

Intellectual Property

Protecting Intellectual Property Abroad

Some U.S. companies have found that foreign manufacturers have copied their products, packaging, and business plans, even though they had never done business abroad. Any business that exports its IP protected products abroad or sources its products overseas must take into account the potential for IP theft in many countries. For this reason, it is a good idea to get the appropriate forms of IP protection before doing business in another country.

(Sources: STOPfakes.gov)

How does this impact my company?

Copyright piracy, trademark counterfeiting, and patent infringement are significant problems in both domestic and international business communities. IP protection is necessary in almost all industries. In fact, 74% of exports—or \$1 trillion—are driven by U.S. industries that are IP-intensive.

In 2011, the top categories of products that infringed upon intellectual property rights included: pharmaceuticals, health/personal care, eyewear, critical technology components, electronic articles, and transportation/parts.

Research conducted by the U.S. Patent and Trademark Office found that only 15% of small businesses that conduct business overseas know that they need to file for IP protection abroad. Many U.S. small businesses lack the knowledge, expertise, or resources necessary to prevent the theft of their ideas and products. To address this issue, this guide is designed to assist companies with understanding intellectual property rights abroad.

(Sources: STOPfakes.gov; Global Intellectual Property Center; U.S. Customs and Border Protection)

What is Intellectual Property (IP)?

Intellectual Property consists of copyrights, patents, trademarks, and trade secrets.

Copyrights protect the expression of ideas in literary, artistic, musical, and certain other intellectual works.

A **patent** for an invention is the grant of a property right to the inventor.

Trademarks protect words, names, symbols, sounds, or colors that distinguish goods and services and indicate their source.

Trade secrets are confidential information such as a formula, program, method, or process that provides companies with an advantage over competitors.

Why is IP Important?

Intellectual property protection fosters innovation. It encourages businesses and individuals to engage in research and development and allows them to reap the benefits of their inventions.

(Source: STOPfakes.gov)

Protecting Copyrights Abroad

Most countries offer protection to foreign works under certain conditions that have been greatly simplified by international copyright treaties and conventions. If the country in which protection is sought is a party to one of the international copyright conventions, the work generally can be protected by complying with the conditions of that convention. A listing of countries and their involvement with international copyright conventions is available from the [U.S. Copyright Office](#).

Protecting Patents Abroad

Patents are territorial, meaning that one must apply for patent protection in each country where protection is sought. In other words, U.S. patent grants are effective only within the United States, U.S. territories, and U.S. possessions.

The U.S. is a member of the Patent Cooperation Treaty (PCT) which streamlines the process for U.S. inventors and businesses to file for patents in multiple countries. **By filing one patent application with the U.S. Patent and Trademark Office (USPTO), U.S. applicants can also seek protection in up to 146 countries.** For information about filing an international patent application under the PCT, visit the [USPTO website](#).

For information on how to apply for individual patents in a foreign country, contact the intellectual property office in that country directly. A list of contact information for most intellectual property offices worldwide can be found in the [World Intellectual Property Organization's Directory of Intellectual Property Offices](#).

Protecting Trademarks Abroad

Trademarks are also territorial and must be filed in each country where protection is sought. Although the U.S. does not require registration of trademarks, most other countries do require registration.

If you are a qualified owner of a trademark application pending before the U.S. Patent and Trademark Office (USPTO), or of a registration issued by the USPTO, you may seek registration in any of the 108 countries that have joined the Madrid Protocol. This is done by filing a single application, called an "international application," with the International Bureau of the World Property Intellectual Organization (WIPO), through the USPTO. For more information, visit the [USPTO website](#).

To file with a specific country, contact the trademark office in that country directly. A list of intellectual property offices worldwide can be found in the [World Intellectual Property Organization's Directory of Intellectual Property Offices](#).

(Sources: [STOPfakes.gov](#); U.S. Copyright Office)

Protecting Trade Secrets Abroad

Trade secrets must be protected and disclosed on a "need-to-know" basis because corporate espionage is prevalent. There may be cases when it is advisable to forego patent protection to safeguard sensitive information that could be exposed (published) in the patent process. It is also important to protect trade secrets through appropriate confidentiality provisions in employment, licensing, marketing, financing, distribution, and joint venture agreements. By failing to address these terms upfront, foreign partners could gain a legal foothold in the market, pre-empting your company's ability to profit from its intellectual property.

Tips for Exporters

Some basic steps that small companies can take to protect Intellectual Property Rights (IPR) include:

- Working with legal counsel to develop an overall IPR protection strategy
- Developing detailed IPR language for licensing and subcontracting contracts
- Conducting due diligence of potential foreign partners
- Recording their U.S.-registered trademarks and copyrights with U.S. Customs and Border Protection
- Securing and registering patents, trademarks, and copyrights in key foreign markets, including defensively in countries where IPR violations are common

(Source: U.S. Patent and Trademark Office)

Country-Specific Resources

The U.S. Government's online IPR resource, [STOPfakes.gov](https://stopfakes.gov), provides country toolkits with information on protecting and enforcing IPR in specific markets. To access the country toolkits, visit [STOPfakes.gov](https://stopfakes.gov).

The World Intellectual Property Organization (WIPO) offers contact information for local IP offices, a repository of domestic IP laws, and treaty membership information for each country. To access the WIPO directory, [click here](#).

(Source: [STOPfakes.gov](https://stopfakes.gov))

Virginia Economic Development Partnership - International Trade offers a number of export-related services to Virginia businesses, including trade missions and market research by our Global Network of in-country consultants. These services are available to all Virginia exporters.

For more information, please visit our website, ExportVirginia.org.

Additional Resources

Online Intellectual Property Training Module

STOPfakes.gov

IP Awareness Assessment Tool

STOPfakes.gov

Intellectual Property Webinar Series

STOPfakes.gov

Intellectual Property Explorer Asia Pacific Economic Co-operation (APEC)

[Intellectual Property Explorer](https://IntellectualPropertyExplorer.org)

Private Sector IPR Resources

STOPfakes.gov

[WTO Agreement on Trade-Related Aspects of Intellectual Property Rights \(TRIPS\)](https://WTO.org)

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