

How to keep your
trademarks

ALIVE



A trademark will last forever – but only if it is regularly renewed. Whether you have a large or small portfolio, it is essential to have a system to manage trademark and other records to avoid accidental loss of rights. Good record-keeping and attention to deadlines will ensure your valuable trademarks never expire.

Unlike most IP rights, trademarks can last forever. As long as it continues to help consumers identify particular goods or services, a trademark will fulfill its function for many years, decades or even longer. Indeed, some famous marks continue to be used more than 100 years after they were registered, including the BASS red triangle logo for beer in the UK, the COCA-COLA mark in the United States and the PEUGEOT logo in France.

However, longevity is not guaranteed, and many trademarks are lost over time, either deliberately or due to inaction or neglect. In some cases, rights lapse simply because the trademark owner failed to file the correct paperwork or pay the renewal fee.

That may sound like carelessness, but with a portfolio of hundreds or even thousands of trademarks, the task can be challenging. Many trademark portfolios include word marks, logos and slogans as well as sounds, shapes and colors registered for a variety of goods or services in numerous jurisdictions. Moreover, the registrations will all have been made at different times.

Therefore, success requires sound record-keeping systems, including details of all the registrations, dates, additional documents that might be necessary and – crucially – alerts about upcoming deadlines.

This white paper covers why and how to renew your trademarks and what to do if you forget to do so.



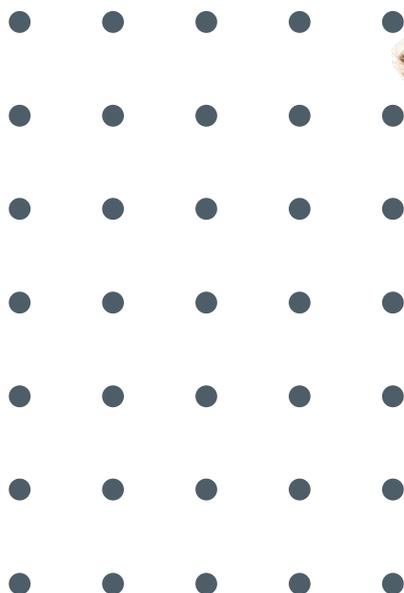
Why renew your trademark?

Securing a trademark registration may be a challenging process in itself, particularly if the mark is similar to others in the market or if it is necessary to prove acquired distinctiveness. After obtaining a registration, applicants might be tempted to breathe a sigh of relief and think that they have reached the end of the process. However, securing a registration means that the life of the trademark has only just begun!

Each trademark registration is valid for a certain number of years and must then be renewed. Provided the renewal is filed correctly and paid for, the trademark will continue to be valid forever.

In most countries, and for international trademarks registered under the Madrid System, the renewal period is 10 years. Note, however, that some offices measure the time from the date of application and some from the date of registration.

Most offices send out reminders to trademark owners, or their representatives, ahead of the deadline, but these should not be relied on in case the ownership or contact details are not updated.



What does renewal involve?

Renewal usually requires the submission of an application form and payment of an official fee. This can be paid directly by the trademark owner or by an agent. Many professional trademark firms manage portfolios in multiple jurisdictions for their clients, keeping track of all documentation and deadlines, submitting requests to national offices and making sure there are no errors in the forms. For example, Dennemeyer's Trademark Renewals service offers a range of options, and is currently used for over 700,000 trademark registrations in more than 200 jurisdictions.

It is increasingly common for renewals to be processed online. Renewal requests for international registrations can be filed via the Madrid e-Renewal service, which was re-launched in 2019. This offers several advantages, including an instant receipt, accurate status updates and built-in real-time checks.

At EUIPO, renewals of EU trademarks can be made electronically, by post or courier. E-Renewal is cheaper than the other options and is now used in the vast majority of cases.

Some offices have additional requirements. Most notably, the United States requires trademark owners to file a declaration of use (or excusable non-use) between the fifth and sixth years after the registration date, and again between the ninth and tenth years after the registration date, and every ninth-to-tenth year thereafter. These declarations must be filed in addition to the applications for renewal, which are due every 10 years. Declarations of use (or excusable non-use) must also be filed for U.S. extensions of international registrations, although the forms required are slightly different.

