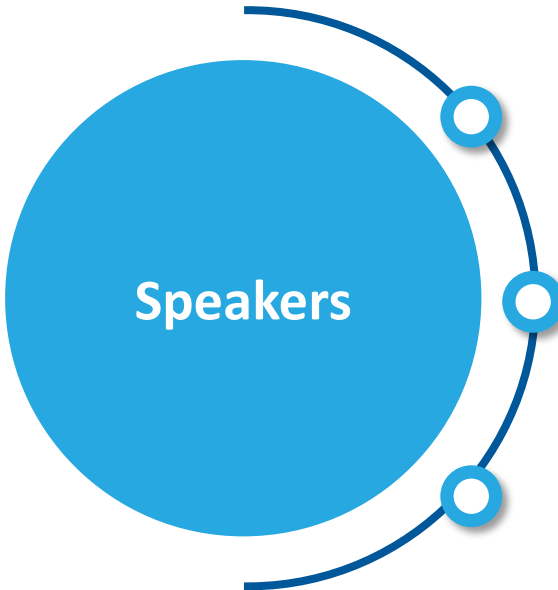


Trademarks in the Age of Covid

October 7, 2021



Speakers

Auma N. Reggy, McKesson Corporation

Janet Satterthwaite, Potomac Law Group

Julia Anne Matheson, Potomac Law Group

Trademarks in the Age of Covid



Discuss



Discuss key trends
in trademark
practice in the age
of stay-at-home
commerce

Offer



Offer insights on
issues that keep
in-house
trademark counsel
up at night

Highlight



Highlight basic
concepts and how
to issue spot

List



List practical
suggestions for
making the most
of limited
resources

Take



Take
questions

Trademarks – The Fundamentals

Proprietary commercial *symbol* used to communicate consistent information to a consumer about a product source and its attributes which can take many forms

Words == Pepsi,
Lexis, Starbucks

Numbers -- 737

Logo --



Packaging or
website
“look and feel”



Product
shape/configuration



Color (or color
combo)



Sound – NBC
chimes

And more

Trademarks: The Underlying Theory



**Protect and champion
FAIR competition
and protect
against/prevent
UNFAIR competition**



**Reward creativity and
avoid granting monopoly
that could impede fair
competition**



**But the Lanham Act is a
*consumer protection
statute* – is not just
about the protection of a
property right**

Trademarks: The Underlying Theory



The more unique and creative
the mark – the more
protectable it is

proprietary versus descriptive
versus generic

Example: “ginger ale” –
identifies the **THING** not the
brand (and thus not a
consistent flavor or taste –
can be quite varied) –
Schwepps, Canada Dry,
Seagrams, Fever Tree, White
Rock Example: Pepsi



Trademarks: More Theory

USE vs REGISTER

Terms of Art – Your
Coined term may not
be proprietary

Acronyms

Recognizing the
concept of
“descriptiveness”
more generally

More distinctive
requires more
education

The more the mark
describes product,
the less protectable
it is

Marketing wants
descriptive,
Legal wants
protectable

Increase in online/at-home commerce

01



Everything has moved online –

Food delivery and grocery shopping apps

Video content streaming

Attending meetings with video conference software

02



Not one size fits all

-- experience of ecommerce varies per company size and industry (boom or bust?)

03



How to manage in this new world?

Move Fast and Break Things



Marketing and Legal will always be at odds

- Descriptive versus protectable
 - Immediate messaging versus thoughtful vetted correspondence
 - Desire to move fluidly with social trends
 - Creativity versus consistency
-



Business advice, not just legal advice



Shifts in business priorities and timelines



New product launch expectations, constantly changing suppliers

Trademark Clearance – the new normal



- Special logo for apps
- Short-lived social media campaigns
- Product expansion into new categories
- New iterations of existing marks
- Social media handles



- Understanding availability for use versus registrability protectability/enforceability

Trademark Clearance – the new normal



What is actual
risk tolerance?



What is a realistic
timeline
for searching,
clearance, etc?

