
Talking Point: Industry developments 2013-2014

WTR asked a range of trademark professionals, industry representatives and legal specialists to highlight the issues that they felt were most significant in 2013, either in their own jurisdiction or internationally, and what they anticipate will be major developments in 2014

Positive momentum for trademarks, but no room for complacency

Among the many important trademark triumphs in 2013 were three outstanding legislative developments indicating the high priority that governments increasingly place on strong IP rights. The European Commission's introduction in March of proposed revisions to the Community Trademark Regulation and the Trademarks Directive marked a major step towards modernising the European trademark system. The commission's proposals aim to lower costs, create greater predictability and ensure improved cooperation between OHIM and national offices. The International Trademark Association (INTA) is especially encouraged about the commission's proposal on goods in transit, which would allow EU rights holders to prevent third parties from importing goods bearing marks that are essentially identical to EU registered marks. While this language is encouraging, there is still much to be done before it becomes law, and INTA continues to work with the commission and the European Parliament to ensure that this important provision is enacted.

In Canada, the reintroduction in October of the Combating Counterfeit Products Act demonstrated the country's commitment to strengthening trademark protection. By amending the Trademarks Act, the bill will greatly strengthen the anti-counterfeiting measures available to rights holders. INTA welcomes this development, but is encouraging the government to provide stiffer criminal punishments in terms of fines and imprisonment for counterfeiting.

Finally, China's passage of new trademark law provisions in September should improve rights holders' ability to enforce their rights and deter infringers, aligning with many of the proposals submitted by INTA throughout the legislative process. We are particularly pleased by an increase in statutory damages from Rmb500,000 (\$82,000) to Rmb3 million (\$500,000) under the amended law – nearly six times the previous maximum award.

Despite these encouraging trends, we cannot rest on our laurels. INTA signed memorandums of understanding with the trademark

offices of Brazil, Mexico and Singapore in 2013, hosted its first conference on trademark topics in the Middle East, Asia and Africa in Dubai and filed two amicus briefs outside the United States – in *Magasins Best Buy Ltée v Office Québécois* in Canada and *Samsung Electronics Co Ltd v Kapil Wadhwa* in India. These efforts underscore the increasingly global focus of both INTA and rights holders – a focus that will only continue to grow in 2014.

Trademark protection faces significant challenges on a global scale next year due to the pervasiveness of the Internet. The Internet Corporation for Assigned Names and Numbers' (ICANN) expansion of the international domain name system from 22 TLDs to up to 1,400 will be in full swing and rights holders everywhere will be watching closely. With the first four internationalised domain names having been delegated to the Internet's authoritative root zone in October, the process is now officially underway, after seven versions of the Applicant Guidebook and much input from INTA and ICANN's Intellectual Property Constituency. Rights holders should study the list of new gTLDs that have been applied for and visit INTA's dedicated page on new gTLDs for information on protecting their rights.

Finally, there will be a major emphasis next year on Asia, as governments there continue to take steps to strengthen their IP systems in light of economic trends. As more Asian countries become key players in the global marketplace, businesses need greater assurances that their trademarks will be protected. We are delighted to be holding our first annual meeting in Asia next year in Hong Kong, and expect increased attendance from countries throughout the region. The event will offer an unprecedented opportunity for governments and rights holders in the region to participate in the largest trademark networking and educational event in the world, and have the opportunity to meet key government officials who will be attending. We look forward to seeing you there.

Toe Su Aung is 2013 president and chair of the board of INTA and general counsel, anti-illicit trade for British American Tobacco

Counterfeits are of growing concern in the United States

Economic recovery has been sporadic during 2013. Intensely competitive conditions encourage risk taking and the competitive use of litigation or threat of litigation. Despite – or possibly because of – the slow US economy and the relative ease of access to it for foreign goods, the United States attracts counterfeits, infringement



David Weild
Edwards Wildman

The rapid development and availability of 3D printing will ultimately spur design and manufacture, and will no doubt facilitate illicit copying. All means and symbols which reliably identify genuine goods will become more valuable to makers, sellers, counterfeiters and enforcers of identity claims in the context of regulated and unregulated commerce.



