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International Protection of Trademarks

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International Protection of Trademarks

- Basic assumption for today: U. S. trademark owner with a U. S. application or registration for the mark
- If the mark owner has foreign business locations, foreign subsidiaries or other presence outside the U. S., there may be other considerations in determining foreign registration policy and strategy



International Protection of Trademarks

- First to Use or First to File
 - Common law countries generally recognize TM rights based on use and the **first to use** the mark has priority – U. S., UK, Canada, Australia, New Zealand
 - Most countries recognize rights based on registration and the **first to file** has priority.
 - Must register the mark in most countries to have rights unless the mark is famous



International Protection of Trademarks

- Which marks to file
 - Is it a core product or secondary product?
 - Will the duration of use be limited (as, for example, an advertising slogan or another temporary use)?
 - What is the expected life cycle of the product?
 - What resources will be devoted to promoting the mark?
 - How strong is the mark? Will it be widely registrable?



International Protection of Trademarks

- Some marks registrable in the U. S. may not be registrable or enforceable abroad:
 - Colors
 - Sounds
 - Product configurations
 - Two-letter marks
 - Geographic terms
 - Combinations of numbers
 - Slogans



International Protection of Trademarks

- Consider whether to register translations or transliterations of marks, e.g., Katakana in Japan
- U. S. doctrine of foreign equivalents is not followed in most other countries
- But, if the mark won't be used in the foreign language or characters, the registration may ultimately be vulnerable to cancellation and unenforceable



International Protection of Trademarks

- Most countries do not require proof of use to obtain registration
- Use is usually required to maintain rights in the registration
- If the mark is not used within a specified period at any time after registration (3 or 5 years in most cases, depending on the country), the registration can be cancelled or partially canceled for non-use by a third party
- Some countries required a declaration of use at the time of renewal (e.g., Argentina), or at certain times during the term of the registration (e.g., Philippines)
- A third party can require proof of use in an infringement action or an opposition – effectively making the mark unenforceable



International Protection of Trademarks

- Where to register
 - File first in “A” countries
 - Countries where the mark is in use or will be used soon
 - Countries where the mark will be used within the next few years
 - Countries where defensive filings are advisable
 - Consider effect of failure to use. Can refile if necessary to avoid non-use vulnerability
 - File in “B” countries as budget permits and marketing plans dictate
 - Almost no one can file in all countries if mark is widely used



International Protection of Trademarks

- Benefits of Paris Convention Priority
 - Applications filed in other member countries for the same goods/services within six months of a U. S. application will have the benefit of the U. S. filing date for priority purposes
 - Allows time to see if U. S. application will be accepted
 - Allows owner to spread out or delay costs of foreign filing
 - May allow time to judge whether the product will be successful
- Can only claim priority from the first application filed in a member country



International Protection of Trademarks

- International Clearance
 - Almost any combination of searches available through search firms
 - worldwide, regional, country-specific
 - SAEGIS now covers 185 countries, 20 domain name databases, 200+ company name databases, 17 industrial design databases – economical for preliminary screening purposes
 - Many countries make their databases available for searching – in English
 - Companies offering international searches and opinions by local counsel at reasonable prices



International Protection of Trademarks

- Trademark registers not always accurate or searchable
- Delay between filings and appearance in the register may be significant
- May not be possible to search in local alphabets, non-Roman characters
- Practices vary widely regarding descriptiveness, confusing similarity, relatedness of goods
- So – obtain search and opinion from local counsel for important countries
- Conduct screening searches for other countries
- Depending on timing of introduction of product or service, may simply file and deal with refusals or oppositions at that time



International Protection of Trademarks

- Dealing with refusals
 - Lack of distinctiveness
 - May be able to overcome with showing that mark as been registered in other jurisdictions
 - May be able to demonstrate acquired distinctiveness
 - Standards for distinctiveness/descriptiveness vary from country to country
 - Different examining teams within the EU may be more or less strict regarding lack of distinctiveness



