TRIPS: Ten Years Later: Compromise or Conflict over Geographical Indications

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INTRODUCTION

What is the difference between sparkling wine and champagne? The difference lies in the geographical indication. A geographical indication is an identifier which associates a product to a particular region. Thus, champagne indicates to its consumers that they are drinking a beverage made or originating from a particular region in France. Alternatively, sparkling wine is any other champagne-like beverage originating outside of this particular region in France.

Whether these products taste different is a matter of opinion. Connoisseurs of champagne might argue the difference is in the quality; that champagne is superior to sparkling wine. However, one thing is clear: countries that originally produced a product such as champagne are experiencing a drop in exports as more imitation products are produced.

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2 Geographical indications are place names (in some countries also words associated with a place) used to identify origin and quality, reputation or other characteristics of products. WORLD TRADE ORGANIZATION, Background and the Current Situation, Geographical Indications in General, at www.wto.org/english/tratop_e/trips_e/gi_background_e.htm (last modified Feb 26, 2004).

3 Elodie Pasty, a spokeswoman at the Institut National des Appellations d'Origine in Paris, provides a good example of the product difference of champagne made in France. She said: A wine from Chile called Champagne isn't Champagne: The grapes they use aren't the same from the Champagne region in France. Mathew Newman, Chilean Cognac Leaves a Bad Taste in France's Mouth, WALL ST. J., Apr. 17, 2002, at B5.

4 TRIPS has also been criticized by some business for extending an IP right of exclusion to geographical place names. Thus, for example, Champagne would only be allowed to be so named if it were produced in the Champagne region in France, much to the chagrin of the U.S. producers of sparkling wine. Eric Allen Engle, When is Fair Use Fair?: a Comparison of E.U. and U.S. Intellectual Property Law, 15 TRANSNAT LAW. 187 (Spr. 2002). Though many people use the term champagne to designate all sparkling wines, in truth Champagne is a specific type of French sparkling wine. Champagne comes from the region of the same name in France. Bubbly 101, CNN.com, at http://www.cnn.com/FOOD/specials/1999/champagne/primer/#1.

5 In 2000, there was a fall in French wine exports resulting in a 5.4 percent drop to $4.6 billion in revenue from wine exports. According to the Wall Street Journal, this is fueling fears that cheap foreign imitations are taking away market share. Newman, supra note 2.
Europe has a strong example for its food-branding ambitions. In 1995, the world's major trading nations agreed on rules for wines and spirits that prevent, for example, Californian and Australian sparkling-wine makers from calling their products Champagne when sold outside their home countries. As a result, only bubbly from a northeast corner of France can call itself Champagne globally.  

Disputes similar to the champagne example have not only addressed the quality of a product, but also the rights of certain countries to call a product name their own because the product was first produced in a region within their borders.

The Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS) is the most recent agreement attempting to establish international protection of geographical indications; and it tries to introduce overall intellectual property rights into the multilateral trading system. January 1, 2005 marked the ten year anniversary of the date the TRIPS Agreement took effect among member countries of the World Trade Organization (WTO). It is doubtful that back on January 1, 1995, anyone anticipated the Agreement's provisions for protections of geographical indications would generate ten years of such intense debate. However, that is exactly what has happened. The purpose of TRIPS as a negotiating agreement to foster compromise between member countries for international protection of geographical indications has instead been met with continued stubbornness of two competing regimes: Old

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9 See generally id. (TRIPS was one of the outcomes during the Uruguay Round of negotiations that occurred in 1986-94); see also WORLD TRADE ORGANIZATION, A More Detailed Overview of the TRIPS Agreement, Overview: The TRIPS Agreement, at http://www.wto.org/english/tratop_e/trips_e/intel2_e.htm (last visited Jan. 28, 2004) (TRIPS came into effect on January 1, 1995).
and New world countries. Their continued obstinacy demonstrates the ineffectiveness of TRIPS negotiating mechanism, and ultimately signals the Agreement’s utter failure to provide for compromise. Without a compromise, the Agreement fails to meet the goal of establishing and implementing international protection for geographical indications. Through examining the work of TRIPS over the past decade, it is evident that conflict has won out over compromise, and the world might not be ready for international protection of geographical indications.

Part I of this note will provide the background and a historical context to both geographical indications in general and the TRIPS Agreement. Part II will discuss how TRIPS addresses geographical indications and its goals for implementation and negotiations. Conflicting issues over geographical indications under the TRIPS Agreement will be addressed in Part III, including the controversy of expanding geographical indications to include food products and the discussions over developing an international registry for wine and spirits. In Part IV, this note will then provide examples of disputes between countries and companies regarding geographical indications and how the TRIPS Agreement could affect these disputes. Part V will provide information on current developments and the progress of negotiations to implement international protection of geographical indications. Then, in Part VI, this note will conclude by addressing the issue of whether the problems that have arisen since TRIPS can effectively be resolved. This note should convey the ways TRIPS has failed in regards to the goals it has set for itself and it should also become clear that the countries participating in this agreement are unwilling to put aside their differences in order to compromise on intellectual property guidelines for geographical indications.

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10 The fight largely pits the Old World against the New World. The way that Europeans and other countries see things, it’s all about protecting what is rightfully theirs and helping consumers by eliminating fraudulent producers. Now, they say, people literally have to read the fine print on the label to find out if a product is the genuine article or a knockoff. Miller, supra note 6.
I. BACKGROUND

A. Geographical indications

A geographical indication is a concept having roots within intellectual property. In general, geographical indications are product identifiers as to the origin, quality, and reputation. Some examples of geographical indications are Champagne, Roquefort, Tequila, or Gorgonzola. Geographical indications include the ideas of indications of source and appellations of origin. Indications of source denote the origin of goods from a particular geographic location. Appellations of origin require certain characteristics which can be attributed to a particular geographical location. Likewise, protection of geographical indications considers the traditions and number of generations associated with production of the food or beverage. The purpose of protection, specifically under TRIPS, is to avoid consumer deception and prevent unfair competition.

B. History of protection

Intellectual property rules and the concept of protection for geographical indications have been around for many years prior to TRIPS. Association of a product with its geographic origin has been a favored method of identifying the product’s source by nations engaged in

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11 Background and the Current Situation, Geographical Indications in General, supra note 2.
14 Id.
15 Id.
16 Goldberg, supra note 12, at 108.
The first geographic indication legislation was developed in 1824 by France. In 1919, "appellation of origin" legislation was passed by the French to expand the protection to recognize and regulate the quality of wines and cheeses in a particular region. At the same time that other European countries began to follow the French example, many Europeans were immigrating to the United States. These Europeans often brought vine cuttings from their homeland and named their wine, now growing in the United States, after the region in Europe from which it had originated. While geographical indications for wines had become protected in France and other European countries, the same geographical indications became generic names in the United States and Australia for types of wine. Thus, at the close of the twentieth century, the new global economy and expansion of world trade created a conflict between the Old world countries, who wanted to protect their traditions, and the New world countries regarding the naming of wines and spirits. This conflict remains inherent in current intellectual property disputes over geographical indications and is an underlying issue of the failure to efficiently implement the provisions of the TRIPS Agreement addressing this intellectual property concept.

