Expect Education, Celebrities and Shamu in San Diego

The Annual Meeting promises to be a bit more “entertaining” than usual this year. That is because, in celebration of its Southern California locale, the theme for this year’s meeting is “Trademarks in Entertainment.”

“The line between entertainment, advertising and trademarks gets blurrier every day,” says David H. Bernstein of Debevoise & Plimpton LLP, co-chair of the project team that planned this year’s Annual Meeting. Fellow co-chair Lisa M. Gigliotti of L'Oréal agrees. Lisa explains that the idea behind the theme was to take an in-depth look at all the ways in which trademarks play important roles and are portrayed in popular culture, including movies, sports, television, publishing, music and even politics. Special sessions at this year’s Annual Meeting will thus focus on topics such as movie-related merchandising, character licensing, the use and misuse of celebrity endorsers, sports marketing, and product placement.

In addition to being illuminating, these programs are also quite timely: “Not only has the U.S. Federal Trade Commission just issued an important ruling on product placement,” reports David, “but also Turner Entertainment is doing a new television series focusing on this lucrative business practice that often lurks in the shadows.”

Lisa and David also guarantee an entertaining keynote address on Sunday, May 15. Mark Roesler, chairman and CEO of CMG Worldwide, promises to regale audiences with humorous examples of the right and wrong ways to use a celebrity in advertising.

Record Numbers Enter Moot Court Competition

The Saul Lefkowitz Moot Court Competition saw a record number of schools enter the 2004 – 2005 competition.

Sixty-two teams, representing close to fifty law schools from all over the United States, competed in the regional competitions that were held on February 19 in New York, Atlanta, Chicago and San Francisco.

Boston College Law School, University of Alabama School of Law, Marquette University School of Law and Santa Clara University School of Law won in their respective regions.

The teams then moved on to the National competition in Washington, DC on March 12, competing for more than US $4,000 in cash awards.

The First Place Team was awarded to Marquette University Law School and the Second Place Team went to the University of Alabama School of Law. Best National Oralist Team was won by Boston College Law School and Second Place Oralist Team was awarded to the University of Alabama School of Law. William Mitchell College of Law won the Dolores K. Hanna Best Brief Award and the Second Place Brief Award was awarded to Marquette University School of Law.

According to competition Chair Marc Cooperman of Banner & Witcoff, Ltd., literally hundreds of volunteers, practitioners and law students organized and participated in the...
Annual Meeting CONTINUED FROM PAGE 1

ing. Mark is a leading authority on celebrity intellectual property rights, living and dead, and represents some of the biggest names in sports and entertainment, including Babe Ruth, Marilyn Monroe, Elvis Presley, James Dean and Sophia Loren.

The mix of fun and education will continue Monday morning with a showcase session entitled “That’s Entertainment.” David and Lisa will kick off the programming with an amusing tour through history, showing many of the famous, and infamous, uses of trademarks in music, movies, sports and politics, and will highlight the often unexpected trademark disputes that ensued. Immediately following will be a plenary program on product placement, which will look both at the business of intentional product placement and the problems when products are “misplaced” against the brand owner’s desire.

Because the Annual Meeting is expected to attract more than 6,500 trademark practitioners from around the world, with myriad and diverse interests, entertainment is not the only item on the agenda.

“We also will review developments in trademark law and practice worldwide,” says David, “including not only the popular annual updates, but also issues related to the potential new trademark dilution statute in the United States, best practices on building brands in the high-flying Chinese economy, parallel importation of pharmaceutical products, and the prickly problem of jurisdiction for infringements in cyberspace.”

The program also is will cover the hottest developments. For example, a session has just been added to review the important new report from the World Intellectual Property Organization (“WIPO”) summarizing the most important trends in the first five years of domain name dispute resolution under the UDRP (see New Session on page 3).

Additionally, there will be some new formats this year. One of the more unusual sessions will be a jury-based presentation. The program will start with a live trademark trial before a jury of real San Diego citizens; the jury will then retire to deliberate, “but at our program,” says David, “the entire audience will get to watch those deliberations via closed-captioned television.” A similar program will showcase a mock international arbitration under the WIPO rules. Additionally, INTA will feature workshops that provide interactive training on a variety of practical topics, including negotiating licenses, taking and defending depositions, litigating UDRP disputes, due diligence, oral advocacy, survey design, Internet searching, untangling thorny legal ethics problems and effective strategies for responding to USPTO office actions.

