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CERAMICS

M A G A Z I N E

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OPEN LETTER: COUNTERFEITING WHAT CAN BE DONE! (Reprinted with permission.)

The following is an open letter reprinted (in part) with permission from the author. It addresses the concerns of manufacturers over counterfeit molds and how this unlawful practice affects not only the manufacturers but also the distributors, dealers, and eventually the hobbyists with higher costs and questionable quality goods. It also gives concrete steps to follow to help alleviate the threat of counterfeiters. These recommendations are for U.S. products as well as products produced and sold internationally. If you have opinions about the topic, please submit them for possible future publication.

Protecting Your Product From Counterfeiters = What the Legal System Can Do For You. by J. N. Mausner & C. Raine Copyright, 1994, J. N. Mausner (Reprinted with permission.)

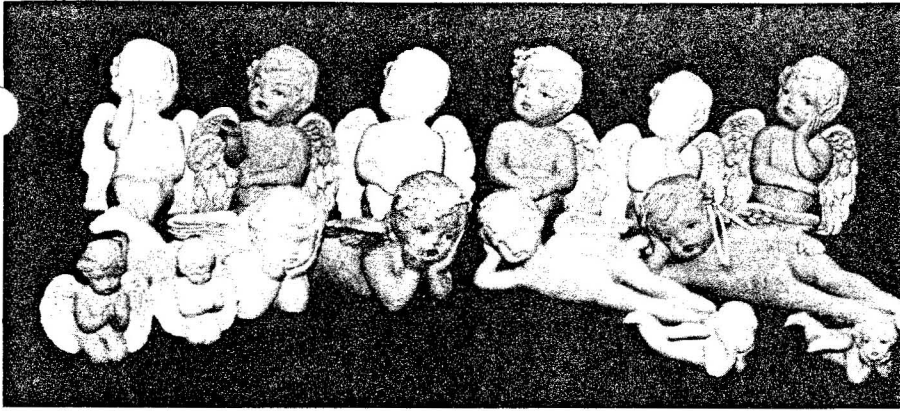
A designer and manufacturer (of ceramic pieces) discovers that its copyrighted pieces are being counterfeited. The counterfeiter makes rubber molds of the copyrighted pieces, then makes plaster molds, and finally sells thousands of copies of the copyrighted designs.

What can a designer or manufacturer do to stop the counterfeiting? Within weeks, the operation can be shut down, the counterfeit items seized by U.S. Marshalls, and eventually the infringers made to pay monetary damages to the copyright or trademark owner. The method used to effect the seizure of the infringing goods before they can be hidden or sold is an Ex Parte Seizure under the U.S. Copyright or Trademark Laws.

Counterfeiting in the crafts industry is rampant. Because counterfeit art not only sells for less than the real thing, but is often also inferior in quality, it represents a substantial threat to the reputation of a product as well as to sales.

What You Can Do About Counterfeiting

Federal Copyright and Trademark Laws provide powerful remedies against the counterfeiting and copying of trade names and goods. Of these remedies, one of the most useful is known as Ex Parte Seizure. Ex Parte means "on one side only." In an Ex Parte Seizure, notice of the hearing before the judge is not given to the alleged infringer, and the court hears only from the trademark or copyright owner who is seeking a seizure order. Without giving any notice to the alleged infringer, the court may order that U.S. Marshalls seize the infringing goods.



Unauthorized reproductions of original designs.

Who Can Take Advantage of These Remedies?

In order to be a copyright or trademark owner, it is not necessary that the copyright or trademark be registered. For example, a copyright may exist as soon as something original has been created, even if the creator has not yet filed a copyright registration. The copyright may be registered at any time prior to filing a copyright infringement lawsuit. Persons and businesses who have created original works or names for their businesses should use the Copyright and Trademark Laws which are available to stop the counterfeiting of their goods.

Seeking An Ex Parte Seizure Order

The key to the effectiveness of an Ex Parte Seizure is surprise. If the copyright or trademark violators are forewarned that a seizure will take place, they will have the opportunity to sell or hide the infringing goods. Not only will this weaken the artist's or designer's case by leaving no evidence of the extent of the infringement, but the infringing artwork might resurface, and the artist or designer will be damaged when the counterfeit items are sold.

In order to obtain a court order for an Ex Parte Seizure, it is necessary to obtain a sample of the counterfeit item. If you see counterfeit goods being sold, you should purchase several of the items and on each, write your name, the date of purchase, and where the items were purchased, in order to maintain a chain of custody for the counterfeit items when they are introduced as evidence in court.

A request for an order for an Ex Parte Seizure is made in U.S. District Court (Federal Court). Samples of the counterfeit items and samples of the copyrighted trademarked items must be submitted to the court along with legal papers commencing a lawsuit and requesting an Ex Parte Seizure. To show that a case has merit, the owner must be able to

show that a valid copyright or trademark exists, that the copyright or trademark has been infringed, and that there is a danger that the infringer might hide or move the infringing items.

Generally, the Copyright Laws protect original works of authorship, such as artwork. The Trademark Laws protect the names, symbols, and logos of businesses, goods, and services. Under the Trademark Laws, in order to obtain an Ex Parte Seizure, the counterfeit items must be exact duplicates of the real thing. Under the Copyright Laws, the infringing items only have to be "substantially similar" to the real thing. The court will compare the infringing items with the real items, and if it is convinced that the requirements for a seizure are satisfied, will issue a seizure order.

Carrying Out The Ex Parte Seizure Order

It is important that the seizure order direct that the U.S. Marshall seize all documents relating to the infringing goods as well as the infringing goods themselves. The seizure order should also specify that the attorney and a representative of the owner of the copyright or trademark accompany the U.S. Marshall when the seizure occurs so that infringing items can be identified.

The attorney must make arrangements for the U.S. Marshall to make the seizure, for transportation of the seized items and for storage of the infringing items pursuant to the court's order.

Often the first seizure is made from a retail store or flea market where purchase orders may be available. If documents do not identify the supplier, the owner of the store should be questioned. Once the name and location of that supplier is learned, another Ex Parte Seizure can be carried out at the supplier's premises. This may lead to the manufacturer, where another Ex Parte Seizure may be carried out. It is advisable to secure a promise from the retail seller or wholesale supplier not to tip off

the manufacturer about an impending seizure, so that a seizure can be successfully implemented.

It is important that an Ex Parte Seizure be used only in the proper circumstances and that it be carried out correctly. A trademark or copyright owner who requests an Ex Parte Seizure must post a bond to cover any damages which may occur as a result of an improper seizure. If the seizure turns out to be improper, or if a significant amount of non-infringing goods are seized along with the counterfeit items, the alleged infringer can recover damages for the harm he has suffered.

Protect Your Product and Your Reputation

Both the Copyright and Trademark Laws are designed to protect the legitimate artist, business person, and designer. The laws allowing for Ex Parte Seizure of infringing goods are some of the most powerful tools available in civil law. If owners are alert and can establish that goods are being sold in violation of their copyrights and trademarks, they can halt lost sales and damage to their product's good name, as well as recover damages.

By protecting copyrights and trademarks, all of us in the industry, manufacturer to hobbyist, will profit with lower costs for goods, higher quality of ware, and incentives and protections for creativity.—Ed.

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