Previously, Old world European countries’ strong interest in protecting geographical indications became evident in provisions of the Paris Convention for the Protection of Industrial Property in 1883 (Paris Convention), then in the Madrid Agreement for the Repression of

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19 Harun Kazmi, Part Six: Trademarks in the International Arena: International Conventions and Agreements: Does It Make a Difference Where That Chablis Comes From? Geographic Indications in TRIPS and NAFTA, 12 J. CONTEMP. LEGAL ISSUES 470, 471 (2000). Countries like Europe and the former Soviet Union have a stronger interest in protecting geographical indications because they have a longer tradition of trade and an older economy. This is in comparison to the United States, which does not have as much tradition and history since it is a more recently developed country. Bendekgey & Mead, supra note 18.

20 Kazmi, supra note 19.

21 Id.

22 Id.

23 Id.

24 Id.

25 Id.
False and Deceptive Indications of Source on Goods of 1891, and next in the 1958 Lisbon Agreement for the Protection of Appellations of Origin. However, these international agreements did not receive much international support. The TRIPS Agreement has evidently tried to succeed where others failed. Ten years has passed, however, and this Agreement does not seem to be more successful at obtaining international support to implement any protection provisions than any of the other agreements.

C. Introduction to TRIPS and its provisions

The TRIPS Agreement, which has been dubbed the most important international intellectual property agreement, is the most recent multilateral text attempting to provide international protection for geographical indications. The absence of enforcement and dispute settlement mechanisms had been the two most notable shortcomings of the Paris Convention, and the TRIPS Agreement was the result of negotiations to address and resolve these issues. The TRIPS Agreement was meant to function as a compromise between the Old and New world countries over the scope of protection of geographical indications and the means of implementation. Both the industrialized and developing countries party to this agreement have stated that the primary objective of TRIPS is a greater protection for intellectual property rights worldwide by means of standards, enforcement, and dispute settlement.

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27 Nguyen, supra note 26, at 758.

28 *Id.* at 761. See also Gervais, supra note 26, at 158 (“The TRIPs Agreement is the first multilateral text dealing with geographical indications as such, and may be rightly considered an important first step in this difficult field.”).

29 See Gervais, supra note 26.


31 Goldberg, supra note 12, at 109.

Agreement’s detailed provisions on enforcement have been noted as the most important addition because, prior to TRIPS, provisions that addressed geographical indications merely provided general obligations for legal remedies and left all other issues of enforcement to the domestic laws of each country.33

In an attempt to address the failure of the Paris Convention and prior multilateral agreements, the TRIPS Agreement included additional provisions while at the same time incorporating Articles 1-12 and 19 of the Paris Convention.34 Alone, the Paris Convention’s substantive levels of protection were lower, enforcement procedures were not absolutely required, and no credible body existed to resolve inter-sovereign disputes.35 The additions incorporated in the TRIPS Agreement include establishing substantive levels of protection, requiring adequate enforcement mechanisms by all member countries, and providing a forum for sanction or coercion of non-complying countries through a dispute resolution system monitored by the WTO.36 Some of the enforcement mechanisms instituted under TRIPS include judicial authority to order an infringing party to desist, to pay damages and attorney’s fees, and to dispose of goods or materials.37 If there is a dispute over whether a party is infringing, the new dispute-settlement provisions under TRIPS refer the matter to a panel of WTO experts.38 Once the panel has made its decision, it is enforceable against a state that fails to implement the decision, and can result in tariff concessions or suspension of other WTO privileges.39

33 Gervais, supra note 26, at 160.
35 Heald, supra note 34, at 655.
36 Id.
37 See TRIPS Agreement, supra note 7, at 1215, arts. 44-46; see also Gervais, supra note 26, at 160-61.
38 See TRIPS Agreement, supra note 7, at 1221, Art. 64; Gervais, supra note 26, at 161. Disagreeing countries can refer the matter to the panel of experts for dispute-settlement when they disagree on the application or interpretation of one of the TRIPS provisions. See Gervais, supra note 26, at 161.
39 Gervais, supra note 26, at 161.
These additional enforcement and dispute-settlement mechanisms are found not only under the geographical indications provisions, but apply to all the substantive intellectual property provisions under TRIPS. The more specific provisions applicable only to geographical indications can be found in Part II, Section 3, Articles 22 through 24. The TRIPS Agreement provides that if a geographical indication is identified, then the member countries should provide the legal means to prevent the use of the indication by any others whose products originate from a geographical area other than the true place of origin. Geographical indications are defined under TRIPS as indications which identify a good as originating in the territory of a Member, or a region or locality in that territory, where a given quality, reputation or other characteristic of the good is essentially attributable to its geographical origin.

Besides the general protection afforded under the TRIPS Agreement, Article 23 provides more extensive protection for geographical indications of wines and spirits. This provision prevents the use of a geographical indication identifying wines or spirits that do not originate in the place indicated by the geographical indication, even where the true origin of the goods is indicated or accompanied by expressions such as kind, type, style, or imitation. To facilitate this more extensive protection, TRIPS requires negotiations by the TRIPS Council to create a multilateral system of notification and registration of geographical indications for wines and spirits.

II. TRIPS AND GEOGRAPHICAL INDICATIONS

A. The Start of Implementing the Geographical Indications Provisions under TRIPS

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40 See generally TRIPS Agreement, supra note 7.
41 Id. at 1205-07.
42 Id. at 1205, art. 22.
43 Id.
44 Id. at 1205-06
45 Id.
46 Id. at 1205, art. 22.
The negotiations required under TRIPS for a multilateral registration system for wines and spirits as geographical indications began in 2001 at the Fourth Ministerial Conference in Doha, Qatar. The TRIPS council was delegated by the Doha Mandate to resolve two very important issues with respect to geographical indications. First, the Council has addressed the task given to it under Article 23 of the TRIPS Agreement, primarily the creation of a multilateral register for wines and spirits. Second, the Council faces the difficult task of resolving the dispute of whether TRIPS provides for discussions on extending the higher level of protection beyond wines and spirits. The Fifth Ministerial Conference in 2003 was the initial deadline set at the Fourth Ministerial Conference in Doha for resolution of negotiations on these two issues.