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Gloria Wu
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The most significant development in trademark practice in China over the past year was the third amendment to the Trademark Law, which introduces not only procedural changes, but also substantive changes. Although the amended law is not perfect, it should make the trademark system faster, easier and more user friendly.



Simone Verducci-Galletti
Bugnion SpA

The last year will be remembered for the European Court of Justice's decision in *ONEL/OMEL* and the publication of projects for the modernisation of the European trademark system – and during 2014 we will have the chance to see how the discussion on the modernisation of the European trademark system will develop.

and frequently shoddy, sub-standard and even dangerous products for distribution to trusting, bargain-hunting, easily supplied and gullible consumers. At the same time, it is hoped that a growing supply of inexpensive energy will presage a manufacturing renaissance and revitalise US export trade. The rapid development and availability of 3D printing will ultimately spur design and manufacture, and will no doubt facilitate illicit copying. All means and symbols which reliably identify genuine goods will become more valuable to makers, sellers, counterfeiters and enforcers of identity claims in the context of regulated and unregulated commerce.

The government is seeking to encourage more trademark, design and patent issuance as a means of encouraging new and additional sources of revenue. Thus, the proportion of questionable IP rights appears to have risen. An increasing number of products, services and skills are bought, sold and brokered online. There remain intransigent problems of identifying miscreants, jurisdictional restraints on reaching them, exceptional elusiveness and high procedural and legal costs. In *Nike v Already* the US Supreme Court ruled in favour of Nike, deciding that there had to be a continuing justiciable controversy for a court to have jurisdiction. This permitted the plaintiff rights holder to avoid a decision on the validity of its trademark by voluntarily withdrawing suit and granting a covenant not to compete without further compensation to the defendant.

A bright-spot decision may well have been that of the Second Circuit involving the Louboutin red-sole trademark. The court essentially said that Louboutin's colour red trademark exists only

when the red element is contrasted with another colour, so that it can be seen against its surroundings. With insightful pragmatism, it demolished various colour monopoly defences and non-distinctiveness arguments.

Finally, Customs has extended its authority to imports as well as exports, which may lead to more border controversies in the future.

David Weild is a partner at Edwards Wildman

Europe on the cusp of change

As a European association representing brand owners, MARQUES has closely followed the European Commission's proposals for a revised CTM regulation and directive. Before engaging in various consultations and hearings that have taken place with the European Parliament, we fully debated within our own group on topics such as examination, fees and goods in transit, including the related burden of proof, to ensure that the rights holder's perspective would be properly represented in the reform proposals. We also actively followed and participated in more detailed projects initiated by the Office for Harmonisation in the Internal Market (OHIM) and the national IP offices under the OHIM Convergence Programme, such as the implementation of the taxonomy classification tool in July this year and the review of the practice concerning classification. With 28 countries in the European Union, it is clear that harmonisation is fundamental for any trademark owner with a cross-border

scope. As for the online environment, we are closely monitoring the new generic top-level domain (gTLD) process and how this will affect internet presence.

So what does 2014 hold in store? The EU legislative package reform process will surely continue, with everyone hoping that it will be passed during the current parliamentary term. It is important that the reform begins as soon as possible for all users of the trademark system.

However, IP protection cannot be meaningful without proper enforcement and a structured approach towards counterfeiting and other infringements. Therefore, I look forward to seeing the EU Observatory and Multi-annual Plan 2014-2018 take off, with many good initiatives, including the construction of an EU-wide enforcement database. It is clear from the IP Contribution Study, published in 2013 as a joint initiative between OHIM and the European Patent Office (EPO), that EU industry and subsequent exports to the rest of the world are highly IP rights intensive.

What I also think will become more important in 2014 and onwards is finding better, more positive ways to change the perception of the public – especially young consumers – about the importance of intellectual property. Further, I believe that we have not heard the last word on plain packaging, which remains a threat to trademark owners' rights.

Diana Versteeg is chair of MARQUES

Germany demonstrates innovative approach to trademark law

A study carried out jointly by the EPO and OHIM and published on September 30 2013 measured the importance of IP rights to the EU economy. The key findings were that about 39% of all economic activity in the European Union (worth some €4.7 trillion annually) is generated by IP rights-intensive industries and approximately 26% of all employment in the European Union (56 million jobs) is provided directly by these industries, while a further 9% of jobs stem indirectly from IP rights-intensive industries.

