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AT THE TENTH ANNUAL "WOMEN MEAN BUSINESS LUNCHEON" of the New York Coalition for the Homeless held on March 26, 2004, partner **JANET L. HOFFMAN** was presented with the 2004 Corporate Award. This honor was in recognition of Janet's, and the firm's, long-term active support of the activities of the Coalition for the Homeless, including especially the "First Step" job training program for low income and homeless women.

ON BEHALF OF **BARRY SCHECK**, **PETER NEUFELD** AND **THE INNOCENCE NETWORK, INC.**, we opposed Yeshiva University's application to register the trademark **INNOCENCE PROJECT**. Messrs. Scheck and Neufeld coined the mark in connection with the legal clinic they launched at Yeshiva's Cardozo School of Law in the early 1990's, and have continuously used and authorized others to use the mark since then in connection with pro bono legal services using DNA evidence to reverse and prevent wrongful criminal convictions. Pursuant to a settlement negotiated by **CRAIG MENDE**, **ROGER ZISSU** and **TAMAR BESSINGER**, Yeshiva assigned its trademark application and all rights in the trademark to Messrs. Scheck and Neufeld, and is prohibited from interfering with their registration and use of the **INNOCENCE PROJECT** mark.

GEORGES NAHITCHEVANSKY, **LISA PEARSON** and **MICHAEL CHIAPPETTA** defeated a preliminary injunction motion in the case of Market Corner Realty Associates, LLC and Tadashi Ono v. CGM-GH LLC and Jeffrey Chodorow, 04 CV 26447 (S.D.N.Y. May 12, 2004). The plaintiffs sought to prevent well-known restaurateur Jeffrey Chodorow and his company from opening a Japanese restaurant named **ONO** in the newly opened Hotel Gansevoort in New York City's meatpacking district. Plaintiffs' unsuccessful arguments were based on their trademark application for the same mark for restaurant services and alleged common law rights arising out of their use of the mark for the **ONO SAKE ROOM** in a nearby Japanese restaurant, also located in a new hotel, as well as the name of the restaurant's chef Tadashi Ono. Judge Richard Owen denied the plaintiffs' bid to enjoin the defendants from launching their new restaurant, holding: "I see almost no eventual likelihood of success on the merits. Indeed, on this record, I see none."

EDGAR RICE BURROUGHS, INC., owner of all existing rights in the Tarzan character, has won the last and final round in the litigation brought against it by the heirs of the artist Burne Hogarth with respect to the copyright ownership of two Tarzan books published in 1972 and 1976 illustrated by Hogarth. The U.S. Supreme Court has denied the Hogarths' petition for a writ of certiorari seeking to challenge the Second Circuit Court of Appeals' ruling that these books are works for hire owned by Burroughs. Hogarth, who originally had drawn the Tarzan newspaper strip from 1937 to 1950 as works made for hire, was engaged in the 1970s to illustrate the books at issue, which contained condensed versions of several original Tarzan stories written by Edgar Rice Burroughs. Hogarth's heirs sued for a declaration that the books at issue were solely authored by the artist, and that ownership of the copyright renewal terms had reverted to them after their father died. The Second Circuit held that, despite conflicting or ambiguous Copyright Office filings relating to the books, Hogarth had provided the illustrations for the books at the "instance and expense" of Burroughs, rendering them works for hire under the 1909 Copyright Act. **ROGER ZISSU** and **EVAN GOURVITZ** represented Burroughs. *Estate of Hogarth v. Edgar Rice Burroughs, Inc.*, 72 U.S.L.W. 3465, 3589, 3598, 2004 WL 77839 (Mar. 22, 2004).

IN I.M.S. INQUIRY MANAGEMENT SYSTEMS, LTD. V. BERKSHIRE INFORMATION SYSTEMS, INC., 307 F.Supp.2d 521 (S.D.N.Y. Feb. 23, 2004), **PATRICK PERKINS** and **ZOE HILDEN** successfully argued defendant Berkshire Information Systems, Inc.'s motion to dismiss the plaintiff's claims under the Copyright Act and the Digital Millennium Copyright Act (DMCA). The decision of the Southern District of New York granting partial dismissal of the complaint was the subject of particular media interest for its precedent-setting interpretation of the anti-circumvention provisions of the DMCA. (See the U.S. Section of this Information Letter for a discussion of the decision.)

