

On Your Marks

Protecting trademarks globally requires a marathoner's approach, not a sprinter's

C*indy Walden, a principal at Fish & Richardson in Boston, talks about some of the challenges her clients face in keeping up with the demands of maintaining global portfolios of trademarks and copyrights. She also reviews recent U.S. Supreme Court decisions and looks ahead at the big cases she's following. The interview has been edited for length and style.*

Tell us about your trademark and copyright practice and the work you do for your high profile clients?

Cindy Walden: On the trademark side, I work with clients on every aspect of developing, protecting, enforcing and licensing their trademarks. This includes clearance and protection of trademarks for new products as well as major company rebranding and licensing initiatives. I regularly work with clients on the strategic development and management of their trademark portfolios and ensuring that their important marks are available for use and protected in the countries that are important to their business.

Since trademark rights are granted on a country-by-country basis, and each country has its own registration system, coordinating the efforts to register and enforce trademarks worldwide can be hard. Companies hire us because of our deep expertise in navigating these challenging trademark issues.

On the copyright side, I work with clients on the evaluation of copyright ownership issues, the registration of copyrights and the licensing and enforcement of copyrights in the U.S. and abroad.

In June, the U.S. Supreme Court struck down the Lanham Act's ban on disparaging trademark registrations as unconstitutional. What are the real world implications of this decision moving forward?

Walden: The *Matal v. Tam* case was headline-grabbing because of the subject matter involved – the registration of marks that are considered



It's important to regularly audit your trademark portfolio to ensure that it's current.

to be disparaging – and because of the strong stance the Supreme Court took in striking down a law that had been on the books for decades on the basis of free speech considerations. Aside from the Washington Redskins franchise, which has long battled for the registrability of its Redskins mark, there are not a lot of real world implications stemming from this decision, since most companies are not looking to adopt and register marks that may be viewed as disparaging to potential customers.

However, the decision could set the stage for striking down other laws related to the protection of intellectual property rights, irrespective of how long they have been in force, if they may be considered viewpoint discriminatory. The Supreme Court's unanimous decision also signals the court's alignment and appetite to take a strong stance on this issue.

Two years ago, trademark lawyers were worried when the Supreme Court ruled in B&B Hardware that Trademark Trial and Appeal Board (TTAB) decisions can sometimes be binding on federal courts in later litigation. How has this impacted your litigation strategies?

Walden: The *B&B Hardware* decision means that parties must now more carefully evaluate

the issues involved in a TTAB proceeding and make sure to fully develop the record if there is the possibility that the same issue will also be raised in federal court. The primary area where this is likely to come into play is with respect to evidence of use in the marketplace and the extent to which marketplace realities related to the likelihood of confusion analysis are introduced into the record. Since the TTAB decision is based on the four corners of the application/registrations at issue (that is, how the mark appears in the application or registration and how the goods or services are described), historically the marketplace context is usually not as well developed on the record in a TTAB action.

Since the *B&B Hardware* decision, parties must give thoughtful strategic consideration of whether to purposefully introduce more evidence on marketplace context or whether to rely on common law rights, and the uncertainty about whether issue preclusion may even lead some parties to decide to avoid a TTAB action altogether and proceed straight to federal court.

You spend a lot of time helping clients develop, protect and enforce their global trademark portfolios. What are the most important issues that companies need to pay attention to?

Walden: Companies must pay attention to the registration of their trademarks in the countries that are important to their business, both where the company currently does business and where the company plans to expand the business within the next few years. Since rights flow from registration in most countries outside the U.S. and registrations are granted on a country-by-country basis, it is essential to have a trademark registration in the countries where the mark is being used to be able to claim ownership of the mark and to enforce rights against infringers and counterfeiters.

Cindy Walden is a principal and practice group leader of the trademark and copyright group at Fish & Richardson in Boston where she focuses on all aspects of trademark law, copyright prosecution and litigation, false advertising and unfair competition and corporate due diligence. She can be reached at walden@fr.com.

It is also important to periodically audit trademark portfolios to ensure registrations cover the current line of business and that registrations are secured in countries where the company may have expanded since the last filings were made.

Another big issue is making sure there are written agreements with distributors that outline the permitted uses of the mark and that confirm the distributor will not register or claim an ownership right in the trademark or that any domain names incorporated the trademark. Developing and circulating trademark usage guidelines to ensure the uniform use of the mark, both by the company as well as by distributors and other licensees, is another way that companies can ensure their trademarks are properly and consistently used.

