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Copyright as a legal remedy against trademark kidnapping

Jaime Rodríguez from OLIVARES considers the idea of trademark kidnapping and explains why and how we should start applying, with forcefulness, creative solutions such as copyright laws, against the problem.

It has become a common practice in Mexico that companies or individuals register their own trademarks, which were not product of their intellectual creation but copies of trademarks belonging to other entities – particularly those which are well-known in other jurisdictions – with the sole purpose of extorting the legitimate holders of the respective industrial property rights.

Against such abusive practices, there are usual or common legal remedies derived from the Mexican Industrial Property Law itself, such as the possibility of exercising an invalidity action as a consequence of an illegal granting based on the existence of an unregistered well-known trademark or based on the existence of prior rights derived from the uninterrupted use of a trademark abroad.

Nonetheless, not all of the trademarks could qualify as well-known in our country and, sometimes, the statutes of limitation, in order to exercise an invalidity action based on prior use, have already expired when attempting to attack registrations for kidnapped trademarks. Thus, it becomes necessary to turn over legal solutions toward other fields of Intellectual Property Law, such as Copyright.

Indeed, following the doctrine of cumulative protection of distinctive signs, composite or device marks could qualify at the same time as protectable works under the copyright perspective, as long as they are original and are fixed in a tangible medium of expression.

Under this scenario, there is a relative explored action derived from the provisions contained in the Mexican Industrial Property Law allowing the direct application of the Mexican Copyright Law serving as a basis for invalidating registrations for trademarks constituting unauthorized forms of use or exploitation of works.

Article 4 and section 1 of article 151 of the Mexican Industrial Property Law open the door for the referred non-conventional invalidity action:

Article 4.- No patents, registrations or authorizations shall be granted nor shall publications in the Gazette be carried out for the legal figures or institutions regulated under this Law whose content or form is contrary to public order, to morals and decency, or that contravene any legal provision.

Article 151.- The registration of a trademark shall be deemed null when:

I. It was granted in violation of the provisions of this Law or of the one in force at the time of its registration.

Notwithstanding the provisions of this section, the action cannot be based on an objection to the legal representation of the applicant of the trademark registration.

From a harmonic interpretation of the above mentioned legal provisions, it is clear that if a trademark registration was granted violating the contents of article 4 of the Mexican Industrial Property Law, the same must be

Résumé

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Jaime joined OLIVARES in 2007. He has nearly 10 years of experience in Intellectual Property law with specialization in the fields of trademarks and copyrights. His practice is focused mainly on trademark and copyright litigation and consultancy.

He graduated as a lawyer at Universidad Panamericana in Mexico City and obtained Diplomas in Amparo Law and Intellectual Property Law from the same University. In 2013 and 2014 he studied a Masters in Intellectual Property Law at the University of Alicante, Spain.

He participated as a litigator on a relevant recent copyright case (Alestra case) versed on website blocking derived from copyright violations. This case was solved by the Mexican Supreme Court and constitutes a very important precedent with respect to copyrights as Human Rights and the restriction of freedom of expression in protection of Intellectual Property Rights.

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declared null. Specifically, it becomes necessary to highlight that if a registration was granted for a trademark whose content or form is contrary to any legal provision, it should be invalidated.

The interpretation of the wording *"contrary to any legal provision"* must not be construed in the sense that it should refer to the provisions contained in the Mexican Industrial Property Law, but instead to any legal provision of the Mexican legal framework including international treaties, federal laws, state laws and regulations. Actually, such wording must not cover the provisions contained in the Mexican Industrial Property Law taking into account that section I of article 151 already constitutes a legal mechanism for safeguarding the provisions of the referred Law.

Under this context, if a registration for a trademark whose content or form results contrary to the provisions of the Mexican Copyright Law or of any international treaty in the field of Copyrights of which Mexico is member, it should be invalidated.

Composite or device marks, due to their content or form, could constitute reproductions of visual works of art and, if the referred reproductions are not authorized by the author of the work or by the holder of the corresponding patrimonial rights, such reproductions would be illegal circumstances that contravene the provisions contained on section I of article 27 of the Mexican Copyright Law:

Article 27.- The owners of the patrimonial rights may authorize or prohibit:

I. The reproduction, publication, editing or material fixation of a work, in the form of copies or originals, carried out in whatever medium, whether printed, phonographic, graphic, three-dimensional, audiovisual, electronic, photographic or other;

Consequently, the mere reproduction of a visual work of art on a trademark application format must be authorized by the holder of the copyrights. Otherwise, we would be in the presence of a trademark whose content or form is illegal for constituting an unauthorized reproduction of a work and, as a consequence, the corresponding trademark registration must be declared null.

