

The Role of Trademarks and Industrial Designs in Branding



Giulio C. Zanetti

**Adjunct Professor, Loyola University Chicago
International Consultant**

gzanetti21@gmail.com

Beirut, Lebanon

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Competing on global markets

- **Increased competition from WW companies**
- **Pressure to reduce costs + increase efficiency**
- **Shorter life-cycle of products**
- **Stricter regulation (eg: environment)**
- **More demand for accountability**
- **Raising customers' expectations for quality**
- **Changing economies + climate change ...**

How can Lebanese SMEs become competitive/profitable?

By providing new or better products/services ... or/at lower prices

- more attractive
- better quality
- more functionalities
- brand reputation
- lower price
- good after-sale services
- good marketing strategy

I.e.: innovation!

INNOVATION

INNOVATION = A PROCESS:

analysis of needs

opportunity identification (what may be ...)

ideation/solutions

development

production

marketing, promotion

commercialization

after-sale services

OUTCOME: a better product, process or service that gives competitive advantage.

Differentiating aspects!!

How can they innovate?

- By internal R&D => own IPRs (then: license-out)
- By acquiring relevant technologies + IPRs (license-in)

... however ...

Costs of R&D or licensing is very high =>

=> IP is best solution because **exclusivity (incentive)**

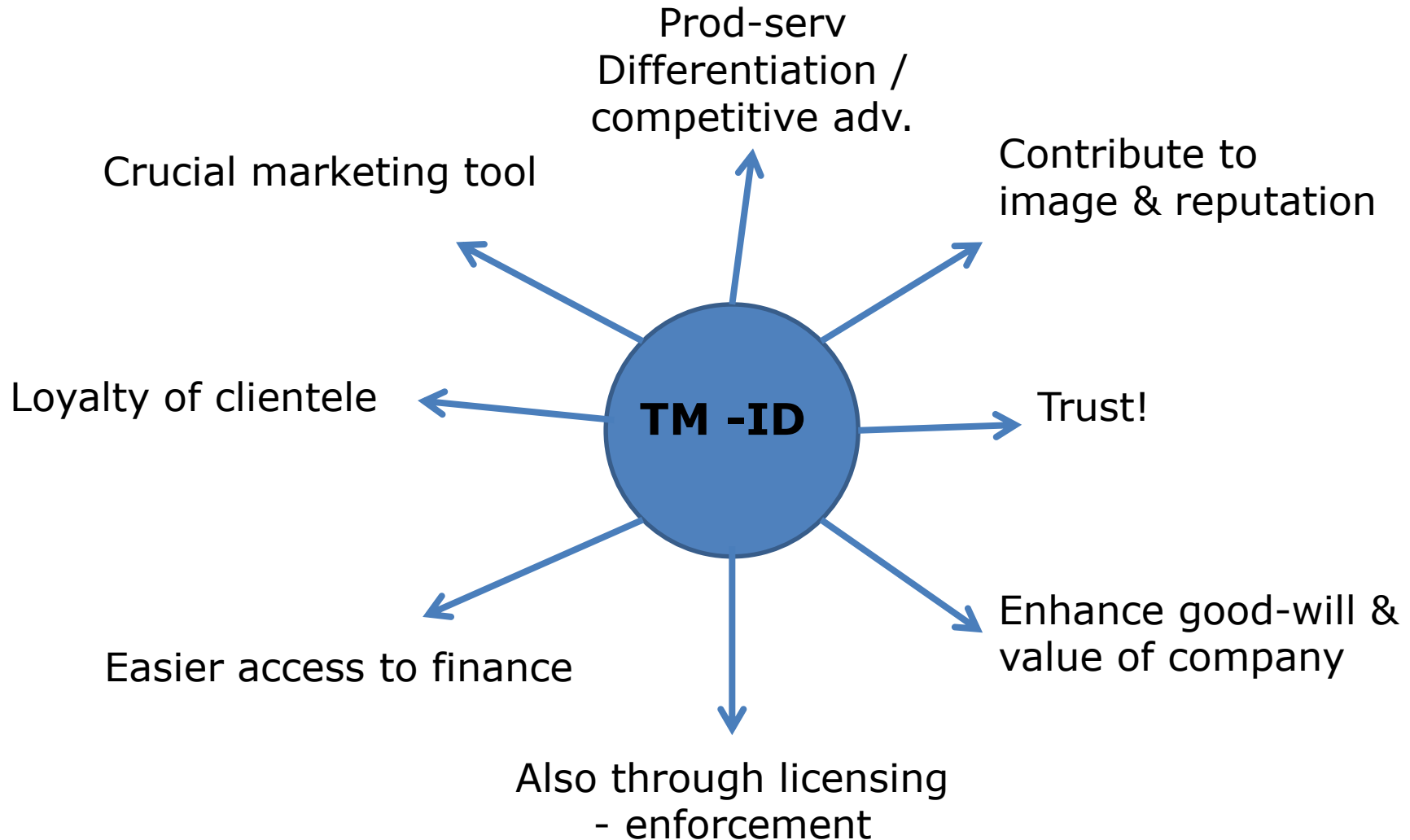
