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Fictional trademarks in Mexico



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Sergio L. Olivares Jr. and Victor Ramirez, Olivares, consider whether infringement of fictional marks is a trademark or copyright injury.

Nowadays, people all around the world are getting more familiar with the names of the top TV shows, as well as the most successful movies. Many people become faithful fans of some series or movies, watching all the seasons and sequels and allowing the authors to create a whole fictional world around the main characters of the fictional story.

In many cases, the fictional world created by the author(s) includes fictional products, services and their respective fictional trademarks. These products or services are usually well identified by trademarks created by the author of the story and it is not unusual for people and consumers from the real world to become familiar not only with the characters of the story, but also with such fictional trademarks.

Some examples of fictional trademarks that may ring a bell even if you see or hear them outside of their originating story, include:

ACME Co. products from the Warner Brothers Cartoon series Willy E. Coyote and the Road Runner

HOGWARTS School of Witchcraft & Wizardry from Harry Potter films

DUFF Beer from the cartoon series The Simpsons

BUBBA GUMP Shrimp Co. from the well-known film Forrest Gump

LOS POLLOS Hermanos from the series Breaking Bad

The popularity and widespread knowledge of many fictional trademarks is a tempting opportunity for some businesses. They find it hard to resist taking advantage of such marks by using them to sell their own products and even registering them under their name, without the authorization of the creators.

In most jurisdictions the law provides specific protection for the author's copyrights over the stories, the titles of the works, the fictional characters, music, lyrics and many other works of their creation. On the other hand, most jurisdictions (if not all) provide protection for trademark rights. However, few legal systems provide *specific protection* for fictional trademarks, which creates some uncertainty for the legitimate owners/authors.

Such is the case in Mexico, where no specific regulation provides for fictional trademarks. This article describes the legal contours of relevant trademark law in Mexico and presents two cases covering fictional trademarks in Mexico; one that treated the case as a trademark injury and the other that considered it a copyright injury.

The Mexican legal frame for trademarks

Trademarks in Mexico are regulated under Mexico's current Law of Industrial Property (LIP), which was enacted on June 27, 1991 and further amended on August 2, 1994, and also under the Regulations to the LIP.

Article 87 of the LIP establishes who may use and therefore own a trademark registration, stating: "industrialists, merchants, or service providers may use trademarks in industry, in commerce or in the services they render". Nevertheless, the right to their exclusive use is obtained through their registration with the Mexican Institute of Industrial Property (IMPI).

In Mexican practice, any kind of person or entity is entitled to apply for a trademark registration before the IMPI without any use requirements.

Trademark definition under Mexican law

In accordance with article 89 of the LIP, *all visible signs* can be protected, provided that they are sufficiently distinctive and able to identify the products or services to which they apply or are intended to apply with respect to those in the same class. This definition is followed in

Résumés

Sergio L. Olivares Jr.

Sergio joined Olivares in 1987, becoming a partner in 1994 and Chairman of the Management Committee in 2009. He leads the firm with strength and a commitment to transparency, client satisfaction, and personal service.

Sergio's work at Olivares is extensive, and he has vast experience in the prosecution and litigation of intellectual property rights, particularly trademarks, copyrights, patents and unfair competition. He has specialized his practice in all types of intellectual property law.

Víctor Ramírez

Victor's work at Olivares focuses mostly on counseling; negotiating and prosecuting Industrial Property disputes (Nullity, Caducity and Infringement proceedings) before the Mexican Trademark and Patent Office, as well as on the respective appeal proceeding before the Courts of Law. He is also experienced in running, analyzing and reporting results of availability search for trademarks, slogans and commercial names; preparing and filing trademark, slogan and commercial name applications at the Mexican Trademark Office; trying cases relating to product labelling prosecuted before the Consumer's Attorney General Office (PROFECO); and trying uniform dispute resolution procedures related to domain names.



Mexican practice and, for that reason, olfactory and auditory trademarks cannot be protected in Mexico.

The limitations as to what cannot be protected as a trademark are established in article 90 of the LIP, which is a list of prohibitions and the only legal source for rejecting a trademark application.

