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JUNE 2007

WE ARE PLEASED TO REPORT THAT IN THE 2006-2007 EDITION OF LEGAL 500 US, an industry reference guide that ranks top firms within specific legal practice areas, our firm was ranked among the top trademark and copyright law firms in the country. We were the only law firm listed in the top tier for non-contentious and transactional trademark work, a category in which the firm was recognized as “the top choice for all IP matters” by clients. We also received high rankings in the trademark litigation and dispute resolution category and the copyright category. **RON LEHRMAN, JANET L. HOFFMAN, PETER SILVERMAN, NADINE JACOBSON, LYDIA TEMESGIEN GOBENA** and **STEPHEN BIGGER** were recognized for their expertise in the international trademark area. On the domestic side, **DAVID EHRLICH** was noted as a widely “experienced prosecutor and counselor,” and **MARK ENGELMANN** a “star counselor.” In the trademark litigation and dispute resolution category, **MARIE DRISCOLL, BARBARA SOLOMON** and **CRAIG MENDE** were mentioned for their U.S. expertise, as were **ROGER ZISSU** (“superb, a truly great lawyer”), **CRAIG MENDE** (“expertise in digital music infringement”) and **DAVID EHRLICH** (“smart, efficient and well-rounded”) for copyright.

WE HAVE HAD A STRING OF FAVORABLE DECISIONS IN CONTENTIOUS MATTERS:

Pursuant to the Uruguay Round Agreements Act (“URAA”), Section 104A of the U.S. Copyright Act restored copyright rights to foreign authors who had lost protection for failure to follow certain copyright formalities required under earlier U.S. law. The restoration law provided an exception limited in time for so-called “reliance parties” to continue selling copies of restored works. **IN A CASE OF FIRST IMPRESSION, CRAIG MENDE** and **MICHAEL CHIAPPETTA** won an appeal in the U.S. Court of Appeals for the Second Circuit, which affirmed a preliminary injunction they secured on behalf of Troll Company A/S of Denmark, copyright owner of the famous fuzzy-haired Good Luck Troll doll, preventing distribution of “Wish-nik” dolls by Uneeda Doll Co., Ltd. The U.S. copyright for the Good Luck Troll had been lost in 1965 due to omission of the required copyright notice, but was resuscitated 30 years later pursuant to the URAA. The Court ruled that Uneeda, which sold Wish-nik dolls when the Good Luck Troll was in the public domain, was not a “reliance party” entitled to notice of copyright restoration and a one-year sell-off period under Section 104A because there

had been “more than trivial interruption” in its sale of the dolls after Troll Co.’s rights were restored.

ROGER ZISSU and **EVAN GOURVITZ** obtained a dismissal, on *res judicata* grounds, of copyright infringement claims brought by plaintiff Creative Arts by Calloway, LLC, against Cab Calloway’s grandson, Christopher Brooks, for his recordings of Cab Calloway’s songs. The U.S. District Court for the Southern District of New York held that the claims should have been brought in a prior action against Mr. Brooks by the same plaintiff in 2001 contesting his right to use “Cab Calloway” in the name of Brooks’ band. Before his death, Cab Calloway told his grandson (Christopher Brooks) to continue his legacy by performing and recording Calloway’s music in a band using the Calloway name. Brooks thereafter founded the Cab Calloway Orchestra which, since at least 1998, has done just that. But a company formed by Zulme Calloway, Cab Calloway’s last wife and widow, and not Brooks’ grandmother, tried to stop him from using Cab Calloway’s name. Years after the U.S. Court of Appeals for the Second Circuit affirmed the summary judgment dismissing their trademark suit in 2002, plaintiff sued for copyright infringement arising out of the orchestra’s recordings of Calloway’s music. With the dismissal of plaintiff’s recording claims in this latest lawsuit, the other shoe has finally dropped.

