

SLW Institute Emerging Tech Webinar Series Episode 05

In the Age of Amazon: Modern Problems for Brand and Trademark Holders



Today's Presenters...



Pamela Huff

Trademark Principal
Schwegman Lundberg &
Woessner



Jessica McDonald

Trademark Attorney
Schwegman Lundberg &
Woessner



Mark Stignani

Analytics Chair & Firm
Compliance Officer
Schwegman Lundberg &
Woessner

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

[Back to results](#)



Roll over image to zoom in

PillPack by amazon pharmacy Your medication, delivered [Learn more >](#)

Daliyfu 24 Packs Dinosaur Party Latex Balloons- Dino Baby Shower/Jungle Theme Party/Birthday Party Decorations party Supplies

by Daliyfu

★★★★★ 1 rating


Price: **\$9.99** **prime** & **FREE Returns**

Get \$70 off instantly: Pay **\$0.00** ~~\$9.99~~ upon approval for the Amazon Prime Rewards Visa Card. No annual fee.

- ♥ Package - 8w hite balloons printed with green dinosaur + 8 green confetti balloons + 8 green balloons printed with white dots (As the image shown)
- ♥ Measurement - Each package contains 24 latex balloons
- ♥ Perfect for the dinosaur party, boy birthday party, baby shower, classroom party, 1st birthday, do also served as home decorations and room decorations.
- ♥ Measurement - This Dinosaur Balloons are approximately 12-13 inch big. (Note: Balloons ship flat)
- ♥ Attach them to ribbon, then tie the ribbon to the ballon knot! For confetti balloons, you can use a towel, wool, rug, cloth, and hair to gently roll the outside of the balloon after inflation, so that the confetti sticks to the edge of the balloon.

[Compare with similar items](#)

[Report incorrect product information.](#)



Gold OH BOY Foil Balloons with Latex Balloons

★★★★☆ 26

\$12.76 **prime**

[Ad feedback](#)

\$9.99


prime & **FREE Returns**


FREE delivery: **Wednesday** [Details](#)


📍 Deliver to Mark - Minneapolis 55402

In Stock.

Qty: 1 ▾

 **Add to Cart**

 **Buy Now**

 [Secure transaction](#)

Sold by [Filny store](#) and Fulfilled by [Amazon](#).

