

This article first appeared in *World Trademark Review* magazine issue 38, published by The IP Media Group. To view the issue in full, please go to www.worldtrademarkreview.com.

Applicants beware: the rising menace of trademark solicitations and scams

While many trademark counsel are alive to the danger of trademark filing scams, increasing numbers of companies are paying invoices in the mistaken belief that such payment is necessary to maintain their trademark applications or registrations. While industry is moving to address this problem, it is important to ensure that all internal stakeholders are able to identify misleading solicitations

If you have filed a trademark application in the past year, the chances are that you have received at least one, and probably several, solicitations from providers of trademark services. Many of these solicitations resemble invoices and are issued by companies with names that sound like those of official government entities. Increasing numbers of rights holders are paying these 'invoices' in the mistaken belief that such payment is necessary to maintain their trademark applications or registrations. The number of companies engaged in these dubious practices has risen sharply over the past two years, particularly in the United States and Europe, where trademark offices have issued official warnings about misleading solicitations.

Trademark owners and their attorneys are gravely concerned about the proliferation of trademark-related solicitations. The information circulating in client alerts and online petitions, as well as on blogs and social networking websites, suggests that the dialogue in the trademark community is nearing fever pitch. Most trademark attorneys do not oppose legitimate competition in the provision of trademark services, including by companies that assist trademark owners with renewals and similar procedures. However, all too often the solicitations in question are misleading. As the International Trademark Association (INTA) notes, it is easy for anyone to obtain enough details about a trademark application or registration to create an official-looking notice or invoice. In a warning posted on its website, INTA states: "Trademark filings are a matter of public record. Thus, anyone with an internet connection and a minimal amount of training has access to the particulars of trademark applications and registrations. As a result, some companies try to trick trademark filers into paying fees for unnecessary services."

Trademark solicitations can be misleading in several ways. In some cases, the promised services are unlikely to be delivered; in others, the alleged service – for example, an offer to publish the

mark in a private directory or registry – either has no commercial value or duplicates what the trademark office already does for free. INTA also warns: "In other situations, the mailing may offer what might otherwise be a legitimate service (eg, a trademark watch service), but may be intended to confuse the trademark owner into believing that the service is offered by an official government agency (eg, by using a name, such as 'USTPA,' that sounds like an official governmental body)." The use of misleading company names has been particularly troublesome for trademark owners and has unquestionably led to the payment of unnecessary fees.

Official warnings

Complaints from trademark owners about misleading solicitations have become so pervasive that official trademark offices have found it necessary to warn applicants about them. The World Intellectual Property Organisation (WIPO), which handles international trademark applications filed through the Madrid Protocol, has been particularly active in trying to stop fee-requesting solicitations in relation to trademark and patent applications. Its website includes a letter that warns of "fraudulent schemes" and lists companies that are known to engage in the "unscrupulous practice" of soliciting for fees that are not part of the WIPO registration process. The list identifies international companies that have sent "invitations to pay fees", along with links to these companies' invoices, a document with sample text for attorneys to use to notify applicants and inventors, and a circular letter addressed by WIPO Director General Francis Gurry to all Patent Cooperation Treaty contracting states and regional organisations. WIPO also warns that some invoices are mailed in envelopes that appear to bear the WIPO logo. The warning also lists the countries in which the payment addresses for such invoices tend to be located.

Dozens of companies are listed in the WIPO warning, including the European Central Register of Brands and Patents, Euro IP Register, Patent Trademark Register, Worldwide Database of Trademarks and Patents, Central Patent & Trademark Database, World Intellectual Property Database, International Trademarks & Patents Database, World Patent and Trademark Index, Globex World Organisation Intellectual Property, World Bureau Intellectual Property, International Organisation for Patent & Trademark Service and International Register for Trademark & Patent.

The WIPO list concludes with links to warnings posted on the government websites of other countries, including Australia, Austria, France, Germany, Israel, Japan, Switzerland and the United Kingdom.

