INTERNATIONAL PROTECTION OF U.S. TRADEMARKS: A SURVEY OF MAJOR INTERNATIONAL TREATIES

COMMENT

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I. Introduction

Globalization of the world has forced the evolution of international norms.[1] Never before has the world been able to communicate so quickly across borders. Instantaneous global communication—the ability to send and receive not just e-mail messages, but documents, videos, and software—enables this instant communication.[2]

The transfer of intellectual property through the Internet and other digital means may be accomplished by a stroke of a key or a click of a mouse. As more of the world's population becomes dependent on the Internet, trademarks are becoming more valuable. When goods are bought on the Internet, consumers rely on the trademark associated with that good since the consumer is unable to inspect the product physically. Consumer reliance on a trademark to make a product choice is the foundation for trademark protection.[3] The law protects trademarks so that consumers may rely on certain marks as an assurance of quality. In addition, marks are protected to reduce search costs for consumers, who may easily identify a product by its mark.[4]

Disbursement of trademarks owned by U.S. companies that spent large amounts of capital, manpower, and resources to create them, may easily be stolen through the Internet or by other means. Now more than ever, U.S. entities must be vigilant about policing their trademark rights abroad. Aggressive policing of a trademark is the responsibility of the mark owner. Marks that are not policed may be considered abandoned.[5] Abandoned marks lose all legal protection,

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[1] Marshall A. Leaffer, *The New World of International Trademark Law*, 2 MARQ. INTELL. PROP. L. REV 1, 1 (1998).

[2] ROBERT D. ATKINSON & RANDOLPH H. COURT, PROGRESSIVE POLICY INSTITUTE, THE NEW ECONOMY INDEX: AMERICA'S ECONOMIC TRANSFORMATION, 19 (1998).

[3] J. THOMAS MCCARTHY, MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION, § 2:2 (4th ed. 1999).

[4] *Id.* §§ 2:4-5.

[5] *Id.* §2.2. Marks can also lose their protection if they become synonymous with the product to which they are attached.

resulting in relinquishment of the mark's exclusive rights.

Policing a mark in the international arena requires the owner to monitor the trademark laws and policies of each nation where the owner uses his mark. Foreign protection of a mark may be pursued through the domestic laws of the nation where protection is sought. Four major existing international treaties streamline trademark regulation and assist with the application of a variety of domestic trademark laws throughout the world.

II. International Intellectual Property Treaties

In order to receive maximum international protection, a trademark owner must register his mark in each country where he seeks protection. More than 200 registries exist worldwide.[6] Utilizing international registration eliminates the requirement to register in every one of the 200 registries. International registration occurs through a myriad of multinational, bilateral, and regional treaties. The United States is a signatory to many of them. Membership in these treaties affords U.S. nationals fair treatment and access to protection of their trademarks in other member countries. Four major international treaties exist for the international protection of trademarks. The Paris Convention, Madrid Agreement, and Trademark Law Treaty require national treatment of foreigners for protection of trademarks. These three treaties are administered by the World Intellectual Property Organization (WIPO). The World Trade Organization (WTO) administers the fourth major treaty, the General Agreement on Trade Related Aspects on Intellectual Property (TRIPs). TRIPs, one of three treaties negotiated during the General Agreement on Tariffs and Trade (GATT), extends protection to famous marks and imposes trade sanctions against violating member countries.

A. World Intellectual Property Organization

One hundred and seventy one nations, including the United States, comprise WIPO, a specialized agency within the United Nations.[7] Membership in WIPO is open to all member countries of the United Nations and all countries that are signatories of the Paris and Berne Conventions.[8] Applicants to WIPO must ratify either the Paris Convention or the Berne Convention in order to qualify for membership.[9] WIPO serves an administrative function for the various multilateral intellectual property treaties recognized by member states. The adoption of GATT and TRIPs solidified WIPO's administrative role.

1. *Paris Convention for the Protection of Industrial Property*

First ratified in 1883, the Paris Convention for the Protection of Industrial Property[10] protects intellectual property entities such as patents, utility models,

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[6] STEVEN HOFFER, WORLD CYBERSPACE LAW §7.5.3 (1999).

[7] *See generally* http://www.wipo.org/eng/main.htm (listing member states)..

[8] Convention Establishing the World Intellectual Property Organization, July 14, 1967, 21 U.S.T. 1749, T.I.A.S. No. 6932, 828 U.N.T.S. 3.

[9] *Id.* art. 14.

[10] Paris Convention for the Protection of Industrial Property, March 20, 1883, *as last revised*

industrial designs, trademarks, service marks, trade names, indications of source, and unfair competition.[11] WIPO administers the Paris Convention which operates under three major principles: the "national-treatment" doctrine, right of priority, and minimum standards for intellectual property protection.