SMEs & IP

By providing new or better products/services ... or/at lower prices

- more attractive ... **industrial designs**
- better quality ... **patents /utility models**
- more functionalities ... **patents / u.m.**
- brand reputation ... **trademarks**
- lower price ... **patents**
- good after-sale services ... **trade secrets**
- good marketing strategy ... **trade secrets**

IP = EXCLUSIVE RIGHTS!

Why TM/ID for SMEs?



At all levels of value chain

- **TM/ID add value to all stages :**
 - **creation of idea,**
 - **product development,**
 - **product creation,**
 - **packaging,**
 - **marketing and promotion**
 - **after-sale services**

- **TM/ID strategy should be integral part of overall business strategy of SME**



WHAT IS A TRADEMARK?

Any visual sign capable of distinguishing the goods/services of one natural person/legal entity ... from others, including

TRIPS: art 15
art 2 LB law

WORDS (word marks)

... examples

Adidas Starbucks Whirlpool Nestlé Volkswagen

Sony Harley Davidson Philips Just Do It Orange

Siemens Lays Red Bull Java Vodafone JVC

Gatorade Coca Cola Shell Ford Apple Levis

Rolex Microsoft PepsiCo RayBan Zippo Bic

MGM Petronor Herbalife EMI Sellotape Pfeizer

Examples of TMs



... and of service marks

Google



MARKS

Trademarks

Service Marks



PRINCIPLE OF SPECIFICITY



Creating your own brand

See slide 11

Branding

In competitive world, where price competitiveness is difficult to maintain, brands can provide business success

