

## Trademark Solicitation Scams

Authors: [Joshua I. Rudawitz](#) & [Patrick J. Concannon, Nutter](#)

Last month the United States Patent and Trademark Office (“the Office”) announced its cooperation in a Department of Justice investigation into a trademark scam perpetrated by two California men that defrauded about 4,446 people of \$1.66 million. Trademark scams have been steadily on the rise over the past few years, which we have previously written about here. The current investigation resulted in the arrest of Artashes Darbinyan and Orbel Hakobyan, both of Glendale, CA, and their guilty pleas to charges of mail fraud and money laundering.

These two individuals admitted to running their scam through companies called “Trademark Compliance Center” and “Trademark Compliance Office.” In exchange for a fee of \$385, these companies promised to monitor and report newly-filed marks that possibly infringe their customer’s mark, and also to record the customer’s trademark registration with U.S. Customs and Border Protection. These businesses pocketed the fees but never actually performed the monitoring services for their customers; nor did they record any registrations with customs authorities. The elaborate hoax involved using the identities of other people to open virtual offices in the Washington, D.C. area and to open bank accounts for purposes of laundering the scam proceeds, among other fraudulent acts.

The scam described above was an outright fraud. There are many other solicitations triggered by U.S. trademark filings or registration issuance that might offer legitimate services and not be outright frauds, but are misleading. They might appear to the unsophisticated eye to be generated by the Office or some other “official” government agency. The misleading solicitations can offer registration or renewals for fees much lower (or even in some cases higher) than the market rates for such services. However, the factual review and legal analysis required in the course of prosecuting a trademark application or maintaining a trademark registration is more nuanced than it might appear on the surface. While an applicant or registrant might save money in the short term by engaging the senders of unsolicited offers, the results of the below-market services might cost significantly more than the initial savings to remedy, assuming that the potential mishandling of application prosecution or registration maintenance can be “fixed” at all.

Moreover, there are other types of misleading solicitations, typically triggered by European Union trademark registration issuance, that at significant cost offer to list trademark registrations in published trademark directories with official-sounding names. Such listings provide no protection or value whatsoever.

The Office has taken a number of steps to aid in protecting U.S. trademark applicants and registrants. First, as part each Office Action, the Office urges the applicant to review each document that it receives to ensure that the applicant is responding to official Office documents and not misleading documents from a private company. This warning includes a link to the Non-USPTO Solicitations page that provides additional information. Second, the Office includes a similar warning printed on bright orange paper along with registration certificates. Third, the Office provides online resources for owners and applicants that believe they are being targeted by a scam, including information relating to the status of an application or registration. On the aforementioned Non-USPTO Solicitations page, the Office provides a constantly updated list of fraudulent entities. Further, the Office encourages parties to email copies of any questionable notices, as well as the envelope it came in, to [TMFeedback@uspto.gov](mailto:TMFeedback@uspto.gov) for review by the Office.

Should you receive any unsolicited communication regarding your intellectual property, including trademarks, we recommend that you share it with trusted counsel.