¹⁸⁴ New, *supra* note 77.

¹⁸⁵ Kemp & Forsythe, *supra* note 30, at 261.

¹⁸⁶ *Id.*

¹⁸⁷ *Abercrombie & Fitch Co. v. Hunting World, Inc.*, 537 F.2d 4, 9 (2d Cir. 1976).

law, which has caused much controversy in international law due to marks that have now become generic.¹⁸⁸ “Champagne,” for example, may be considered generic, which is where the conflicting positions stem from.¹⁸⁹ The European Union has argued for a “claw-back” of generic GIs, meaning that they want to take terms like “champagne” and remove them from general public use, thus reclaiming GIs that fell victim to genericide. Trademark law in the United States, however, does not allow for claw-back action for marks that have become genericized, as held in *Harley Davidson, Inc. v. Grottanelli*, in which Harley-Davidson’s attempt to withdraw the use of the word “HOG” from the public domain was unsuccessful.¹⁹⁰

C. Cheese Conflicts

The European Union believes the protection for wines and spirits should also be extended to other products, such as cheeses.¹⁹¹ For example, the full Italian name “Parmigiano-Reggiano” is only recently protected in the United States as this cheese comes from the region of Parma in Italy; however, the word “Parmesan” is not yet protected in the United States.¹⁹² European courts decreed that “Parmigiano-Reggiano is the only hard cheese that can legally be called “Parmesan” given that the word “Parmesano” means “of or from Parma.”¹⁹³ The United States, though, does not abide by this EU legal determination, for producers continue to market their cheese with sound alike names, never using the full Italian name, even though the cheese was not produced in Parma.¹⁹⁴ The United States may argue that “Parmesan” has become a generic name for this type of cheese and is thus not protected under US trademark law and is not a GI. The European Union, on the other hand, would rather take the name Parmesan and extend to it the same protections as its full Italian name in hopes that it could only legally be called Parmesan if it were produced in Parma.¹⁹⁵

Contrastingly, Roquefort cheese, a unique blue cheese from France, is aged in natural caves in the region of Roquefort-sur-Soulzon and is protected

¹⁸⁸ *Id.*

¹⁸⁹ Kemp & Forsythe, *supra* note 30, at 259.

¹⁹⁰ *Harley Davidson, Inc. v. Grottanelli*, 164 F.3d 806, 808 (2d Cir. 1999) (holding that “the word ‘hog’ was used by motorcycle enthusiasts to refer to motorcycles generally and to large motorcycles in particular. The word was used that way in the press . . . and frequently thereafter, prior to the 1980s when Harley first attempted to make trademark use of the term”).

¹⁹¹ Kemp & Forsythe, *supra* note 30, at 280.

¹⁹² Larry Olmsted, *Most Parmesan Cheeses In America Are Fake, Here's Why*, FORBES (Nov. 19, 2012, 7:56 AM), <http://www.forbes.com/sites/larryolmsted/2012/11/19/the-dark-side-of-parmesan-cheese-what-you-dont-know-might-hurt-you/>.

¹⁹³ *Id.*

¹⁹⁴ *Id.*

¹⁹⁵ Kemp & Forsythe, *supra* note 30, at 280.

using GIs.¹⁹⁶ In order to work as a geographical indicator, this sign must identify a product as originating in a given place and has the quality or reputation of being essentially due to its geographical place of production.¹⁹⁷ The difference, however, between Roquefort cheese, champagne, and parmesan cheese is that both champagne and parmesan have become highly popularized in the English language and thus could be subject to genericide, while Roquefort cheese has not yet become as popular in the United States. Furthermore, the United States is not a signatory to the Madrid Agreement.¹⁹⁸ Under this agreement, a producer could not legally name its cheese “Parmesan” or “Parmesan Style” cheese, unless it came from the region of Parma.¹⁹⁹ The Madrid Protocol, though, is striving to make this system more flexible in this regard and has amended many parts of the Agreement to appeal more to countries like the United States, which is a signatory to the Protocol.²⁰⁰