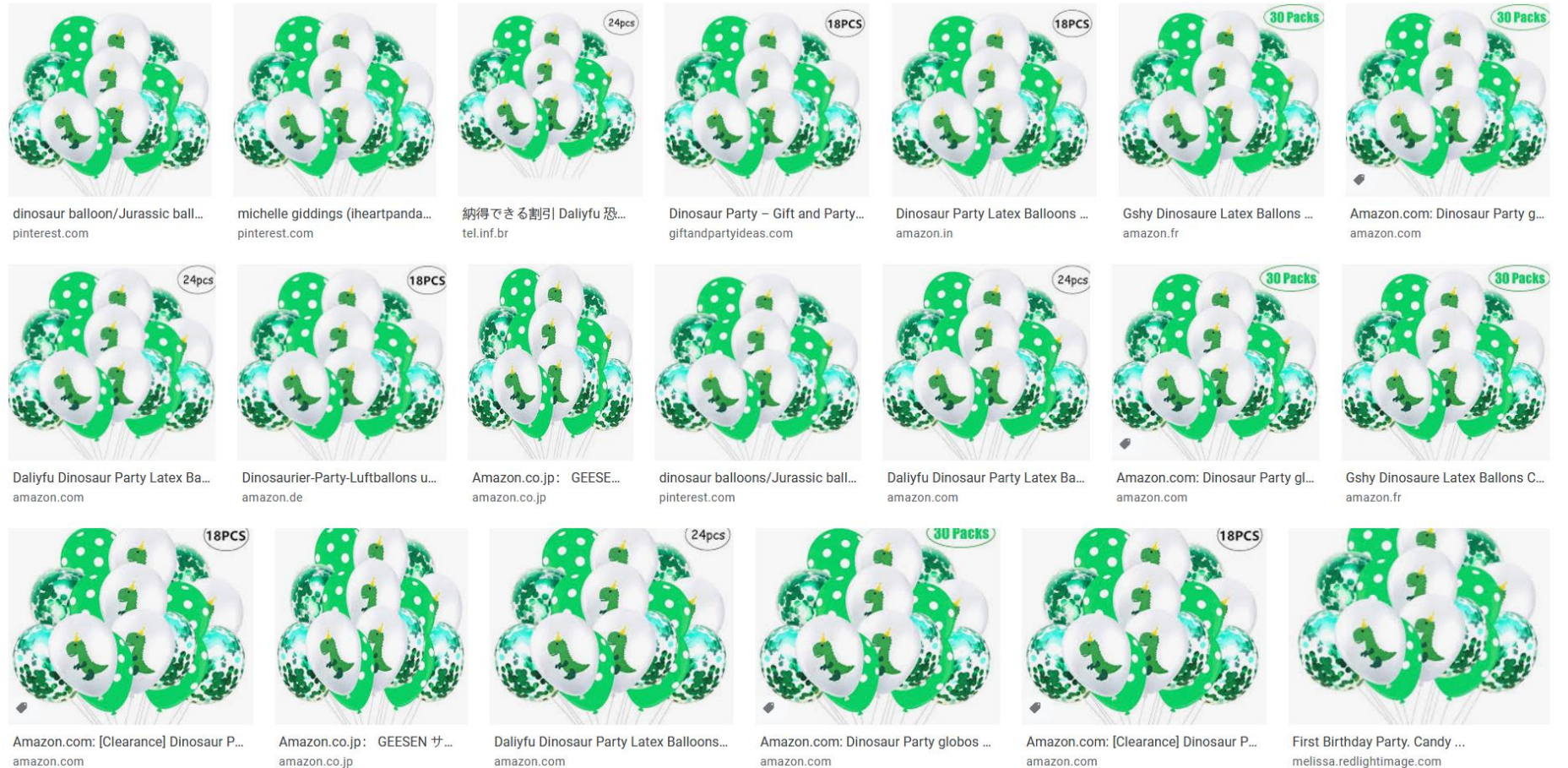
☐ Add gift options

Add to List ▾

Add to Wedding Registry

[Add to your Dash Buttons](#)

56 other brands selling the same item/photo



KSCONFY –US Attorney Filed

- 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 its 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


Amazon Fashion
WOMEN MEN KIDS BOYS BABY LOGGAGE SALES & DEALS NEW ARRIVALS Try before you buy

prime wardrobe Try before you buy >

[Back to results](#)



kutapu



KUTAPU

KUTAPU Women Dress Pure Silk Crepe Printed Wrap Dress

Be the first to review this item


Price: **\$39.99** + \$0.50 shipping

Size:

Medium ▾

- Material:100% silk, 100% pure silk crepe
- Feature: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,Party,Dating,Daily recreation,Home.
- 100% SATISFACTION GUARANTEE: 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.

New (1) from \$39.99 + \$0.50 shipping

**Introducing Prime Wardrobe**
Try before you buy, free & easy returns. [Shop now.](#)


\$39.99
+ \$0.50 shipping


Get it as soon as Monday, July 22
when you choose **Two-Day Shipping** at checkout.

In Stock.


Qty: 1 ▾

\$39.99 + \$0.50 shipping

 **Add to Cart**

 **Buy Now**


Ships from and sold by **BADIQI**.

 [Deliver to Orange 92867](#)

Specimen Page as of 05/01/20(Dead)

prime wardrobe Try before you buy >

Clothing, Shoes & Jewelry > Women > Clothing > Dresses



Roll over image to zoom in

KUTAPU
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
- Feature: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,Party,Dating,Daily recreation,Home.
- 100% SATISFACTION GUARANTEE: 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.](#)

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

[Deliver to Mark - Minneapolis 55402](#)

[Add to List](#)

[Add to Wedding Registry](#)

Share [Email](#) [Facebook](#) [Twitter](#) [Pinterest](#)

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

U.S. Counsel Rule Impact on Applications

	U.S. Counsel Rule in effect										
	May FY19	June FY19	July FY19	Aug FY19	Sept FY19	Oct FY20	Nov FY20	Dec FY20	Jan FY20	Feb FY20	Mar FY20
Chinese applications	5,475	4,874	20,435	7,817	2,821	2,625	2,904	3,871	4,197	1,415	3,768
Foreign applications (non-China)	6,622	5,779	6,938	6,297	5,428	6,495	5,738	5,810	5,568	5,667	5,957