International Protection of Trademarks

- Dealing With Refusals

- Likelihood of confusion

- Only in countries that examine on “relative” grounds – not all jurisdictions do
 - May be able to overcome with a showing that mark is famous or has developed a reputation in the country prior to the filing of the conflicting application or registration
 - Some countries recognize “honest concurrent use” – to overcome a refusal, or as a defense against an infringement claim. Many factors involved, some require use prior to filing of cited registration, duration and scope of use, advertising and sales volume, similarity of marks and goods/services and others



International Protection of Trademarks

- Dealing With Refusals
 - Likelihood of confusion
 - Consents or prior rights agreements are commonly used
 - Not all countries accept consents, or will require additional evidence of co-existence without confusion
 - May have to temporarily assign application to owner of prior cited registration, who agrees to assign the registration back to the owner when it issues
 - May seek cancellation or partial cancellation of blocking registration
 - Be aware of cultural norms – may be better to politely approach owner of prior registration rather than bring a cancellation action as a form of leverage



International Protection of Trademarks

- Multi-national registration regimes
 - Madrid Protocol
 - EUTM (European Union)
 - OAPI (French-speaking Africa)
 - ARIPO (English-speaking Africa)
 - Andean Pact (not really a multi-country registration, but provides recognition for marks registered and used in other member countries)



Madrid Protocol

- There is a Madrid Agreement and a Madrid Protocol. The U.S. is a party to the Protocol (not the Agreement), so U.S. entities can only file under the Protocol, and only in Protocol member countries
- Administered by the International Bureau of WIPO www.wipo.int
- There are now 98 “contracting parties”



Madrid Protocol

- Requirements for filing
 - Applicant must
 - Be a national of,
 - Be domiciled in, or
 - Have a real and effective industrial or commercial establishment in a contracting party
 - Must be based on one or more existing applications in the Office of Origin (the “basic” application(s) or registration(s))
 - Same mark
 - Same applicant
 - Good/services must come within the scope of the basic application or registration



Madrid Protocol – Application Process

- File application with USPTO (find “Madrid Forms” – No. 11 on current PTO list of forms)
- PTO confirms that basic application requirements are fulfilled re: identity of mark, applicant, goods/services, and that applicant is entitled to file, and certifies the application to the International Bureau
- The IB reviews the application for formalities
 - Issues a Notice of Irregularity if any issues with the formalities
 - If no issues, mark is published and the IB issues an IR certificate and notifies each designated party of the “Request for Extension of Protection”



Madrid Protocol – Application Process

- Each Designated Office examines the designation under the office's own practice
- The Designated Offices have 12 or 18 (for those that have made a declaration) months in which to refuse the application (or notify WIPO if an opposition may extend that period)
- Issue a refusal through WIPO – Notice of Provisional Refusal
- If no refusal, mark is protected as of the date the Office of Origin received the request (as long as IP receives the application within two months)



Madrid Protocol – Application Process

- Refusals

- Deadlines vary from country to country (China always very short)
- Extensions not always available
- Process for responding is not always uniform. Respond to the Designated Office (not through WIPO), even if action to address the refusal is taken through WIPO
- Almost always need to engage local counsel
- Can file an amendment to goods/services for a single country directly with WIPO (Form MM6), but may need to have amendment submitted by local counsel
- Can divide the IR and temporarily assign a single country designation and re-assign after protection is granted – must apply to WIPO to merge the separated registration with the original registration



Madrid Protocol

- Statement of Grant of Protection sent to WIPO by (some) contracting parties
- Some offices issue registration certificates
- If no refusal within 18 months of the date the IB sends the request for extension of protection to the Designated Office, the mark is protected as though it had been filed directly with that office



Madrid Protocol - Advantages

- Advantages of Using Madrid
 - Costs:
 - One application can cover up to 88 countries/regions – the cost differential can be significant
 - Fee schedule on the WIPO website at wipo.int – does not include the PTO fees
 - Costs for renewal and recording assignments, name changes, mergers and the like are much lower than recording or filing in each country
 - Ease of Management:
 - The application, amendments, assignments, renewals can all be handled through the USPTO, or directly with WIPO
 - There are special requirements for maintenance in a few countries, e.g., Philippines, Mexico



