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INTELLECTUAL PROPERTY DESK

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WHAT IS INTELLECTUAL PROPERTY AND WHY IS IT IMPORTANT?

Intellectual Property (IP) is a collective term for a set of intangible assets that are the results of creativity, such as, patents, copyright, trademarks, trade secrets, etc. Intellectual property protection is essential for encouraging innovation. Without safeguards for ideas, firms and individuals would not gain the full advantages of their creations and would devote less time to research and development. Similarly, artists would be underpaid for their work, and cultural vibrancy would suffer as a result.

Intellectual property law (also known as IP law) is used to protect innovations, brands, creative works of writing, and valuable trade secrets.

The 4 main types of Intellectual Property and how to remember them:

- **Patents**: Novel inventions having industrial application
- **Copyright**: Websites, software, books, sound productions, films, etc
- **Tademarks:** Business names, slogans, labels, packaging, logos, etc
- **Trade secrets**: engineering information; methods, tolerances, and formulas; business and financial information

FUN FACTS

According to the World Intellectual Property Organisation (WIPO), patent filings worldwide increased by 3.6% in 2021, while trademark and industrial design filing activity grew by 5.5% and 9.2%, respectively.

You can trademark a scent!

If consumers associate a scent with a certain product/brand, that scent can be a trademark. This is because a trademark is anything associated with a good (or service) that serves to distinguish it from other products.

Green trademarks exist!

Green Trademarks are normal trademarks that are represented graphically (e.g. logo by "The Honest Company" on baby products) which distinguish goods and services from other goods, while promoting the preservation of the environment, eco-friendly products, and sustainable development.

Types of IP infringements

- Trademark Infringement
- Copyright infringement
- Patent Infringement
- Infringement of confidential business information
- Cybersquatting

PATENT OFFICES IN AFRICA:

OAPI (African Intellectual Property Organisation)
Comprises of 17 member states:
Benin; Burkina Faso; Cameroon; Centrafrique (Central African Republic); Comoros; Congo; Côte d'Ivoire; Gabon; Guinea; Guinea Bissau; Equatorial Guinea; Mali; Mauritania; Niger; Senegal; Chad; Togo

AIRPO(African Regional Intellectual Property Organization)
Comprises of 22 Member states:
Botswana; Cape Verde; Kingdom of Eswatini; Gambia; Ghana; Kenya; Kingdom of Lesotho; Liberia; Malawi; Mauritius; Mozambique; Namibia; Rwanda; Sao Tome and Principe; Seychelles; Sierra Leone; Somalia; Sudan; Tanzania; Uganda; Zambia; Zimbabwe

METHODS OF RIGHTS PROTECTION

1. **Settlement** - If the owner of the rights discovered any acts of infringement, he could either reach a settlement with the offender, ordering them to stop, or he may launch a legal claim for damages. Settlement is a speedy way to put conflicts to rest.
2. **Administrative investigation** - If the owner of the rights discovers any trademark, patent, or copyright infringement, he may submit a complaint with the appropriate government agency for a legal inquiry. An administrative inquiry is a simple and inexpensive way to submit a case. However, it lacks any legal authority.
3. **Legal Protection** - This method allows the owner of the intellectual property to bring the civil action to the court having jurisdiction to claim for compensation (once it has been confirmed that there was indeed an infringement). The court's judgement entails complicated processes, which are better suited for tackling serious intellectual property infringements such as infringement of confidential business information and patented technology.

The registration process:
Each class of intellectual property follows specific registration procedures.

TIGERS, ZEBRAS OR ADIDAS:

"NOT ALL STRIPES ARE ADIDAS STRIPES"

Not all stripes are Adidas stripes, a blow the renowned Sportswear company, Adidas, was dealt after it lost the trademark infringement lawsuit it filed against American luxury designer Thom Browne in 2021. Adidas claimed that Thom Browne's signature 4-striped branding for his eponymous brand, imitated its "inimitable" three striped emblem. Although the companies do not seemingly read as competitors with the companies existing in two completely different markets – the former in sports and the latter, luxury fashion, Adidas argued that Thom Browne's use of stripes, particularly in its newer sportswear collection, would cause the public to confuse the designs for Adidas products.