Understanding the costs of a failure to search



**Presumptive knowledge
rule for registrations**



**Bad motives/intent not a
requirement to
demonstrate infringement**

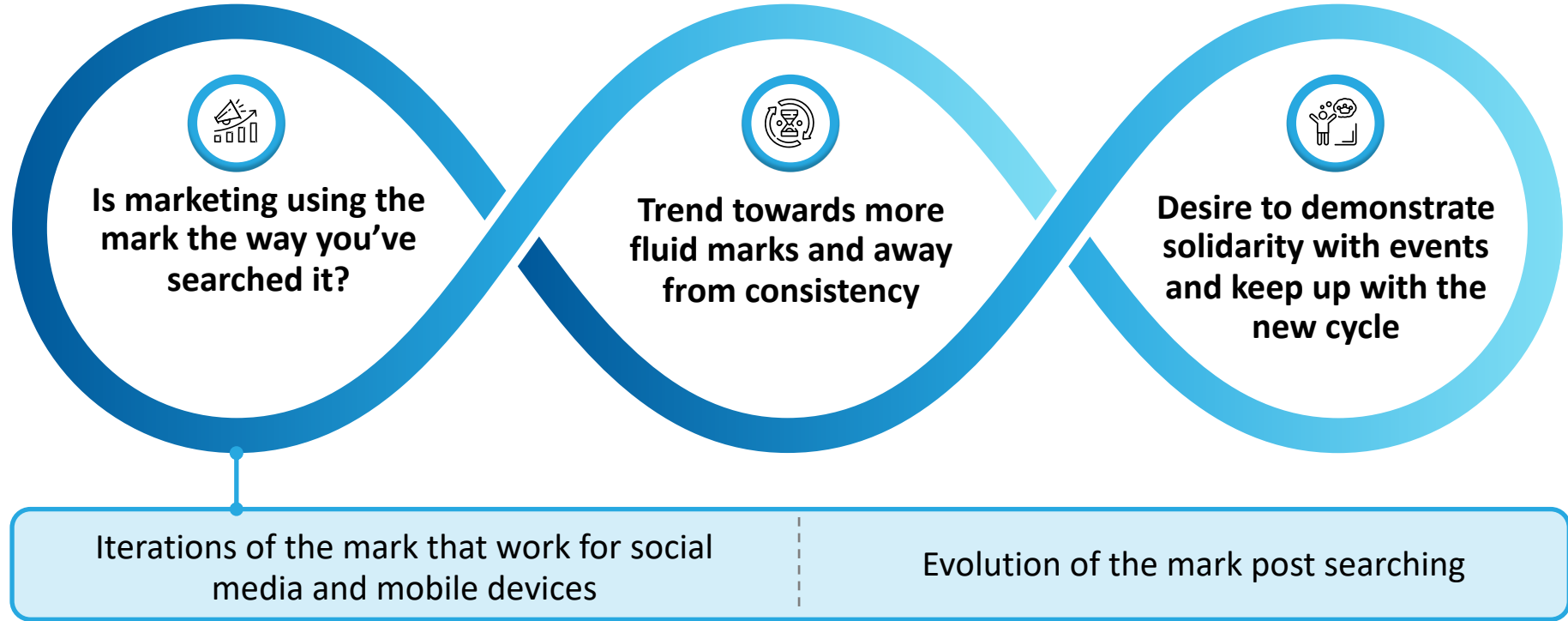
Understanding the costs of a failure to search



Costs

- To select new mark and implement rebrand
- To pull product off shelves
- Diverts business attention away from day-to-day operations (document review, factual investigation, depositions)
- Increases employee stress and resulting turn-over
- Negative PR implications

