



ORIGINALLUXURY

Extract from ORIGINALLUXURY Technology For Transparency
2nd Edition, March 2024

HOFFMAN

AVOCATS À LA COUR

E4S

IMD

Unil
UNIL | Université de Lausanne
HEC Lausanne

EPFL



ORIGINALL

DISCLAIMER: *The content of this document and its associated documents is the sole responsibility of the company they are referring to and do not necessarily reflect the views of ORIGINALLUXURY and its members. This content does not constitute and cannot be relied upon as legal advice of any sort and cannot be considered an exhaustive review of legal or regulatory compliance.*



FORBES (FRANCE), HIVER 2023

PROTECTING A LUXURY BRAND, A MULTIPLE CHALLENGE

In the world of luxury, brands have inestimable value. Whether they are surnames like Dior or Chanel or created ex nihilo, he has to know how to protect them. Me Emmanuelle Hoffman is one of the greatest specialists in France in the sector. The advice she gives in this interview is valuable.

COMMENTS COLLECTED BY YVES DERAÏ

DO LUXURY BRANDS FACE MORE LEGAL PROBLEMS THAN OTHERS?

EMMANUELLE HOFFMAN: Luxury brands do not necessarily face more legal issues than other brands, but they do have specific legal concerns due to the nature of their products or services, their brand image, their level of exposure and of their wide visibility and influence.

They are often targets of counterfeiters because of the value and appeal of their products or services and must be particularly vigilant to protect their intellectual property rights, both their brands and their creations. Thus, legal monitoring or anti-counterfeiting monitoring centers can be developed within luxury groups, or outsourced to consultants specializing in intellectual property law. Luxury brands must also be attentive to their image and reputation because of the expectations, emotions and dreams they arouse. They may, for example, be confronted with legal problems linked to sometimes political positions, or to those of people with whom they associate or who promote their image within the framework of collaborations (cobranding, influencers, models, etc.) . More generally, luxury brands must be exemplary, both in their management and in their production, their distribution channel and even compliance with regulations in force at the risk of immediate repercussions on financial results.

HOW TO PROTECT THE NAME OF A LUXURY BRAND SUSTAINABLY AND EFFECTIVELY?

E.H.: Intellectual property must be seen as an investment and not as an expense. We recommend implementing a suitable protection strategy. Being well advised in advance is absolutely essential. Registering a trademark in China is, for example, less expensive than then trying to recover it through long and costly procedures. The first reflex is naturally to register your trademark by targeting your medium-term projects, to achieve "tailor-made" protection (choice of word sign, logo, choice of territory, choice of registration classes, etc.). Subsequently also to seriously exploit it for the products and services registered, and to renew it regularly. Then, aware of its positioning on the market, a luxury brand must put in place preventive means to defend its rights. This involves raising awareness among its employees and its distribution network, but also through the implementation of monitoring methods to prevent breaches and put an end to them as soon as possible. By defending its rights, it protects its image, its entire network and the trust it maintains with its customers: it thus perpetuates its status as a luxury brand.

ARE THERE COUNTRIES THAT IT IS BETTER TO IGNORE WHEN IT COMES TO NAME PROTECTION?

E.H.: There are no specific countries that can be overlooked when it comes to trademark protection, as the decision depends on many factors, including the target market, business activities, brand objectives, or their business plan. The trademark is a right that is neither everywhere nor for everything. And having an international vision of development is essential to adapt the deposits. The choice of territories is a strategic choice which must be considered between the company and its council.



A strategy studied and implemented for the exploitation of a brand cannot be copied for the development of another, this is also what makes the beauty of the material, the haute couture of law. Intellectual property law requires an artisanal and tailor-made approach.

WHAT DO YOU ADVISE LUXURY BRANDS TO FIGHT AGAINST COUNTERFEITING?

E.H.: To have a “checklist” for each situation. It is naturally impossible to predict or predict precisely the difficulties that will have to be faced by the brand, but it is possible to limit the risks if we know the points of attention to check at each stage. This is one of the objectives of my new book:

*New Worlds, New Rights: On Your Marks!*¹

Emmanuelle Hoffman

Préface Marc Guillaume

NOUVEAUX MONDES, NOUVEAUX DROITS

À vos marques !

