

# PURSuing COUNTERFEIT PRODUCTS IN AN ONLINE ENVIRONMENT

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INTELLECTUAL PROPERTY  
TECHNOLOGY AND  
COMMERCIAL LAW

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# ONLINE COUNTERFEITING

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- Increased online counterfeiting activity fostered by increasingly sophisticated and user-friendly online marketplaces and payment platforms
  - e.g. Facebook Marketplace, ebay, Amazon
- Counterfeiters are able to reach a wider audience in an online environment
- Retail shop closures amid the COVID-19 pandemic have driven more consumers to online channels

## TRADITIONAL ENFORCEMENT METHODS

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- Letters of demand (copyright and trade mark infringement)
  - Requesting counterfeits be removed from sale and delivered up; and
  - Requesting undertakings regarding future conduct
- Not always appropriate for an online environment due to difficulties posed by:
  - Identifying the seller
  - Seller located outside Australia
  - Fast-moving nature of counterfeit goods
  - Balancing costs and benefits of commencing proceedings

## TAKE-DOWN NOTIFICATION SERVICES

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- Relatively quick and cheap
- Presumptions typically favour the IP rights holder
- Minimal information required (IP right, item listing/URL)

## TYPES OF IP INFRINGEMENT YOU CAN REPORT

	eBay	Gumtree	Etsy	Facebook	Instagram	Google	Amazon	Red Bubble	Alibaba/TaoBao
Copyright	✓	✓	✓	✓	✓	✓	✓	✓	✓
Registered TMs	✓	✓	✓	✓	✓	✓ (Google Ads)	✓ (Project Zero)	✓	✓
Unregistered TMs	✓								
Patents	✓ (Europe)	✓	✓			✓ (Google Play apps)	✓		✓
Designs	✓ (Europe, Asia, Australia and NZ only)						✓		

## TAKE-DOWN NOTIFICATIONS: OTHER CONSIDERATIONS

- Typically no charge by platform to lodge a complaint
- Most platforms allow lawyers/attorneys to lodge a take-down notification on behalf of the rights holder
- Procedures differ between each platform – no universal claim available
- Most platforms require the IP rights holder to proactively monitor further infringements
- May sometimes also need a letter of demand

## TAKE-DOWN NOTIFICATIONS: POTENTIAL ISSUES

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- Do not cover all IP rights, in particular unregistered trade marks
- Do not result in enforceable court orders or injunctions
- Grounds for removal/terminology vary between jurisdictions
- Some providers share complaint with infringer and third parties e.g. Lumen Database (formerly ChillingEffects.org)

# VERIFYING SELLERS: IP AUSTRALIA'S TRUST BADGE

- Recent innovation aimed at reducing sales of counterfeits
- Trial program with NRL
- Trust Badge involves trader applying for a "Smart Trade Mark" which is linked to a seller's website

## The Official Shop of the NRL

As the Official Online Store of the NRL, we can help you keep your match-day kit up-to-date with the latest official teamwear for all the teams in the NRL. We also stock the official teamwear ranges for the State of Origin and the top International Rugby League teams.



A screenshot of the IP Australia Smart Trade Mark verification page. The page header shows the Australian Government IP Australia logo and a "More info" link. The main content states "This website uses IP Australia's Smart Trade Mark." Below this, it displays "Trade mark 2032296" with a "See details" link. The trade mark is the NRL logo. The status is "Registered/protected" (indicated by a green dot) and the owner is "Australian Rugby League Commission Limited". At the bottom, it says "Verified for use on www.nrlshop.com" with a green checkmark.



## KEY TAKEAWAYS

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- Online counterfeits are a growing area, with potential to cause significant financial and reputational damage to a brand.
- Increasingly platform providers are making it easier and more cost-effective to remove counterfeits from online marketplaces through take-down programs
- New innovations such as IP Australia's new Smart Trade Mark program aim to assist customers in verifying that they are buying genuine merchandise.
- It is important to proactively monitor the marketplace for counterfeits, and educate consumers about the importance of confirming they are buying genuine items.