LISA PEARSON spoke at a program on idea submission cases at The Copyright Society of the U.S.A. entitled "Yo Quiero Taco Bell--Idea Submission Cases," on May 5, 2004 at the Princeton Club in New York City.

ALLISON STRICKLAND led an INTA Roundtable for Legal Administrators on the topic of the Madrid Protocol in New York City on February 25, 2004.

WE ARE VERY PLEASED TO WELCOME LAURA POPP-ROSENBERG as an Associate in the Litigation group. Laura comes to us from Debevoise & Plimpton where she was an Associate since November 2002 and for the period October 2000 through August 2001. Laura served as Law Clerk to United States District Judge Alvin Hellerstein (Southern District of New York) from October 2001 through September 2002. She was a summer associate in 1998 for Fried Frank Harris Shriver & Jacobson. Prior to that, Laura worked at American Express bank as a Manager of Special Projects from September 1996 through July 1997. From August 1994 through July 1996, she worked as a Business Analyst for Mckinsey & Company. Laura is a 2000 graduate of Columbia University School of Law, where she was a Harlan Fiske Stone Scholar. Laura received her Bachelor's Degree with Highest Honors and Highest Distinction in 1994 from the University of North Carolina at Chapel Hill.

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Information Letter

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UNITED STATES

COPYRIGHT INFRINGEMENT

- Circumvention

MADRID PROTOCOL

- Update

Copyright Infringement:

CIRCUMVENTION

I.M.S. Inquiry Management Systems, Ltd. v. Berkshire Information Systems, Inc., 307 F.Supp.2d 521 (S.D.N.Y. Feb. 23, 2004).

Upon motion of defendant Berkshire Information Systems, Inc., represented by Patrick Perkins and Zoe Hilden, the Southern District of New York dismissed plaintiff I.M.S. Inquiry Management Systems, Ltd.'s claims under the Copyright Act and the Digital Millennium Copyright Act (DMCA), resulting in partial dismissal of the complaint.

I.M.S. is engaged in the service of providing advertising tracking information to its clients over the internet. I.M.S. alleged that Berkshire, which operates a competing advertising tracking service, had accessed I.M.S.'s website in March 2002 by using the password and user id of one of I.M.S.'s clients, and had committed copyright infringement by copying material on the site. In the copyright registration for its website, however, I.M.S. claimed a date of first publication of January 14, 2003. The court held that, as a matter of law, the registered

work could not be the same as the work that I.M.S. had already made available to its clients in March 2002, and that because I.M.S. did not possess a copyright registration for the work that was the subject of the lawsuit, the court lacked jurisdiction over I.M.S.'s infringement claim pursuant to Section 411(a) of the Copyright Act, 17 U.S.C. §411(a).

The court also rejected I.M.S.'s claim that by accessing I.M.S.'s web site using the password and user id of one of I.M.S.'s clients, Berkshire had violated the DMCA's prohibition on circumventing a technological measure that controls access to a protected work. The court held that "circumvention," as the term is used in the DMCA, "requires either descrambling, decrypting, avoiding, bypassing, removing, deactivating or impairing a technological measure *qua* technological measure." Berkshire was alleged only to have used a password intentionally issued by I.M.S., albeit to a third party, not to have punctured or evaded any technological measure to enter I.M.S.'s site. The court held that this alleged activity did

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not constitute circumvention under the DMCA as a matter of law.

- ZH

Madrid Protocol: UPDATE

The Madrid Protocol came into force in the U.S. on November 2, 2003, when the USPTO began accepting requests for extension of international registrations of marks to the U.S. from foreign owners and began accepting applications for international registrations of marks (and requests for extension to foreign countries) from U.S. owners. Six months later, it seems appropriate to take stock and repeat some practice reminders.

