

Partnering with CBP to Maximize Trademark Protection

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Import Procedures

- Imported products are subject to review and inspection by U.S. Customs and Border Protection (CBP)
- CBP is responsible for enforcing laws and regulations of 40 other agencies
- CBP review is one of the most significant tools trademark owners can use to combat unauthorized imports

Customs IPR Protection

- CBP devotes substantial resources to protecting intellectual property rights
- CBP is vested with the authority to:
 - ◆ Exclude goods from entry
 - ◆ Detain merchandise
 - ◆ Seize merchandise
 - ◆ Forfeit counterfeit goods

CBP Enforcement Strategy

- Customs policy is a two-tiered enforcement approach
 - ◆ Recordation of a registered trademark
 - ◆ Open and on-going communication with trademark owners

On-line Recordation System

- Eliminates paperwork
- \$190/per mark/per class
- Basic Information required

E-Recordation System

- Eliminates paperwork
- Allows for payment by credit card
- Information required:
 - ◆ Identity of trademark owner
 - ◆ Registration number of the mark
 - ◆ Class of goods
 - ◆ Names of licensees and authorized users
 - ◆ Foreign ownership or use of the mark
 - ◆ Identity of parent companies
 - ◆ Subsidiaries or other foreign or domestic entities under common ownership or control with trademark owners

Supplemental Information

- 2nd tier of CBP's IPR enforcement is open communication between trademark owner and CBP IPR branch
- CBP refers to this tier as the "application process"
 - ◆ Continuing and evolving practice based on:
 - ◆ Product developments
 - ◆ New technology and information gathered over time
 - ◆ New legal decisions and legislation

Goal

- Trademark owners should provide CBP with enough details so field officers will be able to determine whether an imported product is authentic and admissible
- May be presented in oral, written and electronic format
- Should address legitimate and infringing products

Real or Counterfeit?



Authentic LUGZ have:

Black detailed tongue label

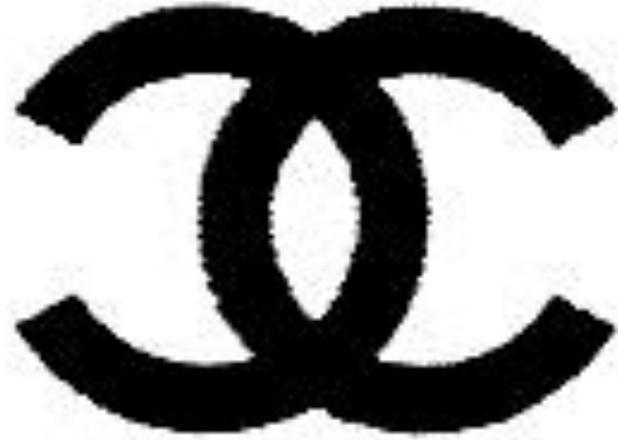


Counterfeit LUGZ have:

Generic white tongue label











HERMÈS
PARIS







■ Protected Mark Features:

- ◆ Location of mark on product
- ◆ Product quality and overall appearance
- ◆ Trim features such as zippers, buttons and snaps
- ◆ Authorized territories, factories, licensees and importers
- ◆ Sample labels and tags

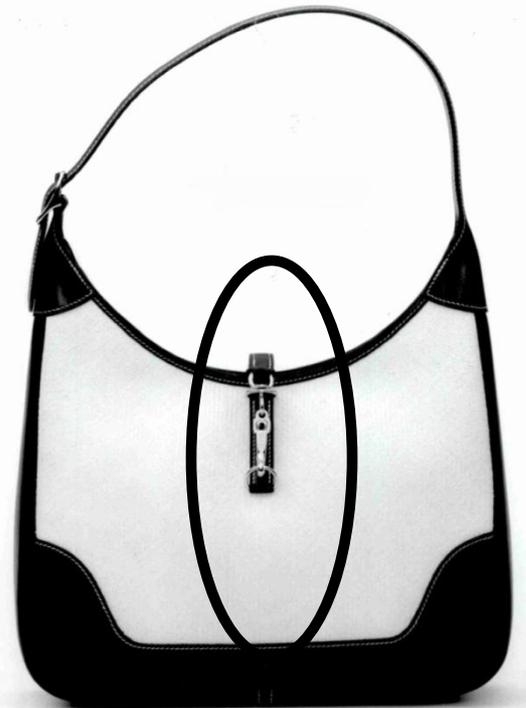


- Use new materials and technologies to make counterfeiting more difficult and detectable
 - ◆ Holograms
 - ◆ Electromagnetic tags
 - ◆ Subsurface laser marking
 - ◆ Fiber and thread technology
 - ◆ Assign codes to each item
 - ◆ Micro-text



Non-traditional IP Protection

- Configuration marks



Disclosure of Information to Trademark Owners

- Customs regulations provide for disclosure of certain information on detained or seized goods
- Quantity of information is based on the nature of the violation

- In seizure cases, CBP will disclose to the trademark owner the following information:
 - ◆ Date of importation
 - ◆ Port of entry
 - ◆ Description of merchandise
 - ◆ Quantity
 - ◆ Name and address of manufacturer
 - ◆ Country of origin
 - ◆ Name and address of exporter
 - ◆ Name and address of importer

- Trademark owner is entitled to samples of seized and detained merchandise for examination and testing
- May require posting of a bond
 - ◆ Useful in civil prosecution
 - ◆ May reveal sources in violation of distribution agreements

Conclusion

- Trademark owners are entitled to significant protection from CBP at minimal cost **but need to be pro-active**
- Registered trademarks should be recorded with Customs to ensure maximum benefits under relevant statutes and regulations
- Proper recordation should be part of any IPR plan to:
 - ◆ safeguard against unauthorized imports
 - ◆ Strengthen license and distribution agreements
 - ◆ Establish a strong basis for civil and criminal actions against suspected infringers

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