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

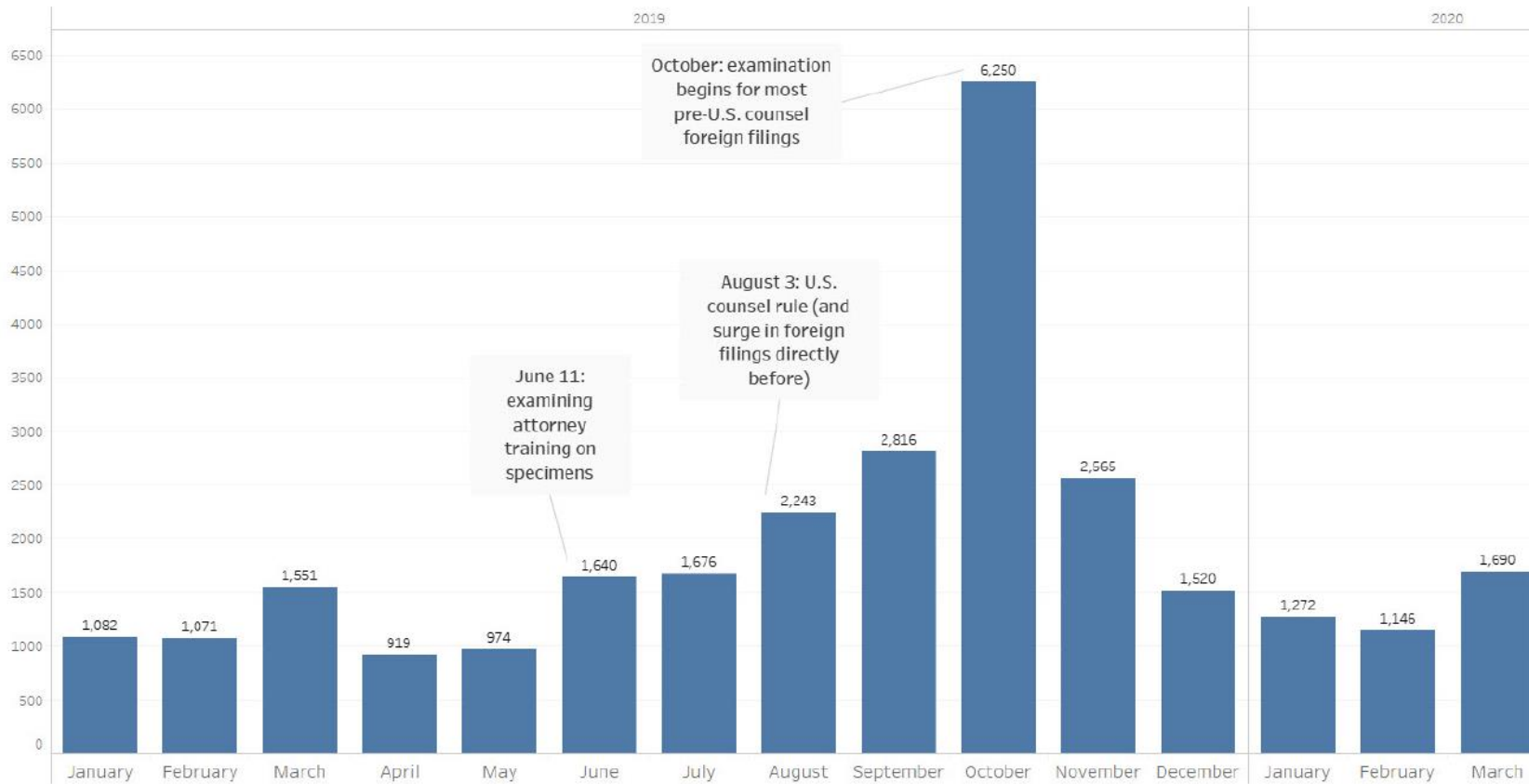
Images of products appearing on a white background or which are too sharp or clean

- Greater Examiner scrutiny and request for more information

Timeline of Refusals of Fake or Altered Specimens

Form Paragraph Usage

S32-0-0/S32-0-2 (Digital Specimen Refusals -1a Basis)