Responding to Office Actions in U.S. Extensions

As of the end of April 2004, the USPTO had received approximately 1,800 requests for extension of protection to the U.S. of international registrations owned by non-U.S. parties. In addition, the WIPO database indicated that approximately 1,800 more such requests for extensions were pending. The USPTO assigns requests for extensions serial numbers in a new "79" prefix series, meaning that the first extension was assigned serial number 79/000001. These requests for extension are examined like any other U.S. application. Since the usual time to first examination in the USPTO is about six months, WIPO should soon receive Office Actions (official letters from U.S. examiners) stating objections to those requests, such as blocking citations of prior registrations for similar marks and requirements to amend identifications of goods to make them more specific. Responses must be filed within six months. If no response is filed, then the extension will become abandoned, or, if the objection related only to certain goods, then those goods will be automatically deleted from the U.S. extension.

Owners of extension requests may themselves file responses to those Office

Actions, that is, the USPTO will correspond directly with trademark owners, even if they are located in foreign countries. However, the only other persons from whom the USPTO will accept responses are U.S. attorneys (not the foreign attorneys who may have secured the international registration). If the Examiner deems the initial response unsatisfactory, then the Examiner will issue a further Office Action making the objection "final". The only recourse at that point is to comply exactly with the objection (if possible) or file an appeal. It is important, therefore, that the response to the first Office Action be convincing, that is, that it be prepared by persons familiar with U.S. case law and examining rules.

Our firm is prepared to file such responses. In order to do so, we merely need a copy of the Office Action and the owner's instructions. We can also review the Office Action and advise the owner (or its attorney) in order to help the owner decide how best to respond to a particular objection.

Avoiding Fraud

International registrations often cover very broad lists of goods or services, or even whole class headings. Owners of some of those registrations have extended those entire lists to the United States in their requests for extension. Since the owner must have a good faith intention to use the mark in the U.S. for all goods and services listed in the extension request, under U.S. law, the extension of overbroad lists of goods and services to the U.S. is at least arguably fraud. This could result in the invalidation of the entire extension. Since USPTO examiners do not examine on the issue of fraud, the issue can only arise in a future litigation, such as an opposition or a trademark infringement suit. Prudent owners of international registrations will use the limitation box in the WIPO extension form to delete excess goods and services from the extension of the international registration to

the U.S. If this was not done when the extension to the U.S. was filed originally, the excess goods or services can still be deleted in a response to Office Action. While this does not necessarily cure the original fraudulent filing, we strongly recommend that this be done. It may help in defending a fraud claim. U.S. law on this issue remains unclear.

International Registrations by U.S. Owners

As of the end of April 2004, the U.S. PTO had forwarded approximately 625 applications for international registration from U.S. trademark owners, which necessarily include a request for extension to at least one foreign country. This fairly low level of filings suggests that many U.S. trademark owners have weighed the pros and cons of international registrations and have concluded that the pre-existing system of national and CTM registration is preferable. For example, U.S. owners face the disadvantages of obtaining an international registration with the same narrow identifications of goods and services as their underlying U.S. application (because the USPTO only accepts narrow identifications, as distinct from class headings) and the dependency of the international registration on the validity of the U.S. application/registration for the first five years of the life of the international registration. Apart from these inherent difficulties, two factors have made it more difficult than initially expected for U.S. applicants to rely on the Madrid Protocol system. First, in a very embarrassing failure, the USPTO's electronic filing system for international applications and Madrid extensions was not ready on November 2, 2003 and is not expected to be up and running for at least several more months. This means that these filings must be done on paper. Second, the USPTO had announced before November 2, 2003 that it would offer U.S. trademark owners the option of paying the WIPO fees for the international application and extensions in U.S. dollars,

through the USPTO. Implementation of this procedure was likewise postponed. Therefore, U.S. trademark owners who want to use the Protocol must learn how to pay the fees directly to WIPO in Swiss francs, separately from their filing in the USPTO to obtain the international registration. Instructions on how to make payments directly to WIPO are contained in a document on the USPTO website entitled "USPTO Tips for Filing on Paper," at www.uspto.gov/web/trademark/madrid/madrid_tipspaperfilers.htm.

Nevertheless, the Madrid Protocol system offers some advantages to U.S. owners in certain situations. Use of the Protocol involves some trade-offs in breadth of protection, security of protection, flexibility and assignability, in exchange for cost savings. Detailed advice on how the Madrid Protocol works and the pros and cons of the Madrid Protocol system compared to national applications or CTM applications is stated in several articles on the www.frosszelnick.com website, in the Newsletters and Articles section.