B. The Failure of Progress at the Fifth Ministerial Conference

The initial deadline set in Doha was not met at the Fifth Ministerial Conference in 2003 in Cancun, Mexico due to the lack of agreement by member countries that stalled the negotiations and forced the Council to push back the deadline. The complexity of these issues and the participating countries’ unwillingness to compromise are contributing factors to the slow progress in implementing the provisions under the TRIPS agreement.

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49 TRIPS: Issues, Geographical Indications, supra note 48; Nguyen, supra note 26, at 763 ("[T]he EU attempted to advance its agenda by having members, bound by the TRIPS Agreement, extend the protection of geographic indications to a list of generic names in food categories."

50 Id.
51 See Background and the Current Situation, Geographical Indications in General, supra note 2.
53 See generally id.
Conference, which opened in Cancun on September 10, 2003, closed without any concrete decisions made for protection of geographical indications. Part of the problem was the European Union’s proposal for establishing a global registry that would extend beyond wines and spirits and would include food names. This proposal included a list of forty-one food and drink labels based on geographical indications.

WTO members have long disputed the idea of providing an international registry for farm products, especially considering the EU implemented its own regulation eleven years ago to address the issue of protecting designation of origin and geographic indications for farm produce and food. The Regulation, which covers 600 food products and 4,000 wines and spirits, was updated by the EU to extend to include citizens of all WTO member countries. The update was in response to the TRIPS Agreement and an attempt to include food products in the TRIPS protections. This Regulation was objected to by the United States and Australia at the time it was updated, and the underlying plan to extend international protection to farm products is an ongoing dispute, as the United States, Canada, and Australia proclaimed that they would resist the EU’s proposal, which it introduced at the Ministerial Conference. This complex debate over these so-called geographical indications was the main reason the trade talks in Cancun collapsed.

In the end, the negotiation sessions of the TRIPS Council have failed to implement any protections to geographical indications provided under the TRIPS Agreement. The consistent

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55 Id.
56 Id.
57 EU/Australia: Challenge to EU Food Indications, EUR. REP., Apr. 26, 2003.
58 Id.
59 Id.
60 Id.
61 EU/WTO: CAP Under Attack at Cancun, supra note 54.
62 Trade Talks Put Place Marks on the Table, supra note 13.
failure of negotiations is a significant indication that the member countries are not prepared to compromise.

III. GEOGRAPHICAL INDICATIONS ISSUES UNDER TRIPS

A. Expansion of Protections of Geographical Indications

The battle of whether the TRIPS can be read to include an instruction allowing for the protection of geographical indications beyond wine and sprits to food products pits the Old world countries and the New world countries against one another. There has been no resolution to this issue and there is no indication that a compromise is forthcoming.

1. Proponents of expanding the protection to food products

Countries in favor of expanding protection of geographical indications to food products believe that not doing so would result in consumer confusion regarding where the product actually is produced, and more importantly, would jeopardize countries reputations of manufacturing products of outstanding quality. Under TRIPS, makers of any product can only be banned from using a geographical indication if it misleads the public or constitutes unfair competition, while makers of wines and spirits are afforded greater protection that forbids use of a geographical indication by any maker outside the designation of origin. Alternatively, the EU wants the greater protection extended beyond wines and spirits to food products.

The European Commission has made a couple of arguments for protection of geographical indications for food products. One argument has historically been that making such products outside of their traditional location exploits the reputation of the product, and

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63 See EU/Australia: Challenge to EU Food Indications, supra note 57.
64 EU/WTO: Lamy Defends Geographical Indications for Local Food Products, EUR. REP., June 14, 2003; see TRIPS Agreement, supra note 7, at 1205, art. 22, 23.
65 Id.
undermines the region to which it belongs. Secondly, lower quality goods produced outside of the home region could threaten the reputation of both the product and of the region with which it is associated. The Commission believes strongly in its contentions, which were seen by the strict enforcement of the eleven year old EU Regulation on the protection of designations of origin and geographic indications for farm produce and food against Denmark for their use of the Greek name Feta for its version of this type of cheese. The reality, however, is that Denmark actually produces more Feta than Greece does.

The European Trade Commissioner Pascal Lamy supports these arguments in favor of geographical indications to protect farm products internationally and outlined the ways geographical indications are a tool for development of quality in agriculture. He insists geographical indications for food products are beneficial in five ways:

- they reinforce the economic fabric in farming communities through the presence of additional industries; they are a wealth multiplier, a collective right that belongs to communities; it guarantees that the use of a name will remain attached to a region and to the community that saw its birth; they encourage a more balanced distribution of added value between producers and distributors, and between countries of the North and the South, on the other; they stimulate quality and consequently strengthen competitiveness; and they contribute to the identity of the heritage of countries and regions.

Mr. Lamy stated that terms Parma, Cognac, Manchego or Scotch Whisky form part of the culture and national and regional identity of Italy, France, Spain and the United Kingdom. Clearly, these arguments submitted by the proponents of expanding the protection of geographical indications are one-sided. Specifically, these arguments do not take into account

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66 EU/Australia: Challenge to EU Food Indications, supra note 57.
67 Id.
68 Id.
69 Id.
70 EU/WTO: Lamy Defends Geographical Indications for Local Food Products, supra note 64.
71 Id.
72 Id.
any points of compromise for the greater good of rules governing international protection of geographical indications to which all member countries would submit themselves. Instead, the narrow interests of these countries, the Old world countries, are the only interests represented within the heart of the argument in favor of expanding geographical indications to include food products.

1. Opponents of expanding the protection to food products

On the other side of the argument are the New world countries, who oppose expanding the protection of geographical indications to include food products. In their line of reasoning, they contend that many of the food products, which may have historically originated from a particular region, have developed into generic terms.\textsuperscript{73} Opponents argue that regional manufacturers would gain monopolies if protection was expanded to food products and generic terms were returned to their historical origin.\textsuperscript{74} Australia specifically argues that if the expansion of protection for food geographical indications is successful, the effect would significantly limit descriptions that could be used on the labels and in the marketing of certain products.\textsuperscript{75} Parmesan, for example, is a term that has become relatively generic and manufacturers of this type of cheese might have difficulty in labeling and marketing if they could not use the term parmesan. \textsuperscript{76} The view is that the EU is acting contrary to the TRIPS Agreement, which does not mandate either stricter rules for protection of food product or discussions for expanding the protection.\textsuperscript{77} Additionally, opponents note that because there is an absolute absence of strict protection for food products under TRIPS, that as a member country of this agreement, the EU is