This is not the first time the companies have clashed over trademark issues. Adidas had previously reached out to Thom Browne when the designer used a three-stripe design on its jackets. Browne responded by adding a fourth stripe to avoid clashing with Adidas.
Adidas unfortunately lost its trademark infringement case against Thom Browne, on the 12th of January 2023, when a New York Jury, rejected the accusation. The decision in this case raises a trademark question: "Who owns stripes?"

The three stripes brand, and in fact branded stripes in general, is easily associated with the Adidas brand, as it has certainly gained recognition in the fashion/sportswear industry. Adidas was granted trademark protection for its logo in 2014, specifically for "three slanted stripes or quadrilaterals, equidistant from and parallel to one another, used on any product".

Nonetheless, the three-striped giant believes that its intellectual property right, extends to the common 2 and 4 striped logo, used by other designers.

Adidas has previously accused other brands or designers of infringing on its trademark rights. The sportswear company is well-known for suing companies or that use 2 or 4 distinct stripes in their designs. However, this is its first loss. For the avoidance of doubt – this does not mean that Adidas has lost its trademark in its 3-striped logo. It, however, inevitably raises concern for the popular brand and some uncertainty around trademark infringements matters.

In March 2023, the sportswear giant remained relentless as it proposed in a notice of opposition submitted to the US trademark office, that the Black Lives Matter (BLM) Global Network Foundation's yellow-stripe trademark resembles its own popular three-stripe mark that it is "likely to cause confusion". Although Adidas retracted this trademark objection, it could still challenge the trademark on the same grounds in future. Ultimately, the question regarding the 'ownership of stripes', still stands.

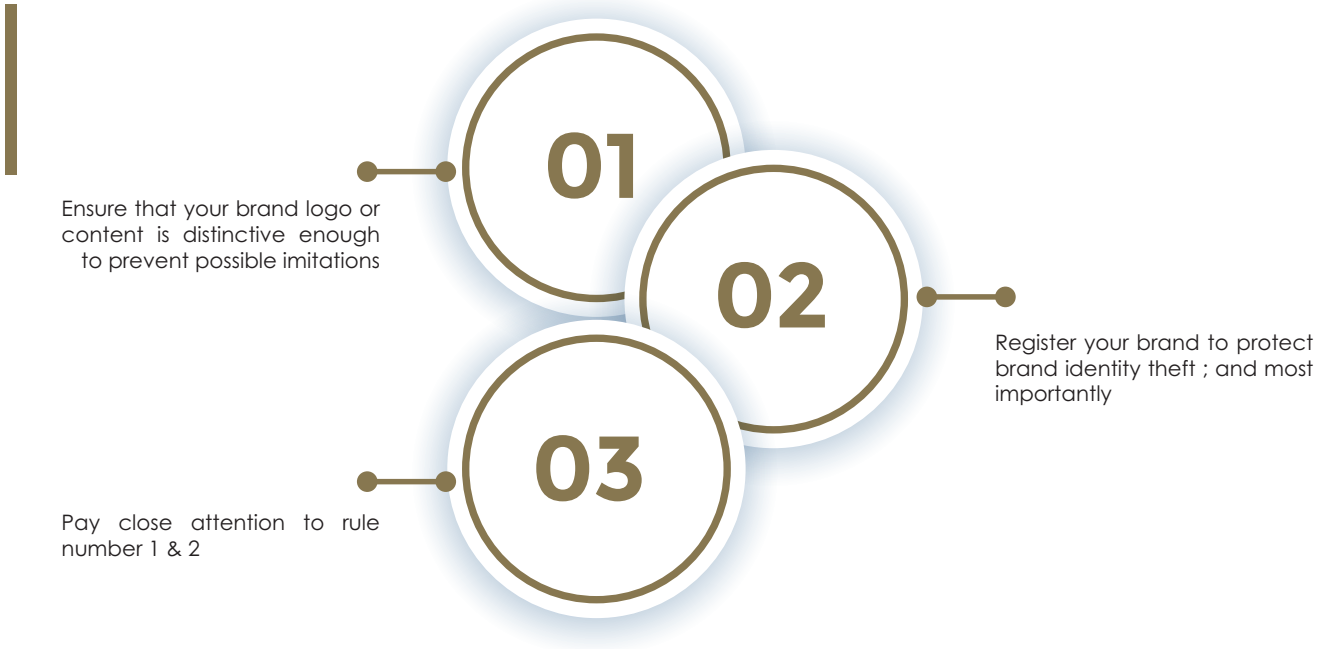
A trademark infringement claim can be maintained if it is established that a protected work or material, which is the subject of the dispute, is copied, and the plaintiff is the legitimate owner of work. In the Adidas v Browne case, Browne's lawyers successfully argued that stripes are a common design, and that the parties are involved in capturing distinct consumer bases.