D. Similar Ideas Outside the European Union

Since the world’s discovery of tobacco leaves in Cuba, the geographical name “Habana,” which is linked to the port of Havana in Cuba where these cigars were shipped, had been acknowledged internationally as identifying the origin of the best cigars in the world.²⁰¹ Because of this well-known name, Cuban cigar makers have included the name “Habana” in the design and advertising of all their trademarks so that the origin would be recognized.²⁰² The recognition of “Habano” stemming from “Habana” is an example of an appellation of origin because of this recognition. This recognition, however, has alarmed Cuban cigar makers of the danger in protecting this name from non-Cuban cigar makers. For example, lawsuits have been brought against France for the production of products like *Wilde Havana*, where courts have ordered the Havana trademark to be withdrawn.²⁰³ Cuba, unlike the United States, is a signatory to the Lisbon Agreement, and much of its decision for signing this Agreement was because being a signatory implies respect and recognition of appellations even in non-member countries. Another reason is that this Agreement prohibits producers

¹⁹⁶ WORLD INTELLECTUAL PROP. ORG., GEOGRAPHICAL INDICATIONS AN INTRODUCTION 9, http://www.wipo.int/edocs/pubdocs/en/geographical/952/wipo_pub_952.pdf.

¹⁹⁷ *Id.*

¹⁹⁸ Kemp & Forsythe, *supra* note 30, at 273. The Madrid Agreement prohibits the use of geographical indications by producers and businesses outside the region from which they are originally produced, even if it is not misleading. *Id.* at 274.

¹⁹⁹ *Id.*

²⁰⁰ *Summary Madrid Agreement, supra* note 83.

²⁰¹ World Intellectual Property Organization [WIPO], *International Symposium on Geographical Indications*, WIPO/GEO/BEI/07/4 (June 26-28, 2007).

²⁰² *Id.*

²⁰³ *Id.*

from using a geographical indicator if that product was not produced in the country of origin it says on the mark—a vital reason for Cuba to become a signatory. The European Union has synonymous reasons for protecting many of its products, such as champagne and Parmigiano-Reggiano. However, the United States has not signed this Agreement because of the many concerns it has with these provisions, but it has become a signatory to the Protocol after it has amended many of these concerns to be less stringent.

IV. IMPLICATIONS

A. Implications for the United States

Not only are there legal issues surrounding this complicated topic, but cultural and policy driven differences in interest seem to play into the passion that stems from both the United States and France that spearheads their conflicting positions. US trademark law ultimately provides protection for a business's economic interest, which is seen through a business's inability to trademark a generic term because that term would not provide specific indications of a certain product linked to a specific business. If US producers want to use a generic term (such as "champagne"), they may want to formulate some provisions that allow for both the name "champagne" plus a different name that provides specificity to that specific product and business to the label of a bottle in order to better align with international trademark law, if they so choose. Both names should be able to be trademarked; however, if a business wants to trademark the name "champagne" on its sparkling wine bottle, then provisions should allow for this solely if that name is accompanied with a less-generic name to specify that producer. This is a way the United States could attempt to come to an agreement with the European Union if they want to alleviate some of the issues that France has with US champagne producers. Although the United States is content with its trademark laws, they may be incentivized to make slight changes such as these in order to avoid future clashes with the European Union that may affect US producers.

