**The Changing and Flexible Nature of Imitation and Adulteration: The Case of the Global Wine Industry, 1850-1914**

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**Abstract**

The first globalization wave from 1850 to 1914 is considered to be a period when global trade and investment increased at a steady pace, impacting on global economic growth. Global trade, for instance, grew at an average rate of 4.5 percent per year between 1875 and 1914, a growth rate that was only paralleled again from 1980s. And yet that evolution was not consistent across all industries. This study explains why, during that period, global trade in wines and also in other alcoholic beverages was reversed. Apart from diseases that affected vineyards of the countries of the Old World that were main producers of wines, various factors in the New World including local government incentives, and the presence of consumers – immigrants - with acquired habits of consumption from European countries, created strong incentives for the dissemination of imitation and adulteration of wines. This study looks at the strategies used by both the imitators in expanding their businesses, and by the innovators to survive in institutional environments that were weak with regard to the protection of their intellectual property.

**1. Introduction**

Imitation is a growing and widespread phenomenon which has historically had great impact on economic development.[[1]](#footnote-1) Although it is difficult to provide precise estimates of the total amount of imitation around the world, some studies have provided estimates that in 2013 it corresponded to about 2.5 percent of world trade, having increased from an estimated 1.9 percent in 2008.[[2]](#footnote-2) Additionally, many goods and services, which appear for the first time in marketplaces as ‘new’ innovations, are in fact ‘innovative imitations’.[[3]](#footnote-3) In the present day imitations are considered in most markets to be illicit, as they imitate existing products and trademarks, and are aimed at confusing consumers, thereby taking trade away from innovators.[[4]](#footnote-4) There are several studies which analyse the recent impact of imitations on the growth and profitability of businesses, and on consumers’ wellbeing. These studies highlight, for example, that imitations influence levels of employment, inward and outward foreign direct investment, international trade, and countries’ tax revenues.[[5]](#footnote-5)

This article aims to engage with these issues of imitation and adulteration by taking the analysis back in time, when imitation was either not considered to be illicit, or when enforcement of the law was not always effective. It will highlight the different ways in which imitation has impacted on the development of the global wine industry.[[6]](#footnote-6) It draws on the period from 1850 to 1914, when wines represented about 50 percent of all the international trade of alcoholic beverages.[[7]](#footnote-7)

There are only a few estimates of the amount of imitation and adulteration in wines. Some are at country, others at regional, and others at product level. For instance, in 1872, Britain was considered to be the country where most adulterated wines were sold, with imitations corresponding to approximately 20 percent of all wine imports into the country.[[8]](#footnote-8) In 1903 fraud and adulterations of wines in France was estimated to be over 15 million hectolitres, equivalent to some 40 percent of the official harvest.[[9]](#footnote-9) In 1907 discussions were carried out in the Portuguese parliament, where it was argued that out of 60 thousand barrels of port wine exported, only one third related to wines produced with grapes from the Douro region.[[10]](#footnote-10) In that same year, more than 50 thousand barrels of fake ‘port’ were produced in California.[[11]](#footnote-11) At a macroeconomic level it is also possible to have an idea about the significance of imitation and adulteration of wines by looking at a series of proxies such as protests by wine growers from highly reputed wine regions; articles and advertisements in newspapers about this phenomenon; parliamentary documents where governments discussed the protection of the interests of wine producing regions; discussions in international conferences and conventions to protect denominations of origin and intellectual property rights associated with the wines industry; and the signing of bilateral treaties with other states.[[12]](#footnote-12)

The concepts of imitation and adulteration do not have a universal meaning and have changed over time. They are generally associated with issues of appropriation of reputation and legitimacy that belong to an innovator. Imitation refers to the act of copying or deriving something from an original, where someone or something closely imitates or mimics another person or product. Adulteration refers to the mixing of particular kinds of beverages with unrelated substances such as chemical additives, water, and sugar, as ways to fortify, provide colour or change the characteristics of the beverages, mainly of wines.

This study analyses and contrasts the impact of imitation and adulteration in wines across multiple countries, in particular Old World producers and traders such as France, Spain, Italy and Portugal; and New World producers such as Argentina, Chile and the United States; and also important traders and consumers of wines such as Great Britain and Brazil. These countries are analysed in more detail not only because of their relevance as producers and consumers, but also because they provide good illustrations of the trends that were taking place in different parts of the world during the period of analysis. References to other countries such as Italy and Australia, and also other alcoholic beverages such as liqueurs and whisky, are also included to show that this practice of adulteration and imitation in alcoholic beverages was not specific to the wine industry.

The study investigates the relations between manufacturers, distributors and retailers of both imitations and genuine wines. It analyses the impact they had on the development of the global wine industry, in a period when production and trade was quite important in the economies of several of these countries. Following this introduction, section two offers an overview of the evolution of the global trade in wines. Section three provides evidence of imitation in wines in different parts of the world and of the strategies followed by imitators. Section four discusses how imitation and adulteration of wines had an economic, political, and also cultural and social impact on society. Finally, section five presents some conclusions highlighting the hybridity of imitation and adulteration in terms of its impact on economic development.

**2. Global Trade in Wines and other Alcoholic Beverages**

The first globalisation wave is characterised by an increase in global trade and investment.[[13]](#footnote-13) In the alcoholic beverages industry the pattern was reversed. With some exceptions, such as cognac, scotch whisky, gin and some beer brands, which were already traded globally in the nineteenth century, most spirits and beer were still very much locally produced and consumed beverages.[[14]](#footnote-14) In contrast wine, which had traditionally been globally traded as a commodity, suffered significant fluctuations during this period, associated with a multitude of factors, which radically changed its geography of production and trade.[[15]](#footnote-15) Various diseases - phylloxera, oilidium, and mildew - affected all the vineyards in Europe from the 1850s, and that led to a major drop in production across southern European countries (i.e. France, Spain and Portugal). As a result, these countries started to produce and trade imitations and adultered wines and to substitute the lack of local production, while simultaneously trying to replant the regions affected.

During this period most of the exports of wine were in barrel, and that facilitated the carrying out of adulteration practices in key markets by less scrupulous distributors and retailers. Wines, to which chemicals, water, alcohol, sugar, among other substances were added, tended to be sold cheaply. They were being produced in different regions, including traditionally wine producing regions, and often used fake denominations of origin to associate the beverages with popular regions of established reputation.[[16]](#footnote-16) While fraud had always been present in most food and beverage markets, its nature changed significantly during this period. This was mainly because of the growing physical separation between producers and consumers, and the development of new preservatives that allowed manufacturers to mask food deterioration and lower costs, often making food adulteration imperceptible to consumers. In markets such as Britain it was legal to sell “British claret”, “Hamburg sherry”, or “Spanish port”. This phenomenon confused consumers and created a lack of trust by consumers. [[17]](#footnote-17) Retailers attemptedto impose their own brands to consumers with no success, as the quality of wines varied, and wines were often adulterated.[[18]](#footnote-18) It also threatened the sales of innovator firms, owners of strong brands such as Moët & Chandon or Martell Cognac, who saw their sales threatened by the decline of the collective reputation of their regions of origin, and also the imitation of their brands. All these factors led, at the turn of the century, to a crisis of overproduction and a sharp drop in prices.[[19]](#footnote-19) Growers, wine makers and merchants from the Old World started to lobby governments to introduce laws and create new institutions that regulated markets and stopped adulterations and imitations. The political voice and bargaining power of these economic agents varied greatly both within and between countries, leading to the introduction of very different policies.[[20]](#footnote-20)

In the New World, tariffs imposed by some countries to imports also encouraged imitation and adulteration by local entrepreneurs.[[21]](#footnote-21) They aimed at substituting imports for local production. Imitation contributed to the development of local industries, as initially most of the wines produced in the New World used reputed European denominations of origin.[[22]](#footnote-22) Indeed, denominations of origin such as Jerez, Porto and Marsala very quickly became known and standardized as generic products - they were often written in lower case, in the same way as other words such as ‘wine’, ‘water’ or ‘beer’.[[23]](#footnote-23) The attractiveness of foreign goods in the New World, associated with the large population of immigrants, in particular from France, Spain and Italy, contributed to explain the growing accusations of copycats and imitations in these regions of the world.[[24]](#footnote-24) New World countries imitated and adultered all types of alcoholic beverages, from spirits, such as aperitifs, or sweet distilled wines, which had high demand.

