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The Growing Problem of Trademark Registration and Domain Name Scams



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The Growing Problem of Trademark Registration and Domain Name Scams

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Trademark owners need to be aware that their registration of trademarks may make them the target of scammers seeking to profit from the owners' desire to protect their trademarks. Transparency and searchability — two of the most important features of national trademark office registries — are leading to an increased number of scams. Trademark owners need to remain alert to unsolicited offers to renew or register their trademarks, and to register their trademarks as domain names.

When a company applies to register its trademark with a national trademark office, the data becomes publicly available. Making these records public is essential to enable companies to search these records to ensure that new marks that they propose to use are not already registered or similar to registered marks. However, a number of unscrupulous companies mine the registration data in order to besiege trademark owners with confusing mailings that can lead the owners to paying unnecessary fees for sham registrations, foregoing important services from legitimate service providers, or unnecessarily disclosing confidential information such as company contact and banking information.

These scam mailings often resemble official government or registry notices, and include information from the official records that makes them appear credible. Some notices suggest a need for urgency

to preserve the owner's rights, and others appear to offer solutions that may be cheap enough to discourage a call to a legitimate trademark attorney or service provider. They rely on creating a feeling of urgency among trademark owners who wish to preserve rights. In addition, the scams use language and form designs which make the solicitations appear to be notifications from government or some official registry, containing accurate information skimmed from official records.

Although experienced trademark practitioners will usually identify these as spurious communications, because of the accuracy of information, official design, and exhortations to protect your trademarks, inexperienced attorneys and trademark owners all too often believe these are genuine trademark office or domain name registry notifications and respond intending to protect their trademarks. However, these scams can lead to the filing of maintenance documents that do not satisfy the official requirements of the trademark offices. These filings can lead to the expenditure of substantial fees to obtain little or no benefits, and unfortunately provide additional contact and behavioral information to unscrupulous service promoters, which may be used to the owner's further detriment — including company contact and banking information which can be used for other scams.

The United States Patent and Trademark Office, and most of the other trademark offices worldwide, maintain and make public, information concerning trademarks registrations, and the companies and individuals registering them. The records are usually generated when an application is filed, and include such information as the name, address, and corporate structure of the applicant, the trademark; and the goods and services.

Having these records public is an essential benefit of trademark registration, enabling companies adopting new trademarks to conduct searches to ensure their proposed marks are not confusingly similar

to already pending or registered marks. However, these records are also mined by companies which use the maintenance and trademark owner information to send out misleading scam solicitation letters. Trademark owners need to take care when receiving any type of solicitation relating to their trademarks, and should confer with or refer any such mailings to trademark counsel for review and advice before responding.

There are presently three major types of scams being directed to U.S. trademark owners: trademark registration maintenance service solicitations, international trademark registry solicitations, and domain name slamming scams. The rest of this article will describe each of these scams, and will end with a list of resources you can review to keep abreast of and how to avoid new scams.

TRADEMARK MAINTENANCE SERVICE SCAMS

The first, and longest-running type of scam is the trademark maintenance service scam in which scammers offer to assist in the renewal or maintenance of trademark registrations for reduced fees. However, the services are actually limited to providing and filing forms from the official registry, and the fees are not that low.

In order to carry out this scam, scammers mine the trademark office records to find registrations coming up for renewal. They send the trademark owner an official-looking form, notifying the owner that their registration is coming up for renewal, advising that their failure to renew will result in the registration being lost, and offering to renew the registration for a low fee, for example \$285 plus the government fee.

Even though these solicitations include disclaimers that the solicitation is not being sent by the official registry and does not constitute legal services, the forms so well mimic official government agency forms, that such disclaimers are ignored. For example, "The Center for United States Trademark Renewal" — itself a name which suggests official services — sends out the following form which appears to be an invoice:



Although government trademark registries do not send out invoices or reminders, the form looks official and genuine enough to fool even some sophisticated trademark owners.