\textsuperscript{73} \textit{EU/Australia: Challenge to EU Food Indications}, supra note 57.
\textsuperscript{74} Id.
\textsuperscript{75} Id.
\textsuperscript{76} See Nguyen, supra note 26 (What can you call parmesan if you are prohibited from using he name parmesan? Cheese-with-sharp-flavor-often-sold-as-grated-for-your-pizza-spaghetti-lasagna?).
\textsuperscript{77} \textit{EU/Australia: Challenge to EU Food Indications}, supra note 57.
acting inconsistent with its provisions when enforcing its own EU regulation for the protection of food products.\(^{78}\)

Another argument against the creation of a registry directed toward food products responds to the claim made by European producers that their products are being usurped.\(^{79}\) First, it is acknowledged that if credit is given to the idea of usurpation, and the generic terms are returned back to their historical geographical origin, many manufacturers would suffer severe losses after heavy investment over the decades in marketing and labeling their products, which would ultimately result in an unstable situation.\(^{80}\) The second part of this argument states that a look at colonization and emigration over the past centuries is a good reason not to expand protection to food products or return products to historical geographical locations.\(^{81}\) During this time of emigration, many Europeans moved to Australia and the United States.\(^{82}\) The millions of emigrants and their descendants used the terms and produced the products that had European origin in their new homes and have been doing so for so long that they have become generic to these countries.\(^{83}\) This argument, in effect, re-characterizes what the EU terms as usurpation as historical evolution. It is contended that these terms have become generic over time and the true usurpation would occur if these terms were returned to their historical geographic location.\(^{84}\)

Opponents have a convincing argument against expanding protection to food products. However, like the proponents’ argument, their argument fails to proscribe any sort of

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\(^{78}\) EU/Australia: Challenge to EU Food Indications, supra note 57.
\(^{79}\) EU/WTO: Lamy Defends Geographical Indications for Local Food Products, supra note 64. See also Trade Talks Put Place Marks on the Table, supra note 13.
\(^{80}\) See EU/WTO: Lamy Defends Geographical Indications for Local Food Products, supra note 64. See also Trade Talks Put Place Marks on the Table, supra note 13.
\(^{81}\) Trade Talks Put Place Marks on the Table, supra note 13. Colonization and emigration was prevalent during the 17th through 19th centuries. Id.
\(^{82}\) Id.
\(^{83}\) Id.; EU/WTO: Lamy Defends Geographical Indications for Local Food Products, supra note 64.
\(^{84}\) Trade Talks Put Place Marks on the Table, supra note 13.
compromise. In effect, these countries in their argument against expanding protection make much the same mistake the proponents do. These New world countries address the issue with narrow ideas of what should be done, instead of proposing any resolution for compromise in order to effectively and efficiently bring protection into practice internationally as the TRIPS Agreement proscribes.

B. Registry for wine and spirits

The next issue that has become one of debate rather than cooperation is the provision under TRIPS that mandates the creation by member countries of an international registry for wine and spirits. Old world countries and New world countries have introduced ideas for how to go about compiling a registry, but these ideas have been one-sided, and any progress for completing a registry as proscribed by TRIPS has ground to a halt by refusals to compromise. The general unwillingness to compromise is evidenced by the fact that negotiations are still in the preliminary stages.\(^{85}\)

**Proposals for International Registry for Protection of Geographical Indications for Wine and Spirits**

Article 23.4 of the TRIPS Agreement requires a register to cover geographical indications for wine and spirits.\(^{86}\) TRIPS actually only calls for a registration system for wine and does not proscribe one for spirits.\(^{87}\) Yet, because the issue is addressed under Article 23, which is entitled Additional Protection for Geographical Indications for Wine and Spirits, there has been something of a presumption that the system includes spirits.\(^{88}\) It specifically states:

\[\text{[i]n order to facilitate the protection of geographical indications for wines, negotiations shall be undertaken in the Council for TRIPS}\]

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\(^{85}\) Goldberg, *supra* note 12, at 127. The negotiations have progressed slowly and the TRIPS Council’s focus has been only on information gathering and organization of negotiations. *Id.*

\(^{86}\) TRIPS Agreement, *supra* note 7.

\(^{87}\) *Id.*

\(^{88}\) *Id.; see also* Goldberg, *supra* note 12, at 133.
Negotiations for this system of notification and registration have been delegated under the Doha Mandate set forth at the Fourth Ministerial in 2001 in Doha, Qatar.  

The Doha Mandate is a mandate for negotiations in the Trade Negotiations Committee and its subsidiaries on a range of subjects, one of which is the TRIPS provision for the multilateral registry for wines and spirits. It also set the deadline for completing the negotiations for the Fifth Ministerial Conference in 2003. The negotiations are set up to take place in special sessions of the TRIPS Council. However, ten years later, the WTO TRIPS Council has failed to finalize negotiations for a multilateral registration system for geographical indications for wines and spirits. Although proposals have been submitted for the development of the multilateral registration system, none of the proposals have successfully gained support from all the member countries of TRIPS.

There are two main proposals for the registration system, plus subsequent proposals building on and expanding on these proposals. The first proposal is entitled the Joint Paper and represents the interests of the New world countries. The proponents of this proposal include Argentina, Australia, Canada, Chile, Colombia, Costa Rica, Dominican Republic,
Ecuador, El Salvador, Guatemala, Honduras, Japan, Namibia, New Zealand, the Philippines, Chinese Taipei and the United States. The competing proposal is the EU Proposal, representing the views of the Old world, and is supported by Bulgaria, Cyprus, the Czech Republic, the EU, Georgia, Hungary, Iceland, Malta, Mauritius, Moldova, Nigeria, Romania, the Slovak Republic, Slovenia, Sri Lanka, Switzerland and Turkey.

1. The Joint Paper

This proposal's primary suggestion is promotion of voluntary notification. Under the proposal, only voluntary members would be obligated to follow its regulations. The voluntary participants would be committed to consult a searchable database of all geographical indications for wines and spirits that have been notified by participating members. Those member countries that do not voluntarily choose to participate would not be obliged to consult the database, yet would be encouraged to. Any geographical indication submitted to the WTO would be distributed, and the TRIPS obligation would be upheld under the domestic laws of the participating members. Thus, the governments would not carry the burden of enforcement, but would instead place this responsibility on the holders of the rights to the geographic

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98 Negotiations, Implementation and TRIPS Council Work, supra note 96.
99 Id.
101 Id.
103 Negotiations, Implementation and TRIPS Council Work, supra note 96. Members who chose not to participate would not have to notify and [geographical indications], and would not commit to use the system or consult the information therein when making decisions on GIs. At the same time, however, non-participating Members would be free to consult this information if they chose to do so. Referring to the system would not, by itself constitute participation in the system. Joint Proposal, supra note 100.
104 U.S. Seeks Voluntary System on Protecting Wine, Spirits Naming Rights, supra note 100. [A]ll decisions regarding the protection of GIs would continue to be in accordance with the domestic law of each WTO Member. Joint Proposal, supra note 102. Under Article 1.1 of TRIPS, Members are free to determine the appropriate method of implementing the provisions of the Agreement within their own legal system. See id.
indications.\textsuperscript{105} Supporters of this proposal believe that the responsibilities stemming from participation would not be too inexpensive or inefficient.\textsuperscript{106}