Germany still ranks top for the exploitation and enforcement of trademarks, as well as for the cost efficiency of its enforcement. The speed and low cost of obtaining preliminary injunctions, as well as the civil courts' specialist IP chambers, continue to make Germany an attractive venue for right holders to enforce their IP rights.

According to preliminary projections, the German Patent and Trademark Office (GPTO) anticipates rising numbers of applications for industrial property rights in 2013. Although trademark applications have fallen in recent years, a slight increase is expected for 2013.

Looking ahead, the accession of Mexico and India to the Madrid Protocol on February 19 2013 and July 8 2013 respectively was welcomed. German owners of international trademark registrations now have the possibility of designating these as countries of protection for newly filed international registrations or extending existing registrations there. Further, the CTM system has extended its territorial scope, as Croatia joined as its 28th member state on July 1 2013.

One of the most interesting and discussed trademark cases this year was an infringement action initiated by confectioner Haribo against Swiss competitor Lindt. The Regional Court of Cologne decided that Lindt's three-dimensional (3D) gold-foiled chocolate bears amounted to an infringement of Haribo's well-known trademark GOLDBÄREN (gold bears). As this is the first case so far to find that a 3D trademark infringed a word mark, the outcome of the appeal is eagerly awaited.

With the implementation of the new German Design Act, which will enter into force on January 1 2014, a number of significant changes and new innovations will take effect. In particular, an invalidity procedure before the GPTO will be introduced, which will be comparable to the revocation procedure established for registered Community designs. This is innovative as, to date, it has been necessary to initiate an invalidity action before a German district court in order to cancel a German design. This new approach will open up a more cost-effective, less time-consuming invalidity procedure. Together with the large volume of design cases dealt with by the German courts (the Düsseldorf District Court handles more than 100 design cases per year), this will strengthen the importance of designs as a protective measure at a national level in Germany.

Oliver Nilgen is a lawyer at Meissner Bolte & Partner GbR

Specialisation is the key in Russia

One of the most important events that occurred in Russia in 2013 was the establishment of the Russian IP Court. This specialised court opened for business in July 2013 and hears disputes dealing exclusively with intellectual property. The main disputes for which the court is responsible are appeals against decisions of the Russian Patent and Trademark Office issued in connection with trademark, patent, utility model and design matters, as well as disputes in connection with IP infringements, which were previously heard by the commercial courts.

In addition, the court specialises in the consideration of trademark cancellation actions for non-use.

The court is supposed to be qualified in the technical aspects of disputes, although it has the right to involve technical specialists during the proceedings to ensure that its decisions are as objective as possible. All these developments are designed to increase the professionalism with which disputes are heard.

In 2014 we predict two major events. First, we expect that IP amendments will be introduced to the Russian Civil Code with regard to online piracy and stronger protection for patent and trademark rights. With regard to trademarks, the issue of parallel imports will be considered thoroughly so that all discrepancies are ironed out.

Second, it is anticipated that a strategic programme for state involvement in the development of inventions and other intellectual property will be adopted. This programme will aim to establish conceptual approaches towards scientific research, construction and technological projects conducted on the basis of state contracts or within the framework of public-private partnerships. The programme will specify which IP rights are to be transferred to the state and which rights are to be retained by developers.

Alexey Kratiuk is a partner at Gorodissky & Partners

China's new trademark law set to shake up the system

The most significant development in trademark practice in China over the past year was the third amendment to the Trademark Law, which was passed on August 30 2013 after 10 years of discussions and preparations. It introduces not only procedural changes (eg, multi-class applications, simplified opposition procedure and a statutory time limit for China Trademark Office and Trademark Review and Adjudication Board examinations), but also substantive changes (eg, the good-faith principle, broader scope of business

relationships, increased statutory damages and punitive damages, reduced burden of proof for infringed party; earlier use defence, sound marks and the regulation of trademark agents). Although the amended law is not perfect, it should make the trademark system faster, easier and more user friendly.

