ICI: leading the pack in trademark and brand management

With 80 years' experience in protecting its intellectual property, ICI is no slouch when it comes to looking after its brands. Trademark counsel Paul Johnston unfolds a tale of fast-paced product lines, emotive markets and a very special dog

Picture the scene: a beautiful old English sheepdog looking rugged and resplendent against a richly coloured sunset, or perhaps bounding energetically across the earthy tones of a summer moor.

If this image rings a bell then it is hardly surprising: the Dulux dog has been advertising Dulux paint since the 1960s, making it the ICI Group's most enduring mark – and such a successful icon that many people actually refer to the breed as 'Dulux dogs'. However, ICI is not content to rest on past successes when it comes to pushing its trademark portfolio – this is one old dog eager to learn new tricks.

There is no need to explain the importance of intellectual property to ICI. The company, which was founded in 1926, has chemicals at the heart of its business and knows all too well the importance of patents. But this understandable keenness on protecting inventions does not mean ICI is any less enthusiastic about protecting its brands. So says Paul Johnston, the man responsible for managing ICI's large, global portfolio of trademark rights.

On the front line

The very short time between innovation and launch, often less than 12 months, sets ICI's business apart from other specialty chemicals businesses such as pharmaceuticals. "When something's shooting down the innovation pipeline, even if it's a major new technology, we'll already be thinking about how to brand it," Johnston says. The fast-moving environment means that speed and response times are both critical. "Often the first line of defence we have will be the trademark," he points out, "simply because a patent can't be granted in that time." Johnston explains that ICI treats intellectual property in a holistic way, thinking about patents, trademarks and designs all together rather than as separate processes. This approach has helped to increase awareness of how each type of IP right can be used and has led to the realisation that trademarks are usually the first form of intellectual property to be obtained for a product, some time before a patent can be granted.

"ICI works on the basic principle that intellectual property is a business asset," Johnston says. As a result, intellectual property is generally owned by the individual businesses. ICI divides into three main areas: National Starch & Chemical Company, Quest and Paints. While each individual business has its own patent function, trademarks are handled a little differently. Although the Paints and Quest trademarks are owned by the businesses themselves, the function that leads the trademark activity is centralised and run by the ICI Group IP department in Slough in the United Kingdom. "We want to engender brand consistency wherever we can across ICI," Johnston explains, "so that the brand values espoused by each of the businesses correspond to the brand values of ICI."

Aside from Johnston, who is group trademark counsel, there are four trademark practitioners and two patent practitioners in the Slough office. National Starch is headquartered in the United States and has fewer trademarks, which are generally dealt with in the United States. However, the UK IP department is on hand to provide specialist know-how and advice. "We provide overall guidance to NSC, particularly on issues in

Europe," says Johnston.

In the United Kingdom and Europe, the IP department does as much work as possible in-house, including national applications and registrations. Outside of Europe, it outsources these duties to a network of agents and attorneys, but still works hard to ensure that the agents have a good understanding of the company.

"We try to maintain a very close working relationship with all our agents so that they know as much about our business as possible," Johnston says. In this way, the agents act as an extension of the ICI in-house function in the local jurisdictions. This has been particularly successful in regions where ICI has a main office. For example, the regional centre for Asia is in Singapore, so the local attorneys who do trademark work on behalf of ICI in Singapore are quite well connected with the local business.

Fitting in

The IP department bridges the divide between R&D, where it acts as midwife for new products, and the marketing department, which is responsible for advising on what customers want.

In both Paints and Quest the innovation process is managed by supervising boards made up of marketers and scientists. Strategic research groups devise technology projects with the potential to add value to the businesses in the future. These are then evaluated by the marketers and assigned priorities for receiving R&D resources. There is also a complementary stream where the process works the other way round, Johnston explains. "The marketers will identify a consumer need and feed that into the technologists, who will suggest ways in which that consumer need could be met," he says.

Once a project is underway, the patent and trademark positions will be worked out. Marketers work together with the trademark department to decide on how the product should be branded, including whether a particular offer is going to be sub-branded. They then select appropriate trademarks and the trademark department carries out the usual clearance searches. After this, the list of possible names is whittled down to a shortlist until a final selection is made.

The Paints business works on a year-long cycle. "Our major launch period is the spring because that's when people start to think about decorating their houses," Johnston says. "It doesn't matter where in the world you are." So in Europe, most new products launch during March or April to catch this wave. This makes the final quarter of the year, as well as the following first quarter, busy times at ICI trademark central.

Managing the budget for all this activity is a particular challenge for the trademark group; however, the regular cycle of launches means that they are usually given plenty of warning about when new products are going to arrive.

The budgeting process for each year begins in the middle of the preceding year. Based on what is coming down the innovation pipeline, the group can make a fairly educated guess as to what the product launches are going to be. This helps them plan how many trademarks they will have to acquire and in what jurisdictions these will be in. The fact that the group is so experienced is an enormous help when it comes to balancing the books. "Because we have historic data, we'll know roughly how much the filings and prosecutions will cost, and how much things like oppositions and litigation will cost," Johnston says. The fact that ICI's portfolio is so large also helps the group estimate roughly how many oppositions it will need to lodge and how many it will receive in any financial year. "We know from our current data what live oppositions we have, how many pending applications we've got and also what our renewal fees are," he explains. "And then it's just a case of monitoring performance against those budgets."

Playing to the crowd

The trademark function differs according to which of the three ICI businesses a product belongs. Each of the businesses has a different model and a different market aim. "The form of IP depends on where the company stands in relation to the consumer," Johnston explains. For instance, National Starch and Chemical Company mainly works on a business-to-business (B2B) model. For this reason it has a relatively small trademark portfolio, which is dwarfed by its patent portfolio.