Of course, the Annual Meeting is not only about the programming; the project team knows that many attendees also come to network. “It is the best opportunity of the year to sit down and meet with colleagues from all over the world,” says Lisa. “It’s also a chance to make new friends in your field.” To facilitate networking, INTA has scheduled more than 140 table topic sessions, each of which can accommodate ten participants. Lisa adds that, in addition to the traditional golf tournament held on Tuesday afternoon, INTA has reserved tee times at some of San Diego’s best golf courses for Sunday. The Association also plans to open up the Exhibit Hall on Sunday, so that attendees will have time to meet with exhibitors before the start of the event’s programming.

Other opportunities to network will be provided at the grand opening and closing receptions. “The opening reception, because it immediately follows Mark Roesler’s keynote address, will take a page from his presentation,” says David. “We will feature celebrity look-alikes, so be sure to bring your cameras!” Lisa promises an equally fun time at the closing reception, to be held at San Diego’s SeaWorld® Park. “In addition to great food and entertainment, the party will feature the antics of Shamu, the famous killer whale. If you sit too close, be prepared to get wet!” warns Lisa.

Last, but not least, there is the magic of the place itself. “We could not ask for a better venue,” says Lisa. “Everyone loves San Diego, and as they say in real estate, ‘location, location, location.’”

As one can imagine, a meeting of this scope was not easy to plan. Lisa and David report that it has been a two-year effort, with sometimes weekly conference calls among the multiple subcommittees of the sixty-person project team. “This project team has been fantastic!” Lisa exclaims. “We have been fortunate to have some very talented people. I am always amazed by the dedication and creativity of INTA volunteers.” David adds that none of this could have been achieved without the excellent work of the INTA staff. “This organization is fortunate to have some of the best and most professional meeting planners in the business.”

By Naeran Rubio, INTA Bulletin Managing Editor, New York, New York, USA
Moot Court  CONTINUED FROM PAGE 1

annual event, including dozens of actual sitting judges.

Marc says that the most difficult aspect of holding an event of
this scope was developing the Problem, which this year dealt with
fair use and genericide issues.

“Its always a challenge to come up with an interesting problem
that is complex enough to present solid issues, but not too chal-
lenging for the students who are not yet practitioners,” says Marc,
who notes that it takes months for the committee to lay out all of
the intricacies of the Problem.

According to Marc, the effort is worthwhile, as judges of the
event regularly refer to the Problem when trying actual cases in
their daily court proceedings.

“It reflects well on our efforts to educate the judiciary,” he says.

By Cathleen Curran, BNEF Executive Director, New York, New York, USA

NEW SESSION

Don’t miss the latest session that has been added to
the 127th Annual Meeting program on Tuesday, May 17,
2005, from 12:00 p.m. – 1:30 p.m.

The session titled Divining Consensus on Key
UDRP Issues: New WIPO Decision Overview, will
feature four World Intellectual Property Uniform Dispute
Resolution panelists that will review WIPO’s “Decision
Overview” update, summarizing the precedents and
practices developed by its 400 domain name panelists on
dozens of reemerging domain name cases. The panel will
also discuss some of the more contentious issues that
continue to ignite passionate debate after five years of
UDRP.

The session is open to all attendees of the Annual
Meeting. No advance reservations are required.
Visit http://wwwarbiter.wipo.int/thedomains/search/
overview/index.html for a copy of WIPO’s “Decision
Overview.”

Guide to the Annual Meeting

Any veteran of INTA’s Annual Meeting would suggest that
preparation is key to maximizing your experience. Each month,
until the meeting in May, the INTA Bulletin provides suggestions
to help you prepare. This issue outlines suggestions for what to
pack.

APRIL

Suitcase Essentials for the Annual Meeting

Business Cards
Have plenty of business cards with
you as they allow new acquain-
tances to better remember who
you are. In some business cultures,
it is even considered rude not to
present your card when meeting
someone new.

Registration Credentials
If you registered before the early deadline date, you will
receive your registration credentials in the mail before the
meeting. Make sure to bring them with you. Having all of
your credentials with you will save you time and hassle later at
the meeting.

Folder/Binder
Don’t forget to pack a folder or binder. This will be your
lifeline while you are at the meeting and can be used to insert
all your meeting materials.

Tickets, Photo Identification and Passport
Don’t forget the basics. Although rules vary by location, gen-
erally countries will not allow passengers on a plane without
photo identification and/or a passport.

Clothing
Think ahead when packing clothing. Check the weather
report for that week (www.weather.com) and pack appropri-
ately. Although INTA suggests a business casual dress code,
you may want to pack a few suits for more formal meetings,
and alternatively, casual wear if you plan to spend some time
sightseeing. Above all, wear comfortable shoes. The meeting
venue is usually very large and you will be walking a lot.