These prohibitions include among others, two prohibitions to registration that are relevant for the topic we are discussing, as we will explain in detail when we present two important cases over fictional trademarks in Mexico. The limitations we refer to are the following:

- **Titles of intellectual or artistic works**, as well as titles of publication or periodicals, fictitious or symbolic characters, characterizations of humans, artistic names and names of artistic groups; unless the holder of the corresponding copyrights expressly authorizes it;
- **Names, figures or tridimensional forms**, equal or similar to a trademark which the Institute considers to be **notoriously known in Mexico**, to be applied to any product or service.

Fictional trademark definition

As commented before, the complication of the fictional trademark cases in Mexico has to do with a lack of a specific regulation that defines this type of right and provides suitable protection for them.

The situation, as you can imagine, starts with a lack of definition of the fictional trademarks. Therefore, considering the trademark definition provided by Mexican Law, we propose the following definition of fictional trademarks (for the purposes of Mexican jurisdiction):

A visible sign originally created in a fictional story sufficiently distinctive and able to identify products or services.

Protection and enforcement

A trademark registration grants the exclusive right to use the trademark in Mexico for the goods or services covered by the same and will prevent any third party from obtaining a registration for an identical or confusingly similar trademark. Likewise, with a registered

trademark, the right to pursue infringement actions against third parties is possible.

Likewise, infringements are considered as an administrative violation of the law that is prosecuted before administrative authorities (the IMPI and thereafter administrative courts).

The IMPI is not a court of law, but rather an administrative authority. The consequences of the IMPI's resolution declaring an infringement are: a fine imposed on the infringer and an order to immediately stop the infringing activities. A civil action to claim damages before a civil court is available, once the IMPI's resolution declaring the infringement of a trademark registration is final and beyond the possibility of appeal.

Relevant precedential cases

The lack of specific regulation of fictional trademarks in the local copyright and trademark framework makes it necessary to answer certain questions in order to determine the formation of rights for fictional trademarks.

Some of these important questions are: where do we derive the basis of rights in fictional trademarks? There are two main positions in response to this query, some may consider that the rights in fictional trademarks are to protect a property right of the creator of the fictional work, while others would say that they are primarily to protect consumers.

Another important question is how do we propose to establish rights in fictional trademarks? Being the fictional trademarks, trademarks as such, the initial response for this question tends to be to protect them as what they are: t-r-a-d-e-m-a-r-k-s. However, this solution poses a further hurdle; that is how to support use of these kind of marks in commerce for the relevant goods or services, when they are usually used only in the fictional story/work.

Some say that because it appears to be a trademark for a fictional good, rather than a part of the entertainment work in which it is embedded, it blurs our perspective and our ability to understand its functions, as in reality a fictional trademark functions no differently

from a fictional character in terms of its ability to designate the source of an entertainment product.

The solution IMPI has given to this apparent dilemma is reflected in two different cases over fictional trademarks in Mexico; one treated the case as a trademark injury and the other considered it a copyright injury.

The DUFF Beer case

Twentieth Century Fox Film Corporation v Alvaro Aguilar Rodriguez (987704 DUFF BEER, P.C. 1567/208): Back in 2006 Alvaro Aguilar Rodriguez, a Mexican individual, registered the trademark DUFF Beer for beers in class 32. Twentieth Century Fox challenged the validity of the registration on the grounds of article 90 section XIII from the IPL, arguing that the name DUFF was the title of an intellectual work created previous to the use and registration of the challenged mark.

IMPI ruled in favor of Twentieth Century Fox considering that indeed the name DUFF Beer was wrongly registered as it reproduces the title of an intellectual work harming the Twentieth Century Fox's copyrights over it, thus treating this case as a copyright injury.

