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IPS
WSBA International Practice Section

In this issue:

Thoughts from the Section Chair: Continued Growth of WSBA International Practice Section

~ Glen E. M. Yaguchi, Section Chair 2010-2011 ~

On behalf of your Executive Committee ("EC"), I extend a warm welcome to our renewing and new members. Our membership ranks continue to grow. As of June 2011, the Section boasts 292 members, which is the peak since our founding in 1984.

Our focus is on serving Section members by delivering member benefits that far outweigh the annual membership investment. Since the beginning of the year, the Section has successfully held two of its three major events: the Foreign Lawyers' Reception and the Law Students Reception. The Foreign Lawyers Reception enables local attorneys to meet and mingle with foreign licensed attorneys, judges, and legal scholars who are studying at one of the local law schools. The Law Students Reception gives J.D. students who are interested in international law an opportunity to meet local practitioners.

The Section will hold its third major event of the year, the Annual General Meeting ("AGM"), on July 8. The AGM never disappoints attendees; for the third year in a row, we will be chartering M/V "The Seeker" for a cruise around Lakes Union and Washington. One purpose of the AGM is to elect open Section EC and officer positions. All three of these events are at no cost to paid Section members.

Another compelling member benefit is the free mini-CLEs that are generally held over the lunch hour, allowing members to gain required CLE credits without interrupting their schedules. The Section is always looking for new speakers and venues for the mini-CLE program. Please do not hesitate to contact us with suggestions.

My term as 2010-2011 Chair will be coming to a close with the July 8 AGM. I wish to thank each of the current and past EC members, officers, volunteers, and CLE presenters who are all instrumental in developing and delivering these programs and member benefits. We also encourage other members to get involved in order to build upon our past success.

Maximizing Trademark Value Through a Unified Portfolio: A Global View

~ Scott Smith and Krista Wittman ~

An earlier version of this article was published in the January 2011 issue of the King County Bar Association Bar Bulletin. Reprinted with permission of the King County Bar Association.

There is tremendous and often overlooked value in brand unification. Unifying trademarks can strengthen all of the related marks, as well as provide synergistic branding. Building a strong, unified trademark portfolio should begin at an early stage with a comprehensive strategy of how the various products or services of a company will be tied together.

Brand recognition plays a large role in purchase decisions made by consumers. Legal protection of brand names can be accomplished through trademarks, which are words, names, symbols, sounds, or colors that distinguish goods and services from those manufactured or sold by others and indicate the source of the goods and services. Companies generally work to increase the recognition and strength of their trademarks by visible use, repetition of use, duration of use, and consistency of use of the mark.

Further, a company can strengthen trademarks by building a national or international portfolio based on brand unification. A unified trademark portfolio includes multiple applications and registrations for related goods and services that share a common feature and that are filed in one or more countries. Unfortunately, due to a lack of preplanning and, perhaps, knowledge, companies often build their trademark portfolios in a piecemeal fashion by seeking trademark protection for each individual product or service in individual countries without considering a relationship between the products and services.

A company should consider various factors when building a portfolio, such as identifying common features to be shared by the individual trademarks, determining the appropriate type of trademark application needed, and identifying whether a desired mark is in use by others. Additionally, researching alternative meanings, translations, and interpretations of the mark in foreign countries is highly recommended.[1] Selecting one or more jurisdictions in which to file the application is also important, including state, federal,[2] and foreign jurisdictions. Most frequently, federal and foreign filings are used to ensure a wider span of protection than state law provides.

Generally, each application or registration in a unified trademark portfolio shares a common term, letter, logo, or theme. For example, "Mc" food products are widely identified as originating from McDonald's

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[1] Baby food is not sold under the Gerber mark in French-speaking countries, as Gerber translates to something very unappetizing you would not want to feed a baby. Creative Translation: Translation and Foreign Language Production, http://www.creativetranslation.com/blunders (last visited June 2, 2011).

[2] U.S. CONST. art. I, § 8, cl. 3 (giving Congress the power to regulate interstate commerce, which includes trademarks);15 U.S.C. §§ 1051 et. seq (codifying Federal trademark law).

Corporation. Some of the products include McFlurry®, McRib®, McMuffin® and McGriddle® food items.[3] Other examples of unified trademark portfolios are discussed in detail below.

Big Mac® (Registration No. 1126102)[4] goes a step further by utilizing the phonetic sound of "Mc" to protect their signature hamburger. McDonald's has even taken the unification over to one of their promotional characters, Mayor McCheese® (Registration No. 1331343) of McDonaldland®, itself covered under Registration No. 0939100. McDonalds's Corporation also extends use of the "Mc" prefix for products and services in multiple foreign countries, including McRice (Indonesia and Philippines), McKebab (Israel), McSpaghetti (Philippines) and Croque McDo (Belgium).

