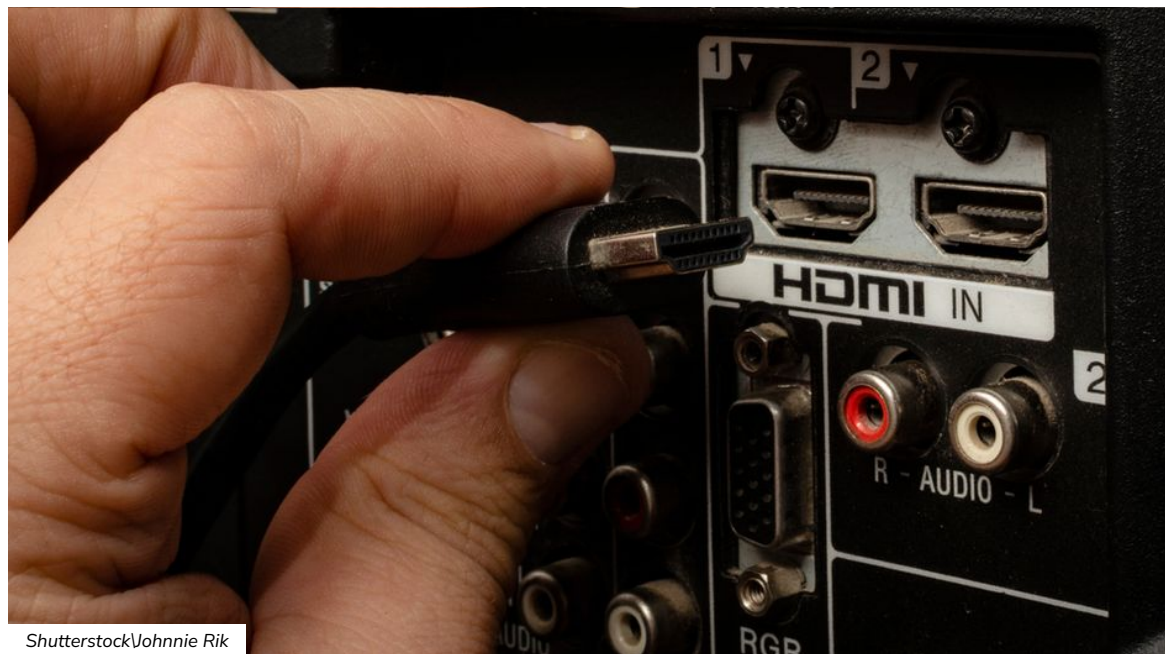




How HDMI LA approaches brand protection, and boosts revenues through its efforts

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- HDMI LA team expands on global and online brand protection approach
- Alongside takedowns, unintentional infringers become business leads
- Third-party vendor VantageBP assists in effort, works with HDMI LA to identify sellers

HDMI Licensing Administrator Inc (HDMI LA), whose products work with consumer electronics available worldwide, has made significant recent gains against misuse of its trademarks both online and in the physical world. In an exclusive interview with WTR, leaders from the licensing and trademark teams explain the secrets behind their success.

The High-Definition Multimedia Interface (HDMI) technology's connections are must-have features in TVs, but are also prevalent in computers and game consoles and gaining traction in newer use cases like medical, military, aerospace and industrial applications. The company is the de facto standard for and synonymous with high-definition video and audio in consumer electronics products, such as set top boxes or gaming consoles like Xbox. The company's trademark and logo, which appear on branded electronics products, represent the performance and compatibility of the product with HDMI LA's licensed products (HDMI, HDMI HIGH-DEFINITION MULTIMEDIA INTERFACE and the HDMI logo all being trademarks of the company).

With success comes infringement and HDMI LA has been forced to take stronger action in recent years following a rise in infringing products being sold, particularly online. Crucially, not all of this misuse is wilful – some companies may not know they need to obtain a licence to use its marks

"We are a technology on another branded product. For us, it's a little more difficult because we're actually not going after the product, we are directly going after our trademark that's on that product," says Trudi Bordi, VP of licensing at HDMI LA. "Everyone in our supply chain should be licenced and the reason for that is to make sure that all of the products at every stage of the manufacturing base have tested for compliance to ensure backwards capability."