In return for their fee, the company will generally send the owner a printed copy of the official trademark office forms (perhaps inserting the listing of goods or services from the official record), and brief instructions to sign and date the form and return it with "specimens of use." They generally fail to tell the owner what kinds of "specimens of use" are required, and will not review the specimens to ensure that they meet the trademark office rules. If the specimens aren't right, the renewal won't be granted. Nor do the companies consider the description of the goods or services. If some of the goods or services are no longer being sold under the mark, failure to notify the Trademark Office of that could result in the registration being partially or completely cancelled later, when the registration is needed most. Finally, these scammers do not inform owners that if the renewal form is refused, they will not provide advice or representation to help the owner overcome the objection.

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All these scammers offer for their several hundred dollars fee is the copying and mailing of forms completed by trademark owners. While the initial cost for their services may appear to be less than trademark practitioners may charge for their services, and in some cases the filings may be adequate, if there are any errors in the application, or if the renewal includes inaccurate information, the validity of the registration could be threatened, or the owner may have to expend substantially more to have an experienced trademark attorney correct errors in the filing or respond to official actions.

INTERNATIONAL REGISTRY SCAMS

A second type of scam is the "international registry" scam – offers to publish a company's trademark in a registry that will be published internationally and support the trademark owner's international rights in a trademark, even if it is not registered with other national trademark offices. Although these types of scams have been pervasive in Europe for some time, only more recently have such scams become more frequent in the United States due to the institution of the Madrid Protocol and regional registrations such as the Community Trade Mark.

In this scam, companies which own federally registered trademarks also receive official-looking solicitations, this time inviting them to register their trademarks with an "International Trademark Registry." However, registration and publication of trademarks by non-governmental organizations as part of a directory has virtually no effect on a company's rights or ability to protect its trademark internationally. Only official registration and use of trademarks can accomplish this. In addition, the registration fees being demanded for these publications far exceed the value of the publication and

often exceed or equal the cost of some genuine international registrations.

These solicitations look like official government agency documents, accurately describe the trademark to be registered, and could easily be mistaken as invitations to record the trademarks as part of a registry to give the mark some international protections. But this is not the case: such registries offer no additional protection and create no rights in the trademark.

Although similar scams have been run before, recently, U.S. trademark owners have been contacted by at least two companies claiming to have International Registry offices: one calling itself "Register of International Patents and Trademarks" located in the Czech Republic, and the other calling itself "Register of International Patents" located in Austria. Both companies have Web sites (www.ript.eu and www.patentonline.org), and both solicitations include disclaimers stating that these are for a "private database" and "not a registration by a government organization."



Registration of International Patent
www.ipgt.eu

Date: _____
Reference No: _____
Publication Number: _____
Int. Application No: _____
Filing Date: _____
Title: _____

Subject	Curr.	Amount
Change of registration	USD	2415,00
Extra charge	USD	0,00
Value added tax	USD	0,00
Total due	USD	2415,00

Please pay the amount above, no exceptions, within 10 days by wire transfer or check.

Payment by check		Payment by wire transfer	
Total amount	USD 2415,00	Total amount	USD 2415,00
Beneficiary	IPGT s.r.o.	Beneficiary	IPGT s.r.o.
Address	PO Box 218, CZ 6810 Brno 2, Czech Republic	Bank Name	UNICreditBank Czech Republic, a.s.
		IBAN	CZ32 2700 0000 0001 0212 2622
		BIC/SWIFT	BACRCZPP
		Account	2103122622
		Bank Address	Kobliška 2, 602 00 Brno

Note: Please always quote the reference number.

At least one scammer has gone so far as to create a form which a logo is almost identical to that of the World Intellectual Property Organization:

WIPD Imagine Creativity and Invention!

International Application No: _____
Publication Number: _____
Publication Date: _____
International Filing Date: _____

Net Class: _____
Title: _____

Item	Subject	Curr.	Registration Fee
1	Registration Fee	USD	2.329,00
2	Additional Fee	USD	0,00
3	Value added tax	USD	0,00
4	Total Registration Fee	USD	2.329,00

Payment Methods:

By Bank Transfer:
Beneficiary: World Intellectual Property Database s.r.o.
Bank Name: UniCredit Bank Czech Republic, a.s.
IBAN: CZ32 2700 0000 0001 0212 2622
BIC/SWIFT: BACRCZPP
Account no: 2103122622
Bank address: Na Příkopě 15/620, 111 21 Praha 1, Czech Republic.