First, the "national-treatment" principle affords foreigners the same rights and protections as nationals in each signatory country.[12] The "national-treatment" principle draws its doctrine from comity,[13] another legal doctrine in which a court recognizes the judgment of a foreign court or defers from acting out of courtesy to the foreign judgment. For example, a U.S. citizen with a trademark registration in Spain receives the same treatment under Spanish trademark law that a Spanish trademark owner would receive in Spain. Article 2(1) of the convention reads "Nationals of any country of the Union shall . . . enjoy in all the other countries of the Union the advantages that their respective laws now grant, or may hereafter grant, to nationals; all without prejudice to the rights specially provided for by this Convention."[14]

The Paris Convention also recognizes the common law doctrine of famous marks or well-known marks. This doctrine affords protection to marks that become famous or well-known within a certain nation even though the mark is not used or registered in that nation.[15] These famous marks become known in a foreign country through magazines, television, returning travelers, and, now, the Internet.[16] Article 6^{bis} allows a famous mark owner to petition for cancellation of the registry of his or her identical mark in a foreign member state even though there was no previous registration of the famous work in that country.[17] The Paris Convention does not define the term "a famous or well-known mark," so each country determines whether a trademark has become famous within its own territory.[18]

Article 4 of the Paris Convention establishes a "priority principle" for intellectual property.[19] The "priority principle" recognizes the first registrant of a trademark as the true owner of the trademark. Consequently, subsequent registrants who seek to register previously registered marks are denied registration. Traditional trademark law employs the "priority principle" to protect

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at Stockholm, July 14, 1967, 21 U.S.T. 1582, 828 U.N.T.S. 305 [hereinafter Paris Convention].

[11] *Id.* art. 1(2).

[12] Robert J. Gutowski, Comment, *The Marriage of Intellectual Property and International Trade in the TRIPs Agreement: Strange Bedfellows or a Match Made in Heaven*, 47 BUFF. L. REV. 713, 718 (1999). A "national-treatment clause" is defined as a "provision contained in some treaties. . . according foreigners the same rights, in certain respects, as those accorded to nationals." BLACK'S LAW DICTIONARY 1047 (7th ed. 1999).

[13] WILLIAM H. BROWNE, A TREATISE ON THE LAW OF TRADEMARKS 22-23 (1885).

[14] Paris Convention, *supra* note 10, art. 2(1).

[15] MCCARTHY, *supra* note 3, § 29:61.

[16] *Id.*

[17] Paris Convention, *supra* note 10, art. 6^{bis}.

[18] MCCARTHY, *supra* note 3, § 29:62.

[19] Paris Convention, *supra* note 10, art. 4(A)(1).

consumers who rely on a mark for assurance of quality.[20] In addition, this principle prevents fraud and protects a mark owner who has built up good will in his mark.[21]

Under the Paris Convention, trademark owners receive a six-month grace period in which to register in other member countries.[22] For example, a U.S. citizen registered his or her mark in the United States on January 1, 2000. On May 15, 2001, the U.S. trademark owner attempted to register the same trademark in Argentina. In the meantime, an Argentinean citizen sought to register the same trademark in Argentina on April 15, 2001. The U.S. trademark owner would be granted priority to register the mark in Argentina, so long as the mark owner registers within the grace period because his or her registration date is retroactive to the date of his initial registration in the United States.

Although priority registration does ensure some protection for the international trademark user, two issues must be noted. First, registration must be sought in each member country in which the trademark owner seeks protection. Registration in one member country does not constitute simultaneous registration in all the member countries. Second, the registrant must meet each country's specific registration requirements independently.[23] The requirements to qualify for registration in each member state vary greatly. In France, registration is granted upon application, whereas in the United States registration depends upon the mark's use in commerce.

In order to address variants of individual registration, the Paris Convention attempted to establish some uniform principles for intellectual property protection.[24] Contingent upon acceptance to the Paris Convention, a Member state must establish certain minimum standards for trademark protection.[25] Trademarks must contain a "distinctive character" and not serve an "intended purpose" of the good, nor become "customary" in the current language where protection is sought.[26] In member countries where a mark is registered, nationals of these countries are protected from unfair competition.[27] Likelihood of confusion, false indication of source, and attempts to mislead the public may be considered unfair competition.[28] A foreign trademark owner may bring action in any member state for unfair competition. Article 10^{ter} allows for "appropriate legal remedies effective to repress all [infringing] acts."[29]

A recent situation between a Cuban company and an American company

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[20] BROWNE, *supra* note 13, at 44-45.

[21] *Id.*

[22] Paris Convention, *supra* note 10, art. 4(C)(1).

[23] Paris Convention, *supra* note 10, art. 6(1).

[24] Gutowski, *supra* note 12, at 719.

[25] Paris Convention, *supra* note 10, art. 6 ^{quinquies}(B)(1).