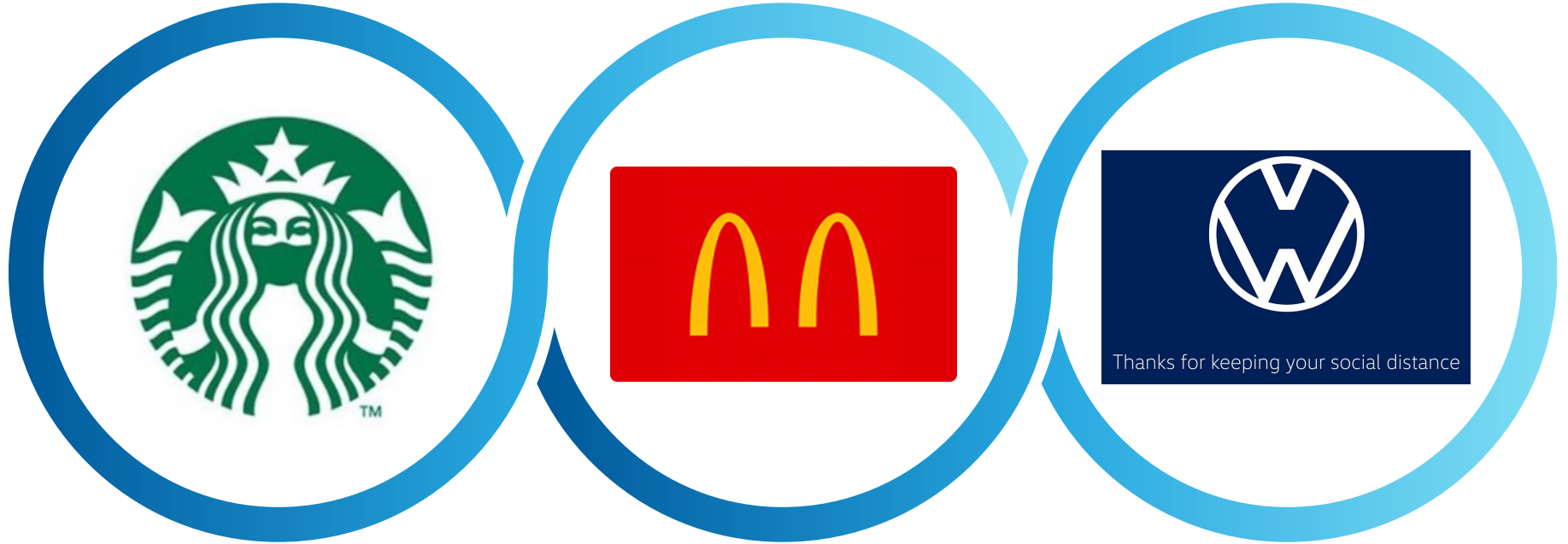
And always - additional searching considerations



