

Creating a global approach

Practitioners from the United States, Europe and Africa discuss strategies for successful global litigation

While litigation is usually regarded as a last resort in the event of infringement, sometimes it is difficult to avoid. In such cases it is important to ensure that you have the right strategy in place – particularly when the infringement has a cross-border dimension. Nowadays, when problems can arise in many corners of the world, the need to think ahead and understand how systems work in different countries is greater than ever.

In this exclusive roundtable discussion, experts from four jurisdictions – Mack Webner and Leigh Ann Lindquist from Sughrue Mion PLLC's Washington DC office; Rolando Ochoa Hernandez of Mexico's Uhthoff, Gomez Vega & Uhthoff SC; Christian Thomas of Kuhnen & Wacker in Germany; and Darren Olivier of Bowman Gilfillan in South Africa – discuss how brand owners can identify the litigation strategies that best meet their needs and present tips for successful actions.

Before discussing global litigation strategies, it makes sense to ask: at what stage should court action become the preferred option?

Rolando Ochoa Hernandez: It absolutely depends on the particularities of the case – most specifically, on the relevant conduct. For instance, if an alleged original product is *ex officio* detained through a customs checkpoint or is seized during a raid conducted by the General Prosecutor's Office or any other branch of the police force, the natural way for the brand owner to react, under a zero-tolerance policy, is to move forward with the necessary steps to remove all illegal goods, which at some point will involve the courts.

When infringement actions must be motioned *ex parte* by brand owners, the logical moment to move forward with a contentious action is when a registrar deems that the right has evidently been violated and that a risk of consumer confusion exists.

Christian Thomas: In Europe, there are several possible scenarios in which court actions are necessary. In our experience, negotiations and mediation are very helpful in most cases and usually result in good, or at least acceptable, solutions for both parties. However, in the case of irreconcilable legal positions, court assistance is unavoidable.

In addition, it is often preferable to take action through the courts if the matter is urgent. In order to limit the potential damage to the client, it is often advisable to take court action immediately. In urgent cases a preliminary injunction is a good and effective tool to stop a competitor from infringing IP rights. Preliminary injunctions are usually granted within one or two days and – even if they are just a preliminary ruling – often effectively end the dispute.

Darren Olivier: In some cases court is the only option – for example, if urgent injunctive relief is required; but frequently there are other forums. For example, I often use trademark registry forums (for cancellations or oppositions) as cost-effective tribunals for dealing with the same issues that would arise in court. In some countries, such as South Africa, certain packaging disputes can be quickly adjudicated before the Advertising Standards Authority (ASA).

For company names, the national IP office offers a quick and relatively painless

dispute resolution procedure for company names of a certain age. Domain name dispute resolution forums are cost effective and appropriate for certain online disputes.

For other online disputes, the complaints procedures of Google, Facebook and eBay may well be more appropriate than court action. In some cases the parties agree between themselves to choose a decision maker and abide by his or her decision under their own rules. Finally, the World Intellectual Property Organization Arbitration and Mediation Centre has recently started to promote itself as a viable alternative – though I have not used it yet.

Mack Webner: Although some like to sue first and talk later, litigation is seldom the 'preferred option'. It is expensive and the outcome is never certain. That said, much depends on the harm that is caused by the infringement. If the harm is not immediate, litigation can be delayed until the effort to resolve the issue through negotiation has failed. Unfortunately, some infringers and pirates recognize the cost of litigation to both sides and use litigation filed against them as a bargaining tool to increase the amount of money they can extort from the legitimate owner.

In taking the litigation step, consideration must be given as to where and in how many jurisdictions there must be successful litigation to protect the client's market interests. One suit in the infringer's home jurisdiction may take care of the problem. However, if this not possible – for instance, because the infringer registered first – then selective suits can be filed in important markets with the goal of making the infringing activity as unprofitable as possible to the infringer or making the ownership of the pirated mark of diminished value so that reasonable settlement can be reached.

On the subject of jurisdictions, is it possible to forum shop in your respective markets?

