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International Trademark Protection: An Overview of the Options

by Michelle R. Watts

Introduction

An increasing number of American businesses are “going global.” For these businesses, securing trademark protection in each country where a business sells, or plans to sell, its goods or services is often key to maintaining a competitive advantage. Consumers associate distinctive values with trademarks. Registering a trademark in more than one country helps expand a national reputation into a multinational reputation.

To obtain multinational trademark protection, businesses have a variety of options: (1) national registrations; (2) community trademark (CTM) registration; (3) international registration; or (4) a combination of any or all of the above. This article provides an overview of the differences between, as well as the advantages and disadvantages of, each possibility.

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BENEFITS OF REGISTRATION

Trademark registration has many benefits. In most countries, registration is prima facie evidence of ownership and validity. Further, registration can help generate royalties through licensing. Also, registrations can be recorded with customs to help prevent the importation of counterfeit products. The disadvantage of not registering a trademark in any given jurisdiction is that others may register an identical or similar trademark that could impede the ability to use or register the trademark in that jurisdiction. See *Weston, Country Guides*, at http://www.inta.org/index.php?option=com_content&task=view&id=56&Itemid=48&getcontent=1 (*Weston Guides*).

APPLICATION PROCEDURES

National Registration

One option for multinational trademark protection is to file an application for national registration in each country within which protection is desired. This is potentially the most expensive and least efficient means of obtaining multinational trademark protection. However, owning multiple national registrations arguably provides a greater degree of protection against legal challenges than CTM or international registration. Unlike a successful challenge to the home registration of an international registration or to a CTM registration, a successful legal challenge to a national registration in one country does not determinatively affect the legal status of a national registration in another country.

Trademark . . . registrations can be recorded with customs to help prevent the importation of counterfeit products.

Filing multiple applications for national registration can get quite expensive, depending on the number of applications and countries involved. It is highly recommended—if not required—that a business retain local trademark counsel in each of the foreign countries where it desires trademark protection. Trademark laws and practices vary from country to country, and local counsel can assist by providing valuable advice on how to expedite the application process and how to avoid nullification by the examiner and challenges by third parties in a particular locality.

Typically, each application for national registration must be filed in the national language of the country where protection is desired. In contrast, a CTM appli-

cation may be filed in either Spanish, German, English, French, or Italian. See *Office for Harmonization in the International Market and the Community Trade Mark Brochure* (OHIM Guide), §§3.5, 3.7, at <http://oami.europa.eu/en/mark/role/brochure/br1en.htm>. Further, an international registration application may be filed in either English, French, or Spanish, subject to what is prescribed by the laws of the home registration country. *Guide to the International Registration of Marks*, Rule 6(1)(b), available at http://www.wipo.int/madrid/en/forms/how_to.html.

In most countries, the trademark application process for national registration is as follows:

The applicant begins with an optional, but recommended, search for potentially conflicting prior applications and registrations in the subject jurisdiction. An applicant who does not conduct a search risks facing an unanticipated refusal by the examiner or a challenge by a third party, after time and money has already been invested in the initial application. If, however, the applicant does conduct a pre-filing search and a potentially conflicting mark is found, the applicant will have an opportunity to decide whether to change its trademark, its specifications of goods and services, or both, before expending time and money in filing the application and in manufacturing or advertising.

The trademark application will then undergo an initial review by an examiner, who will either issue a provisional refusal or will allow the trademark to proceed to publication. If a provisional refusal is issued, the applicant—via local counsel—will need to file a response if it wishes to proceed with the application. If the examiner is not persuaded by the response, a final rejection will issue. However, the applicant will likely have a further opportunity to appeal the “final” rejection. If the trademark application proceeds to publication, then the trademark will be open to opposition by the general public for a finite period of time (typically 1 to 3 months). If the application is not opposed, then it will most likely proceed to registration. Some countries require proof of use in commerce before issuing a trademark registration.

The length of the initial registration period varies from country to country. For example, in the United States, Japan, and the Philippines, the initial registration period is 10 years from the *registration issue date*. In the United Kingdom, France, Australia, and Mexico, the initial registration period is 10 years from the *application date*. See *Weston Guides*. Renewal requirements vary from country to country; however, the applicant will need to file renewal documents in each country where it would like to maintain its national registrations.