This case raises concerns regarding the distinctiveness of a brand's logo, the test for determining similarities in logo designs, and ways to avoid chances of trademark infringement. This is especially because, it is evident in this particular case that the logos of both brands are somewhat similar and there is an overlap between the products offered by both brands, with Adidas seemingly being justified in its claim and yet the finding was in Browne's favour.

When the supposed target audience encounters your product, they should be able to identify your brand, thus differentiating it from any other trademark and this singular interaction is the essence of trademark law. The effect of the court's decision is that any person could decide to establish their brand by adding a fifth stripe to their logo. Should this happen, considering the ruling discussed, who would have grounds for a trademark infringement claim – Adidas, Thom Browne or, interestingly, no one?

"Adidas does not own stripes,'' said one of Browne's lawyers during the court case and the US court agrees – as at today at least. To that end, here is some helpful advice that may assist upcoming designers.

Three ways to avoid trademark infringements:



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TIFFANY BLUE, CADBURY PURPLE AND UPS BROWN

YOU CAN TRADEMARK YOUR BRAND COLOUR

Trademarks are not only for protecting names, logos or designs. You can protect shapes, scents and, yes, colours . It is possible to trademark colours – the specific hues and shades associated with your products or brand.

Colours went to the US courts in 1995 . In this case, the petitioner had used a special shade of green gold colour on its dry-cleaning press pads since 1985 and when the defendant, a rival company, started using the same colour for its own press pads, the petitioner filed a trademark infringement claim. The petitioner initially lost because the court ruled that trademark could not be obtained for a colour alone.

However, the US Supreme Court, reversing this decision, held that a colour itself was registrable if it met the ordinary requirements to register a trademark. Justice Stephen Breyer noted that "color alone, at least sometimes, can meet the basic legal requirements for use as a trademark. It can act as a symbol that distinguishes a firm's goods and identifies their source, without serving any other significant function."

Some may argue that trademarking a colour alone, and effectively preventing the use of that colour by competitors, may be a broad application of the law considering colours are finite property and may not be a sufficiently distinguishable element especially in certain industries where particular colours have reputational connotations.

For context, trademarks are any word, name, symbol or device or any combination thereof "capable of distinguishing the goods or services" of one person from those of another. Over the years, notably trademarks include shapes (the coca cola bottle) and even sounds. There is no reason this is not extendable to colours.

The key point is that the mark, or colour in this case, is being used or intended to be used to identify and distinguish the brand from others or to indicate the source of the products. This protection also extends to marks that are normally not used for trademark purposes but have gained secondary meaning. For example, the use of the colour red on the soles of shoes over a period could indicate that the shoes are from a particular brand/source, and thus protected as a trademark (think Louboutins).