By Check:
Beneficiary: World Intellectual Property Database s.r.o.
Address: P.O. Box 55
140 00 Praha 4, Czech Republic

Please pay the Registration Fee, within 8 days by wire transfer or check! Don't forget to quote the International Application Number!

Dear customer:
Registration of the International Patent
We offer to assist you in the registration of your International Patent Application. In our International Patent Application Database (IPAD) we collect that the registration fee and the publication of official registration, and a fee as registered by a government organization. The registration fee is 2.329,00 USD. This fee is a one-time fee. The fee will be the same for the first and subsequent registrations. The registration fee is valid for one year. We value for our general terms and conditions. The registration fee does not include requesting substantive WIPO examinations or WIPO appeals to the International Patent Application.

In addition to offering no real rights or services for the payment of thousands of dollars, another possible danger is that, since these companies are involved in questionable information scamming, there is a danger that providing any information or payment to these enterprises could result in identity theft or damage.

ASIAN DOMAIN NAME REGISTRY SCAM

This scam is a type of domain name slamming in which a scammer purporting to be a “domain name registration service” contacts the owner of a U.S. trademark registration or “.com” domain name by e-mail, warning that third parties have filed applications to register the trademark as a domain name in some country code top-level domain such as .cn, .hk, or .asia (all areas of recurrent registry scams) and

		FIRST PUBLISHED ON:
WIPD - World Intellectual Property Database	[PDF]	October 15, 2010
ITPD - International Trademarks & Patents Database	[PDF]	October 11, 2010
WPTI - World Patent and Trademark Index	[PDF]	October 4, 2010
WOIP - Globex World Organisation Intellectual Property	[PDF]	September 28, 2010
WIPD - World Intellectual Property Database	[PDF]	September 13, 2010
RIPT - Register of International Patents	[PDF]	September 13, 2010
RIPT - Register of International Patents	[PDF]	August 2, 2010
WBIP - World Bureau Intellectual Property	[PDF]	May 21, 2010
IPTD- International Patents and Trademarks Database	[PDF]	March 2, 2010
IBIP - International Bureau for Intellectual Property	[PDF]	February 3, 2010
WBIP - World Bureau Intellectual Property	[PDF]	January 8, 2010
WBIP - World Bureau Intellectual Property	[PDF]	November 11, 2009
IOPTS - International Organization for Patent & Trademark Service	[PDF]	August 11, 2009
IRTP - International Register for Trademark & Patent	[PDF]	May 7, 2009
IBFTPR Service - Register of International Patent Application	[PDF]	May 4, 2009
ODM - Patent Trademark Register	[PDF]	March 23, 2009
IPTR - International Patent and Trademark Register	[PDF]	December 19, 2008
IBIP - International Bureau for Intellectual Property	[PDF]	December 10, 2008
RIPT - Register of International Patents and Trademarks	[PDF]	August 21, 2008
IBIP - International Bureau for Intellectual Property	[PDF]	April 15, 2008
ODM - Patent Trademark Register	[PDF]	February 20, 2008
IBFTPR - International Bureau for Federated Trademark & Patent Register	[PDF]	November 21, 2007
IOIP - Organization for Intellectual Property	[PDF]	August 10, 2007
ODM - Register of International Patents	[PDF]	August 2, 2007
ODM - Office Data Management	[PDF]	May 31, 2007
IOPTS - International Organization for Patent & Trademark Service	[PDF]	May 31, 2007
FIPTR - Federated Institute for Patent and Trademark Registry Inc.	[PDF]	January 9, 2007
CPTD - Central Patent & Trademark Database	[PDF]	September 22, 2006
CCIT - Commercial Center for Industrie and Trade	[PDF]	March 13, 2006
CPD - Central Patent Database	[PDF]	June 22, 2005
Register of International Patents	[PDF]	June 28, 2004
Register of International Patent Bulletin/Registre des données bulletin européen des brevets	[PDF]	September 5, 2003
Institut of Commerce for Industry, Trade, Commerce/ Wirtschaftsinstitut für Industrie, Handel, Handwerk AG	[PDF]	September 5, 2003
Central Data-Register of International Patents	[PDF]	August 9, 2002

offering to defensively register the trademark as domain names. Most often, these scams originate in countries where U.S. companies are beginning to seek commercial expansion or police their rights, such as China, Hong Kong, or the Pacific Rim.