Leigh Ann Lindquist: Forum shopping is possible in the United States. The Eastern District of Virginia (or the 'Rocket Docket') is

known for its speed and is a popular forum when the client needs a result quickly. If dragging out the litigation is a goal – perhaps because of co-pending litigation in other jurisdictions – the client might consider filing in a jurisdiction known for maintaining a slower pace. Depending on the nature of the infringement, California state statutes are useful to assert and the federal judges tend to have experience with trademark issues. This is also true of federal judges in the eastern and southern districts of New York.

Another consideration is, of course, home turf advantage. Suing an infringer in its own backyard may not be ideal. The infringer might provide jobs to people who could sit on the jury or could be involved in local philanthropic activities that a jury or judge knows about. However, when the infringement is blatant – for example, counterfeiting – home turf advantage considerations obviously do not apply.

DO: Apart from the different forums I mentioned previously – which, incidentally, are not exclusive (eg, one could instigate both registry and court actions to resolve a matter) – in South Africa, an attorney often has the choice of which high court to proceed in. This decision may be dependent on rules regarding jurisdiction, the length of the court roll (ie, speed of the decision), the likelihood of receiving an IP-proficient judge, the existence of local court decisions that may or may not favour the client, the location of the counsel (in South Africa, there is a split bar system), or any benefit to be derived from an inconvenient court for the other side.

Elsewhere in Africa, a recent decision of the Kenyan court in deciding that it did not have jurisdiction over a patent cancellation claim for an African Regional Intellectual Property Organization patent (which would need to be decided in Zimbabwe) percolates a number of forum-shopping considerations. The African Intellectual Property Organization trademark system, like the Community trademark system, also creates opportunities for forum shopping.

CT: Similarly, in Germany it is also generally possible to forum shop in IP related matters. IP experts are very well aware of the advantages and disadvantages of the different courts. There are courts which are well known for their tendency to give an advantage to the IP owner, in contrast to courts that are more restrained. When representing the plaintiff, we generally file our actions with IP owner-friendly courts.

However, sometimes we also choose the court by considering the IP experience of the other party and the likelihood of an appeal. Even if this is difficult to predict, we have found that IP-experienced opponents are more likely to accept a decision from a court which is not well known for favouring IP owners. In order to avoid lengthy and costly litigation, it is therefore sometimes recommended not to take the ‘easy’ path.

ROH: By contrast, in Mexico, forum shopping is not possible. The Mexican Trademark Office (MTO) has material jurisdiction concerning trademark infringement actions and MTO decisions can be appealed before a specialized Chamber of the Federal Court of Fiscal and Administrative Justice (FCFAJ). If the activity is of a criminal nature, the matter will usually be settled before the circuit court nearest to the location in which the illegal activity took place. Finally, if the activity involves claims of a civil nature, such as compensation for losses and damages, the matter will generally be settled before a civil judge near the defendant’s domicile.

In 2004 the Mexican Supreme Court determined that civil liability cases related to trademark infringement must be brought once the MTO’s decision becomes final and binding; in other words, losses and damages can usually be requested before the civil judge after the infringement procedure has progressed through all appeal stages. The MTO will rule on whether there is an administrative infringement; if it decides in the affirmative, then the civil judge will rule on the amount to be paid, derived from statutory damages/loss of profits caused by the infringement.

What, then, do you consider to be the major advantages in your jurisdiction?

ROH: The most important feature of the Mexican system is the capacity for product seizures, to the point that infringement actions are rarely recommended if this is not feasible. Another positive advantage is that appeals relating to infringement actions are reviewed by one particular specialized chamber of the FCFAJ.

Of course, it could also be argued that this is a disadvantage, as it is not healthy to assign all responsibility to one chamber and with it the power to establish determined trends. However, we favour the existence of such a specialized chamber, because previously, contradictory decisions were constantly issued.

MW: In the United States, the major advantages are the discovery procedures and the remedies provided by US laws. Unfortunately, the discovery process is also what causes litigation to be so expensive. Nonetheless, discovery in the United States provides a means for finding the extent of the infringing activity and may lead to the recovery of large damages sums and attorneys’ fees.