The amended law will come into effect on May 1 2014, by which time its implementing regulations will also be finalised. More details of the changes will become clearer then, such as the official fees for multi-class applications, the application requirements for sound marks and the specific examination criteria and documentation requirements for other changes. The changes related to the calculation of damages may encourage more rights holders to litigate in China and there may be more judgments granting significant damages awards. Naturally, China will need more examiners and judges to hear trademark cases, and rights holders should prepare for corresponding changes to the market.

We also expect to see a Supreme Court judicial interpretation on the issue of original equipment manufacturers: specifically whether use by them should be regarded as valid trademark use or constitute infringement. Such a judgment will hopefully, harmonise the different standards adopted by different courts in China at the moment.

Gloria Wu is a partner at Kangxin Partners PC

The fight against infringement in Vietnam continues

Rights holders in Vietnam still prefer to take administrative measures against IP infringements rather than initiating lawsuits before the courts. In this context, Government Decree 99/2013 – which took effect on October 15 2013 – replaces Decree 97/2010 on administrative penalties for industrial property infringements. Below are some of the most significant changes introduced by the new decree:

- fines of D250 million (about \$12,000) for an infringing individual or D500 million (about \$24,000) for an infringing organisation, compared to a maximum fine of D70 million (about \$3,500) under the old decree;
- broader and stronger powers for the Ministry of Industry and Trade's (MoIT) Market Management Bureau, and removal of the ministry's Competition Management Bureau;
- a simplified mechanism for settling disputes involving domain names in the top-level country-code '.vn'. In particular, the infringing party must surrender its registered domain name to the registrar within 30 days of an administrative violation decision; otherwise, the issuing authority has the right to request that the registrar withdraw the disputed domain name; and
- with regard to trade names, an obligation that the infringing party record a new business name that is not identical or confusingly similar to the protected trademark or name within 60 days of the administrative violation decision; otherwise, the issuing authority may petition the business registration licence issuing authority to suspend the infringing party's business registration licence.

However, some details of Decree 99 – namely, the legal definition of an 'infringing party' where this is an individual – need further clarification, which is due in the form of a circular to be issued to IP rights enforcement authorities around the country.

Le Quang Vinh is senior partner and attorney at law at Bross and Partners

The year of ONEL

The last year will be remembered for the European Court of Justice's decision in *ONEL/OMEL* and the publication of projects for the modernisation of the European trademark system.

ONEL/OMEL aimed to clarify some points related to the interpretation of genuine use, but in actuality did not change OHIM's practice that much. This was also the year during which OHIM and national trademark offices issued a common communication (May 2013) to try to assuage uncertainty and doubts raised by the *IP TRANSLATOR* decision on the classification of trademarks. Classification has been drastically affected by *IP TRANSLATOR*, at least from the Italian perspective.

While Italian law provides easily accessible and broad trademark protection by indicating the headings of the Nice class of interest (plus a general indication), practitioners must now deal with OHIM's new practice with regard to the literal interpretation of class headings for application filed after the decision. This has forced us to be more careful with regard to indications for goods and services. The opposition system is finally a consistent reality in Italy and we have been able to verify that Italian decisions are pretty much in line with the style and content of OHIM decisions. This will be a great tool with which to clear out the over-crowded Italian register.

During 2014 we will have the chance to see how the discussion on the modernisation of the European trademark system will develop. *ONEL/OMEL* and *IP TRANSLATOR* both support the argument that Europe needs clearer rules on coexistence and complementarity between the CTM and national systems. It is also hoped that intellectual property will help to stimulate new economic growth, which is badly needed in Italy.

Simone Verducci-Galletti is an associate at Bugnion SpA

India takes a step closer to Madrid

In 2013 the Indian commerce minister announced that India would accede to the Madrid Protocol six years after its ratification. The papers were handed over to the World Intellectual Property Organisation (WIPO) secretariat at a convention in Geneva and July 8 2013 was set as the implementation date. Given the current backlog, practitioners remain sceptical about the Indian Trademark Office's readiness to comply with the strict timelines and procedural changes necessitated by Madrid.

In a bid to attract investment from single-brand retail chains (eg, Marks & Spencer and Zara) that sell multiple brands from their own-label stores, the Indian government also issued a clarification that use of a sub-brand does not require special permission, as long as the house mark appears alongside it. The announcement, which is intended to change the retail landscape, has raised questions in terms of redesigning labels and creating more India-specific labels, as sub-brands do not necessarily carry house marks. This process may also result in the creation of new IP rights, which require separate protection.