Bag and Schedule
Take a bag large enough to accommodate your folder or
binder, your schedule and any materials you may pick up at
the event. It is also a good idea to keep a spare copy of your
schedule in your room, just in case.
TTAB Program Brings Advanced Education to the Internet

Those wishing to learn about proceedings before the Trademark Trial and Appeal Board (TTAB) can now do so in the comfort of their own home or office, at their own pace and for minimal expense.

From June 6 – 26, 2005, INTA will present an e-learning program on TTAB proceedings and strategic considerations including trial practice and settlement of inter partes proceedings. This is the third e-learning offering by the Association.

More than 100 participants logged on to each of the first two programs, held in September 2004 and in January 2005, which successfully reviewed trademark basics.

E-learning is a customized educational experience made available through the Internet. Participants log in to the program at any time, day or night, from any location, and proceed through each section of the course at their own pace. They also can access links and other online resources that provide additional information. Interactive exercises and tests are available to evaluate participants’ comprehension of the material. Furthermore, each section features a discussion board at which participants can share questions and comments. A facilitator is available to monitor the discussion board and to host a two-hour chat room once a week.

According to Stephanie Foster of Pearson Education, Inc, who serves as chair of the TTAB e-learning project team, one of the challenges in preparing this program was to integrate content created for previous TTAB programs into content that would be easy to read online. “INTA has a wealth of information from its previous programs, including publications, audio components and audio/visual presentations,” says Stephanie, “Our challenge was to make materials that were written by different authors easy to read and engaging to online readers.”

The Project Team seems to have done the job well. Stephanie believes that the online course will be very user-friendly since participants will be able to take their time perusing a topic and will receive personal attention from the instructors. “There will be a lot of helpful links and interactive features,” says Stephanie, “including specific times when instructors will answer questions as they are posted by registrants, similar to a listserve or chat room.”

Marc Lieberstein of Pitney Hardin LLP who serves as the Programs Board advisor, says that not all of the information in the course is geared only towards U.S. practitioners. “The Programs Board felt very strongly about making sure that the content could also be relevant to all practitioners, even those working outside of the United States,” Says Marc.

Charyle Clark, INTA’s senior program developer for the course, says that the Basics and TTAB programs are only the beginning of additional e-learning programs that are being considered by INTA. “There are many topics that lend themselves to the e-learning format,” she says.

So, what’s next? Charyle notes that along with a Trademark Basics program in September this year, an Ethics program is in development for 2006.

For more information, or to register for INTA’s e-learning programs, visit www.inta.org/events/e-learning.html.

By Naeran Rubio, INTA Bulletin Managing Editor, New York, New York, USA
GUINNESS WORLD RECORDS

Last year, the GUINNESS WORLD RECORDS celebrated 50 years of logging the feats of humans around the globe, including some of people’s weirdest and wackiest accomplishments.

The GUINNESS WORLD RECORDS book – published for decades as GUINNESS BOOK OF RECORDS and published in the United States previously as GUINNESS BOOK OF WORLD RECORDS – was the brainchild of Hugh Beaver, former managing director of the Guinness brewery.

In 1951, Mr. Beaver was hunting in Ireland’s countryside when he got into an argument about whether the golden plover ranked as Europe’s fastest game bird. Three years later, another argument arose as to whether grouse were faster than the plover. Mr. Beaver, believing that records sparked interesting pub and bar arguments around the world, decided it was time to produce a guide to log such records.

The first edition of the record-keeping book was published in 1955. The Guinness brewery commissioned twin brothers, Ross and Norris McWhirter, noted British athletes and journalists who ran a fact-finding agency in London, to research and publish the book. It soon became a surprise hit and remains that way today, with recent editions focusing solely on human feats.

In October 2003, sales of the book topped 100 million, and the target for this year is 3.5 million copies sold. Presently, the book is sold in more than 100 countries and in 37 different languages. The GUINNESS WORLD RECORDS book has its own record as the world’s best-selling book protected by copyright. It is only out sold by the Koran and the Bible.

The GUINNESS WORLD RECORDS book is now published by a division of HIT Entertainment, which was launched in October 1989 by the former sales team of Henson International Television, a subsidiary of Henson Associates, producers of internationally acclaimed family programming, including “The Muppet Show,” “Muppet Babies” and “Fraggle Rock.”

“The only thing that hasn’t changed during the 50 years we’ve been publishing this book is that people are still inspired to break and set new GUINNESS WORLD RECORDS,” says Stewart Newport, the official keeper of the records. The publisher receives up to 1,000 claims a week for its consideration.

By Patrick J. Gallagher, Fulbright & Jaworski L.L.P., Minneapolis, Minnesota, USA

The Mark of the Month column spotlights trademarks that are well known and interesting, not because of the goods, services or businesses with which they are associated, but because of the unique qualities of the marks themselves. INTA members who are not associated with a submitted mark may send ideas for publication to bulletin@inta.org.

