

# FROSS ZELNICK LEHRMAN & ZISSU, P.C.

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EDITOR: KAREN LIM

DECEMBER 2018

## IN MEMORIAM – MARIE DRISCOLL

We announce with great sadness the passing of our former partner, friend, and mentor Marie Driscoll, who passed away on September 29, 2018.

Marie was a true titan of the IP bar and a role model for women in the legal profession. A graduate of the Georgetown School of Foreign Service and Harvard Law School, where she was a classmate of Roger Zissu, Marie specialized in trademark, copyright, and unfair competition law. Her accomplishments include arguing the seminal case of *Inwood Labs., Inc. v. Ives Labs., Inc.* before the U.S. Supreme Court which affirmed the existence of contributory liability for trademark infringement, executing a major overhaul of the U.S. trademark statute in the mid-to-late 1980s as a member of the Trademark Review Commission, contributing to the revised Restatement of the Law of Trademarks as a member of the Advisory Committee of the American Law Institute, contributing to INTA briefs submitted as *amicus curiae* in a number of U.S. Supreme Court cases, and becoming the first woman to serve as Counsel to INTA. In recognition of her leadership in the field, Marie was a recipient of the 2005 INTA President's Award given to exceptional volunteers who, over the course of a career in trademark law, have made an outstanding contribution to the Association and serve as role models in the practice of trademark law.

Marie was a partner in Fross Zelnick's litigation group from December 1997 until her retirement from the practice on December 31, 2007. During her decade-long tenure with the firm, Marie counseled and represented a diverse range of clients in the pharmaceutical, fashion, and consumer products industries. She was an invaluable resource with an unparalleled depth of knowledge of the law and how to meet clients' needs. Marie showed by example how to be a lawyer who listens to clients. She taught how to make your point succinctly and clearly. Her trust in the ability of the associates and the newer partners gave those of us working with her the confidence to take on cases and responsibility. She was truly invested in training the lawyers with whom she worked and gave many of us our first opportunities to argue motions and appeals, and try cases. But, for all her legal accomplishments, Marie never lost sight of the world beyond the law and maintained throughout her career and her retirement a great wit, a passion for The Metropolitan Opera, and a love of the New York Mets.

Marie will always be a part of this firm and a part of those of us who had the good fortune of learning from her and practicing with her. She was a loyal and reliable friend, classmate, partner, and mentor and will be sorely missed.

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**DISCLAIMER: Attorney advertising. Prior results do not guarantee a similar outcome.**

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**WE** ARE PLEASED TO REPORT THAT the 2018 INTERNATIONAL LEGAL ALLIANCE SUMMIT & AWARDS (“ILASA”) named Fross Zelnick Best USA IP Firm.

**U.S. NEWS & WORLD REPORT** and **BEST LAWYERS®** *Best Law Firms Ninth Edition* ranked Fross Zelnick National Tier 1 for Copyright and Trademark Law, and Metropolitan Tier 1 (New York City) for Copyright Law, Litigation – Intellectual Property, and Trademark Law.

**MANAGING INTELLECTUAL PROPERTY** named as IP Stars for 2018 Fross Zelnick lawyers [LAWRENCE APOLZON](#), [CARA BOYLE](#), [CARLOS CUCURELLA](#), [DAVID DONAHUE](#), [NADINE JACOBSON](#), [JOHN MARGIOTTA](#), [CRAIG MENDE](#), [BARBARA SOLOMON](#), [ALLISON STRICKLAND RICKETTS](#), and [JAMES WEINBERGER](#). Named as Rising Stars were [AMANDA AGATI](#) and [ERICA MCCURDY \(FORMERLY GOULD\)](#).

**SUPERLAWYERS** nominated the following Fross Zelnick lawyers as Super Lawyers for 2018: [LAWRENCE APOLZON](#), [DAVID DONAHUE](#), [SUSAN UPTON DOUGLASS](#), [DAVID EHRlich](#), [LYDIA GOBENA](#), [NADINE JACOBSON](#), [RICHARD LEHV](#), [JOHN MARGIOTTA](#), [CRAIG MENDE](#), [BARBARA SOLOMON](#), [JAMES WEINBERGER](#), and [ROGER ZISSU](#). Nominated as Rising Stars were [AMANDA AGATI](#), [HINDY DYM](#), [JASON JONES](#), [LEO KITTAY](#), [ASHFORD TUCKER](#), and [EMILY WEISS](#).