CT: One of the major advantages of litigating in Germany is speed. Compared with courts in many other jurisdictions, the German courts are rather quick in rendering their decisions as well as in setting up a date for oral hearings. Especially in urgent matters, German legislation affords several tools to obtain quick decisions (eg, preliminary injunctions). Another key advantage is the general rule that the losing party must bear the costs of the litigation – the losing party must compensate the attorneys’ and court fees of the winning party. Even the highly cost sensitive are therefore often prepared to file a lawsuit in case of obvious infringement. In addition, most courts in Germany have established specialized IP boards in order to achieve and guarantee a high legal standard.

DO: In litigation, one side’s advantage may be the other’s disadvantage, so while cost and similarity to European laws are often cited as major factors (while local courts are much less expensive than European equivalents, mainly due to a soft local currency, there is a well-versed IP community present in the jurisdiction), they may also be disadvantageous, depending on whose viewpoint one takes. South Africa has a very IP-friendly (perhaps overly IP-friendly) approach to litigation – there are no groundless threat provisions and seizures in counterfeit disputes are very easy to obtain.

On the other hand, 75% of first instance trademark decisions were overturned on appeal in 2009, suggesting that decision making at the lower levels in trademark matters is not what it should be.

When confronted with a potential cross-border/international dispute, what would you identify as the key issues to consider when devising a focused litigation strategy?

ROH: First, determine whether the brand owner has a recognized right in the country where the dispute will take place. For

instance, in Mexico, aside from trade dress issues, a trademark can be enforced only when registration has been granted by the Trademark Office. Second, it is important to determine the extent to which trademark institutions can be compatible with one another. A decision issued by one judge may be referred to in another jurisdiction or even executed in other countries.

LAL: Cost, of course, is the most important issue to consider in cross-border litigation. Is the client prepared to handle the expense, time and disruption that cross-border litigation causes? Does the infringer have the ability to mount a defence on multiple fronts? If the infringer has limited means for a defence, initiating litigation in the United States might be the best option. An infringer can be buried in discovery requests and depositions, and may be unable to stay in the litigation for the long haul. On the other hand, a well-funded infringer requires a different strategy.

Also, sue in a jurisdiction where the client's position is best. A favourable decision with an injunction and an award of damages affects the infringer's financial ability to move forward. An injunction issued in a jurisdiction with a big market for the product or service makes it more difficult for the infringer to continue to litigate in other jurisdictions.

CT: I agree that cost is undoubtedly an important issue when it comes to cross-border litigation, but even more important is the question of enforceability. Especially in the European Union, it is vital to consider the problems arising from the different legal systems and the enforceability of the judgment in different member states.

Standardization within the European Union, as implemented through the European Enforcement Order for Uncontested Claims and/or EU Regulation 44/2001 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters, improved and simplified cross-border litigation considerably. Nevertheless, enforceability is still a major issue which needs to be considered.

Several issues should therefore be kept in mind before starting a cross-border litigation. These include enforceability (including in other countries), the possibility of obtaining compensation, the importance of the market, the potential benefit and whether a judgment might have a negative influence on parallel cases pending in other countries.



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DO: Also key are getting the right advisers and meticulous preparation. By this, I mean knowing, for example, that in the United Kingdom, trademark attorneys are not necessarily solicitors; or that a particular solicitor is primarily a non-contentious adviser or perhaps not adept with filing expertise (which may be crucial); or even that certain firms do not have the depth of assistance to work over the opposition in, say, a discovery exercise; or that the country operates a split bar system, which can have significant cost implications.

The ability to anticipate the other side's reaction is also crucial – a seizure in France on a US infringer may lead to a counter in the United States for a declaration for non-infringement; even an opposition in one country may lead to a retaliatory cancellation claim in another.

Commercial considerations are also important – especially when suing within an industry. A well-drafted and considered legal claim could prove to be an embarrassment for a separate business unit, or even the chief executive officer, trying to establish a commercial deal.