INTA Bulletin Board

Scott E. Thompson has joined GlaxoSmithKline as Vice President Global Trademarks. Scott will be heading the Global Trademarks Department and will be based in King of Prussia, Pennsylvania.

Joel E. Tragesser has been named partner at Locke Reynolds, in Indianapolis, Indiana.

Michael J. Holston, Lisa Chanow Dykstra and John F. Schultz have joined Morgan Lewis as partners in Philadelphia, Pennsylvania.

Carl R. Soller and C. J. Erickson have joined Cowan, Liebowitz & Latman, P.C. in New York as partners. Daniel F. Shapiro has joined as an associate, and Kieran G. Doyle has become counsel to the firm.

The “INTA Bulletin Board” announces news of a professional nature about individuals who belong to INTA companies or INTA staff. To submit an item for consideration, send a brief message to bulletin@inta.org.
Registrons Prohibited from Offering Proxy Registrations for .US Domain Names

The registry operator for .us Internet domain names recently required registrars offering .us domains to stop offering proxy registration services. This means that, unlike domains under other top-level domains (like .com, .info, or .tv), it will be difficult for a .us registrant to legally obtain a private registration to hide its identity as the owner of a particular domain.

In the realm of generic top-level domain registrations, pseudonymous, or "proxy" registration services are common. Most major registrars (including Network Solutions, eNom, and GoDaddy) offer services by which, for an extra charge, the registrant or an affiliated company will be listed as the domain name registrant of record. The proxy registrant provides the beneficial owner a means for administering the domain, and forwards communications addressed to the registrant of record concerning the domain.

In the event of a legal dispute challenging ownership of the domain, or the legality of content posted at or originating from the domain name, the proxy service will generally either give the beneficial owner a chance to remedy the problem, or will terminate its proxy service. If this happens, record ownership of the domain is transferred to the beneficial owner, revealing the owner's identity in a Whois search.

By a February 2, 2005 amendment to the .us Registrar Accreditation Agreement, which gives domain name registrars the ability to offer .us domains, the .us registry operator mandated that neither the registrar, nor any of its resellers, affiliates, partners and/or contractors shall be permitted to offer anonymous or proxy domain name registration services, which prevent the display of accurate Whois information on the "real" owner of the domain.

The revised .us agreement still allows the legal owner of record to license the domain to another party to use (although as with other domains, the record owner faces legal liability “unless it promptly discloses the identity of the licensee” when presented with “reasonable evidence of actionable harm”). For example, a web developer or hosting provider could register a domain in its own name on a client’s behalf.

However, the mandate should greatly curtail the use of proxy ownership by .us domain owners because most proxy services are currently offered by registrars, or their resellers, affiliates, or partners, which benefit by being able to offer proxy services in the course of the domain purchase (or renewal) check-out process. Owners of .us domains currently using a proxy service will be unable to renew their proxy service when the domain is next renewed, or will find it terminated in early 2006, whichever comes first.

Against the backdrop of an increasing number of proxy domain name registrations, the INTA Whois Subcommittee is interested in information from INTA members to help it gauge whether pseudonymous domain registrations — either inherently, or as they are currently administered — thwart the effective enforcement of IP owners’ rights. Please contact INTA External Relations Manager Michael Heltzer (mhweltzer@inta.org) if you have had either positive or negative experience dealing with proxy registration service providers related to rights violations on domains where the owner has used a pseudonymous service to mask his or her identity.

By Adam Lindquist Scoville, Faegre & Benson LLP, Denver, Colorado, USA

Recent Keyword Decisions in France

On December 16, 2004, the Nanterre Court of First Instance in France issued a preliminary injunction against Internet search engine Google (France), which prohibits Google from allowing advertisers to use as keywords the trademarks MERIDIEN and LE MERIDIEN of hotel chain Le Meridien in connection with hotel services.

The injunction also requires Google to prevent the appearance of Le Meridien's trademarks in Google's "keyword tool." In operation, the tool suggests possible keywords to prospective advertisers. The court concluded that “the use by Google France of a third party’s trademark on request of the user for advertising an identical or similar product is likely to constitute trademark infringement under Articles L.713-2 and L.713-3 of the Intellectual Property Code. Article 713-2 prohibits reproduction of a trademark on identical goods and services. Article 713-3 prohibits reproduction or imitation of a trademark on identical or similar goods and services if a likelihood of confusion may arise.

On February 4, 2005, the Paris Court of First Instance ruled in a case where Louis Vuitton objected to the Google's AdWords advertising service provided by Google (both Google Inc and Google France).