[26] *Id.* art. $6^{quinquies}$(B)(2).

[27] *Id.* art. 10^{bis} (1).

[28] *Id.* art. 10^{bis} (3).

[29] *Id.*

illustrates the criticisms of the Paris Convention.[30] Although foreign nationals receive certain protective rights, no enforcement provisions exist. Countries choosing to ignore the Paris Convention standards may do so with no penalties under the Convention.

Havana Club International, a joint venture between the Cuban government and France's Pernod Ricard, filed a trademark infringement suit against Bacardi, Ltd. in New York Federal District Court over the use of the mark "Havana Club."[31]

The Arechabalas, a Cuban family, originally owned the mark "Havana Club."[32] The family fled Cuba in 1960, after the Castro regime confiscated their distillery.[33] The exiled Arechabala family sold the trademark "Havana Club" to Bacardi in 1995, and Bacardi has been selling rum labeled "Havana Club" worldwide since then.[34] Havana Club International, a French/Cuban company, has also been selling rum internationally under the trademark name "Havana Club" since 1994; the only market excluded is the U.S. market, since U.S. law bars sales of Cuban goods.[35]

Havana Club International filed an action in New York Federal District Court seeking to enjoin Bacardi from selling rum with the trademark "Havana Club" in the United States. Havana Club International gained access to the U.S. courts as foreigners because Cuba and France are signatories to the Paris Convention. In addition, the United States and Cuba are signatories to the General Inter-American Convention for Trademark and Commercial Protection.[36]

The U.S. Federal District Court heard arguments from Havana Club International claiming that Bacardi Ltd.'s sales under "Havana Club": (1) violated the General Inter-American Convention for Trademark and Commercial Protection, (2) infringed on Havana Club International's trademark under the Lanham Act, and (3) led consumers to falsely believe the rum originates from Cuba, in violation of the Lanham Act.[37]

Applying the recently passed U.S. law known as the Helms-Burton Act, the court found that Havana Club International had no protective rights for the "Havana Club" trademark in the United States. The 1998 Omnibus Appropriations Act contained a provision that prohibits Cuban nationals from asserting trademark

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[30] *See generally* Pascal Fletcher, *A "Rum" Business as Bacardi Case Threatens to Trigger Trademarks War Between US and Cuba: Cuba is Warning of Retaliation Against US Brands After a 'Political' New York Court Ruling Against a French Cuban Rum Venture*, FINANCIAL TIMES (London), Apr. 22, 1999, at 4.

[31] Havana Club Holding, S.A. v. Galleon, S.A., 62 F. Supp. 2d 1085 (S.D.N.Y. 1999), *aff'd*, 203 F.3d 116 (2nd. Cir. 2000).

[32] Fletcher, *supra* note 30, at 4.

[33] *Id.*

[34] *Id.*

[35] *Id.*

[36] *See generally* General Inter-American Convention for Trademark and Commercial Protection, Feb. 20, 1929, 46 Stat. 2907, 124 L.N.T.S. 357.

[37] Havana Club Holding, S.A., 62 F. Supp. 2d at 1088.

treaty rights over names or marks that were previously confiscated by the Castro regime.[38] However, the Paris Convention prohibits the unequal treatment of a foreign trademark owner. Under the national treatment principle, a foreign trademark owner should be treated as a citizen of the country where the rights are asserted. Clearly, the U.S. Helms-Burton provision is a violation of the Paris Convention but no measures are in place to penalize this type of action.

In response, a Cuban official stated that the ruling was "unfair and illegal" and characterized it as political.[39] In a veiled threat to U.S. trademarks, Cuba noted that many U.S. companies, including Coca-Cola, Marlboro, Palmolive, and Hilton currently hold registered trademarks and patents in Cuba.[40] In addition to the threats to U.S. trademarks in Cuba, the French government may have plans to initiate the European Union to bring suit before the World Trade Organization under GATT.[41]

2. *Madrid Agreement Concerning the International Registration of Marks*

The Madrid Agreement allows single registration of a trademark in an owner's home country with rights extended to other Member nations.[42] Acceptance into the "Special Union," created by the Madrid Agreement, requires a signatory to promise protection for a foreign trademark owner whose mark becomes registered through the international registration system.[43]

Trademark registrants may file an international registration with their home country (referred to as "basic registration") and designate other Member nations for the mark to be registered.[44] The home office then forwards the international portions of the registration to WIPO, which in turn publishes the application in its publication *Les Marques International*. WIPO then forwards the requests for registration in other Member countries to those states. Each Member country has one year to refuse the application based upon noncompliance with their trademark law.[45]

For example, a mark owner in Kenya may indicate on his Kenyan registration his desire to extend the registration to Italy. Since both countries are signatories to the Madrid Agreement, Kenya's Registration Office would forward the Italian portion of the registration to WIPO. WIPO in turn would publish the application of the Kenyan mark owner and forward the request to register in Italy to the Italian Trademark Registration Office. Italy would have one year in which to refuse registration of the Kenyan mark. Italy may apply Italian trademark law to the Kenyan mark for registration in Italy.

