



Crimes of Fashion: Counterfeiting and Infringement in the Virtual World

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Introduction

A. THE CHALLENGE: Problems unique to Canada, Great Britain and the United States



B. THE TOOLS: Trademark and Copyright protection in Canada, Great Britain and the United States

- Issues relating to Intellectual property protection
- Trademark registrations for complete product range are an essential predicate for enforcement
- Recordation of copyright and trademark registrations with Immigration and Customs Enforcement to interdict goods at the border





Introduction

C. EVALUATING POSSIBLE SOLUTIONS:

- What is the best way to get the biggest bang for your enforcement buck?
(Evaluating the costs-benefits and options);
- Enforcement programs -- Internet site monitoring, sending out cease and desist demands by letter or email, and, if necessary, commencing lawsuits (what is the scope?/ what is the anticipated return?);
- Technological Aids: Identification and authentication technology; Internet web crawlers and scanning; and
- Private Investigators: On the ground and on the Internet (what role do they play?).

Developing An Enforcement Program and Overall Strategy

A. GATHERING & ANALYZING THE INFORMATION:

1. Investigations
2. Monitoring Internet Information from ISP's and Auction Sites
3. Other Sources of Information:
 - a. Whols (This information limited and may not be accurate (U.S. GAO reported that over 8% of all domain names registered with false or incomplete information));
 - b. Chat Rooms (requires undercover investigator from non-traceable site); and
 - c. Pretextual Purchases and Payment (trace funds and banking information).
4. Information Database – The Lynchpin to Effective Anti-Counterfeiting Enforcement.



Developing An Enforcement Program and Overall Strategy

B. THEORIES OF LIABILITY:

1. Direct Liability for Copyright Infringement:
 - Selling Counterfeit Copies of Copyrighted Works; and
 - Using Copyrighted Photographs Taken and Copied from Copyright Owners' Catalogue, Website or Internet Advertising Campaigns.
2. Vicarious Liability for Copyright Infringement
 - Is there Contributory Infringement?
 - Anything like Digital Millennium Copyright Act in the United States?
3. Direct Liability for Trademark Infringement:
 - Selling Goods Bearing Counterfeit Trademark or Featuring Counterfeit Trade Dress; and
 - Using Trademark or Trade Dress on a Competing Website to Pass Off Counterfeit or Knockoff Infringing Goods as Authorized or Genuine.
4. Vicarious Liability for Trademark Infringement