The Joint Paper has many different elements member parties believe will facilitate the protection of geographical indications for wines and spirits.\textsuperscript{107} The first is that the proposal is both non-burdensome and low-cost while still being effective.\textsuperscript{108} Members who desire a specific protection would take the initiative to notify the WTO, and the WTO would compile a list of the received geographical indications and submit it to a database for anyone to access.\textsuperscript{109} Second, the proposal does not impose any additional obligations on members, or prejudice any existing rights currently provided under TRIPS.\textsuperscript{110} Third, the fact that the system is voluntary means that least developed countries would not be obliged to participate.\textsuperscript{111} Fourth, the proposal [m]aintains the WTO’s commitment to full transparency because the information transferred to the database would be available to both participating and nonparticipating members.\textsuperscript{112} Fifth, and most importantly, the proposal allows members to implement the Agreement within their own domestic legal systems however they choose.\textsuperscript{113}

\textbf{2. The EU Proposal}

The second main proposal for a registration system for the protection of geographical indications for wine and spirits is the EU Proposal.\textsuperscript{114} Some of the noted features of the EU Proposal include a list of geographical indications to be registered, a procedure for opposing

\begin{footnotesize}
\textsuperscript{105} \textit{U.S. Seeks Voluntary System on Protecting Wine, Spirits Naming Rights, supra note 100.}
\textsuperscript{106} \textit{Id.}
\textsuperscript{107} \textit{See id.}
\textsuperscript{109} \textit{Id.}
\textsuperscript{110} \textit{Id.}
\textsuperscript{111} \textit{Id.}
\textsuperscript{112} \textit{Id.}
\textsuperscript{113} \textit{Id.}
\textsuperscript{114} \textit{See Background and the Current Situation, Geographical Indications in General, supra note 2.}
\end{footnotesize}
listed geographical indications, legal implications of the register, and the way future alterations to the multilateral register will proceed.115 This proposal has sometimes been referred to as the TRIPS-plus proposal,116 because the geographical indications would be presumed to be protected in all other countries.117 The presumption would be in effect for all member countries to the TRIPS Agreement, and seems to be consistent with the idea of voluntary participation in Article 23(4) of the Agreement.118

Member countries would initiate participation under the EU Proposal by submitting a list of geographical indications which are protected in their respective countries.119 Members who are already participants would have up to one year to examine an application and decide whether to oppose the application for participation.120 After expiration of the one year period, the geographical indications would become fully protected unless there had been a submission of a reason to refuse registration.121 A valid reason to refuse registration is any reason contained in the TRIPS Agreement for refusing protection of a geographical indication.122 If the dispute is settled in favor of granting registration, the member country who originally opposed the protection must then fully protect the geographical indications.123 Alternatively, if the refusal is valid and becomes confirmed, the member who opposed the granting of protection and provided

115 See Goldberg, supra note 12, at 128. See also Proposal for a Multilateral Register of Geographical Indications for Wines and Spirits Based on Article 23.4 of the TRIPS Agreement, WTO Doc. IP/C/W/107 (July 28, 1998) [hereinafter EU Proposal].
117 Negotiations, Implementation and TRIPS Council Work, supra note 96.
118 See Goldberg, supra note 12, at 129. European Union’s interpretation is a logical one because having only some members participate in the system would defeat the purpose of these negotiations which aim to increase the protection of individual geographical indications under Article 23. Id. See also TRIPS Agreement, supra note 7, at Article 23.4.
119 EU Proposal, supra note 115.
120 Id.
121 Id.
122 EU Proposal, supra note 115. Grounds for refusing protection include: the failure of a name to correspond with the definition of Article 22.1 of TRIPS, an absence of protection in the country of origin under Article 24.9, any one of the exceptions under Article 24.6, and any of the cases covered by Article 22.4. Id.
123 Id.
evidence for its opposition will be the only one not required to provide full protection to the geographical indication; members who did not oppose will be required to provide full protection.\textsuperscript{124}

3. Other Proposals

Several other proposals have been submitted to the WTO in response to the EU Proposal and the Joint Paper. The Hong Kong proposal is a variation of the EU Proposal, and has been stated as representing a compromise in which registering a term would enjoy a less limited presumption in participating countries than under the EU proposal.\textsuperscript{125} The Hungary proposal is another variation of the EU Proposal, and recommends a system of registration that would include an arbitration system to resolve any disputes over protection of geographical indications.\textsuperscript{126}

The WTO has found that there are two important issues that need to be addressed when assessing these proposals.\textsuperscript{127} The first is the legal effect of the registration system within the member countries; the second is the extent to which the legal effect should apply to member countries who are not participants of the registration system.\textsuperscript{128} Resolving these issues will likely require time and additional negotiations before any registration system can be enacted. It is further foreseeable that the countries will not reach a compromise to enact a registration system, and the TRIPS provisions will remain unimplemented.

C. Lack of complete compliance with TRIPS in United States legislation

\textsuperscript{124} EU Proposal, supra note 115.
\textsuperscript{125} Background and the Current Situation, Geographical Indications in General, supra note 2 (citing Multilateral System of Notification and Registration of Geographical Indications Under Article 23.4 of the TRIPS Agreement, TN/IP/W/8 (Apr. 23, 2003)).
\textsuperscript{126} Id.
\textsuperscript{127} Id.
\textsuperscript{128} Negotiations, Implementation and TRIPS Council Work, supra note 96.
The lack of cooperation from member countries in implementing TRIPS within their own domestic laws is another serious indication that TRIPS has failed to meet its goal to provide international protection for geographical indications. The United States itself has failed to completely implement the TRIPS Agreement into its domestic legal framework. The only effort to coincide national law with the international TRIPS Agreement was a congressional amendment to the Lanham Act. The Lanham Act, 15 U.S.C. §§ 1051-1127, passed by Congress in order to protect trademarks, provides nationwide protection to registered trademarks. However, the amendments under §1052 fail to comply with the TRIPS Agreement.

The Lanham Act, as amended, does not effectively respond to the provisions of the TRIPS Agreement on geographical indications because it does not provide the required remedy under Article 23, nor does it properly address the grandfather clause in Article 24. Section 1052 (a) of the Lanham Act prohibits register of a trademark if it consists of a geographical indication which, when used on or in connection with wines or spirits, identifies a place other than the origin of the goods and is first used on or in connection with wines or spirits by the applicant on or after one year after the date on which the WTO Agreement . . . enters into force with respect to the United States.