The International Trademark Association (INTA) website (<http://www.inta.org>) contains the Weston Guides, referred to above, available to INTA members, which provide overviews of the national registration application process in countries worldwide. The INTA website also contains a directory of local trademark counsel worldwide. See *INTA, INTA Membership Directory* (2006), at http://www.inta.org/index.php?option=com_content&task=view&id=39&Itemid=95&getcontent=4. Another useful resource is *Covin et al, Trademarks Throughout the World* (Thomson West 2006).

National Registration	
Pros	Cons
A successful legal challenge to a national registration in one country does not determinatively affect the legal status of a national registration in another country.	Generally more expensive than CTM or international registration.
Because of the need to retain local counsel in each country where an application is filed, a business that files separate national registrations is more likely to be better informed about the different trademark laws in each country and to avoid costly legal surprises than a business that only has international registrations or CTMs and that does not retain local counsel.	Less efficient—multiple applications, multiple renewal documents, multiple documents requesting to record changes (e.g., transfers, changes of name or address), and proof of use must be demonstrated in each country that requires use.

Community Trademark Registration

As a second option, a business can file a single application for CTM registration, which provides protection throughout the European Union (EU). An applicant that wishes to register a trademark in more than one country in the EU should seriously consider applying for CTM registration. CTM protection covers a market of more than 350 million consumers. See *OHIM Guide §2.2.1*, at <http://oami.europa.eu/en/mark/aspects/default.htm>. As with most national registrations, a CTM registration is transferable and may be licensed. A license may cover the whole European Union or just part of it. *OHIM Guide §3.10*.

The OHIM issues CTM registrations. See <http://oami.europa.eu/en/mark/default.htm>. The OHIM fee schedule is available at: <http://oami.europa.eu/en/office/marque/taxes.htm>. It is generally less expensive to apply for CTM registration than it is to file separate applications for national registrations in multiple EU countries. See *Ten Good Reasons for Using the Community Trade Mark* (Ten Reasons), at <http://oami.europa.eu/en/mark/role/raisons.htm>. A downside of CTM registration is the added cost of pre-filing searches, because searches for confusingly similar marks should be made in all EU member states, rather than simply the countries of interest.

As mentioned above, a CTM application may be completed in either Spanish, German, English, French, or Italian, and may be done online. See *OHIM Guide §§3.5, 3.7; On-Line Application for a Community Trademark*, at <http://oami.europa.eu/en/mark/marque/efentry.htm>. A CTM applicant is not required to have a commercial establishment in the EU. If the domicile of the CTM applicant is not in the EU, the applicant must be represented by a legal practitioner entitled to act as a representative before the central trademark office of the country where he or she is established or by a professional representative who is approved by the OHIM. *OHIM Guide §§3.3, 3.4*.

A CTM registration is valid for a period of 10 years from the date of filing and may be renewed indefinitely. A basic renewal fee and class fees exist for each class of goods or services in excess of three. *OHIM Guide §3.12*. The date on which OHIM enters the CTM in the CTM Register (CTM Register) before giving the go-ahead for publication in the CTM Bulletin is the registration date of the CTM; it is the date that follows the word “Registered” on the bottom of the first page of the Certificate of Registration. The rights conferred by a CTM will only prevail against third parties from the date of publication in the CTM Bulletin. See *Frequently Asked Questions Concerning the Community Trade Mark System §5.1*, at <http://oami.europa.eu/en/mark/marque/question.htm>.

On receipt of the application, an OHIM examiner checks that it includes all requisite information and that the fees have been paid. If necessary, the applicant is requested to correct any irregularities. The date of filing is assigned at the end of this first stage. *OHIM Guide §3.8.1*. The examiner must ascertain that the trademark is distinctive. If so, the application will proceed to publication. If not, the applicant will have an opportunity to appeal the refusal. *OHIM Guide §§3.8.3, 3.8.4*. After publication, third parties will have a period of 3 months to give notice of opposition to registration of the trademark. *OHIM Guide*

§§3.8.5. If the application is not opposed, the community trademark will be entered in the CTM Register. Any transfers, licenses, or other rights relating to the trademark must be entered in the CTM Register to have effect vis-à-vis third parties. OHIM Guide §§3.9.