Use of a unifying mark, such as a house brand, can aid in registering trademarks that may otherwise be problematic. Trademark strength and, therefore, registerability is judged on a continuum. At one end, fanciful and arbitrary trademarks are the easiest to register, with suggestive marks coming next. Following suggestive marks on the continuum are merely descriptive marks, which may be registered but require further hurdles to be overcome. At the other end of the continuum are generic marks, which are not registerable. However, a house brand, such as a company name that is, or qualifies for registration as, a trademark can be combined with a merely descriptive or generic mark to gain easier registration.

A variety of approaches to create a unified trademark presence are available, including utilizing the full name of the company, a portion thereof, a logo or even a mark that is unrelated to the company name but is used across multiple products or services. For example, both Microsoft Corporation and Google Inc. use their company names in software products and services to strengthen marks that may otherwise have been more difficult to register. Microsoft Office® (Registration No. 3625391) covers computer software used for performing routine productivity tasks, such as word processing, spreadsheets, and email. Google Checkout® (Registration No. 3725612) covers payment processing services. Google continues to extend this approach, with trademark applications for other services, such as Google Talk™ for communication services and Google Latitude™ for location services.

Nike, Inc. not only uses their corporate name but also their globally ubiquitous "swoosh" design mark, protected for footwear through Registration No. 1323343, as a way to unify their trademarks. NikeGolf® (Registration No. 3623438), Nike® (Registration No. 1325938) and Air® (Registration No. 2068075) are just a few examples that include the unifying "swoosh."

However, a company name or logo does not need to be used as the unifying trademark. For example, Apple Inc. uses the letter "i" to unify their most successful hardware products, including their iPod® (Registration No. 2835698), iPhone® (Registration No. 3669402), iPad® (Registration No. 3776575) and iMac® (Registration No. 1909765). Apple utilizes the "i" in software products as well, including iTunes® (Registration No. 2653465), iWork® (Registration No. 3392787) and iMovie® (Registration No. 2735051).

Each of the companies discussed above has expanded internationally by leveraging its unified trademark portfolios. International trademark filings can occur either as a standalone application or based on a prior U.S. national application. A stand-alone application is one not previously filed in the United States, and appropriate representatives in the countries of interest should be contacted to prepare and file the application if all filing requirements are satisfied. If a U.S. application was previously filed, foreign trademark applications filed within six months from the U.S. application filing date can claim priority to the U.S. application under the Paris Convention for the Protection of Industrial

[3] United States Patent and Trademark Office, http://www.uspto.gov (registered trademarks of McDonald's Corporation) (last visited May 5, 2011).

4 U.S. registered trademarks can be viewed at http://www.uspto.gov.

Property ("Paris Convention").[5] Filings under the Paris Convention can occur directly in the countries of interest or through the Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks ("Madrid Protocol").[6]

The Madrid Protocol is a treaty that allows an applicant to seek registration in countries, known as Contracting Parties, that have joined the Protocol via a single "international application," which is filed with the U.S. Patent and Trademark Office by a registered U.S. attorney. Currently, there are 84 Contracting Parties, including the United States, European Union, and Japan, but not Canada.[7] The International Bureau of the World Intellectual Property Organization ("IB") administers the Madrid Protocol and, once filed, the IB examines the international application to ensure the filing requirements of the Madrid Protocol are satisfied. If so, the mark is registered and the Contracting Parties are notified. Subsequently, each Contracting Party conducts a separate examination and determines whether protection will be granted in that country.

As shown through various examples, there are a number of approaches to brand unification that can be taken. By recognizing the value of unifying trademarks, companies can benefit from increased brand recognition, increased chances of successfully protecting their products and services, and the spurring of international expansion.

[5] Paris Convention for the Protection of Industrial Property art. 4(C)(1), Mar. 20, 1883, 15 U.S.C. § 1141g, 828 U.N.T.S. 305, available at http://www.wipo.int/treaties/en/ip/paris/trtdocs_wo020.html.

[6] Madrid Agreement Concerning the International Registration of Marks, Sep. 28, 1979, 37 C.F.R. 2 and 7, 828 U.N.T.S. 389, available at http://www.wipo.int/madrid/en/legal_texts/trtdocs_wo015.html.

[7] World Intellectual Property Organization, http://www.wipo.int/treaties/en/ShowResults.jsp?lang=en&treaty_id=8 (search "Contracting Parties"; then search "Madrid Protocol") (last visited June 2, 2011).

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The *Kiobel* Case: An Untenable Precedent?

