

# How To Take Down Chinese

Copycats on Their Home Turf



**Presented by Steven Weigler** 

Not Everything Is What It Seems

"Mistake the reflection of a bow in the cup for a snake."



How Knock Offs Happen

 Creation of Similar Products as Famous Brands

- New Product Discovery = Imitation Product Creation
- Contract Manufacturer and/or Factory is in Cahoots



### Who Can You Turn To?

eCommerce sites have generally been exempt from legal liability for products sold by other merchants using their online platforms.

Under current lax interpretations of the law, eCommerce platforms face virtually no liability for their counterfeit trafficking." Peter Navarro, US Trade Representative, January 2020.

A US Government
Accountability Office
recently found that 20 of
47 items purchased from
third-party sellers on
popular consumer
websites were counterfeit.

## Amazon?

There were approximately 10 billion attempted counterfeit listings blocked on Amazon in 2020. <sup>1</sup>

Chinese sellers see
Amazon as a tool to be ...
"Creating a crisis for
American Amazon dollars." 2

Amazon has opened "cross-border e-commerce parks," to assist Asian seller who want to get into the US market. 2

Amazon's Philosophy is "If a Chinese factory is able to give a better price than a seller in America, Amazon is happy with that" <sup>2</sup>

# Understanding Intellectual Property

A little secret:

Brand is Everything, Everything Is Brand



**Utility Patent** 



Trademark



Copyright



Design Patent



Trade Secret / Cross Border NDA

# The Strategy

Maximize Protection / Minimize Price

Analyze What
IP You Have

Secure Intellectual
Property Rights In
The United States

Secure Intellectual Property Rights In The Source Country (Probably China)

## Analyze What IP You Have

- Registered Trademarks
- Unregistered Trademarks
- Trade Dress
- Unique Product Packaging

- Copyrights
- Licenses to Third Parties
- Licenses from Third Parties
- In-House Work Manuals

- Databases
- Recipes
- Designs or Patents Owned by the Business

### Securing IP Rights in the United States

Type of IP	Registration	Duration	Budget
Copyright	U.S. Copyright Office	Life of Author +70 years	\$800 total
Trademark	USPTO	Forever	\$1500 per
Trade Dress	USPTO	Forever	\$1500 per
Trade Secret	Not Required (unless kept secret)	Forever	\$2000
Utility Patents	Up to \$10k (requires an attorney)	20 years	\$3000-\$10,000
Design Patents	Same as Utility (not as expensive)	15 years	\$1100 Per