This amendment of the Lanham Act does not provide a remedy for unauthorized use of a geographical indication as stipulated by Article 23 of the TRIPS Agreement, which states in pertinent part that [e]ach Member shall provide the legal means for interested parties to prevent

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129 See Heald, supra note 34, at 650-51.
130 Id. at 651.
132 Heald, supra note 34, at 651; see also trademark law: an overview, supra note 131.
133 Heald, supra note 34, at 651-52.
use of a geographical indication identifying . . . spirits for spirits not originating in the place indicated by the geographical indication in question. 135

The Amendment further confuses the grandfather clause of Article 24 of the TRIPS Agreement.136 Article 24 says that a Member will not be required to prevent continued and similar use of a particular geographical indication of another Member identifying wines or spirits in connection with goods or services by any of its nationals or domiciliaries who have used that geographical indication in a continuous manner with regard to the same or related goods or services in the territory of that Member either (a) for at least 10 years preceding 15 April 1994 or (b) in good faith preceding that date.137

However, instead of adopting the grandfather clause in Article 24 of TRIPS, the Lanham Act was drafted to permit the registration of a trademark with a geographical indication if the indication was used prior to the U.S. being a member to the WTO for one year.138 The result is that trademarks may be registered where there are other claims to the indication, or where a trademark was adopted after the conclusion of GATT’s Uruguay Round.139 Moreover, the result represents the general inconsistencies between the TRIPS Agreement and U.S. domestic law.140

The incompatibility of the Lanham Act with the TRIPS Agreement is, in effect, additional evidence that members to the TRIPS Agreement are not actually prepared to implement what they have agreed to. Without compromise and cooperation, the TRIPS Agreement is just a piece of paper, and not a tool for implementing international protection of geographical indications.

IV. EXAMPLES OF DISPUTES OVER GEOGRAPHICAL INDICATIONS

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135 TRIPS Agreement, supra note 7; see also Heald, supra note 34, at 651.
136 Heald, supra note 34, at 651; see TRIPS Agreement, supra note 7; see also 15 U.S.C. §1052.
137 TRIPS Agreement, supra note 7.
139 Heald, supra note 34, at 651-652.
There are a few prominent examples of the types of issues that have been raised in pursuit of protecting geographical indications. In the past, the resolution of intellectual property disputes regarding geographical indications has taken place in domestic courts. TRIPS may allow for these disputes to be heard in the Agreement’s dispute resolution system. The following cases demonstrate the type of issues that may foreseeably make their way to international level dispute settlement.

A. The Havana Club Rum Case

Among the more controversial decisions that have arisen over the years, concerning geographical indications is the United States-Cuba Havana Club Rum Case. This case has involved many players, including the World Trade Organization, the Cuban government, the United States government, the European Union, Bacardi Martini, and the Pernod Ricard group. The underlying issue in the case was whether rum that was not produced in Havana could use a label with the Havana Club name. The issue of whether the indication would be prohibited under Articles 22-24 of the TRIPS Agreement was never addressed. The United States courts and the World Trade Organization took another route in solving the problem.

It has been suggested that an analysis under the geographical indications provisions of the TRIPS Agreement could have effectively and justifiably solved the problem presented by this case. It is argued that the label Havana Club could be considered a geographical indication, because Cuba is well-known for its production of Cuban rum. Using Articles 22 and 23 of TRIPS as support, it may be established that because rum is a spirit, the use of the label would

142 Cristina Garrigues, Is the Cuban Rum Battle Over, 24 EUR. INT’L. PROP. REV. 147, 147 (2002).
144 Id. at 85.
145 See generally id.
146 Id.
mislead consumers to believe the spirit originated in Cuba.\textsuperscript{147} Because the use of Havana Club label did not begin until 1995, it would not fall under the exception in Article 24.\textsuperscript{148} It is also argued that the use was not in good faith because the defendant knew of the plaintiffs production of rum under the Havana Club label and the significance of that label in the rum market.\textsuperscript{149} Therefore, the argument concludes that according to the TRIPS provisions, the use of Havana Club would violate the TRIPS Agreement.\textsuperscript{150} However, United States federal courts tried the case under domestic law, which then proceeded to the WTO on domestic law issues. Thus, the argued violation of the geographical indications provisions of TRIPS was never addressed.\textsuperscript{151}

\textit{History behind the conflict}

The Arechabala family distilled Havana Club rum until the Castro government expropriated its business in 1960.\textsuperscript{152} The Arechabala family had originally owned the trademark for Havana Club, but the U.S. registration lapsed in 1973.\textsuperscript{153} In 1963, the United States imposed a Cuban embargo.\textsuperscript{154} A Cuban state enterprise registered a trademark with Cuban authorities in 1972 and with the United States Patent Office in 1976, and exported Havana Club rum from 1972 to 1993.\textsuperscript{155} In 1993, the Cuban state enterprise sought out a foreign partner for its rum business.\textsuperscript{156} Two companies, Havana Rum & Liquors, a Cuban corporation, and Pernod Recard, S.A., a French company, entered into a joint venture to distribute Havana

\textsuperscript{147} Farley, \textit{supra} note 143, at 85.  
\textsuperscript{148} Id.  
\textsuperscript{149} Id.  
\textsuperscript{150} Id.  
\textsuperscript{151} Id.  
\textsuperscript{153} Garrigues, \textit{supra} note 142.  
\textsuperscript{154} \textit{Havana Club Holding}, 203 F.3d at 120.  
\textsuperscript{155} Id.  
\textsuperscript{156} Id.
Rum internationally under the name Havana Club Holding (HCH). The registered trademark belonging to the Cuban state enterprise was assigned to HCH in 1994. The trademark was then renewed in the U.S. in 1996 for a ten year term.

In April 1997, Bacardi & Co. bought the rights for the Havana Club trademark in the United States that had belonged to the Arechabala family before the Cuban revolution and Castro's expropriation. Bacardi then began a line of rum in the United States with the Havana Club trade mark.

HCH sued Bacardi for trademark infringement and misleading the public about the origin of Bacardi's Havana Club rum. The District Court threw out the claim that involved inappropriate use of a geographical indication. HCH argued that Bacardi's use of the Havana Club trademark, and the label used on the rum which featured a sketch of Malecon, a seafront boulevard in Havana was a false designation of Cuba as the place of origin of Bacardi's rum, which was actually produced it in the Bahamas. The District Court proclaimed that the plaintiff lacked standing because the Cuban embargo prevented United States sales of the rum with which HCH was associated. The case then was appealed on other grounds. The Court of Appeals found that to have enforceable rights in the United States, it must find authority for the assignment somewhere in United States law, because in the absence of such authority, the Cuban embargo renders null and void the transfer of trademark registrations in which a Cuban national...