ROGER ZISSU, **DAVID DONAHUE** and **LAURA POPP-ROSENBERG** obtained summary judgment for Stephen Slesinger, Inc., in the high-profile Winnie the Pooh copyright termination litigation. The U.S. District Court for the Central District of California held that the copyright grant termination notice served under Section 304(d) of the U.S. Copyright Act by Harriett Jessie Minette Hunt—Pooh illustrator Ernest H. Shepard’s granddaughter—is invalid as a matter of law. As reported in prior issues of this Information Letter, our firm had secured summary judgment for Slesinger with respect to the other termination notice at issue in the case, which was served by author A.A. Milne’s granddaughter Clare. Unless reversed on appeal, the effect of the court’s recent decision is that all of Disney’s claims against Slesinger have been dismissed, Disney remains obligated to pay Slesinger royalties from the exploitation of Winnie the Pooh and related characters, and the only remaining claims are Slesinger’s counterclaims based on allegations of improper conduct by Disney.

CRAIG MENDE and **TODD MARTIN** won two domain name arbitration proceedings for Lacoste Alligator, S.A. before WIPO and the .co.uk registrar, Nominet. The decisions, issued on February 26, 2007 and February 21, 2007 respectively, awarded the domain names lacosteshoes.com, lacostetrainers.com, lacosteshoes.co.uk and lacostetrainers.co.uk, to Lacoste Alligator, S.A., the complainant in both Uniform Domain Name Dispute Resolution Policy (“UDRP”) proceedings. All four domain names were being used by their registrants, without authorization from Lacoste, for websites selling counterfeit Lacoste-branded shoes.

JOHN MARGIOTTA and **CAROLINE G. BOEHM** won a domain name arbitration proceeding for Gap, Inc. before WIPO. The decision, issued on April 16, awarded the domain name oldnavy.ph to Old Navy (ITM), LLC (a subsidiary of Gap, Inc.), the complainant in the UDRP proceeding. The domain name was being used by the registrant, without authorization from Gap, Inc., for a directory website that contained links to both the official OLD NAVY website and to websites of competitors.

OUR FIRM WAS A SPONSOR of the 74th Conference of the Pharmaceutical Trade Marks Group, held in Edinburgh, Scotland on March 19-20, 2007. Partner David Donahue represented our firm at the event.

ON APRIL 28, 2007, JANET L. HOFFMAN co-taught a course on trademark developments in Eastern Europe and the Independent States of the Former Soviet Union, as part of the Academic Course on International Trademark Law sponsored by the International Trademark Association (INTA) and John Marshall Law School in conjunction with INTA's Annual Meeting in Chicago, Illinois. Janet also appeared as a Commentator at the Global Legal Skills conference held at John Marshall Law School on May 4-5, 2007. In the fall semester, 2007. Janet will teach a course on Legal English at New York University Law School, in connection with that institution's LLM program.

WE ARE PLEASED TO ANNOUNCE THAT BOTH TAMAR NIV BESSINGER AND EVAN GOURVITZ have been appointed to the position of Counsel at Fross Zelnick in recognition of the valuable contributions each has made to the firm. Tamar became an associate in 1999 and brings her experience in trademark and copyright litigation, U.S. Patent & Trademark Office proceedings and counseling to her practice, enabling her to advise clients in an insightful and well-rounded manner. Evan, who joined us in 2001, focuses on U.S. trademark and copyright litigation and counseling, and brings a special expertise in internet and digital technology matters. We look forward to their continued success and contributions to our practice.

WE ARE PLEASED TO WELCOME THREE NEW ASSOCIATES TO OUR LITIGATION GROUP:

AIMEE ALLEN was with us last year on a special contract basis. Earlier in her career, Aimee was a litigation associate at Debevoise & Plimpton from the fall of 2002 through the fall of 2004 and at Dorsey & Whitney from the fall of 2004 through the fall of 2005. Aimee is a 2002 graduate of Columbia University School of Law and Université de Paris I - La Sorbonne. Aimee received her Bachelor's degree from Yale University in 1997.

