



IP for Successful Businesses

Selecting and Protecting your Trademarks
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+ The US is a “common law” country

- This means that legally protectable trademark rights can arise from use of the mark with the owner’s goods or services
- The rights that arise are limited to the geographic area in which the mark is used
- Federal registration of the mark in the US gives rights that are nationwide in scope. There are many advantages to federal registration
- Under US law rights in your mark trademark rights are not held “in gross” rather they are limited to the stated goods and services

+ The Advantages of Federal Registration of Your Trademark

- There is a legal presumption that you are the owner and have exclusive right to use the mark
- Your rights are nationwide in scope
- You have immediate access to federal courts
- You can notify Customs of your registration and have infringing goods stopped at the border
- Having your mark in the USPTO database of registered marks puts other businesses on notice that they should not adopt a same of similar mark

+ Selecting a Trademark for Your Business

- There is a spectrum of trademarks:
- Coined, unique trademarks—Exxon, Hoptopus (for beer)
- Arbitrary marks—Apple for computers
- Suggestive marks—Hop'lanta for beer
- Descriptive marks—describe a product or service but can become distinctive with use.
- Generic words can never be marks.

+ Steps to Selecting a Trademark for your business

Does the Trademark describe some aspect of you business?

Is it descriptive? Have you searched to find out if someone else is already using the mark?

Go to: www.uspto.gov to access the USPTO trademark on-line search system.

Have you put the proposed mark into Google® or Yahoo® to find out if someone else is already using the mark for goods or services that are the same as or similar to the one's you produce? Is that user in the same channels of trade?



Steps to Selecting a trademark

- Should you hire a professional search firm or get an attorney to prosecute you USPTO application?
- Many trademark owners successfully prosecute their own applications, but this is a business decision.

+ Beware of Using “Business Speech” in your trademark

- Case law states that every business should have the right to use the common words, designs, letter and numbers that describe its products or services.
- Thus no one can get trademark rights in “car wash” for a car washing service or “really tasty” to describe its food product. If you use such common language, you are unlikely to ever have trademark rights.
- So pick a trademark that is not descriptive.



Basic International Trademark Law

- Trademark rights are “territorial” in nature. That means, that rights in a mark that are limited to the particular country in which those rights are protected or created.
- Example: your US trademark registration protects your rights in the United States, not in Canada or Mexico or any other country.
- Of course there are some countries that are members of multilateral treaties so protection can be obtained in the member states. Benelux and the EU

+ Failure to register can be very expensive!

- If you export your goods to another country and have not protected your mark;
 - Another “business” may apply in that country to register “your” mark.
 - If that “business” successfully registers “your” mark, then you could be forced to pay licensing fees for use of the mark or
 - Even be put out of business!

This is because in many countries trademark rights arise only through registration of that mark. If you haven't registered or applied for registration, you have no legal rights in the mark.

+ Can a US business get trademark protection abroad through a website?

- Yes! And this protection is the same national protection that the trademark owner would get if he filed for registration in the national trademark office where he is seeking protection
- There are 2 avenues for using a US trademark registration (and in some cases an application) to obtain rights in other countries
 - The Paris Convention
 - The Madrid Protocol
 - And that website is: www.uspto.gov

+ That protection is obtained by having:

- A regularly filed application or registration at the USPTO for the mark you seek to protect abroad.
- Filing an international application at the USPTO website at the site: <http://teasi.uspto.gov/>
- Filing includes identifying the basic US application or registration, identifying the country or countries where protection is sought and paying the appropriate fees

+ Principal Advantages of the Protocol

- The Madrid Protocol allows the owner of a regularly filed US trademark application or registration to:
 - File a single international application with the USPTO, in English (and on-line), pay all fees in US dollars, and receive a filing date as of the date of filing the application at the USPTO in any or all of the 91 member countries or OHIM at one stroke of the send button.
 - Once an international registration exists, all assignments, changes of owner name or address, changes in representative, and renewals can be done in a single correspondence with the International Bureau (IB) of the World Intellectual Property Organization (WIPO)



- **Some other Advantages of the MP**
 - If the International Registration is extended to a non-examining country—then registration will be virtually automatic.
 - If no refusal issues from a country where extension is sought, there is no need to hire local counsel.
 - If a claim of priority under the Paris Convention exists, the Madrid Protocol will allow that claim to be applied to the international application and the subsequent international registration.