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[38] Omnibus Appropriation Act, Pub. L. No. 105-277, §211, 112 Stat. 2681-88 (1988).

[39] Fletcher, *supra* note 30.

[40] *Id.*

[41] *Id.*

[42] Agreement of Madrid for the International Registration of Trademarks, Apr. 4, 1891, 583 U.N.T.S. 3.

[43] *Id.*

[44] *Id.* art. 3 (1).

[45] *Id.* art. 3 (4), (5).

The United States, the United Kingdom, as well as many Central and South American, and Asian countries did not sign the Madrid Agreement.[46] One of the greatest impediments to signing was the fact that the international application depended upon national registration. The United States trademark registration term was much longer than other nations. Presumably, other Member nationals could gain registration in the United States prior to United States nationals gaining registration.

3. *Protocol Relating to the Madrid Agreement*

In hopes of luring the United States and other major countries to the Madrid Agreement, the Madrid Protocol was developed to address some of the issues that prevented adoption of the Madrid Agreement.[47] The Protocol hinges international registration upon national *"application"* rather than national *"registration."*[48] This change levels the playing field for U.S. applicants and other nations that also have similar lengthy registration processes. The Protocol further eliminates the "central attack" provision that provided for international cancellation of a mark if the original basic registration was canceled.[49] In such a case, the mark's international registrations convert to separate national registrations. The Protocol also allows applications to be submitted in English (as well as French), and each Member country may set its own fee schedule.[50]

The United States experiences one problem with the Protocol relating to the description of goods. The U.S. trademark law requires applicants to specifically enumerate the goods and services associated with the mark. Other countries allow for broader association of marks with goods or services. International registration under the Madrid Protocol allows for the scope of the trademark protection to depend upon the basic registration. Thus, U.S. registrants are limited in scope to the stringent association of marks and goods required by U.S. law.

Forty-one countries signed the Madrid Protocol, including China and the United Kingdom. Most recently, Japan signed the Madrid Protocol.[51] In order to come into compliance with the Protocol, Japan amended its trademark laws to allow for monetary damages upon infringement; extended protection during the application process (rather than upon registration); and required the Japan Patent Office to publish information about applications.[52]

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[46] The nationals of a nonmember country to the Madrid Agreement can still obtain multinational registration through a subsidiary domiciled in a Member country. *See* Leaffer, *supra* note 1, at 12.

[47] Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks, June 27, 1989, WIPO Pub. No. 204(E), demonstrating that sixty-three nations adhere to the Madrid Protocol. For a list of Member nations see http://www.wipo.org/eng/main.htm.

[48] *Id.* art. 2.

[49] *Id.* art. 6.

[50] *Id.* art. 8.

[51] Hideyuki Fukuda & Christopher J. Palermo, *To Compete Globally, Japan Amends Trademark Law*, THE NAT'L L. J., July 12, 1999, at B8.

[52] *Id.*

Prediction for U.S. ratification of the Madrid Protocol is optimistic.[53] Although some concerns remain about the substance of the Protocol, the major impediment is procedural.[54] The U.S. State Department, afraid the Protocol will set precedent for future treaties, objects to the Protocol because of the voting mechanisms.[55] The Protocol allows each Member trademark office voting rights, and in addition provides each intergovernmental organization with a trademark office voting rights.[56] In essence, France (like other nations that are Members of the intergovernmental organization) obtains its own vote as a Member nation and another vote by virtue of its membership in the European Union.

4. *Trademark Law Treaty*

In an attempt to streamline trademark registration and break down trade barriers, the Trademark Law Treaty (TLT) sought to formalize the more than 200 trademark registries in the world.[57] The TLT focuses on "procedural harmony" of registration and is administered by WIPO.[58] Prior to the TLT, registration of a trademark in different registries around the world was a maze of bureaucracy. The TLT created a standard form, recognized by signatories to the TLT, for applications to register trademarks. Model forms were also promulgated to standardize Powers of Attorney, change in name, address, and ownership.[59] Commitment to the TLT means that the signatory will accept the model form prescribed as a valid application for registration in that Member's country.[60] Members of WIPO that allow for registration of trademarks may become a party to the TLT.[61] The State registration office must comply with the registration procedures outlined in the TLT.

Under Article 3 of the TLT, a registration office may require standard information on an application for trademark registration such as: name and address of the applicant, state where the applicant is a national, address for service, reproduction of the mark, names of goods or services associated with

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[53] Leaffer, *supra* note 1, at 18.