NICHOLAS (NICK) EISENMAN comes to us from Jones Day where he was an Associate since October 2005 and during the summer of 2004. Before law school, Nick spent nearly 15 years in the music industry, including at Dolo Records, an independent record label and music publishing company that he co-founded, and as a product manager for Atlantic Records. Nick is a 2005 graduate of Benjamin N. Cardozo School of Law where he was a member of the Arts & Entertainment Law Journal. He received his Bachelor's Degree from Oberlin College in 1991.

BETSY CAROLYN JUDELSON joins us from Debevoise & Plimpton LLP, where she was an associate, since September 2005, as well as a summer associate in 2004. Before that Betsy worked as a Junior Publicist at The New Yorker (September 2000-June 2002), and was an Associate and Assistant for Robinson Lerer & Montgomery (May 1998-September 2000). She is a *cum laude* graduate of Northwestern University School of Law (2005) where she was elected to Order of the Coif. Betsy received her Bachelor's Degree *cum laude* from Duke University in 1998.

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Information Letter

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UNITED STATES

TRADEMARK INFRINGEMENT

- Reputation of Foreign Mark No Basis for Claim of Infringement

TRADEMARK TRIAL AND APPEAL BOARD

- Rights Under Pan American Convention
- Two Recent Fraud Decisions

Trademark Infringement:

REPUTATION OF FOREIGN MARK NO BASIS FOR CLAIM OF INFRINGEMENT

The Second Circuit Court of Appeals has just held that reputation of a foreign mark in the U.S., without use in the U.S., cannot be the basis of a claim for federal trademark infringement. In *ITC Limited v. Punchgini, Inc.* (No. 05-0933-cv, decided March 28, 2007), 82 USPQ2d 1414, ___ F.3d ___, the owners of the chain of BUKHARA Indian restaurants, in India and certain other countries outside the U.S., sued the owners of an identically-named restaurant in New York, based on a reputation without use theory, under both federal law and New York law. Having reviewed the various prior cases on reputation without use, the court declined to apply the doctrine under federal trademark law. The court reasoned that such a major departure from the usual principle of territoriality in trademark enforcement – while attractive as a matter of policy – should be left to Congress, which can

amend the U.S. trademark law if it wishes. As to the New York state law claim, the court declined to rule. Rather, it referred (“certified”) two questions to the highest court of New York State, the Court of Appeals. The Second Circuit will rule on the state law claims after receiving the New York Court of Appeals’ answers on the certified questions, namely, (1) whether New York law of unfair competition allows protection of marks on the basis of reputation without use, and (2) if so, what level of fame in New York is required to claim such protection. The court noted that the two New York cases on that issue (which had protected the names of restaurants in Paris against copying in New York) were both decided long ago by trial-level courts.

In the only prior Second Circuit Court of Appeals case to consider the issue, *Empresa Cubana del Tabaco v. Culbro Corp.*, 939 F3d 462 (2d Cir 2005), the district court had held that the plaintiff, a Cuban cigar maker and owner of the famous COHIBA mark outside the United

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States, could claim trademark infringement against the defendant's use and registration of COHIBA for cigars in the U.S. based on reputation without use. The Court of Appeals reversed that holding, reasoning that the U.S. anti-Cuban embargo law precludes the plaintiff from acquiring property rights in a U.S. trademark; however, the court expressly declined to address the applicability of the reputation without use doctrine.