Table 1 below which provides the amount of world exports in wines spirits and beer for the years 1900 and 1909, highlights the significance of wines, which corresponded to around 65 percent of total trade in alcoholic beverages during this period.

**Table 1 – Worlds Exports in Wine, Beer and Spirits, 1900 and 1909**

**(amounts stated in hectolitres)**

|  |  |  |
| --- | --- | --- |
|  | **1900** | **1909** |
| **Wines** | 11,451,626.20 | 12,687,635.70 |
| **Spirits** | 3,211,063.32 | 4,216,250.72 |
| **Beer** | 2,893,697.00 | 2,759,633.00 |

Source: UK Board of Trade, *Alcoholic Beverages - Twentieth Century House of Commons Sessional Papers*, 44 (1911): 533.

The data relating to world trade is often used as an indicator of the stage of globalisation of the world economy during that period, together with other variables such as foreign direct investment, flows of capital and flows of people. Figure 1 below compares the growth rate for the world trade index of merchandize in general, with the wine trade index. It shows that wine trade grew at a faster pace than world trade until the early 1890s and decreased sharply since then.

**Figure 1 – Index of Evolution of Global Trade and Wine Trade, 1875-1913**

Source: Data on world trade: Lewis, “Trade Series - Export Volume Indexes (1875=100)”; Data on Wine exports only includes France, Italy and Spain. These countries accounted between 75% and 85% of world exports between 1870 and 1909.Amounts stated in Hectolitres. Vincente Pinilla, “Wine Historical Statistics: A Quantitative Approach to Its Consumption, Production and Trade, 1840-1938”*, Documents de Trabajo de la Sociedad Española de Historia Agraria, no. 1409 (2014)*: 12−13.

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|  |

The decline in the index of world trade of wines is associated with the sharp decline of exports of the main wine producing countries – Spain, France, Italy and Portugal (See Appendix 1). The exports that fell most sharply were those of Spanish wines, due to the protectionist policies from 1892 imposed by France, its main market of destination, which aimed at helping to stimulate domestic production. Additionally, France substituted its traditional imports from Spain for imports from Algeria, which was then a French colony.[[25]](#footnote-25) Other important changes in the trade of alcoholic beverages took place during this period. In Great Britain, traditionally a leading importer of wines, there was a decrease in consumption, in particular due to the lack of trust by consumers on the purity of the wines (See Appendix 2). In the New World, as previously mentioned, markets started substituting imports by domestic production. In the case of Argentina, for example, between 1889 and 1914 imports dropped approximately 74 percent; while domestic production increased almost four times between 1899 and 1914 (See Appendix 3).[[26]](#footnote-26) A similar trend can be identified in other New World markets such as Australia where, during the period of analysis, most wines were judged using European standards and classified into European types.[[27]](#footnote-27)

**3. Strategies of Imitation and Adulteration**

Several strategies can be pointed out for imitation and adulteration, which allowed merchants to widen their portfolios of wines and increase their bargaining power within value chains.[[28]](#footnote-28) Most imitations and adulterations used different substances such as foreign brandy or industrial alcohol which were added to wines, and labelled as if they were originally from well-known denominations of origin, or with well-known brands.

Many wines were circulated in the market with the name of ‘port’, and yet were not produced in the Douro region in the north of Portugal but rather originated from different regions around the world - Lisbon, Tarragona, Sète, Hamburg, Cape Town, and California, among other places.[[29]](#footnote-29) The producers of such mixtures often advertised themselves as ‘manufacturers of port wine’.[[30]](#footnote-30) It is possible, however, to identify various other types of imitation and adulteration strategies in wines and other alcoholic beverages. Table 2 below considers two axis – imitation of product type and imitation of trademark. There are two types of imitation of the trademark – imitation of the commercial trademark, relating to individual brand owners, and imitation of the collective trademark associated with geographical denominations of origin.

|  |  |  |
| --- | --- | --- |
| **Table 2**  **Dimensions of Imitation Strategies in Alcoholic Beverages** | | |
|  | **Imitate product type** | |
| **Imitate Trademark** | No | Yes |
| No | A - No imitation | B - Imitation without trademark infringement |
| Yes - Commercial trademark | C – Infringement of commercial trademark | E – Counterfeiting of commercial trademark |
| Yes – Collective trademark (geographical denomination of origin) | D – Infringement of collective trademark | F – Counterfeiting of collective trademark |

Note: This Table extends the work of Teresa da Silva Lopes and Mark Casson, “Brand Protection and Globalization of British Business”, *Business History Review* 86, no.2: 287-310, by it applying to the case of the global alcoholic beverages industry and distinguishing between commercial/firm level trademarks and collective trademarks.

Cell A in Table 2 refers to those cases where there is ‘No imitation’. In all the other cells from B to F, there is some form of imitation. Cell B - ‘Imitation without trademark infringement’ relates to strategies where the product is imitated but not the trademark. In these cases, there is no trademark infringement as the imitation of the product is associated with the production of look-alikes (also known as copycats).[[31]](#footnote-31) This is considered to be legitimate business, associated with processes of competition, or even with the first steps towards incremental innovation. In Spain for example, the creation of ‘Rioja’ wines is the result of imitation of ‘Bordeaux’ wines. The expansion and modernization of the Rioja region, in the second half of the nineteenth century was the result, to a large extent, of the use of techniques used for the production of wines in the Bordeaux region, using expressions such as ‘médoc alavês’ or ‘médoc riojano’. While there was imitation of product and the technologies of production, there was no imitation of the commercial or collective trademarks. Sometimes, the actual technicians hired for the production of the Rioja wines used to work in Bordeaux wines. The name of some firms and estates created during this period, such as ‘Bodegas Franco-Españolas’ (1890) or ‘Chateau Ygay’ (1893), also illustrate the French influence in the establishment of the Rioja wine region, but Rioja wines were not being sold as Bordeaux wines.

This type of imitation without trademark infringement was a success. The commercial flow of wines between Rioja and the Bordeaux region developed in the 1880s, with the imports by France of increasing quantities of wines from Rioja. These imports substituted the drop in the production of wines from the Bordeaux region, which had been affected by the phylloxera. However, and as previously mentioned, in the 1890s, with the reconstruction of many vineyards in France, the increase in imports of wines from Algeria, and the protectionist measures imposed by the French government, led the imports of wines from Rioja region and other foreign regions to almost stop.[[32]](#footnote-32) As a result the wine producers from Rioja, which had made large investments targeted to that particular market, had to change their strategies, by investing in the domestic market and in other foreign markets, but continued marketing those wines with French designations. It is possible, however, to find some Rioja wine producers following strategies associated with cell F - ‘Counterfeiting of collective trademark’, characterized by imitation of product and use of false region of origin. For example, Bodegas Bilbainas at the beginning of the twentieth century traded, among other beverages, ‘Cognac Faro’, ‘Rioja Clarete’, ‘Cepa Borgoña’, ‘Cepa Sauternes’, ‘Tarragona port’, ‘South African sherry’ and ‘Catalan champagne’.[[33]](#footnote-33)

Another illustration of a successful strategy of ‘Imitation without trademark infringement’ (cell B) is the case of the Spanish sparkling wine ‘Cava’, which developed around the same time, as Rioja wine mainly in the region of Catalonia in Spain. This type of sparkling wine (sometimes presented as ‘Spanish champagne’) developed as an imitation of the real ‘champagne’, but with a different name (‘cava’) and denomination of origin.[[34]](#footnote-34)

In cell C - ‘Infringement of commercial trademark’ there is no imitation of the product type but there is imitation of the commercial or individual trademark. An illustration Hiram Walker & Son the trademark known for Scottish whisky and owned in the late nineteenth century by the company with the same name. In Argentina, while the original brand owner - Hiram Walker & Son - registered the code of arms of the family a trademark for whisky in 1889 (trademarks 1686 and 1687), in 1893, Fernando Rossi, an Argentinean company, registered the same trademark ‘Hiram Walker’ for selling locally made ‘cogñac’ (trademark number 3639). This case is also positioned in cell D ‘Infringement of collective trademark’, as the company was also using a false collective trademark – a geographical denomination of origin, which was not the denomination of origin associated with the original brand.

