Your good name is worth the trouble!

-Trademark protection in national and international business-

by Petra Korts, MBA, attorney-at-law, certified attorney at tax law, Cologne www.korts.de

Be it with his private end customers or with his business partners – every entrepreneur is rightly concerned about his good name. The "carrier" of the good reputation is mostly the company name or brand name (e.g. Nivea).

It fulfils two functions at the same time: identification and advertisement. Generally, it is to represent the company's credibility and respectability (e.g. DaimlerChrysler, BMW, etc.). In particular, however, it is also to provide the company's current and new products with a positive impression (reliability, quality, standard) and thus boost the customers' disposition to buy. It is therefore all the more distressing for a company if it is to find out that other companies use or take advantage of its good name.

Protection against such action is especially provided by the trademark law. Depending on which efforts the entrepreneur makes, he can have his good (brand) name protected as a trademark nationally, throughout the EU or internationally. The protection does not only apply to the identical use of the trademark but also to the use of similar trademarks (e.g. Zentis/Säntis).

The prerequisite for the protection is that the entrepreneur has the respective name officially registered as a trademark. Once the trademark has been registered, the entrepreneur can apply for an injunction and sue foreign users for damages. Lost profits claims, but also damage caused by consumer confusion and trade confusion due to the unauthorized use of a similar trademark can be asserted. What is remarkable is the fact that such proceedings can also be instituted against foreign opponents in German courts and respective judgements can be executed within the framework of European agreements throughout Europe.

In Germany the trademark law is regulated by the Trademark Act. It protects words, images, figures, three-dimensional designs, the shape of goods and their packaging, other presentations including colours or colour combinations or ... odours! Especially the protection of colour trademarks as they are called has been repeatedly applied for in recent years, for not only characters but also colours or colour combinations are increasingly used as business identifiers.

The European Union has not been idle either. Since 1996 a Community Trademark as it is termed can be applied for with the Office for Harmonization in the Internal Market in Alicante (Spain). The trademark is thus protected throughout the EU.

The Madrid Trademark Convention and the Paris Convention for the Protection of Industrial Property enable the worldwide protection of a trademark. To this end an international application as it is called must be filed with the International Bureau of the World Intellectual Property Organization in Bern. For the efficient prosecution of infringements of the trademark law, however, it is advisable to (additionally) file an individual application in each state for which protection is desired.

The application for registration of a trademark can be filed quite quickly – however, also mistakes may have crept in quite quickly. The registration of a trademark requires thorough preparations. In order to avoid unnecessary procedural costs it should be checked in advance whether an identical or similar trademark has already been registered. Besides, it

has to be established for which fields the desired trademark is to provide protection (food, metal processing, services, etc.) In the end, it must also be checked in which form the name is to be registered (pure word trademark, combination trademark, colour trademark, etc.) so that optimum protection can be achieved. Otherwise some years later it may turn out that the registered trademark does not offer the desired protection.

In order to prevent these problems it is advisable to seek the advice of an attorney who is familiar with this legal sphere beforehand.