District courts in the Second Circuit had reached inconsistent results under the doctrine. In *Almacenes Exito, S.A. v. El Gallo Meat Market, Inc.*, 381 F. Supp.2d 324 (S.D.N.Y. 2005), the court held, in deciding a motion to dismiss, that there is no federal claim for trademark infringement based on reputation alone. Even though the defendant in the case used an exact replica of the black and yellow EXITO logo in supermarkets that plaintiff had used in Colombia and Venezuela for retail stores since 1949, the court refused to recognize the federal claim, and explained that such a radical departure from statutory law can only be made by Congress. The court refused to dismiss New York state law claims of trademark dilution, trademark infringement and unfair competition as "the territoriality principle is part of federal law, not New York state law, and New York has fully adopted the well-known or famous marks doctrine as part of its common law." In contrast, the federal district court in *De Beers LV Trademark Ltd. v. DeBeers Diamond Syndicate Inc.*, No. 04 CIV. 4099 (DLC), 2005 WL 1164073 (S.D.N.Y. May 18, 2005) (in which our firm represented the plaintiffs), had acknowledged the existence of a federal claim for trademark infringement under the doctrine, explaining that "[r]ecognition

of the famous marks doctrine is particularly desirable in a world where international travel is commonplace and where the Internet and other media facilitate the rapid creation of business goodwill that transcends borders." Any disagreement between these two cases now appears to have been resolved in the Second Circuit by the *ITC* case.

The Second Circuit's decision is directly contrary to a prior Ninth Circuit decision, *Grupo Gigante S.A. de C.V. v. Dallo & Co., Inc.*, 391 F3d 1088 (9th Cir. 2004). The court held there that a Mexican grocery store chain, which had never used its mark in the U.S., could claim trademark infringement by a user of the identical mark in California, *if* the plaintiff's mark was sufficiently famous among U.S. consumers in the pertinent geographic area in California (an area where many persons from Mexico live). The case was remanded to the trial court to apply that test. The Ninth Circuit cast this holding as an exception to the territoriality principle, necessary to prevent consumer confusion and fraud. It now remains to be seen whether the Supreme Court will eventually resolve the split between the Second and Ninth Circuits.

- DWE

Trademark Trial and Appeal

Board: RIGHTS UNDER PAN AMERICAN CONVENTION

An interesting contrast to the highly territorial view of trademark protection, expressed by the Second Circuit in the *ITC* case, summarized above, is the recent decision of the Trademark Trial and Appeal Board ("TTAB"), protecting a foreign registrant's mark without prior use in the United States.

In *Diaz v. Servicios De Franquicia Pardo's S.A.C.*, Opposition No. 91159871 (February 16, 2007), _____USPQ2d_____, the

TTAB granted the applicant's motion for summary judgment to dismiss an opposition. The TTAB ruled that the applicant, owner of an application for the mark PARDO'S CHICKEN & Design for restaurant services in the U.S., had established priority under Article 7 of the Pan American Convention of 1929, 46 Stat. 2907.

The applicant had applied to register the mark under Section 44(e) of the Lanham Act, based on its registration for the mark in Peru, but the opposer claimed priority based on use of the mark in the U.S. prior to the applicant's U.S. filing date. The applicant relied on Article 7 of the Pan American Convention, which provides that an owner of a mark, protected by the domestic law of a contracting state (here, Peru), may challenge or oppose a party using that mark or applying to register it in another contracting state (here, the U.S.), who had knowledge of the prior mark, and that a successful challenge allows the owner the preferential right to use, and priority to register, the mark.

The TTAB granted summary judgment to the applicant, finding undisputed that (1) the applicant owned a registration for the mark in Peru; (2) the opposer knew of the applicant's mark in Peru; and (3) the applicant complied with the domestic requirements of both Peru and the U.S. by applying to register the mark under Section 44. Thus, the applicant's rights trumped the opposer's, and the applicant was entitled to registration. In addition, if U.S. courts follow the TTAB's interpretation, the applicant should be able to use Article 7 to obtain an injunction against unauthorized use of its mark in the U.S. by the opposer. This issue, however, has not yet been decided by a U.S. court.

Although it was not essential to the TTAB's ruling, it appears that the opposer copied the Peruvian restaurant's mark and used it for his own restaurants, in the United

States, in order to trade unfairly on the reputation of the applicant's mark among Peruvian immigrants to the United States. The applicant's restaurant name was allegedly well-known in Peru. This is the identical fact pattern to that of the *ITC* case, involving a restaurant allegedly well-known in India, whose name was copied by the U.S. party (presumably in order to confuse Indian immigrants and visitors to the United States, and others who might be aware of the Indian restaurant). The two tribunals reached opposite results.