Meanwhile, yet another chapter was added to a long-running saga when Supreme Court appeals were filed by two judges from the bench, who ruled that 'international exhaustion' is the correct legal position when interpreting the Trademark Act. Extra spice was added by an intervention petition from the International Trademark Association (INTA), which argued that permitting parallel imports would undermine R&D investment. The Supreme Court is likely to hear arguments in January 2014.

Finally, the Delhi High Court's ruling in *Bloomberg* offers hope to rights holders facing infringement by third parties copying

OHIM's perspective on future IP trends

A number of key challenges will come to the fore in 2014. The first trend is the continued rise in demand for the registration of IP rights from business and industry of all sizes. A second trend will be growing awareness of the increasing importance of design rights and their protection. At the same time, there is likely to be heightened awareness of the need to make sure that IP rights are better known, understood and thus accepted and respected by EU citizens.

Just as it has done in 2013, the Office for Harmonisation in the Internal Market (OHIM) will be deeply engaged on all these fronts during 2014.

On the demand side, we expect to deal with increased applications for Community trademarks and designs, and also to continue to improve the quality of our service. We will also be putting more focus on designs now that the process of modernising the legislative framework, upgrading the IT infrastructure and converging practices for trademarks is well advanced.

Through the European Trademark and Design Network, we will be working to develop and improve tools for designs, such as the Designview database. This database already contains designs from 10 offices, including OHIM, and a total of 24 IP offices have shown an interest in joining. At present, around 7,000 searches from 66 different countries are carried out each month.

At the end of 2013, a second phase of the Designview project introduced improvements in search performance and multiple language support; looking ahead, we will be seeking to tackle the challenges of three-dimensional search.

In addition, 2014 will see the start of the first two convergence projects for designs within the European Trademark and Design Network.

We will also be working on more design issues through the TM5 group of leading international offices and will reach out to small companies by taking part, in partnership with other offices, in a number of leading trade fairs that attract the participation of small and medium-sized enterprises (SMEs) with a strong interest in design.

On the research and public awareness side, we will be deeply engaged in research about IP rights and in actions to increase awareness among both policymakers and the public.

In 2013, through the European Observatory on Infringements of IP Rights and in partnership with the European Patent Office, we published a major research study which demonstrated the

economic importance of IP rights to jobs, gross domestic product and trade in the European Union. A second study showed that while the vast majority of citizens value the importance of IP rights, there are sometimes contradictions in their behaviour, especially among younger people.

In 2014 we will be looking more deeply into how important IP rights are at firm or company level – especially for SMEs – and we will be moving forward on a significant study on the economic consequences of IP infringements.

These studies on the economic value of IP rights and the cost of infringements will combine with the study on perception of IP rights among citizens to form a 'trilogy'. This trilogy will provide the basis for further research, assist policymakers and help to create new narratives for awareness campaigns to help to make IP rights better understood by society in general.

We have also delivered the Enforcement Database, allowing rights holders to exchange information online with enforcement authorities that will help to distinguish fake goods from genuine goods, and ensure that the right person is contacted should goods be suspected of being counterfeit. It also allows rights holders to generate an application for customs action automatically. In addition, we are expanding the coverage of the Anti-counterfeiting Intelligence Support Tool, which allows data on seizures to be stored, analysed and reported in a common standard.

Overall, 2014 will be a year of challenges for OHIM. But we also expect it to be one of significant achievement, with activity on many initiatives across a broad front, including registration, international cooperation, an increased focus on designs and the developing work of the observatory.

By António Campinos
President, Office for
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Market



their mark as part of their trade name/trading style for different goods or services. The court clarified that in such cases the dilution provisions set out in Section 29(4) of the Trademarks Act will apply. To establish infringement under this provision, the brand owner must prove that:

- the mark has a reputation in India;
- the mark has been used by the infringer without due cause; and
- such use by the infringer is detrimental to the mark's reputation and distinctiveness.

The court clarified that Section 29(5) specifically deals with situations where the infringer makes use of the mark as part of its corporate/trade name. However, it is not intended to be exhaustive of all situations where a trademark is being used as part of a corporate name. Thus, the option of invoking remedies under Section 29(4) is equally available to a rights holder.