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157 Havana Club Holding, 203 F.3d at 120.
158 Id.
159 Id.
160 Id.
161 Id. at 121.
162 Garrigues, supra note 142.
165 Id. at 1099.
or entity has an interest. 166 The Court of Appeals dismissed the case for lack of standing, but allowed an amended complaint which brought the case to a bench trial.167 Thus, the Court of Appeals for the Second Circuit upheld Bacardi’s right to the Havana Club trade mark in the United States.168

The WTO later addressed the issue of whether this case fell under the scope of TRIPS.169 The WTO determined that the case concerned trade names, and that Part II of TRIPS did not include trade names as one of its categories.170 The only categories TRIPS references are trade marks, geographical indications, industrial design, patents, layout (topography) of integrated circuits, and protection of undisclosed information.171 The Panel did not agree with the EU claim that the WTO Member in which registration is sought does not have any right to question the existence of a trade mark in the hands of an owner as defined by the laws of origin. 172 In the end, although protecting the geographical indication was not an issue the United States court would consider, nor one the WTO thought to be relevant,173 the case presents in the clearest manner the different approaches and rationales for protecting geographical indications.174

B. The Budweiser Case

Another notable international dispute over geographical indications which could foreseeably be resolved through TRIPS concerns the use of the label Budweiser.175 The dispute revolves around a century old debate between the United States Anheuser-Busch and the

166 Havana Club Holding, 203 F.3d at 122.
167 Id. at 130-35.
168 Garrigues, supra note 142, at 147.
169 Id. at 148.
170 Id.
171 Id.
172 Id.
173 See generally Havana Club Holding, 203 F.3d at 116; see also Garrigues, supra note 142.
174 Farley, supra note 143, at 87.
Czech Republic’s Budejovicky Budvar for the rights to the Budweiser name.\textsuperscript{176} Ten years after its inception, the TRIPS system is not yet operative, and is thus unable to resolve this particular issue.\textsuperscript{177} Instead, the parties have taken the dispute to the domestic courts of 24 countries.\textsuperscript{178} The dispute centers around two beer producers: an original beer producer from a particular location and one that just used the well-known name of the location for its product made in the United States.\textsuperscript{179} The argument set forth by Budejovicky Budvar, a small Czech producer of beer established in 1895, is that the beer they produce has been known for centuries as Budweiser.\textsuperscript{180} On the other hand, Anheuser-Busch rebuts their claim by pointing out that the reason the name Budweiser was chosen for the U.S. brew was that the name, so well known, is entirely generic.\textsuperscript{181} The recent trend in countries such as Britain and South Korea is to rule that both companies may continue selling their different versions of Budweiser.\textsuperscript{182} However, the pending cases in other jurisdictions signify a desire by both Anheuser-Busch and Budejovicky Budvar to fight for exclusive rights to the label.\textsuperscript{183}

National tribunals’ decisions

1. Portugal

The Supreme Court of Justice in Portugal affirmed the decision of the Court of Appeal of Lisbon, which ruled in favor of the Czech brewery, Budejovicky Budvar Narodni Podnik, and

\textsuperscript{176} Sandburg, supra note 175.
\textsuperscript{177} See generally Background and the Current Situation, Geographical Indications in General, supra note 2.
\textsuperscript{179} Id.
\textsuperscript{180} Id.
\textsuperscript{181} Id.
\textsuperscript{182} Id.
\textsuperscript{183} See generally id. Budejovicky Budvar (company name Budweiser Budvar N.C.) has 380 trademarks registered in over 100 countries and is involved in over 40 lawsuits and 40 administrative proceedings with Anheuser-Busch over trademark issues. South Korea’s High Court Rules in Favor of Budejovicky Budvar Brewer, INTERFAX CZECH REPUBLIC & SLOVAKIA WEEKLY BUS. REP., Friday, Jan. 9, 2004.
refused registration of the Budweiser mark to the American based company Anheuser-Busch, Inc.\textsuperscript{184}

The winning argument brought by the Czech brewery was that Budweiser was a word with geographical meaning because the word Budweis is the name of the Czech town Ceske Budejovice.\textsuperscript{185} The brewery also pointed to a bilateral agreement signed by Portugal and the Czechoslovakian Socialist Republic, which included protection for the geographical indication of Ceske Budejovice.\textsuperscript{186}

Anheuser-Busch's losing argument had contended that a certain level of fame and reputation existed for Bud and Budweiser as American trade marks.\textsuperscript{187} Although the court recognized that there was merit to this argument and agreed it was unlikely that Portuguese consumers would make a connection between Budweis and the Czech city, the court found in favor of the Czech brewery based on the bilateral treaty between Portugal and the Czech Republic.\textsuperscript{188}

The Portuguese tribunal suggested there would not have been any confusion among customers regarding the Budweiser product name. However, the existence of the treaty between Portugal and the Czech Republic resulted in a decision rendered against Anheuser-Busch. It could be argued that Anheuser-Busch could have been victorious in establishing their product name in Portugal under an international system of geographical indication registration. If ever this issue were to come before a TRIPS dispute settlement board, it would seem that in the interest of the consumer, Anheuser-Busch should be awarded priority of rights over the Budweiser name. However, the continued delay in putting the provisions of the TRIPS

\textsuperscript{184} Antonio Corte-Real, The Budweiser Case in Portugal, 24 EUR. INTELL. PROP. REV. 43, 43-46 (2002).
\textsuperscript{185} Id.
\textsuperscript{186} Id.
\textsuperscript{187} Id.
\textsuperscript{188} Id.
agreement into action has forced the company to take up this issue nationally, with results that are sometimes victorious, and sometimes not.

2. South Korea

Anheuser-Busch lost another battle in South Korea regarding the use of its Budweiser trademarks. The High Court in Seoul, South Korea, ruled in favor of Budejovicky Budvar Brewer, finding that the firm could use its trademark and company name, Budweiser Budvar N.C., in South Korea. The South Korean court found the name did not conflict with any rights possessed by Anheuser-Busch.

Anheuser-Busch had filed a complaint alleging that Budejovicky Budvar Brewer's trademarks were interchangeable with its own trademarks. However, despite appeals with the Patent Court, and a motion in civil court, Anheuser-Busch lost the war to the Czech company when the High Court determined that these trademarks were not interchangeable. In the end, the two companies have had to expend time and money to pursue claims in various countries. If TRIPS was active, the dispute settlement mechanism would be able to resolve this issue in one tribunal, versus the multitude of national tribunals the companies have visited.

