

Dear Secretary Vilsack and Ambassador Froman:

Increasingly, U.S. companies are facing barriers to trade imposed on them from an overly expansive approach by the European Union to geographical indication (GI) regulations. In a growing number of markets around the world, the EU has been working to confiscate the use of many commonly-used food names, largely through commitments on GIs in their Free Trade Agreements. This issue threatens the continued growth of our state's high-quality cheese-making, particularly by small and medium-sized firms, and takes on heightened importance with the launch of the Transatlantic Trade and Investment Partnership (TTIP) negotiations.

The EU's approach takes a reasonable concept too far and as a result actively restricts reasonable competition. As an example, in just the past decade, use by non-Europeans of the terms "parmesan" and "feta", along with several other common cheese names, has been outlawed within the EU. In addition, the EU now uses its FTA negotiations to try to extend these restrictions to many of our major export markets as well. The EU's preferred approach to GIs bans any use of a registered GI, even if it is accompanied by "-style" or "-type". This is despite long-standing production of these and other types of cheeses in the U.S. and many other countries around the world, often as a result of waves of immigration from Europe to the "New World" over the past century.

We appreciate USTR and USDA's work on this difficult issue. In particular, discussions with Korea in 2011 resulted in a very helpful written assurance regarding the continued ability of U.S. companies to ship many products to Korea. That communication helped limit the impairment of the market access package in the U.S.-Korea FTA that could otherwise have resulted. This is the sort of concrete action that we urge you to undertake with other U.S. trading partners as well, particularly those with which the U.S. already has a pre-existing FTA. The need for immediate action along these lines is most pressing currently in Central America where press reports surfaced in July regarding the EU's intention to put its agreement with certain countries in the region on hold simply because they are evaluating the generic nature of several terms the EU has sought to monopolize such as fontina, gorgonzola and parmesan. Threats such as this to our market access are deeply concerning, particularly given our prior FTA with these countries.

As deep a concern as this poses to present and future U.S. exports, the prospect of the EU imposing new restrictions on competition in the U.S. market itself is simply unacceptable. Now that the U.S. and EU have embarked on trade agreement negotiations, the EU has expressed a very strong desire to include commitments on geographical indications (GIs) in TTIP. Given the EU's track record of using certain GIs as de facto trade barriers; however, we are very concerned that such discussions could impose new costs and constraints on U.S. companies, rather than focus on removing these growing barriers in the EU itself as well as in other foreign markets.

As TTIP proceeds we believe it is critical to keep in mind the High Level Working Group Report's goal of using this agreement to "substantially eliminate existing barriers to trade and investment". In keeping with this objective, any discussions on the issue of GIs must be focused on how to remove barriers to trade and competition. We look forward to working closely with you over the course of these negotiations to achieve that outcome.

Sincerely,

Charles E. Schumer
U.S. Senator