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Trademark Protection in Cuba - Increased Trade on the Horizon

With the resumption of diplomatic relations and the reopening of the U.S. Embassy in Cuba, the opportunity for commercial relations with Cuba is not far behind. But with that opportunity comes the need to protect one's intellectual property. It is not unrealistic for a U.S. company to expect opportunists in Cuba to illegally trade off the established brands of American companies. To combat such misconduct, U.S. brand owners should consider a strategy to secure their trademark rights in Cuba.

Cuba is a first-to-file jurisdiction for trademark rights. Thus, legal rights are granted to the first entity to file a trademark application, regardless of whether it is using the mark in Cuba or whether someone else has had prior use. For some time, an exception in the U.S. trade embargo has permitted American companies to obtain trademark registrations in Cuba and to litigate or take other steps to protect their trademarks from infringement in Cuba. However, until recently, filing in Cuba was not a priority for most U.S. brand owners because they were not able to actually offer their goods or services in Cuba due to the embargo. With that likely to change in the near future, U.S. brand owners should be prepared to secure their rights in Cuba promptly before a trademark pirate attempts to do so.

There are already reports of bad-faith trademark application filing in Cuba. One individual recently filed trademark applications in that country for more than 50 famous trademarks, including NASCAR, NORDSTROM, SAM'S CLUB, CHASE, QUIZNOS, KOHLS, CHIPOTLE, and DENNY'S. In reality, that person likely has no intention of using the brands but rather hopes to block the true brand owner from entering Cuba and then sell his or her ill-gotten rights to the true brand owner. The costs of combating these abusive registrants or purchasing the trademark rights from them typically far exceed those of filing a trademark application to secure your rights preemptively.

As a general best practice for brand protection, any company that intends to do business in Cuba or to have important trade partners, manufacturers or suppliers in Cuba should seek trademark registration. In addition, given the proximity of Cuba to the United States and the likelihood that brand recognition of U.S. companies will spill over into Cuba, even companies without immediate plans to enter Cuba should consider seeking protection there, just as they often do in Canada or Mexico, to protect against bad-faith filings. In light of the foregoing, the time to start considering protection in Cuba is now.

There are many options and considerations for pursuing trademark protection in Cuba. Day Pitney's Intellectual Property team can work with your company to navigate these complexities and tailor an approach that best secures trademark protection for your brands in Cuba.

Authors



Alex P. Garens
Partner

Boston, MA | (617) 345-4872
agarens@daypitney.com



Carrie Webb Olson
Partner

Boston, MA | (617) 345-4767
colson@daypitney.com