... but

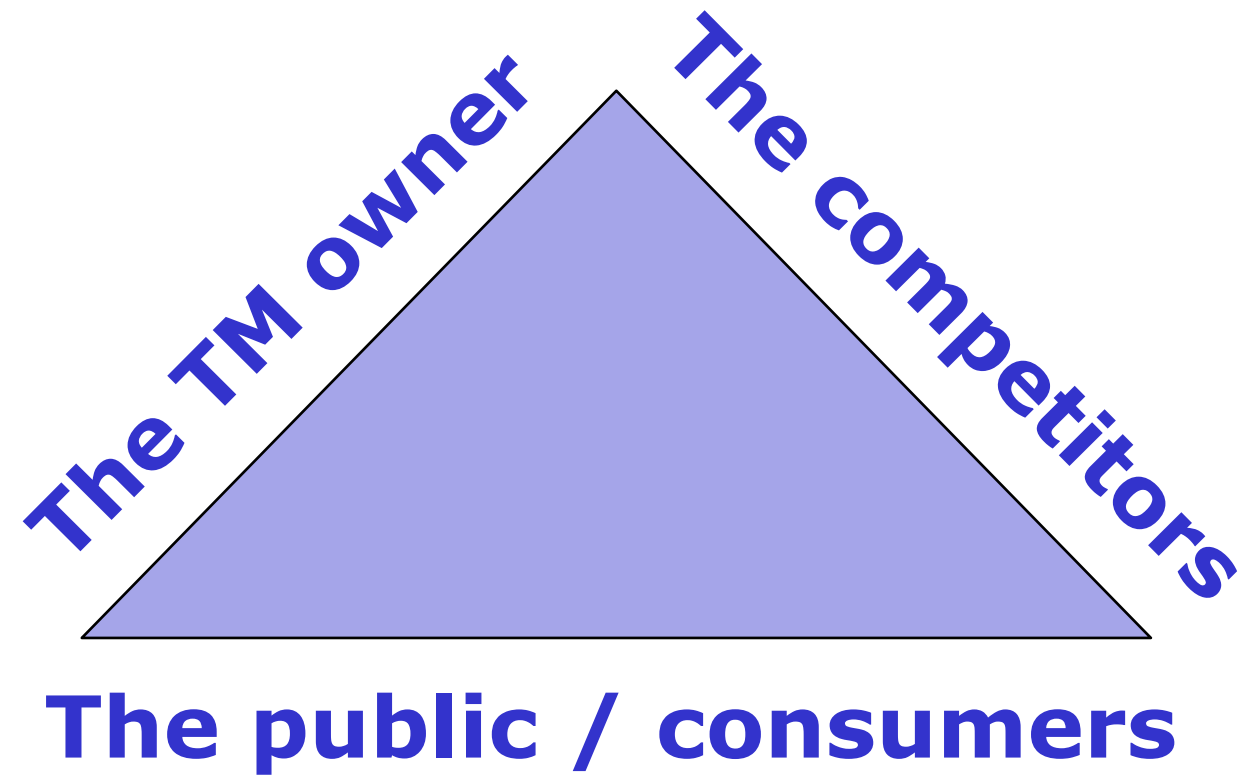
Branding needs time + money + viable product.

→ Continuous process + risk of copying

Case study: PICKWICK



INTERESTS TO BE CONSIDERED



Multi-brand v. Family brand strategy

MB: Nike company

- «starter» for low end
- «converse» for mid level
- «nike» for high end

FB

- Kellogg's, Heinz, Del Monte ... FIAT

Legal CHARACTERISTICS

- **Distinctive** art 2 (2° sentence)
- **NOT descriptive** art 8.b
- **NOT misleading** art 8.h
- **NOT generic** art 8.b
- **NOT contrary to public order, morality, religion** art 8.e/g
- **NOT = flag, emblem** art 8.d
- **"New" /available: TM search** (databases – marketplace – domain names)
art 8.a



Marketing Considerations

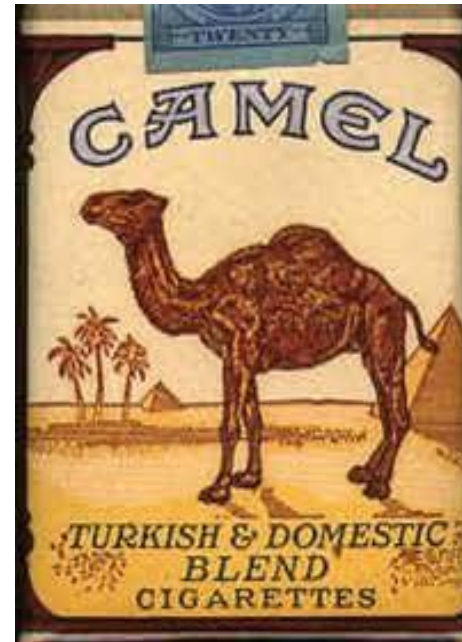


- **Easy to read, write, spell, pronounce ... remember!**
- **Suitable for all type of media / means of comm.**
- **Colours**
- **No undesired connotations in ANY language/culture**
- **No = to existing domain name**

Is this mark distinctive?



