

**Upcoming Events**
**May 12**
*Protecting Your Trademarks:  
An Essential Part of the  
Marketing Plan*

Presented by Roger Bora of  
Thompson Hine's Intellectual  
Property group in conjunction  
with the Dayton chapter of  
the American Marketing  
Association

11:30 a.m. – 1:00 p.m.  
Old Courthouse  
125 E. 1st Street  
Dayton

To register, please click [here](#).

**Trademark Counterfeiting Epidemic Hits U.S. Shores**

Trademark counterfeiting is an ongoing threat to the success of businesses around the world. It is estimated that counterfeiting costs the U.S. economy \$200 billion to \$250 billion per year, with Internet counterfeiting alone expected to cost the U.S. economy \$137 billion in 2008. Experts anticipate that those figures will increase in 2009 and will likely continue to do so for the foreseeable future. The adverse effects of pirated goods are directly felt by U.S. companies, consumers and employees in lost revenues, higher prices and lost jobs.

U.S. Customs and Border Protection (CBP) officials recently reported a year-over-year increase of nearly 40 percent in seized counterfeit goods in terms of value and a nearly 10 percent increase in the number of seizures during fiscal year 2008. Counterfeit goods seized last year ranged from electrical articles bearing false "Underwriter's Laboratory" labels to items such as DVDs, automobile parts, household products, software, computers, technology components, footwear, food, pharmaceuticals, toys and other goods that may endanger the health and safety of the American public.

As the world economy weakens and global competition increases, counterfeiting continues to be a major concern for many industries. Businesses of all sizes should consider whether it makes business sense to implement an intellectual property enforcement program aimed at detecting and deterring counterfeiting that directly affects them. Such an enforcement program should include, at a minimum, periodic monitoring of the Internet; sending cease-and-desist letters to known counterfeiters as a preliminary step in the litigation process; retaining the assistance of counterfeit investigation companies, if necessary; and securing U.S. trademark and/or copyright protection and recording those rights with the CBP. Businesses should also consider securing trademark protection in foreign countries or jurisdictions in which they conduct business and, if available, seeking border assistance from foreign customs agencies.

One simple and cost-effective component of an anti-counterfeit enforcement program is the recordation of a company's trademarks, copyrights and trade names with the CBP. Once those intellectual property rights are recorded, CBP officers monitor imports to prevent the importation of products bearing infringing trademarks, copyrights and business names.

To be eligible for recordation with the CBP, a trademark must first be registered on the Principal Register of the United States Patent and Trademark Office (USPTO) and a copyright must first be registered with the United States Copyright Office. With respect to trade names, a trade name is eligible for recordation only after the name has been in use for six months.

A trademark owner interested in seeking recordation with the CBP must first submit an application for recordation. Each application must be submitted electronically and must include certain information, including the name and address of the trademark owner, the places of manufacture of the goods bearing the recorded trademark and the identity of parent or subsidiary companies under common control or ownership that may also use the recorded trademark. The application must also be accompanied by a fee of \$190 for each trademark to be recorded. If the trademark registration covers more than one international class of goods, and the trademark owner seeks border protection for more than one class of goods, the recordation fee is \$190 for *each* class of goods for which the trademark owner seeks protection. For



example, to secure recordation of a registered trademark for three international classes of goods, a fee of \$570 must accompany the application.

If the application is approved, the recordation is entered into the Intellectual Property Rights database, a centralized recording system that is accessible by CBP field offices. Once the information is entered into the database, CBP officers begin to monitor imports for counterfeit goods and seize those detected goods that improperly bear the trademark owner's mark. If CBP officers seize goods that infringe an owner's trademark, they must provide the trademark owner with specific information, including the date of importation, the port of entry, a description of the goods and the name and address of the importer.

Recordation of a trademark will remain in force with the CBP concurrently with the term of the U.S. trademark registration. When the trademark registration is renewed with the USPTO, the owner should also renew its recordation with the CBP. A trademark owner must submit a renewal application with the CBP no later than three months after the expiration date of the underlying trademark registration. The fee for renewal is \$80 per international class of goods. If the trademark owner fails to renew its CBP application, the owner will be required re-file for recordation.

The CBP recordation process for copyrights is essentially the same as for trademarks; however, the duration of the recordation for copyrights is 20 years, unless the copyright expires before that time.

A trade name must first be published in the Federal Register and Customs Bulletin before the recordation becomes final. Notice is published to give any interested parties an opportunity to oppose the recordation of the trade name. Once the opposition period ends, the CBP will then publish a final notice of approval or disapproval in the Federal Register and Customs Bulletin.

Companies that own federal trademark and/or copyright registrations or that have used their trade names for at least six months should consider whether it makes business sense to record their intellectual property rights with the CBP as part of a comprehensive intellectual property enforcement program. Doing so can be more effective and less expensive than taking enforcement action after infringing products have entered the U.S. commerce system.

#### **FOR MORE INFORMATION**

For more information, please contact Roger Bora, 937.443.6817 or [Roger.Bora@ThompsonHine.com](mailto:Roger.Bora@ThompsonHine.com).

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