[ROBERT BECKER](#) was interviewed on two episodes of the Canadian cable television show *The Sports Business Show*, which respectively aired on July 29, 2018 and September 9, 2018.

[TAMAR NIV BESSINGER](#) and [KATHERINE LYON DAYTON](#) presented a program on “Ethics in the Trademark Arena” as part of INTA’s six-part Trademark Basics webcast series. The presentation serves as a global guide to ethics principles and considerations for trademark practitioners at all levels, and offers guidelines for trademark clearance, searching, litigation, and conducting infringement investigations. The Trademark Basics webcast series is scheduled to launch in December 2018.

[DAVID DONAHUE](#) and [JASON JONES](#) contributed the [U.S. section](#) to ICLG: Copyright Guidelines 2019, a print and [on-line comparative guide](#) to copyright law across 29 countries.

**JASON JONES** spoke at the Fall 2018 Pharmaceutical Trade Marks Group (PTMG) conference in Dubrovnik, Croatia, on October 5, 2018. Jason's presentation, "What's New at the U.S. Patent and Trademark Office," focused on two major initiatives the USPTO has enacted in the last year: The Post-Registration Proof of Use Audit Program (commenced in November 2017) and the Specimen Protest Email Pilot Program (launched in March 2018).

**ERICA MCCURDY (FORMERLY GOULD)** wrote the chapter on Cuba in the *Ibero-American Fashion Law Guide* of the Asociación Interamericana de la Propiedad Intelectual (ASIPI). Published in Spanish, the Guide assembles the regulations of 21 regional countries relating to different aspects of the fashion industry and serves as a comprehensive guide for lawyers and others in the industry. See [www.gallery.mailchimp.com](http://www.gallery.mailchimp.com)

**FROSS ZELNICK LEHRMAN & ZISSU, P.C.**

# Information Letter

FROSS ZELNICK LEHRMAN & ZISSU, P.C.

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## UNITED STATES

### FEDERAL CIRCUIT

- USPTO Loses Bid For Win-or-Lose Fees  
*NantKwest Inc. v. Iancu*

### U.S. COPYRIGHT

- The Music Modernization Act

### **Federal Circuit: USPTO LOSES BID FOR WIN-OR-LOSE FEES**

*NantKwest Inc. v. Iancu*, 898 F.3d 1177 (Fed. Cir. 2018)

In July 2018, the Federal Circuit rejected the U.S. Patent and Trademark Office's ("USPTO") argument that it was entitled to recover attorneys' fees, win or lose, when defending the Patent Trial and Appeal Board's (the "Board") decisions under Section 145 of the Patent Act, 35 U.S.C. §145. In a 7-4 *en banc* decision, the Federal Circuit reversed its own ruling a year ago that the USPTO was entitled to those fees.

#### **Section 145 of the Patent Act**

When the Board affirms an examiner's rejection of a patent application, the Patent Act provides applicants two avenues of appeal: (i) appeal directly to the Federal Circuit under Section 141 or (ii) file a civil action against the Director of the USPTO in the United States District Court for the Eastern District of Virginia under Section

145. The Federal Circuit then has jurisdiction over appeals from the District Court. The Section 145 route is more expansive, and thus more time consuming and costly than a direct appeal to the Federal Circuit. Applicants who invoke Section 145 are required by statute to pay "[a]ll the expenses of the proceedings" incurred by the USPTO in defending its decision in court. 35 U.S.C. § 145.

Up until 2013, the USPTO had interpreted this provision to cover agency travel costs and expert fees, but never attorneys' fees, which can typically reach six figures. Seemingly out of nowhere, the USPTO began asking for such fees, arguing that other patent applicants should not have to "subsidize the expenses of these optional proceedings." Brief of Appellant at 30, *Nantkwest, Inc. v. Matal*, No. 2016-1794 (Fed Cir. Nov. 15, 2017).

