

From local to global:

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Think long term and create a global trademark strategy

With the internet and social media, information is transferred in seconds all around the world, and it is providing businesses with wide distribution channels for their products and services on a global scale. This makes it crucial for brand owners to think global at the very early stages of creating their brands and it is now a must to develop a strategy to develop and manage their brands globally. We now focus on the major legal aspects a brand owner needs to take into consideration when putting in place a global trademark strategy.

Protecting the mark globally

The first step in developing a global brand is to consider the protection of the brand as a trademark globally. Many brand owners fail to expand in new markets for the simple reason that the trademark was not registered in that specific market and a competitor got there first. In such cases, the brand owner will have to give up that market; select a new brand specifically for that market; or enter into a legal battle to acquire the trademark, all of which are financially burdensome on the brand owner. This could have been avoided if the right strategy had been set in place from the early stages, as we now explain:

- Overcome territoriality of trademarks. It is important to understand that trademark protection is territorial; this means that a trademark is protected within the territory it was registered within. A brand owner cannot secure an international registration through a single filing, but will need to file separate trademark applications in each country. This is with the exception of the European Union, in which an applicant can cover several European countries in one application called a 'Community trademark application'.
- Selection of countries: Taking into consideration the territorial protection of trademarks, a brand owner should consider, as a second step, which jurisdictions to protect the trademark in. Protecting the trademark in each and every country in one go can be very expensive. The selection needs to be made on the basis of the anticipated for growth in that jurisdiction. It is also worth considering jurisdictions where counterfeiting is prevalent. Even if the company is a start up, the selection of the jurisdictions in which the trademark will be protected should be on the basis of which countries the brand is likely to do well in. For example if a UAE local company is launching a new product in the UAE market, it should look to protect its trademark in the remaining GCC jurisdictions, as they share close proximity geographically, and are similar in culture, language...etc. In other words, a successful brand in one of these jurisdictions would likely be successful in the others and so would be the first jurisdictions into which the brand is introduced after its country of origin. On the flip side, it would be dangerous to neglect protection in the other GCC jurisdictions if a competitor succeeds in registering the same brand first. Protection of the trademark in every country in one go can be very expensive; therefore it is recommended that a list of countries be made in which protection will be sought, and they are then priorities so that registration can take place in stages and within a specific time frame. Budgeting for trademark protection is a must when creating a brand.

- Trademark clearances: Once the countries have been decided, the process for the protection and registration of the trademark can start with carrying out clearances to determine the availability and registrability of the mark. It is often almost impossible to get one mark cleared in all the desired countries; hence the brand owner may need to have other alternatives.

Filing for trademark/Priority dates

Once the mark is cleared, filing of the trademark should follow immediately so as to make use of the Paris Convention priority. The Paris Convention has provided for the possibility of claiming priority from the date of first filing in another contracting party if the application is filed within 6 months.

Consider registering the local language version of the trademark

Once a brand is successful it could become a target for third parties to ride on this success by adopting a trademark that is the translation of another brand. To prevent others from taking this advantage, it is recommended to also consider the registration of the translation and transliteration of the trademark.

Domain names

Local brands in the Middle East often fall short in registering their Intellectual Property rights and even in case of registration often limit their scope to trademark filings. Considerable thought also needs to be provided to brand derivatives such as social media tags and domain suffixes for the brand name and even catchphrases associated to the brand.

From the very beginning of the business, brand owners need to create and maintain a solid strategy that protects the brand. As part of this step, consideration should be provided not only to the trademarks and logos, but also domain names, designs, patents and possibly associated rights which can be extended to copyrights.

Domain names are important for the web presence of the business and hence the global presence of the trademark. It is important to consider what top-level domain and country code level domains need to be registered. When considering the country-code domain name, local legal advice should be obtained as usually there will be certain requirements for the registration under the local domain name, such as the necessity of a local presence (a local company).

When taking brand names global, companies must not only register the trademarks around the world but also register the domain names. For example, iTunes is a trademarked brand name; it is also a domain name. So is iPod and Apple and iMac, Apple had to pursue legal means to get access to itunes.co.uk

Consider the ownership of the trademark

The ownership of the trademark is another issue that should be considered when setting the global strategy for the trademarks. It needs to be decided who will own the trademark globally; this is specifically applicable when the brand owner is a group of companies with different subsidiaries and affiliated companies. Usually it is preferable to have all the trademarks registered in the name of the group/mother company, or to create a specific entity for the purpose of owning the trademark and commercializing the same globally. Furthermore, some jurisdictions do not allow the registration of trademarks under the name of individuals, and so ensuring the owner requirements allow for global coverage is important.

Use social media

The role of social media in today's market place is undeniable and can be extremely effective in reaching a broader base of consumers and in effectively disseminating information about products and services of the business.

Licensing the brand

Licensing or franchising the brand and brand concept will help increase the brand recognition in other countries, as it will result in the presence of the products or services in other countries. However, it is important to keep in place strict quality control provisions with the licenses or franchisees, in order to keep the brand integrity and develop the value of the brand.

Vigilance in enforcement

You need to be vigilant in maintaining your brand reputation in every market in which you sell. After applying for the protection of trademarks, establishing a program for enforcing the trademarks will be necessary to maintain brand integrity and to preserve the distinctiveness of the trademark in the market. Enforcement programs include watch services for trademarks which ensure the brand owner is aware of trademarks being applied for and will be able to prevent any identical or confusingly similar mark from being registered.

Conclusion

When you start plans for brand conception, have a long term vision as both local and global trademark strategies complement each other. It is best to think ahead of time when it comes to expansion and to consider the legal issues you may face, as these plans may be halted if competitors are already jumping to your intended global market ahead of you. If you start strong, your company will ensure a seamless and smooth transition into global recognition.