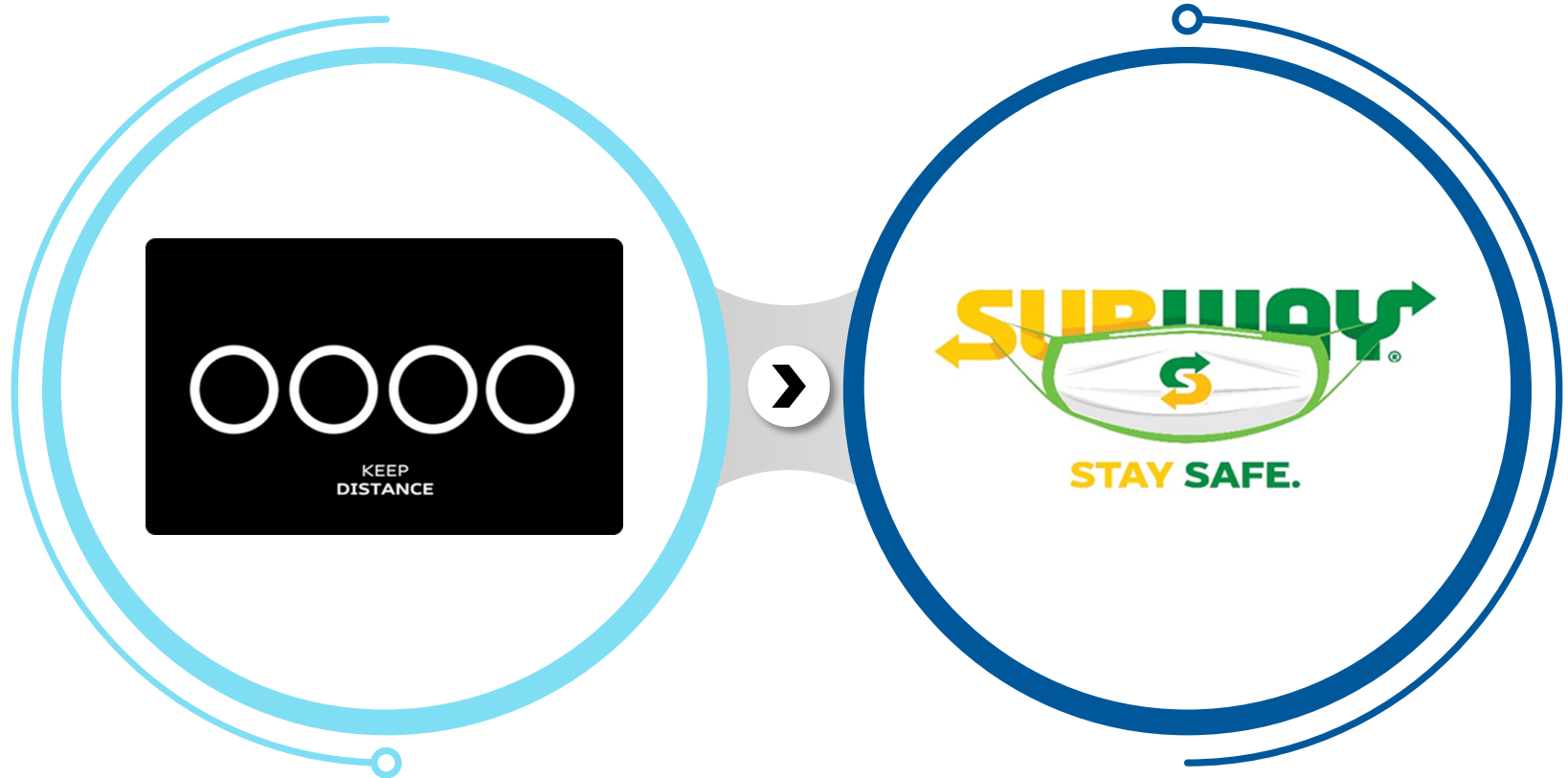
Traditional Fluid Marks



The New Fluid Marks and Campaigns – Social Distancing (1/2)



The New Fluid Marks and Campaigns – Social Distancing (2/2)



The Evolving Life of Trademark Notice



Use of TM or [®] in the first most prominent place that trademark appears in any medium – advertisement, web page, product label



But

- Instagram doesn't allow for trademark notice
- Logos on apps are so small any type of "notice" would not be visible
- "Notice" is perceived as "old fashioned" and interruptive

Registration is More Important than Ever in the Online World



The impact of ecommerce and online platforms on the U.S. trademark concept of “common law rights”

Registration is More Important than Ever (1/3)

Trademark owners are at the mercy of these electronic platforms to enforce their rights

- Different platforms with different policies
- Enforcement inconsistent
- Non-legal “experts” and difficult to reach a real person

Registration is More Important than Ever (2/3)

The Amazon Brand Registry explained What works

- Brand owners can lock down content on their product detail pages
- Report misuse of trademarks
- Enhanced brand content
- Bundle related products
- Influence search optimization (Sponsored Brands)
- Access better data analytics (Brand Dashboard)

Amazon Brand Registry Changes



November 2020 – Amazon eased requirements for getting on to brand registry



Previously required federal trademark registration – eased to require only federal trademark application

- RESULT: rush to the USPTO
 - Applications – foreign filings up 100%
 - Total active foreign registrations – 22,000 more than last year
-



2/3 of sales on Amazon done by third-party sellers -- all trying to capitalize on surge in online buying

Registration is More Important than Ever (3/3)

eBay's VERO



Walmart 

Walmart's
Brand Portal



PTO Director's Blog

“

Thousands of foreign manufacturers that want to sell directly to U.S. consumers have been told that they need a U.S.-registered trademark for their products to receive priority position on e-commerce sales platforms. Even though this is not necessarily true, the phenomenon has spawned *new low-cost filing mills, multi-national scams*, and even created a *secondary market for buying and selling U.S. trademark registrations*

”

The Explosion in Nonsense Word Marks

ERWUDELING

TEWPOY

RUGWET

JAWMEU

TAHPAC

GVUBE

TOCXOE

CIMVUDE

Increased Need For and Scope of Take-Downs

Takedown shortcuts



Social Media / Search Take Down Forms

1 Reporting Copyright infringement on Facebook
<https://www.facebook.com/help/contact/1758255661104383>

2 Reporting TM infringement on Facebook
<https://www.facebook.com/help/contact/1057530390957243>

3 Facebook Rights Manager (Copyright)
<https://rightsmanager.fb.com/>

Takedown shortcuts

4

Reporting TM infringement on Instagram

<https://help.instagram.com/contact/552695131608132>

5

Reporting TM infringement on LinkedIn

<https://www.linkedin.com/help/linkedin/ask/TS-NTMI>

6

Reporting TM infringement on Google

https://support.google.com/legal/contact/lr_trademark?product=googleplay&uraw=

7

Reporting a Fraudulent or Infringing IP Address [AbuseIPDB]

<https://www.abuseipdb.com/login>

More Trends Impacting Registration

PTO slowdown due to Chinese “denial of service attacks” and Chinese government subsidies

- Fake marks
- Fake specimens
- Increased need to watch PTO records
- Increase costs to legitimate trademark owners

Understanding what is going on at the PTO from a registration timeline

- Increase in applications for ecommerce industries
- Increase in Covid-19 related applications
- Long timeline from filing to get to an EA – 6 mos
- Longer timeline to get to registration even for use applications

Impact of all these Chinese applications on finding an available brand

- Is anything left??