In Cell D ‘Infringement of collective trademark’ the product is not imitated but there is misuse of the collective trademark. The imitator applies the collective trademark to one of his own products, rather than to a copy of the innovative good of the same kind. These are cases of trademark infringement, or unauthorized brand extension. A series of curious cases, which relate to this type of imitation can be found in Brazil. In the last quarter of the nineteenth century, it was common for ‘manufacturers’ of alcoholic beverages to register trademarks which combined multiple reputed denominations of origin such as ‘cognac moscatel’ or ‘cognac fine champagne’. These were artificial wines mostly manufactured in Rio de Janeiro and São Paulo.[[35]](#footnote-35) In Portugal, at the end of the nineteenth century, there was also a fashion, among the urban middle classes, of drinking foreign beverages, in particular cognacs and champagnes. The adverts and trademark registrations of that time also include a large number of trademarks of such ‘styles’ of foreign beverages produced in Portugal, such as “port wine character”, “champagne method”, and “madeira style”, “port style” and “champagne style”. Given that during this period there was no legal protection for denominations of origin (which only became protected in the twentieth century), these fake denominations of origin were not considered to be counterfeits (or illegal), as they clearly highlighted the word ‘style’. These wines were sold at prices substantially lower than the genuine wines which they tried to imitate. They were also easy to detect as imitations, except by consumers that were less attentive or informed. In Great Britain it was common for large retailers to sell imitations together with genuine wines. For example, Victoria Wine Company, a leading retailer during the nineteenth century and early twentieth centuries, announced in its wines price list in London, in November 1886, a series of port wines from Porto, and also two fake ‘Spanish Ports’, which were cheaper.[[36]](#footnote-36)

Cells E + F correspond to cases of ‘Counterfeiting’, the most damaging scenario for innovators. These cases involve the imitation of the product or service and also the trademark without authorization by the innovator.[[37]](#footnote-37) Counterfeit is a ‘direct’ copy, and thereby is very likely to confuse the consumer and take trade away from the innovator.[[38]](#footnote-38) Cell E relates to cases ‘Counterfeiting of commercial trademarks’. For genuine alcoholic beverages producers, the fact that in most cases they were exported in barrels, that made imitation and adulteration easier at various points in the value chain. The press in different countries mentions many cases of barrels which had the label of famous wines and spirits traders, and also bottles with famous brands which, once emptied, were refilled by producers of fraudulent wines, spirits and beers, trying to take advantage of the reputation of established alcoholic beverages brands.[[39]](#footnote-39) For example, the British wine merchant Gilbey’s sued a grocer and wine and spirits merchant Wilkinson and Co. for using returned Gilbey’s bottles and filling them with other spirits, without removing the original Gilbey labels.[[40]](#footnote-40)

Cell F corresponds to cases of ‘Counterfeiting of collective trademarks’ as there is a misuse of the collective denomination of origin. There are multiple cases of ‘champagne’, ‘madeira’, ‘port’, ‘sauterne’, ‘gin’, ‘malaga’, and French chateaux being advertised and sold, both in the New and Old World.[[41]](#footnote-41) In the case of Chile, it is possible to find wines sold as ‘Burdeos of Talca’, ‘Borgona of Curico’ and “Cognac Chileno”.[[42]](#footnote-42) In Portugal there are trademark registrations of ‘champagnes’ from Bombarral (a town located in the middle West of Portugal), ‘Champagne de água-pé” (champagne from the alcoholic beverage made by pouring water on the husks of the grapes), ‘Champagne de piquette’, ‘Champagne de mistura’ (mixed champagne) as well as ‘Champagne from Bairrada (a region South of Porto). Similar cases in Brazil include ‘Cognac de Adrião’; ‘Cognac de carvão’ (cognac made of coal), ‘Superior Ginebra’; ‘Champagne fino – produzido no Brazil’ (fine champagne produced in Brazil); ‘Malaga from Brazil’, ‘Porto Brazileiro’, ‘Vinho de Collares produced in Rio’, ‘Chateau Rauzan’ from Rio de Janeiro, and ‘Alto Minho – Vinho Verde’ produced in Rio de Janeiro, among others. The British retailer Gilbey’s was one of the first to import ‘sherry’ from South Africa. Australians also produced imitation sherry, as well as Germans from ‘Hamburg’ who produced cheap sherry from cheap industrial alcohol, which used sugar beet or potatoes, and which did not possess the preserving powers required for shipment and consumption.[[43]](#footnote-43) They were blamed by farmers and wine producers for creating a commercial crisis, and also for generating a lack of trust among consumers.[[44]](#footnote-44)

Despite the implementation of international legislation on intellectual property aimed at protecting geographic appellations through the Paris Convention in 1883, this was not very effective in practice. [[45]](#footnote-45) Old World producers such as France, Spain and Portugal, fought back to try to enforce the legislation. Following the Rome Convention in 1886, the Madrid Agreement of 1891 for the Repression of False Deceptive Indications of Source on Goods was an important development towards repressing adulterations and false denominations of origin. However, its effectiveness was limited given that only eight countries signed the agreement – Brazil, France, Guatemala, Portugal, Great Britain, Spain, Switzerland, and Tunisia.[[46]](#footnote-46)

**4. Impact of Imitation and Adulteration**

Imitation and adulteration also had a variety of impacts such as economically, institutionally, politically, as well as socially and culturally. At particular moments in time these impacts could be very different between Old World producing countries, Old World importing countries, and New World importing and producing countries. In some cases those impacts were negative to some or all the stakeholders involved; in others, it had a positive impact on the survival of firms and also in the development of new industries.

*Economic Impact*

The economic impact of imitation and adulteration is visible at country and firm level. In countries where the production and trade of alcoholic beverages was an important component of the economy, that is particularly visible. As illustrated previously, in the Old World there was a sharp decline in international trade; in the New World, there was a fast development of local industries (see Figure 1, and also Appendices). In the case of Portugal for instance, where wine had been a major source of exports throughout the second half of the nineteenth century (corresponding at certain periods to about 52 percent of Portuguese exports), there was a consistent decrease of international trade from the 1860s until World War I.[[47]](#footnote-47) At the firm level, imitations often led innovators to develop marketing and technological innovations, for example, through the creation of special shapes for their labels or their bottles. Often, firms also formed alliances with competitors or agents in the same value chain; or integrated vertically, either forwards into retailing, or backwards into production, or both.