+ Two Questions

- How many have used the Madrid Protocol to file an International Application?
- How was that process?

+ • Using the Protocol – the basics

■ Applicant filing an international application must:

- Be a national of the US, have a domicile in the US, or have a real and effective industrial or commercial establishment in the US. If the applicant meets one or more of those requirements then the USPTO is applicant's office of origin.
- Be the owner of a regularly filed US trademark application(s) or registration(s) that is valid (live) at the USPTO.
- File an international application based on its US trademark application(s) or registration(s) for the same mark and the same, or less, of the goods and/or services that are claimed in the US application(s) or registration (s).
- Pay the appropriate fees (the fee calculator on the web site is very helpful)

+ The Process for a US Trademark Owner

1. The owner of the basic application or registration files an international application with the USPTO
2. The USPTO's job is to "certify" that the mark and owner of the international application and the basic application or registration are identical and that the goods or services claimed in the international application are the same or less than those in the basic application or registration (mostly done by computer).
3. USPTO certifies and "sends" the application to International Bureau (IB) of WIPO
 - If the application is sent to the IB within 2 months of filing, the International Registration (IR) date will be the same date as the application filing date at the USPTO. Otherwise the IR date is the date of receipt by the IB
 - 4. IB registers mark and immediately sends the information in the IR to all of the designated contracting parties (the countries applicant selected in which to seek protection).

+ The process --continued

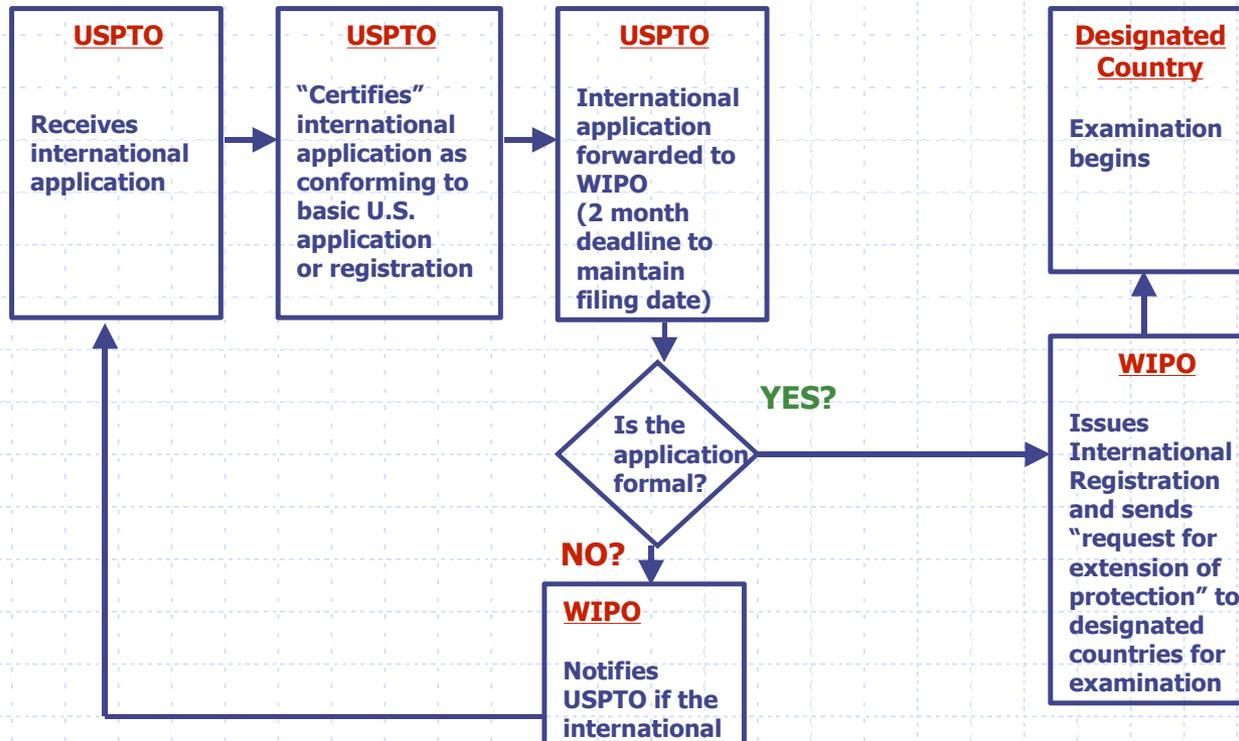
5. Each designated contracting party receives the information in the IR and treats it as a new application filed with the Office. All of the national laws apply.
6. The new application, technically a “request for extension of protection,” retains as its filing date in each national office the international registration date as well as any claim of priority.
7. Each national Office processes the application as it processes any new application. In some countries registration is virtually automatic, in others an examination process will begin.
8. Each national Office notifies the IB if there are any refusals or oppositions or if the mark is registered. The IB notes the registration, refusals and oppositions related to that IR in its records, and
9. The IB, in turn, notifies the USPTO and applicant of the results, including refusals, in each designated contracting party (country).



