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What Trademark Filing Trends Reveal About Expected Brand Growth – and What it Means for Your Global Brand Protection Strategy

By Monica Riva Talley

The [2013 Trademark Report by Thomson Compumark](#) provides an overview of trademark activity across 186 countries, including the most active product and services Classes and a revealing by-market breakdown that examines filing trends worldwide.

The statistics reveal a major shift by multinational brand owners towards emerging markets, as evidenced by the change from 2012 to 2013 in the composition of the top 10 countries with the most published trademarks. The 2013 list is led by China, and top-ten stalwarts the United Kingdom, Germany, and Canada were replaced this year by India, Mexico, and Taiwan for number of trademarks published. Also noteworthy, in 2013 the largest increase in published trademarks was seen in Brazil, with 53 percent growth over 2012. From 2012 to 2013, large growth was also seen in South Korea at 23 percent and in Turkey at 18 percent.

The statistics highlight a shift toward investment in developing markets. If the statistics cited in the report are not compelling enough on their own, Thomson notes that many of the world's largest retail brands, including Wal-Mart in the U.S. and the U.K.'s Tesco, saw their revenues grow 25 times faster in developing economies than in their own home countries.

The statistics may also highlight a growing awareness of the toll counterfeiting inflicts on the bottom line. Timely registration of key marks in developing markets is an important first step in stemming the flow of counterfeit products manufactured abroad.

Top Five Trademark Classes Reveal Marketing Trends

The top five Classes of published trademarks across all countries are:

- Class 35 -- advertising and business management;
- Class 9 -- data processing equipment and computers;
- Class 25 -- clothing, footwear, and headgear;
- Class 41 -- education, entertainment, sports, and culture; and
- Class 5 -- pharmaceutical and veterinary preparations.

Business and Promotional Services – Class 35

With a total of 443,965 marks publishing, Class 35 was by far the most published Class in 2013. This statistic perhaps illustrates the ease with which certain business services, such as business consulting and advertising and promotional services, can travel cross borders. Countries that showed an increase in published marks in Class 35 include Turkey and Brazil, while Class 35 filings declined in the United States, France, and China.

Data Processing Equipment and Computers – Class 9

With a distant second place finish at 283,080 published marks in 2013, Class 9 still ranks high on the list – not unexpectedly given the omnipresence of computers, PDAs, software, and mobile apps. Also of note, in 2013 South Korea replaced Germany in the top 5 registries for Class 9 published trademarks. South Korea has continued to see growth due to technological innovation in the country.

Clothing – Class 25

281,018 marks were published worldwide in the area of clothing, footwear, and headgear in 2013. China's dominance in the apparel industry as well as the growth of the fashion industry in Brazil help explain why together these two countries make up nearly 70% of trademarks published for this class. From 2012 to 2013, Brazil replaced Japan among the top 5 registries for apparel trademarks.

Education and Entertainment – Class 41

Trademarks published in education and entertainment saw a decrease in China, France, and the United States in 2013, but grew in Turkey and Brazil. Turkey replaced Germany among the top 5 registries for this class of trademark. Overall, there were 275,100 published trademarks relating to education, providing of training, and sporting and entertainment activities in 2013.

Pharmaceuticals – Class 5

Finally, marks for pharmaceutical and veterinary preparations reached 199,555 for 2013. While the activity in China and the United States remained constant, Japan and Brazil replaced France and Turkey among the top five. Brazil has seen an increase in activity due to the presence of multinational pharmaceutical companies and the government's campaign against poverty.

Emerging Markets – Opportunity and Risks

Analysts estimate that within a decade, today's emerging markets will constitute 50% of the world's total consumption of products and services. Given the tremendous opportunity presented by these under-exploited consumer populations, much of the expansion in trademark publishing comes from multinational firms seeking to enter these markets.

On the flip side, some of the increase in filing is likely attributed to bad actors, such as trademark squatters who look to hijack brands in first-to-file jurisdictions. The increase may also be attributed to the necessity of filing for broad brand coverage to protect against counterfeiters eager to exploit the cache of established brands. As corporations continue targeting emerging markets and competition increases, timely and comprehensive brand protection will continue to be an important aspect of success in emerging economies.

About the Author

Monica Riva Talley heads Sterne Kessler's **Trademark, Advertising, and Anti-Counterfeiting Practice**. For more than 17 years she has specialized in strategic trademark counseling and portfolio management, developing anti-counterfeiting solutions and strategies, and trademark enforcement. Ranked as one of the leading trademark prosecution and strategy attorneys in Washington, DC, Ms. Talley is particularly noted for her global brand protection and commercialization strategies, and is lauded by clients for utilizing "her broad IP savvy to procure fantastic short and long-term results" (*World Trademark Review 1000*, 2012-2014).

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