Trademark owners using the Protocol should keep in mind that the member countries of the Protocol do not include Canada, Mexico or any countries in the Western Hemisphere except the United States, Cuba, the Netherlands Antilles and Antigua and Barbuda, and also do not include many economically important Eastern Hemisphere countries, such as Taiwan, Hong Kong, Malaysia, Philippines, India, Saudi Arabia, Indonesia and Thailand. Therefore, parties who wish to use the Protocol for protection in Protocol member countries may nevertheless need to file national applications in Canada, Mexico, Taiwan and other non-member countries. An important development anticipated for late 2004 is that the European Union will become a member and that it then will be possible to request a Madrid Protocol extension into the CTM, instead of into each individual EU member country. We are

happy to advise clients on how to use the Protocol, the CTM and national applications to protect their marks most cost-effectively.

- DWE

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INTERNATIONAL

EUROPEAN UNION

- Enlargement of Community Trademark System

IRELAND

- Stamp Duty Abolished

PAKISTAN

- Amendments to Trade Marks Act

SAUDI ARABIA

- Accession to Paris and Berne Conventions

SERBIA AND MONTENEGRO

- Law on Customs

UNITED KINGDOM

- Amendments to Trade Marks Act

ZANZIBAR

- Changes to Trade Mark Regulations

European Union: ENLARGEMENT OF COMMUNITY TRADEMARK SYSTEM

As previously reported in our September 2003 Information Letter, on May 1, 2004, the European Union expanded to include ten additional countries, namely, Cyprus, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovak Republic and Slovenia.

As a result of this enlargement, European Community Trademark (CTM) registrations now provide protection throughout the ten enlargement countries in addition to the fifteen countries that were in the EU prior to enlargement. Since there are no fees or administrative requirements for the

extension of preexisting CTM registrations and no increase in the fees for new applications, this expansion in the scope of CTM protection comes at no cost to the trademark owner. This makes the CTM system a very cost-competitive alternative to national filing or filing through the Madrid Protocol throughout Europe.

However, the extension of rights does create several complications for trademark owners. Since an earlier national right in any country of the EU (including the enlargement countries) can form the basis for an objection to a CTM on relative grounds, there may be an increase in the number of oppositions filed. Additionally,

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there may be an increase in objections on absolute grounds since marks that are descriptive, generic, deceptive or against public policy in any language of the EU (now including the languages of the enlargement countries) will be subject to objection during examination. Further, enlargement may make it difficult to overcome objections based upon non-distinctiveness by submission of evidence of secondary meaning, because it is necessary to show that the mark has secondary meaning throughout all countries of the EU, which may now be more difficult given that there are ten additional countries in which secondary meaning must be shown.

Also, as discussed at greater length in our September 2003 article, there are complicated priority rules applicable to preexisting CTM applications and registrations. Basically, the effective priority date in a new member country for pre-enlargement CTM registrations will be the date of extension to such country, not the filing date of the CTM. For example, if Party A owns a CTM registration arising from an application filed January 1, 2000, and Party B owns a Czech Republic registration for a confusingly similar mark arising from an application filed January 1, 2001, it may appear that Party A has priority due to its earlier filing date. However, Party B will in fact have priority with respect to the Czech Republic, since the effective priority date of Party A's CTM registration with respect to Czech Republic will be the date of extension of the CTM system to the Czech Republic, May 1, 2004. Thus, under these circumstances, Party A will be able to enjoin Party B's use of its mark in the Czech Republic.

Notwithstanding these issues, we view the enlargement of the CTM system as a positive development for trademark owners because it provides an easy and cost-effective means to obtain trademark

protection throughout most of the European continent.

- JV

Ireland: STAMP DUTY ABOLISHED

Government stamp duty on the transfer of intellectual property in the Republic of Ireland has been abolished. Any Deeds transferring such rights executed on or after **April 1, 2004** are no longer subject to stamp duty.