Many brands have gone on to trademark their own colours, from the Tiffany blue (Pantone 1837 | #81D8D0) to Mattel's Barbie pink (Pantone 219C | #DA1884) and UPS' brown (Pantone UPS Brown 0607298 | #330000). Others have gained secondary meaning protection, like Louboutin's red sole heels, or "red bottoms", which have become quite distinctive. It is also possible to trademark the name of the colour associated with the brand.

Note that while you may be able to trademark a colour, you cannot own it outrightly to the exclusion of everyone else. Your trademarked colour is limited to your industry, product or the services you provide and serves only to distinguish you from competitors. Take Tiffany Blue for example, the luxury jewellery company, Tiffany & Co (colloquially known as Tiffany's), has trademarked this shade of blue for its jewellery boxes. While a jewellery company that packages its jewellery in a Tiffany blue coloured box will be guilty of trademark infringement, it is very unlikely that a bank using the same colour in its logo is infringing on the Tiffany Blue trademark. Even within the same industry, there may be some exceptions. For example, Louboutin's red sole mark is protected only in relation to a red lacquered outsole contrasting with the remainder of the shoe. Simply put, there is no infringement of this trademark where a red sole is used on a monochromatic red shoe. The requirements and exceptions differ by jurisdictions.

As a brand, creative or service provider, colours are an important source of brand ethos and identification, and a lot of thought goes into deciding on what colour is best suited to represent the brand, service or product. That being the case, it is important to have some understanding of the trademark laws of your location. As you go through the process, always keep in mind that you will either create a valuable trademark of your own or create a costly infringement claim.

You may be able to trademark a colour, you cannot own it outrightly to the exclusion of everyone else. Your trademarked colour is limited to your industry, product or the services you provide and serves only to distinguish you from competitors.

BRAND PROTECTION AND ENFORCEMENT

A GUIDE FOR TRADEMARK OWNERS IN THE METAVERSE

It is no news that the metaverse might just be the next big thing. Many are of the opinion that it represents a network of virtual worlds where our digital identities may, for example, purchase virtual products that are verified by non-fungible tokens (NFTs). For others, the term 'metaverse' refers to a general digital layer on top of the 'real' world, through augmented reality . One thing is certain—the metaverse (the next generation of internet), is a new environment for the creation of intellectual property and use of trademark law in addition to a changing business landscape.

While the metaverse provides new opportunities for businesses to reach consumers, it presents various legal challenges. Third parties using a brand owner's trademarks in a virtual world, run the risk of confusing consumers or tarnishing the brand, infringing on real-world rules that prevent trademark infringement and dilution.

As in the real world, it is critical that a 'virtual brand' obtains adequate trademark protection to secure both current and future investments. Although the metaverse is 'virtual', trademark infringement and IP disputes are quite real and have already transpired. For example, MetaBirkin NFT creator, Mason Rothschild, who began selling digital versions of fur-covered Birkin bags as NFTs in November 2021, lost all his profits in a lawsuit against luxury brand, Hermès International, when a Manhattan Federal jury held that Rothschild's sale of the NFTs violated Hermès' rights to the "Birkin" trademark. This was after news emerged when opulent brands like Balenciaga and Nike announced their expansion into the metaverse.

The MetaBirkins case raises a set of fascinating issues at the intersection of intellectual property law and digital technology, as it could have an impact on how non-fungible tokens and other areas of the digital world deal with intellectual property infringement and First Amendment rights (a defence that validates the use of a trademark owner's mark for expressive purposes, provided the use possesses artistic relevance and does not mislead consumers).

To implement a trademark protection plan for the metaverse, you, as a brand owner must first analyse your trademark portfolio and determine if essential trademarks will be exploited in a virtual context. If this is the case, brand owners must submit applications that expressly address the virtual products or services that will be offered for sale or distribution in the metaverse.

It is extremely important to be aware of the trademark laws that will apply to create workable strategies to defend and enforce your trademarks in the metaverse. This way, brand owners in the digital world, will be prepared to respond to the current and future legal issues concerning the metaverse.

