Vineyard Protection: Intellectual Property Rights and Sanitary Standards
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The expansion of global wine production has been overwhelmed by protectionist approaches from large wine dominant countries of the European Union. During a review of the implementation of food standards through the procedures of the Sanitary and Phytosanitary (SPS) Agreement, the wine industry has seen an enhanced social integration and an increase of wine requisites that have determined some sort of production provision and the increase of cost for the international trade of wine. These provisions for wine standards are interconnected with the aspect of intellectual property rights (patents) of wine production techniques and regional categorisation, which underpins wine agreements between bilateral trading partners of the EU.

This paper aims to understand the interconnectivity of patents and intellectual property rights and the establishment of sanitary and technical standards and the compliance cost of producing quality wine protected by regional and grape growth intellectual property rights. The European wine industry plays an important position in the establishment of sanitary and phytosanitary measures in the wine processing industry and vineyards. This is because the wine business is a very competitive sector and the perceived economic enhancing tools of regional dominance and branding are important characteristics. Therefore wine standards are used as marketing decisions which stipulate through the interconnection of SPS standards and the protection stance of Intellectual Property Rights, the dominance of European-French wine techniques. The business enterprise can lower the cost of SPS compliance by differentiating its production and in the process establish international trade protection policies. The workings of the SPS regulatory framework and Trade Related Intellectual Property Rights (TRIPS) present various challenges and opportunities in the marketing and expansion of quality wine designated by the quality of the grape and its origin in the international trade atmosphere.

This papers looks at the pre-requisites needed to achieve such measures of high quality wine. The protectionist standards enforced by countries for protectionist reasons and not for welfare enhancement are some of the factors examining here. Science and technology is of great importance for the innovation and the setting of standards at the Codex Alimentarius level. Therefore the development of wine production is affected by the principles of patents, the knowledge base, in the implementation of processing wine grapes and the management and conservation of such resources. The standards lead to a protection by patents in an economic, commercial and cultural development environment. The paper will establish a framework to evaluate the cost of compliance of SPS standards and the impact that intellectual property rights have with the interconnectivity of SPS regulation measures on global wine trade. The methods used to perform an assessment of the interconnectivity and the welfare factor of wine production and marketing and the development of new techniques that provide economies of scale are by adapting a cost-benefit model to evaluate the welfare structure of standards and patent protection for wine trade. This will provide evidence of the fall in social welfare benefits to the consumer as patents increase the complexity and protective stance of wine. The paper also explores how wine production has changed in order to sustain trade levels while adopting SPS measures.