Several New World regions such as North and South America and Australia first developed a wine industry, almost exclusively by imitating the production technologies and denominations of origin of wines from the most reputed producing regions in Europe, such as Porto, Madeira, and Jerez, among others.[[48]](#footnote-48) The development of wine making was done via the importation of technicians, technologies and varieties of casts. It was a process of industrialization via import substitution, which in most cases was backed by the state and supported by technological change.[[49]](#footnote-49)

In the New Word immigrants formed a substantial part of the population, creating entrepreneurial opportunities that appealed to acquired habits of consumption and nostalgia. The place of origin was perceived as an important clue, and foreign brands had additional symbolic value that provoked a preference against local brands.[[50]](#footnote-50)

One strategy used by innovators to deal with imitators and prevent further similar cases, was through the advertisement of information associated with the successful results of their ligations. Through these means, they showed to the public how committed they were to sell genuine beverages and of trusted quality and informed indirectly potential imitators about the risks they faced of prosecution. In 1892, for instance, the Italian producer of liqueur Fratelli Branca operating in Argentina, published a note in eight national, regional and local newspapers to inform the public that they had no relation with an Argentinean producer of imitations who was trying to associate himself with the original brand, through the widower of Luigi Branca.[[51]](#footnote-51)

Imitations and adulterations were also responsible for the development of some technological innovations in other industries, during the first global economy. An important illustration relates to developments in the chemistry industry. The addition of chemicals to alcoholic beverages facilitated the development of new and more refined production processes of imitations and adulterations and enabled large scale production at lower costs. Imitations of beverages became therefore more sophisticated and harder to detect.[[52]](#footnote-52)

Alliances with competitors were another alternative strategy used by innovator firms to deal with imitators. An illustration is the joint legal action taken in Argentina, between 1913 and 1917, by four companies Otard Dupoy y Cía (France), Fratelli Branca (Italy), Cinzano (Italy), José Deu y Cía. (Spain and Argentina). They targeted a large group of retail traders located in small towns far from the city of Buenos Aires, who were selling imitations of their own beverages. These companies not only sought litigation against their competitors (manufacturers of fake liqueurs and vermouth), but also against the small retailers in rural villages who they accused of being accomplices by selling the imitated and counterfeited goods.[[53]](#footnote-53)

Forward and backward integration were also strategies used by innovator firms to prevent and mitigate imitation of their beverages. From the mid-1870s, the crisis in the global wine industry made it very difficult for large wine retailers such as Gilbey’s to control the quality of the wines they were selling. Gilbey’s depended traditionally on leading shippers in Jerez and Porto to select the wines they sold using the ‘Gilbey’s’ brand. This uncertainty led the company to integrate backwards and purchase Château Loudenne in the Médoc in 1875. This investment reduced the information costs associated with the firm’s searches to buy suitable wines from local growers, and also cut operating costs.[[54]](#footnote-54) Other wine merchants followed this trend, and that eventually led to a change in the relations between the different agents in the value chain. In Great Britain, for example, most of the large brewers integrated vertically into distribution through the purchase of retail outlets, mainly public houses.[[55]](#footnote-55)

In some cases, vertical integration meant investing in foreign markets through the establishment of commercial branches and/or the appointment of exclusive agents or even the setting up of industrial facilities. In Argentina, firms such as Cinzano and Martini & Rossi followed their consumers who had immigrated around the turn of the century by setting up distribution operations in that market. Exports through third parties were threatening their reputation, as imitators often tried to sell their beverages as if they were genuine.[[56]](#footnote-56)

*Institutional and Political Impact*

During the first globalization wave there was a great proliferation of imitations produced and traded by entrepreneurs who took advantage of loopholes in the law and the increasing demand for wines and other alcoholic beverages. This phenomenon created incentives for legislators to create and change laws in different countries. In the case of Portugal, the first debates about the creation of a “trademark law” in the 1860s was associated with the recent abolition of the demarcated region of Douro, where the grapes used for port wine grow. The protection that the industry had since 1756 through the demarcation of the wine production region of the Douro, and also other protective measures to control the quality of that wine, had been abolished in 1865.[[57]](#footnote-57) The introduction of the proposed law presented to parliament by the government mentioned that in other countries such as France the liberty which guaranteed sherry, Bordeaux wines, and champagne its purity and origin was provided by the trademark law, which was a new form of protection against imitation and adulteration and which, if applied to the case of Portugal, could be very effective in keeping the reputation of quality of the wines from the Douro.[[58]](#footnote-58) Although free market had become the dominant regime since 1865, the project of creating a trademark law as an alternative was not taken forward. It took almost two decades for a new trademark law protecting manufactured and traded goods to be approved. This law was published on the 4 June 1883 and became law on the 23 October of the same year.[[59]](#footnote-59) It allowed wine producers to register trademarks, and protect their wines from imitation, and also to stop the undue use of denominations of origin by third parties.[[60]](#footnote-60)

Between 1883 and 1900 23 percent of total trademarks registrations in Portugal were in alcoholic beverages. Port wine trademarks, in particular, corresponded to 73 percent of such registrations. As the registration of trademarks was a voluntary act, many port firms among which were the largest exporters of port wine such as Sandeman, Offley, Cramp & Forresters, and Dona Antónia Adelaide Ferreira/Companhia Agrícola e Comercial dos Vinhos do Porto, did not register any trademarks for port wine in the first years of registration. They considered that trademark legislation was not effective in preventing imitation and adulteration of wines, and also undue usage of denominations of origin, even after Portugal joined the Madrid Convention.[[61]](#footnote-61) From 1907, a new legislation was put into place to regulate the production and trade of port wine and, despite the fact that it reduced substantially the production of imitations of wines, it did not disappear completely.

In a similar vein, Argentina passed the trademark law in 1876.[[62]](#footnote-62) Debates around imitation and counterfeiting in consumer goods such as alcoholic beverages, were also central to the creation of this law.[[63]](#footnote-63) But like in Portugal, this law was not effective in reducing imitations. In 1923 the concern behind the excessive use of European denominations of origin for Argentinian wines (among other consumer goods) was behind the passing of the Merchandise Identification Law.[[64]](#footnote-64) This bill made it obligatory that all articles manufactured in Argentina bore the legend, *Industria Argentina* (Argentine industry).[[65]](#footnote-65)

The spread of imitations promoted the need of an active surveillance of brands and the protection of their intellectual property.[[66]](#footnote-66) Eventually, that led to an increase in litigation. These developments led to the creation of trademark laws, and also a new profession of lawyers specialised in trademark law. In Argentina two of the most important intellectual property rights law firms, Obligado & Co., and G. Breuer, were formed around the time when trademark law was enacted. Both law firms gained first-mover advantages and became leading in the industry.[[67]](#footnote-67) They handled about one-third of total Argentine trademark registrations until the 1930s. The most important court cases in alcoholic beverages included foreign firms or importers such as Otard Dupoy y Cía (France), Fratelli Branca (Italy), Cinzano (Italy), José Deu y Cía., J.H. Secrestat, A Delor y Cía, Moore y Tudor, Martell y Cía, Les Fils de P. Bardinet (France), and Luis Dufaur.[[68]](#footnote-68) The main aim of these companies was to prevent and mitigate the risks associated with imitations by other merchants and local producers. They considered that imitations affected negatively the reputation of their brands and misled consumers to think the imitations they were original.[[69]](#footnote-69) Moreover, due to the nature of the law in Argentina, which relied on the attributive system (which enabled local entrepreneurs to appropriate the intellectual property of successful foreign brands and also of local brands, by simply being the first to register the trademarks, irrespective of any proof of use), that made it difficult for innovators to protect their own intellectual property and also to operate in those markets.