#### **NantKwest v. Iancu**

After the Board affirmed the examiner's rejection of NantKwest's patent application,

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NantKwest appealed the decision to the Eastern District of Virginia. After the USPTO prevailed again, the Office sought reimbursement of its litigation expenses, including attorneys' fees amounting to \$78,000. The district court denied the USPTO's motion in-part with respect to attorneys' fees. A split Federal Circuit panel overturned the decision in 2017 and ordered NantKwest to pay the attorneys' fees. In August 2017, however, without a request from the parties, the full Federal Circuit vacated its June 2017 decision and chose to rehear the case *en banc*.

After considering extensive legislative history and consulting multiple dictionary definitions of "expenses," the full Federal Circuit affirmed the district court's ruling denying the USPTO's motion for attorneys' fees. First, the Court held that the American Rule that litigants pay their own attorneys' fees, win or lose, applies to Section 145. Next, the Federal Circuit addressed whether Section 145 displaces the American Rule. The Court explained that exceptions to the American Rule require "specific and explicit" Congressional authorization. The Court stated that the "specific and explicit" requirement demands "more than language that merely can be and is sometimes used broadly to implicitly cover attorneys' fees." *Nantkwest, Inc. v. Iancu*, 898 F.3d 1177, 1187 (Fed. Cir. 2018) (emphasis in original).

In conducting its analysis, the Court considered two categories of Congressional statutes: (i) statutes that list expenses and attorneys' fees as separate items of recovery and (ii) statutes that define expenses to include attorneys' fees, but do so explicitly. The Court decided that both categories demonstrated that Congress understood "expenses" to mean something other than "attorneys' fees" unless expressly specified. Finding that Section 145's use of "expenses" was at best "ambiguous," the Court held that it could not overcome the standard American Rule for shifting attorneys' fees.

Essentially, the Court concluded that if Congress had wanted "expenses" in Section 145 to cover attorneys' fees, it would have said so.

The majority was also persuaded by the fact that there is no other statute that requires a private litigant to pay the government's attorneys' fees without regard to outcome. Thus, it noted that the USPTO's interpretation would result in a "particularly unusual divergence" from the American Rule, one that the Court was not inclined to create absent more explicit language in the statute.

Finally, the majority addressed the USPTO's concern about other patent litigants "subsidizing" these appeals by calculating that the cost of financing these proceedings per applicant would have amounted to \$1.60 per application in 2018—hardly the burden asserted by the USPTO.

### **Effect of the Decision**

Had the Federal Circuit ruled in favor of the USPTO, it would have effectively closed off an entire avenue of appeal to applicants that is a Congressionally-created right. For now, applicants who invoke Section 145 are not required to pay the USPTO's attorneys' fees. But the Federal Circuit is unlikely to have the last word on this topic. With this decision, there is now a circuit split with the Fourth Circuit, which endorsed the fees-no-matter-what policy in the Lanham Act (trademark law) context in 2015. Our report of the Fourth Circuit's decision can be viewed [here](#). This issue may well work its way to the Supreme Court, so stayed tuned!

*-MG*

## **U.S. Copyright: THE MUSIC MODERNIZATION ACT**

The Orrin G. Hatch-Bob Goodlatte Music Modernization Act (MMA) was signed into law on October 11, 2018. As the name suggests, the law is aimed at updating

music copyright laws for the digital age. Just before signing the law, President Trump said: “The Music Modernization Act closes loopholes in our digital royalty laws to ensure that songwriters, artists, producers, and providers receive fair payment for the licensing of music.”

The MMA, which received unanimous bipartisan support in the House and the Senate, accomplishes three main objectives, which will primarily benefit songwriters, producers, and other artists.

First, the MMA simplifies the process by which music rights holders can be paid for their songs that are played on streaming services. The Act provides for the creation of a new music licensing organization called the Mechanical Licensing Collective (MCL). The MCL must establish and maintain a public database of all songwriters and owners of specific rights associated with different songs, in a searchable online format, free of charge.

The MCL must also sell blanket licenses to streaming services and other digital service providers, such as Spotify and Apple Music, and distribute the proceeds to songwriters, thus enabling streaming services to obtain the rights to an entire registry of music at once. Prior to the MMA, streaming services had to send a “Notice of Intention” to the U.S. Copyright Office each time that they could not locate a composition’s rights holder, which often resulted in unpaid royalties. The new approach frees the Copyright Office from the Notice of Intention process, and could encourage new streaming providers to enter the marketplace.

