In the Age of Amazon: Modern Problems for Brand and Trademark Holders
Today’s Presenters...

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Brand Owners:
Managing Online Presence
Managing Online Presence

Interest in Managing Products

- Pricing
- Display
- Manner of sales

Amazon as Largest Online Retailer

- Faced frustrations from brand owners
- Desired to stem counterfeits and infringements
- Began “gating” certain brands
Amazon Introduced Original Brand Registry
Amazon’s Original Brand Registry

Program designed to give brand owners increased control and protection of their products on Amazon

Benefits
• Increased control over product listings
• Ability for a brand to control images, text, and brands

Drawbacks
• Limited control
• Shifted enforcement to brand owners
• Slow infringement response
• Same listing could be used by multiple sellers
Amazon’s Newest Programs for Obtaining and Enforcing IP Rights
Amazon’s Newest Brand Registry 2.0
Program designed to give brand owners increased control and protection of their products on Amazon by enrolling their trademarks

Benefits
• Identifies brand owners to Amazon and authorized resellers
• Increased control over product listings e.g., titles, details, images, videos, storefronts, accuracy of information, product variations
• Access to certain search features
• Infringement reporting tools – dedicated team
• Enhanced customer support
• Other marketing programs
Requirements for Enrolling

Active Registered Trademark

- Active, live registration
- In the US, must be registered on the Principal Register

Trademark Registration Number

- Currently, Amazon only accepts trademarks issued in certain countries or jurisdictions

List of Product Categories in which Brand Should be Listed

List of Countries Where Brand’s Products are Manufactured
Amazon IP Accelerator

Program that connects businesses with a network of IP law firms

**Benefit**
- Immediately invited to join Amazon Brand Registry upon filing a trademark application
- Do not have to wait for a trademark registration to issue

**Drawbacks**
- Potential for abuse
- May create conflicts when asked to act adverse to Amazon or grounds to disqualify those firms
Amazon Transparency

Product serialization service to identify individual units of a product in attempt to prevent counterfeits from reaching customers

Benefits

- Helps identify individual units and proactively prevent counterfeits from reaching customers
- Enrolled product information entered in database and receive unique T-shaped 2D codes to be applied to each individual unit of the product
- Amazon verifies codes on enrolled products sold by Amazon or 3rd party sellers before shipment
- App allows customers to authenticate products in program regardless of where they were purchased and obtain certain product information (e.g. date and location of manufacture)
Requirements to Enroll in Transparency

Available in the US, Canada, Germany, France, Italy, Spain, UK and India

Ability to verify that you are the brand owner for the products

Global Trade Item Number (GTIN) – e.g. a UPC or EAN barcode on products

Ability to apply Transparency codes on each unit manufactured
Amazon Project Zero

Program for automated scanning and self-service removal of counterfeit products

Benefits

• Brands do not have to contact Amazon to remove listings
• Ability for brand owners to remove listings themselves
• Powered by machine learning and data is used to strengthen automated protections
Eligibility Requirements for Project Zero

Brand must be enrolled in Amazon Brand Registry

Enrollee must be the rights owner of the trademark

Requires a prior acceptance rate of reported infringements

• In the prior 6 months, must have submitted reports of potential infringements with an acceptance rate of at least 90%
Problem of Fraudulent Specimens
Retail Classes of Trademarks are Flooded

- China filers comprised 14% of all trademark filings in 2019
  - CN owners have filed 12677 Intent to Use Marks in 2020 (17% all ITU)
- In many cases, specimens submitted are substandard/faked/copied
- Amazon has become a de-facto resource to these filings
  - Use in commerce
  - Lapsed soon after publication for opposition
- In response, the USPTO has begun tightening requirements
  - US attorney requirement
  - Better Specimen
Why?

• In Shenzhen at least, Chinese applicants are being paid approximately $800 USD, giving them about $500 profit per mark filed

• Legitimate trademark applicants are forced to deal with refusals of their applications because of an increasing crowded register of illegitimate trademarks.
DaliyFu Mark

- Marginal specimen
- Brand not market as TM
- Appear to be a bag of balloons
- Lets dig a bit deeper
Daliyfy has an Amazon Page, But Wait
56 other brands selling the same item/photo
• Unsure what the specimen covers
  • Artificial Fishing bait
  • Children’s multiple activity toys
  • Toy Christmas trees
  • Golf Clubs
  • Exercise belt
  • Bingo machines
  • Game controller

• Also looks like it's been Photoshopped
CUVOKUR

- Game of find the Brand
- Box of Toys
  - On a blanket
- Filed by US Attorney
“Dead Specimen”
Amazon Specimen Submitted as of 2/12/20 to USPTO
KUTAPU Women Dress Pure Silk Crepe Printed Wrap Dress

Size: Medium

Currently unavailable.
We don't know when or if this item will be back in stock.