Trends Impacting Registration

SCAMS are everywhere! And they are watching the PTO



When you file your application

- Chinese domain name registration “notices”
- Chinese application “notices”



When your mark is published

- Official looking fake notices & invoices



When your mark registers

- US, EU, China, and MORE



Employment scams



Email, phone, website hacking



Everything else

Fraudulent Solicitations

UNITED STATES PATENT AND TRADEMARK OFFICE
4th Floor East
Washington, DC 20037
United States of America

Correspondence address:
[Redacted]

Pending Trademark Cancellation by USPTO

Trademark name: [Redacted]
Registration Number: [Redacted] Number of classes: 1

Your trademark is about to expire. Renewal date: May 31, 2019.
Sign and return this document in order to renew your trademark.
Receive an invoice and after payment the trademark maintenance process will be started.
Electronic filing copy and Acceptance Notice from United States Patent and Trademark Office will be sent to your e-mail.

TRADEMARK	GRAPHIC REPRESENTATION
Type of mark: Register: Renewal date: Filing date: Date in location: Registration date: Classes: Serial number:	[Redacted]

IMPORTANT INFORMATION

Date: ____/____/____
Name, Last name: _____
E-mail: _____
Phone: _____
Position: _____
Signature: _____

1700 x 2200

Please return this document with your signature and/or company stamp in the appropriate space. If you would like to renew your trademark, your trademark will be renewed for the period of another ten (10) years. The renewal fee is \$400 for one class and \$200 for every additional class for the whole period of ten (10) years. We will mail an invoice from us after we have received this signed document from you. By signing this document you place an order for filing and automatically empower Patent & Trademark Office to renew the trademark stated above on your behalf. This order is optional and only acts as a reminder. Patent and Trademark Office is a private service company within the intellectual property area that reminds companies when their trademarks are due for the renewal. Patent and Trademark Office is a non-governmental company and is not connected to any of the governmental organizations. You may also contact your legal representative to perform the renewal for you. If you have any questions regarding your trademark registration process, please contact us via e-mail: info@patentandtrademarkoffice.us or telephone 202 200 3225, www.patentandtrademarkoffice.us

UNITED STATES PATENT AND TRADEMARK OFFICE
1425 K STREET NW SUITE 350 WASHINGTON, DC 20005
REGARDING: **TRADEMARK MONITORING AND NOTIFICATION SERVICE**

Serial Number: [Redacted]
Filing Date: [Redacted]
USPTC Number: 1133474

UNITED STATES CODE, 35 USC, 1063
STATES THAT UNLESS REGISTRATION IS SUCCESSFULLY OPPOSED, A MARK ENTITLED TO REGISTRATION ON THE PRINCIPAL REGISTER BASED ON AN APPLICATION UNDER SECTION 1051 OF THIS TITLE SHALL TYPICALLY BE REGISTERED IN THE PATENT AND TRADEMARK OFFICE, A CERTIFICATE OF REGISTRATION SHALL BE ISSUED, AND NOTICE OF THE REGISTRATION SHALL BE PUBLISHED IN THE OFFICIAL GAZETTE OF THE PATENT AND TRADEMARK OFFICE.

RESPONSIBILITIES OF THE TRADEMARK OWNER
ANY PERSONS WHO MAY BE DAMAGED BY THE REGISTRATION OF A MARK MAY FILE AN OPPOSITION IN THE PATENT AND TRADEMARK OFFICE WITHIN THIRTY DAYS AFTER THE PUBLICATION OF THE MARK. AS A TRADEMARK OWNER, IT IS YOUR RESPONSIBILITY TO ACTIVELY PROTECT YOUR MARK.

