

Information sheet Intellectual property rights

A counterfeit has been discovered at a stand – what should I do?

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Intellectual property rights – counterfeits

Exhibitors usually present our innovations which have cost us considerable amounts of intellectual labour and money for the first time at trade fairs and exhibitions. It is then all the more distressing, when copies or counterfeits turn up on another exhibitor's stand.

Comprehensive macroeconomic and political strategies and measures are necessary to fight "product piracy". NürnbergMesse GmbH sees itself as responsible for supporting its exhibitors and visitors in their battle against plagiarism.

The legal protection of intellectual property is, however, the inventor's or exhibitor's affair. Although intellectual property rights cannot prevent copies or plagiarism, they enable their holder to take rapid and effective action against violations, if necessary with the quick aid of a lawyer. This is what counts at an exhibition. To facilitate this, intellectual property rights for the innovation should be applied for before the exhibition. "Exhibition priority", which is obtainable at some exhibitions, secures the first day of the presentation of the product at the exhibition as the date of application for a subsequent registration of intellectual property.

But what possibilities are available in Germany for safeguarding products, trademarks and ideas against plagiarism?

Intellectual property rights in Germany

The following intellectual property rights can be applied for in Germany:

Patents

A patent can be used to protect technical inventions which

- are new,
- involve an inventive step and
- are commercially useful.

Utility models

Utility models can be used to protect objects that are already known, but incorporate technically innovative feature. The other criteria correspond to those of patents.

Registered designs

Registered designs protect any product that is new and has individual character.

Trademarks

Trademarks are usually product markings, trade names or company logos and can be comprised of e.g. words, illustrations, letters and numbers, three-dimensional designs, and colours. Advertising slogans and product presentation or packaging can also be protected.

German Patent and Trademark Office

Further information, forms and fees can be found in the publications and on the Internet site of the German Patent and Trademark Office:

Deutsches Patent- und Markenamt
Zweibrückenstraße 12
80331 München

T +49 89 21 95-10 00
F +49 89 21 95-22 21
www.dpma.de
info@dpma.de

Lawyers

Pitfalls can be avoided and compliance with deadlines can be ensured by consulting a lawyer who is experienced in the protection of intellectual property rights. Information on specialized attorneys can be obtained from the respective bar associations:

Bar Association Nuremberg	T +49 911 9 26 33-0
Rechtsanwaltskammer Nürnberg	F +49 911 9 26 33-33
Fürther Straße 115	www.rak-nbg.de
90429 Nürnberg	info@rak-nbg.de

Munich Chamber of Patent Attorneys	T +49 89 242278-0
Patentanwaltsskammer	F +49 89 242278-24
Tal 29	www.patentanwalt.de
80331 München	dpak@patentanwalt.de

The fees associated with the appointment of a lawyer are usually based on the complexity of the facts of the case and the time required for obtaining or asserting the intellectual property rights. To obtain intellectual property rights abroad, it is generally necessary to consult lawyers located in the country concerned, either by contacting a foreign lawyer directly or through your local lawyer.

Exhibition priority

NürnbergMesse GmbH issues so-called priority certificates for some of our fairs. You present your product for the first time at the exhibition and we confirm this. The date of this certified first presentation of the product will be accepted as the application date by the German Patent and Trademark Office, provided this is used to apply for protection of trade marks, utility models or designs within six months following the date on which your product was first exhibited. This gives you a head start on counterfeiters: an older intellectual property right receives priority over a newer intellectual property right and the date of filing the application is the decisive factor. Exhibition priority is recognized worldwide by many patent and trademark offices. Information about the respective regulations can be obtained from a patent lawyer or a lawyer specializing in the protection of intellectual property rights.

For more information about exhibition priority please contact:

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A counterfeit has been discovered at a stand – what should I do?

There are many questions on the subject of product piracy and plagiarism – on both sides. The consulting lawyer for the NürnbergMesse GmbH Daniel Terheggen, has compiled the following FAQs on this subject:

Brief information

- If you expect to or have discovered a counterfeit of your product: Questions 1, 2, 5 and 6
- If a counterfeit has been discovered on your stand: Questions 1, 3, 4 and 7

1. What can I do before the fair to protect my rights?

Approaching the matter of intellectual property rights strategically will allow you to take steps in advance to protect your rights. This makes the enforcement of these rights possible or at least significantly easier.