Having decided to press on with litigation, what are the key elements to building a successful case?

CT: One of the key elements is a well-organized, updated and closely monitored IP portfolio. Companies that care for their IP portfolio have a much higher chance of finally succeeding in court actions and are better prepared to react to potential counterattacks.

A further key element is the gathering of relevant information and the structured reprocessing of this information in the statement of claim. The judge should receive only information which is necessary for ruling on the case. Evidence documenting the infringement should therefore be collected and stored in order to present these documents whenever needed.

Additionally, one should always try to obtain as much information as possible about the opponent, such as turnover, financial situation, number of employees, products distributed and affiliated companies, as well as its IP portfolio. Only those who know their enemy in detail will finally succeed.

MW: Favourable facts and favourable law are really the key elements to a successful case. Elements that favour a successful outcome are brazen infringement of the plaintiff's mark, a famous mark that is infringed, a strong registration position of the plaintiff's mark and laws providing for damages, attorneys' fees, product recall and injunctive relief. Nothing is more crucial than the facts of the case. The ability to quickly show the infringer that it is at a great economic risk will help bring the case to a prompt close.

ROH: With this, I would recommend a staged approach. First, identify the problem and verify whether the brand owner has a legitimate position to lodge an action. You then need to build a strategy that complies with the particularities of the case, followed by the gathering of evidence.

In Mexico, the MTO mostly accepts documented elements of proof, which must come in originals or certified copies; this will become important when use of a trademark is an issue. In infringement cases, it is crucial to enter the procedure with documented proof of the illegal conduct – in this case, a notary's certification will do. Finally, looking at prosecution, in Mexico there are no formal oral hearings – each procedural stage takes place in writing.

“It is important to ensure the flow of information between local counsel. An attorney in one country will likely benefit from pending litigation in another, or might become aware of new information. Cooperation can save lots of work and thus expense”

Informally, though, the officers in charge usually receive counsel, off the record, to discuss the case.

DO: I'd add to all this meticulous and thorough preparation, and a dogged determination to get to the facts and work the case at a pace that works for your client. Also important are the flexibility to deal with surprises, the support of an excellent team and a straight-talking, cooperative client.

If trademark law cannot help protect your brand, what other options are there?

LAL: Litigation can be based on unfair competition laws, passing-off statutes, famous marks law and copyright law, depending on the country. Specifically, unfair competition laws and passing-off statutes allow the brand owner to object to infringing use based on its prior use rights. If a mark is famous in a particular country – even if unregistered as a trademark – it is still possible to prevent another from using that mark. Copyright laws allow the brand owner to make an objection based on a claimed copyright in a stylized logo or trade dress, while customs recordations can also help the brand owner.

A registered trademark or copyright can be recorded with US Customs to prevent the import of infringing goods or counterfeit goods. In some countries, such as China, customs recordation of a registered mark can prevent the export of goods from the country.

CT: I agree – trademark law really is only one of several possibilities to protect brands. Unfair competition and copyright legislation, as well as design law, assist brand owners in protecting their rights; all these different laws overlap to some extent and some of them have the function of a collecting pit. Some examples: slavish imitation of a brand is prohibited not only by the Trademark Act, but also by Unfair Competition Law. The designer of a logo can refer not only to trademark law, but also to copyright law. The same applies if a brand is design protected, as the owner of the design (eg, a Community design) may derive rights from its design right. The interaction of all these different laws guarantees a high standard of protection for brand owners in Europe.

ROH: In Mexico, there are several paths that a company can take in order to overcome trademark issues, depending on the circumstances of the case. Copyright means that brand owners sometimes hold authors' rights which may be implemented as effectively as brand rights. Also of potential interest are antitrust (following the global trend, Mexico regulates anti-competitive conduct) and labelling, as the Mexican secretary of state has established specific marking requirements, depending on the nature of the product. Brand owners could also consider general commercial issues, particularly when the disputing parties have had a commercial relationship.