In Brazil, the industry that generated most litigation during the period 1875 to 1914 was alcoholic beverages, even though it only corresponded to 11.8 percent of trademark registrations filed during the period of analysis.[[70]](#footnote-70) Newspaper articles and advertisements published, and also the analysis of court cases, show that most of the litigations involved at least one foreign party, which was usually the prosecutor. The causes for litigation are in most cases related to the unduly use of regions or denominations of origin (17.8 percent), followed by cases where the name of the firm and the brand was at stake (15.3 percent), and also the name of the family (9.8 percent). The majority of the cases were associated with situations of pure counterfeiting of collective trademarks, commercial trademarks, or both. An important litigation case in alcoholic beverages took place between A. Monteiro de Castro Portugal and Adriano Ramos Pinto.[[71]](#footnote-71) These were two Portuguese port wine producers which started exporting to Brazil in 1890. The former sued the latter for using the trademark ‘Adriano’ in Brazil. The instant success and popularity of this brand made the word ‘Adriano’ become synonymous with port in that market, just like the words Xerox for photocopying and Hoover for vacuum cleaning in the United States. The issue was that, even though none of the companies had registered the trademark in Brazil, in Portugal Antonio Monteiro de Castro Portugal had been the first to register the trademark, in 1893, while the firm Adriano Ramos Pinto had only registered the trademark in 1895. In Brazil A. Monteiro de Castro Portugal registered three different trademarks, which appear to be imitations of Adriano Ramos Pinto & Irmão brands, indicating that the former business was trying to take advantage of the reputation already achieved by the latter with its brands in Brazil.[[72]](#footnote-72) Irrespective of the final decision in Brazilian courts, Adriano Ramos Pinto & Irmão sales of ‘Adriano’ decreased in Brazil, in particular because the firm refused to lower its prices to compete with those of imitators. [[73]](#footnote-73)

*Social and Cultural Impact*

Imitations and adulterations in alcoholic beverages had a significant impact on the dissemination of new tastes by making it possible for less advantaged social classes, which otherwise would not have been able to drink the genuine wines, to drink new types of beverages. However, this also led some consumers who were less informed to buy beverages that were mislabelled and were aimed at deceiving them.[[74]](#footnote-74) The commercial success of individual brands such as Château Lafite, or collective brands such Sauterne or Port wine, encouraged producers from other regions and countries to label their own wines in such a way that they could also appropriate gains associated with such reputed names. While in some markets it was possible for companies to protect their private labels in court, in most markets this was not an option for reputed types of wine from reputed regions. The result was that even very strong private labels such as Moët & Chandon champagne, and Gonzalez Byass sherry, saw their sales threatened by the decline of the collective reputation of the regions where they were based. In these cases, consumers often reduced their consumption for wines, or switched to the consumption of other beverages.

A very important social impact of imitation and adulteration related to public health. As previously highlighted, artificial or adulterated wines were manufactured with other substances rather than just grapes which could be quite harmful to public health, such as ‘fuchsin’ (which aimed at giving a nice colour and brightness to the wine), or salicylic acid (to increase the conservation capacity), among other drugs.[[75]](#footnote-75) This increase in the usage of drugs harmful to health in the production of artificial alcoholic beverages led governments to take action, not so much to repress entrepreneurs producers or traders of such imitations and adulterations, but to deal with the harmful effects on health that such imitations could have. As a result of that, several countries created Chemical and Hygiene Laboratories to identify and analyse imitations and adulterations in alcoholic beverages.[[76]](#footnote-76) In France, for instance, the Municipal Laboratory in Paris tested 617 wine samples in 1905, and found that 500 had been adultered.[[77]](#footnote-77) In markets such as Great Britain where a Food and Drugs Act had been implemented in 1875 to control risks to consumers’ health associated with adulteration, proved to be insufficient to control health concerns in the trade of food and drinks.[[78]](#footnote-78) Some companies used health benefits and the purity of their products as part of their strategy to differentiate themselves in the eyes of consumers. Victoria Wines, for example, which bottled its own wines, in its advertisements in Great Britain highlighted the fact that its wines were ‘unadulterated’.[[79]](#footnote-79)

**5. Conclusion**

This article analyses the changing and flexible nature of the phenomenon of imitation and adulteration of wines over time. It also illustrates the institutional innovations brought about by the waves of adulteration and imitation in different wine producing regions around the world. Imitation and adulteration were particularly important entrepreneurial initiatives in the late nineteenth century and early twentieth century alcoholic beverages industry, when regulation and institutions were relatively weak.[[80]](#footnote-80) They produced important impacts at different levels of society.

The first globalisation wave is considered to be one of unprecedented growth in world trade. However, that globalisation did not affect all industries in the same way. In the case of the wine industry, there was a reversal in that international trade trend. Vineyards in the main wine producing regions in Europe were devastated by various diseases in the 1860s. This led to the spread of imitation and adulteration within the industry, involving different agents within the global value chain – from genuine and fraudulent producers, to distributors and retailers. Consumers lost trust in the beverages available in the market, leading to a decrease in the consumption of wines. On the other hand, in the New World imitations of Old-World wines proliferated, often using reputed denominations of origin. Consumption of wines was developing very fast, in part because of the increase of supply of imitation beverages at cheaper prices, but mainly because of the increasing number of European immigrants and expatriates from Southern European countries. Local governments created tariffs and other protective barriers for imports and provided subsidies to help entrepreneurs develop domestic businesses. By 1910, in countries such as Argentina and Chile, they even promoted the use of Old-World Denominations of Origin such as Jerez, Porto, Marsala and Cognac as mere generic products.[[81]](#footnote-81)

The impacts of imitation and adulterations were multiple: they ranged from economic, institutional, political, to cultural and social impacts. In some countries the economic impact is clearly visible through creation of new wine industries in particular in the New World, as a result of imports from the Old World. New institutions and laws also developed as a result. At firm level it is possible to identify positive and negative impacts as well. Innovators were forced to develop new technologies and marketing strategies in order to combat imitations and adulterations; many were forced to change the boundaries of firms; and others went out of business. Some firms formed alliances with competitors, others integrated forwards into distribution, backwards into production, or both.

Imitation also had a cultural and social impact. While imitation led to a decrease in consumption of some beverages in some traditional markets, it also increased and disseminated habits of alcohol consumption of certain categories of wines through consumers with lower income levels in different continents of the world. Because imitations and adulterated wines were cheaper, they could be consumed by people who would not have been able to drink such wines otherwise. Finally, imitations also had harmful effects on health as they contained substances which could poison people. As with imitations of other consumer goods from different industries, during the late nineteenth century and early twentieth century, adulteration and imitation was not originating from countries such as China which is now believed to be the great producer of imitations in the world. During the first globalization wave the main imitations in wines originated rather from countries which throughout the twentieth century became leading world producers of wines such as Argentina and the United States, indicating that imitation can eventually have positive long-term effects in the development of industries and the upgrading of regional or national economies.[[82]](#footnote-82)

**Appendices**

**Appendix 1 – Wine Exports from Spain, Italy and France**

**Source:** Data on Wine exports - only includes France, Italy and Spain. Amounts stated in Hectolitres 'Wine Historical Statistics: A quantitative Approach to Its Consumption, Production and Trade, 1840-1938' Vicente Pinilla, ”Sociedad Española de Historia Agraria - Documentos de Trabajo” (Jul. 2014): 32-33.

**Appendix 2 – Index of Consumption of Alcoholic Beverages in the United Kingdom, 1895-1909**

Source: *Board of Trade* (June 1911): Part II, Table V, United Kingdom, 29.

**Appendix 3 – Argentine Production and Imports of Wines, 1899-1914**

**(litres)**

Source: Patricia Barrio de Villanueva (2013), “Controles Estatales a la Industria del Vino en Mendoza, 1890-1914,” *H-industri@: Revista de Historia de la Industria, los Servicios y las Empresas en América Latina* 7, no. 4 (May): 1-16.