[54] *Id.*

[55] *Id.*

[56] *Id.*

[57] Trademark Law Treaty, October 27, 1994, in WIPO, Industrial Property and Copyright, Industrial Property Laws and Treaties, Multilateral Treaties 1 (Jan. 1995) [hereinafter TLT]. For a listing of the twenty-five signatories to the TLT see http://www.wipo.org/eng/main.htm.

The United States passed the Trademark Law Treaty Implementation Act in October 1998. 15 U.S.C. § 1051 (1994). Some of the substantive changes to U.S. trademark law include the adoption of a six-month grace period for renewal of registrations, elimination of a statement that the mark is used in connection with goods or services on the application, and elimination for verification of the written application. *Id.*

[58] TLT, *supra* note 57.

[59] TLT, *supra* note 57, arts. 3, 4, 10, 11.

[60] *Id.* art. 3(2). ". . . no Contracting Party shall refuse the application, (i) where the application is presented . . . on a form corresponding to the application Form provided for in the Regulations." *Id.*

[61] *Id.* art. 19.

the mark, and intention to use the mark.[62] Registration offices may impose a fee for the registration,[63] and also require non-national, non-domiciled persons to appoint a representative with a Power of Attorney in that country.[64] The TLT precludes imposition of application formalities outside those prescribed in the Treaty.[65] Specifically, signatories may not require applicants to demonstrate their mark's use in commerce, nor registration in another country, unless filing for priority.[66] Article 13 standardizes the duration period of registrations. Both initial registrations and renewals last for ten years.[67]

B. World Trade Organization and General Agreement on Tariffs and Trade Negotiations

The General Agreement on Tariffs and Trade Negotiations (GATT) initially was an *ad hoc* international agency that administered the GATT Treaty. GATT pertained solely to the international trade of goods. The 1994 Uruguay Round renegotiated the GATT Treaty, and from the 1994 renegotiation the World Trade Organization replaced the GATT Organization.[68] The GATT Treaty is still enforced under the auspices of the WTO.[69] In addition to establishing the WTO, the Uruguay Round updated the GATT Treaty, and negotiated the General Agreement on Tariffs and Services (GATS) and the General Agreement on TRIPs.[70] Membership in the WTO requires a nation to ratify the three trade agreements.[71]

1. *General Agreement on Trade-Related Aspects of Intellectual Property Rights*

The 1994 Uruguay Round made a large move forward from traditional conventions of intellectual property protection through TRIPs,[72] which links the protection of intellectual property rights with trade.[73] Member countries that do not adhere to the minimum standards for intellectual property protection set out in TRIPs face penalties of trade barriers determined and enforced by the WTO.[74]

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[62] *Id.* art. 3(1).

[63] *Id.* art. 3(1)(c).

[64] *Id.* art. 4(3).

[65] Leaffer, *supra* note 1, at 20.

[66] TLT, *supra* note 57, art. 3(7).

[67] *Id.* art. 13(7).

[68] General Agreement on Tariffs and Trade 1994 (Including Understandings and Marrakesh Protocol), Marakesh Agreement Establishing the World Trade Organization, Annex 1A, art. I, 33 I.L.M. 1145 (1994) [hereinafter WTO Agreement].

[69] *Id.*

[70] *Id.*

[71] *Id.*

[72] Agreement on Trade-Related Aspects of Intellectual Property Rights, Apr. 15, 1994, Marrakesh Agreement Establishing the World Trade Organization, Annex 1C, Legal Instruments, Results of the Uruguay Round vol. 31, 33 I.L.M. 1197 (1994) [hereinafter TRIPs Agreement].

[73] Gutowski, *supra* note 12, at 725.

[74] Michael A. Gollin & Sarah A. Laird, *Global Policies, Local Actions: The Role of National Legislation in Sustainable Biodiversity Prospecting*, 2 B.U. J. SCI. & TECH. L. 16 § 21 (1996).

The TRIPs Agreement includes three categories of intellectual property protection.[75] The first category of protection incorporates the protections set forth in the Paris and Berne Conventions.[76] The second category extends protections beyond the Paris and Berne Conventions.[77] The third element of protection under TRIPs is the enforcement of its provisions and dispute resolution procedures for violations.[78]

TRIPs incorporates the principle of national-treatment and also incorporates Most-Favored-Nation Treatment (MFN).[79] MFN affords to all Member nations any advantage, favor, privilege or immunity that a Member nation grants to nationals of any other nation.[80] The MFN provision thus "prevents one Member country from offering a better intellectual property deal than is required by international law to nationals of a second Member country and then denying similar advantages to the nationals of other Member countries."[81] There are of course, exceptions to this provision. MFN treaties that were in force before the signing of TRIPs and the post-TRIP treaties of a "regional character" are exempt from this provision.[82]

a. Minimum Standards for Trademarks

TRIPs establishes a universal legal definition of a trademark.[83] The TRIPs definition reads in part: "Any sign, or any combination of signs, capable of distinguishing the goods or services of one undertaking from those of other undertakings, shall be capable of constituting a trademark."[84] Trademark owners also gain an exclusive right under TRIPs to prevent third parties from using their mark "where such use would result in a likelihood of confusion."[85] Likelihood

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[75] Gutowski, *supra* note 12, at 726.

