

## 10 Customs Best Practices for This Holiday Season Santa Doesn't Rely on Customs, but Companies (and Counterfeiters) Do



Protecting intellectual property (IP) is a core consideration for most businesses, and protection takes many forms, including trademark protection for brands and copyright protection for assets ranging from entertainment (songs, books, and movies) to software code. Savvy businesses invest in trademark and copyright registrations, yet some business enterprises overlook a key aspect of IP protection: Customs.

Increasingly, manufactured goods are made outside of the United States and shipped into U.S. ports. The rise in foreign-manufactured goods has increased the value and importance of a strong U.S. Customs portfolio. In this installment of "Perkins Coie Wrapping Papers," we outline 10 best practices for Customs portfolios in anticipation of the 2015 holiday shopping season.

**1. Record Your Trademark and Copyright Registrations.** Trademarks registered before the United States Patent and Trademark Office covering any Class of goods are eligible for recordation with U.S. Customs. Service mark registrations are not eligible, since the Customs process focuses on tangible goods. The recordation process is short, inexpensive (\$190 per Class, plus modest attorneys' fees), and alerts U.S. Customs officials to your brands and products. U.S. Customs generally will not seize and destroy counterfeit goods if the brand owner has not previously recorded its trademark, even in instances where goods are detained for further inspection. Ideally, Customs recordations will be initiated soon after your trademark registration issues, but recordation can be requested at any time. Further information regarding the U.S. Customs recordation process for trademarks can be accessed [here](#).

Copyright registrations issued by the United States Copyright Office are also eligible for recordation with U.S. Customs through a similarly short and inexpensive process (\$190 per registration, plus modest attorneys' fees).

**2. Provide Training Tools to U.S. Customs.** After recording your trademarks and copyrights, it is a good idea to provide U.S. Customs with additional information concerning your IP and goods. In fact, U.S. Customs encourages IP owners to provide product identification guides to assist field agents who make infringement determinations. These guides should provide detailed information about your products, including details that are characteristic of genuine goods. If counterfeit goods have already been located, photographs comparing genuine goods to fake goods are encouraged. When warranted, product training sessions are also encouraged to facilitate a direct conversation between the IP owner and U.S. Customs officials. Both training mechanisms are centralized for access by officials at U.S. ports around the country.

**3. Monitor Customs Activity.** IP owners can assist U.S. Customs officials with identifying potential targets by independently monitoring U.S. Customs activities to identify potential bad actors, whether by name (known infringers) or by brand (monitoring for suspicious shipments bearing your mark(s)) or by both. Perkins Coie regularly assists clients with monitoring U.S. Customs activity through a subscription-based Customs database that provides detailed information from shipping manifests. This information can then be used to help target enforcement efforts against infringers.

**4. File eAllegations.** U.S. Customs encourages IP owners to file infringement allegations concerning goods suspected or known to be shipped into U.S. ports in order to assist U.S. Customs officials with identifying infringing merchandise. Through U.S. Customs' online eAllegation process, IP owners can advise U.S. Customs officials of specific infringers known or suspected to be importing counterfeit goods.

**5. Raise Safety Concerns Immediately.** Imports that pose a potential threat to public health and safety receive special attention and should be reported to U.S. Customs through its 1-800-BE-ALERT telephone hotline. If IP owners learn of counterfeit products that pose a threat to health and/or safety, U.S. Customs would like to be informed as soon as possible. Health and safety risks include counterfeit prescriptions, fire and explosion risks from counterfeit electronics, and counterfeit safety equipment with fatal defects, such as air bags or brakes.

**6. Enlist the United States International Trade Commission's Assistance.** At times, a counterfeiting problem becomes an epidemic and/or involves an IP owner's patented rights. In those circumstances, enlisting assistance from the United States International Trade Commission (ITC) pursuant to Section 337 of the Tariff Act of 1930 (19 U.S.C. § 1337) can be valuable. Under Section 337, the ITC has the ability to investigate and, if warranted, issue a General Exclusion Order barring all imports of infringing merchandise (as opposed to an order against specific manufacturers, importers, or consignees). Most Section 337 investigations involve patent or trademark infringement allegations.

**7. Be Consistent.** IP owners can assist U.S. Customs officials with identifying potential counterfeit merchandise by being consistent with their own products, packaging, and shipping practices. As part of the recordation and training efforts described above, U.S. Customs will ask about third parties authorized to use, manufacture, ship, and receive IP goods, as well as common shipping ports and patterns. When these aspects of your global production and shipping process are standardized, U.S. Customs officials are often able to pinpoint potential counterfeit goods based on high-level information, such as unusual shipping ports and/or consignee names.

**8. Provide Timely Updates.** In the course of diligently policing IP rights, genuine shipments can occasionally be detained for further inspection. To help avoid unnecessary delays of your merchandise, it is important that IP owners provide timely updates to U.S. Customs when there are critical changes to any details included in your original recordations. For example, U.S. Customs should always have current contact information for your Customs recordation portfolio and a current list of parties authorized to use your IP and/or receive your goods. As manufacturing and distribution partners change, it is important to remove any prior business affiliates from your Customs recordations. A best practice is to review your Customs portfolio at least annually and provide timely updates to U.S. Customs officials as significant changes arise.

**9. Think Global.** Customs recordations are not limited to the United States. If your IP rights extend to other borders (factoring in your manufacturing, distribution and sales markets), it is also beneficial to consider foreign Customs recordations.

**10. Renew Your Recordations.** Customs recordations require renewals at varying intervals. Currently, U.S. Customs recordations for trademarks are valid through the next renewal deadline for the trademark registration, and can be filed up to 3 months afterwards. U.S. Customs recordations for copyrights are valid for 20 years or until the copyright expires (if earlier), and can be renewed for subsequent periods of up to 20 years each, as long as the copyright registration remains valid. Renewals currently cost \$80 per Class for trademarks and \$80 per registration for copyrights.

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