C. Possible effects of TRIPS on Budweiser

If the TRIPS Agreement were fully implemented, there is a possibility that the Budweiser controversy could be set before the dispute settlement board on the issue of protecting a geographical indication. At present, the general argument between the countries is the distinction between a geographical indication and a product that is generic. If TRIPS had

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189 South Korea's High Court Rules in Favor of Budejovicky Budvar Brewer, supra note 183.
190 Id.
191 Id.
192 Id.
193 See South Korea's High Court Rules in Favor of Budejovicky Budvar Brewer, supra note 183.
194 See TRIPS Agreement, supra note 7.
successfully negotiated a registry for wines and spirits, it might have been possible to determine up front whether the Czech company could succeed in a claim for the use of Budweiser. However, TRIPS has not been successful in its negotiations, and it is still unclear how an issue such as the Budweiser indication would be resolved.

V. CURRENT DEVELOPMENTS

A. WTO Dispute-Settlement

One current development since the enactment of TRIPS has tested the effectiveness of TRIPS more general reaching provisions in the context of geographical indications the dispute settlement mechanism. In August of 2003, the United States and Australia took advantage of the TRIPS Agreement dispute-settlement mechanism by requesting a panel to address European Community rules on the protection of trademarks and geographical indications for agricultural products and foodstuffs.\footnote{World Trade Organization, WTO News: 2003 News Items, \textit{DSB Establishes Panel on EC Trademark and Geographical Indication Rules}, at \url{http://www.wto.org/english/news_e/news03_e/dsb_2oct03_e.htm} (Oct. 2, 2003).} In October of 2003, the Dispute Settlement Body agreed to establish a panel to resolve the dispute.\footnote{\textit{Id.}} The United States complained that the EC regulation did not allow the registration of non-EC geographical indications unless the geographical indication was from a country that offered geographical indication protection that was equivalent to that of the EC, while Australia complained that the EC regime was inconsistent with existing WTO rules prohibiting discriminatory treatment, did not give due protection to trademarks, and was overly complex and prescriptive.\footnote{\textit{Id.}} The mandate for negotiations that interpret the TRIPS agreement makes resolution inherently difficult because it proclaims that virtually every item of the

\footnote{\textit{Id.}}
negotiation is part of a whole and indivisible package and cannot be agreed separately. Nothing is agreed until everything is agreed.  

However, a press release on December 21, 2004, revealed that the Dispute Settlement panel had, in fact, made a decision. The ruling held that the EU regulation, which proscribed an EU registry of geographical indications, violated TRIPS because it discriminated against non-EU products. On March 15, 2005, the panel reports were issued by the WTO. At this time, the EU had the opportunity to appeal the decision. Yet, this was not the case, and on April 20, 2005 the panel report became binding when it was officially adopted by the Dispute Settlement Body. Although there appears to be initial acceptance, whether or not the dispute settlement mechanism instituted under TRIPS will be effective remains to be seen.

B. Scheduled Negotiations

Although negotiations at the Fourth and Fifth Ministerial Conferences focused on the registry for wines and spirits, there was a lack of substantive discussion, as the focus turned more towards questions concerning a deadline for the negotiations, and whether ministers should provide guidance on substantive matters. Member countries did not come any closer to consensus in discussions on the topic of registry, and positions were largely unchanged. The draft declaration of the Cancún Ministerial sets out a new deadline for the completion of all

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198 How the Negotiations Are Organized, supra note 93.
200 Id.
203 Id.
205 Id.
negotiations that have not yet been completed, including the negotiations on protection of geographical indications for January 1, 2005, and states that the Special Session of the Council for TRIPS should continue the work that the Doha Ministerial Declaration directed.\textsuperscript{206}

The decision to forego substantive negotiations in order to discuss the procedure for the next round of negotiations indicates an acceptance that the implementation of international protections of geographical indications will not occur any time in the near future. Further, negotiations may be unsuccessful where a full agreement must be reached by countries that have been in disagreement for a long time.

\textbf{VI. RESOLUTION OF TRIPS PROBLEMS}

The issues underlying the failure to employ provisions provided in the TRIPS Agreement stem from competing interests between Old and New countries. It is highly possible that if member countries ceased to avoid the underlying issues, substantial progress could be realized. Negotiations should more effectively address the strong discrepancy between countries interests. The provisions in the TRIPS Agreement suggest that member countries wish to make international rules in intellectual property rights for geographical indications, but at the same time, the actions and disputes between these countries suggest they are unwilling to compromise in order to achieve this goal. Negotiations should first confront the issue of competing interests between the two types of countries – Old and New. If these countries focused on the issue of intellectual property rights instead of acting in the best interests of their respective countries, then progress through the provisions of TRIPS could be made. Skirting the issue has only led to ten years of frustration and delay.

Some scholars and commentators suggest that resolution of conflict over protection of geographical indications should take on the form of a first-in-time, first-in-right rule.\textsuperscript{207} However, this rule will not resolve anything. As noted earlier, the conflict stems from debate between Old and New world countries.\textsuperscript{208} Many countries are comprised of people who have emigrated from the Old world and have brought with them the methods and means to produce the same products they made prior to their emigration.\textsuperscript{209} Thus, although they reside within a new geographical location, these immigrants too could have first-in-time, first-in-right claims. This type of rule would only lead to more confusion and conflict, and is ultimately a poor suggestion for resolution.

Perhaps if the dispute settlement mechanism within the TRIPS Agreement\textsuperscript{210} were implemented, in time resolution of Old world and New world countries could be resolved and protection of geographical indications could be extended internationally. However, in the ten years that have passed, negotiations under the TRIPS Agreement still remain in the preliminary stages and an effective resolution of competing interests is not foreseeable.

\textbf{VII. CONCLUSION}

The protection of geographical indications is a complex issue. Even though the TRIPS Agreement has provided the most protection for geographical indications, its provisions have yet to be fully implemented by its member countries. Negotiations for creating a multilateral register for wine and spirits, and the argument for an expansion of protection beyond wine and spirits has hindered the progress of the TRIPS Council. Member countries seem to divide into two factions in which there is no room for compromise. Additionally, there is no end in sight for

\textsuperscript{207} Goldberg, \textit{supra} note 12, at 150.
\textsuperscript{208} See text accompanying notes 20-25.
\textsuperscript{209} \textit{Id.}
\textsuperscript{210} TRIPS Agreement, \textit{supra} note 7.
a resolution as long as countries continue to hold conflicting views based on Old world versus New world, and the beneficial provisions of the TRIPS Agreement will thus never be realized. The provisions under TRIPS will foreseeably remain inactive, and thus the Agreement is an ineffective mechanism for internationally extending protection of geographical indications.