~ Jacques LeJeune ~

In September of 2010, the Second Circuit Court of Appeals held, by plurality decision, that the Alien Tort Statute ("ATS")[8] does not confer jurisdiction over claims against corporations and that corporate defendants were not subject to ATS liability because they were not subject to liability under customary international law.[9] *Kiobel v. Royal Dutch Petroleum* was a putative class action brought by Nigerian residents against Royal Dutch Petroleum, Shell Transport and Trading Company, and Shell's Nigerian subsidiary, all of whom were engaged in oil exploration and production in the Niger delta.[10] The suit was filed in the United States pursuant to the ATS and alleged that the oil companies had aided and abetted the Nigerian government in committing human rights abuses.[11] While the Court's holding does have some merit as a policy matter, the rationale of the plurality seems less clear. This article argues that, by mischaracterizing the central issue, this decision has set a rather shaky precedent for the future of corporate responsibility.

In reaching its holding, the Court appears to have sidestepped the central issue, whether implicit involvement in human rights abuses is a violation of customary international law, and instead substituted its own, much

[8] 28 U.S.C. § 1350 (1789).

[9] *Kiobel v. Royal Dutch Petroleum*, 61 F.3d 111, 120 (2010).

[10] *Id.* at 117-118.

[11] *Id.* at 115.

narrower, interpretation of the issue—whether corporate liability itself is a question of customary international law. The ATS provides that jurisdiction is conferred for "violations of the law of nations," or customary international law.[12] Here, the alleged violations were human rights abuses, the proscription of which is undisputedly contained within customary international law.

The plurality's reliance on the Nüremberg Trial seems misplaced.[13] That court stated that "[c]rimes against international law are committed by men, not by abstract entities, and only by punishing individuals who commit such crimes can the provisions of international law be enforced."[14] The *Kiobel* plurality cites this as authority for its proposition that only natural persons are subject to international law.[15] However, the quoted language is used out of context; the Nüremberg court, in holding that Goering, an individual, was subject to international law, rejected the idea that only states could be liable under international law.[16] The *Kiobel* plurality relies on the fact that the Rome Statute, constituting the International Criminal Court, explicitly limits its jurisdiction to "natural persons."[17] Again, this reliance seems misplaced; the ICC is a permanent tribunal designed to prosecute individuals for crimes against humanity.[18] It is also important to note that the ICC does not have jurisdiction over states for the same reason: its function is to prosecute individuals, not determine civil liability of any persons, natural or juridical.[19]

The *Kiobel* court correctly indicates that no tribunal has ever held a corporation liable for a violation of the law of nations.[20] The question of corporate liability is an issue of first impression.[21] However, it seems that the central issue is really whether a corporation, an entity recognized as a legal person in its own "home," should also be recognized as a person in foreign states. Framed in this way, the issue sounds more like one of comity, not corporate liability, an issue for which there is certainly sufficient jurisprudence and for which there are much stronger arguments leading to a different outcome. As Judge Leval argued in an opinion concurring only in the *Kiobel* judgment, this precedent sets a rule that a group or organization profiteering from human rights abuses can protect themselves from compensating victims' families simply by incorporating themselves.[22] Judge Leval's words are compelling: this ruling "offers to unscrupulous businesses advantages of incorporation never before dreamed of. So long as they incorporate … businesses will now be free to trade in or exploit slaves, employ mercenary armies to do dirty work for despots, perform genocides or operate torture prisons … all without civil liability to victims."[23]

Jacques LeJeune is a 2011 graduate of the Seattle University School of Law.

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[12] 28 U.S.C. § 1350 (1789).
[13] *Kiobel*, 621 F.3d at 119 (*citing United States v. Goering*, 6 F.R.D. 69, 110 (1946)).
[14] *Id.*
[15] *Id.*
[16] *Goering*, 6 F.R.D. at 110 (*cited by Kiobel*, 621 F.3d at 119).
[17] *Kiobel*, at 119 (*citing* Rome Statute of the International Criminal Court, Art. 25(1), UN Doc. A/CONF. 183/9; 37 ILM 1002 (1998); 2187 UNTS 90.)
[18] Rome Statute, at Arts. 1 & 25(1).
[19] *Id.*
[20] *Kiobel*, 621 F.3d at 120.
[21] *Id.* at 124.
[22] *Id.* at 149-150 (concurring opinion by Circuit Judge Leval).
[23] *Id.* at 150.

Hot Topics in International Trade

~ Braden Pence ~

Theme: International business and trade news vis-à-vis the Pacific Northwest

1. **Large Chinese trade surplus with U.S.; 5/10/11:** http://seattletimes.nwsource.com/html/businesstechnology/2015010741_apaschinatrade.html

"China reported an April trade surplus [of] $11.4 billion[,]…a strong rebound after…a rare trade deficit in the first quarter of this year. China's trade gap has angered Washington and other trading partners who blame currency controls and other policies they say are hampering trade and a global recovery…. [A]nalysts expect China to show a global trade surplus for the year of $160 billion to $200 billion…. The wider trade surplus suggests Beijing is making only limited progress in efforts to rebalance China's economy away from reliance on trade and investment by boosting domestic consumption."