These stricter requirements in the United States derive from its use-based system and are designed to ensure that owners only renew marks used in trade (or where there is a reasonable explanation for non-use) during the period in question. The declarations must be accurate and specific, and U.S. trademark attorneys can advise on the details of what is required.

In addition to the United States, a few other countries (such as Argentina, Cambodia, Cape Verde, Haiti, Mexico, Mozambique, the Philippines and Puerto Rico) also operate a use-based system and require the filing of affidavits confirming the mark's use (or justifying non-use). Locally qualified trademark practitioners can advise where necessary.

In some jurisdictions, other actions are required to maintain marks. These include:

- **Cautionary notices (public announcements):** Advertisements in local newspapers by which the trademark owner states their ownership and informs third parties not to use a similar or identical mark (examples: Eritrea, Maldives, Micronesia, etc.).
- **Annual taxes:** Payments made either annually or in a lump sum on renewal. Trademark offices issue an official payment receipt (examples: Honduras, Turks & Caicos, Cayman Islands).
- **Proof of renewal of basic registration:** Filing of a certified copy of the last renewal certificate of the basic registration (examples: Gibraltar, Solomon Islands, etc.).

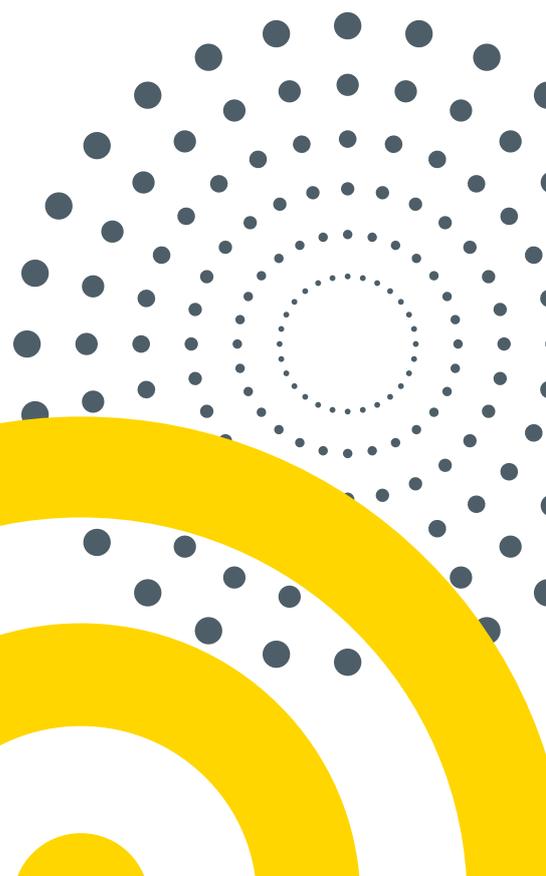


How much flexibility is there regarding the deadline?

Most offices allow renewals to be filed ahead of time. For example, renewal applications for international registrations can be made up to three months before the expiration date.

Fortunately, most offices also provide a grace period of up to six months after the deadline in which marks can be renewed without any loss of rights. However, there may be an additional cost. For example, WIPO imposes a 50% surcharge for late renewals.

If no action is taken by the end of the grace period, the trademark registration will be revoked. In exceptional cases, it may be possible to challenge the revocation and get the mark reinstated if there has been an error. However, this should not be relied on. It is always advisable to file and pay for the renewal on time to avoid the risk of loss of rights.



Is there any reason not to renew?