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2. US Chamber of Commerce, *Creation of a Contemporary Global Measure of Physical Counterfeiting* (2016); Organization for Economic Cooperation and Development, *The Economic Impact of Counterfeiting* (Paris, 2007); The World Bank, *The Economic Effects of Counterfeiting and Piracy: A Review and Implications for Developing Countries.* (Washington D.C.: 2016). [↑](#footnote-ref-2)
3. Theodore Levitt, “Innovative Imitation”, *Harvard Business Review* (Sept.- Oct., 1966): 63−70. [↑](#footnote-ref-3)
4. Teresa da Silva Lopes, and Mark Casson, “Brand Protection and Globalization of British Business”, *Business History Review* 86, no. 2 (2012): 287−310. Illicit trading includes a wide variety of illegal or non-contractual activities, such as traffic in controlled substances, stolen and smuggled goods, trade of all kinds with products infringing intellectual property rights and even parallel imports. Frédéric Thiesse, Thorsten Staake, and Elgar Fleisch, “The Emergence of Counterfeit Trade: A Literature Review”, *European Journal of Marketing* 43, no. 3/4 (2009): 320−49. [↑](#footnote-ref-4)
5. OECD/EUIPO, *Trade in Counterfeit and Pirated Goods – Mapping the Economic Impact* (Paris, 2017); Alan Zimmerman, and Peggy Chaudhry, *The Economics of Counterfeit Trade: Governments, Consumers, Pirates and Intellectual Property Rights* (Berlin, 2009). [↑](#footnote-ref-5)
6. *Fraude, Contrefaçon et Contrebande,* ed. Béaur, Bonin, and Lemercier. [↑](#footnote-ref-6)
7. Juan Pan-Montojo, *La Bodega del Mundo: La Vid y el Vino en España, 1800-1936* (Madrid, 1994); Alessandro Stanziani, “La Falsification du Vin en France, 1880-1905: Un Cas de Fraude Agro-Alimentaire”, *Revue D’Histoire Moderne et Contemporaine* 50, no. 2 (2003): 154-186; ídem, “Information, Quality and Legal Rules: Wine Adulteration in Nineteenth Century France”, *Business History* 51, no. 2 (2009): 268−91; *Wine Globalization: A New Comparative History*, ed.Anderson Kym and Vicente Pinilla (New York, 2018). [↑](#footnote-ref-7)
8. James Simpson, *Creating Wine: The Emergence of a World Industry, 1840-1914* (Princeton, 2011): 95. [↑](#footnote-ref-8)
9. It was caused by a poor combination of wine harvests, very low taxes on sugar, and the fact that authorities tolerated the production of artificial wines. Simpson, *Creating Wine*: 69. [↑](#footnote-ref-9)
10. António Teixeira de Sousa, *A Questão do Douro: Discurso Proferido na Câmara dos Pares pelo Sr Conselheiro António Teixeira de Sousa nas Sessões 2, 3 e 5 de Abril de 1907 e Projecto de Lei da Mesma Câmara* (Porto, 1907). [↑](#footnote-ref-10)
11. José Morilla Critz, “A Califórnia e o Vinho do Porto entre Dois Séculos”, *Douro, Estudos & Documentos* 3 (1997): 123−41. [↑](#footnote-ref-11)
12. Nuno Simões, *Os Vinhos do Porto e a Defesa Internacional da sua Marca* (Coimbra, 1932). [↑](#footnote-ref-12)
13. Mira Wilkins, *The History of Foreign Direct Investment in the US to 1914* (Cambridge, MA, 1989); Geoffrey Jones, *Multinationals and Global Capitalism: From the Nineteenth to the Twenty-First Century* (Oxford, 2005). [↑](#footnote-ref-13)
14. Tim Unwin, *The Wine and the Vine* (London, 1991). [↑](#footnote-ref-14)
15. Jean-François Gautier, *Le Vin et ses Fraudes* (Paris, 1995); Martín Castro Coello, “De la Identificación de los Vinos: Clases, Tipos y Orígenes. De los Vinos Típicos, Artificiales y Facticios. Una Exposición Previa,” in *Actas do III Simpósio da Associação Internacional de História e Civilização da Vinha e do Vinho,* ed. Alberto Vieira (Funchal, 2004): 793−859; Teresa da Silva Lopes, and Mark Casson, “Brand Protection and Globalization of British Business”, *Business History Review* 86, no. 2 (2012): 287−310. [↑](#footnote-ref-15)
16. António Barros Cardoso, “Vinhos do Porto e Vinhos Portugueses Fabricados no Rio de Janeiro, 1885”, in Javier Maldonado Rosso (ed.), *Actas del I Simposio de la Asociación Internacional de Historia y Civilización de la Vid y el Vino*, Vol. 2 (El Puerto de Santa María, 2001): 793−859; Luís A. de Oliveira Ramos, “Contrafacções e Defesa da Marca ‘Porto’ em Finais do Século XIX”, in  *Crise e Reconstrução. O Douro e o Vinho do Porto no Século XIX,* ed. Gaspar Martins Pereira (Porto, 2010): 335−53. [↑](#footnote-ref-16)
17. John Burnett, *Liquid Pleasure: A Social History of Drinks in Modern Britain* (London, 1999). [↑](#footnote-ref-17)
18. Thomas Mollanger, “The Effects of Producers’ Trademark Strategies on the Structure of the Cognac Brandy Supply Chain During the Second Half of the Nineteenth Century. The Reconfiguration of Commercial Trust by the Use of Brands”, *Business History* 60, no.8(2018): 1255-1276; Simpson, *Creating Wine*: 81. [↑](#footnote-ref-18)
19. James Simpson, “Cooperation and Conflicts: Institutional Innovation in France’s Wine Markets, 1870-1911”, *Business History Review* (2005, Autumn): 527−58. [↑](#footnote-ref-19)
20. Simpson, *Creating Wine*. [↑](#footnote-ref-20)
21. idem: 95, 105. [↑](#footnote-ref-21)
22. Marcel Lachiver, *Vins, Vignes et Vignerons. Histoire du Vignoble Français* (Paris, 1988); Vicente Pinilla, and María Isabel Ayuda, “The international Wine Market, 1850−1938: An Opportunity for Export Growth in Southern Europe?”, in *Wine Society and Globalization. Multidisciplinary Perspectives on the Wine Industry,* ed.Gwyn Campbell and Nathalie Gibert (New York, 2007): 179−99. [↑](#footnote-ref-22)
23. Pablo Lacoste, *El Vino del Inmigrante: Los Inmigrantes Europeos y la Indústria Vitivinícola Argentina: Su Incidencia en la Incorporación, Difusión y Estandarización del uso de Topónimos Europeos 1852−1980* (Mendoza, 2003). [↑](#footnote-ref-23)
24. Alejandro Fernández, *Un Mercado Étnico en el Plata. Emigración y Exportaciones Españolas a la Argentina, 1880-1935* (Madrid, 2004). [↑](#footnote-ref-24)
25. *Wine Globalization: A New Comparative History*, ed. Kim Anderson and Vicente Pinilla (Cambridge, 2018): 4. [↑](#footnote-ref-25)
26. Patricia Barrio de Villanueva, “Controles estatales a la Industria del Vino en Mendoza, 1890-1914,” *H-industri@: Revista de Historia de la Industria*, *los Servicios y las Empresas en América Latina* 7, no. 4 (May. 2013). [↑](#footnote-ref-26)
27. In the case of Australia, an exception is a type of wine suitable for the London market, and known as ‘dry red for export’. “Types of Australian Wines” *Wine and Spirit News and Australian Vigneron* (26 May 2013): 201. [↑](#footnote-ref-27)