2. **WTO ruling on Boeing claim of illegal support for Airbus—both sides claim victory; 5/18/11:**
http://seattletimes.nwsource.com/html/businesstechnology/2015084257_apeuwtoairbus.html

The WTO panel held: 1) that "European subsidies to Airbus had caused U.S. rival Boeing to lose market share in several markets particularly in Asia…[and] 'caused serious prejudice to the interests of the United States,'" constituting a win for Boeing; and 2) that "certain grants, such as for research and development, [were not] 'prohibited export subsid[ies],'" constituting a win for Airbus. "In March, the WTO ruled that Boeing received at least $5 billion in [illegal] subsidies between 1989 and 2006 that were prohibited under international trade rules. An appeals panel is expected to rule in the coming months."

3. **West coast ports—continued SoCal preeminence; 5/18/11:**
http://latimesblogs.latimes.com/money_co/2011/05/southern-california-dominance-in-international-trade-is-likely-to-continue.html?dlvrit=71041

The LA Customs District, including the two most active ports in the U.S. (Los Angeles and Long Beach), will handle about $372.8 billion in imports and exports in 2011, a 7.5% increase over 2010. Seattle is nationally ranked at number 8 in trade value, 6 in container activity (with a 35% increase over last year—the most improved of the top ten), and 15 overall. Seattle handles 1.7% of U.S. imports.

If you have suggestions for other trade-related themes, please email them to: eic@globalgavelnews.org.

Upcoming Events:

To post an upcoming event with the *Gavel*, please contact the Editor-in-Chief at: eic@globalgavelnews.org.

LOCAL EVENTS

Consular Association Reception
Hosted by the World Affairs Council of Tacoma
Tacoma, WA
October 19, 2011
For more information, please visit:
http://www.wactacoma.com/Events.htm.

CONFERENCES

Sponsored by the International Bar Association:

9th Annual Anti-Corruption Conference: The Fight Against Foreign Bribery
Paris, France
June 23—24, 2011
For more information, please visit:
http://www.int-bar.org/conferences/conf387/.

Third Annual Institute for Energy Law & International Bar Association Section on Energy, Environment, Natural Resources and Infrastructure Law Conference
London, England
June 26—28, 2011
For more information, please visit:
http://www.int-bar.org/conferences/conf392/.

Sponsored by the American Bar Association:

Joint Program with the German Bar Association, Munich Germany
Munich, Germany
June 19—20, 2011
For more information, please visit:
http://www.americanbar.org/groups/international_law/events_cle.html.

CLE OPPORTUNITIES

Immigration Issues and Family Law Litigation
Sponsored by McKinley Irvin
Seattle, WA
July 13, 2011
For more information, please visit:
http://www.mckinleyirvin.com/resources/cle/.

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Seattle Univ. School of Law
The Center for Professional Development at Seattle University School of Law connects dynamic law students interested in legal internships, associate positions, and contract law work with firms and public interest organizations. If you or someone you know is interested in posting an opportunity, please contact Shawn Lipton, assistant dean, at 206-398-4104 or liptons@seattleu.edu.

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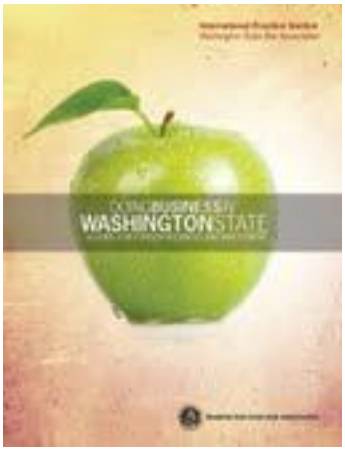
New from the International Practice Section and WSBA-CLE:
Doing Business in Washington State: A Guide for Foreign Business and Investment. Available in spiral-bound print format or on CD, this concise guide covers the A to Z of international business law in Washington—from entity creation to bankruptcy and creditor protection; from clean energy technology to industrial insurance and workplace safety; and from the Uniform Commercial Code to commercial litigation and alternative dispute resolution. Washington attorneys will want this resource for themselves and their clients—and for potential clients. $75 plus S&H and tax for the print or the CD version, with volume discounts available for larger orders. Review full table of contents or order your copy. Questions? Call WSBA-CLE Order Fulfillment at (206) 733-5918 or email orders@wsba.org.



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