It is generally advisable to register your intellectual property rights in advance (see 10). Speaking with a specialized attorney for intellectual property rights can provide you with the necessary clarity as to how and where you can register which rights and when you can register them.

If you expect that a competitor may accuse you of violating their intellectual property rights (for example because they have already sent you a formal warning), you can submit a protective brief to the German courts with the help of a lawyer. In case of an injunction, this brief will then be considered thus preventing the Court from summarily issuing the injunction without consideration of your position. A lawyer specialized in the area of intellectual property law can help with the creation and submission of a protective brief.

Both in order to ensure that your products, inventions and trademarks are protected and to ensure that you are able to defend yourself against unwarranted formal warnings and lawsuits, please remember to have all documentation for your intellectual property rights accessible while you are at the fair.

2. How should I proceed if I discover a counterfeit of my product at the exhibition?

The first step is to document the counterfeited items (with photos, catalogues or statements by witnesses, if applicable). Then prepare the documentation of your product and the intellectual property right which was infringed upon (e.g. photos, samples, and trademark and/or patent certificates).

After you have collected the necessary evidence, the next step is to contact an expert lawyer for intellectual property as soon as possible, in order to have the matter checked. If a violation is given, you can next issue a warning to the exhibitor of the counterfeit product and request that they remove the product from their stand. The exhibitor is often prompted to sign a cease and desist letter with a penalty clause at the same time. In signing this, the exhibitor becomes legally bound to discontinue his infringing activity and, in case of a breach of this duty, to pay a penalty.

If the exhibitor refuses to remove the product from the stand, you should call in a lawyer experienced in intellectual property rights or a patent lawyer. By doing this, you can receive a tailor made assessment of your situation. In case of a justified warning, the other exhibitor must reimburse the necessary costs for your lawyer. If action is taken against a counterfeiter based abroad it can be expected that they will not voluntarily pay these costs. It may not be possible to carry out the third step of serving an injunction (which your lawyer can seek from a locally responsible court, if sufficient time remains for this, see 5). In this case you will have to bear the costs.

3. What should I do if I am accused of displaying counterfeit goods?

If you are accused of displaying counterfeit goods, you ought to critically evaluate the merits of the accusations. Does your display violate the intellectual property rights of a third party? Which intellectual property rights do they even have? Is this a case a competitor serving a warning in bad faith?

You will generally know the answers to these questions. However, if you are unsure, you should contact an attorney or a patent attorney.

In case the warning is justified, you should consider removing the parts on display which violate the intellectual property rights of third parties. If you should sign a cease and desist letter cannot be answered across the board and must be evaluated on a case by case basis. It is possible to restrict or modify the cease and desist letter.

4. What happens if a counterfeit is discovered at my stand?

You face receiving a sales and advertising ban, possibly by means of an injunction. You must also provide information about the person from whom you obtained the goods and about the commercial customers to whom you have passed the goods. You must disclose the names and addresses of your commercial customers, so that claims can also be asserted against them for receiving the goods. You risk receiving substantial claims for damages. The costs of the lawyer serving the notice and the court costs are frequently considerable and are to be borne by the losing party. A claim for a reimbursement of the costs can be secured by the bailiff, who can confiscate your goods up to the value of the costs of the proceedings. The existing goods may have to be handed over for destruction. For these reasons, the counterfeiter is usually very interested in reaching a quick agreement with the owner of the intellectual property rights.

5. How does an injunction work and what does it cost?

A preliminary injunction, which can be obtained from a court by a lawyer, provides you with an effective means of taking quick action against the exhibitor of a counterfeit product. You can force them to stop presenting the counterfeited product immediately, under threat of a substantial penalty.

In Germany, it is possible for injunctions to be granted by the court within hours and then served and enforced by a bailiff while the exhibition is still running. In Germany, the losing party generally bears the costs of the proceedings. Attorney's fees and court costs are limited by law, unless other agreements are made. Lawyers abroad, on the other hand, usually charge by the hour and each party, for the most part, pays their own costs. Only in exceptional cases are the costs borne by the losing party.

6. Which local lawyer can help me?

NürnbergMesse GmbH can provide the names of lawyers engaged in the protection of international intellectual property rights and who speak English for cases with international relevance. These names are obtained from the Bar Association and the Chamber of Patent Attorneys.

