

Report on

International Trademark Association's 130th Annual Meeting

May 17-21, 2008
Berlin

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on the 130th Annual meeting of the International Trademark Association

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Event Dates: May 17-21, 2008

Venue: *International Center of Commerce*, Berlin, Germany

Day 1, Saturday, May 17

- *Registration & Lunch*

Day 2, Sunday, May 18

- *New Member and First-Time Attendee Orientation and Cocktail Reception*
- *Welcome Reception - "Historical Berlin"*

Day 3, Monday, May 19

- ***Effective Global Branding: Crossing Cultural and Economic Borders:***

Speakers: *Sven Klos, Klos Morel Vos & Schaap*

Paul Rawlinson, Head of IP, Baker & McKenzie LLP

Ana Cashman, Playboy Enterprises

Jennifer Powers, Red Bull Inc.

Attendees at Monday's session on effective global branding were urged to derive inspiration from the city of Berlin by implementing brand management strategies capable of breaking down barriers. The session was moderated by *Sven Klos* of *Klos Morel Vos & Schaap*, who noted the relevance of the topic at hand to the city of Berlin's history, which is forever tied to the "archetypal border," the Berlin Wall. Panelists included in-house IP counsel *Anamaria Cashman* of *Playboy Enterprises* and *Jennifer Powers* of *Red Bull*, as well as *Paul Rawlinson*, head of IP at *Baker & McKenzie*.

Rawlinson kicked the session off by quoting *INTA* President *Rhonda Steele* addressing the importance of adapting to the demands of a global marketplace during Sunday's opening ceremony. *Rawlinson* pointed to marks like *MCDONALD'S*, *LIPTON* and *STARBUCKS* to illustrate brands that have been accepted into the fabric of society across many different cultures. But achieving such recognition requires anticipating all of the obstacles, said *Rawlinson*.

One major obstacle to building a global brand involves navigating the various complexities linked

to registering a mark in other languages. Rawlinson used the examples of Russia and China, which are especially problematic jurisdictions for Western trademark owners, since they use non-Roman alphabets and have distinct cultural approaches to IP protection. “Don’t assume that what works at home will work in these countries,” said Rawlinson.

Rawlinson provided examples of global branding pitfalls in these and other countries, including a Russian registration for OBSERIN, which translates to the name for an unpleasant bodily function. Rawlinson said: “The key thing to remember is that you’ll be better brand managers and lawyers if you have an awareness of the idiosyncratic nature of brands in other cultures. Don’t assume anything and you can maximize the potential for your brand.”

Ana Cashman of Playboy Enterprises, which today sells products in 130 countries, recounted the company’s struggle to obtain trademark rights in China, where the translation of PLAYBOY carries negative connotations of deception and dishonesty.

Although the mark was initially rejected by the trademark office on moral grounds, Playboy eventually obtained rights by educating government officials about their intentions and working actively with local counsel. Cashman said that “it’s absolutely critical to invest in skilled local partners” when registering or enforcing a brand in another country. “As trademark lawyers, it’s incumbent upon us to step outside our boundaries and provide effective advice to clients, so that when you obtain a trademark registration you’re actually able to enforce it,” said Cashman.

Jennifer Powers of Red Bull, which has a brand presence in 146 countries, added that tools such as keeping internal databases, identifying the core, important and peripheral countries in which you want to register the mark and conducting annual market surveys are all essential tools for maintaining a global brand.

Day 4, Tuesday, May 20

- *Law Students and Young Practitioners Cocktail Reception*
- ***Universal Efforts to Combat Counterfeiting:***
Speakers: Laszlo Kovacs, EU Taxations and Customs Commissioner
Kevin R. Brown, Nike Inc.

Customs seized 43,000 cases of counterfeit goods at the EU borders last year, according to statistics published by the European Commission. That represents an increase of 17% on 2006, when 37,000 seizures were made.

However, the number of counterfeit and pirated items seized fell from 128 million in 2006 to 79 million in 2007, reflecting fewer seizures of cigarettes and CDs/DVDs. In some other sectors, including cosmetics and personal care, the number of seizures increased dramatically.

EU Taxations and Customs Commissioner Laszlo Kovacs said in a statement that counterfeiting poses a danger to health, safety and the economy: “I welcome the close cooperation between industry and Customs to stop suspicious shipments of counterfeited goods at the border before they disappear in the internal market.”

Last year, more than 10,000 applications were filled in by industry requesting Customs actions in cases where there is a suspicion of counterfeiting. These applications led to 80% of the seizures in

2007. Kovacs said that input from industry is “vital” in helping Customs detect counterfeits. China is the source of 58% of counterfeit goods, with unknown origin (16%), Turkey (5%), India (3%) and Georgia (3%) the next biggest sources. Clothing and accessories account for 61% of the total number of cases seized, and 22% of the number of articles. Cigarettes account for only 1% of the number of cases, but 34% of the number of articles.

Kevin R. Brown of Nike urged in-house counsel to get behind the new Anti-Counterfeiting Trade Agreement that aims to “go beyond TRIPs” by helping different enforcement agencies communicate better, establish best practices and define legal terms such as what constitutes piracy on a commercial scale.

The US, EU, Canada, Japan, Norway, Korea, Mexico, New Zealand and Switzerland will start negotiating the treaty at the beginning of June and are aiming to complete work for the end of the year.

Day 5, Wednesday, May 21

➤ ***Trademarks and the Internet: A Presentation by ICANN:***

Speakers: Tim Cole, Chief Registrar, ICANN

Josh Bourne, FairWinds Partners

ICANN explained plans that will reshape the domain name system by allowing any business to register global top-level domains (gTLDs) and introduce new domains that contain only non-Roman characters. “We are trying to anticipate and avoid as many of the pitfalls as possible,” said *Tim Cole, chief registrar liaison* for ICANN—the non-profit body that regulates Internet domain names. ICANN is creating a dispute resolution process that will enable trademark owners to oppose applications for new gTLDs.

Tim Cole acknowledged the concerns of trademark holders, saying: “The IP community has insisted that we do a better job of compliance and we are doing so.” He pointed out that last week ICANN issued its first breach notice to a registrar (Red Registrar) for failing to implement a UDRP decision. Cole said that he hoped the new gTLD system will go live in February 2009.

As well as allowing new gTLDs, ICANN plans to introduce new internationalized top-level domains, which will make it easier for people whose languages use different alphabets to use the Internet. The new system will increase the number of characters available to form domain names from 37 to over 100,000.

Josh Bourne of FairWinds Partners explained that cybersquatters make money by maximizing clicks, as each click is worth around US\$1.46. He said domains that exploit well-known trademarks, such as *goole.com* and *mypsace.com*, can generate around 10,000 visits a month, which means “the profitability is pretty eye-popping.”

One gTLD already approved by ICANN is *.tel*. Representatives of *telnic*, which runs *.tel*, told that details of how the sunrise period will work as well as pricing will be announced at the ICANN meeting in Paris in June. The sunrise is slated to open in the fourth quarter of 2008. It will be on a firstcome, first-served basis with a validation process and dispute resolution procedure.

Dot-tel will provide a simple directory service, which comprises pure data rather than html code, making it easily accessible using mobile devices.

Philip Colebrook, senior vice president business development and policy for *telnic*, said this should reassure brand owners concerned about *cybersquatting*:

“We think there will be less exploitation by domainers because of the lack of scope for payper-click advertising.”

➤ ***Grand Finale – 'A Fun Fair at the Kulturbraurei'***