- JLH

Pakistan: AMENDMENTS TO TRADE MARKS ACT

The Pakistan Trade Marks Ordinance, 2001 ("Ordinance"), promulgated on April 13, 2001 repealing the Trade Marks Act, 1940, and regulations supporting the Ordinance (Trade Mark Rules, 2003), finally came into effect on **April 12, 2004**. The highlights include protection for service marks and well known marks, and are as follows:

- More types of marks can now be registered. The Ordinance specifically allows for the registration of service marks, trade names, collective marks, and domain names, as well as marks consisting entirely of a product shape or packaging, figurative element, color, sound, scent, or any combination thereof.
- Multi-class applications are still not possible; separate applications are required for each class of goods/services.
- Convention priority can now be claimed from an application filed in a Paris Convention country, even though Pakistan is not yet a member of the Convention. Within 3 months of filing the application, however, the applicant must file a certificate from the Trademark Office or other competent authority of the priority country verifying the filing date of the application, the

representation of the mark, and the goods or services covered by the application. Until Pakistan joins the Paris Convention, priority from a Pakistani application cannot be claimed.

- Temporary protection for marks used during official or officially recognized exhibitions is available. An applicant for the registration of a trademark who has exhibited goods bearing the mark or has rendered services under the trademark at an official or officially recognized exhibition, and who applies for registration of that trademark within 6 months from the day on the which the goods/services were exhibited/ rendered, will, on application, be deemed to have applied for registration of the trademark on the day of the exhibition.
- Divisional applications may now be filed, provided that the “parent” is pending. Divisional applications will proceed as a regularly filed application, but will be deemed to have been filed on the day the “parent” application was filed.
- Association with earlier registered marks that are similar or identical to that which has been applied for is no longer required. Association conditions for existing registrations have been abolished.
- The first registration term is now 10 years, renewable every 10 years (rather than 7 followed by 15, as previously).
- Restoration of a registration which has been removed from the Register for non-payment of the renewal fee is available, provided that a restoration application is filed within 6 months of the date of removal (rather than one year from the expiration date, as previously), at the discretion of the Registrar.
- The period for opposing an application is still two months, but is extendable for

a period of up to two months only (formerly 6 months) upon application and payment of a fee.

- Recognition is given to trademarks which would be entitled to well known mark protection under the Paris Convention, or have a reputation in Pakistan. Such marks are deemed to be infringed by use, in the course of trade, of a mark that is identical or deceptively similar to the trademark, in relation to goods/services which are *not* similar to those for which the earlier mark is registered, provided that such use, without due cause, takes unfair advantage of, or is detrimental to, the distinctive character or repute of the trademark (section 40(4)).
- The Ordinance provides for protection against registration or use of infringing domain names. Specifically, a registered trademark is infringed where a party, without the consent of the owner of the registered trade mark, uses the mark as a domain name or part of a domain name, or obtains such domain name with the intention of selling such domain name to another including the proprietor of the registered trade mark. (section 40(6)).
- An exclusive license may provide that the licensee shall have the same rights and remedies in respect of matters occurring after the grant of license, as if the license had been an assignment. Exclusive licensees may, for instance, bring infringement proceedings against third parties in their own name under certain circumstances, provided that the license has been registered. The Ordinance also provides that if the trademark is assigned to a third party, the assignee will be bound by the terms of the existing exclusive license agreement.

- Transitional provisions specify that owners of applications which had not yet been advertised, or ordered to be advertised, before the commencement of the Ordinance may give notice to the Registrar to have the registrability of their marks determined under the Ordinance. The notice must be given within 12 months of the commencement of the Ordinance and shall be irrevocable. Other applications will be dealt with under the old law.

- AK

Saudi Arabia: ACCESSION TO PARIS AND BERNE CONVENTIONS

As of **March 11, 2004**, Saudi Arabia acceded to the Paris Convention for the Protection of Industrial Property and the Berne Convention for the Protection of Literary and Artistic Works.

- J LH

Serbia and Montenegro: LAW ON CUSTOMS

Border measures are now available in Serbia and Montenegro, based on enactment of the Law on Customs and the recent implementing decree. Owners of intellectual property may now apply to customs for detention of counterfeit goods in import, export or transit. The law also provides for destruction of counterfeit goods as well as removal from ordinary channels of trade.