- 100% Silk
- Wrap closure
- Material: 100% silk, 100% pure silk crepe
- Features: Anti-Static, Anti-Wrinkle, Breathable, Dry Cleaning, Eco-Friendly
- Design: 100% Pure silk crepe, wrap neck design, 2018 popular floral print, short sleeves, self-tie belt, dry clean.
- Occasion: Outdoor, Beach, Summer's Party, Dating, Daily recreation, Home.
- 100% SATISFACTION GUARANTEED: We've got you covered comfortably constructed & backed by a 30-day love it or your money back guarantee. Either you LOVE the product or you are entitled to a full refund.

Report incorrect product information.
Addressing Problem of Fraudulent Specimens

• Ongoing problem with digitally altered, digitally created, and mockup specimens

• Led USPTO to focus greater attention on specimens

• Identify and refuse suspicious specimen
Three Published - Same Day
Both Published Same Day

88415994

88416253
USPTO
Practice Changes
Requirements for U.S. Licensed Attorneys

• Implemented August 3, 2019

• Applies to Applicants, Registrants, or parties to a proceeding having a domicile outside of the U.S.

• Requirement for representation by a U.S. licensed attorney - Require state of bar admission, year of admission, and registration number on filings

• Goal to instill greater confidence that registrations are valid and comply with U.S. laws and more effectively ensure compliance
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<th>May FY19</th>
<th>June FY19</th>
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<td><strong>Foreign applications</strong></td>
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Statistics provided by USPTO in TPAC Presentation on April 17, 2020
USPTO Guidelines to Examiners regarding Specimens

• Examiner training in June 2019 and Examination Guide in July 2019

• Identified several factors for Examiners to consider
  
  Examples
  missing URL or browser tab in website screenshots and date of access
  labeling appears crudely applied
  mark appears superimposed
  mark appears on goods known to be marketed by a 3rd-party
  Images of products appearing on a white background or which are too sharp or clean

• Greater Examiner scrutiny and request for more information
Timeline of Refusals of Fake or Altered Specimens

Statistics provided by USPTO in TPAC Presentation on April 17, 2020
Post-Registration Proof of Use Audit Program

• A registration is potentially subject to audit when a Declaration of Use is filed and the registration contains either:

  at least one class with four or more goods or services;
  
  For example, registration covers:
  
  purses, wallets, back packs, luggage tags and suitcases (all Class 18).
  
  or
  
  at least two classes with each having two or more goods or services
  
  For example, registration covers:
  
  • Purses and suitcases (Class 18)
  • Clothing, namely shirts, shorts, pants, coats and hats (Class 25)
  • Retail clothing stores (Class 35).
What happens if audited?

- Issuance of Office Action identifying two (2) additional goods or services for each audited class

- Required to submit proof of use for **each** good or service identified

- If acceptable proof of use is submitted, USPTO sends notice of acceptance

- If unacceptable proof of use is submitted or **goods are deleted**, USPTO issues a second Office Action - requiring proof of use for **ALL** of the remaining goods or services in the registration

- If there are goods or services remaining in the registration for which Registrant has not provided acceptable proof of use, USPTO issue a third and final action, advising that the goods or services will be deleted.

- If no response is filed to the Office Actions, the registration will be cancelled **in its entirety.**
Results of Post-Registration Audit Program

- First Actions Issued – 9,357
- Responses Received – 6,622
- No Response Received – 2,735
- Responses Deleting Goods/Services – 3,380

![Pie chart showing distribution of responses to the audit program.](image-url)
Updated Login, Email and Filing Requirements

• Requirement to login using USPTO.gov account

• Future phases – security process to verify account holder information

• Mandatory electronic filing requirement implemented February 15, 2020

• Requirement for Applicants to maintain valid email address effective February 15, 2020 – taking steps to mask Applicant’s email address in all viewable documents

• Recommendations for attorneys to proactively monitor database for filings without their knowledge or consent
Thank You For Your Interest
Questions?
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