

Colombia

Proving the notoriety of your trademark

Common examples of well-known trademarks include COCA-COLA, MERCEDEZ BENZ, JUAN VALDEZ, MICROSOFT, WAL-MART and INTEL. Although these marks have different meanings, origins and characteristics, they all have one key factor in common: they each generate an extraordinary level of recognition among consumers. This level of knowledge is known as notoriety.

Under Colombian law, qualifying trademarks that meet the requisite level are designated as notorious trademarks. The same applies in other Andean countries. For the purposes of these countries' national laws, trademark holders whose marks are declared notorious gain access to a select and exclusive club that grants and recognises a broad array of privileges, rights and resources to the lucky owners. These privileges, rights and resources accrue exclusively to club members.

In the countries of the Andean Community the owner of a notorious trademark not only enjoys a broader scope of protection than the owner of an ordinary trademark, but can also take advantage of special measures to fight infringement, trademark dilution and other types of trademark phenomenon that particularly affect these kinds of sign. Thus, a declaration of notoriety allows the owner to take action against trademark infringement more easily, quickly, effectively and economically.

In some cases the Colombian Patent and Trademark Office (CPTO) has allowed trademark notoriety to overcome the bedrock legal principle of territoriality. In these opinions the CPTO has recognised that notorious trademarks are valid in Colombia without requiring evidence that the owners actually use the marks in the Colombian territory. These decisions are particularly relevant in light of the Colombian rules governing trademark rights and recognition. In Colombia, the only legally valid means of obtaining an IP right is to register the relevant right or interest. A sign is deemed to be notorious because it is widely known – in principle, this notoriety should follow from widespread use of the sign. However, the CPTO recognises that foreign trademarks

can obtain notoriety even when the products or services which they represent have never been sold in Colombia. Therefore, the legal rights derive from the knowledge that the Colombian public (ie, potential consumers) have of these marks.

Protecting their rights in potential or future markets is not the only reason why foreign owners have increasingly sought declarations of notoriety in Colombia. Notoriety is one of the most influential factors in the valuation of a trademark. No matter which valuation method appraisers use, once a trademark gains the legal status of notoriety its value is automatically increased.

Although owners derive great economic benefits from having their trademarks declared notorious, the process for doing so is difficult, complicated and highly formalised. Thus, strategy and attorney-client communication are vital if owners hope to obtain a declaration of notoriety for their trademarks. This chapter discusses specific issues that trademark holders must consider before embarking on the quest for a declaration of notoriety.

Be honest

A trademark owner may wish that its trademark is notorious and may believe that the mark is notorious. Nevertheless, the reality may not tally with these perceptions. The owner's personal wishes may cloud its view of how the market sees the trademark.

Before doing battle with the CPTO for a declaration of notoriety, a trademark owner should engage in a few relatively simple exercises. First of all, it must determine how well known the trademark really is. This can usually be established simply and quickly. Use impartial third parties or serious and independent sources for guidance in this area. Consult sector publications and indicators to verify how well known the trademark is compared with others in the market. Many market research companies can obtain simple samplings in less than a week. Armed with these findings, the owner can determine the levels of

spontaneous and suggested knowledge of the trademark within a specific market sector.

The results obtained from these exercises may not be conclusive. However, while they may not determine whether the CPTO will grant notoriety to the trademark, they will shed light on the following critical factors:

- how to orient the tests;
- how much detail to demand;
- how to define the target consumers correctly; and
- when to give up on the idea of seeking a declaration of notoriety.

