



## It's Amazing! – Updated Brand Registry Program Enhances Online Sellers' Protection Against Trademark Counterfeiters

By David R. Ellis

During the COVID-19 pandemic, many consumers have reduced their shopping at traditional retail stores and have instead bought an endless supply of products and services online through e-commerce websites such as Amazon, Etsy, Shopify, eBay, DoorDash, and Uber. Customers shop for groceries remotely through Instacart and Whole Foods, and they pay their bills, do their banking, and play the stock market online as well. As a result, sales on online websites have skyrocketed while those at traditional brick and mortar stores have plummeted, creating all kinds of economic distress and dislocations in the retail marketplace, affecting giant malls and mom-and-pop stores alike.

The new online marketplace has not only attracted buyers of goods and services, but also a host of new online sellers, ranging from budding entrepreneurs to unemployed individuals trying to make ends meet through an uncertain economy. Some of these sellers have created new products or sell existing ones through storefronts they have established on various online platforms, thereby taking advantage of new e-commerce opportunities.

As legitimate buyers and sellers seek opportunities in the new online economy, they are accompanied by a host of scammers and counterfeiters, some of whom look to sell cheap knockoffs of legally branded products on the web. As a result, some online platforms have taken measures to stymie the miscreants. Amazon, for example, has established a brand registry program for the purpose of protecting the brands its merchants sell online against counterfeiters and other infringers. Amazon established the program in 2017, and recently it announced a significant change to better protect sellers at an earlier point in the trademarking process.

When it first established its registry program, Amazon only protected brands that were registered as trademarks with the U.S. Patent and Trademark Office or similar official registries in other countries. The problem was that new brands that were not registered with the USPTO were not eligible

for listing until they were registered. In the United States, the registration process typically takes 9 to 12 months or longer while the USPTO processes, examines and approves the trademark application. Until then, the seller's brand was not eligible for listing on Amazon's brand registry until the registration was issued.

Now, however, Amazon has announced that it will accept trademarks that have been filed with the USPTO, so that the brand owner does not have to wait for issuance of the federal registration certificate but can be enrolled immediately upon filing of the application. Eligible trademarks include standard character marks, illustrations that include numbers, letters or words, stylized numbers, or words, or typeset numbers, words or letters.

Amazon will also accept pending applications for registration on several other official country registries, including Canada, Mexico, the United Kingdom and some other European countries, the European Union, India, Japan, and Australia.

In order to take advantage of the new policy, a brand owner needs to promptly file a federal trademark application. Branding is a matter of identifying and adopting an appropriate and memorable name, logo, symbol or designs to identify the seller's goods and services and distinguish them from those provided by others. Adoption and use of a trademark give the owner the right to prevent others from using the same or similar mark in a manner that would be deceptive, misleading or confusing to the public.

Once the seller adopts its trademark and uses it in commerce, the trademark may be registered with the USPTO pursuant to the Trademark Act of 1946 (Lanham Act), 15 U.S.C. §§1051 et seq. A federal trademark is effective for ten years and may be renewed for as long as the owner continues to use it. A federal registration gives the owner the exclusive right to prevent others from using it in a manner that would create a likelihood of confusion to the public throughout the United States,

and to enforce its right by suing in either federal or state court.

After a trademark is registered (and sometimes before), the owner may bring suit against anyone who has infringed it. Infringement is the unauthorized use of the trademark in connection with any product, service, or advertising where the use is likely to cause confusion or mistake or to deceive the user as to the true source of the goods or services.

In such a case, the court may order the violator to cease its unauthorized use of the mark, order all infringing products destroyed, and award money damages to the trademark owner, which may be trebled in certain instances. In determining the amount of damages, the court may require the infringer to pay the trademark owner all profits derived from its wrongful use, plus court costs and, in "exceptional cases," attorney's fees.

Finally, as noted above, ownership of a federal registration (or at least a pending application) may be required by online platforms such as Amazon before they will remove infringing or counterfeit goods of a seller's competitor from its website. This is often accomplished after the seller provides a takedown notice to the website along with evidence of its federal registration or pending application.

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