7. Am I, as a trader, also liable for counterfeit products of my manufacturer?

Anyone who manufactures, sells or advertises the counterfeit product in the protected area is liable. Any other arrangement would mean that the intellectual property rights could not be effectively enforced. The legislation has effectively cracked down on this issue at international level. For this reason, all claims, i.e. cease and desist claims and claims for information, damages, and destruction of the counterfeited goods, can also be asserted against the trader.

8. My products are only being displayed at the exhibition, but not supplied to the German market. Can I still violate German intellectual property rights?

Yes, exhibiting and advertising of products in Germany can generally contravene German intellectual property rights, even if the exhibition is an international event. Case law does allow for some exceptions at the moment, but these are vague and it cannot be reliably determined if they apply. It is therefore necessary that you verify that you are entitled to advertise and sell your articles in Germany and use your trademark and company designations in Germany.

9. How can I find out what is already protected in a country?

Research on this topic can be carried out in all industrialized countries. Trademark inquiries are possible in almost every country in the world at relatively low cost. Patent inquiries are frequently very complex and can thus be associated with considerable costs.

10. How do I obtain intellectual property rights for my product?

By filing an application with the responsible office. In order to gain protection in Germany, you can file an application at the German Patent and Trademark Office (DPMA) or at the European Union Intellectual Property Office (EUIPO). The consultation of a lawyer experienced in the protection of international intellectual property rights is advisable.

11. What is exhibition priority?

If you possess an exhibition priority certificate for your product, the first day of displaying your product at the exhibition will be entered as the date of your application when you apply for intellectual property rights (i.e. trade marks, utility models and designs), provided your application is submitted to the patent office within six months of the date your product was first exhibited. This gives you a head start over counterfeiters.

12. My product is not protected by registered intellectual property rights (e.g. trademark, registered design, patent). Are there any other legal possibilities for taking action against a counterfeiter?

Yes, in certain cases. Copyrights and the so-called “unregistered Community design” also provide protection without the need to formally register intellectual property rights. Please note that the “unregistered Community design” is only valid for three years after the date on which the design was first made available to the public within the Community. In specific cases, claims under competition law can be viable.

13. Do intellectual property rights give me territorial protection?

Yes, namely for the country for which the intellectual property rights have been registered. Intellectual property rights allow you to stop the production, sale, installation and importation of counterfeits. You can also obtain a ban on advertising.

14. The company logo is on the package; can I protect it as well?

Yes.

15. In which countries do I need protection for my products?

You generally need protection for your products in the countries where you manufacture your products or have your products manufactured, where you intend to manufacture your products or have your products manufactured, to which you distribute them and of course where you are

seated. It is advisable to proceed here on the basis of a financial analysis, and not to register every product in every country available without restraint. Consulting a lawyer experienced in this field can help you determine your individual needs.

16. What does it mean if my trademark is rejected in a country because older trademark rights exist?

In this case, you are not allowed to label your products with the trademark, advertise the trademark, or use it for selling or producing. If you do this anyway, you must expect to receive cease and desist letters and claims for information and damage.

17. How do I find a lawyer for this subject abroad?

Small and medium patent and law firms usually co-operate with lawyers abroad who also specialize in this very specific legal field. Your local attorney can work with a foreign attorney in order to create and then implement an individual solution for your legal needs. In this respect, they frequently differ from large law firms.

18. My distributor sells my product in my territory, even if they aren't allowed to. What can I do about it?

This depends on whether your products are reimported within the EU or imported from outside of the EU. In certain cases, you can use your intellectual property rights to prohibit the import.

19. Should I instruct my local distributor to handle the protection of my intellectual property rights? Will this save money?

While this might seem like it would save money upon first glance, such an approach is often short sighted. Trademarks and intellectual property rights should generally be registered directly by the manufacturer. The person who registers the intellectual property rights also holds the rights. If you let your distributor register your intellectual property rights, then they are the holder. If you then separate, for example because the distributor has found a cheaper manufacturer, you are not allowed to market your products under your own trademark in the affected country in the future. Trademarks and other intellectual property rights should always be registered directly by the manufacturer himself in all countries. Small and medium sized patent law firms and law firms have suitable logistics for this. For instance, a German lawyer can apply for trademark protection for a single trademark in over 100 countries, without having to call in another lawyer! Should this become necessary anyhow, local lawyers often have the necessary contacts to instruct foreign lawyers for you.

20. My goods have been seized by customs. What can I do?

Your lawyer can lodge an objection to the seizure. Claims for damages exist in the case of unjustified seizure. If the goods were seized during the exhibition, it may even be possible to assert claims for loss of sales.

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