The United States is a signatory to the Paris Convention; however, there are intricate parts to this system that are not beneficial for the United States in regards to geographical indicators. The Paris Convention, though, is in fact beneficial in that it provides a first to file system, which allows for a protected trademark in one contracting state to also be protected in another contracting state. It further allows for autonomy in a contracting state's domestic law when it comes to registration. Here, this may be an opening for the United States to use US trademark law to govern what it seeks to accomplish within its own borders. For example, the United States may want to allow for registration of a mark that has not yet been registered in the United States, even if that mark is registered outside of the United States. The issue arises, however, due to the provision in the Paris Convention that does not allow for registration of a mark if it creates confusion for a mark that is used to identify similar goods. The Lanham Act, though, allows for

the protection of marks that are either federally registered or not registered at all. Further, the Paris Convention puts geographical indicators in the category of marks that could create deception or confusion. The United States has found ways around these provisions in that it does not allow for registration of generic marks, even if those marks do not cause confusion. This cannot be said for all GIs, so it may be wise for the United States to look for other ways to protect marks that may be deemed geographical indicators (e.g., adding a label on the packaging that says the product may not be authentically made in the geographical place of origin it indicates).

B. Implications for the European Union

The European Trademark System has not been updated for more than 20 years, while business within Europe has changed dramatically over these past two decades.²⁰⁴ Proposed changes have been made such as a revision of the 1994 Regulation on the Community trademark as well as a recast of the 1989 Directive approximating the laws of the Member States relating to trademarks.²⁰⁵ Such revisions aim at modernizing existing provisions and increasing legal certainty by removing any ambiguities, clarifying trademark rights and terms of its scope, and increasing legal certainty.²⁰⁶ There are some ambiguities surrounding trademark registration for marks that have become customary words in current languages, however. Champagne, for example, has now become an everyday word to describe sparkling wines. In this case, if French companies believe this word should exclude others from using it if their product was not produced in Champagne, France, then appropriate updates should be made to this provision.

A possible revision could be a list of terms that are not subject to this provision, such as champagne, parmesan, or Roquefort cheese. Modernization of these provisions must also be updated to fit the legal framework for businesses. Now more than ever, businesses—such as those within the sparkling wine and food industries—are expanding and using techniques found all over the world to produce popular wines and cheeses for geographical areas that may not have direct access to those products. If modernization is a goal in the revision of the European trademark system, then provisions must be considered to harmonize industries abroad. A possibility may be to include those industries abroad that use geographical indicators in provisions that satisfy European countries. Something that could be done is adding text to labels informing consumers that certain processes were developed originally in a different place of origin. This may be a way where both European producers and US producers are both satisfied, wherein US producers are able to continue using geographical indicators to their liking while giving credit where it is due

²⁰⁴ EU Modernisation Memo, *supra* note 151.

²⁰⁵ *Id.*

²⁰⁶ *Id.*

C. Implications for Cuba

While Cuba is a signatory to the Lisbon Agreement, it may be beneficial for it to consider recognizing Appellations of Origin to protect the nature and culture from which its products, like Habana cigars, are produced and manufactured. Cuba, France, and Italy have much at stake when it comes to products that have originated in their countries, and these products have put their lesser-known regions on the map for consumers to know about, possibly visit, and buy their products. Cuba may also consider reaching out to non-Cuban producers using the name “Habana” or “Havana” to add wording on their product’s packaging that explains where the products actually originated from.

V. CONCLUSION

Since the enhanced level of protection for geographical indicators by the TRIPS agreement, much controversy has developed as to the conflicting laws within the United States and the European Union, as well as within Cuba. This controversy has stemmed from conflicting trademark laws within these nations that provide varying levels of protection for trademarks, and, more specifically, geographical terms that fell victim to genericide. It is difficult to pinpoint a specific solution to the many conflicting views because each view stems from deeply-rooted interests; for example, US trademark law protects a business’s economic interest, which stems from the United States’ interests in flourishing big businesses more so than the French companies that have a deep interest in protecting something that breathed life to regions that were once not as well known to the outside world.

Because of such conflicting ideas of protection, it is vital for both the United States and the European Union to come together and find a resolution that protects both countries’ interests. The United States should find a solution, in accordance with US trademark law, that provides broader protection for geographical indicators in order to conform to the European Union’s strong beliefs on geographical indicators. Not only will legal differences need to be evaluated, but both cultural and policy-driven differences should be considered to satisfy both domestic and international businesses who wish to trademark these GIs.