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:

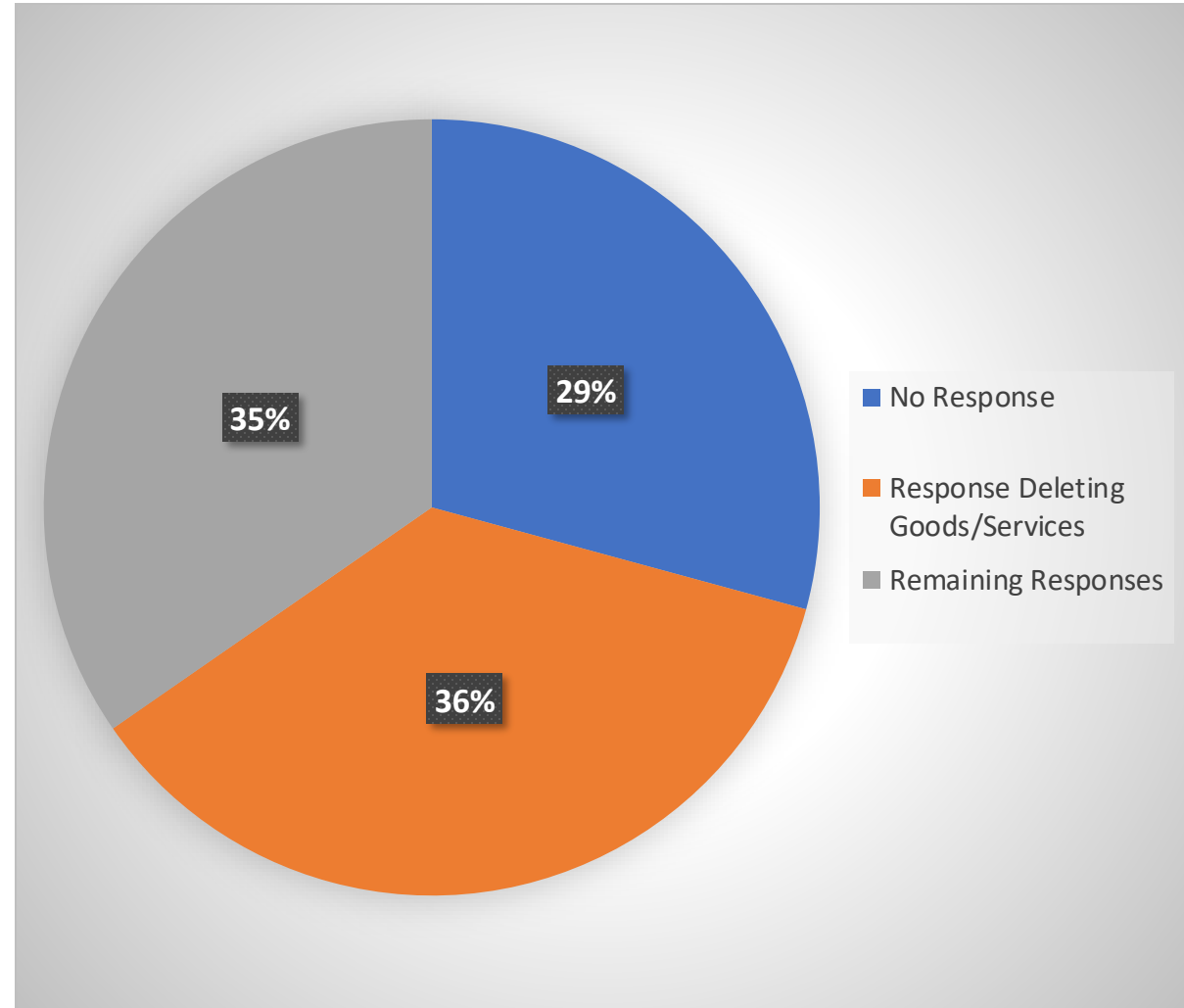
- *Purses and suitcases (Class 18)*
- *Clothing, namely shirts, shorts, pants, coats and hats (Class 25)*
- *Retail clothing stores (Class 35).*

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



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?**

These materials are for general informational purposes only. They are not intended to be legal advice, and should not be taken as legal advice. They do not establish an attorney-client relationship.