[76] *Id.* This provision of TRIPs does not eviscerate WIPO. The Council for TRIPs and WIPO entered an agreement on January 1, 1996. The document provides that the two organizations will work together by sharing information "namely notification of, access to and translation of national laws and regulations, implementation of procedures for the protection of national emblems, and technical cooperation." Agreement Between the World Intellectual Property Organization and the World Trade Organization, WTO Doc. IP/C/6 (Jan. 1, 1996).

[77] Gutowski, *supra* note 12, at 726.

[78] *Id.*

[79] J.H. Reichman, *Universal Minimum Standards of Intellectual Property Protection under the TRIPS Component of the WTO Agreement*, 29 INT'L LAW 345, 348 (1995).

[80] TRIPs Agreement, *supra* note 72, art. 4.

[81] Reichman, *supra* note 79, at 348.

[82] TRIPs Agreement, *supra* note 72, art. 4.

[83] Reichman, *supra* note 79, at 362.

[84] TRIPs Agreement, *supra* note 72, art. 15. Compare with the definition of trademark in the Lanham Act, "The term 'trademark' includes any word, name, symbol, or device, or any combination thereof --- (1) used by a person, or (2) which a person has a bona fide intention to use in commerce and applies to register on the principle register established by this chapter to identify and distinguish his or her goods, including a unique product, from those manufactured or sold by others and to indicate the source of the goods, even if that source is unknown." 15 U.S.C. §1127 (1994).

[85] TRIPs Agreement, *supra* note 72, art. 16, cl. 1.

of confusion is presumed when a mark and the goods used with it are identical.[86] TRIPs requires Member nations to adjust their trademark registration to a seven-year duration in order to comply with TRIPs.[87] Registration of marks "shall be renewable indefinitely" so long as the owner continues to meet the registration requirement of each country.[88]

States may condition the registration of a trademark upon actual use, although the ability to file an application may not be conditioned upon actual use.[89] For example, a citizen of Belgium whose mark has not yet been put to use still must have the opportunity to register his or her mark in the United States. Under U.S. law the registration would be denied, since the mark is not used in commerce.[90] The U.S. denial would be valid under TRIPs so long as the United States allowed the Belgian to apply for registration. TRIPs also precludes denial of registration if there is an intention for use of the trademark; the actual use, however, must take place within three years from the date of application.[91]

Trademark owners may license or assign their mark rights but compulsory licensing[92] is forbidden under TRIPs.[93] Registered trademark owners may assign the rights in their trademark without linking the mark to its specific goods.[94]

b. Well-Known Marks

The TRIPs Agreement strengthens the protection of well-known marks under Article 6^{bis} of the Paris Convention in two ways.[95] First, the well-known protection is extended to service marks (in addition to trademarks).[96] Second, well-known trademarks are protected from use with dissimilar goods where there would be harmful effects to the well-known mark. This dilution clause in TRIPs prohibits "use of a [well-known] trademark in relation to goods or services [that] would indicate a connection between those goods or services and . . . [the trademarks] are likely to be damaged by such use."[97]

McDonald's Corporation's exercise of the famous mark protection in

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[86] *Id.*

[87] TRIPs Agreement, *supra* note 72, art. 18. U.S. registration allows for a ten-year duration of a mark. 15 U.S.C. § 1058 (1994).

[88] TRIPs Agreement, *supra* note 72, arts. 18, 19. Author, Reichman, notes that apparently indefinite renewable registrations are not available for service marks. *See* Reichman, *supra* note 79, at 362.

[89] TRIPs Agreement, *supra* note 72, art. 15, cl. 3.

[90] 15 U.S.C. § 1051(a) (1994).

[91] TRIPs Agreement, *supra* note 72, art. 15 cl. 3.

[92] A compulsory license is analogous to a contract of adhesion -- a "take it or leave it" proposition and there is not equal bargaining power on each side to negotiate.

[93] TRIPs Agreement, *supra* note 72, art. 21.

[94] *Id.*

[95] Reichman, *supra* note 79, at 363.

[96] TRIPs Agreement, *supra* note 72, art. 16, cl. 2.

[97] *Id.* at cl. 3. In order to comply with this portion of TRIPs the U.S. passed the Federal Trademark Dilution Law. 15 U.S.C. § 1125 (1994).