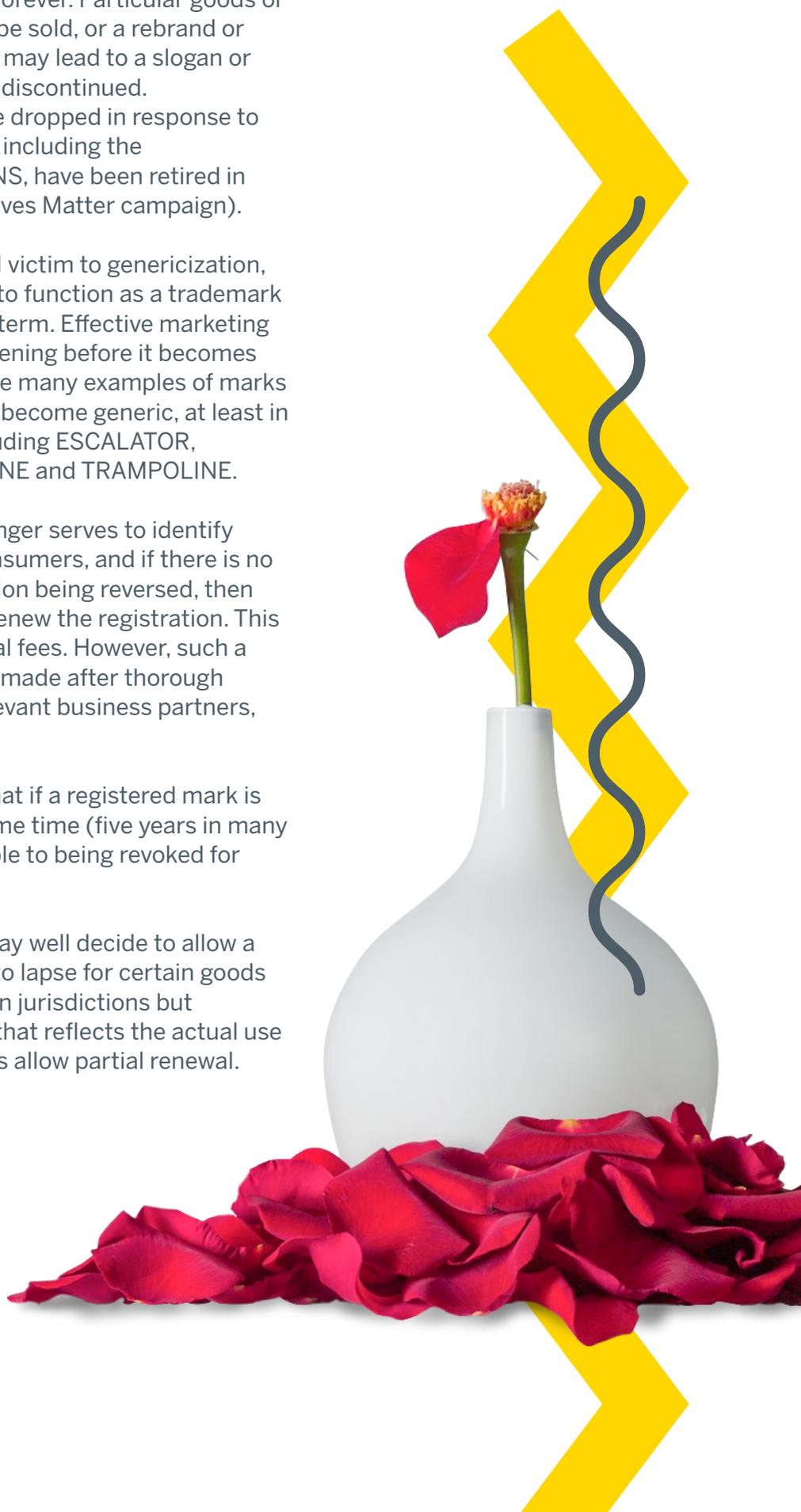
Not all trademarks last forever. Particular goods or services may no longer be sold, or a rebrand or new marketing strategy may lead to a slogan or packaging design being discontinued. Occasionally, brands are dropped in response to social changes (several, including the WASHINGTON REDSKINS, have been retired in response to the Black Lives Matter campaign).

Trademarks can also fall victim to genericization, where the mark ceases to function as a trademark and becomes a generic term. Effective marketing can stop this from happening before it becomes irreversible, but there are many examples of marks that have unfortunately become generic, at least in some jurisdictions, including ESCALATOR, HOVERCRAFT, KEROSENE and TRAMPOLINE.

Once a trademark no longer serves to identify goods / services for consumers, and if there is no possibility of that situation being reversed, then you may decide not to renew the registration. This saves the cost of renewal fees. However, such a decision should only be made after thorough consultation with all relevant business partners, including any licensees.

It is also worth noting that if a registered mark is not used in trade for some time (five years in many countries), it is vulnerable to being revoked for non-use.