Tested and untested products may not be compatible, or products made by unlicensed companies may work a few times and then stop working. By contrast, HDMI LA has an extensive verification process. If a company has a licence with HDMI LA, they must go to an authorised test centre, which can run all the tests from the certification test specification. It can't, however, give a pass unless the company is a licensee.

Inevitably, though, in some cases infringers have managed to obtain the vaunted HDMI specification – sometimes from a

licensed adopter. "People share things that they're not supposed to," Bordi explains. "Our specification is our secret sauce. It basically tells somebody how to take your product and make it work with whatever you're trying to make."

The vast majority of HDMI LA's licensed adopters likely do not have leakage because it's easy for them to comply with their licence agreement, she says. But there are some companies that balk at paying royalties or annual fees, and in some cases may terminate their contract but continue to manufacture. "That's where you see a lot of your infringing companies," Bordi observes.

An international effort

One way of fighting this is the continual updating of the specification (which is handled by the HDMI Forum), leaving unlicensed companies with an out-of-date specification.

When a company puts the HDMI trademark – whether the word mark or the HDMI stylised logo – on a product, that confirms it is licensed and the company is standing behind it. A new port logo, which is actually the shape of the port itself, is going through the application process for trade dress protection. That, along with the shape of the cable plug, will allow it to block infringing companies that are truncating or omitting the HDMI trademark and just using a cable in the same shape.

"There's no other cable that looks like it, but we can't do anything about it [right now]. We can't get it taken down offline because they purposely do not use any of our trademarks anywhere," observes Stacey-Lee Messam, trademark compliance manager at HDMI LA.

To lead its efforts, HDMI LA has an enforcement and compliance team overseas which pulls in third party investigators/partners and outside counsel. This, combined with the licensing team plus a royalty and audit team, is made up of 14 people.

That team goes after terminated companies and tries to bring them back into compliance. Much of the product manufacturing takes place in Asia and especially China, so they will use their Asia or China team specifically to investigate companies in those regions. This includes online searches, test purchase, physical investigations, and after compiling all of the information, where infringement occurs they look to take real world action – asking the market service authority (MSA) or local authority to raid the factory, detain and potentially seize the product. If the MSA finds it is an infringement case they will issue a penalty decision, and HDMI LA may lodge a civil claim in a China court. HDMI LA has done so in the past and has been successful in such actions.

Another part of the enforcement teams does customs training, especially in the United States with Customs and Border Patrol, to teach them how to spot infringing products. The bill of lading for shipments often shows the manufacturer name and customer name, and can be checked to determine if they are licensed or not – making customs a key ally.

Teaming up with VantageBP

The online world has also become a focus, with infringing products inevitably offered to consumers via digital channels. To counter this, HDMI LA teamed up with service provider VantageBP.

VantageBP scans and detects infringing product listings across more than 160 online marketplaces, social media platforms, third party websites, app stores and search. Michelle Bonadonna, director of sales and account management at VantageBP, explains that they also treat Chinese marketplaces separately from international ones as they tend to have a higher threat risk for the majority of their clients.

Crucially for HDMI LA, however, the company uses technology such as crawlers and a step-by-step series of notices and documentation requests to find not only bad actors but also 'users who have not obtained or renewed a licence but are not intentionally infringing.

"They don't just go, 'Okay, you say they're infringing, we're going to go ahead and report it to be taken down, and then two days later we're putting it back up,'" says Messam. "When they say to take it down, the odds are they have done their due diligence. That's a huge difference for us."

VantageBP's approach is to message sellers on standard marketplaces, requesting that they identify themselves and provide an invoice for the merchandise they are listing for sale. With HDMI listings, they request both a commercial invoice and an authorised test centre certificate. They give the poster three days to respond, and if no response is received they send a second, similar notice - this time stating if there is no reply in three days they begin working to remove them from the marketplace.

If it is clearly a counterfeit item, VantageBP goes straight to enforcement submitting the trademark information the brand has registered directly to the marketplace to remove the listings, says Bonadonna.

Vantage runs automated "discovery scans" weekly for every listing of every seller in a marketplace that references the brand or keywords or other identifiers. This will show if a removed listing has resurfaced.

This multi-pronged approach has been a financial boon for HDMI LA, Bordi concludes: "As far as a return for us, we're seeing

more companies now becoming licensed. We're seeing a lot of companies come down but a small portion are now actually becoming licensed and doing the right thing."

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