La propriété intellectuelle aujourd'hui : points d'attention
Marques, RSE, metavers, IA...

FAUVES
ÉDITIONS

IS THERE INTERNATIONAL COOPERATION ON THE SUBJECT?

E. H.: Counterfeiting is a global problem that requires close collaboration between many players. We can cite for example the World Intellectual Property Organization (WIPO), which is a United Nations agency and which plays a central role in the promotion and protection of intellectual property rights on a global scale, the Organization international criminal police Interpol, or the remarkable work of customs. We can also highlight at the French level the important work that Unifab has been doing for many years. Finally, we ourselves work with an international network of correspondents to collaborate on actions to be taken for the benefit of our clients and act very quickly.

***“REGISTERING A TRADEMARK IN CHINA IS CHEAPER
THAN TRYING TO RECOVER IT LATER.”***

WHAT STRATEGY DO YOU RECOMMEND TO YOUR CLIENTS TO DEFEND THEIR LUXURY BRANDS IN THE METAVERSE?

E.H.: We must be as well protected in the virtual world as in the real world. Technical means are evolving, and the law will adapt. In reality, the same advice applies whether you're in the metaverse or not (with a slight adaptation, of course!). As a precaution, we recommend:

- to protect your brand, including in the metaverse, both to develop there and to act against counterfeiters;
- to develop active surveillance in the metaverse to identify attacks as early as possible;
- to act: reports on platforms, formal notices, and legal action.

KENZO, DIOR, SAINT LAURENT, AMONG OTHER LUXURY ICONS, ARE PATRONYMIC BRANDS. WHAT ARE THE LIMITS OF USING A SURNAME AS A BRAND?

E.H.: Patronymic names face specific problems. Extreme caution must be exercised when deciding whether to post such a sign. Indeed, surname marks are intimately linked to a natural person and to a family history. Registering it as a trademark will make it an intangible asset of the company, and therefore transferable. The brand will be “detached” from the person bearing the name, and in the event of transfer, they will no longer be able to use their name as a brand. Numerous cases of case law are examples of this.

THEREFORE, IN THE WORLD OF LUXURY, IS IT BETTER TO CREATE A BRAND FROM SCRATCH OR USE ITS NAME, IN THE PERSPECTIVE OF ITS SECURITY?

E.H.: Here again, everything is a matter of strategy, especially since we now have to think globally. Legal will always seek to adapt to the company's marketing choices while warning of the risks that may be encountered in either case. We always recommend using prior art searches before any filing to secure exploitation. In the world of luxury, there is often a natural creative person at the origin. The heritage status of its name may be relevant. This allows for a true identification, a personification of the brand which creates authenticity of the brand story. It is also interesting to note that most luxury houses are surnames. The contractual framework when transferring the name to the company will then be essential for the sustainability of the brand. The other solution is to file a sign ex nihilo. But in this case, everything has to be invented. It is a virgin space and significant resources and strategies must be deployed to create a brand image and develop trust.

“WE MUST BE AS WELL PROTECTED IN THE VIRTUAL WORLD AS IN THE REAL WORLD.”

VERY RECENTLY, AT THE REQUEST OF CHANEL, THE COURT OF CASSATION ABANDONED ITS LOGO REPRESENTING THE TWO CS. DID THIS SURPRISE YOU?

E.H.: To tell you the truth, yes, especially with regard to everyone's activities! Chanel is associated with the fashion house while the Court of Cassation is the highest court of the French judicial order, the competitive relationship between the two is far from immediate, except what the Court of Cassation proposes the sale of derivative products bearing its logo... In principle, to compare brands, we apply the so-called “specialty” principle. This means that a trademark registered for example for cosmetic products will only be protected for this sector. Another economic actor could perfectly register the same sign to manufacture cars. We have already seen this between a brand of pens and a brand of dessert cream, for example. There is an exception with famous brands, of which luxury brands can be part. The principle of specialty then ceases to apply and such a brand in view of its “renowned” character can request a ban on the use of signs, whatever the fields. The question we can ask ourselves: how would the judges of the Court of Cassation have ruled if they had been seized of this case?



ORIGINALLUXURY

**Pioneering Transparency Through
Technology in the Luxury Sector**