Several of these issues will be debated in the courts in 2014 and their fiscal impact will be considered by policy makers and brand owners.

Ranjan Narula is managing partner of Ranjan Narula Associates

Turkey's economic stability to drive IP protection

Political stability and legal, democratic and economic reforms have contributed greatly to economic and industrial development in Turkey, despite serious disturbances in

neighbouring countries. It is positive to see that Moody's has also confirmed that Turkey will be among the fifth fastest emerging countries in the world's top 20 economies at the end of 2013, with growth of between 3% and 4%, and further increases forecast for 2014 (ie, between 3.5% and 4.5 %) in the recent report of Global Macro Outlook 2013.

After a quiet period of about three-and-a-half years, membership talks between the European Union and Turkey were revived in November 2013. IP protection and enforcement is one of the key chapters (out of 14) already opened after 2005 and substantially harmonised with EU laws.

In 2013 the Scientific and Technological Research Council of Turkey launched a support programme for technology transfer offices at 10 universities, with each being granted an incentive of TRY1 million (\$528,000). There are also a number of ongoing important incentives for industry and small and medium-sized enterprises (SMEs) concerning technology development, branding, patenting and trademarking.

A new draft IP law is ready and expected to come into effect soon in order to remedy several deficiencies, including gaps in the existing legislation with regard to criminal IP enforcement. A new judicial reform package announced this year also introduced extra measures to lighten the judiciary's workload and reduce the average length of trials to one year for civil proceedings and between 18 months and two years for criminal proceedings, including appeals, by 2015.

- Of particular relevance to trademark issues, the agenda includes:
- the establishment of two or three specialised IP courts in the cities of Bursa, Gaziantep and Konya (in addition to those in Istanbul, Ankara and Izmir), which would add value and direction to IP litigation; and
 - implementing regulations, which will follow once the new IP law is issued.

We also expect that the success of R&D departments, SMEs and universities with regard to intellectual property, including patents, will be evaluated by the state to assess the impact of ongoing incentives.

Ersin Dereligil is managing partner of Destek Patent

The evolution of Canada's legislative framework

Several decisions involving the impact of online commerce on trademark use were issued during 2013. In Canada, use is fundamental to trademark acquisition, enforcement and maintenance. However, for online businesses that are accessible to Canadians, but have no bricks-and-mortar presence, the law remains unclear about what level of Canadian interaction is sufficient. While merely being online does not permit a business located out of Canada to claim use, the courts are still grappling with how businesses must meet a use-in-Canada threshold (eg, by setting prices in Canadian dollars, offering delivery to Canada or having Canadian contact details). This will remain a topic of interest as internet commerce continues to grow.

The Canadian government also introduced the Combating Counterfeit Products Act (Bill C-8) which, when passed, will set up a procedure whereby copyright and registered trademark owners may ask for assistance in detaining counterfeit goods. In addition, it sets out new criminal remedies for trademark infringement. The bill also provides for the registration of additional non-traditional marks (eg, colour, taste, texture and smell) with proof of acquired reputation. Finally, as part of the Canada Europe Trade Agreement, the government has committed to better protection against counterfeiting and to recognising new geographic indications in Canada.

In addition, the government will likely move forward with other steps designed to harmonise Canada's trademark system with that of other countries. Some of the most likely changes include accession to international treaties such as the Madrid Protocol and the Singapore Treaty. Consideration has already been given to the changes that will be required to accommodate those statutes (eg, new filing procedures and classification of wares and services). More interesting is how these treaties may change the current focus on use as a requirement for registration and maintenance of trademarks in Canada, and whether access to these systems will result in more Canadian businesses seeking trademark registrations in Canada and abroad.

Another issue that has caught the attention of trademark lawyers is the impact of the Quebec government's insistence upon French language on signage displayed in Quebec. Many rights holders feel that their trademark registrations permit them to use the brand name alone on signs, whereas the Quebec government has asked for additional generic names in French (eg, *café*, *magasin* or *bistro*) to be displayed. A challenge to this requirement has been launched and is being keenly watched by many international brand owners.