Average Budget for EmergeCounsel Clients is \$1,500-\$3,000

### EmergeCounsel's IP Strategy Plan

Step 1



UNDERSTAND BUSINESS AND EDUCATE Step 2



DETERMINE IP GOALS AND BUDGET Step 3



**DEEP DIVE** 

Step 4



Step 5



CLIENT REVIEW AND IMPLEMENTATION

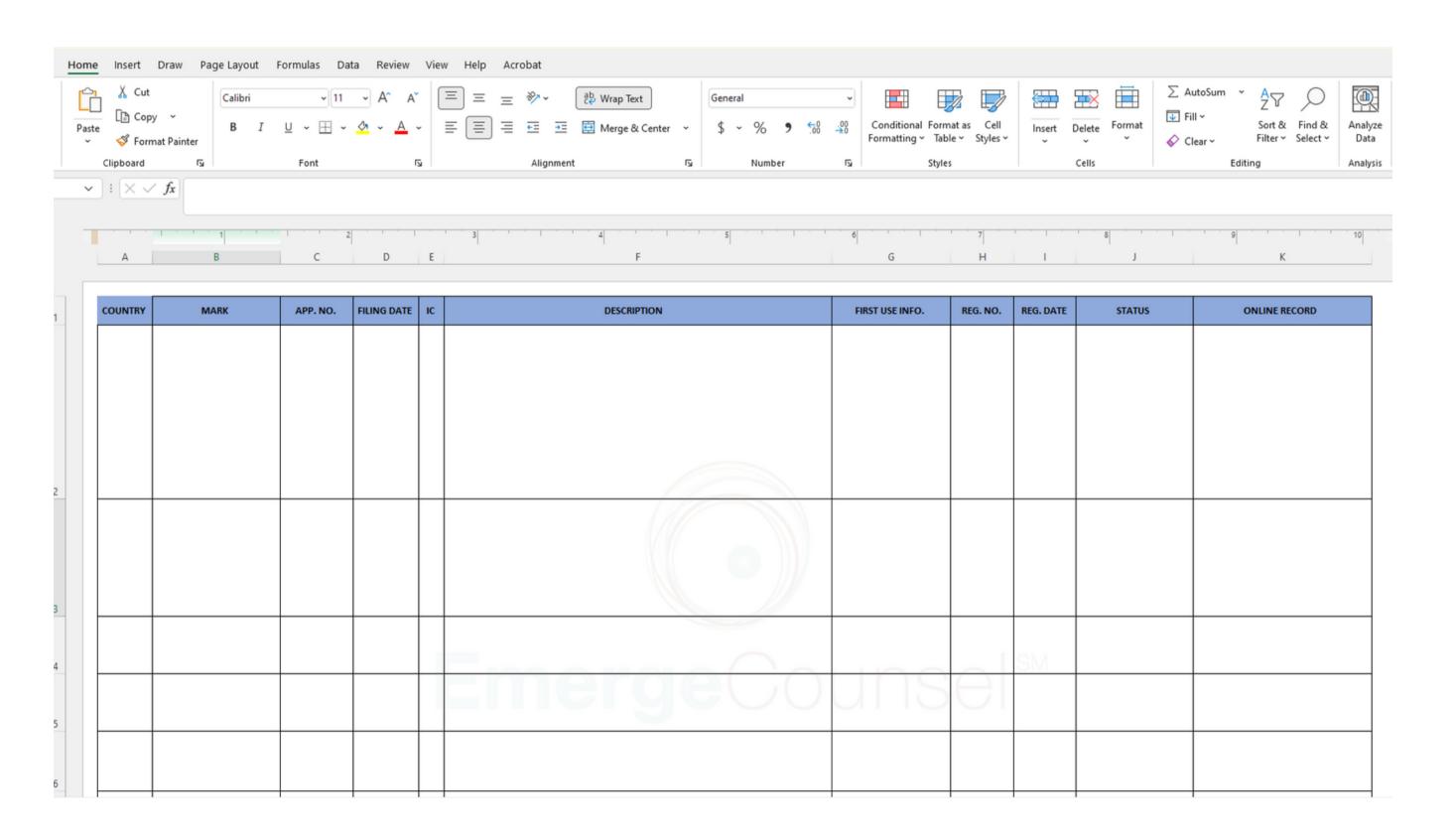
Step 6



TRACK AND UPDATE

Focuses on planning and executing strategic economical IP protection for our clients. We combine skillful legal analysis, industry-leading software, and time tested processes.

### Mr Potato Head's IP Strategy Plan



PLAYSKOOL Friends

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# Why Spend the Money to Protect in China

- 80% of goods sold on Amazon, Walmart etc. are made in China
- 40% of goods sold on AliBaba/AliExpress in 2019 were counterfeited knockoffs.
- China is a first to file country for trademark, copyright and patent. If someone files before you, the GAC (customs) can seize your goods at the border for violating their copyright and trademark.

- Alibaba, AliExpress, Jingdong, Taobao Will not take down the counterfeit without a valid Chinese registration.
- Potentially anyone will create knockoffs: the manufacturer, anyone who sees the product anywhere including on Amazon in the U.S.

# Securing IP Rights in the China

Same Strategy As
United States Filing.

Your American Attorney Has Worked
Up The IP And Knows What It Is, What
Category To Place It, What A Good
Description Is And Even What Rights
Have Been Claimed In China

**3**.

Work With Chinese Counsel To Secure The Same Rights In China. Average Chinese Strategy is approximately \$2,000

# Policing IP in China

Is Going to be Very Hard to do Unless You Have Implemented

#### The Strategy

- Track Down The Infringer
- Initiate Takedowns
- Stop Counterfeit Goods At The Border
- Involve The American Counsel
- Ability To Sue
- Incur The Least Amount Of Legal Fees

# In Summary

Knock Offs Can Happen To You

Understand IP

Protect Yourself

Low Cost &

Effective Solutions

### About Your Presenter



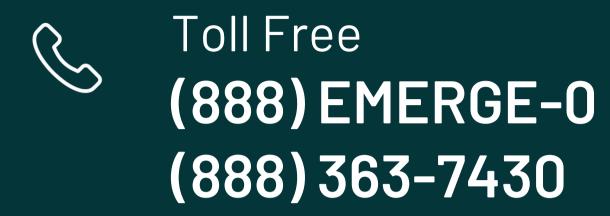
#### STEVE WEIGLER

Before starting EmergeCounsel, Steven Weigler gained brand protection experience as corporate counsel for AT&T Corp. and through the building of an ed tech startup.

Steve represents entrepreneurial enterprises around the world to protect their brand and businesses. Steven has prosecuted hundreds of trademarks and helps clients address issues of IP infringement in US Courts and at the Trademark Trial and Appeal Board.

Steven lives in Colorado where he likes to kickbox, ski and listen to live music.

# Contact Us For a Free Consult About Your Brand!



Direct (720) 924-8199

Email info@emergecounsel.com

Website
<a href="mailto:emergecounsel.com">emergecounsel.com</a>