Camel



Principle of territoriality



DISTINCTIVENESS



Assessed in Relation with:

❖ Goods/Services (**Principle of Specificity**)

❖ Laws/Jurisprudence

❖ Average Consumer

of Lebanon

(**Principle of Territoriality**)

Art 2 (2^o sent) LB

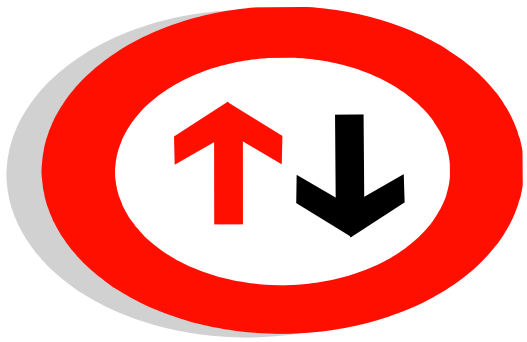
... from good to ... bad

- **Fanciful marks KODAK**
- **Arbitrary marks APPLE**
- **Suggestive marks SUNNY DAY**
- **Descriptive marks ECONOPHONE**
- **Generic marks TELECOM**

Want to increase the distinctiveness?

- 1) **Special script**
- 2) **Special colour (colour claim/limitation)**
- 3) **Logo (non descriptive)**





DISTINCTIVENESS cont.

- Vulgarization

Kleenex® BRAND



art 8.b

- Secondary Meaning



“NOVELTY” (availability)

- 1) **Prior identical or similar signs**
- 2) **For identical or similar goods/services**

- **If similarity: risk of confusion/likelihood of association**
- **If identical TMs for identical g/s = presumption**

TRIPS: art 16(1)
Art 8.a LB

Example



SIMILARITY b/w signs

3 criteria:

1) Conceptual similarity

2) Visual similarity

3) Phonetic similarity

VISUAL SIMILARITY



CONCEPTUAL similarity

DOUGHBOY v.



CONCEPTUAL similarity



CONCEPTUAL similarity



THE SOUTH BUTT

A MARK MUST NOT BE

➤ **DESCRIPTIVE** (in the broad sense) art 8.b

➤ **GENERIC** art 8.b

➤ **MISLEADING** art 8.h

➤ **CONTARY to PUBLIC**

ORDER, MORALITY, RELIGION art 8.e/g





Well known marks



- What is a W-K mark? (criteria)



- Consequences: → Exception to 2 principles !

a) if **not registered** = for identical/similar g/s

b) if **registered** = for ident. + simil. + dissimilar g/s

Paris Conv.: art 6bis

TRIPS: art 16(2)

Art 7 LB

WELL KNOWN TMs cont.



Protecting your brand

3 ROUTES / ways

1. National Route

2. International Route

WIPO → Madrid System

ARIPO → Banjul System

3. Regional Route

OHIM → EU System - CTM

OAPI → Bangui System

INDUSTRIAL DESIGN



Why ID?

- **Strengthen brand / TM**
- **Create a niche / win competitors**
- **Return on investment (because of exclusivity)**
- **Business asset: value of company**
- **Can be licensed**

NB: Keep in mind: product's marketability, cost of manuf., ease of transport, storage, disposal

INDUSTRIAL DESIGNS

DEF: Aesthetic Shape of mass-produced products

2 or 3-D

- Industrial**
- New (worldwide) / confidentiality**
- Original (= independently created)**
- Individual Character (= overall impression on informed user)**

NO if ...

- **Dictated by the function**
- **Contrary to public order / morality**

GOOD NEWS:

Multi-design deposit

Functional or ornamental ?



Alternatives to ID

- **3-D TMs**
- **©**
- **Unfair competition**
- **... unregistered design**

Thank you



gzanetti21@gmail.com