DO: There is always a commercial solution available, so sale, licensing, supply

arrangements and the like may work. Tactics such as ring fencing, advanced filing systems and the purchase of third-party marks can also be used as a longer-term stealth strategy. Remember: there is always a chink in the other side's armour – you just need to find it or create it. Alternatively, there may be a chance to outmanoeuvre them commercially, such as through a price war or a purchase of a supplier critical to the other side's business.

In countries with less sophisticated IP protection, there can be real problems in terms of both the protection of non-traditional marks in these territories and enforcement against lookalike products, where elements of packaging are being aped, but not the specific brand names as word marks. With a number of territories struggling to recognize passing-off rights, what strategies would you advise (given that filing labels for every product can be cost prohibitive)?

MW: In these countries, enforcement of any rights can be difficult. Finding the best local counsel available is the safest procedure. While these jurisdictions seem to have no specific laws relating to passing off – or unfair competition, as we call it – they do seem to understand fame or well-known status of brands and imagery. If the client can show that the packaging is well known, a claim based on fraud seems to have some potential for success.

It is again important to understand, as early as possible, the importance of creating

notoriety around a brand and retaining examples of advertising, sales records, third-party references and other indicia of the well-known status of the mark, packaging, imagery of the client and the increasing popularity of the brand.

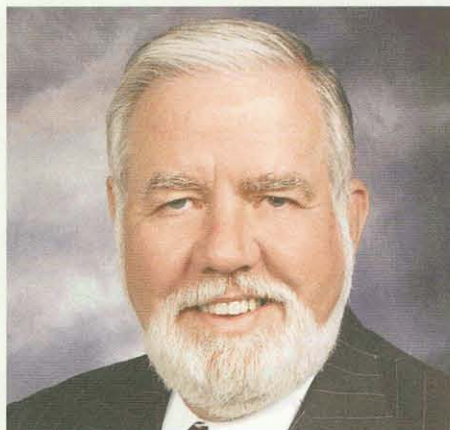
ROH: Packaging is indeed important. Although Mexican IP law is not very specific concerning trade dress matters and does not recognize non-traditional marks, trade dress can still be used to protect brands. In my experience, the commercial presentation and general packaging of products – including colour combinations – can be enforced as an additional part of a trademark.

If an infringement action is based solely on trade dress, there is no scope to seize products, since according to Mexican IP laws, trade dress is the only cause of infringement for which seizure cannot be applied. I would therefore recommend that trade dress be claimed alongside an additional cause of infringement (where possible), so that seizure can be enforced.

DO: In South Africa, there is also significant protection under the ASA code for product packaging (exploitation of advertising goodwill and imitation). In other African countries, where rights may be difficult to enforce or where the ASA code is not appropriate, our advice tends to be that the proprietor invest in an advanced registration system to protect, say, naked trademarks (marks for the label without the wording) which have been effective, and use copyright legislation where appropriate. One needs to look at the manufacture of labels that are more difficult or expensive to copy – the use of metal coloured paint, for example, makes copying more expensive. In order to show copying, deliberate errors or fingerprints are helpful in the case of counterfeiting.

For lookalikes, educational campaigns or frequent changes in packaging can be a legal deterrent too. Effective marking, as an attempt to put the public on notice of distinctive features of the packaging, can also be an effective deterrent. A reputation for having a zero-tolerance approach can also assist when cease and desist letters are sent.

CT: Ultimately, it depends on the importance of the specific country or market to the brand owner. If the market is of great importance, one should always try to obtain IP protection, even if that jurisdiction does not currently provide



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sophisticated IP protection. In such countries one should try to build up a good IP portfolio in cooperation with local counsel in order to have at least some counter-measures available.

Furthermore, we always recommend

filing applications for border seizures in order to stop the import and export of lookalike products. An effective and well-prepared application for border seizures in the European Union will prevent lookalike products from entering the European market. It is possible to inform Customs about the typical routes used by traffickers of lookalike products.

As mentioned, pursuing cases in a number of countries is bound to make litigation expensive. What are the most effective ways of controlling costs?

ROH: I would suggest conditioning disbursements on the recovery of attorneys' fees. In some jurisdictions a successful party can claim reimbursement of attorneys' expenses, including professional fees.

