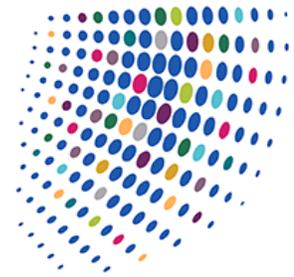


Alerts & Publications

Protecting Your Brand in the Midst of a Pandemic

May 11, 2020



KEY CONTACTS

Scott W. Pink

Silicon Valley
D: +1-650-473-2629

David R. Eberhart

San Francisco
D: +1-415-984-8808

Find more COVID-19 alerts and insights in our [Coronavirus Resource Center](#).

Among the challenges faced by brand owners during the coronavirus crisis is maintaining the reputation and value of their brands. As businesses adapt through new ways of operating and serving customers, they are using their brands in new ways and need protection for those uses. However, the closure of certain domestic and international government offices and courts is delaying companies' ability to register and enforce their trademarks. This problem has been made more acute by the fact that there has been an increase in the fraudulent uses of brands, as well as attempts to create a new class of "COVID"-formative trademarks.

Brand owners should be vigilant during this period to (1) clear and register trademarks in a timely fashion; (2) monitor and take appropriate action against infringing and dilutive use of their trademarks; and (3) monitor COVID-related trademark developments. This alert discusses some of the specific recent developments that impact brand owners and steps companies can take to protect their rights.

Clearance and Filing of Trademarks

Brand owners with domestic and foreign trademark portfolios should consider how the crisis will impact their ability to prosecute and maintain their portfolios. Fortunately, many countries recognize that the pandemic has made it difficult for brand owners and their attorneys to meet current deadlines and are extending deadlines or providing relief from existing deadlines. The following outlines the actions taken by key trademark offices:

- **United States:** The United States Patent & Trademark Office (USPTO) remains open and continues to process applications filed electronically. The USPTO is providing relief to trademark applicants from existing deadlines. Under Section 12004(a) of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) passed in March, the USPTO, under certain conditions, may provide temporary relief from certain USPTO filing deadlines and fees. On April 28, 2020, the USPTO determined the CARES Act conditions were met and has now published a Notice of Extended Waiver of Trademark-Related Timing Deadlines, which **extends the deadlines for select trademark deadlines that fall between March 27, 2020 and May 31, 2020 to June 1, 2020**. The Notice is available [here](#).

Under the Notice, the following actions that had deadlines in this time period are deemed timely filed if filed by June 1 and accompanied by a statement that the delay in filing or payment was due to the COVID-19 pandemic:

- i. A response to an Office Action, including a notice of appeal from a final refusal.

- ii. A statement of use or request for an extension of time to file a statement of use.
- iii. A notice of opposition or request for extension of time to file a notice of opposition.
- iv. A priority filing basis under 15 U.S.C. § 1126(d)(l) and 15 U.S.C. § 1141g.
- v. A transformation of an extension of protection to the United States into a US application (a US application based on an underlying international registration).
- vi. An affidavit or use or excusable nonuse under 15 U.S.C. § 1058(a) and 15 U.S.C. § 1141k(a).
- vii. A renewal application.

Relief is granted if a practitioner, applicant, registrant, or other person associated with the filing or fee was personally affected by the COVID-19 outbreak, including, without limitation, through office closures, cash flow interruptions, inaccessibility of files or other materials, travel delays, personal or family illness, or similar circumstances, such that the outbreak materially interfered with timely filing or payment.

The Notice also provides for fee waivers in certain circumstances for filing petitions to revive abandoned, canceled, or expired registrations and for extensions or reopening of time periods in proceedings before the Trademark Trial and Appeal Board.