Use of the mark in a single EU member state will suffice to retain protection for the mark throughout the EU. In contrast, for an international registration, use must be demonstrated in the home country and each designated extension country that requires use. CTM registration becomes vulnerable if the mark is not used for a period of 5 years or more.

Unlike an international registration, where it is possible to “pick and choose” the countries covered by the registration, the CTM registration can only be granted for all EU countries together. Therefore, the existence of grounds for refusal in one country will block an entire CTM application. If a CTM application or registration is successfully challenged under the trademark laws of any EU country, the CTM registration will be invalid in every single EU country. However, for additional fees and costs, it is possible to convert the CTM registration into multiple national registrations retaining the original priority date.

An applicant attempting to register a CTM faces a single opposition proceeding to settle the matter, instead of the need to advance the same arguments in multiple trademark jurisdictions in the EU. This could potentially save the trademark owner significant administrative costs over the process of multiple national filings. However, filing an application for a CTM exposes a mark to potential grounds for opposition and rejection by any or all of the EU countries. There is currently a large backlog of CTM oppositions at OHIM; as a result, opposition proceedings could take several years to conclude.

With CTM registration, it is possible to claim priority based on any of the CTM owner’s preexisting national registration(s) in EU member states, provided that the owner surrenders the earlier mark or allows it to lapse. The seniority will lapse if the earlier trade mark for which the seniority is claimed is declared to have been revoked or to be invalid or if it is surrendered before registration of the CTM. In effect, the system acts to preserve the status quo with respect to a particular mark in a particular jurisdiction.

The CTM registration results in broad legal protection against infringement. An action for infringement of a CTM registration may be brought before national courts, the decisions of which are enforceable throughout the entire EU. This avoids the need to prosecute infringers in each EU member state. In contrast, for national registrations and under the [Madrid Protocol](#) (see below), any injunction is generally eff-

fective only in the country of the court issuing the injunction. A CTM registrant may enforce the protection afforded by the CTM by filing an infringement action in either (1) the court of the member state in which the infringement was committed, or (2) the court of the member state in which the defendant is domiciled. OHIM Guide §3.11. Infringement proceedings may be brought before the community trademark courts, which are national courts designated by the member states to have jurisdiction with respect to community trademarks. See [Ten Reasons](#).

CTM Registration	
Pros	Cons
Generally less expensive than filing applications for national registrations in multiple EU countries.	If invalid under the laws of any single EU country, the entire CTM is invalid.
Efficient—only need to file one application and one renewal; only one opposition period.	Does not provide protection outside the EU.
Use need only be demonstrated in one EU country.	Searches for confusingly similar marks should be made in all EU member states, rather than only the countries of interest.
Broad infringement protection.	Large backlog of opposition proceedings at OHIM.

International Registration

A third option is for the applicant to file a single application for an international registration. See generally [United States Patent and Trademark Office, The Madrid Protocol: Frequently Asked Questions by U.S. Trademark Owners Seeking International Rights](#) (Madrid Guide), at <http://www.uspto.gov/web/trademarks/madrid/madridfaqs.htm>. Similar to CTM registration, this system allows a mark’s owner to file one application and have it treated as if the owner had applied in multiple countries.

In 1891, a treaty known as the [Madrid Agreement](#) (Agreement) established an International Register (IR Register) for trademarks. Eventually, the IR Register was recognized in many countries in Europe and other regions. However, most common law jurisdictions (the U.K., the U.S., and others), the industrialized countries of the Far East, and the Scandinavian countries, did not join, because the Agreement imposed

requirements for the trademark laws of member countries that were incompatible with their own trademark laws. See generally [Madrid Guide](#).

The Madrid Protocol allows countries that are not party to the Madrid Agreement to participate in the international registration system without requiring that they radically alter their trademark laws.