Look out for opportunities

Andean law does not set forth an independent procedure for obtaining a declaration of notoriety for a trademark. Thus, a trademark owner may not simply apply to have the mark declared notorious. Instead, the national law of each Andean country sets forth precise times when an interested party can produce evidence demonstrating the trademark's notorious status. Both such occasions arise within the context of trademark litigation. First, a trademark owner has an opportunity to prove the notoriety of its trademark during opposition proceedings. If, during the registration process, a party opposes the registration of a trademark in Colombia, the trademark owner will respond and defend by claiming (and proving) that the trademark is notorious. The other opportunity to obtain notoriety for a trademark arises during the course of a cancellation proceeding. Unlike the opposition proceeding, where the trademark owner is the defendant, in cancellation proceedings the trademark owner is the plaintiff, asking the CPTO to cancel a trademark that has already been granted. In such proceedings the trademark owner seeks cancellation alleging that the trademark authorities erroneously granted the mark because it is similar to its own mark, which is notorious.

Trademark owners and their advisers must bear in mind that the opportunities to have a trademark declared notorious are expressly set out under the law. Thus, interested parties must be on the lookout for such opportunities. Most timeframes set forth in Colombian IP law are peremptory. For this reason, parties must act in a coordinated fashion so as not to miss their chance. Poor communication and technical mistakes will force them to pay the ultimate price: the lost opportunity to have a trademark declared notorious.

Recently, the CPTO appeared to open the door to a third opportunity for a declaration of notoriety. This occurred within the legal context of the cancellation procedure – a party sought to have a trademark

cancelled, and in response the trademark owner alleged that its trademark was notorious. Ultimately, the CPTO declared the notoriety of the WAL-MART trademark in International Class 35.

Evidence is key

The owner's ability to obtain a declaration of notoriety for its trademark depends on the seriousness and strength of the evidence produced in the process. The burden of proof always falls on the party alleging notoriety. Therefore, the likelihood of success is inextricably linked to the quality of the evidence adduced.

The biggest mistake a trademark owner can make is to fall in love with its own cause and to convince itself that the examiner must surely know the extent and fame of the trademark. No matter how famous the trademark is, the trademark examiner may consider only the evidence contained in the file. Even if the individual examiner assigned to decide the case is an avid fan of the trademark and has personal knowledge of its diffusion, use and extension, the examiner may not issue a favourable decision unless it is supported by evidence included in the file.

Traditionally, the CPTO has required that evidence be submitted within the procedure settling the dispute. Thus, the evidence in support of notoriety is essentially documentary in nature and witness and expert testimony is not admissible. Moreover, the trademark owner and its legal advisers must be mindful of the legal time periods and opportunities, and the deadlines for legalising, sending, issuing and translating evidence. In addition, they must be aware that some evidence may be subject to additional requirements or formalities.

A trademark is not notorious because it is well known on the market; rather, it is notorious because the examiner has confirmed it as such thanks to the evidence submitted.

It is not sufficient to provide lots of documents, promotional articles, t-shirts, affidavits or invoices. The likelihood that the CPTO will grant a declaration of notoriety depends on the quality of the evidence, rather than the quantity. Thus, evidence must be specifically directed to proving a fact that is relevant to the petition at a specific time and with respect to the specific trademark whose notoriety is at issue.

Previously, it was common to see t-shirts, flyers, promotional materials, advertising, caps and other similar articles bearing the trademark submitted as evidence of notoriety. However, the CPTO has since evolved, as has Colombian IP legislation. Today, it is undisputed that the evidence must be directly related to consumers' knowledge of the specific trademark for which the declaration is sought, all of which must be

presented within the period granted to seek the declaration of notoriety.

Any accounting evidence included in the file must relate specifically to the trademark for which a declaration of notoriety is sought. The CPTO will not consider accounts for a company's total advertising investment (ie, all the trademarks owned and used by the holder) in equal measure to those for the trademark seeking notoriety. Specificity is the operative word for the purposes of accounting and all other evidence. Rather than risking rejection under a trial-and-error approach, companies should consider involving an IP lawyer from the start. A trademark lawyer is well prepared to help the owner draft and evaluate certificates, documents and any other relevant evidence submitted to the CPTO.