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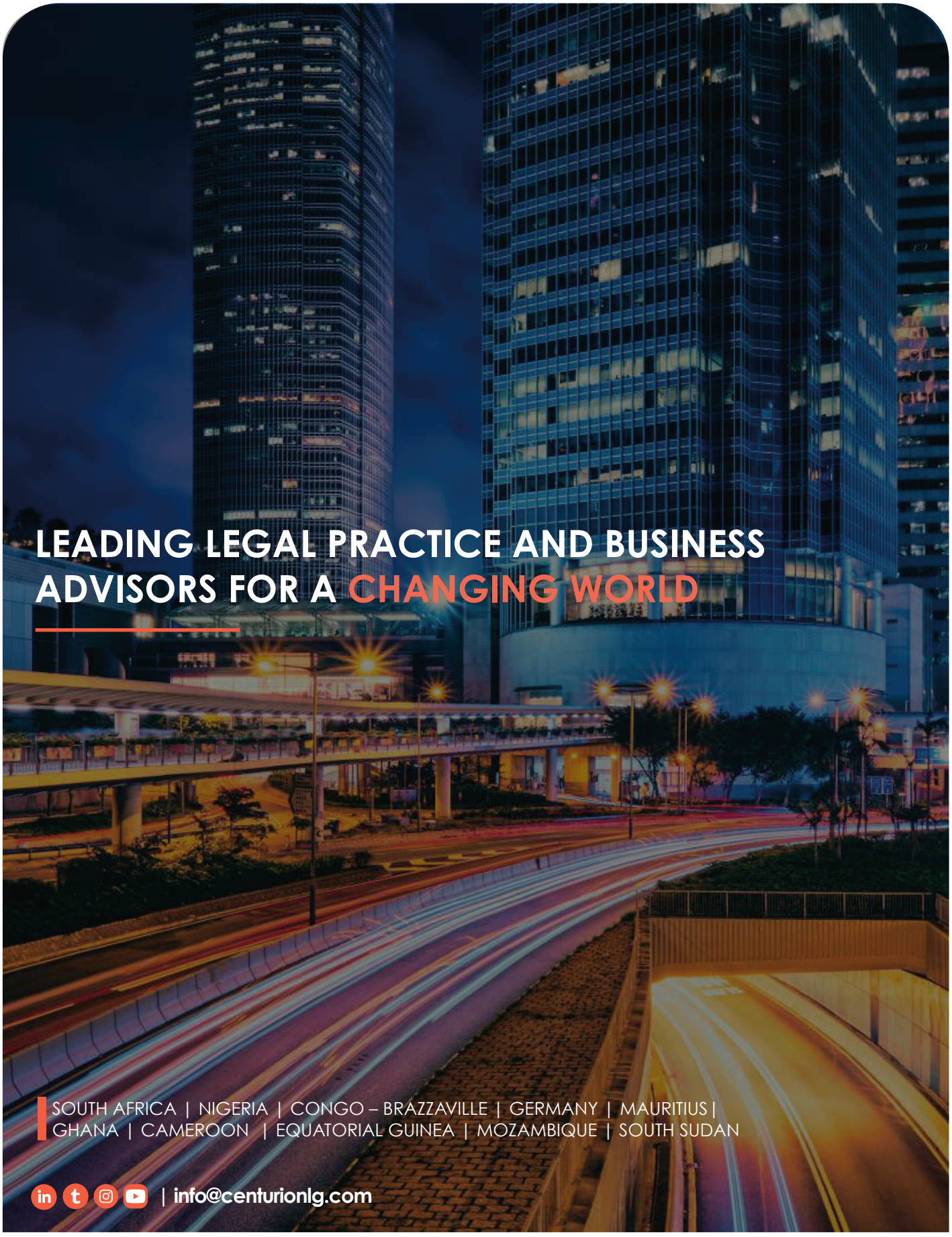

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Centurion Law Group is a corporate law conglomerate, with a specialised focus on cross-border business, energy law, and tax services. We work with investors that are starting a new business or looking to expand their footprint across Africa, Europe and the Middle East.

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