In Mexico, the possibility for this is restricted: attorneys' fees are awarded only in a limited amount and only in civil cases – specifically, when claiming compensation for losses and damages. In solely administrative actions – for instance, infringement and trademark cancellation actions – there is no scope to claim the reimbursement of attorneys' fees. Another way to control costs is simply to fix flat fees.

LAL: It is also important to have a coordinator for the litigation – possibly outside counsel in one country or a designated in-house attorney. That person will then ensure that counsel in each country are kept apprised of developments in all current and potential litigation on at least a monthly basis. The coordinator will also keep track of the litigation and counsel, so unnecessary spending is kept in check.

A portal for outside counsel also helps to coordinate things and rein in costs. Outside counsel can then check the portal for updates, scheduling orders for different jurisdictions, relevant documents and other information. Any information available at the portal needs to comply with protective orders that may be in place in different jurisdictions. The coordinator should ensure that there are clear terms of use for the portal and that all communications between counsel in different jurisdictions either go through or are copied to him or her.

CT: In addition, where possible, one should try to take advantage of existing bilateral/multilateral regulations. One such regulation is the Community Trademark Regulation, which allows the owner of a Community trademark to obtain a

judgment from a Community trademark court with effect in all 27 EU member states. In such case it is not necessary to take legal action in each individual jurisdiction, as the judgment is enforceable in all member states.

In order to reduce costs, it is also important to consider the jurisdiction. If the opponent is active in several countries, it is often sufficient to take legal action in its main market areas to stop it from selling infringing products.

Last but not least, as my fellow panellists have mentioned, it is important to ensure the flow of information between the national local counsel. An attorney in one country will likely benefit from the pending litigation in another country, as he or she might become aware of useful and/or new information. Cooperation and teamwork between colleagues in different countries can save lots of work and thus expense.

DO: In some cases funding or insurance may be available which could cover the costs of litigation. Apart from that, get accurate fee costings – and make everyone stick to them. Some firms offer capped fees, contingency or project-based fees. The key thing to control is surprises, expectations and management. Avoiding duplication is another area to focus on, especially when preparing evidence.

Finally, effective communication (which may include using IT solutions) within a global team, which is neither excessive nor inadequate, can really help to reduce costs.

What examples would you cite as a good illustration of best practice in global litigation and why?

ROH: I think best practice is rooted in two aspects. First is effective results. It is important to obtain a successful outcome from the dispute, but it is also imperative that good results are balanced with the client's needs, such as time and cost requirements. Second is day-to-day presence before the courts, as this will give attorneys a better idea of trends and tendencies. Also, most of the time cases need to be discussed with the officers in charge, so that they may have a better grasp of legal depositions.

MW: For me, best practice centres on a cooperative client and advanced planning. Clients often want action taken, but are unwilling to accept the disruption that



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litigation brings. The client must understand (though they usually do not until they have been through the procedure at least once) that cases will succeed only if the facts are made available to counsel and, when necessary, the proper personnel are made available to provide testimony.

It is a fortunate attorney whose client recognizes well ahead of any infringement that it is important to protect its brands in key manufacturing countries and key markets for its products. Facts such as registration, a registration that pre-dates use, attempted registration or registration by the infringer, sales volumes, revenues from sales and brand recognition in the jurisdiction of the suit are vital to successful litigation. A cooperative client that has taken the appropriate steps to protect its brand is the best practice one can ask for in litigation.

The next most important consideration is selecting counsel whose opinion and skill you trust and with whom you can work cooperatively.

DO: From a distance, and from the way in which it has been reported, the way in which Ethiopia and Starbucks settled their coffee bean trademark dispute really impressed me. Rather than seeking damages or cessation or court decisions, the two parties managed to weave a deal that could increase demand for local Ethiopian coffee beans (thereby empowering a workforce) in a manner that appeared to give Starbucks the glow of social responsibility, without a cash payout. I also liked the way that the FABERGE trademark was apparently wrested from Unilever through a global cancellation programme following failed negotiation talks in the early stages. In this example, litigation was strategically used as a means to an (effective) end.