Of course, a business may well decide to allow a trademark registration to lapse for certain goods and services or in certain jurisdictions but maintain it for others if that reflects the actual use of the mark. Most offices allow partial renewal.



What are the risks when it comes to renewals?

The biggest pitfall is allowing a registration to lapse by failing to pay the renewal fee within the prescribed time (including the grace period). This means that you may lose trademark protection and that another party, even a rival, may apply to register it. The consequences of this could be years of business disruption and expense.

Another risk is not renewing the registration for all the goods and services for which it is used or in all jurisdictions. Certain trademark registrations can be overlooked without good records or decision-making processes, resulting in partial loss of protection.

The opposite risk is over-renewal: the renewal of marks that are no longer used nor planned to be used. This results in unnecessary expense and cluttering of the register and may make you vulnerable to a cancellation action, causing extra disruption and costs. Again, it is often the result of inadequate record-keeping.



What records need to be kept?

The information needed will vary depending on the type of business, size of the portfolio, the number of jurisdictions and the industry concerned (for example, there may be additional issues to consider in highly regulated sectors such as pharmaceuticals).

Perhaps most important is to have a list of registered trademarks, with ownership details (including the name of the entity or subsidiary in which the application was filed, updated if the corporate name changes). Ownership information will need to be revised in the event of businesses being sold or closed and mergers / acquisitions. Relevant licenses (exclusive and non-exclusive) should also be recorded.

In most cases, it will also be necessary to consider at least recording the following:

- **Dates and numbers of trademark applications and registrations;**
- **The type of trademark;**
- **Evidence of acquired distinctiveness (if relevant) filed during the application;**
- **Deadlines for the various required maintenance actions: renewals, affidavits / declarations of use, filing of cautionary notices, payment of annual taxes in certain countries;**
- **The goods and services covered by the registrations;**
- **Examples of the goods / services on which the marks are used;**
- **The jurisdictions where marks are registered;**
- **The name and address of the trademark owner**
- **Seniority claims;**
- **Any relevant evidence of use, including advertising and promotional materials;**
- **Any consents regarding use of the mark; and**
- **Any external financial interests.**

Very occasionally, political changes may require you have to update your records. For example, as a result of Brexit, the UK is creating new comparable trademarks out of EU trademarks on January 1, 2021: owners of such trademarks will need to add these to their recordal systems and make sure to take action when the renewal is due.

Records are now often kept digitally, either locally or with a cloud storage service, and dedicated software can help ensure that nothing important is overlooked. For example, Dennemeyer's IP management software DIAMS iQ includes a wide range of tools to support electronic record-keeping for corporations and law firms. It can be tailored to the needs of each client and is used for all IP rights, including trademarks.



TIPS AND TRICKS

5 steps to secure your renewals

- 1** Maintain comprehensive records of registrations, license and use of trademarks
- 2** Regularly check and update details of ownership
- 3** Set alerts for upcoming renewal deadlines
- 4** Decide in advance which marks to renew – consider using a traffic-light system (red = do not renew; green = renew; amber = further analysis needed)
- 5** Ensure the annual budget provides sufficient funds for renewal and associated fees based on point 4 above

Questions to consider on trademark renewals

How many trademark registrations do we own?

Who is responsible for managing them?

What approvals are required for decisions about the portfolio?

How does the portfolio map into the company's brand strategy?

What system(s) are used for managing the portfolio?

Which agents are authorized to carry out actions such as renewals?



Specific questions for each mark in the portfolio

Ownership

What is the name (and address) of the entity that owns the mark?

What is the chain of title?

Is the corporate ownership name up to date?

Who are the licensees (if any), and when were license agreements signed?

Are the contact details up to date?

Registration details

When was the trademark filed and issued?

Which jurisdiction does it cover?

Which goods and services is it registered for?

When are renewal and other maintenance actions due?

Additional documentation

What evidence do we have about use of the trademark for the relevant goods / services in each jurisdiction (including advertising, promotional material, invoices and appropriate survey evidence)?

Are there relevant records of any enforcement actions taken and relevant court decisions?

Was the mark registered on the basis of acquired distinctiveness and, if so, what evidence do we have?

Are there records of any agreements consenting to third-party use of the mark?

Are there records of any external entities that have a financial interest in the mark (e.g., guaranteed loans)?