TRADEMARK MONITORING
Once a mark is published in the Official Gazette, trademark owners who may consider certain proposed marks confusing or infringing with their own have thirty days to notify the USPTO of their objections to registration of the mark. If there is no objection to the proposed mark within thirty days, the mark typically becomes registered in the USPTO. The United States Trademark Center, with its proprietary software and customized process for reviewing published word marks, can assist trademark owners by monitoring word marks published in the Official Gazette. The United States Trademark Center provides a trademark owner with information that may be important to maintain its own trademark rights and can allow a trademark owner the ability to oppose marks before these marks become registered. Trademark monitoring is an annual subscription and commences upon receipt of the form below with due payment. Include check or money order for \$385.00 US PER TRADEMARK, with form and enclose using the provided envelope.

RETURN THE COMPLETED FORM AND DETACH HERE

SECTION A - TRADEMARK OWNER
ADDRESS CODE & STREET ADDRESS CITY STATE ZIP+4 COUNTRY
CONTACT REGION (Required) TITLE EMAIL ADDRESS (Required)
TELEPHONE NUMBER (Include Area/Country Code) FAX NUMBER (Include Area/Country Code)
SECTION B - TRADEMARK INFORMATION
CLASSIFICATION SERIAL NUMBER
FILING DATE
ENCLOSE \$385.00 US PER TRADEMARK

DO YOU REMEMBER TO...
Make modifications to an incorrect information. Include the appropriate Contact Person's Full Name and Email Address.
Check the form and mail it in the return envelope. Include the appropriate Contact Person's Full Name and Email Address.

TRADEMARK MONITORING PROVIDED BY THE UNITED STATES TRADEMARK CENTER IS AN ELECTIVE SERVICE AND IS NOT A LEGAL REQUIREMENT ON A MANDATORY REGISTRATION. THE UNITED STATES TRADEMARK CENTER IS A PRIVATE CORPORATION PROVIDING MONITORING SERVICES ON BEHALF OF TRADEMARK OWNERS. THIS IS A SOLICITATION FOR THE ORDER OF SERVICES AND IS NOT A BILL, INVOICE OR STATEMENT OF ACCOUNT DUE.

1425 K STREET NW SUITE 350 WASHINGTON, DC 20005 (202) 637-4045 INCLUDE PAYMENT WITH FORM
Serial No. [Redacted] Filing Date [Redacted] © 2008 United States Trademark Center. THIS IS NOT AN INVOICE.
USPTC: 1133474 US, 88, 20007, USPTC, 88

400 x 524

Developments on Fraudulent Solicitations



Justice Dept on 9/15/2021 announced that Latvian citizen was sentenced to 4 yrs in federal prison and ordered to pay \$4.5 million in restitution after pleading guilty to mail fraud in multi-million dollar scheme to defraud owners of US trademark registrations (see: <https://www.reuters.com/legal/government/latvian-national-faces-45-million-fine-prison-time-trademark-letter-scheme-2021-09-16/>)



Collective effort of USPTO, Homeland Security, US Postal Inspector Service, US Attorney's office in South Carolina

Developments on Fraudulent Solicitations



Operated under names:

- Patent and Trademark Office, LLC—
registered in DC
- Patent and Trademark Bureau, LLC —
registered in NY



**Sent fraudulent notices misrepresenting
trademark renewal data, inflated prices for
renewal, QR Code linked to USPTO, over
2900 victims identified**

The Coming Storm of Ex Parte Cancellations

New ex parte cancellation mechanism at the PTO – Trademark Modernization Act 2020

- Enacted December 27, 2020
- Anticipating wave of new proceedings through December 2023
- Designed to attack overbroad registrations and create economical means to challenge

- Petition initiated proceedings similar to structure of letter of protest
- Reasonable investigation required
- USPTO can also initiate on its own initiative

The Coming Storm of Ex Parte Cancellations

New ex parte cancellation mechanism at the PTO – Trademark Modernization Act 2020



Enacted
December
27, 2020



Anticipating
wave of new
proceedings
through
December
2023



Designed to
attack
overbroad
registrations
and create
economical
means to
challenge



