

The Perfect Storm: Offshore Expansion Without International Brand Protections

Fog Advisory

Contrary to the understanding of many, use or registration of a trademark in the U.S. generally affords little or no protection offshore. And it gets worse.

Small Craft Advisory

Unlike the U.S., where trademark rights arise based on use of a mark without your having registered it, many countries are “first to file” jurisdictions affording little or no weight to evidence of “first use.” Thus, unless your mark is “well-known” in the relevant foreign country (which may require years of substantial use in that country and can be costly and time-consuming to prove), it is unlikely that merely using a mark in a given country will afford any rights in that mark. And it gets worse.

Storm Warning in Effect

Unlike the U.S., many countries have no use requirement. Thus, trademark applicants in many foreign jurisdictions do not have to make any use at all of the mark they are registering. And it gets worse.

Severe Thunderstorms

Because there is no use requirement in many countries, applicants routinely register marks in those countries for a breathtakingly broad array of goods and services, often with no intention of using the mark for many, or even any, of those goods and services. (For example, applicants in other countries routinely register marks for use with virtually all products classified in a given International Class, such that one often encounters marks registered in Class 009 for everything from cassette tapes to software to telecommunica-

How to:

- ✓ Avoid costly trademark disputes
- ✓ Protect brand assets
- ✓ Approach an international branding strategy

tions switches to phonographs to ... well, you get the idea.) Consequently, a foreign registrant who may not be using its mark in connection with any goods can often obtain the right to preclude others from using the mark in connection with many goods. And it gets worse.

Hurricane Alert

The mark that someone files in another jurisdiction could be your mark. Yes, someone in the E.U. or China or Venezuela or any number of other jurisdictions could register your mark for use in connection with an array of goods or services - including those in connection with which you use your mark - even if they themselves neither use nor intend to use your mark for any purposes. And it is perfectly legal. And it gets much worse.

The Perfect Storm

With modest planning and cost, disasters like this are preventable! You can't avoid rough seas when expanding internationally, but modest planning can smooth the waters:

- ✓ Discuss your sales strategy with skilled trademark counsel
- ✓ Identify key foreign markets and prioritize them in order of importance
- ✓ Establish a budget for clearance, filing, prosecution and maintenance
- ✓ Determine whether a multi-jurisdictional application process makes sense
- ✓ An International Registration under the Madrid Protocol effective in up to 66 member countries/jurisdictions, or

- ✓ A Community TradeMark effective in all 25 member countries of the European Union
- ✓ Communicate and coordinate both internally, with your sales and marketing staff, and externally, with your lawyers, advisors and resellers.
- ✓ Revisit the strategy periodically, and be prepared to change course as needed.

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The Morse, Barnes-Brown & Pendleton, PC, **Technology Licensing & Intellectual Property Practice** counsels businesses of all sizes on creating, protecting and transferring IP assets, including advice on trademark, copyright, advertising, Internet and technology law.

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