CT: An interesting case to me was the worldwide *EPILADY* case at the end of the 1980s – the first litigation in Europe to be based on the same European patent validated in individual member states against a single infringing product – Remington's 'Smooth and Silky' depilatory device. As patent litigation in Europe was (and still is) in the national domain, the same question of infringement was judged individually in each country and the decisions rendered were very different.

For example, within a few days the German court of first instance granted a preliminary injunction; whereas the case was dismissed and struck from the court records in the United Kingdom. But at second instance the UK courts allowed the preliminary injunction, whereas in Germany the preliminary injunction was rescinded at second instance because the court tasked a court expert with finding out "whether the skilled person thinks so abstractly" as to recognize that with the Epilady device, the coil spring was used not as a spring, but as a multi-pincer.

In the end, the applicant prevailed in Germany, the Netherlands and other countries, but lost in the United Kingdom, Austria and other countries. This really demonstrates the need for a common European patent litigation court in the future.

Finally, what creative enforcement tips would you suggest and are there any other issues that you feel are important to raise?

ROH: When lengthy procedural paths are evident obstacles, contentious actions are recommended only when seizure of the products is feasible; otherwise, the

trademark owner will exhaust its exclusive right without obtaining an opportune result. The detained products are a bargaining chip that the plaintiff can potentially use to obtain a positive result from the defendant without having to await a court decision.

DO: To that, I would add a number of tips:

- The media can be used to name and shame offenders.
- Successes should be published as deterrents to the public at large.
- A zero-tolerance reputation, strongly worded cease and desist letters and consistent badgering can be helpful.
- Knowledge of procedures for tax returns, filing of annual reports and the like can be especially helpful if the infringer is an opportunist and may not be diligent in other areas of corporate governance.
- There should be a culture of not copying through advertising.

LAL: In most jurisdictions the customs authorities can also assist trademark owners with stopping infringing and counterfeit goods. Cultivating and maintaining a good relationship with Customs is therefore important.

Similarly, the US Food and Drug Administration and the US Postal Service can also assist with identifying and seizing counterfeit goods. In the United States, the federal or state government may be interested in bringing counterfeiting or unfair competition claim actions – federal criminal penalties for counterfeiting are enforced by US attorneys and the Department of Justice. The US Federal Trade Commission pursues false and deceptive marketing claims. Some state attorneys general have the ability to pursue state criminal claims against counterfeiters and can bring action against companies for unfair or false business claims.

The Office of the US Trade Representative (USTR) also serves as a resource for brand owners that encounter problems with counterfeiters. If the conduct suggests a pattern, the USTR may be able to negotiate with its counterpart in a particular country to assist in resolving the issue. If a domain name is involved, consider filing a domain name dispute under the Internet Corporation for Assigned Names and Numbers rules. These proceedings are relatively inexpensive and are resolved quickly.

CT: Where legal action is unavoidable, I have found that the rather low requirements for



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obtaining a preliminary injunction in trademark matters in Germany often surprise colleagues from other countries. Trademark owners might use a preliminary injunction as the most efficient means to assert their claims within a very short timeframe – at least by obtaining cease and desist orders, which are usually of major interest. In cases where the facts are more or less unambiguous (ie, a risk of confusion exists), the petitioner will receive an enforceable ruling within a few days – sometimes even within a few hours – by means of which it can prohibit the infringer from using the respective designation. The infringing use must have taken place in Germany, but this is usually the case in view of cross-border trade and the international clientele of online shops.

Preliminary injunctions in trademark infringement matters are common in Germany and can be obtained relatively quickly and easily, since the petitioner need only credibly show the facts of the case, but need not prove them. Generally, a judgment

is rendered without an oral hearing. In case of doubt, the judge will usually contact the petitioner by phone, so that the request can be amended or withdrawn accordingly. In both cases this will happen without the defendant being informed. The defendant will be informed of the existence of the ruling only by delivery of same, which is effected directly from party to party. **WTR**