- **Europe:** The European Union Intellectual Property Office (EUIPO) **extended time limits expiring between March 9, 2020 and April 30, 2020 to May 4, 2020, as well as all future deadlines occurring between May 1, 2020 and May 17, 2020 until May 18, 2020.**
- **Canada:** The Canadian IP Office (CIPO) announced that users should “expect significant delays in all CIPO services” and that **all deadlines that fall between March 16, 2020 and May 15, 2020 will extend until May 19, 2020.**
- **China:** The China National IP Administration (CNIPA) has extended all deadlines for trademark applicants and registrants who have been affected by COVID-19 (there are some patent-related exceptions). The new deadlines are calculated based on when the applicant/registrant was no longer negatively affected by COVID-19. A request for restoration must be made within two months after the impediment is removed.
- **Japan:** The Japanese Patent Office (JPO) has extended trademark deadlines for applicants who are unable to meet the designated time limits due to COVID-19. The deadlines are extended either 14 days, one month, or two months from the “time it becomes possible” for the applicant to carry out their procedure.
- **India:** The Controller General of Patents, Designs, and Trade Marks extended deadlines falling between **March 25, 2020 and May 17, 2020 to May 18, 2020.** The extension applies to all timelines prescribed under India’s IP Acts and Rules, including the filing of any document and payment of fees.

In addition to prosecuting existing brands, brand owners introducing new brands, product names, or advertising slogans should continue to clear those brands, names, and slogans and timely file for trademark protection. The foregoing orders only provide relief from deadlines for **existing** applications; the orders do not apply to determinations of

infringement or priority claims regarding ownership of a mark. While businesses are scrambling to respond to day-to-day operational issues, they still should bear in mind that failing to follow normal trademark clearance and protection protocols can increase the risk of trademark claims or loss of trademark rights down the line.

Protecting Brands and Enforcing Trademarks

According to US Customs & Border Protection (CBP), criminals are taking advantage of the heightened fear caused by the pandemic, with an uptick in counterfeit products at US ports, including surgical masks, test kits, and medical supplies, as well as consumer household products, such as hand sanitizer and disinfectant wipes. There is also an uptick in COVID-formative trademark applications, phishing scams, fake charitable websites, and price gouging of legitimate products. This type of activity can negatively impact brand owners by creating consumer confusion and damaging reputation and brand loyalty.

While the pandemic is creating new challenges for brand owners, it is becoming more difficult for owners to protect their marks through the normal litigation processes. First, while most courts are continuing to receive filings electronically, courts are curtailing other operations, including in-person hearings and jury trials.¹ Parties engaged in litigation need to be aware of any orders affecting existing deadlines, as some courts have extended deadlines and others have not.²

Trademark owners seeking any form of injunctive or other emergency relief need to be judicious and mindful of whether the courts will be receptive and available to hear such requests. Recently, Art Ask Agency sought a temporary restraining order in the United States District Court for the Northern District of Illinois against various unidentified defendants for selling counterfeit products.³ After the Court postponed the hearing on the TRO for several weeks to protect the health and safety of the community, Art Ask Agency filed a motion for reconsideration of the scheduling order, citing irreparable injury. The Court denied the motion to reconsider the scheduling order, finding that, "If there's ever a time when emergency motions should be limited to genuine emergencies, now's the time."

However, there are other situations where immediate relief is warranted and should be taken. Recently, 3M, one of the country's largest producers of N95 masks, filed complaints against two companies that were reselling 3M's masks at more than four times the list price.⁴ 3M's trademark claims included trademark infringement, unfair competition, false association, false endorsement, false designation of origin, trademark dilution, and false advertising. 3M alleged, among other things, that the defendants were taking "advantage of healthcare workers, first responders, and others in a time of need" and "deceptively trading off the fame and goodwill of the 3M brand and marks for personal gain." On April 24, 2020, the Federal District Court in the Southern District of New York granted 3M a temporary restraining order and preliminary injunction, preventing the defendant from using the 3M trademarks and selling the masks.⁵

COVID-19 Gold Rush—COVID-Formative Trademark Applications

Individuals are capitalizing on the pandemic by applying to register COVID-19-related phrases and slogans. The USPTO has received nearly 65 trademark applications relating to COVID-19, including the following: “COVID PRO QUO,” “CATS AGAINST COVID-19,” “COVID-19 SURVIVOR,” and “CLASS OF COVID-19.” Others have filed for related marks, including “I MISS SOCIAL DISTANCING” and “SOCIAL DISTANCING. THE GAME.” Many of these applications cover goods/services related to clothing and other clothing accessories.