28. Javier Maldonado Rosso, “Producción y Comercialización de ‘Madeiras’ en la Provincia de Cádiz, siglos XIX y XX”, in *Os Vinhos Licorosos e a História*, ed. Alberto Vieira (Funchal, 1998): 141−62. [↑](#footnote-ref-28)
29. Nuno Simões, *Os Vinhos do Porto e a Defesa Internacional da sua Marca* (Coimbra, 1932). [↑](#footnote-ref-29)
30. Leo Loubère, *The Red and the White: A History of Wine in France and Italy in the Nineteenth Century* (Albany, 1978); Marcel Lachiver, *Vins, Vignes et Vignerons. Histoire du Vignoble Français* (Paris, 1988). [↑](#footnote-ref-30)
31. Femke van Horen, *Breaking the Mould on Copycats: What Makes Product Imitating Strategies Successful?* (Ridderkerk, 2010). [↑](#footnote-ref-31)
32. *El Rioja Histórico. La Denominación de Origen y su Consejo Regulador, ed.* José Luis Gómez Urdáñez (Logroño, 2000): 62−6. [↑](#footnote-ref-32)
33. *Ibid*.: 78. [↑](#footnote-ref-33)
34. Pan-Montojo, *La Bodega del Mundo:* 352. [↑](#footnote-ref-34)
35. As illustrations for the case of Brazil, A. Cardoso Gouvêa & Comp. America do Sul registered trademark number 4697 “A.C.G. & Co. – Fino Champagne – Cognac’ in 1906. He was a producer of beer liqueurs, syrups alcohol and brandy in Rio de Janeiro. Alfredo F. Gomes Savedra, a producer and merchant of vinagre, syrup, and other beverages based in Rio de Janeiro, registered the trademark number 3957 “Ginebra Superior Savedra” in 1904. See also trademark numbers 2122, 2162. [↑](#footnote-ref-35)
36. Asa Briggs, *Wine for Sale. Victoria Wine and the Liquor Trade, 1860-1984* (London, 1985). [↑](#footnote-ref-36)
37. OECD, *The Economic Impact of Counterfeiting* (Paris, 1998). [↑](#footnote-ref-37)
38. Teresa da Silva Lopes, and Mark Casson, “Brand Protection and Globalization of British Business”, *Business History Review* 86, no. 2 (2012): 287−310. [↑](#footnote-ref-38)
39. Pedro C. Breuer Moreno, *Tratado de Marcas de Fábrica y de Comercio*, 2nd. ed. (Buenos Aires, 1946), esp. 400. Argentina, Federal Court, Emilio Gabay v. Juan Teic, 1930, Patentes y Marcas (1930: 363). [↑](#footnote-ref-39)
40. ‘Wine Merchants’ Trade Mark Case’, 23. [↑](#footnote-ref-40)
41. Nuno Simões, *Os Vinhos do Porto e a Defesa Internacional da sua Marca* (Coimbra, 1932); Marcel Lachiver, *Vins, Vignes et Vignerons. Histoire du Vignoble Français* (Paris, 1988)*.* [↑](#footnote-ref-41)
42. Pablo Lacoste et al “Burdeos de Talca y Champagne de Mendonza: Denominaciones de Origen y Contaminación Identitaria de Vinos en Argentina y Chile”, *Mundo Agrario* 15, no.29 (Agosto, 2014): 1-16. [↑](#footnote-ref-42)
43. Simpson, *Creating Wine*: 180 - 181. [↑](#footnote-ref-43)
44. John Burnett, *Liquid Pleasure: A Social History of Drinks in Modern Britain* (London, 1999). [↑](#footnote-ref-44)
45. Almeida, Alberto Francisco Ribeiro de, *Denominação de Origem e Marca* (Coimbra, 1999: 144). [↑](#footnote-ref-45)
46. David Higgins, *Brands, Geographic Origin and the Global Economy: A History from the Nineteenth Century to the Present* (Cambridge, 2018); Teresa da Silva Lopes, Paul Duguid and John Mercer, “Reading Registrations – An Overview of 100 Years of Trademark Registrations in France, The United Kingdom and the United States”, in *Trademarks, Brands and Competitiveness,* ed. Teresa da Silva Lopes and Paul Duguid(London, 2010): 9-30; *Arreglo de Madrid: Cien Años de Marcas Internationales, 1891-1991,* ed.Holtmann, Monika (Madrid, 1992). [↑](#footnote-ref-46)
47. Pedro Lains, *A Economia Portuguesa no Século XIX. Crescimento Económico e Comércio Externo, 1851−1913* (Lisboa, 1995); Teresa da Silva Lopes, *Internacionalização e Concentração no Vinho do Porto – Uma Abordagem de Custos de Transacção* (Porto, 1997); Gaspar Martins Pereira, *Unicer – Uma Longa História* (Leça do Balio, 2014). [↑](#footnote-ref-47)
48. Marcel Lachiver, *Vins, Vignes et Vignerons. Histoire du Vignoble Français* (Paris, 1988); José Morilla Critz, “A Califórnia e o Vinho do Porto entre Dois Séculos”, *Douro. Estudos & Documentos*, 3 (1997): 123−41; Pablo Lacoste, *El Vino del Inmigrante: Los Inmigrantes Europeos y la Industria Vitivinícola Argentina: Su Incidencia en la Incorporación, Difusión y Estandarización del uso de Topónimos Europeos 1852-1980* (Mendoza, 2003). [↑](#footnote-ref-48)
49. Simpson, *Creating Wine*. [↑](#footnote-ref-49)
50. Argentina was second only to the United States as a recipient of immigrants between 1821 and 1932. Immigrants were also a major source of entrepreneurs. In 1895, 85 percent of individual companies were owned by immigrants, María Inés Barbero, “Estrategias de Empresarios Italianos en la Argentina. El grupo Devoto”, *Anuário del CEEED* 1, no.1 (2009): 9-41. [↑](#footnote-ref-50)
51. ‘Al Comercio y al Público’, *Las Novedades* (1 October 1892). [↑](#footnote-ref-51)
52. Harry W. Paul, *Science, Vine, and Wine in Modern France* (New York, 1996); Stanziani, “La Falsification du Vin en  France". [↑](#footnote-ref-52)
53. Box 19, Reg. 312, Year 1917, File, A-1169, No. 321. ‘SA Importadora de Productos Cinzano y otros versus Pedro Aguirre’, Falsificación. Usurpación de marca (Archivo Histórico Provincial Santa Rosa, La Pampa, Argentina). [↑](#footnote-ref-53)
54. Simpson, *Creating Wine*: 100; Nicholas Faith, Victorian Vineyard, *Château Loudenne and the Gilbeys* (London, 1983). [↑](#footnote-ref-54)
55. Terence Gourvish, and Richard Wilson, *The British Brewing Industry, 1830-1980* (Cambridge, 1994); *El Rioja Histórico. La Denominación de Origen y su Consejo Regulador,* ed. José Luis Gómez Urdáñez (Logroño, 2000). Teresa da Silva Lopes, “Brands and the Evolution of Multinationals in Alcoholic Beverages”, *Business History* 44, no.3 (2002): 1−30; idem, *Global Brands - The Evolution of Multinationals in Alcoholic Beverages* (New York, 2007). [↑](#footnote-ref-55)
56. In 1871 Martini & Rossi exported 1,500 cases per month to Buenos Aires, where distribution was sub-contracted to Liebig; facing competition from Cinzano, Andrea Barberis, Luigi Rossi’s brother-in-law, opened a branch in 1884, this was the company’s first outside of Italy. Andrea Goldstein and Andrea Lluch, “The Italian Economic Presence in Argentina – The Contribution of Multinational Corporations”, *Documento de Trabajo* (Buenos Aires, 2010). In 1923, Cinzano opened its first industrial facility abroad, interested in maintaining its market share and the quality of its Vermouth. Revista *Dinámica Social* 74 (November-December, 1956): 69. [↑](#footnote-ref-56)