The Paris court found Google liable for trademark infringement for: (1) offering paid advertisements linking competitors’ advertisements to key words corresponding to Louis Vuitton’s rights (“LV”, “Louis Vuitton,” and “Vuitton”) and (2) allowing words such as “imitation,” “replica,” “fake,” “copies,” and “knock offs” to be associated with Vuitton marks in the advertisements. The court further found that Google had committed acts of unfair competition by infringing the corporate name Louis Vuitton as well as its domain name www.vuitton.com and had violated the Consumption Code in that the paid advertising was capable of misleading web users as to the origin and substantial quality of the products offered.

Google was also ordered to pay civil fines of $100,000 Euros for trademark infringement; $100,000 Euros for acts of unfair competition and misleading advertising, $8,000 Euros in costs, as well as counsel fees.”

The Paris court did not limit the prohibition of use to Google's French website, google.fr, but extended it to Google’s websites outside France.

Google was not the only search engine to receive an adverse ruling in France. On January 17, 2005, the Nanterre Court of First Instance held Overture (SARL and Services, Inc.) liable for recommending trademarks as potential keywords for advertising a third party’s identical goods and services. Accor Services objected to Overture’s practice of suggesting its trademarks to competitors. The court held Overture liable for infringement of Accor’s trademarks and ordered Overture to stop the litigious acts and to pay damages.

Contributor: Alfred C. Frawley, Preti, Flaherty, Belleau, Pachios & Haley; Verifier: Catherine Levalet, Cabinet Lavoix, Paris, France
Dispute Resolutions for the .FR Domain

Since the liberalization of the .fr domain on May 11, 2004, the strict conditions for registration of a .fr domain name have disappeared. Consequently, a procedure to resolve disputes has been introduced in order to sanction a domain name registration made in violation of the rights of the legitimate owner.

These new alternative dispute resolutions (PARL) for .fr were inspired by the existing procedures for the gTLD domain names (.com, .net, .org). They are quick and cost effective procedures provided for anyone who considers that a .fr domain name registration made by a third party affects their intellectual property rights, the regulations on competition and fair trading or the right of the name, first name or pseudonym of an individual.

Two procedures can be used: one before the CMAP (Centre of Mediation and Arbitration of Paris) and the other one before the World Intellectual Property Organization (WIPO).

CMAP
The CMAP provides for users of the Internet to obtain from a dispute-resolution provider a recommended solution of a dispute concerning the .fr domain name. The online recommendation is a confidential, (except with the agreement of the parties) non-binding procedure. It can be used as a basis for other discussions between parties in order to conclude a settlement agreement or to draft such an amicable settlement. If such a procedure is initiated, the French agency (AFNIC) freezes operations on the litigious domain name. This procedure is quick since the dispute-resolution provider must issue his recommendation within eight days of the initiation (renewable for eight further days if agreed so by the parties). However, the procedure cannot be used if a dispute has already been brought before WIPO.

WIPO
WIPO also provides for a procedure of dispute resolution for .fr that the defendant cannot evade since the registrant of a domain name undertakes to comply with these procedures under the AFNIC registration regulations. AFNIC is not a party to this procedure but it must provide the requested information and it must freeze operations on the litigious domain name. Starting such a procedure never precludes either party from submitting the dispute to the competent court at any time. The complainant bears the fees and charges of the procedure and requests either the transfer of the litigious domain name to it or its removal. An expert normally issues his written decision within 14 days following his/her designation. Each party is notified of the decision and it is published on WIPO’s website.

AFNIC implements the decision within a period of 20 days from notification of the decision unless a legal action is commenced.

In the few cases brought so far before WIPO, the expert has ordered the transfer of the litigious domain name to the complainant. The background of conflict often leads the complainants to bring their case before WIPO rather than before the CMAP. The CMAP procedure of online recommendation is likely to be used in relation to disputes concerning parties in contractual relationships due to the non-binding and confidential nature of its recommendations.

Since the inception of the new procedures, WIPO has issued four decisions while the recommendation procedure of CMAP has been used only three times. In the first WIPO case (decision of September 6, 2004), the litigious domain name cybermut.fr was transferred to the complainant. Although it was not a matter of infringement since the domain name was not used, the expert judged that the fact that the respondent retained the domain name while he was aware of the prior trademark rights of the claimant could qualify as an act of passive use of the domain name infringing the prior rights of the complainant.

In its decision of November 3, 2004, WIPO also ordered the transfer of the litigious domain name filbanque.fr to the owner of the trademark registration FILBANQUE. The respondent registered the litigious domain name for the purpose of reselling it to third parties and thereby infringed the prior rights of the complainant.