Because the Madrid system of international registration could not be fully effective while not including so many major industrialized countries, the countries that had adopted the Agreement amended it in 1989 to add the [Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks](#) (Madrid Protocol). See generally [Madrid Guide](#). The [Madrid Protocol](#) is an international treaty that allows a trademark applicant to seek registration in any of the countries that have joined the [Madrid Protocol](#) by filing a single application, called an “international application.” The International Bureau of the World Intellectual Property Organization (WIPO) in Geneva, Switzerland, administers the international registration system. The [Madrid Protocol](#) allows countries that are not party to the [Madrid Agreement](#) to participate in the international registration system without requiring that they radically alter their trademark laws. The [Madrid Protocol](#) thereby removed barriers that had prevented several countries, including the United States, from joining the IR Register. The [Madrid Protocol](#) went into effect in the United States on November 2, 2003. A current list of the countries participating in the [Madrid Protocol and Agreement](#) is available online at the WIPO website at <http://www.wipo.int/madrid/en>.

The United States trademark law (the [Lanham Act](#) (15 USC §§1051–1141n)) has been amended by federal legislation to add provisions for implementing the [Madrid Protocol](#) in the United States. This amending legislation is called the [Madrid Protocol Implementation Act \(MPIA\)](#) (15 USC §§1141–1141n). The USPTO has also added new rules to the Trademark Rules of Practice (see generally [37 CFR pt 2](#)) for documents relating to the [Madrid Protocol](#). The [MPIA](#) can be found on the USPTO website at <http://www.uspto.gov>. Any trademark owner with an application filed in or a registration issued by the USPTO and who is a national of, has a domicile in, or has a real and effective industrial or commercial establishment in the United States can submit an inter-

national registration application through the USPTO. See generally [Madrid Guide](#).

Although the application is administered by WIPO, an applicant may file its international registration application for trademark protection in the [Madrid Protocol](#) country of its choice. See generally [Madrid Guide](#). This application will serve as the “home” or “basic” application for the [Madrid Protocol](#) registration. The mark and the owner of the international registration application must be the same as the mark and owner of the home application or registration. The international registration application must include a list of goods and services identical to or narrower than the list of goods or services in the basic application or registration. The requirements for a complete international application are set forth in [Article 3 of the Madrid Protocol](#) (http://www.wipo.int/madrid/en/legal_texts/trtdocs_wo016.html) and [Rule 9 of the Common Regulations Under the Madrid Agreement Concerning the International Registration of Marks and the Protocol Relating to That Agreement](#) (Common Regulations) (http://www.wipo.int/madrid/en/legal_texts/).

At any time before or after registration, the business may designate additional “extension” countries (any of the over 80 countries covered by the [Madrid Protocol](#)) for an additional fee per country. The filing fee for a CTM application covers all 25 countries, but the fees for an application filed under the [Madrid Protocol](#) are dependent on the number of countries designated by the applicant. Similar to CTM registrations, the initial registration period is 10 years from the date of filing the application. The registration may be renewed with a single application for renewal for additional 10-year periods by paying a renewal fee to the International Bureau. See generally [Madrid Guide](#).

A successful legal challenge to the mark in any of the extension countries will not have any determinative effect on any of the other extension country applications. Likewise, an extension country application that is rejected by an extension country examiner will not have any determinative effect on any of the other extension country applications. However, if the home application or registration fails for any reason (*e.g.*, is refused, withdrawn, or canceled) within 5 years of filing the international registration application, then all the extensions will lapse. Therefore, an international registration is only recommended when a business is confident that its home application or registration will not be successfully challenged within 5 years of the filing date of the international registration application. If the home application or registration becomes ineffective within this 5-year period, it is possible to convert the extension applications into national registrations for additional fees and costs. After

5 years, however, defeat of the home registration will not cause the extensions to lapse. An international registration will be vulnerable to cancellation, in most cases after a period of 5 years or more (the non-use term will depend on the trademark law of the country concerned), in each country where the mark has not been used. See generally [Madrid Guide](#).

An applicant for international registration must pay fees both to the home country trademark office and to the International Bureau. See generally [Madrid Guide](#). The USPTO, for example, charges a fee (called a "certification fee") for certifying international applications and transmitting them to the International Bureau. The certification fee is \$100 per class, if the international application is based on a single U.S. application or registration. The certification fee is \$150 per class, if the international application is based on more than one U.S. application or registration. The International Bureau requires payment of fees based on whether the reproduction of the mark is in black and white or in color, the particular contracting parties designated in the international application, and the number of classes of goods and services indicated in the international application. The schedule of fees, individual fees, and International Bureau Fee Calculator are posted on the WIPO website at <http://www.wipo.int/madrid/en/fees/>. The international application fees must be paid directly to the International Bureau in Swiss francs.