You are one of the leading experts on pharmaceutical trademark clearance, which is an extremely complex process. What are the biggest trademark challenges confronting pharmaceutical companies right now, and how do you help clients overcome these hurdles?

Walden: The clearance process for pharmaceutical trademarks is uniquely challenging and cumbersome. Pharmaceutical trademarks must not only be filed for, examined and registered with the U.S. Patent & Trademark Office (USPTO), but there is a separate, parallel process to apply for and secure approval of pharmaceutical trademarks with the U.S. Food & Drug Administration (FDA). Coordinating the timing of these two approval processes is often difficult – which is why many companies identify and secure a backup name in the event the first choice is not approved in both places.

The FDA's intense scrutiny of pharmaceutical names is because of the potentially grave consequences of having confusingly similar names in the marketplace for pharmaceuticals that may be contraindicated or might otherwise be harmful if confused. In evaluating trademark similarity, the FDA looks at the sight, sound and meaning of marks, which adds another approval criterion related to deciphering doctor handwriting and pronouncing words with sometimes unusual spellings.

Even after a trademark is approved by the USPTO, the mark must ultimately be used in commerce before a registration will issue. This can be problematic, since there is often a long pipeline leading up to the approval and clinical testing of pharmaceuticals, which means the time for confirming use of the mark in commerce with the USPTO may run out before the pharmaceutical has actually been commercialized. Most pharmaceutical companies are also looking to commercialize their products worldwide, which requires filing in numerous countries at the same time.

We regularly work with clients to negotiate these complex issues by conducting U.S. and global availability searches and coordinating efforts in filing for approval of the proposed mark at the USPTO and FDA to ensure the best possible outcome.

Your firm recently acted as lead counsel for New Balance in litigation in the U.S. International Trade Commission (ITC) over the design and asserted trade dress in Converse's "Chuck Taylor" sneakers. How usual is it to see trademark cases at the ITC, and do you think we will see more of them in the future?

Walden: While trademark claims are sometimes asserted in ITC cases involving patent and other claims, there have been relatively few cases brought before the ITC solely involving trademark issues over the past decade. The federal courts are still the best forum for resolution of most trademark cases, but the ITC's general exclusion order, which blocks infringing goods at the border and is enforced by the U.S. government through Customs and Border Protection, is a powerful remedy for dealing with infringement and counterfeiting from multiple sources at the same time. For certain types of trademark cases like the New Balance litigation, litigation in the ITC makes sense, and I expect more trademark owners will seek ITC relief in the future.

What are some of the trademark law trends that you are currently watching?

Walden: There are several issues relating to the determination of willfulness and the award

of attorney fees in exceptional cases that are playing out in the federal courts. Another interesting question that has been raised in a number of cases lately is the extraterritorial reach of trademarks.

Are there any big cases on the horizon?

Walden: I'm watching several right now. *Google v. Oracle* will determine whether Oracle can claim a copyright on Java APIs. The appeal of a jury verdict that found the blockbuster Pharrell Williams and Robin Thicke song "Blurred Lines" infringed Marvin Gaye's iconic "Got to Give It Up" is another significant case. The verdict was viewed by many as a departure by expanding the question of infringement from melody, harmony and lyrics to broader issues of rhythm and overall "feel."

I'm also very interested to see what happens in *Adidas v. Forever 21*, since Adidas is known to aggressively protect its three stripe mark and is seeking relief from infringement by Forever 21, which has built an empire by creating cheaper versions of trending styles. The *Belmora v. Bayer* case could lead to an uptick in TTAB cases if the TTAB rules similarly to a recent decision in the U.S. Court of Appeals for the Fourth Circuit.

And *Shammas v. Focarino* is important because it will clarify whether parties seeking review before a district court must pay for the USPTO's attorney fees – even if the appealing party wins the case.

What is your favorite part of your job?

Walden: I love strategizing and working with clients to help them ensure that their valuable brands are well protected, and that they are able to build and capitalize on strong brands in the marketplace. Trademark and copyright issues can be very complicated, and they often involve a nuanced understanding of the interplay of advertising, domain names and unfair competition, among other issues. So it's extremely satisfying to help clients create and execute the best roadmap possible to protect and enforce their rights both within the U.S. and worldwide.