Madrid Protocol - Advantages

- Advantages of Using Madrid
 - You can add countries to the registration through the use of a subsequent designation
 - You may not be able to designate countries that were not parties to the Protocol when the International Registration was issued



Madrid Protocol - Disadvantages

- Disadvantages of Using Madrid
 - Dependency
 - If the underlying U. S. application or registration is abandoned, canceled or limited, the International Registration is canceled or limited as well – entire registration is vulnerable to “Central Attack”
 - But if the registration is canceled because of cancellation of the U. S. registration, the designations may be transformed into national or regional applications/registrations
 - Handled through the national/regional offices, by a local associate, at a cost (lose the cost savings)



Madrid Protocol - Disadvantages

- Disadvantages of Using Madrid
 - Goods and services are limited to those in the U.S. registration – the U.S. requires greater specificity in the description of goods/services than many countries, and requires use on all goods/services. (Most countries don't require proof of use, and allow very broad descriptions of goods/services – so broader coverage is available by filing directly.)
 - May be more difficult to obtain proof of registration, certified copies, etc. Not all countries issue certificates of registration for Madrid registrations
 - Can only be assigned to an entity that has the required “nexus,” i.e., meets the requirements for filing/owning the IR



Madrid Protocol

- Weighing Risks of IR
 - May not want to use for most important marks, e.g., house mark, because of dependency and risk of central attack
 - May want to file directly in countries where registration is very important
 - If mark is vulnerable to attack, e.g., descriptive, or likely to be opposed
 - Wait until mark has cleared opposition? (But then you are foregoing priority claim)
 - But option of transformation addresses these risks
 - Special considerations in China, which uses system of sub-classes. The assignment to subclasses by the China office may mean that protection doesn't extend to all the desired subclasses
 - Need to be familiar with post-registration requirements, e.g., filing declarations of use
 - there's no associate to remind you



European Union Trademark (EUTM)

- Covers all 28 member countries of the EU
- Use in one country may no longer be enough to validate rights in entire EU. Recent case law suggests that use in at least two EU countries will be required to enforce mark or maintain registration. No definitive rule so far, but trend is toward “one is not enough.”
- Likelihood of opposition is high – 20 to 25% of applications are opposed
- Applicant can be converted to national applications, e.g., where opponent has no rights or where mark is used if registration challenged for non-use
- Grace period for use is five years



International Enforcement

- Watch Services
 - Allows early detection of infringers
 - Search vendors offer international watch services – cost is usually not more than a few hundred dollars per year per mark
 - Many local associates enroll all marks in computerized watch service and notify you of potentially conflicting marks
- Enlist employees, distributors, customers, licensees as your eyes and ears for reporting infringements
 - Incentivize infringement reports



International Enforcement

- Make sure you can enforce your mark
 - Is registration vulnerable to cancellation for non-use?
 - File “fresh” applications?
 - Use the mark in some fashion (not all countries require use for all goods/services – in some countries any commercial use will support the registration)
- Can you gain leverage through registration in additional countries?



International Enforcement

- What if you don't have a registration?
 - In some countries, passing off is a separate type of claim that does not require registration
 - May be able to enforce an unregistered mark, or rely on it to oppose registration, if you can show that the mark is famous or has a “reputation” in the country
 - Paris Convention and TRIPS require protection of famous marks
 - Some countries have registries of well-known marks
 - Protection is often broader than for other marks (e.g., dilution)



International Enforcement

- May have to decide which infringements to pursue – may be impossible to sue every infringer
- Goal is to prevent injury to the brand
- Worse to send cease and desist letter and not follow-up than to take no action
- What is extent of infringement, where are infringing products going, what is danger to the brand, is there risk to consumers, e.g., from counterfeit medications or auto parts?



International Enforcement

- Registration with Customs
 - Many countries, including the U. S., allow for filing a registered mark with customs for purposes of preventing infringing imports – or exports.
 - If product is one that is subject to counterfeits, may be particularly helpful
 - U.S. Customs is quite reliable – but you can also alert Customs if you know the source or point of entry of infringing goods
- Other Anti-counterfeiting Efforts
 - Raids and seizure of counterfeits
 - Requires assistance of local counsel and law enforcement



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