The Office for Harmonisation in the Internal Market (OHIM),

This notice was sent to the law firm of Foley Hoag LLP, which had registered FOLEY HOAG as a trademark, by the United States Trademark Registration Office. The sender of this notice is currently defending a lawsuit alleging false advertising and related torts, and is identified on the USPTO's website warning trademark owners of solicitations that may resemble official USPTO communications

UNITED STATES TRADEMARK REGISTRATION OFFICE
Trademark Registration and Monitoring Division
633 West Fifth Street
28th Floor
Los Angeles CA 90071-2005

TRADEMARK
FOLEY HOAG

Serial Number: 78155118
Filing Date: 20001027
Primary Code: 42
Intl Code: 42

IMPORTANT NOTIFICATION REGARDING YOUR FEDERAL TRADEMARK

FOLEY HOAG LLP
155 Seaport Blvd.
Boston, MA 02210-2698

PROCESSING FEE → **\$375.00**

Owner
FOLEY HOAG LLP
Trademark
FOLEY HOAG

Serial Number
78155118
Registration Number
2619918
Filing Date: 20001027
PRIMARY CODE: 42
INTERN. CODE: 42
Reference: TRB-1781712

Fee: \$375
Reply By: NOW DUE

2011-2REQ-5FGJ-USTRO

DETACH AND MAIL THIS STUB WITH YOUR PAYMENT
DO NOT STAPLE, TAPE OR CLIP PAYMENT STUB OR CHECK

FOLEY HOAG LLP
155 Seaport Blvd.
Boston, MA 02210-2698

2REQ-5FGJ-USTRO

PROCESSING FEE → **\$375.00**

Serial Number
78155118

INDICATE AMOUNT PAID
\$

US TRADEMARK REGISTRATION OFFICE
Registration and Monitoring Division
633 West Fifth Street
28th Floor
Los Angeles CA 90071-2005

MAKE CHECKS PAYABLE TO:
Please write the SERIAL NO on the lower left corner of your check or money order.

Contact Name* _____
Phone* () _____
Email Address* _____

Please see the back of this form for important information. Please remember to Enclose Your Payment

Increasingly, some of the more unscrupulous companies attempt to make their solicitations mimic the look of official government documents rather than the look of a typical commercial or legal solicitation by emphasizing official government data like the USPTO application serial number, the registration number, the International Class(es), filing dates, and other information that is publicly available from USPTO records.”

The USPTO encourages recipients of a trademark-related solicitation which they believe to be deceptive to inform the USPTO and file an online consumer complaint with the Federal Trade Commission (FTC). To date, it is unclear whether the FTC has investigated any of the trademark solicitation companies or plans to take action against them.

The USPTO website, unlike those of WIPO and OHIM, does not list companies that are known to have made potentially misleading trademark solicitations. However, the USPTO recently added to its warning page an example of a private company solicitation about which the USPTO had received numerous complaints. The USPTO contacted the company, which was doing business under the name ‘United States Trademark Registration Office’, and apparently received assurances that it had ceased sending solicitations under that name as of March 12 2012. However, it is unclear whether the company has ceased sending solicitations altogether, particularly in light of a temporary restraining order issued against the company by a federal judge in Utah in May 2012.

As a service to its members, INTA has identified certain companies that are reported to have engaged in this type of activity, noting that because these entities constantly change their names and addresses, its list is not comprehensive. Companies on INTA's list include TMI Trademark Info Corporation (located in Texas); United States Trademark Protection Agency (located in Seattle, Washington); Trademark Renewal Service (located in Washington DC); Globus Edition SL (located in Spain); the Company for Economic Publications Ltd (located in Austria); the Institute of Commerce for Industry, Trade, and Commerce (located in Switzerland); CPI (Company for Publications and Information) Anstalt (located in Liechtenstein); and Société pour Publications et Information SARL (located in Austria).

Lawsuits

At least two law firms in the United States have taken the initiative and brought lawsuits against trademark solicitation companies that have sent notices to the firm or its clients.

On January 25 2012 Leason Ellis LLP, an IP law firm, filed a complaint in the Southern District of New York (7:12-cv-00620-ER) against USA Trademark Enterprises, alleging federal unfair competition, false advertising and a host of state law claims. The complaint accused USA Trademark of “unlawful and deceptive acts and practices which result in a likelihood of confusion and deception of the public” and called the company's publication, TM Selection, “nothing more than a scam”. The solicitations attached to the complaint were styled as invoices for a \$960 registration fee, purportedly for including the referenced marks in a catalogue entitled “Trademark Selection of the USA/The International Trade Marks and Service Marks”. USA Trademark denied that it operates its trademark solicitation business from Hungary, as alleged in the complaint, but admitted that it purchased its domain name there.