In the third decision of December 23, 2004, the litigious domain name was also transferred to the complainant. In this decision, WIPO decided that the sole respondent in the proceedings was the holder of the domain name appearing on the WHOIS extract of the AFNIC even though he was asked to register the domain name by a third party.

Contributor: Catherine Lavalet, Cabinet Lavoix, Paris, France; Verifier: Rebecca Delorey, Cabinet Gilbey de Haas, Paris, France.
BRAZIL

First Decisions Recognizing Trademarks of Well-Known Marks in Brazil

The Brazilian Patent and Trademark Office recently issued its first decisions recognizing the status of well-known marks.

The decisions related to the marks HOLLYWOOD, owned by Souza Cruz S.A for tobacco and clothing articles, MCDONALD’S & design, owned by McDonald’s Corporation for food products, and PIRELLI & design, owned by Pirelli S.P.A. for electric and insulating materials.

Well-known marks enjoy special protection in all fields according to Section 125 of the Brazilian Industrial Property Law 9279/96. Infringement of a well-known mark is punishable by higher criminal penalties.

Although the Brazilian Industrial Property Law was enacted in 1996, the procedure for recognizing well-known marks was regulated by Resolution 110, issued by the INPI on January 27, 2004. Resolution 110 prescribes the necessary evidence to support a claim that a mark is well known. It also requires that the recognition of high reputation in a mark should be sought within the framework of an opposition or administrative nullity proceedings either by the proponent/complainant or by the party against whom the opposition or administrative nullity has been instituted.

The decision recognizing HOLLYWOOD as a well-known mark was published in the Industrial Property Journal of December 21, 2004, in connection with the opposition against application no. 817437657 for the mark HOLLYWOOD, which is owned by Atacado Hollywood Ltda in national class 25 for clothing articles.

MCDONALD’S & design was recognized as a well-known mark as per a decision published in the Industrial Property Journal of January 11, 2005, in connection with the opposition against the application no. 819.540.927 for the mark M MR DOG & DESIGN, which is owned by Mr. Dog Alimentos Congelados para cães Ltda in national class 21 covering food for animals.

Finally, the PTO recognized PIRELLI & design as well known as per a decision published in the Industrial Property Journal of January 11, 2005, in connection with the opposition against application no. 820.970.298 for the mark PIREL & design, owned by Pirel Comércio e Instalações Elétricas Ltda, in national class 09 for electric elements.

Applicants in each of the cases have the right to appeal.

Contributor: Rodrigo Borges Carneiro, Dannemann Siemsen Bigler & Ipanema Moreira, Rio de Janeiro, Brazil; Verifier: Cesar Carvalho, Veirano Advogados, Rio de Janeiro, Brazil

SWITZERLAND

Container Suitable for Acquiring Distinctiveness Through Use

On December 10, 2004, in Masterfoods AG v. Société des produits Nestlé S.A, the Swiss Supreme Court rendered a landmark decision in favor of the registration of plain three-dimensional trademarks based on acquired distinctiveness through use.

Masterfoods claimed that Nestlé’s three-dimensional Swiss mark, comprising a cylindrical tube without any graphics – the container allegedly being used for commercialize Nestlé’s well-known SMARTIES sweets – did not constitute a trademark. The Court ruled that the trademark at stake, while not inherently distinctive, may have acquired distinctiveness through use.

The Court held that any plain three-dimensional mark may be registered as a trademark if it has acquired distinctiveness through use unless it: (a) consists of a shape that is inherent to the nature of the goods themselves, (b) is technically necessary in view of the shape of the goods or of their packaging, or (c) if the mark is, in relation to the products at stake, not only plain but also generally used in commerce and difficult to replace by other equivalent marks so that it must imperatively be kept at the free disposal in commerce.

In the present case, the shape of the Nestlé container was not inherent to the nature of the sweets and was not regarded as technically necessary. However, the court held that this container should not be kept unconditionally free for anybody's use despite its obvious predictability because the container is registered for Nestlé’s specific proportions. Competitors are free to use cylindrical tubes with other proportions. The Nestlé container may thus have acquired distinctiveness through use. As a result, the supposedly established category of most plain three-dimensional marks that cannot acquire distinctiveness through use has been questioned. Whether conditions to acquire distinctiveness through use were fulfilled in the present case remains to be determined by the lower court to which the case has been remanded.

Contributor: Philipp Känzig, Staiger, Schwald & Partner, Zurich, Switzerland; Verifier: Lorenz Ehrler, Bugnion, Wagner-Mesciaca & Partners, Geneva, Switzerland
PORTUGAL

Budweiser Budvar, NP vs. Anheuser-Busch, Inc.