Service marks – such as names of restaurants and stores – appear to provide fertile ground for litigation of reputation without use issues. The United States has ever larger numbers of immigrants and visitors, who can be confused by unscrupulous parties who use unauthorized copies of names of stores and restaurants that those persons knew in their home countries or from their travels. Unfortunately, for proponents of the reputation without use doctrine, the TTAB's holding in this case is based strictly on the language of the Pan American Convention. Thus, the only non-U.S. parties able to take advantage of this ruling are nationals of the member countries of the Pan American Convention, that is, Colombia, Cuba, Guatemala, Haiti, Honduras, Nicaragua, Panama, Paraguay and Peru.

- DWE

Trademark Trial and Appeal

Board: TWO RECENT FRAUD DECISIONS

For many years, Fross Zelnick attorneys have been counseling clients to avoid over-claiming of goods and services in U.S. trademark applications because of the risk that this may render any resulting registration vulnerable to cancellation on grounds of fraud. The value of following this advice has been confirmed again by two recent decisions of the USPTO

Trademark Trial and Appeal Board (“TTAB” or “the Board”).

I. *Hurley International LLC v. Paul and Joanne Volta*, Opposition No. 91158304 (decided on January 23, 2007, published at 82 U.S.P.Q.2d 1339).

This case involved an application by two Australians based on actual use of the mark, THE SIGN and Design, in U.S. commerce, for live musical entertainment services as well as “production of records; audio recording and production; entertainment namely, production of television shows, plays; motion picture film production; production of video discs for others; production of video cassettes for others; radio entertainment production.”

Hurley International LLC (“Hurley”) opposed the application asserting a prior registration for a similar design mark. The opposition was originally based on likelihood of confusion with the prior registration.

Later, it became apparent during discovery that the applicants had never used their mark for any services in the U.S. and had never used the mark anywhere with respect to some of the services specified in the application. Hurley then amended its opposition grounds to include a claim of fraud based on the applicants’ false and material assertions of actual use, and sought summary judgment from the TTAB on this ground.

In response, the applicants contended that their conduct in submitting a signed declaration supporting the application and asserting actual use was not fraudulent because they: i) were not represented by counsel and failed to understand the legal requirements for asserting actual use in U.S. commerce; ii) could not have intended their false assertion to be fraudulent, given their misunderstanding of these requirements, and iii) should be able, in any event, to amend the application to delete the

asserted use basis because registration of the same mark in Australia gave them a valid alternative registration basis for the U.S., thus avoiding the need to allege actual use prior to registration.

In recent years, the TTAB has applied a strict liability standard for determining fraud based on an applicant’s or registrant’s over-claiming of its goods or services beyond those actually in use. In *Medinol Ltd. v. Neuro Vasx Inc.*, 67 U.S.P.Q.2d 1205 (TTAB 2003) the Board stated:

The fraud alleged by petitioner is that respondent knowingly made a material representation to the USPTO [as to use on all goods named] in order to obtain registration of its trademark for the identified goods. There is no question that the statement of use would not have been accepted nor would registration have issued but for respondent’s misrepresentation, since the USPTO will not issue a registration covering goods upon which the mark has not been used. [Emphasis added.]

Applying this strict standard, the TTAB rejected each of the applicants’ arguments and granted summary judgment to the opposer. In its decision, the TTAB said applicants “were clearly capable of availing themselves of the relevant information available on the USPTO website regarding the various filing bases and their specific requirements” and that it was:

...unreasonable for them to believe, however “honest” such a belief, that the term “use in commerce” on a trademark application in the United States meant anything other than use of the mark in commerce in or with the United States, or even that use in commerce in Australia was the legal equivalent of use in commerce in the United States. [Emphasis added.]