57. A. Guerra Tenreiro, *Anais do Instituto do Vinho do Porto* (Porto, 1944). [↑](#footnote-ref-57)
58. Gaspar Martins Pereira, *O Nome do Vinho – Marcas e Denominações dos Vinhos Generosos do Douro, Séculos XVIII-XX* (Porto, 2009). [↑](#footnote-ref-58)
59. Law, 4 of June de 1883 about manufacturing and commercial trademarks, and decree to regulate the execution of the decree law approved on 23 October 1883. Lisbon, 1883. The *Repartição de Comércio e Indústria*, integrated in the Ministry of Public Affairs, Commerce and Industry was in charge of registrations. Registrations were published regularly *Diário do Governo*, from 8 December 1883. In the following year the Ministry started the publication of the *Boletim da Propriedade Industrial*, which disseminated the trademarks registrations filed and accepted, as well as other information about industrial property. Portugal was a signatory country of the Paris Convention for the protection of Industrial property in 1883. [↑](#footnote-ref-59)
60. J. Mota Maia, "L'Évolution de la Législation Portugaise sur la Propriété Industrielle à la Lumière de la Ratification de la Convention de Paris parle Portugal", *La Propriété lndustrielle* 100, no. 11 (November, 1984): 421−26. [↑](#footnote-ref-60)
61. Antonio Teixeira de Sousa, *A Questão do Douro: Discurso Proferido na Câmara dos Pares pelo Sr Conselheiro António Teixeira de Sousa nas Sessões 2, 3 e 5 de Abril de 1907 e Projecto de Lei da Mesma Câmara* (Porto, 1907). [↑](#footnote-ref-61)
62. There were several amendments that followed in 1900, 1907, 1912 and 1923. Luis Eduardo Bertone, and Guillermo Cabanellas de las Cuevas, *Derecho de Marcas: Marcas, Designaciones y Nombres Comerciales* (Buenos Aires, 1989). [↑](#footnote-ref-62)
63. The following are the first three court cases dealing with imitation in Argentina: “López, Pedro I. versus Parodi, Luis” (01/01/1877). Fallos Corte Suprema de Justicia de la Nación Argentina (1877) 19: 430. ‘E. Meyer y Cía. versus P. Ramella y Cía.’ (01/01/1879). Fallos Corte Suprema de Justicia de la Nación Argentina (1879) 21: 194. ‘Siegert e Hijos versus Maclean y Feely. J. G. B. Siegert e Hijos versus Etchart, Domingo. J. G. B. Siegert e Hijos versus Cranwell, Guillermo’ (01/01/1881). Fallos Corte Suprema de Justicia de la Nación Argentina (1881) 23: 502; Patentes y Marcas, Year 1, no. 1 (Jan., Feb. and March) 1900: 5, 12, 43. [↑](#footnote-ref-63)
64. Pedro C. Breuer Moreno, *Tratado de Marcas de Fábrica y de Comércio*, 2nd. ed. (Buenos Aires, 1946): 591−93. Diario de Sesiones, Cámara de Diputados de la Nación, Argentina, June 27, 1917. This law was partially amended by Law no. 13526 in 1949 and, again by Act 14,004 in 1950. Both these laws were later replaced by Law no. 19982 in 1972, which, in turn, was replaced by the Fair Trade Act no. 22,802 in 1983. [↑](#footnote-ref-64)
65. Colombia and Mexico applied similar regulations. A. S. Harvey, *Merchandise Marks: Laws and Regulations* (London, 1934): 189. [↑](#footnote-ref-65)
66. Giovanni B. Ramello, “What’s in a Sign? Trademark Law and Economic Theory”, *Journal of Economic Surveys* 20, no. 4 (Sept. 2006): 547−65. [↑](#footnote-ref-66)
67. Obligado & Co, *Cincuentenario Obligado y Cía 1889-1939* (Buenos Aires, 1939); G. Breuer, *Some Information relating to G. Breuer in their Fifty Years’ Existence, to the Argentine Patent Office and to the Argentine Republic - Patent and trademarks laws* (Buenos Aires, 1933). [↑](#footnote-ref-67)
68. See for example the case “Otard Dupuy Cía. y J.H. Secrestat versus Cao, Turner Cía”, in Francisco Astigueta, *Sentencias Sobre Marcas de Fábrica y Patentes de Invención* (Buenos Aires: 1906): 70. [↑](#footnote-ref-68)
69. Ricky Wilke, and Judith Lynne Zaichkowsky, “Brand Imitation and its Effects on Innovation, Competition, and Brand Equity”, *Business Horizons* 42, no. 6 (1949): 9-18. [↑](#footnote-ref-69)
70. Alcoholic beverages are the third category with most trademark registrations, following food with 14.2 percent, and textiles with 12.8 percent. [↑](#footnote-ref-70)
71. *Estado do Espírito Santo* (1904) no. 221: 4; ibid no. 224, 4; ibid, no.183: 4; ibid 186: 4. [↑](#footnote-ref-71)
72. An illustration of an imitated trademark is ‘In Hoc Vino Veritas’, which seems to be very similar to Ramos Pinto trademark ‘In Hoc Signo Vinces’. In Portugal it was Ramos Pinto who sued Antonio Monteiro de Castro, but both firms continued to use the trademark ‘Adriano’. [↑](#footnote-ref-72)
73. As a result of these litigations carried out in two markets, Adriano Ramos Pinto became one of the leading registrants of alcoholic beverages both in Portugal and Brazil, with 54 registrations until 1900 and 22 in Brazil until 1913. In 1923 Antonio de Castro Portugal sold all its trademarks to Henry Dagge, who in 1928 resold the trademarks to Adriano Ramos Pinto. Graça Nicolau Almeida, and J. A. Gonçalves Guimarães, *Adriano Ramos Pinto: Vinhos e Arte* (Vila Nova de Gaia, 2013): 308. [↑](#footnote-ref-73)
74. Simpson, *Creating Wine*: 92. [↑](#footnote-ref-74)
75. António Joaquim Ferreira da Silva, *Vinhos e Vinagres Artificiais: Relatório Apresentado à Exma Câmara Municipal do Porto Acerca dos Vinhos e Vinagre, Marca M. J. M., Sem Número, Remetidos pela Associação Comercial da Mesma Cidade, e Analisados por Ordem da Mesma Câmara no seu Laboratório Químico Municipal por António Joaquim Ferreira da Silva, Director do Laboratório Químico Municipal do Porto* (Porto, 1885). [↑](#footnote-ref-75)
76. A. J. Ferreira da Silva, *Relance de Vista Sobre a Questão dos Vinhos Portugueses no Brasil, 1900-1901* (Lisboa, 1919); and “A Suposta Salicilagem dos Vinhos Portugueses no Brasil, 1900-1902”. *Memórias, Notas e Documentos* (Coimbra, 1919). [↑](#footnote-ref-76)
77. Paul Degrully, *Essay Historique et Economique sur La Production et le Marche des Vins en France* (Paris, 1910), cited by Simpson, *Creating Wine*: 60. [↑](#footnote-ref-77)
78. Simpson, *Creating Wine:* 96. [↑](#footnote-ref-78)
79. Briggs, *Wine for Sale*: 48. [↑](#footnote-ref-79)
80. Lopes and Casson, “Brand Protection and Globalization”. [↑](#footnote-ref-80)
81. Lacoste et al “Burdeos de Talca”. [↑](#footnote-ref-81)
82. China only starts to produce counterfeits in mass during the first quarter of the twentieth century. “Chinese Imitations” *The New York Times* (5 Dec, 1915): 28. About imitations from other developed countries during the first globalization wave see Lopes and Casson, “Brand Protection”. . [↑](#footnote-ref-82)