Second, Title III of the MMA includes the Allocation for Music Producers Act, which establishes a path for music producers, mixers, or sound engineers who helped to create a sound recording to receive royalties when the songs are played over satellite and online radio. Producers will receive royalties

directly from SoundExchange, a rights management organization designated by Congress that is already widely used voluntarily, upon direction by the featured artist through a letter of direction. Upon acceptance of a letter of direction, a portion of the royalties an artist receives for a sound recording will instead be distributed to producers involved in the making of that sound recording. Prior to the MMA, producers and engineers were responsible for negotiating their own deals, either through an upfront fee or the back end of a master.

Third, Title II of the MMA, the CLASSICS ACT (Compensating Legacy Artists for their Songs, Services, and Important Contributions to Society Act), partially brings pre-1972 sound recordings under federal copyright and allows for payment of royalties for songs written before 1972 to both songwriters and performers. Prior to the MMA, there was no federal copyright protection or rights for sound recordings fixed before February 15, 1972. State laws provided inconsistent and uncertain protection. Under the CLASSICS Act, federal copyright remedies will be extended to owners of pre-1972 sound recordings that are used without authorization, and recording artists of these sound recordings will be paid royalties when their music is played on digital radio.

The bill was supported by many organizations in the industry including ASCAP, BMI, SAG-AFTRA, Songwriters Guild of America, RIAA, and many others. The full text of the MMA is available at: [www.congress.gov](http://www.congress.gov).

*-JB*

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# Information Letter

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## International

### Canada

- Hilton's Registration Can Stay In Canada Even Though Guests Cannot  
*Hilton Worldwide Holding LLP v. Miller Thomson LLP*
- New Trademark Regime effective June 17, 2019

### China

- Brand Owner Prevails in Unfair Competition Action Against Bad Faith Squatter  
*Bayer Consumer Care Holdings LLC and Bayer Consumer Care AG v. Li Qing*

### Czech Republic

- Changes to Czech Trademark Act

### India

- Single Color Not Protectable As Trademark  
*Christian Louboutin SAS v. Abubaker & Ors*

### Malawi

- Accession to Madrid Protocol

### United Kingdom

- Snoop Dogg Prevails Over Gleissner  
*Calvin Broadus v. Snoop International Ltd.*

### Uruguay

- Use of Trademarks Now Mandatory – Update

**Canada:** HILTON'S REGISTRATION CAN STAY IN CANADA EVEN THOUGH GUESTS CANNOT

*Hilton Worldwide Holding LLP v. Miller Thomson LLP*, 2018 FC 895.

The Federal Court of Canada confirmed that trademark owners can provide "hotel services" in Canada without operating a hotel. Instead, ancillary hotel services provided over the Internet can constitute trademark use as long as Canadians receive a "meaningful benefit" from them.

The decision came in *Hilton Worldwide Holding LLP v. Miller Thomson LLP*. The Canadian Trademark Opposition Board ("TOB") cancelled Hilton's Canadian registration for WALDORF-ASTORIA covering hotel services at Miller Thomson's request because Hilton did not operate a hotel by that name in Canada. Instead, it operated a website—accessible to Canadians—that allowed thousands of Canadian users to make hotel reservations, claim discounts, and exercise loyalty rewards.

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Hilton appealed and the Federal Court reversed. The TOB had argued that ordinary consumers expect a brick-and-mortar hotel when a trademark owner claims protection for “hotel services” in Canada. The Federal Court took a more liberal view of “hotel services” given the expansion of online commerce, noting that the Canadian Trade-Mark Act “does not set out a comprehensive definition” of “services.” The Court therefore held that the common sense meaning of “hotel services” extends beyond the operation of a brick-and-mortar hotel. It “naturally includes a series of related things,” the Court reasoned, “some of which are naturally now able to be ‘performed’ (from the owner’s perspective), or ‘enjoyed’ (from the customer’s perspective) in Canada” even if not performed or enjoyed on a physical hotel property there.

This decision reflects the impact of an increasingly digital economy. Prior TOB opposition precedent maintained that use of mark in connection with ancillary services does not constitute trademark “use” in Canada. The Federal Court explicitly overturned that precedent, holding that whether a registrant has “use” of the mark should be determined on a case-by-case basis. As a result, a prior registrant without a brick-and-mortar hotel may be able to more easily block the registration of a similar mark owned by a local company that does operate a brick-and-mortar hotel in Canada. Perhaps this is no significant issue as, in an online economy, all hoteliers are likely to provide online reservation services in order to compete. To that end, the Court noted that the Registrar’s construction of “hotel services” must “adapt to reflect the fact that an ordinary customer would expect to be able to book a hotel room on-line today, either directly or through the intermediary of a service dedicated to travel arrangements.”