The TTAB found fraudulent intent present due to the material nature of the

misrepresentation made and the knowledge applicants would have about the nature and extent of use with respect to their own services. Thus, “proof of specific intent [to defraud] is not required.”

Moreover, the TTAB did not permit the applicants to amend the application to rely on the Australian registrations, since this would not “cure a fraud that was committed” when the U.S. application was filed and firmly established when the application was allowed by the examiner and was published for opposition.

II. *Hachette Filipacci Presse v. Elle Belle, LLC*, Cancellation No. 92042991 (decided on April 9, 2007).

This precedential case, which will be published soon, involved a registration arising from an application filed based on asserted use in the U.S. (supported by a signed declaration) of the mark ELLE BELLE for various, specific clothing items for men, women and children. Hachette Filipacci Presse sought cancellation based on numerous prior registrations for ELLE, including for clothing, but perhaps most notably covering ELLE magazine, which Hachette Filipacci publishes and distributes. In seeking cancellation, Hachette Filipacci also asserted fraud based on registrant Elle Belle’s over-claiming of goods not actually sold under the mark.

During discovery, the registrant admitted it had not used its mark on a majority of the clothing items named in its original application. Moreover, it admitted that it was using the mark only in the context of a women’s clothing and accessories business. With clear evidence of a material misrepresentation concerning use, the opposer sought summary judgment based on its fraud claim.

Apparently anticipating this strategy, the registrant amended the ELLE BELLE registration, soon after the cancellation

proceeding commenced, to delete the excess goods. The USPTO Post Registration section accepted this amendment, although it did so in error. Where a registration is involved in a cancellation proceeding, amendments to the goods must be reviewed by the TTAB and, in any event, cannot be entered without consent from the opposing party, which, not surprisingly, was not forthcoming here. The Board gave the amendment “no effect.” Nor would the Board address directly the question of whether goods amendments filed before cancellation proceedings commence could suffice to remove potential fraud.

Barred from curing the fraud by its amendment, the registrant sought to establish that its over-inclusion of goods in the original application was not fraudulent. Believing it was proper to include goods for which the mark was not yet in use, the registrant’s principal signed the application declaration, even though the declaration specifically stated, under penalty of perjury, that the mark was in use in the U.S. for all goods at the time of signing. The registrant attributed its misunderstanding to lack of English fluency, and resulting miscommunications with registrant’s trademark counsel. The registrant contended that, under such circumstances, it had manifested no intent to misrepresent and hence no fraud was committed.

As in the *Hurley* case discussed above, and following the decision in *Medinol Ltd. v. Neuro Vasx Inc.*, the TTAB did not hesitate to find fraud here, and canceled the registration in its entirety. The Board reasoned that “the language contained in the subject application is clear and unambiguous” in asserting, under penalty of perjury, actual use in U.S. commerce as to *all goods* named in the application. According to the Board, whether or not the registrant’s principal, whatever his level of English ability, *knowingly* intended to

mislead by making a false assertion as to use was irrelevant, given the objective and material misrepresentation made.

Moreover, even assuming the registrant's principal lacked the necessary understanding of what goods could be included in the application under "in use," the TTAB charged the registrant's counsel also as partially responsible by failing to fulfill his duty "to ensure the accuracy of the application and the truth of its statements" and by not making certain "he understood what his client was telling him and [that he] reviewed the application with his client prior to obtaining the necessary signed declaration..."

Practice Pointers

1. These cases confirm that owners of U.S. trademark applications and registrations must limit their claims of use only to those goods and/or services actually sold or distributed in the U.S. under the marks concerned. Standard lists of goods and class heading language should not be used. In addition, U.S. mark owners should take care to confirm that the "use," on which they wish to rely, actually constitutes valid use under U.S. law. For example, token shipments are not use. Also, sales of discontinued merchandise by third parties, such as on the e-Bay auction site, are not use. Advertising of a service in the U.S., without actual sales of the service, is not use.
2. Although the current line of TTAB cases on fraud deals only with fraud based on claims of actual use, in the U.S., for excess goods or services, U.S. trademark applicants should be equally cautious about claiming an intent to use for excess goods or services. U.S. extensions of international registrations under the Madrid Protocol, U.S. national applications based on foreign applications or registrations, and U.S.

applications based only on intent to use all include claims of intent to use the mark for all the listed goods or services in the United States. It seems quite likely that, in an appropriate case, the TTAB will invalidate such an application or registration for over-claiming on goods or services.