Cynthia Rowden is a partner at Bereskin & Parr

Polish practitioners brace themselves for change

From the point of view of IP practitioners, industry developments in 2013 were overshadowed by other significant developments directly affecting the profession of patent and trademark attorneys (there is no distinction between the two in Poland). The profession has a long tradition in Poland reaching back nearly 100 years, with most Polish patent attorneys having either a technical or legal educational background. In practice, patent attorneys with technical qualifications usually specialise in patents, inventions or utility models, while those with legal training handle trademarks and industrial designs. In order to become a patent attorney and be registered with the Polish Chamber of Patent Attorneys, it is necessary to complete a three-year postgraduate IP course and pass final examinations.

Currently, only patent attorneys have the right to represent clients before the Polish Patent Office in trademark or patent application proceedings. However, there has been much controversy and discussion over the issue of opening up the profession to legal counsel and attorneys. For some members of these two professional groups, especially those looking to do business in new practice areas for financial reasons, the possibility of representing clients in patent or trademark application proceedings before the Patent Office is an attractive one. Although one might expect a legal counsel or attorney with no technical background to shy away from handling inventions in the field of electronics or biotechnology, a trademark or industrial design application might seem easy to handle and temptingly profitable (despite the fact that such applications also require much specialised knowledge and experience). Therefore, it seems that some attorneys or legal counsel would like to incorporate at least trademark or industrial design registration proceedings into their practice. The authors of the draft law on deregulation maintain that the law is designed to boost competition, and consequently to reduce prices and improve the quality of services.

However, there is considerable fear among patent attorneys that such competitiveness would in fact damage the quality of services on offer. Attorneys' rates are an obvious criterion for clients seeking a professional representative; therefore, there is a danger that attorneys offering the lowest rates will be the most likely to win business. Unfortunately, losses sustained as a result of unprofessional representation are irreversible. Although the law on deregulation has not yet come into effect, it has already been widely discussed and resulted in several questions. For example, who will guarantee the client's safety and will there be any professional liability insurance to secure clients against their representative's ignorance? Answers to these will not be known until the practice develops.

Izabella Dudek-Urbanowicz is head of trademarks and designs at Patpol

Changing times for IP practitioners

In 2012 I wrote about the record number of countries joining the Madrid Protocol since 1996 (the Philippines, Colombia and New Zealand). However, 2013 is set to beat that record, with four countries joining the system – Mexico, India, Rwanda and Tunisia – and more are on the road to ratification. The remaining Association of Southeast Asian Nations countries (Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar and Thailand) must join by 2015.

In Europe, we will continue to see the OHIM promoting the work of the Cooperation Fund and the Convergence Programme.

The efforts are resulting in an increased number of electronic tools and harmonised procedures at national level, and will inevitably have an impact on how applicants search, file and maintain their trademark portfolios.

The unitary patent is also another big development in Europe. We may see a sufficient number of ratifications in 2014, or perhaps not until 2015. While this new option is bound to influence the behaviour of rights holders, patent filers are largely expected to wait and see. The view is that the unitary patent is more vulnerable because it is 'all or nothing', like the Community trademark (CTM), which is why patent filers may continue to choose the European patent with national validations. On the other hand, like the CTM, the unitary patent will be stronger on enforcement; so it remains to be seen what strategies patent owners will eventually adopt. Without doubt, there will be a certain correlation between the tactics of patent filing and the tactics of choosing the national route, the CTM or the Madrid Protocol for the protection of trademarks in Europe.

Where will these changes leave the profession? Firms in Europe and in new protocol countries which rely solely on filing and prosecution will inevitably be at risk of losing out, unless they manage to change their service offering. On the one hand, firms must expand to offer a full set of legal services in areas related to intellectual property; on the other, they need to improve their skills in setting targets and strategies for developing their business. There are good and reliable firms in almost all jurisdictions, so the

next question is how to stand out from the crowd. It is essential to be good at relationship building, but firms also need to improve at using new tools such as social media to promote themselves – not just for name recognition, but also to demonstrate initiative, dedication and professional skills.

How many IP firms have tried running an AdWords campaign? It is still early days, but results are interesting. We (those of us who have worked in intellectual property for more than five years) would not think that attorneys would look for foreign counsel on Google – but if we are not already, we will soon be very wrong. [WTR](#)

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