South Africa in 1995 presents a noteworthy example of trademark protection. The South African defendant sought registration of several McDonald's marks, including the "golden arches" and "Big Mac."[98] Attempting to capitalize on the absence of the corporation (presumably due to compliance with the embargo to protest apartheid) within the country, the defendant argued that the cancellation was valid under South African trademark law.[99] An appellate court overruled the district court ruling and found that even though the McDonald's marks were not in use (requirement of South African trademark law) the marks were considered famous and thus afforded protection.[100]

c. Geographic Indications

Article 22 of the TRIPs Agreement addresses trademarks with geographic indications. "The TRIPs agreement appears to institute relatively strong protection against misleading and certain unfair uses of such indications . . . ."[101] Trademarks with geographic indications must truly originate from the source indicated and not mislead the public as to the source of the goods.[102]

These protections are particularly applicable to spirits and wines, which also are exempted from the likelihood of confusion test.[103] Exceptions to the spirits and wine exemption are those which have already used a particular geographic indicator for the past ten years,[104] marks that have become generic in Member states,[105] and marks that had been already applied for, registered, or acquired in "good faith."[106]

d. Enforcement

The enforcement provisions for protection of intellectual property under TRIPs are the strongest international protections to date. Member countries must afford mark owners the opportunity to obtain injunctions and provisional measures against infringers.[107] Injunctions and provisional measures may require domestic customs authorities to suspend the release of goods into the country's market for suspicion of counterfeit trademarked goods.[108] A counterfeit trademark good is defined as: "[A]ny goods, including packaging, bearing without authorization a trademark which is identical to the trademark validly registered with respect to such goods. . . ."[109]

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[98] Stuart Gardinar, *McDonald's Triumphs in South Africa*, IP WORLDWIDE, Nov.- Dec. 1996 at 15 (citing to the appellate case of McDonald's Corporation v. Joburgers Drive-Inn Restaurant, 1997 (1) SA 1 (A)).

[99] *Id.*

[100] *Id.*

[101] Reichman, *supra* note 79, at 363.

[102] TRIPs Agreement, *supra* note 72, art. 22, cl. 1, cl. 2(a).

[103] Reichman, *supra* note 79, at 363-64.

[104] TRIPs Agreement, *supra* note 72, art. 24, cl. 4.

[105] *Id.* cl. 6.

[106] *Id.* cl. 5.

[107] *Id.* art. 44, 50.

[108] Reichman, *supra* note 79, at 364.

[109] TRIPs Agreement, *supra* note 72, art. 51.

Border controls to seize counterfeit goods represent one of the strongest provisions in TRIPs. Compliance with this provision is key to the success of international protection. "[S]uch measures will succeed only so long as the participating states enforce them vigilantly, and no weak links appear in the chain."[110]

All the provisions in the TRIPs agreement are backed by the WTO.[111] The WTO provides a forum for dispute resolutions between Member states. While the trademark owner should be guaranteed certain rights under TRIPs in Member states, owners are not granted a private right of action to file under the WTO. Actions in the WTO are filed by Member states against each other. A trademark owner alleging violation would have to convince his own government to file against the infringing company in the WTO.

III. Recommendations

A. Registration

The strongest protections for U.S. trademarks abroad are multiple filings. First, the mark should be registered in the United States using the "model application" as prescribed in the Trademark Law Treaty. Next, the model application may be submitted for registration in each country where protection is sought. (Assuming that country is also a signatory on the Trademark Law Treaty). United States multi-national corporations with subsidiaries in nations that are Members of the Madrid Protocol may utilize the benefits of cross-registration. Under the Madrid Protocol, the subsidiary (located in Member nations) should designate on the application where else protection is sought (within the list of Member nations). In theory this system portends to eliminate some registration work. But it takes time for WIPO to process the cross registration form and forward it to the designated country. In addition, forwarding from WIPO does not ensure registration, it only ensures application. Each Member nation will review the application but not necessarily register the mark if the application does not meet the laws and standards for that country. Applicants should make sure their initial application meets the trademark law requirements of all nations in which the applicant seeks cross-registration.

B. Enforcement

Even more difficult than registering a trademark worldwide is monitoring its use. United States trademark owners seeking protection in nations that are members of one of the international treaties should expect to receive the same treatment that a national would receive, provided their mark is registered in that country.

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[110] Reichman, *supra* note 79, at 365. In order to monitor compliance, Article 63 requires signatories to notify the TRIPs Council and make available to the public their laws, regulations, and judicial procedures. TRIPs Agreement, *supra* note 72, art. 63.

[111] WTO Agreement, *supra* note 68. The TRIPs Agreement is a component of the WTO Agreement establishing the WTO. *See generally* Reichman, *supra* note 79.