Whether these trademark applications register will depend on a variety of factors. First, these applicants must have a bona-fide intent to use the marks in commerce. Second, many of these terms would likely be viewed as descriptive in whole or in part as they either use commonly used phrases or terms that actually identify the virus itself. Still, these applications should be analyzed, monitored, and reviewed if a company wishes to use the same or similar terms in marketing or advertising.

Steps for Brand Owners to Take

The following are some step brand owners should take to protect their rights during this current crisis:

1. Continue to clear and timely register any trademarks and advertising slogans. It is important that this practice not be ignored in light of the crisis as it could impact trademark rights down the line. As part of this effort, brand owners need to keep abreast of trademark office deadlines and developments;
2. Set up watch services to ensure that brands are not being hijacked or combined with COVID-19-type terms;
3. Set up brand registry accounts on platforms such as Amazon, eBay, and Alibaba where you list your registered trademarks to prevent the listing and sale of and facilitate the removal of counterfeit trademark goods;
4. Record trademark registrations with the CBP. Owners of registered trademarks can work with CBP to develop anti-counterfeiting strategies so that officers at Ports of Entry will be able to identify infringing goods; and
5. Identify and pursue material misuses of trademarks such as counterfeit goods or use in connection with practices (such as price gouging) that could negatively impact the brands.

¹ See

[https://ballotpedia.org/State_court_closures_in_response_to_the_coronavirus_\(COVID-19\)_pandemic,_2020](https://ballotpedia.org/State_court_closures_in_response_to_the_coronavirus_(COVID-19)_pandemic,_2020); <https://assets.documentcloud.org/documents/6879872/Chief-Justice-Statewide-Emergency-Order.pdf>.

² See <https://www.natlawreview.com/article/take-caution-filing-deadlines-during-covid-19-crisis>; <https://brooklyneagle.com/articles/2020/05/05/legal-services-nyc-sues-immigration-courts-for-not-postponing-deadlines-during-deadly-pandemic/>.

³ *Art Ask Agency v. The Individuals, Corporations, Limited Liability Companies, Partnerships, and Unincorporated Associations Identified on Schedule A Hereto*, case number 1:20-cv-01666.

⁴ *3M Company v. Performance Supply, LLC*, in the United States District Court for the Southern District of New York, case number 1:20-cv-02949; *3M Company v. RX2LIVE, LLC*, in the United States District Court Eastern District of California, case number 1:20-cv-00523-NONE-SAB.

⁵ Order to Show Cause for Temporary Restraining Order and Preliminary Injunction against Performance Supply, LLC, filed April 24, 2020 in *3M Company v. Performance Supply, LLC*, in the United States District Court for the Southern District of New York, case number 1:20-cv-02949.

This memorandum is a summary for general information and discussion only and may be considered an advertisement for certain purposes. It is not a full analysis of the matters presented, may not be relied upon as legal advice, and does not purport to represent the views of our clients or the Firm. David R. Eberhart, an O'Melveny partner licensed to practice law in California and Ohio, and Scott W. Pink, an O'Melveny special counsel licensed to practice law in California and Illinois, contributed to the content of this newsletter. The views expressed in this newsletter are the views of the authors except as otherwise noted.

© 2020 O'Melveny & Myers LLP. All Rights Reserved. Portions of this communication may contain attorney advertising. Prior results do not guarantee a similar outcome. Please direct all inquiries regarding New York's Rules of Professional Conduct to O'Melveny & Myers LLP, Times Square Tower, 7 Times Square, New York, NY, 10036, T: +1 212 326 2000.