3. The *Hchette* case, discussed above, appears to leave the door open for correcting applications and registrations that include excess goods or services. We strongly recommend that our clients amend existing applications or registrations, with excess goods or services, to delete those excess goods or services. If such deletion is done before the applications or registrations are challenged in an opposition or cancellation proceeding, there is a reasonable chance that the TTAB will excuse the original over-claiming and not invalidate the entire application or registration on the ground of fraud. So far, the TTAB has held only that attempts to correct over-claiming are invalid after the opposition or cancellation has commenced.

- DWE, CW

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Information Letter

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INTERNATIONAL

DOMAIN NAME NEWS

- .asia Domain Rollout Scheduled to Begin Soon

GULF STATES

- New Trademark Law

SINGAPORE

- Amendments to Trademark Act

SOUTH KOREA

- Amendment to Trademark Act

SYRIA

- New Trademark Law

Domain Name News: .ASIA DOMAIN ROLLOUT SCHEDULED TO BEGIN SOON

Following up on our report in the March 2007 issue of the Information Letter, the Dot Asia Organization ("DAO") has issued "final drafts" of its registration policies, which will govern the availability of domain names with the .asia extension. According to DAO, registration will be limited to entities or individuals who have a "local presence" within the Dot Asia Community, which includes the Middle East as well as the Asia-Pacific region, and will proceed on a staggered basis. First, there will be three "sunrise" periods, which permit early registration for governmental entities, owners of registered trademarks, and owners of registered entity names, respectively. Next comes the "land rush" period, which will open registration to the general public under an auction system. Finally, the domain will "go live," and registration will be open to the general

public on a first-come, first-served basis. Although DAO has not yet released the specific dates for each period, we are advised that the schedule is likely to proceed as follows:

June 2007 – Sunrise 1 for governmental agencies.

September 2007 – Sunrise 2 for owners of registered trademarks that correspond to the target domain name.

Sunrise 2 will be divided into three subparts. Registration during Subphase 2a will be limited to applicants who own a trademark registration applied for before March 16, 2004, and registered before the submission of the application, which corresponds to the domain name and is in use. Subphase 2b will permit registration for owners of trademark registrations applied for before December 6, 2006 and registered before submission of the .asia application, with no requirement to show

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use in commerce. Subphase 2c will permit registration for successful Subphase 2a and 2b applicants as well as any other owners of trademark registrations applied for and obtained after December 12, 2006. Unlike Subphases 2a and 2b, Subphase 2c will permit registration of domain names that combine the registered marks with any relevant word or words found in the goods and services identification of the registration.

November 2007 – Sunrise 3 for owners of "Registered Entity Names"

Sunrise 3 will permit applicants to register domain names that correspond to their registered company name (e.g., the name of a company, organization or society) if such name was adopted by the applicant before December 6, 2006 in a country within the Dot Asia Community.

February 2008 – "Land Rush" period

March 2008 – "Go Live"

- J/LH

Gulf States: NEW TRADEMARK LAW

The Gulf Cooperation Council ("GCC"), comprised of Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates, has approved a unified GCC Trademark Law which replaces the local trademark laws of the member countries. Implementing regulations are likely to be promulgated before the end of 2007. Among the features of the new legislation will be a broadening of the definition of a trademark, greater protection for internationally well-known marks, a five-year non-use period, a ten-year registration term and increased penalties for trademark infringement. We note that multi-class filings will not be available under the new law; rather, as before, each class must be the subject of a separate application. Although a unified law will apply in all the GCC states, applicants will still need to file separately in each country. It is unclear

when the new law will become effective, or, in fact, whether it already became effective in December of 2006. In any event, if not already in force, the law should become effective once the implementing regulations issue. We are closely monitoring these developments.

