

## MEXICO

## FLPIP strengthens action against trademark infringement

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**O**n November 5 2020, the Federal Law for the Protection of Industrial Property (FLPIP) entered into force in Mexico, and along with it, came significant changes regarding trademark/domain name infringement actions, particularly those related to trademark violations in the digital environment.

In the superseded Mexican Industrial Property Law, there were no specific provisions entitling complainants to attack the inclusion of identical or confusingly similar trademarks on domain names. The alternatives to combat these practices were to generically claim the unauthorised use of an identical or confusingly similar mark (having the big issue of questioning the existence of the trademark use) and to make a claim that it breaches the unfair competition acts.

It remains possible to combat cybersquatting practices through dispute resolution administrative procedures before service providers accredited by the Internet Corporation for Assigned Names and Numbers (ICANN), via the uniform domain-name dispute-resolution policy (UDRP), the local dispute resolution policy (LDRP) and the uniform rapid suspension (URS) proceedings.

On the other hand, according to the superseded law, it was not possible to attribute any type of responsibility on infringement proceedings to registrars and host entities, being the case that vicarious, contributory and inducement liabilities are not regulated in the Mexican legal framework. These entities and

internet service providers (ISPs) were part of infringement proceedings only as third parties subject to blocking injunction orders imposed by the Mexican Patent and Trademark Office (IMPI).

However, according to the FLPIP, the following actions are now considered as infringing activities:

- Using a registered or a confusingly similar trademark, without the consent of its owner, as an element of a domain name or vice versa, provided that the said names are related to establishments that operate with the products or services protected by the trademark; and
- Using a registered or a confusingly similar trademark as a domain name or a parts of these, of a natural or legal person whose activity is the production, importation or commercialisation of goods or services identical or similar to those to which the registered trademark is applied, without the written consent of the owner of the trademark registration or of the person entitled to do so.

It is worth mentioning that the new law introduces a wider definition of what is understood as 'use' in connection with infringement actions. This has grown to include: manufacturing, producing, imitating, storing, distributing, importing, exporting, offering for sale, selling, transporting, and putting into circulation, among other activities.

Therefore, in view of the changes, it can be concluded that the inclusion of a trademark that is identical or confusingly similar to a registered one on a domain name, constitutes a trademark violation in the event that the domain name is linked to a website applied to the same or similar goods or services in the market.

Such a violation constitutes a trademark infringement regardless of the existence or not of a transgression to the main trademark functions (distinctiveness, advertisement,

quality indicator) as it has been concluded in other jurisdictions such as Spain.

Likewise, in view of the new definition of 'use' contained in the law, registrars and host entities could be considered as direct infringers, being the case that the activities consisting in storing, distributing and offering for sale 'infringing domain names' constitute trademark use without any type of distinction or liability exemption.

It is laudable that Mexican lawmakers have tried to strengthen trademark protection in the digital environment. However, it can be argued that such efforts were not correctly materialised into the law, and as a result, there may be unlawful consequences that will be generated such as the sanctioning of intermediaries, as if they were direct infringers without considering liability exemptions. Moreover, it can be argued that these types of controversies should not pertain specifically to the trademark side but rather to issues regarding unfair competition.

It will be interesting to see how the IMPI and civil courts interpret these new provisions contained in the FLPIP and their consequences.