But when treading on foreign legal ground, local counsel is recommended. Significant dissimilarities of trademark law exist, legal action in one country may be considered illegal in another. For example, the U.S. tennis manufacturer Prince Sports Group issued a cease and desist letter to Prince PLC, a British Information Technology Company, for their use of the "Prince.com" domain name.[112] Prince Sports Group's trademark "Prince" was registered in the United Kingdom.[113] Prince PLC filed suit in the United Kingdom and the High Court agreed with Prince PLC that the cease and desist letter was an unjustified threat of trademark infringement, a violation of UK law.[114] (Since the two Princes traded in different types of goods, the registration of both trade names was allowed).[115] The court granted an injunction that prevents Prince Sport Group from issuing further "threats" alleging trademark infringement.[116] The court also allowed the Prince PLC to provide further evidence of damages suffered.[117] Prince Sports Group's seemingly conscientious policing of its mark backfired.

Another avenue of enforcement is through the U.S. courts. For example, Amazon.com filed suit in Federal District Court in Delaware against the owners of Amazon.gr, an on-line book-selling site operated in Greece.[118] Amazon.com alleged trademark and service mark infringement, unfair competition, false designation of origin, and trademark dilution against the Greek entity.[119]

Amazon.com was able to assert jurisdiction over the Greek entity through its registered agent in Delaware, CITI Services.[120] Ascertaining jurisdiction over the foreign mark infringer within a U.S. court is one of the biggest hurdles to filing suits in the United States. One strategy for gaining jurisdiction is to locate property in the United States owned by the foreign infringer. Identifying property owned by the foreign infringer may allow the use

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[112] Prince PLC v. Prince Sports Group, Inc., 21 FSR (Ch. 1997).

[113] *Id.*

[114] *Id.*

[115] *Id.*

[116] *Id.*

[117] *Id.*

[118] The suit was preceded by a failed negotiation between the two parties over the sale of a stake in the Amazon.gr business. Smith offered Amazon.com a $1.6m share in Amazon.gr. *See* Tom Schoenberg, *Amazon.com v. Greg Lloyd Smith, et al.*, LEGAL TIMES, Sept. 20, 1999, at 13.

[119] *See generally Amazon.com Accuses Firm of Trademark Infringement for Similar Sounding Domain*, MEALEY'S LITIG. REP.: INTELL. PROP., Sept. 20, 1999 (Vol. 7; No. 24) (citing Amazon.com Inc. v. CITI Services, No. 99-543 (D. Del. 1999)).

[120] *Id.* Eventually the suit was resolved in the Greek Provincial Hearing of Syros which granted Amazon.com's request for a temporary restraining order and deletion of the disputed domains from the Greek registry. The Greek court held that single use of the name "amazon" was sufficient to prove confusion. *See* Diane Cabell, *Foreign Domain Name Disputes 2000*, 17 THE COMPUTER AND INTERNET LAW., 5 (Oct. 2000) (citing to the Provincial Hearing of the Island of Syros, Civil Room, Not 637/1999, commentary to the case by Apostolos Anthimos, Salonica, *available at* http://www.dominiuris.com/casos/grecia.htm).

of *in rem* jurisdiction.[121]

The WTO also provides a mechanism of enforcement for the TRIPs Agreement. While these provisions hold the strongest penalties, the right to invoke them lies with each Member nation. Individuals of Member nations do not enjoy the right to file claims with the WTO. It is unlikely that the United States would file a complaint with the WTO for one small trademark infringement. In order for an individual or more likely an industry to convince the U.S. to file a complaint with the WTO, they should petition the United States Trade Representative. Initiation before the WTO does effectuate change. For example, the United States withdrew its complaint before the WTO against Ireland for its failure to comply with TRIPs by allowing copyright infringement for sound recordings.[122] Under the threat of commencing a WTO dispute panel, the Irish Government agreed to strengthen some of its copyright laws with stronger criminal enforcement of piracy.[123] Individuals seeking specific redress for infringement will most likely not find relief under TRIPs.

IV. Conclusion

International policing of a U.S. mark is difficult, expensive, and not always lucrative. Due to vagaries of trademark law around the world, protection for identical situations vary from country to country. International treaties attempt to streamline the application and registration process. However, the enforcement of trademark rights and the prosecution of infringers are scarcely addressed within the treaties. Although enforcement is difficult, abandoning the trademark in the international arena affords even less protection. A U.S. mark owner's best approach is to seek registration within each country where protection is needed and defend his mark within those countries to the extent possible.

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[121] In Virginia an attempt to assert *in rem* jurisdiction over a domain name owned by a foreign defendant was unsuccessful. *See* Network Solutions, Inc. v. Umbro Int'l Inc., 259 Va. 759 (Va. 2000)(reversing the circuit court decision and holding that "an Internet domain name is the product of a contract for services" and not property).

[122] *See generally U.S. Presses Intellectual Property Enforcement Actions in WTO*, 14 INT'L ENFORCEMENT L. REP. (April 1998).

[123] *Id.*