- J/LH

Singapore: AMENDMENTS TO TRADEMARK ACT

Significant amendments to the Singapore Trademarks Act of 1998 will come into force on **July 1, 2007**. Among the more salient changes are: (1) the introduction of multi-class filings (though this is not expected to result in a reduction of official fees, which will still be charged per class), (2) the ability to divide an application, once filed (but before registration), into two or more applications covering different goods/services (not applicable to international registrations designating Singapore under the Madrid Protocol), (3) the ability to record a license in respect of pending applications, and not only registrations as provided in the current law and (4) some limited flexibility for applicants to cure procedural errors, such as missed deadlines.

- J/LH

South Korea: AMENDMENT TO TRADEMARK ACT

On January 3, 2007 an amendment to the South Korean Trademark Law came into force. Among the important changes that will become effective as of **July 1, 2007** are:

- Better protection for well-known marks by lowering the standard that well-known mark owners must meet, for example, to ward off piratical applications by third parties.
- Some protection for prior users: Although, generally, the Korean system is based on first-to-file unless a prior user has achieved well-known status,

under the amendment prior users will be permitted to continue use of a mark identical or similar to a registered mark if (a) the prior user had been using its mark without bad-faith intent to engage in unfair competition and (b) as a result of its prior use, the prior user's mark has become a source identifier for the Korean consumer.

- Recognition of non-conventional marks, such as color, hologram and motion, as long as they can be represented visually.
- Extension of the opposition period from thirty days to two months.
- Notification to WIPO only (and not also to the applicant) of rejection grounds for applications filed under the Madrid Protocol.
- Refunding of the filing fee if an applicant withdraws or abandons its application within one month of the filing date.

- J/LH

Syria: NEW TRADEMARK LAW

Continuing the trend to modernize its trademark laws, on March 12, 2007, the Syrian government passed a new law on Trademarks, Geographical Indications, and Industrial Models and Designs (Law No. 8 of 2007). The law took effect **April 12, 2007**, and replaces Legislative Decree no. 47 of 1946 on Trademarks, Industrial Models, and designs. The Syrian Ministry of Economy and Trade is currently drafting regulations to implement the act.

The new law provides that any letter, word, numeral or design capable of being represented graphically may be registered, provided that it is distinctive. The law also provides protection for collective, certification, and service marks. With respect to geographical indications, any mark likely to cause confusion with a protected geographical indication cannot

be registered, and, reciprocally, geographical indications that are confusingly similar to a prior registered mark are also not protectable. Importantly, the new law also provides that famous marks well known in Syria and abroad shall be protected even if not registered in Syria. Owners of trademark registrations will also be entitled to request Customs Authorities to seize imported goods bearing infringing trademarks. Customs may also seize suspicious goods and allow the interested party 10 days to bring an action enforcing its rights. The law also increased the penalties for infringement, providing for imprisonment (three months to three years) and fines (\$6,000-20,000 U.S.).

Procedurally, the new law provides that trademark registrations are valid for ten year periods, which includes a 60-day grace period for renewal. Marks are subject to cancellation by any interested party within five years of the registration date, or for bad faith at any time. Registrations can also be cancelled for non-use if there has been no effective use during any three-year period. Separate applications need to be filed for each class of goods or services, and multi-class registrations issued under the old system will generate separate renewal certificates per class of goods or services. All applications, including renewal applications, will be examined by the registrar. Accepted applications will be published for a 90-day opposition period. Rejection notices may be appealed within 30 days of notice. In addition, the new Ministry of Economy and Trade has also adjusted its official fee schedule, substantially increasing the cost of securing and maintaining registrations.

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