



Online International Trademark Issues: Some Practical Considerations

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Practically speaking, the Internet has no boundaries. With few exceptions, content originating from one country can be accessed in many other countries. For the most part, this is a good thing for businesses.

However, what happens when a U.S. company's trademark is misused on the Internet outside of the United States? Short of litigating in that country, is all hope lost in addressing the problem? Prior to the Internet, a minor infringement of U.S. trademark may not have even shown up on a company's radar. But with the Internet and its global reach, even minor abuses are easily found and can cause real problems for a brand owner. Given the obvious jurisdictional roadblocks that exist in litigating in the U.S. against a foreign person or entity, there are some practical tactics that could prove useful in addressing and preventing this type of problematic behavior.

Review Domain Name Dispute Resolution Procedures

If the problematic behavior involves misuse of a mark in a generic top-level domain name (gTLD) such as .com or .net, the Uniform Domain Name Dispute Resolution Policy (UDRP) is a very useful tool to consider. For the most part, the UDRP has no jurisdictional restrictions. Domain name registrants, regardless of their physical location, must agree to be bound by the UDRP. This "consent" is usually located in the registrar's domain name registration agreement each registrant must agree to before a domain name is registered. Therefore, a registrant cannot object to a UDRP proceeding brought against it on jurisdictional grounds. See, www.icann.org/en/udrp/ and <http://wipo.int/amc/en/domains>.

If the issue involves a country code top-level domain name (ccTLD) such as .ca (Canada), the registry operating the ccTLD may also have an alternate dispute resolution procedure to review and use. (Information on Canada's procedure can found at www.cira.ca/legal/cdrp/.)

Institute a Domain Name Registration Strategy

There is no doubt that most companies incorporate the Internet into any new brand strategy. Selection of a new mark almost always raises the question of whether the corresponding .com domain name is available. However, a more expansive domain name strategy may help prevent online abuses by foreign entities. Whether it be registering a brand in numerous domain name endings, or registering variations of a brand in just a few domain name endings, such proactive measures can take out of circulation valuable pieces of online real estate commonly targeted by online abusers.

Further, a robust domain name strategy must also include the monitoring of new domain name endings, and how any expansion of online real estate can create new issues for a brand owner. Consider two recent developments in the domain name registration universe.

Just recently, the .xxx domain name ending was launched. As part of the roll out, the registry instituted a "Sunrise" period where brand owners who own a trademark registration were able to submit requests to have the brand preemptively blocked from future registrations. If a brand owner did not block its marks, it is possible that a third party (foreign or domestic) could attempt to register the brand as part of a .xxx domain name. Given the designed use for the .xxx ending, it is likely not something most brand owners want associated with their marks in any

manner.

The second development is the upcoming application period for the new gTLD program. While the chances of a cybersquatter paying a \$185,000 application fee (plus additional consultation, legal and technical costs) in order to create an ending that blatantly infringes on a brand owner's mark is remote, there is still the issue of available domain names for each new ending. Any brand owner serious about protecting its rights online must become familiar with the brand protection mechanisms associated with this roll out. See, <http://newgtlds.icann.org>.

Review Marketplace Site Policies

If an online trademark issue involves third-party Web content on a foreign site, a review of any internal mechanisms for intellectual property complaints should be conducted. For example, if the site at issue is a marketplace site that allows third parties to sell goods, and one of these third parties is committing the infringing behavior, does the marketplace have an online form or complaint procedure where reports of third-party infringement or counterfeiting can be reported? These can be a very useful and efficient way to get problematic content removed. However, the legal basis for the "complaint" may need to be based on foreign law, so consultation with local counsel is recommended.

Investigate the Site-Hosting Provider

If a foreign site is hosted by a U.S. hosting company, sending a notice to the hosting company requesting that it disable the problematic content is another approach worthy of consideration. First, it is not uncommon for hosting companies to have rules related to the type of content allowed. Second, a U.S. hosting company that has been put on notice that it is hosting infringing content may be motivated to disable links to the content in order to avoid any perception that it is contributing to the infringing content.

Evaluate Foreign Trademark Registrations

In many countries, trademark rights are based on the first to file as opposed to the first to use a mark. Not only will a registered mark likely provide an advantage if a party needs to litigate in a local court, but the registration may be needed to utilize a foreign site's internal trademark complaint procedure. Yet, a brand owner should be mindful of the costs associated with registering in foreign countries along with the possibility of having the registrations cancelled based on abandonment if the marks are not used locally.

Investigate Flow of Goods

If the issue involves the unauthorized sale of brand goods on a foreign site, a brand owner should investigate how the goods might have slipped through the authorized channels. For example, could one of the manufacturers be selling leftover goods to third parties in violation of a manufacturing contract? If goods only flow from a few facilities, catching this problem at the source can choke off the online issues that may follow.

Review Social Media Policies

If the trademark issue involves foreign content or username squatting on a social media site such as Facebook or Twitter, many of these sites have internal complaint procedures for trademark and other intellectual property violations. For example, see, www.facebook.com/help/intellectual_property, and <http://support.twitter.com/groups/33-report-a-violation> for additional information.

Consult with Foreign Counsel

Regardless of what actions are taken, it is always best to consult with local counsel in the foreign jurisdiction. There might be unique options available specific to that jurisdiction. Foreign counsel can provide insight on issues ranging from requirements for local trademark protection and registration, to the legal standard and required evidence for filing a ccTLD dispute complaint. Local counsel can also provide valuable feedback on a cease-and-desist letter that a party wishes to send into a foreign jurisdiction so that the party does not expose itself to any unnecessary liability.

Conclusion

There is no doubt that at times, a party may need to litigate in a foreign country in order to stop an egregious case of trademark infringement. However, keeping some of the above tactics in mind could prove to be useful in solving smaller issues in a fast and cost effective manner.

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