Petition
initiated
proceedings
similar to
structure of
letter of
protest

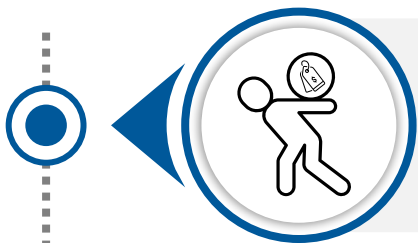


Reasonable
investigation
required

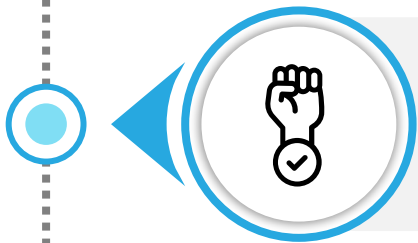


USPTO can also
initiate on its
own initiative

Post Registration More Important than Ever



Trademark owners bear the burden



Must enforce your rights to maintain your rights



PTO cannot be relied upon
to cite your mark as a bar
to third party registration

Less
consistency in
examination

Less quality in
examination

More
adversarial
approach

Post Registration – What to know



Use Trademark and Domain Name Watch Services

- AI means watch services have improved and offer good value for money
- New filing alerts
- Publication alerts



Enlist your customer base and employees to be your brand eyes and ears – and use your website for reporting



Google Alerts



Flip side – enforcement strategies may need to evolve

- CPB recordation when your suppliers are constantly changing
- Use of AI on the internet by trademark/copyright trolls—you are more vulnerable generally

Keeping up with Enforcement Trends



Increased informality (no one is in the office to get those formal demand letters and everything goes up on the web)



Registration necessary for enforcement on multiple platforms – common law rights are no longer an option in many cases



Approaches that used to work – may no longer work (think CBP trade violations reporting – see <https://eallegations.cbp.gov/s/>)



Need to understanding the impact of territoriality – on registration and enforcement

Territoriality



Legal construct of territoriality has not kept up with the reality of technology and online commerce



What does territoriality mean in the age of the internet?



How broad do you go for clearance? For registration? For enforcement?

Territoriality

Need to rethink trademark protection strategy – given geographic reach of sourcing, manufacturing, offshore activities, and known hotspots for infringers, squatters, and counterfeiters



Where are products manufactured? Sourced? Where are software activities happening?



How to do this when resources are already thin?

Territoriality



Understanding what qualifies as “use” for territorial liability

- Can people access your website?
 - Buy your product?
 - GDPR trend – who is behind a website?
 - CCPAx2 – how much do you know so you can advise your client
-

Amazon Brand Registry – and the First Sale conundrum

Changes in Trademark Law due to Covid



PTO special rules
around COVID-related
marks



Use of preset IDs,
requests for expedited
examination, making
full use of Letters of
Protest and more




Using real-time
communication
technology to satisfy
physical presence
requirement for
attestation for certain
documents



Understanding rule
changes for foreign
filings

- But legalization



More scams and scammers – and the interplay with trademarks

- **Privacy – GDPR, CCPA**

- **Employment/HR**

- **Information security**

- **Risk management**



Take Aways

- Different calculations on speed, risk, budget – need a holistic approach
- Need to be up to date on case law AND ecommerce sites
- Prepared for continued evolution of relationship with marketing
- Scalable plan – time and resources



Questions

Appendix – Legal Resources

- **USPTO 2019 Examination Guide** – how to spot fake specimens of use
- **Article on China subsidy programs and impact on USPTO:** [see
https://www.ipwatchdog.com/2021/08/16/trademark-crush-perfect-storm-threatening-us-trademark-applicants/id=136717/?es_id=ad8c84b71a](https://www.ipwatchdog.com/2021/08/16/trademark-crush-perfect-storm-threatening-us-trademark-applicants/id=136717/?es_id=ad8c84b71a)
- **Get to know the Trademark Modernization Act of 2020** – provides for *ex parte* expungement or re-examination of registrations where no use in commerce – see <https://www.govinfo.gov/link/plaw/116/public/260?link-type=html>
- **Follow USPTO rulemaking process --** <https://www.uspto.gov/trademarks/laws/2020-modernization-act> (watch this space!)

Appendix – Legal Resources

- **Educate yourself around CPB** -- <https://www.cbp.gov/trade/priority-issues/ipr/protection> (Product ID guides, training at ports of entry, webinars for CPB personnel, partner with CPB's Center of Excellence)
 - How to report problems to CBP -- <https://eallegations.cbp.gov/s/>
- **Resources on Territoriality** -- see <https://www.uspto.gov/ip-policy/ipr-toolkits>
- **How to tightly coordinate trademark and domain name activities**
 - see <https://www.worldtrademarkreview.com/recent-udrp-cases-reveal-trademark-applications-are-being-targeted-cybersquatters?>