IMPI ruled in the core of its decision the following:

"...Whereas in accordance with the reasoning settled above, the trademark registration 987704 DUFF BEER recreates the title of the **intellectual work** owned by TWENTIETH CENTURY FOX FILM CORPORATION called DUFF and that its work previously existed at the date of filing and granting of the disputed mark, as well as the fact that ALVARO AGUILAR RODRIGUEZ had no authorization of the owner to use such copyrights to obtain the registration of his work as a mark, which is why it is concluded that the grounds of the nullity under Article 151 Section I of the Industrial Property Law in relation to article 90, Section XIII of the same regulation, fully apply to the case made by the plaintiffs. Therefore, it is appropriate to declare the nullity of the trademark registration 987704 DUFF BEER AND DESIGN."

The KRIPTONITE case

DC Comics v Jorge Gonzalez Olvera (1077914 KRIPTONITE, P.C. 2172/2013): This is a successful case in which our firm represented DC Comics. Our client had learned that a local individual had registered KRIPTONITE, accompanied by a rather simple device for "hair gel, liquid soap, body soap and shampoo" in class 3.

Our firm alleged that being the name KRIPTONITE was a part of the SUPERMAN universe, the name KRIPTONITE should be considered as a well-known mark in Mexico just like SUPERMAN is.

“ It is interesting to note that IMPI decided this case exclusively from a trademark injury perspective only, grounding the resolution not only on the proprietary rights of DC Comics but also in the interest of protecting consumers' rights. ”

Assuming KRIPTONITE is a well-known mark too, our law forbids registering it in any class of goods or services; no matter if the goods or services are similar or not to the ones covered by the well-known mark.

According to our firm's position, the defendant was taking unfair advantage of the well-known mark of DC Comics and harming its trademark rights.

IMPI ruled in favor of our client, considering that the trademark registration for KRIPTONITE with device was granted in contravention of the provisions of the IPL, since it is confusingly associated to DC Comics' well-known mark KRYPTONITE. We are quoting hereunder a few paragraphs of this interesting decision:

"...Accordingly, and following the above reasoning, the well-known character of the mark KRYPTONITE was fully proved based on the widespread acceptance and knowledge by the consumer public user of comics, television, cinema and the Internet; so is reasonable to say that the trademark registration at issue, 1077914 KRIPTONITE, and the name used by the plaintiff, i.e., KRYPTONITE, entails a likelihood of association between the names in question... "The end sought is the protection of the consumer public, so that it cannot be susceptible of confusion or association between the marks, specifically, the mark of the plaintiff and the mark of the defendant..."

"...Therefore, being fulfilled the assumptions of the grounds of invalidity under consideration, since it is reproduced in its entirety and as a whole the name KRIPTONITE by the defendant, JORGE GONZALEZ OLVERA, the exclusive right of DC COMICS is diminished, due to the consideration of the well-known character of the mark owned by the company..."

"...According to the above, the right of the owner of the well-known mark to protection covers all kinds of products or services; this is why the defendant, by using the name KRIPTONITE, is invading the rights derived of the well-known character of the mark, although the products consist of: HAIR GEL, LIQUID SOAP, BODY SOAP AND SHAMPOO..."

"...Once fulfilled the assumptions of the grounds of invalidity under study, this Authority comes to the conclusion that the trademark registration owned by the defendant, JORGE GONZALEZ OLVERA, was granted in contravention of the provisions of the Industrial Property Law in force at the time of registration, specifically Section XV of article 90 of the same law, since it is confusingly similar to the mark KRYPTONITE, considered well-known; consequently, the Authority proceeds to administratively declare the invalidity of the mark 1077914 KRIPTONITE AND DESIGN; for the reasons previously mentioned..."

It is interesting to note that IMPI decided this case exclusively from a trademark injury perspective only, grounding the resolution not only on the proprietary rights of DC Comics but also in the interest of protecting consumers' rights.

Conclusions and recommendations

According to our local experience we do not believe the trademark injury excludes the copyright injury, and for the same reason we consider that the rights in fictional trademarks protect a property right of the creator of the fictional work as well as the rights of consumers.

Based on the foregoing, owners should seek to maximize their legal protection by registering copyrights for the fictional trademarks as copyright works, as well as registering their fictional trademarks, strategically covering goods and services that are protected in their fictional world, as well as collateral ones such as entertainment, games, clothing and other merchandise.