Market studies

The CPTO willingly admits market studies, surveys and enquiries as evidentiary support of notoriety. Generally, this evidence must support specific claims as to levels of spontaneous knowledge and suggested knowledge of the trademark compared with the spontaneous and suggested knowledge of other trademarks in the same market.

With this in mind, before hiring a market researcher a trademark owner must determine:

- who the consumer of the product is;
- who the consumers of competing products are; and
- in which markets other products compete with the trademark.

The seriousness and precision with which a trademark owner defines these elements will determine the strength of the results of the market studies and, in many instances, the weight that the CPTO will give to the evidence.

A trademark adviser should actively participate in drafting questionnaires and verifying that they are impartial and not oriented to achieving a particular result.

Know the trademark

Generally, nobody knows the trademark better than its owner. The mission of the trademark lawyer is to immerse himself or herself in learning about the trademark and to review the mark's history, behaviour and use. It is absolutely critical that the lawyer designing the evidentiary strategy meets the person in the company who knows the history of the trademark. Meeting and talking with this indispensable individual is crucial for the lawyer so that he or she may effectively determine the issues and points to raise, those to leave alone and those on which to focus.

A review of the historical records is equally indispensable to this endeavour. During the review process, forgotten letters, communications, photographs or probative items may surface. At first, any or all of these items may seem irrelevant. Nonetheless, for strategic reasons it may be appropriate to include some or all of them in the evidence submitted in the file. Thus, trademark owners should keep files on the trademark and include in them every public reference to the trademark, no matter how small. Relevant public references include:

- newspaper or magazine articles that mention the trademark;
- videos and advertisements; and
- favourable (and unfavourable) comments or critiques on the product or service.

All of these items are evidence of knowledge and all may support or even determine a favourable outcome on the issue of the notoriety of the sign.

Knowing the trademark is half the battle. The other half is developing and pursuing a strategy. This is where the trademark lawyer comes in. Suppose that while reviewing the company's correspondence, the lawyer comes across an old thank-you note sent by a customer who was a young politician at the time. Imagine that today that young politician is the president of Colombia. Including this document with the collection of letters written by other satisfied customers could serve several strategic purposes. Clearly, such a letter demonstrates knowledge, age and continuous use of the trademark. Moreover, the trademark attorney could use this letter to call attention to its author, thus focusing the examiner's attention on the content and purposes of the evidence and its relevance to proving the fact at issue.

Be creative

While collecting the evidence that culminated in the declaration of notoriety of the JUAN VALDEZ trademark, Prieto & Carrizosa lawyers spent many hours learning the history and origin of the trademark. They uncovered many anecdotes about the trademark and included them in some form within the evidentiary arsenal. However, three pieces of evidence particularly caught the attention of the CPTO:

- the awards given to Juan Valdez, among them a nomination as the most important advertising icon in the world (including a billboard in Times Square, New York);

- the inclusion of the figure of Juan Valdez as a recurring element in the economic and political cartoons of many artists; and
- a Google search that produced hundreds of thousands of results directly related to products, news, violations of and comments about the Colombian trademark.

All these demonstrate the critical role of the trademark lawyer in formulating a strategy for the mark – none of these dispositive elements is included in, or even remotely associated with, the list of evidentiary items set forth under Colombian IP law.

IP law does not restrict the quantity or quality of admissible evidence, which is where arduous study and proper knowledge of the trademark bear fruit. In some

cases, the fact that a famous person or singer has appeared in an advertising campaign for the trademark can be vital. Being the only sponsor of a popular reality show or being at the centre of a scandal could prove similarly useful in obtaining the declaration.

Be smart

There are no rules defining exactly how to obtain a declaration of notoriety for a trademark in Colombia. However, what is certain is that a company needs a serious evidentiary plan, along with a clear strategy specifically designed for the company and its trademark, if it wants to have access to the important and numerous benefits derived from owning a notorious trademark in Colombia and the Andean Community.

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