Following several court appeals filed by the Czech company Budweiser Budvar, NP, the Portuguese Supreme Court of Justice recently denied the American company Anheuser-Busch, Inc. any ongoing protection under Portuguese trademark registration nº 211.728 “BUDWEISER” (word mark), for beers, in class 32.

The Portuguese Supreme Court of Justice considered that the indication of origin BUDWEISER BUDVAR is protected in Portugal, for beers, due to the Bilateral Treaty for the Protection of Indications of Origin, Appellations of Origin and other Geographical Denominations made between Portugal and the Socialist Republic of Czechoslovakia, on January 10th 1986.

After this decision, Anheuser-Busch, Inc. filed a complaint against the Portuguese State at the European Court of Human Rights alleging that the trademark BUDWEISER is a protected private property right.

Anheuser-Busch argued that the European Convention for the Protection of Human Rights and Fundamental Freedoms had been violated because the decision of the Supreme Court of Justice, which cancelled their trademark BUDWEISER, constituted an illegal expropriation or confiscation of its private property.

On January 11, 2005, a hearing took place before the European Court of Human Rights. A final decision is pending.

Contributor: Paulo Monteverde, Raul César Ferreira (Herd.), Lda., Lisbon, Portugal; Verifier: João Paulo Mioludo, Raul César Ferreira (Herd.), Lda., Lisbon, Portugal

UKRAINE

New Official Intellectual Property Fees

In December 2004, the Ukrainian Government adopted a decree that introduced new official fees in the field of intellectual property. The decree came into force on February 5, 2005.

New fees have been established for recordal of changes against pending applications, as well as for the publication of grant for trademarks, patents, industrial designs and utility models.

Regarding trademark matters, the amendments include an additional fee for applications in color. The basic filing and renewal fees will cover only one class of goods/services. Therefore, an extra fee is foreseen for each additional class in excess of one.

For substantive examination of patents, a lower discount is foreseen if a search report is available (30% instead of 50%).

Regarding annuities, the 1st and 2nd ones shall not be covered by the filing fee for patents and industrial designs.

Official fees for foreign applicants have been fixed in Euros.

Contributor: Ignacio Lázaro, SD Petosevic, b.v.b.a, Brussels, Belgium; Verifier: Vadim Mikhailyuk, Mikhail’yu, Sorokolat & Partners, Kharkov, Ukraine

MALAYSIA

Establishing Goodwill in a Passing Off Case

In the Malaysian decision, U-Re Auto Sdn Bhd v. York Pacific Holdings Ltd, U-Re Auto Sdn Bhd (“U-Re”) appealed the decision of the High Court which granted a permanent injunction against the company in an action for passing off.

The plaintiff, York Pacific Holdings Ltd. (“York”), a Singapore company, was the successor in title of the absolute rights to the trademark YORK BIG D in relation to couplers used in prime movers. The goodwill of the business had been validly assigned to the company from York Trailer Group of the United Kingdom by a deed of assignment. U-Re, at the material time, had also introduced into the market another type of coupler similar to that sold by York and which was sourced from the same manufacturer in China. However, the coupler units imported by U-Re were not of the same quality standards as that sold by York.

The appellant’s main ground of appeal was whether York established that it had sufficient goodwill to maintain an action based on passing off. The Court of Appeal confirmed the trial judge’s findings that: (i) the element of goodwill was established by York as all the goodwill in the business and the trademark YORK BIG D was validly transferred by assignment to York who continues to trade under the same trademark; (ii) there was no evidence of a break in the transfer of goodwill; and (iii) there was no abandonment of the goodwill after the transfer of ownership. After commencement of the action in the High Court, York changed its name and that name did not include the word “York.” U-Re argued that York had abandoned the trademark YORK. In response, the Court of Appeal held that this was an action for passing off of goods and not passing off of York’s trade name. Therefore, the change of trading name of York would not have been relevant to establish the passing off of the goods.

The court held that, in a passing off action, it is not essential for York (which was a company incorporated in Singapore and conducting business from there) to be either physically present in Malaysia or present through an agent. Evidence of custom was sufficient. This was clearly established in the trial during which abundant and credible evidence was submitted.

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PARAGUAY

Trademarks Subject To Cancellation for Nonuse

The Paraguayan Supreme Court of Justice recently clarified when a trademark becomes vulnerable to cancellation for nonuse.

Article 27 of the Paraguayan Trademark Law 1294/98 states that "the use of a trademark is mandatory, and the lack of use enables third parties to request the cancellation of a trademark registration that has not been used during a consecutive five-year term, counted from its registration."

