

## PROTECT YOUR BRANDS IN OVERSEAS MARKETS



**ARE YOUR BRANDS PROTECTED IN YOUR OVERSEAS MARKETS?**

You probably have heard about certain famous brand holders encountering difficulties using and registering their trademarks abroad. For example, you may have heard that Apple paid \$60 million to settle a dispute with a third party in China that allows Apple to sell its “iPAD” products in China in light of an earlier third party registration. Or you may recall that Michael Jordan had to engage in a long legal battle with a trademark squatter over rights to the Chinese version of his name and trademark. If Apple and Michael Jordan are facing these issues, how does a small or mid-sized company stand a chance? An understanding of the potential issues and attention to IP planning and protection can be your first line of defense. What follows are FAQs about international trademark protection and preliminary answers and food for thought.

**Do I need to register my company’s marks internationally?**

If your company is selling products or services outside of the US, you likely need international trademark protection to open your markets and to keep them open.

**Or else, what could happen?**

Your company could be prevented from selling its goods/services under the mark in important markets which might necessitate re-branding, either in the country of interest or globally. Or, your company could find itself paying a large sum of money just to use its own mark in an important market.

**How are TM Rights Developed?**



**First Use**



**Registration**

In the United States, rights in trademarks are developed primarily through use, so the first party to use a mark for particular type of goods or services has priority. In most other countries around the world, rights in trademarks are developed primarily through registration. Therefore, if a third party beats you to the Trademark Office, they often will have superior rights.

You should know your prospects for registration in any significant markets before you adopt a mark, which is why international searching can be important. International search also can be costly, and your trademark counsel should be familiar with various searching options and your company's tolerance for risk.

### **Where do I need to search and register?**

International trademark searching is always a good idea. If your business has international interest can quickly become cost prohibitive. Consider an international search strategy that works for you. What are my most important current and anticipated markets? "How much would it hurt my business?" That is a good question to ask.

Other considerations include: which countries do your owners experience significant counterfeiting? "trademark squatting" (registrations by unauthorised parties)

### **How to file?**

There are different methods for filing foreign trademarks: through local counsel in the country of interest, or a central filing method for filing in multiple countries. Your trademark counsel can help you determine which approach is best for your business.

### **When to file?**

International trademark applications may be filed in an initial (often home country) application for priority. The initial application may be granted a priority date.

### **How broadly to file?**

Some companies prefer to file outside of their home country (which can be claimed in the U.S.) and then start filing in other countries. They focus their coverage on the real goods and services in their biggest market. Both approaches have their own risks, tolerance, and budget, as well as the strength of the trademark. The scope of coverage issues is a very fact-specific one.

### **What about International Enforcement?**

Make sure your trademark counsel has experience with international enforcement. Counsel in the relevant countries. Increasingly, companies can manage these disputes with experienced counsel.



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