- J LH

United Kingdom: AMENDMENTS TO TRADE MARKS ACT

The U.K. Trade Marks Act 1994 (the "Act") and its supporting Rules were amended, effective **May 5, 2004**. The amendments made several changes to UK opposition procedure, in part to bring the UK more in line with Community Trade Mark opposition practice. The amendments also clarify the

protection afforded to trademarks that have a reputation. The most pertinent changes are as follows:

1. Opposition Procedures

(i) New "Proof of Use" regime

If an opposition is filed on the basis of an earlier identical or similar trademark that was registered more than 5 years prior to the publication date of the opposed application, the opponent must provide a "statement of use" in the Notice of Opposition. The statement of use must detail the goods and services on which the trademark has been used in the 5 years prior (no evidence or examples of the trademark use is required at this stage). If the opponent is aware that the earlier trademark has been used but is uncertain as to the details, a qualifying term such as "to the best of my knowledge" can be used to accompany the statement of goods and services on which it is believed the trademark has been used.

Similar proof of use provisions now apply where an invalidity action is based on an earlier registered trademark.

In both opposition and invalidity proceedings, the party defending the action (the applicant in the case of an opposition or the registered proprietor in invalidity proceedings) can deny the truth of the "statement of use" when filing their defence. Under those circumstances, the party bringing the action must provide proof of use of the earlier trademarks together with the other evidence supporting the action.

(ii) Extended Cooling Off Period

The parties, on agreement, may enter a cooling off period which will now be 12 months, and non-extendible (previously, it was possible to request a 3 month cooling off period, extendable by a further period of 3 months). The cooling off period can be terminated by either party at any time.

- (iii) Preliminary Indication in Oppositions based on Identical or Similar Marks and Identical or Similar Goods/Services (Section 5(1) and/or 5(2) of the UK Trade Marks Act)

In oppositions based on identical or similar marks and identical or similar goods/services, one of the Registrar's Principal Hearing Officers will issue a Preliminary Indication ("PI") on whether the respective marks and all or some of the goods/services are confusingly similar, within four weeks of the counter-statement having been sent to the opponent by the Registrar. The parties can choose to accept the PI or continue with the opposition proceedings. If both parties accept the PI, the Registrar will implement the result and accept or refuse the application, as indicated.

If the Hearing Officer's opinion was that some but not all of the goods or services covered by the application were confusingly similar, and neither party chooses to proceed with the opposition, the applicant will have a month to amend its application to conform to the PI. If no such amendment is requested by the applicant, then the application will be deemed withdrawn in its entirety. As the PI is not a "decision," it cannot be appealed.

- (iv) Transitional Provisions

Any opposition which was already in progress as of May 5, 2004, will become subject to the amended rules when the next step in the opposition procedure is taken. For example, if a case was in the cooling off period as of May 5, the case will be transferred to the new rules only when the applicant files its counter-statement. The parties will therefore be unable to take advantage of the longer cooling off period provided under the new rules. However, the case will be the subject of a Preliminary Indication (if section 5(1) or (2) has been pleaded). Additionally, as the proof of use

regulations were not in existence prior to May 5, oppositions launched prior to that date are not subject to these requirements.

2. Dilution of Reputation

There has been uncertainty as to the protection given to trademarks that have a reputation, because of the wording of the earlier Act. The Act has always provided additional protection to marks that have a reputation; it specifically allowed a trade mark owner to take action to prevent the registration or use of an identical or similar mark in respect of *dissimilar* goods/services, provided that use of the later mark takes unfair advantage of, or is detrimental to, the registered mark's reputation. The earlier Act made no mention, however, of marks in respect of *identical or similar* goods/services. Sections 5 (registrability) and 10 (infringement) of the Act have now been amended to remove the reference to dissimilar goods/services, so that they now clearly apply to identical or similar marks to be registered for or used on any goods/services, whether similar or dissimilar.

- AK

Zanzibar: CHANGES TO TRADE MARK REGULATIONS

Zanzibar has recently amended its Trade Mark Regulations to adopt the International Nice Classification (8th Edition) system. Zanzibar previously adhered to the old (Pre-1938) British Classification system.

There is some debate as to the effective date of the amendment, published in the Official Gazette. The advertised notice indicates that the amendment would be effective once it is signed by the relevant Minister (this does not appear to have taken place). A draft of the amendment notice suggested that the Regulations would be effective immediately. Clarification is being sought from the Registrar.

The amended Regulations suggest that service marks are now protected in Zanzibar. However, it is not clear whether the Trade Mark Act itself has been amended to include service marks. Updates will follow.

- LG

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