More about the Process

- If a refusal issues from a contracting party (country) then the owner of the IR must appoint a local attorney or agent.
- When a notice of irregularity issues from the IB, applicant must respond usually within 3 months.
- Only one attorney or representative may be listed with the IB

Protection through the Protocol



+ The International Registration

- The “rights” in an international registration (IR) come completely from the registrations issued in the designated contracting parties. So the international registration is really a bundle of national rights
- The IR can be divided and its rights assigned to different parties
- Basic applications and registrations can also be divided and rights assigned to different parties, depending on national law.
- The USPTO remains responsible for notifying the International Bureau of WIPO of changes in the basic application or registration that affect rights in the international registration
- Other national Offices also remain responsible for notifying the IB of changes that may affect rights in the international registration



Central attack!!!!

- An international registration remains dependent on the national application or registration that formed the basis for the international application for 5 years. That feature of the Protocol is known as central attack.
- If during that 5 year period the basic application or registration, or any part of it, is restricted, abandoned, cancelled or expired, that restriction, abandonment, cancellation or expiration applies to the international registration and ALL of the extensions of protection that have been made from the IR.
- As a practical matter, that means that one should be cautious about what application or registration forms and basis for the IR and, if the IR is based on a registration, one should not forget to renew that registration!
- Thus a trademark owner who objects to the mark in an IR can “centrally attack” the IR and all its dependent extensions by going to the Office of Origin where the basic application or registration resides and oppose or try to cancel the basic application or registration.

+ Facts About Central Attack

- Facts about central attack:
 - In a 6 month study in which 24 countries took part
 - 1,246 notices of ceasing of effect
 - 215 were the result of a central attack
 - The OHIM led the pack with 116 “central attacks”
 - 96 of the 215 “central attacks” led to transformations
MM/LD/WG/9/3-----7/1/10 to 12/30/10

+ Transformation – after central attack

- When the basic application or registration is cancelled, abandoned, restricted or expired during the first 5 years of the IR's existence the owner of the IR can opt to “transform” the extensions of protection into national applications. This process allows the IR owners to retain its rights in the extension countries.
- The applications retain the same filing date as the IR.
- The applications must conform with national law, including payment of a new application fee.
- The applications re-enter the examination process (depending on the national law).

+ Why use the Madrid protocol

- Almost immediate filing date in countries where extension is sought. US basic application can often be used to make a claim of priority.
- May save costs of appointing local counsel.
- Saves translation costs
- Provides for very inexpensive and simple maintenance procedures, such as change of name, change of address, assignments and renewal, of multiple rights.

+ What problems exist?

- The most commonly talked about problem with the MP for US users is the provision that limits the description of goods and services to the one that is used in the basic application or registration.
- Some countries allow very broad descriptions of goods and services . A US applicant using the MP must limit its descriptions of goods or services to those in the basic application or registration which must comply with USPTO practice.
- One must balance that issue with the other aspects of the MP and what the clients needs are at the time.



USPTO Madrid Statistics

Madrid Protocol filing statistics by Fiscal Year

Originating from US	2004	2005	2006	2007	2008	2009	2010	2011*
International applications: paper	1,574	475	100	98	48	16	23	9
International applications: electronic	0	2,297	3,031	3,531	3,930	3,207	3,871	3,937
Total international applications filed**	1,574	2,772	3,131	3,629	3,978	3,223	3,894	3,946
Subsequent designations received from holders of IRs originating in US	34	22	181	404	479	507	552	570
Designated to US								
Requests for extension of protection	4,700	10,106	12,707	15,352	15,535	12,962	14,234	11,944

+ Questions, Comments, Suggestions
for this presentation?

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Thanks!



Intellectual Property for Successful Businesses

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