International hoteliers hoping to maintain trademark protection for “hotel services” in Canada without physical properties may be able to rest more easily after this decision. But as the determination is to be “case by case,” it is not certain how each case will turn out. Once Canada’s new trademark law takes effect on June 17, 2019, applicants will no longer be required to prove use to obtain a registration in Canada, but hoteliers will continue to enjoy the benefits of the Federal Court’s more liberal construction of ancillary hotel services in enforcing their rights and defending against non-use cancellation actions there.

*-JARG*

### **Canada: NEW TRADEMARK REGIME EFFECTIVE JUNE 17, 2019**

We report the date of the long-awaited coming into force of the new Canadian trademark regime – June 17, 2019. The principal changes include the following: (1) It will no longer be necessary to state a basis for trademark applications and (2) Declarations of Use will no longer be required, including for currently pending applications.

In addition, registrations issuing, or due for renewal, after June 17, 2019 will have a ten-year term. Registrations due for renewal before June 17, 2019 will be renewed for 15 years. There is some cost benefit to renewing existing registrations before June 17, 2019. The official fee for pre-June 17 renewals will remain a flat fee of \$350 CDN (about \$265 USD). Renewals filed after June 17 will be subject to a fee of \$400 CDN (approximately \$305 USD) for the first class, and an additional \$125 CDN (approximately \$95 USD) for each additional class. The renewal term, however, will depend on whether the registration is due before (15 years) or after (10 years) June 17, 2019.

*-JLH*

**China:** BRAND OWNER PREVAILS IN UNFAIR COMPETITION ACTION AGAINST BAD FAITH SQUATTER

*Bayer Consumer Care Holdings LLC and Bayer Consumer Care AG v. Li Qing*, Hangzhou Yuhang, District People’s Court 2018

In a recent decision in favor of the owner of the COPPERTONE sunscreen brand, the Yuhang District Court opens the door to unfair competition claims against malicious trademark registrations by trademark squatters.

**Background:**

Bayer Consumer Care Holdings LLC and Bayer Consumer Care AG (collectively, “Bayer”), manufacturers of over-the-counter medication, dermatology, and sun care products, has sold its COPPERTONE brand of sunscreen in China since 2011. The COPPERTONE sunscreen products sold in China feature images that were originally created by Bayer, namely, a stylized sun and an illustration of a boy surfing, depicted as follows:



In May 2015, a Chinese individual Li Qing (“Li”) applied to register the following two designs covering sunscreen and cosmetics products in Class 3 that are highly similar to the images on Bayer’s Coppertone sunscreen bottle:



Bayer did not oppose these applications. After the registrations issued in 2016, Li

filed trademark infringement complaints against Bayer and its distributors on the Chinese e-commerce platform Taobao, where Bayer’s COPPERTONE sunscreen was sold, claiming that Bayer’s use of its design marks on the COPPERTONE sunscreen product infringed Li’s trademark rights and that the COPPERTONE sunscreen products should therefore be removed from taobao.com. In response to Li’s complaints, Taobao removed Bayer’s COPPERTONE sunscreen products.

Li also sent warning letters to Bayer’s distributors demanding compensation, and threatened to file trademark infringement complaints with administrative authorities against Bayer’s distributors. Li also filed a trademark infringement complaint with administrative authorities against Bayer itself. Li offered to withdraw the complaints in exchange for compensation from Bayer’s distributors, and even tried to sell his registrations to Bayer.

In response, Bayer filed an unfair competition action in 2017 against Li before the Hangzhou Yuhang District Court, asking the court to issue a declaration of noninfringement and grant damages for Li’s egregious acts of unfair competition. Bayer claimed that Li’s registration of the designs and malicious complaints filed with Taobao amounted to unfair competition under Article 2 of the Unfair Competition Law, constituting violations of the principle of good faith.