The Decree No. 22365, which regulates Law No. 1294/98, states in its article No. 25 that “the five year term foreseen by Article 27 of Trademark Law 1294/98 for trademarks granted under the former law will be counted as of the date when the new law comes into force.”

This provision served as grounds for the action of Unconstitutionality filed by TABACALERA BOQUERON before the Supreme Court of Justice where it was argued that the interpretation of the law was not among the powers of the Executive Branch.

However, on December 22, 2004, the Court issued Decision No. 1830 where it established that the above provision does not prejudice the constitutional precept since the National Constitution not only grants the Executive Branch the power of “issuing decrees to regulate the law, but also to be part of their elaboration, promulgation and the publication as well, which does not imply the intervention of a particular government branch in the attributions conferred to another branch.”

This decision sets an important legal precedent, since it not only clearly determines that as of October 1, 2003, all trademarks granted under the former or new law are subject to cancellation for nonuse, but it also serves as an antecedent that could be used in following actions that could arise against the provision of the Regulatory Decree No. 22365/98.

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UNITED STATES

Willfulness Not a Prerequisite to Award of Profits

In Banjo Buddies, Inc. v. Renosky, the U.S. Court of Appeals for the Third Circuit found that, under the amended language of Section 35(a) of the Lanham Act, willfulness is an equitable factor to consider, but not a prerequisite to an award of profits for violation of Section 43(a) of the Lanham Act.

Renosky served on the Banjo Buddies, Inc. (BBI) board at a time when BBI’s best selling product was the “Banjo Minnow” fishing lure, which Renosky helped to develop. After BBI failed to market Renosky’s new lure, the “Bionic Minnow,” Renosky developed and began to market the Bionic Minnow through his own company. BBI brought suit against Renosky alleging, among other claims, a Section 43(a) violation that Renosky developed and marketed the Bionic Minnow in such a way that customers would believe the Bionic Minnow was a BBI product. The district court found Renosky liable under Section 43(a) and ordered, pursuant to Section 35(a) of the Lanham Act, that Renosky pay to BBI the net profits from the Bionic Minnow and produce appropriate financial records.

On appeal, Renosky argued that the district court erred in ordering an accounting of profits because he did not intentionally or willfully confuse or deceive customers. The court of appeals, however, affirmed the district court on the issue of profits, finding that amendments to Section 35(a) superceded the court’s earlier decision in SecuraComm Consulting, Inc. v. SecuraCom, Inc., which had created a “bright line” requirement of willfulness for recovery of an infringer’s profits. The 1999 amendments replaced the phrase, “a violation under Section 43(a),” with the following language: “a violation under Section 43(a), or a willful violation under Section 43(c).”

According to the court, the language of the amended statute clearly stated that willfulness is not a condition for a monetary award under Section 43(a). The court then adopted the six-factor test from Quick Technologies v. Sage, and found that a review of these factors supported the district court’s award of profits.

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**CANADA**

**New Practice for Composite Marks**

On February 16, 2005, the Canadian Intellectual Property Office published a new Practice Notice regarding composite marks that include both word and design features.

The change in Canadian practice arose from a decision of the Federal Court of Canada in *Best Canadian Motor Inns Ltd. v. Best Western International, Inc.*, in which the mark applied for was in design format with the words BEST CANADIAN MOTOR INNS, forming the dominant feature of the mark.

The words were considered to be clearly descriptive of the character or quality of the applicant’s services, and the mark, in its entirety when sounded, was found unregistrable pursuant to paragraph 12(1)(b) of the Canadian Trade-Marks Act, which prohibits the registration of clearly descriptive or deceptively misdescriptive marks.

Under Canadian law, “clearly descriptive” or “deceptively misdescriptive” marks may be in English or French and may relate to the character or quality of the wares or services, the conditions of the persons employed in their production or the place of origin of the wares or services.

In the past, composite marks comprising both design features and clearly descriptive or deceptively misdescriptive words were registrable with disclaimers of the descriptive or misdescriptive reading matter. However, in light of the decision of the Federal Court in *Best Canadian Motor Inns*, the Intellectual Property Office has indicated that its practice with respect to the examination of composite marks will change, effective immediately. The Intellectual Property Office will now refuse registration of a composite mark which, when sounded, comprises words that are clearly descriptive or deceptively misdescriptive and the words are also the dominant feature of the mark. Thus, the addition of design features will no longer necessarily be effective to render descriptive marks acceptable for registration.

The practice notice issued by the Intellectual Property Office includes a definition of the word “dominant” from the Canadian *Oxford Dictionary*, which includes the following meanings: dominating, prevailing, most influential, prominent or the most influential or conspicuous factor.

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