Other forms of use or exploitation of works could also apply in this context, such as the unauthorized transformation of a visual work of art, which could open the door to attack not only registrations for marks consisting of copies of works protected under copyright but also against trademark registrations for marks consisting in simple modifications of existing works according to section VII of article 27 of the Mexican Copyright Law. This establishes that only the owners of the patrimonial rights may authorize or prohibit any type of public use of a work (including its transformation).

For more obvious results that may occur from this legal approach, it is worth mentioning that so far – and for some incomprehensible reasons – this type of invalidity action has been tested, merely in Mexico, with positive results.

The preparation and filing of these type of invalidity actions is not complex at all due to the fact that complainants must only need to demonstrate the existence and ownership of the visual work of art without being necessary to have a certificate of registration (following the principle of automatic protection of works of the Berne Convention) and to prove that the mark constitutes a reproduction or transformation of the work by making a simple comparison analysis.

The referred invalidity action, without any doubts, constitutes a simple and effective remedy against trademark kidnapping. Taking into account the alarming and increasing number of this type of case in Mexico, we as lawyers must start applying with all forcefulness creative solutions against such a problem and of course, our authorities must also contribute to the punctual and responsible resolution of these actions.

Concurrently to the referred invalidity actions, more aggressive legal remedies could be explored against trademark kidnappers, even though the same have not been tested in Mexico such as the filing of copyright trade-related infringement actions.

Section I of article 231 of the Mexican Copyright Law provides that the public use of a protected work – by any means and in any form without the express prior authorization of the author or of the holder of the patrimonial rights – constitutes a copyright trade-related infringement if such use is done with direct or indirect profit-making purposes.

Accordingly, it could be established that the mere reproduction or transformation of a visual work of art without the respective authorization on a trademark application format constitutes a copyright trade-related infringement.

Indeed, such use (reproduction or transformation) of the work must be considered as "public", taking into account that the trademark filing records are of public consultation and, because trademark applications are published for opposition purposes through the Mexican Industrial Property Gazette, thus, they are not restricted to a domestic or private circle.

On the other hand, the profit-making purposes are actualized considering the main purpose of a trademark application, which cannot be other than obtaining an exclusive right to use a trademark distinguishing goods from others within the Mexican market, regardless of whether the profit is actually obtained or not. In other words, filing an application and obtaining a trademark registration before the Mexican Trademark Office (IMPI) is traduced in an activity tending to obtain an economical benefit.

As in connection with an invalidity action based on copyright violations, it is quite easy for the complainant to demonstrate the infringement, only being necessary to credit the existence and ownership of the visual work of art and to prove that the mark contained in the trademark application format constitutes a reproduction or transformation of the work by making a simple comparison analysis.

The above-mentioned infringement action might have very interesting effects, besides the fine that is imposed to the infringer, considering that it is possible to request the implementation of preliminary injunctions, which could consist of ceasing of the effects of the corresponding trademark registration. This circumstance would be traduced in the impossibility for the infringer to initiate actions against the legitimate owner of the Intellectual Property rights or even against its resellers or distributors.

Both actions (invalidity and infringement) have an administrative nature and are studied and solved in a first instance by the Mexican Trademark Office (IMPI) with the advantage that these proceedings are agile and expedite. These proceedings are now being solved within an approximate term of 8 months to one year and a half.

Lastly, using the same legal basis as for the copyright trade-related infringement action, it would also be possible to initiate a criminal action against a trademark kidnapper on the basis that he has intentionally used, with profit-making purposes and without authorization, a work protected under copyright according to the provisions contained on section III of article 424 of the Mexican Criminal Code.

As it has been illustrated in this article, Copyright constitutes a very interesting tool against undesirable and unfair commercial practices in Mexico. Unfortunately, actions like the ones described above are not very common and have barely been tested in our country. It is imperative that trademark lawyers in Mexico do not restrict their legal strategies to the ones derived from Industrial Property Law and instead, start to be creative and implement the benefits derived from other fields of law, such as Copyright.