

E

WIPO/GEO/SFO/03/20/REV

ORIGINAL:English

DATE:July29,2203



WORLDINTELLECTUAL
PROPERTYORGANIZATION

WORLDWIDESYMPOSIUM ONGEOGRAPHICALINDI CATIONS

organized by
the World Intellectual Property Organization (WIPO)
and
the United States Patent and Trademark Office (USPTO)

San Francisco, California, July 9 to 11, 2003

GEOGRAPHICAL INDICATIONS AROUND THE WORLD

document prepared by Mr. Yves Bénard, Director, Louis Vuitton Moët Hennessy (LVMH)

1. I am pleased to be participating in this global symposium on geographic indications as two of my responsibilities directly deal with GI's.

- On the one hand, as President of INAO, the International Protection of Appellations of Origin Commission.
- And on the other hand as the Director General of Champagne Activities for LVMH group, parent company of such brands as Dom Pérignon, Moët et Chandon, Veuve Clicquot, and others.

2. My business is present in many agricultural countries as a producer of sparkling wines. To be more specific, our position has evolved over time to better respond to the expectations of consumers at the beginning of the 21st Century.

3. For example, in Argentina we used the term "Champaña" for several decades, because we did not want to use the Champagne Appellation but did want to abide by the Argentine legislation. We did this because consumer behavior has evolved, and we wanted to be completely coherent across all regions with a policy of valorization of regional productions of quality. Thus, we have simply removed "Champagne" from our labels and we wait for a G.I. to see the day in the Mendoza region.

4. In France, the GI and the concept of AOC were born because renowned products appreciated by consumers were coveted and usurped. Therefore, in 1935 the INAO was created as a specific, public establishment. This organization was dedicated to the recognition and protection of AOs and GIs in strict collaboration with relevant professionals.

5. In short, the GI is the result of a specific terroir and a professional "know-how" of the men and women who collectively use all that nature offers.

6. At this stage, let me quickly recall for you as industry professionals the major difference between a GI and the brand that now justifies particularly the GI. The brand and the GI are very similar in appearance, but:

- A brand is the private property of a company that can use it for every type of product and also can sell or rent it. The value of this brand is limited to overtime. The value of the brand is included in the annual report of the company.
- In comparison, a GI is represented by a very specific product, attached and indistinguishable from the region from which it comes and available for the producers of this region whom must respect the region's required qualitative norm. The GI can neither be loaned nor sold, but can be used forever without losing value.

7. Today, France respects several hundred GIs not only for wine but also for agricultural products or foodstuffs. The cumulative value represents approximately 180,000,000 Euros. GIs constitute a collective asset for which notoriety exceeds the frontiers of France and, therefore, deserves the rules of usage and specific protections.

8. In France, in-depth inquiries validated by government organizations are necessary to recognize a GI, and thus give all of those who use it validity.

9. Therefore, to defend this collective asset, professional associations of each appellation have the responsibility and the capacity to protect their names. This cooperation between the government and the professional organizations defines the originality of the French system and has proved successful since 1935.

10. To expand the relationship between GIs and brands, Champagne provides a good example. I was born there, I exercise political and economic responsibilities there, and I still live among the winegrowers who are proud to be associated with this celebrated appellation.

- Champagne is a GI, a collective asset shared and protected communally.
- The brand relies on the reputation of the company that produces it but also the very precise use of the GI.

11. For example, even the prestigious internationally acclaimed brands that I manage including Krug, Veuve Clicquot, Moët et Chandon, Dom Pérignon, are dependent upon the Champagne appellation. They are proud of it and make it public.

12. Perhaps you have seen this advertising campaign in the United States at the beginning of this year.

13. On the left of this slide, the teasers refer to products that are well known to the American public and characterize them by their geographic origins:

- Can Salmon from Alaska come from Florida?
- Or can apples from Washington State come from Nevada?

14. Of course not. These teasers serve as preparation for the question that arises in the image on the right of this slide: Can Champagne come from anywhere other than the region of Champagne, well known by wine connoisseurs? Of course not.

15. Champagne is one example of this. Other GIs will follow because it's clear that in this global economy, the wines of regions like Napa or Willamette deserve the protection of their names; when these names are misused, the identity of the region is destroyed.

16. The objective of this advertising campaign is to educate the American public by explaining that certain products have a strong reputation that comes exclusively from the region from which they originate.

17. Today, the misuse of GIs accompanies the increasing globalization of trade. I would like to show you some examples of the misuse of GIs and the forms they take.

First Example: The forgery of identity

18. Wine connoisseurs know from where Beaujolais originates, but the occasional and uneducated consumer is ignorant of this origin, thus he can easily be deceived. This is an example of what we need to prevent from happening.

Second Example: The imitation of French AOP products outside of the wine industry

19. These French GI products have developed a reputation over time that are misused by Australian, German and Bulgarian producers. The public deserves to be protected against the misuse of these deceptive names in these countries.

Third Example: The notoriety tournament

20. This manufacturer of Argentine cookies steals notoriety to better sell its product that does not even contain Champagne, that does not come from Champagne and that is therefore totally separate from the Champagne world. This manufacturer exploits a reputation that it has not contributed to develop and then trivializes it.

21. Finally to finish the issue of misappropriation of GIs, the freedom that dominates the Internet and the absence of any regulation further facilitates the misuses of GIs and brings harm to producers of the products.

22. There is important work to do for international institutions, notably WIPO, to protect GIs as it protects well-known brands. Because the global economy is becoming more credible and equitable, it is vital to strenuously defend against these attacks and, therefore, make the provisions outlined in TRIPS/ADPIC of the WTO internationally recognized.

23. Finally, I would like to conclude this presentation and sum up my arguments in defense of the contributions of GIs:

- GIs are an efficient means of organizing regions in the global market.
- GIs help increase the overall value of products
- GIs allow for more equitable distribution of wealth between producers and distributors.
- GIs provide an incentive to produce higher quality products.
- Finally, GIs preserve a location's identity in an increasingly globalized world.

24. Inspite of the different points of view on this subject, I hope the intelligent people at Cancun will permit us to fix the rules to better recognize and protect GIs as well as facilitate global trade.

25. As a Champenois, I am pleased to share my testimony with you regarding the system that has for decades facilitated the creation of shared wealth between everyone in our beautiful region, from the grape to the flute.