**Hangzhou Yuhang District Decision**

In a decision issued in May 2018, the Hangzhou Yuhang District Court ruled in favor of Bayer, holding that Li’s acts violated Article 2 of the Unfair Competition Law, and ordered Li to pay RMB 700,000 (about US \$100,700) in damages. The court determined that Bayer owned the copyright to the COPPERTONE designs, that such rights pre-dated the application date of Li’s trademarks, and that the evidence sufficiently proved that Li copied

Bayer's works. Applying the standard for determining whether the bad faith squatter's actions constituted unfair competition, the court found that Li's actions violated the principles of honesty and business morality given that his motive for securing the registrations was to provide a basis for filing the malicious complaints against Bayer and its competitors and to gain illegal profit, rather than for legitimate business operations. The Court also emphasized that Li is a serial trademark squatter who owns hundreds of trademarks that are identical or similar to other famous brands, that he has filed over 2,600 complaints against 1,800 Taobao vendors, and that such actions harm orderly and fair competition in the market.

This is an important decision for international brand owners facing trademark squatters in China. Chinese courts typically follow a strict interpretation of the law, which does not clearly define trademark squatting or malicious trademark registrations, and establishing bad faith can be challenging and expensive. This decision arguably opens the door to taking civil action based on unfair competition, and to claiming damages, when the squatter's actions demonstrably violate the principles of honesty and good faith and disrupt market competition.

[-MS](#)

### **Czech Republic:** CHANGES TO CZECH TRADEMARK ACT

In order to implement EU Directive No. 2015/2436 of the European Parliament (approximating the trademark laws of Member States by January 14, 2019), the following amendments to the Czech Trademark Act will take effect as of January 1, 2019 (among other changes):

- The definition of "trademarks" will no longer be restricted to marks capable of graphic representation, but will be broadened to include non-traditional

marks such as sounds, holograms, dynamic/multimedia signs, and possibly also scents, tastes, and textures.

- The Industrial Property Office will no longer examine applications for prior similar/identical marks; rather, it will be up to trademark owners to oppose marks they consider confusingly similar to theirs.
- Trademark owners may be required to prove use of their marks when relying on them for enforcement or opposition purposes. The burden of proof of use will be on the trademark owners seeking to enforce their rights.

[-JLH](#)

### **India:** SINGLE COLOR NOT PROTECTABLE AS TRADEMARK

*Christian Louboutin SAS v. Abubaker & Ors*, No. 890/2018 (May 25, 2018)

One step forward and one step back. Such is the path for Christian Louboutin in his ongoing battle to enforce trademark rights in his famous red sole around the world. The High Court of Delhi held in July 2018 that the designer's red sole is not protectable as a trademark in India. The decision came shortly before the Grand Chamber of the Court of Justice of the European Union ("CJEU") came to the opposite conclusion. According to the Delhi High Court, a single color is not capable of trademark protection.

In 2016, Louboutin brought an infringement action in India against retailers that colored the soles of women's footwear red before selling them. Louboutin alleged infringement by passing off and sought an injunction and damages. The High Court of Delhi held that Louboutin failed to state a cause of action because its registered trademark was incapable of protection under Indian trademark law.

Section 2(m) of India's Trade Marks Act defines a "mark" as any "device, brand, heading, label, ticket, name, signature, word, letter, numeral, shape of goods, packaging or *combination of colors*." Specification of "combination of colors" means that a single color is incapable of trademark protection. The Court dismissed its own precedent holding that a single color was protectable as a trademark in India—including its own ruling in *Louboutin's* favor in another case—noting that the prior decisions were inconsistent with the strict terms of the Act.

The decision stands in stark contrast to the CJEU's recent [decision](#) in *Christian Louboutin v. Van Haren Schoenen B.V.* holding that the same red sole was capable of protection under EU law because Louboutin's registration explicitly protected the color of the sole and not its shape.

It also stands in contrast to the U.S. decision in *Christian Louboutin S.A. v. Yves Saint Laurent* in which the Court of Appeals for the Second Circuit explicitly reversed the District Court's conclusion that a single color was not protectable as a trademark. The Second Circuit cited Supreme Court decisions recognizing that trademark protection is broadly available under the Lanham Act for any mark that is capable of distinguishing the goods of one person from those of another. Indian law also provides broad protection for "marks" which are capable of distinguishing the goods of one entity from another. But the Indian Court did not consider a single color is not a "mark" under the terms of the Act, as noted above. This narrow definition of "mark" prevented the High Court of Delhi from extending protection to Louboutin's red sole irrespective of the fact that the red sole is globally recognized as a distinctive indication of the Louboutin brand.