Developing An Enforcement Program and Overall Strategy

C. THEORIES OF VICARIOUS LIABILITY:

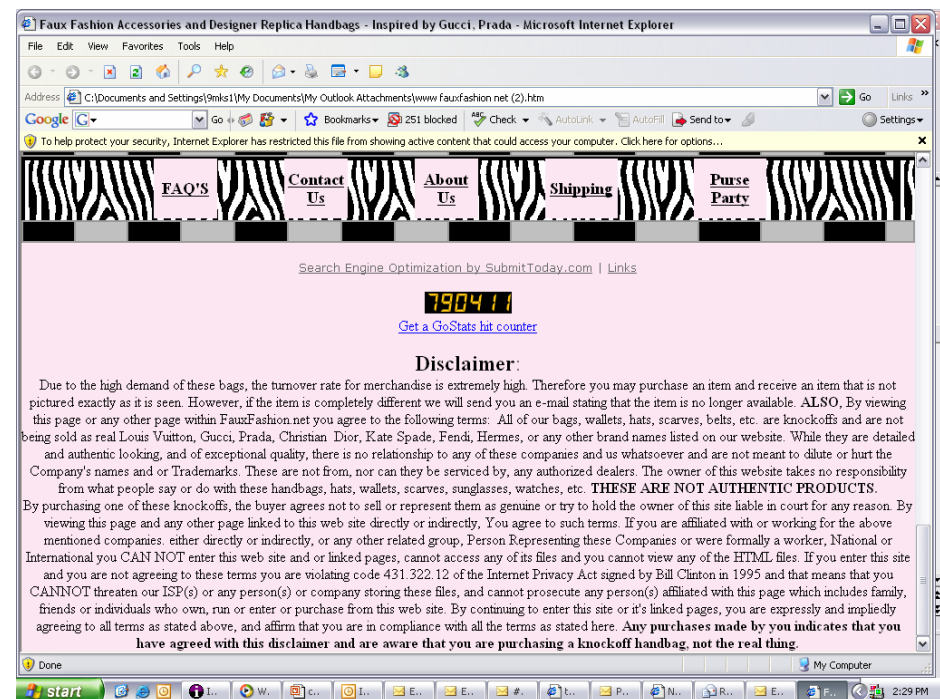
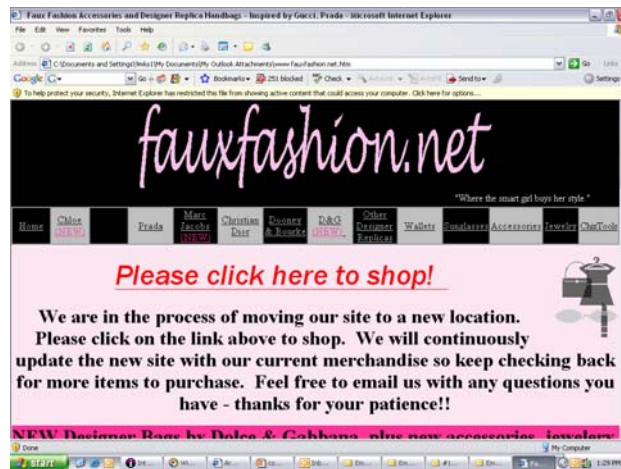
1. Brick and Mortar Model of Vicarious Liability for Malls and Flea Markets
2. Printer/Publisher Model of Vicarious Liability



Developing An Enforcement Program and Overall Strategy

D. PURSUING SELLERS -- SMALL TO BIG:

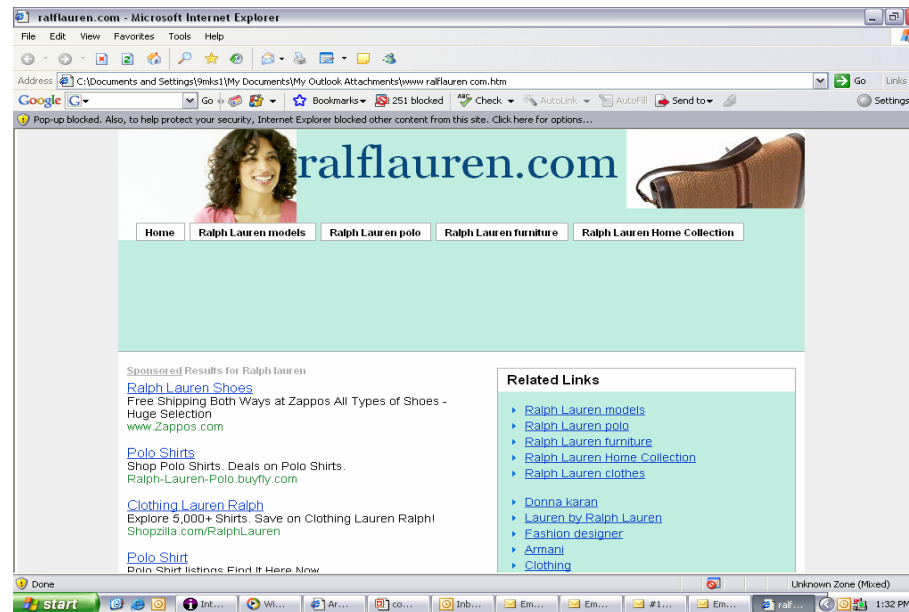
- Individual Sellers -- Mixed Product Sites