Shortly after answering the complaint, on June 14 2012, USA Trademark entered into a consent judgment containing some rather remarkable provisions. In addition to agreeing to “permanently discontinue marketing, selling, offering for sale, and distributing the

which processes trademark applications for the European Union, also warns about trademark solicitations on its website. The warning, entitled “Misleading requests for payment for trade mark and design services such as publication, registration or entry in business directories”, notes that OHIM never sends invoices to users or mails letters requesting direct payment for services.

The OHIM warning page includes sample letters from organisations that are not affiliated with OHIM's registers or official publications, including Community Trade Mark Filing Service, European Trade Marks and Designs Register Community Trade Marks, European Trademarks Consulting Register Community Trade Marks, Intellectual Property Agency Ltd, OHMI Office for International Registration Trademarks and Design, TM Worldwide Lp, TM-Collection, Trademark Publisher GmbH, World Bureau Intellectual Property Inc, European Communities Trademark Filing Services, Federated Institute for Patent & Trademark Registry and Worldwide Database of Trademarks and Patents.

The US Patent and Trademark Office (USPTO) has also posted a warning on its website, part of which states: “Be aware that private companies not associated with the [USPTO] often use trademark application and registration information from the USPTO's databases to mail or e-mail trademark-related solicitations... These companies may use names that resemble the USPTO name, including, for example, the terms ‘United States’ or ‘U.S.’.

Catalogue in the United States”, USA Trademark and its principals agreed that “they shall never again conduct business in the United States in the field of trademarks or, more generally, in the field of intellectual property”. USA Trademark also agreed to deliver its domain name, trademark-us.com, to Leason Ellis, together with the sum of \$10,000. Leason Ellis has announced that the \$10,000 payment will be donated to the USPTO in the hope that it will be used to further educate trademark owners regarding solicitations such as the ones enjoined.

On April 10 2012 the Bateman IP Law Group brought suit in Utah against John Doe d/b/a United States Trademark Registration Office (2:12-cv-00349-TC). This entity had been sending invoices for \$375 for recording a mark with US Customs & Border Protection (which is of little or no value when the mark is for services, rather than goods), and for monitoring the mark “using USTRO’s proprietary search engine” - whatever that means. The use of the name ‘United States Trademark Registration Office’ and the abbreviation ‘USTRO’ on these solicitations, together with their official appearance, had been causing uproar among trademark owners and their attorneys. The company apparently told the USPTO that it would no longer use the name as of March 12 2012, but it is unclear whether the conduct has ceased.

Anyone who attempts to contact USTRO about its solicitations faces an uphill battle. The correspondence provides no phone number, email address or website; the only contact information is a business address in Los Angeles, which is a business centre with virtual offices rented by the hour. Bateman IP’s attempts to serve USTRO with the complaint, as represented to the court, are almost humorous. The individual who operates USTRO attempted to evade service, but was ultimately served in hand at his rented office space. On May 4 2012 the court entered a temporary restraining order after USTRO did not appear, and entry of a preliminary injunction seems likely should the case proceed.

Taking action

Beware unexpected correspondence

How can trademark owners recognise these solicitations? First and foremost, trademark owners should be aware that most official government trademark offices seldom, if ever, send an invoice to a trademark applicant that is represented by counsel. Ordinarily, the trademark office will correspond directly with counsel. Thus, a trademark owner that receives an invoice in relation to a trademark application that was filed by counsel should regard the invoice with suspicion and confer with counsel before making payment.

One notable exception is WIPO, which processes international

trademark applications pursuant to the Madrid Protocol. WIPO’s current practice is to send correspondence directly to the trademark owner instead of the representative. WIPO encourages applicants to designate an email address for electronic correspondence, however, in which case the trademark owner’s counsel can be designated.

Always read the company name and address carefully

All official correspondence from the USPTO will be from the ‘United States Patent and Trademark Office’ in Alexandria, Virginia; emails are specifically from the domain ‘@uspto.gov’. Correspondence from WIPO comes from ‘@wipo.int’ or the ‘World Intellectual Property Organisation’ in Geneva, Switzerland. Correspondence from OHIM comes from ‘@oami.europa.eu’ or the ‘Office for Harmonisation in the Internal Market (Trade Marks and Designs)’ in Alicante, Spain. If the document does not include the official name and address of the government agency, it is not official government correspondence and may safely be disregarded. It is also helpful to recognise the trademark office’s official seal in the jurisdictions of interest. The seals of the USPTO, WIPO and OHIM are shown below. Some unscrupulous companies may use logos that resemble these official seals, but they are the exceptions, and usually the seals are not copied exactly.



