

INTA Bulletin

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Don't Be Blindsided by Business Transactions

In response to member interest, INTA is hosting a series of pre-recorded webcasts beginning this year covering a wide variety of mid- to advanced-level topics that trademark practitioners encounter in business transactions. The series was developed and organized by a Project Team led by Brian Daniel (Charles River Associates, USA), a member of the Leadership Programming Subcommittee of the Leadership Development Committee. Mr. Daniel spoke with the *INTA Bulletin* about some of the common problems that arise around trademarks in the course of business transactions and why INTA members should not miss this unique series.

What prompted this series?

We began thinking about this in 2016 in response to a lot of interest in the subject. These are topics that have been covered every so often at an Annual Meeting or Leadership Meeting and have been well received. In 2012, INTA held a **Trademarks in Transactions** conference in Chicago, Illinois, that addressed similar topics, and it was very well attended, so we were interested in revisiting these topics in a different format. This webcast series will allow us to cover more topics over a longer period of time.



Brian Daniel, Charles River Associates (USA)

Why is it important for trademark practitioners to know about transactional matters?

When there's a transaction involving trademarks in your organization, it's generally a very visible activity. It's often high profile and important for the strategy and the business success of the company that it gets executed properly. There are a lot of complex issues that come up in dealing with these types of transactions, which include M&A, licensing agreements, divestitures, acquisitions, and more. For some practitioners, they may only be dealing with these kinds of matters very infrequently. The idea behind the series was to give participants an overview of the types of issues they'll encounter, what questions to ask, practical solutions, ways to avoid problems, and lessons to be learned from people who have experience with these issues. If you know what to expect ahead of time, you can plan better and organize your team in a way to be more efficient and effective.

What kinds of topics will you address?

There will be seven webcasts covering a range of topics (see box). For instance, listeners will learn about things like the due diligence process: What's a checklist of things to do in a transaction? What order should you do them in? To whom should the tasks be assigned? Among other topics, participants will learn about quality control in licensing agreements, how to deal with disputes, and how to negotiate particular clauses in agreements. These are all examples of issues our speakers will address during the sessions so that even if someone hasn't had firsthand experience, they'll get the benefit of hearing from people who have.

What are some of the most common mistakes made in these types of transactions?

There are a lot of things that can go wrong. First, it's important to communicate across the different groups within your organization. You have to make sure the business people are talking with your in-house trademark and legal teams and corresponding with your outside counsel and tax team. If you have subsidiaries or affiliates that control rights or licenses, make sure you have everyone on the same page so there are no surprises. Sometimes in an M&A deal, for instance, the

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organizational structure could be complex. IP rights may not all be owned by one company—there could be foreign affiliates or holding companies. One key is to make sure you create an effective team to manage the transaction and that you have stakeholders from the various departments within the organization so that you're not working in a silo or vacuum. That goes a long way to identifying the proper issues and avoiding problems that could arise because you're not familiar with the intricacies of laws in another country, for example.

Each of these sessions will bring up examples where something did go wrong and what can be done proactively to avoid problems. We're trying to make this series a resource for the trademark practitioners so that when an issue comes up, they can say, "Let me go back and look at that session and the course materials."

What do you hope listeners take away from these webcasts?

My expectation is that people will come away with a better understanding of the issues they're going to face when they're involved in these types of transactions and that they will have more confidence in how they're going to undertake those assignments. For the more experienced practitioners, it's an opportunity to hear about some recent developments in the area and some continued best practices. The regulatory environment is constantly

changing and the litigation environment is constantly evolving, so even though you may have taken some classes ten years ago, that environment may look very different than it does today.

The series will be available for purchase at learning.inta.org in December.

Business Transactions Webcast Series

Here are some highlights of the scheduled webcasts. The series will be available for purchase at learning.inta.org in December.

Trademarks in Business Transactions: Behind Closed Doors and Getting the Deal Done

- Practical tips on getting the deal done, sharing experiences from behind the closed doors of trademark transactions
- Key tools and strategies for managing transactions where trademarks and brands are the key assets
- Pointers on developing a tailored plan for your transaction

Overview of Corporate Transactions and Due Diligence

- Due diligence tips and tricks from both buyer and seller perspectives
- Share sale vs. asset sale, points to watch
- Defining the scope of due diligence at the outset

Mergers, Acquisitions, and Divestitures: Managing Domain Names and Social Media Accounts in Transactions

A discussion of best practices in performing domain due diligence:

- Considerations in valuing domain names
- Purpose of and intro to due diligence
- Common issues and considerations involved in reviewing/investigating a domain portfolio

A discussion of best practices in performing social media due diligence:

- What social media assets, agreements, and policies form part of any transaction
- How to define and pass social media assets from one party to another
- Addressing third-party rights in social media assets

Economic Aspects of TM Transactions: Valuation, Taxes, and Financial Planning

- Examples and highlights from recent transfer pricing cases, as well as legislation that impacts IP ownership and the protection of IP, to illustrate the importance of minimizing risk through proper management of trademarks and IP assets in a dynamic regulatory environment
- Overview of valuation and transfer pricing, including reasons for trademark valuations, appraisal methodologies, and the distinction between legal and economic ownership
- International tax developments, including base erosion and profit shifting (BEPS) developments, EU developments, and issues relevant to specific countries

Social Media Bloggers and Influencers

- Statistics on advertising spend on social media
- Use of influencers by advertisers
- FTC enforcement guides
- Overview of recent regulatory actions

The Project Team

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Although every effort has been made to verify the accuracy of items in the *INTA Bulletin*, readers are urged to check independently on matters of specific concern or interest.

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