Quest, although essentially B2B, deals in fragrances and flavours. As a result its trade customers, which include Unilever, Procter & Gamble and Johnson & Johnson, expect their suppliers to recognise the importance of branding and innovations. As well as the Quest housemarks – the word Quest and a distinctive Q logo – key individual flavour and fragrance ingredients will be named and branded. In addition, where Quest develops a technology or cluster of related



Paul Johnston
Group Trademark Counsel for ICI

technologies, these will be branded as well. Neutrozone is a particularly successful example of ingredient branding. "This gives ICI the opportunity to let the consumer know that they are getting Quest's technology, even when it appears in another company's product," Johnston says. In this way trademark protection is working both vertically, through the branding of the ingredients, and horizontally, through the technology platforms.

Paints – ICI's best-known consumer business – is very much aimed at the retail market and that means a lot of branding activity and a lot of marks to protect. Although Paints sells direct to trade (eg, builders, architects, landlords, hotel chains and office chains), its most high-profile market is direct to consumers. "In the retail sector, the Dulux brand is critical," Johnston says. As well as the main brand, the trademark group will sub-brand individual ranges; for instance, a new range recently launched is called Light & Space. The collection of colours has been specially formulated to brighten up dark or gloomy areas. So a mark was deliberately chosen to be evocative of the effect that the range is designed to give. "All the special ranges are branded in order to communicate a different benefit," Johnston says. Where the brand works well in the European market it will often be taken forward globally into Asia, and sometimes the United States and Latin America.

Never underestimate a bit of local know-how...

Before successful ranges are launched elsewhere in the world, the trademark group has to take a long, hard look at where it is going. Different ranges are branded according to the local market. "For instance, the Germans like a lot of pastel colours, whites and off-whites, while Brits tend to go for stronger colours," Johnston explains. "That's why colour ranges and how colour ranges are styled are very much a matter of local taste." ICI's offering in the retail sector is geared towards those different tastes and the name of a product is a crucial part of the way that it will be designed to appeal to the local market. For this reason, the trademark department will work closely with regional and national marketers to determine what will work in different countries. Of course, the sector in which Dulux is working has a significant effect on the way that the trademark department operates. Home decoration is an emotive issue for consumers, so using the right language is crucial. It is only worth registering a mark if it is distinctive and conveys the right message.

Translation issues can be another challenge for the group: a successful mark such as Weathershield works well in English, but it can be a tricky matter to judge how this best translates. The fact that ICI is a multinational firm with lots of first-hand local experience to draw upon is an important asset. "The trademark person and the local marketing team will make the decision as to what mark we're going to adopt," Johnston says, highlighting the importance of good communications throughout ICI's global businesses. Once the mark has been decided, the trademark team will then instruct local agents, who will carry out the filings in the case of a national registration. If it is a Community or a UK trademark, or proceeding via the Madrid Protocol, the UK trademark group handles it themselves.

The nuts and bolts of protection

Johnston explains that there is a hierarchy of trademarks, with the two main housemarks – the ICI roundel and the letters ICI – at the top. These housemarks are often accompanied by the strapline: "Leaders in formulation science." Each of the businesses is branded quite distinctly with its own housemarks. Paints in particular works more as a collection of different brands, which are brought together and given coherence in the minds of consumers by the prominent use of the ICI roundel.

As well as the names and taglines for colour ranges, the trademark team will often seek trademark protection for the underlying technology or any special format in which a range name is presented. For instance, the Light & Space range mentioned earlier is based on Lumitec technology. For Dulux Once, the name was also registered in the form of a logo. "Then if there are major indicia or heroes – things like the Dulux dog – we'll register those too." In the case of a new and original pack design like the new Weathershield livery, the group will register the underlying design as both a trademark and a registered design.

Guarding the marks

Like many successful companies, ICI has suffered from counterfeiting, particularly in Asia where the main problem areas are the People's Republic of China (PRC) and Vietnam.

Unsurprisingly, ICI has chosen to take a proactive role in dealing with the issue. "In

the PRC, we have employed people ourselves to investigate counterfeiting and work with the authorities to seize the counterfeit goods," Johnston says. The firm uses a similar method in Vietnam, where it retains an extremely efficient local law firm, which interacts with ICI and then works with the authorities on counterfeiting matters.

Of course, even when problems are not on the grand scale of organised counterfeiting, the trademark group still has to stay alert to the problem of infringing or similar marks that might pose a danger to ICI brands. "Where it's an identical mark on identical goods we go after that straight away, no question about it," Johnston says. More often, though, the trademark group will be made aware of similar marks on identical goods, or similar marks on similar goods. "Generally our yardstick is to consider whether the mark attempts to trade on our reputation," Johnston explains. If the answer to this is yes, then the trademark group will go after the mark. Similarity is a subjective issue so there are no hard and fast rules. Obviously there are degrees of similarity that might alter how they view the situation.

Domain names are treated in exactly the same way as other trademarks; the only difference is that instead of going down the court route for enforcement, the trademark group would probably go down one of the dispute resolution process routes.

Best in show

Despite being a seasoned player on the IP scene, there's nothing old fashioned about the way ICI handles its trademarks.

The trademark group not only is able to handle a large portfolio of diverse marks that are aimed at different markets, but has also been able to introduce a fine degree of sensitivity into its treatment of trademarks – necessary when addressing such emotively branded offerings. Add to this the rapid pace with which new ICI products are launched and it is clear that the trademark group has its hands full.

However, by maintaining excellent communications with marketing and R&D on the one hand, and branch ICI offices in various jurisdictions on the other, the ICI trademark group demonstrates that it is still able to keep up with the best of them and show the young pups how it is done too.

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