Be aware of the more common solicitations

Most solicitations offer trademark monitoring services, publication in the company’s private database or registry, or recordation of the trademark with customs authorities. These services are not required in order to obtain trademark registration and many are of little or no value to the trademark owner (if they are provided at all).

Read the fine print

Some solicitations disclose relevant information, but it is usually in small type and is overshadowed by official-looking jargon and payment instructions.

“ Frequent trademark filers should alert their accounting department about the existence of fee-requesting solicitations and assist their colleagues in recognising them ”

 WIPO MADRID The International Trademark System	This is official WIPO correspondence.
UNITED STATES TRADEMARK REGISTRATION OFFICE Trademark Registration and Monitoring Division 633 West Fifth Street 28TH Floor Los Angeles CA 90071-2005 IMPORTANT NOTIFICATION REGARDING YOUR FEDERAL TRADEMARK	This is from a private solicitation, which resulted in a lawsuit for false advertising and other torts brought by the Bateman IP Law Group. The company responsible for this mailing is named in the warning on the USPTO website.
 Register of International Patents and Trademarks www.ripl.eu	This is from a private solicitation which offers to “include your Trademark in our private International Service and Trademark Directory” for \$2,738. This company is named in the warning on the WIPO website.
<u>TRADEMARK RENEWAL SERVICE</u> 910 17th St. NW 8th Floor Washington, D.C. 20006 (202) 584-0073	This is from a private solicitation, notifying the recipient of a “Trademark Cancellation Advisory” and offering trademark renewal services.
 W.O.I.P. W.O.I.P. Globex World Organisation Intellectual Property	This is from a private solicitation posted in the warning on WIPO’s website. WIPO states: “This is an example of a fraudulent invoice received by applicants who have filed an international patent application under the Patent Cooperation Treaty (PCT). The authors of this fakery even had the gall to include a bogus warning about other requests for payment, to give themselves an air of legitimacy!”
 UNITED STATES PATENT AND TRADEMARK OFFICE Commissioner for Trademarks P.O. Box 1451 Alexandria, VA 22313-1451 www.uspto.gov	This is official USPTO correspondence.
 WDTP Worldwide Database of Trademarks and Patents WDTP s.r.o. Roháčova 188/37 130 00 Praha Czech Republic	This is from a private solicitation offering “Registration of the International Trademark” for a “filing fee” of \$2,327. This company is identified in the warnings posted on the OHIM and WIPO websites.

Inform others

Frequent trademark filers should alert their accounting department about the existence of fee-requesting solicitations and assist their colleagues in recognising them. When in doubt, confer with counsel.

Next steps

Government trademark offices should continue to raise awareness about trademark-related solicitations, sharing examples where possible. The actions taken by WIPO and OHIM are particularly commendable and have unquestionably been helpful to trademark owners.

WIPO has gone beyond posting information on its website and has supported legal action against trademark solicitation companies. Two years ago, WIPO announced that it had assisted the Florida attorney general in the preparation of a civil lawsuit against the Federated Institute for Patent and Trademark Registry, and had provided expert testimony at the trial, the outcome of which successfully stopped a "PCT billing scam" directed at patent applicants.

WIPO's press release stated: "The judgment in this case is a promising step toward curbing this deceptive practice, and WIPO will continue to cooperate with law enforcement authorities in states and countries which make efforts to curtail these practices."

Based on its press release and the information on its website, WIPO clearly realises the importance of this issue and appears willing to support government action against trademark companies that issue misleading solicitations. On the day that the complaint

against USA Trademark Enterprises was filed, an official from WIPO contacted counsel of record at Leason Ellis to thank the firm for taking action. It seems likely that additional lawsuits will be filed.

Private groups, such as INTA, also perform a valuable public service by publicising information regarding trademark-related solicitations, and should continue to do so. There is even a Wikipedia page entitled "Scams in intellectual property" on which relevant information is collected and shared.

At some point, misleading trademark solicitation activities may yet be effectively curtailed by government action. Until then, trademark owners and their counsel must be vigilant. [WTR](#)

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