In its warning e-mail, the service company explains it has delayed registering the domain name, so that the trademark owner can register its trademark or name as a domain name. The letter goes on to state that the service company would be able to assist the company to register its trademarks, and warns: “Taking no action now could lead to registration of the infringing domain name. Contact us now.”

Because domain name registrations are generally granted on a first-come-first-registered basis, a company’s trademark can be registered as a domain name by third parties despite a previous trademark registration. However, our experience – and that of all the trademark practitioners with whom we have conferred — is that these warnings are really merely scare tactics to pressure trademark owners to purchase these domain names from the scammer, and that no third party has actually applied to register the contacted company’s trademarks. Additionally, the offered services are usually more expensive than other registries or services.

Most of these letters should therefore be considered scams and should not be answered. At the same time, however, trademark owners should be warned that not registering their trademarks as part of country code or regional domain names can result in their being hijacked by third parties – in order to either sell the domains at a profit or use them unfairly to compete with the trademark owner. Thus, owners that have a web site or web presence, or utilize online advertising or distribution, should consider whether to register in domains where they have a presence as part of their overall business and intellectual property plans, and should develop policies and practices for registering, using and monitoring domain names in other top level domains, including country code domains. They should also take the time to review their practices and policies with their trademark counsel, and not base their decision on these spurious “warning” letters.

ADDITIONAL WARNING AND ACTION RESOURCES

The International Trademark Association (“INTA”) and World Intellectual Property Organization (“WIPO”) both periodically publish lists of current scams and scamming organizations. The most recent INTA warning lists the following companies as offering renewal, registry, or watch services, but which are not the official governmental agencies or experienced service providers they appear to be:

- TMI Trademark Info Corporation, in Texas
- United States Trademark Protection Agency (USTPA), in Seattle, Washington
- Global Edition KFT
- Trademark Renewal Service, in Washington, D.C.
- Globus Edition S.L., in Palma de Mallorca, Spain

- Company for Economic Publications Ltd., in Austria
- Institute of Commerce for Industry, Trade, and Commerce, in Switzerland
- CPI (Company for Publications and Information) Anstalt, in Liechtenstein
- Société pour Publications et Information S.A.R.L., in Vienna, Austria

WIPO’s most recent list of international scam organizations is even more expansive, and includes those soliciting companies using the PCT system for patent filings: trademark owners should notify their trademark or corporate counsel upon receipt of any suspect solicitations, and both intellectual property and commercial attorneys should keep themselves and their clients advised of such scams. In order to do so, they should keep apprised of trademark scam warnings issued from time to time by INTA and WIPO, which both post at their respective websites at www.inta.org and www.wipo.org, and subscribe to any notice service.

At the same time, trademark owners should develop trademark and domain name registration and use policies based on what they are selling, where they are located, where they operate, and where competitors are located. By doing so, they can register trademarks and domain names, and put in place monitoring services where needed based on their business plans. They also need to review their trademark usage, registrations, and domain name registrations periodically, revising their plans accordingly.

In the event your company, or your client’s company receives any type of solicitation, INTA has published the following suggestions for trademark owners who receive any type of solicitation for trademark watch, renewal, or registry services:

Before paying any trademark-related fees, verify that the invoice is from

an authorized entity. If the notice appears to be from a governmental entity, make sure it is the United States Patent and Trademark Office. No other governmental entity will contact you regarding your application. Of course, many of the companies that try to confuse trademark owners attempt to appear as “official” as possible. Note that the Patent and Trademark Office in the United States, and in virtually all other countries, does not write directly to the applicant if it is represented by local counsel. Accordingly, if you are represented by a lawyer or agent, pay particular attention to any unsolicited mail you may receive that purports to relate to your trademark. When in doubt, contact your trademark counsel about documents of questionable authenticity or merit that are related to your trademarks.

Developing a plan for your valuable trademarks and domain names, and following procedures will help your company, or your client’s company develop and protect its intellectual property. We expect that both the number and sophistication of these scams and schemes will increase as local businesses become increasingly international. Trademark owners will also need to increase their understanding and protection against these menaces. **IP**

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