The accession of the EU to the [Madrid Protocol](#) governing international registrations became effective as of October 1, 2004. This establishes an important link between the CTM and the international registration system. As of that date, international trademark applications will be accepted that designate the EU. Applications for international protection based on a CTM application or registration will also be accepted. In the latter case, the OHIM will forward the application to the WIPO International Bureau. See generally [Madrid Guide](#).

Further information regarding international registration may be obtained from the following sources:

- The legislation, regulations, and guide for implementing the [Madrid Protocol](#) in the United States and notices regarding paper filings are posted on the USPTO website at <http://www.uspto.gov>.
- More detailed information about the [Madrid Protocol](#), Common Regulations, Administrative Instructions, Guide to International Registration of Marks, Madrid Express (online database of all current international registrations), schedule of fees, individual fees, and the International Bureau

Fee Calculator are available at the WIPO website at <http://www.wipo.int/madrid/en/>.

- Several other publications regarding the [Madrid Protocol](#) may be purchased with a credit card from the WIPO Electronic Bookshop, which can be found on the WIPO website at <http://www.wipo.int/ebookshop?lang=eng>.

International Registration	
Pros	Cons
Generally less expensive than filing applications for national registrations in multiple Madrid Protocol and Agreement countries.	If the home application or registration is rejected, invalidated, abandoned, or withdrawn within 5 years of filing the international registration application, then all the extensions will lapse.
Efficient—only need to file one application and one renewal.	Does not provide protection outside of Madrid Protocol and Agreement countries.
Local counsel are not necessary to file the application in each extension country and are only necessary if an office action is issued or the mark is opposed or otherwise challenged.	Proof of use must be demonstrated in each home and designated extension country that requires use.
Can add additional extension countries at a later date, even post-registration.	

Combination of Procedures

There are numerous ways to combine the three multinational application procedures:

- CTM application + national registration application(s);
- CTM application + international registration application;
- CTM application + international registration application + national registration application(s);
- International registration application with CTM application as the home registration + national registration application(s);

- International registration application with CTM application as an extension + national registration application(s); and
- International registration application + national registration application(s).

Combining these methods of multinational registration helps to avoid or mitigate certain disadvantages associated with using only one method. For example, one disadvantage of a CTM registration is that it does not provide coverage outside the EU. This disadvantage can be overcome by filing a CTM application in addition to national registration applications for countries outside of the EU. Another way to overcome this disadvantage is by filing an application for international registration, with the CTM as an extension. Although it is possible to use the CTM as the home registration, this is not advisable because it is relatively

easy to successfully challenge a CTM, for the reasons discussed above. Alternatively, a business may wish to consider filing an application for international registration in addition to filing a separate application for a CTM, independent of the international registration. This would ensure that the CTM remains intact should the international registration become invalid for any reason.

CONCLUSION

There a variety of options for multinational trademark registration for businesses that operate in more than one country. The best option for a particular company and trademark depends on a variety of factors, including budget, the particular countries in which protection is desired, and the potential for legal challenge on the ground of preexisting trademarks.

COMPARISON CHART

	National Registration	CTM	International Registration
Cost	Generally more expensive.	Generally less expensive than filing for applications in three or more EU countries.	Generally less expensive than filing for applications in two or more Madrid Protocol or Agreement countries.
Number of Applications	Multiple applications if applying in more than one country.	Single application.	Single application.
Proof of Use	Proof of use must be designated in each country that requires use.	Use need only be demonstrated in one EU country.	Proof of use must be demonstrated in each home and designated extension country that requires use.
Oppositions	Opposition period in each country where national registration is sought.	Single opposition period (but large backlog of undecided oppositions at OHIM).	Opposition period in each country where registration is sought.
Infringement Protection	Narrow infringement protection.	Broad infringement protection.	Narrow infringement protection.
Pre-filing Searches	Searches are advisable in each country where national registration is sought.	Searches for confusingly similar marks should be made in all EU member states.	Searches are advisable in the home country and all extension countries.
Renewal	Multiple renewals (one in each country where mark is registered).	Single renewal.	Single renewal.