The High Court of Delhi's decision exemplifies the challenges to uniform enforcement of trademark rights around the

world, strictly adhering to the territorial nature of trademark rights.

[-JARG](#)

## **Malawi:** ACCESSION TO MADRID PROTOCOL

Malawi acceded to the Madrid Protocol on September 25, 2018. The Protocol will enter into force with respect to Malawi on December 25, 2018. Malawi will be the 102nd member of the Madrid System. See more at [www.wipo.int](http://www.wipo.int)

[-KL](#)

## **United Kingdom:** SNOOP DOGG PREVAILS OVER GLEISSNER

*Calvin Broadus v. Snoop International Ltd.* (U.K. Opposition No. 408342) (Decision No. 0-424-18)

On behalf of superstar rapper Snoop Dogg (whose real name is Calvin Broadus), we were successful in overseeing a trademark opposition against an entity related to Michael Gleissner, a serial trademark filer. Several brands including Apple, BMW, and Donald Trump have challenged Gleissner marks, but success has been elusive in a number of these oppositions. In fact, in the same week that Snoop Dog prevailed in his opposition, international retailer Mango's challenge to a Gleissner mark was dismissed. In the Snoop Dogg matter, the U.K. Intellectual Property Office found in favor of Snoop Dogg's opposition against a SNOOP trademark, determining that Gleissner's entity's application, which was filed in Class 14 (jewelry) and Class 26 (lace and embroidery) was filed in bad faith, and awarding Snoop Dogg £1,300. This decision was due in large measure to the extensive evidence of Snoop Dogg's international fame and reputation submitted in support of the opposition—including an affidavit by Fross Zelnick's Senior Counsel Stephen Bigger which was favorably cited at several points in the final decision.

Evidence submitted included confirmation that the sole director of the applicant company Snoop International Limited was none other than Michael Gleissner. Evidence was also submitted from an earlier U.K. Registry decision pointing out that Mr. Gleissner had a “track record of trading in domain names” and that one of his associates had admitted that his job entailed “reverse domain name high jacking.” The tribunal noted it was clear from previous U.K. decisions involving Mr. Gleissner that he had established multiple shelf companies in the names of which he had sought to register a large number of trademarks as part of a “blocking strategy” and there was no actual intention to use the marks in any real commercial way. Accordingly, the tribunal found that the trademark opposition had succeeded in full.

[-SB](#)

## **Uruguay: USE OF TRADEMARKS NOW MANDATORY – UPDATE**

In our [March 2014 Information Letter](#), we reported that Uruguay passed legislation establishing a use requirement for registered trademarks (Section 187-Act No. 19149, October 24, 2013; see also Decree No. 277/2014 of October 7, 2014). We now report that, effective January 1, 2019, any physical person or legal entity “with a direct, personal and legitimate interest” may seek to cancel a registered mark that has not been used for five years from its date of registration or approval of the last renewal. Such actions are to be filed before the Trademark Office. The burden of proof of use rests with the trademark owner, who must demonstrate that the mark has been used during the requisite period by the trademark owner, a licensee, or an authorized person. There is no provision for partial cancellation of a mark. Accordingly, use of the mark on any goods or services covered by the registration will

suffice to prevent cancellation. A cancellation action may also be rejected if the trademark owner can demonstrate “force majeure” reasons for non-use.

Use in this context must be “public and actual” (not “token”). In particular, proof of use will be deemed sufficient when:

*“any of the goods or services listed in the trademark registration are available in the Uruguayan market, in reasonable quantities and in a usual manner, depending on the market dimension, the nature of goods or services involved and the marketing modalities. Further, the use of a trademark in connection with goods intended for export from national territory or with services provided abroad from national territory is considered use of the trademark. Using trademarks as brand names maintains the registration provided that it is used on goods or packaging thereof or in direct relationship with the services protected by the trademark registration.”*

Given the proximity of the effective date of this law, trademark owners are advised to review their Uruguay portfolios and take steps to effectuate use and/or refresh their coverage. We note that proof of use is not, however, required in order to register or renew a trademark.

[-JLH](#)

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