

Challenges and Issues Affecting the Use and Protection of Trademarks by SMEs



Giulio C. Zanetti

Adjunct Professor Loyola University Chicago

International Consultant

gzanetti21@gmail.com

Bangkok, Thailand

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Agenda

Turning challenges into opportunities

1. Creation
2. Protection
3. Using / TM management
4. Creating a brand
5. Commercialize
6. Enforcing



Question

Why a cotton shirt can be bought for €10 in a market and for €100 in a boutique? Both are produced by same manufacturer in Cambodia ...

Answer:

BRANDING

First challenge/opportunity: CREATION

Compliance with:

- **Legal requirements**
- **Marketing considerations**



Marketing Considerations

- a) The big «easy» to read, write, spell, pronounce ... remember
- b) The big idea (why are you different / better?)
- c) Colour/s
- d) Font
- e) Language (must match the prod., the customers, your brand)
- f) Interesting forms
- g) Suitable for all types of media
- h) No undesired connotations in any relevant country
- i) Personality



Legal Requirements



+ Distinctiveness

- NOT conflict with prior signs / «Novelty»
- NOT Misleading, Descriptive, Generic Contrary to public order/morality ...

Second challenge / opportunity: ACQUIRE PROTECTION

Registration:

- @ Home
- In other countries

PRINCIPLE OF TERRITORIALITY



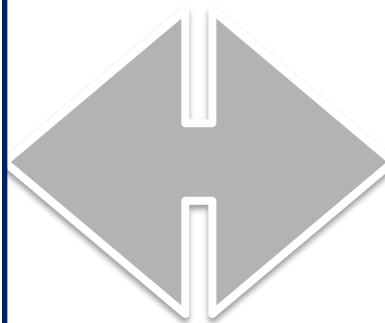
WIPO Madrid system

- A centralized filing mechanism
- A one-stop shop for trademark holders to obtain and maintain trademark protection in export markets
- An option to the national route
- A purely PROCEDURAL treaty
- The domestic legislation of the designated Contracting Parties set the SUBSTANTIVE conditions for protecting a trademark and determine the rights which result from protection

Madrid v. National systems

National Route

- ❖ Many Offices for filing
- ❖ Many application forms
- ❖ Many languages
- ❖ Many currencies
- ❖ Many registrations
- ❖ Many renewals
- ❖ Many individual modifications
- ❖ Foreign attorney needed from beginning in ALL countries



Madrid Route

- One Office for filing
- One single application form
- One language (E/F/S)
- One currency (Swiss francs)
- One international registration
- One renewal
- One modification
- Foreign attorney needed only in case of refusal

Third challenge/opportunity: USE OF THE MARK

- **If not used: waste of opportunities**
- **Avoid forfeiture for lack of use (use it or lose it)**
- **Avoid vulgarization:**
 - Never as a verb / noun
 - Use with generic term
- **Enhance Secondary meaning**
- **Use it in a consistent manner (= as registered)**
- **Use «TM» or ®**



Use of Mark (cont) / TM management

- **Carry out periodical TM AUDIT**
- **TM valuation**
- **Securing capitals**



Fourth challenge/opportunity : TRANSFORM IN BRAND

What is BRANDING?

Strategy to promote your strengths

The essence of your business: its personality

Highlighting what makes your prod/serv different

Strategy to generate a set of associations in people's mind

BRANDING: Why?

(ADVANTAGES)

Can make your business stand out

Loyalty, credibility and trust by customers

Better income / increased sales

People expect to pay more for branded products

Increased public recognition

Make sales less sensitive to price increase

Less sensitive to new competitors / Creates habit

Trademarks (+ logo)

GIs

Industrial Designs

Domain names

Marketing / Advertising

Packaging

Most Valuable TMs in 2018

1. Amazon 145 Bl €

2. Apple 140 Bl €

3. Google 115 Bl €

4. Samsung 85 Bl €

5. Facebook 80 Bl €



Fifth challenge/opportunity : COMMERCIALIZATION

Licenses

Franchising

JVs

Merchandising

**... endless times and all at
the same time!!**



Sixth challenge: INFRINGEMENT

Avoid Litigation!!!

- “Create around” or License
- Be your own policeman!
- Other “friendly” agreements
- Cease and Desist letter
- Negotiate an out-of-court attempt
- ... money from damages/compensation ...



ACTIONS BEFORE COURT

CIVIL MEASURES

ADMINISTRATIVE MEASURES

CRIMINAL MEASURES

BORDER MEASURES

EX PARTE MEASURES

KEY MESSAGE

**LET'S TURN CHALLENGES
INTO OPOPRTUNITIES !!!**



Thank you



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