Developing An Enforcement Program and Overall Strategy

D. PURSUING SELLERS -- SMALL TO BIG:

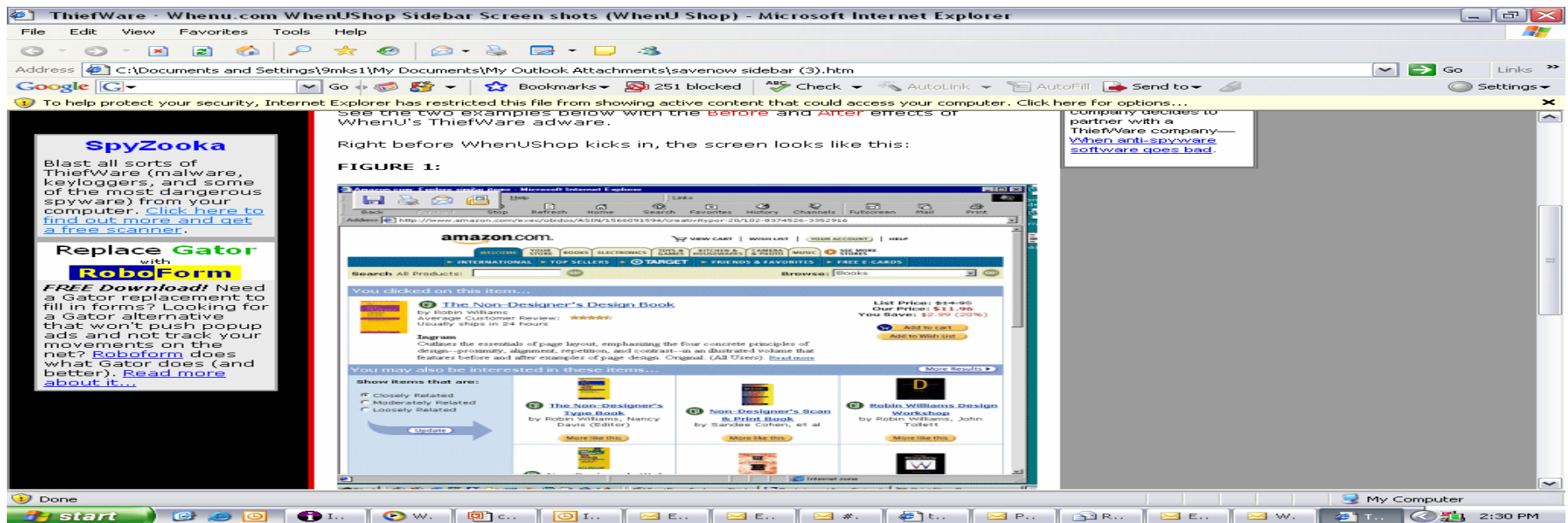
- Bulletin Boards/ Shopping Sites



Developing An Enforcement Program and Overall Strategy

D. PURSUING SELLERS -- SMALL TO BIG:

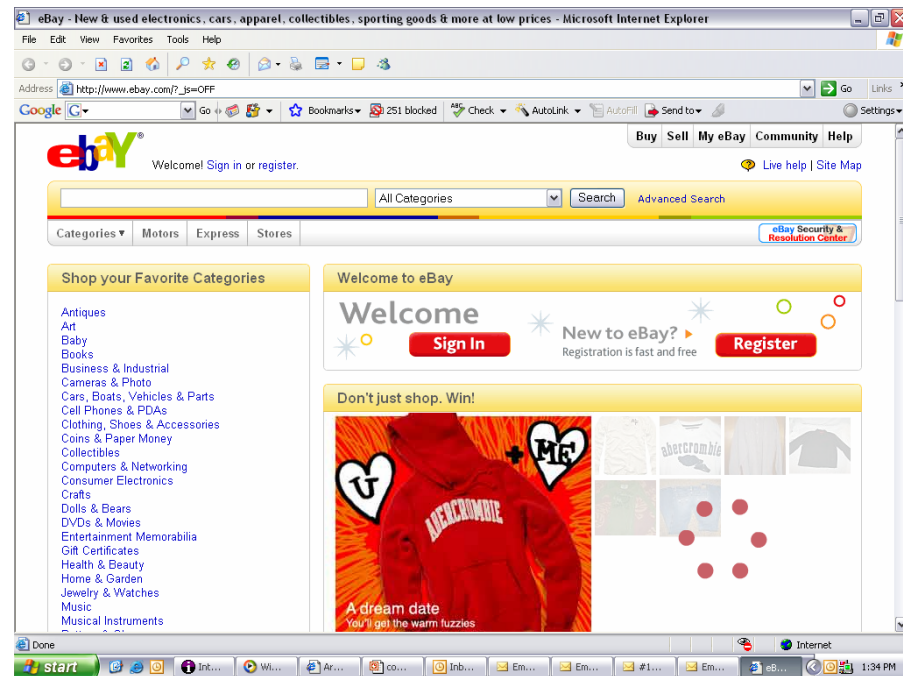
- Pop-Up Ads



Developing An Enforcement Program and Overall Strategy

D. PURSUING SELLERS -- SMALL TO BIG

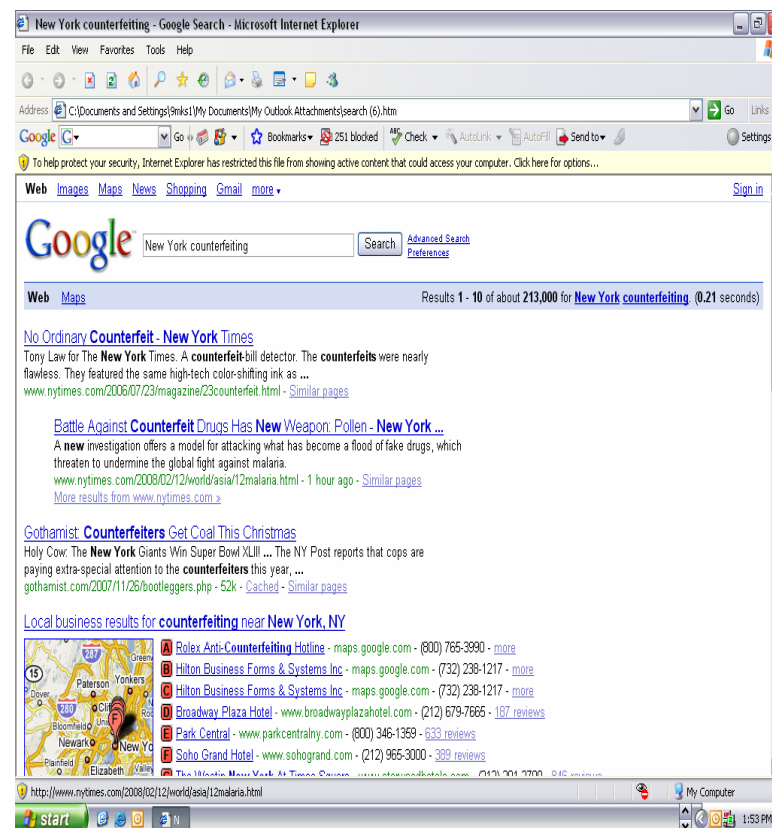
- Auction Sites/Bulk Sale Sites



Developing An Enforcement Program and Overall Strategy

D. PURSUING SELLERS -- SMALL TO BIG:

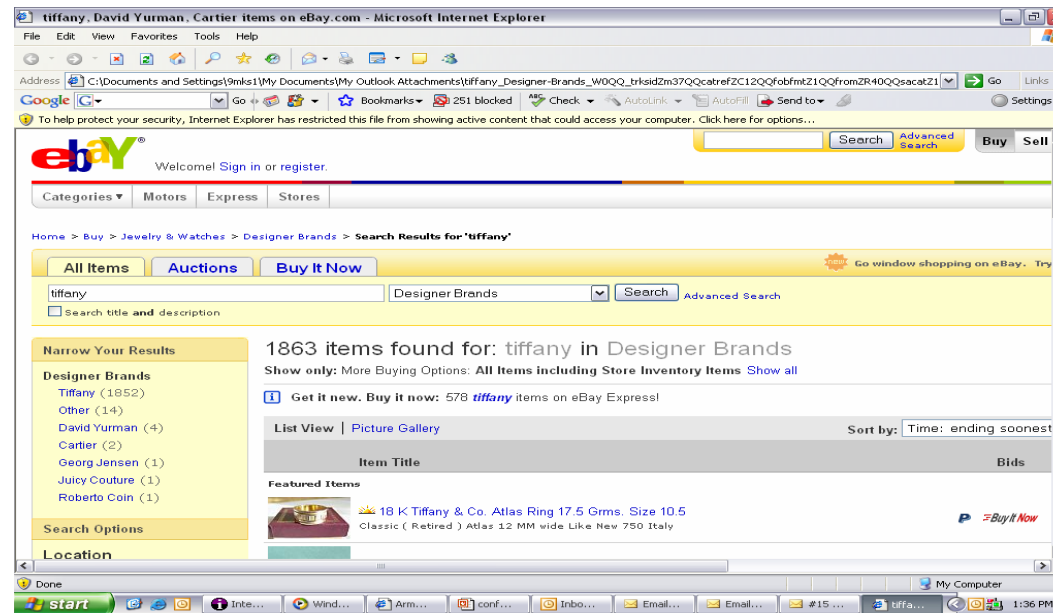
- Search Engines – Search Results and Sponsored Links



Developing An Enforcement Program and Overall Strategy

D. PURSUING SELLERS -- SMALL TO BIG:

- Tiffany v. eBay: Any similar cases?



Developing An Enforcement Program and Overall Strategy

E. "Second Life":

Have there been any "Second Life" cases or cases involving virtual worlds? Is the sale or commerce in goods in the Virtual World (e.g., "Second Life") considered trade in commerce under trademark or copyright laws in your jurisdiction?



Second Life's Real-World Problems - TIME - Microsoft Internet Explorer

