

INTRODUCTION

I. TRADEMARK TRANSACTIONS: PERSPECTIVES AND CHALLENGES IN THE GLOBAL MARKETPLACE

The importance of intellectual property transactions has grown exponentially in the past decades as a result of the increasing financial value of intellectual property assets. For many companies, including those operating in high technology and patent-heavy industries, trademarks are often among the, if not *the* most important assets of the business. Moreover, the importance of trademarks generally transcends national boundaries. The continuous growth of cross-border and intercontinental trade (which is further fostered by ever expanding online e-commerce activities) increasingly implies that trademarks are used (and infringed) simultaneously in several countries. This has resulted in contractual agreements relating to trademarks becoming more and more international in the sense that they cover or relate to trademarks registered in different countries and regions. In other words, trademark transactions have gone global.

However, the rules that apply to trademark transactions (and to trademarks in general) remain largely national. Accordingly, relevant variations between national laws continue to exist even after the adoption of the Agreement of Trade-Related Aspects to Intellectual Property Rights (TRIPS) in 1994. For example, while TRIPS does establish that trademarks can be assigned with minimal formalities – i.e. without any associated business assets – it remains that a number of countries continue to require that trademarks be assigned with the associated “goodwill.” Similarly, TRIPS clarifies that trademark licensing constitutes a legitimate trademark practice – this includes licensing for non-similar goods and services, an ongoing point of contention in some jurisdictions – and that countries cannot provide for compulsory licensing of trademarks. TRIPS, however, does not prescribe how trademark transactions shall be structured and what shall be permissible. As a result, countries remain largely free to set national requirements for the validity of licensing, and some countries impose a stricter “quality control” requirement on licensors compared to other jurisdictions. Individual jurisdictions also remain free to set national rules for the use of trademarks as collaterals for loans, or in bankruptcy proceedings. In addition, national procedural laws continue to vary with respect to a host of formalities to be followed for trademark transactions, even though several of these procedures have been partially harmonized with ad hoc international agreements.

The existing differences in the rules applicable to trademark transactions create territorially-based challenges for trademark owners and practitioners, who more and

more frequently operate in multiple jurisdictions. In view of this situation, the objective of this book is to explore these differences and to contribute to the discussion about the potential avenues that could be followed on the way to a global harmonization of the rules applicable to trademark transactions.

II. METHODOLOGY AND STRUCTURE OF THE BOOK

This book explores the key aspects of the law governing trademark transactions in a variety of contexts and from several international and comparative perspectives. To date, no other book has offered a comprehensive analysis of these issues. This book attempts to fill this vacuum and offers to the readers a unique collection of chapters authored by distinguished academics and renowned practitioners coming from different jurisdictions and backgrounds.

As scientific editors of this book, we take pride in presenting this combination of authors and perspectives. The diversity of opinions that is reflected in the book offer to the readers a unique blend of doctrinal and critical interpretation of the rules related to trademark transactions, as well as a detailed analysis of these rules in practice. The result is a comprehensive overview of the policy-related, legal, and strategic aspects of trademark transactions, which highlight the international framework, as well as several types of trademark transactions in specific strategic contexts and under the lens of several national legal systems.

The book is structured in two main parts, which are further divided into several subparts. The first part addresses themes that relate to general aspects of trademark transactions, including the analysis of the international legislative framework under the international agreements administered by the World Intellectual Property Organization (WIPO) and under TRIPS. This part also includes several strategic perspectives on trademark transactions. For example, trademark transactions related to trademark rights attaching to copyrighted or formerly copyrighted works, and challenges therein; domain names transactions; instances of transactions resulting in splitting trademark portfolios; and the impact of transactions, and transactions strategies, on market competition. Additionally, this part addresses the use of trademarks as collaterals in secured transactions and in transactions related to bankruptcy proceedings and in tax planning. The final subsection in this part focuses on the methods of prevention and of settlement of trademark disputes – for instance, on the basis of trademark co-existence agreements. It also includes a chapter on choice of law and choice of court, which are a crucial component of any international trademark transaction, as well as a chapter on alternative dispute resolution mechanisms including mediation and arbitration.

The second part of the book focuses on selected national laws. This country-by-country analysis is essential since, as previously indicated, trademark laws remain based on the principle of territoriality. Moreover, as the relevant chapters in this part of the book indicate, national rules applicable to trademark transactions generally involve

the application of national rules resulting from other legal fields, and specifically from contract law – an area that is far less harmonized than trademark law at the international or even regional level. Accordingly, important differences remain with respect to both substantive and procedural rules applicable to trademark transactions. The chapters in this part of the book highlight these differences, while also addressing the process of international and regional harmonization of laws in this area.

We are, of course, fully aware that the number of issues and countries that could be explored on the topic of trademark transactions is wider than the number of contributions that can be published in one single volume. However, we are confident that the book offers a careful and comprehensive analysis of the major legal issues that affect trademark transactions today. We also hope that more research will be done on this topic in the future. The level of international harmonization in this area will certainly increase, and this will impact the law and practice of trademark transactions both internationally and nationally. Ultimately, we hope that this book can contribute to the policy debate about the regulation of trademark transactions (and even about intellectual property transactions in general) now and in the future, and can become a useful source of reference for future developments and international cooperation on these issues.

III. ACKNOWLEDGMENTS

A collective work is the result of joint and intensive efforts of many people. While the undersigned conceived the theme and the structure of the book, the publication of this book was possible only thanks to our contributors. We express our deepest gratitude to these distinguished scholars and practitioners for their excellent chapters. The readers will appreciate the depth of their analysis, and benefit from the wealth of information that is offered in every chapter of the book. The completion of this project is also an example of the possibility of international cooperation of authors from different parts of the world and from different backgrounds. We are also very honored that the Rt. Honorable Jacob J., today Professor Robin Jacob, accepted to write the Foreword to this book.

In addition to our contributors, we thank our research assistants, who collaborated with us in the editing process of the manuscript. We particularly thank Pierre Heuzé, Elizabeth Kendall, Yanbing Li, Andrew Minten, Molly Madonia, Lori Shaw, Ashley Swick, and Jia Wang for their excellent work. We additionally thank Edward Elgar for supporting this project, and Johanna Gibson and Trevor Cook, the academic editors of the series on *Intellectual Property Law and Practice*, for publishing the book in the series. We also express our gratitude to the members of the Elgar editorial team who assisted us, with patience and professionalism, during the final stages of production.

We first discussed the possibility of editing a collective work on trademark transactions during an academic trip to Hong Kong in December 2012. Three years, several meetings, many emails and phone calls later, the book has become a reality

thanks to our contributors and many other colleagues. We now welcome the publication of this book and hope that it will be useful and will be able to serve as a source of valuable guidance and reference for scholars and practitioners alike who will venture in the fascinating, but complex, world of trademark transactions.

Irene Calboli and Jacques de Werra

October 2015