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Address C:\Documents and Settings\9mks1\My Documents\My Outlook Attachments\09171165150000 (2).htm

Google Go 251 blocked Check AutoLink AutoFill Send to Settings


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Second Life's Real-World Problems

By KRISTINA DELL Thursday, Aug. 09, 2007



ENLARGE PHOTO

ILLUSTRATION BY FRANCISCO CACERES FOR TIME

Reality is catching up with Second Life, the much hyped 3-D website that lets users create alter egos called avatars who can walk, chat, fly.

ARTICLE TOOLS

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The Future: Broad-based Solutions & New Challenges?

- A. BROAD-BASED SOLUTIONS: LEGISLATION OR VOLUNTARY REGIME?**
- B. Cutting Edge Options and Possible Options in Alternate Jurisdictions Such As France and Germany. Have There Been Any Similar Cases Within Your Jurisdiction and How Did the Come Out?**
 - 1. Expand/Clarify ISP, Auction Site & Search Engine Liability—like DMCA?
 - 2. Require Auction Sites to Collect Accurate Identifying Info?
 - 3. Payment Facilitators – (Credit Cards, PayPal, etc.): “Follow the Money”-- Perfect Ten Not So Perfect?
 - 4. Shippers’ Liability (FedEx, UPS, etc.).

The Future: Broad-based Solutions & New Challenges?



C. GOOGLE: A FRENCH TWIST

- Forum Shopping In Paris?
 - On June 28, 2006, Paris appeals court issued a ruling that held Google engaged in trademark counterfeiting, a decision that the court said would apply to all of the search engine's sites in more than 130 different countries. Google ordered to pay damages in excess of \$377,000, plus legal costs. A further appeal by Google may be taken. There are over 40 trademark lawsuits against Google in France.
 - On January 24, 2005, Le Meridien Hotels and Resorts prevailed when a French Court ordered Google's French subsidiary to stop triggering advertisements when users entered searches for Meridien, Le Meridien or combinations with the words "resort" or "hotel."

The Future: Broad-based Solutions & New Challenges?

D. NEW CHALLENGES?

- Further Geographic Dispersion of Sellers
- New Technologies to Evade Enforcement

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ATTORNEYS AT LAW

~Save The Date~

Our next CONFAB will be held on March 11, 2008

Topics include:

When Is A Favor A Felony: Commercial Bribery
and
Foreign Corrupt Practices Act