

STARBUCKS:

Actions due to unauthorized use of the trademark FRAPPUCCINO.

Backgrounds

In the 90's STARBUCKS made the first move to protect its trademarks in Uruguay by registering them.

The first applications for registration were for the trademarks STARBUCKS (mixed and word) and FRAPPUCCINO (word).

In the process of registering the trademark FRAPPUCCINO Starbucks dealt with two previous registrations:

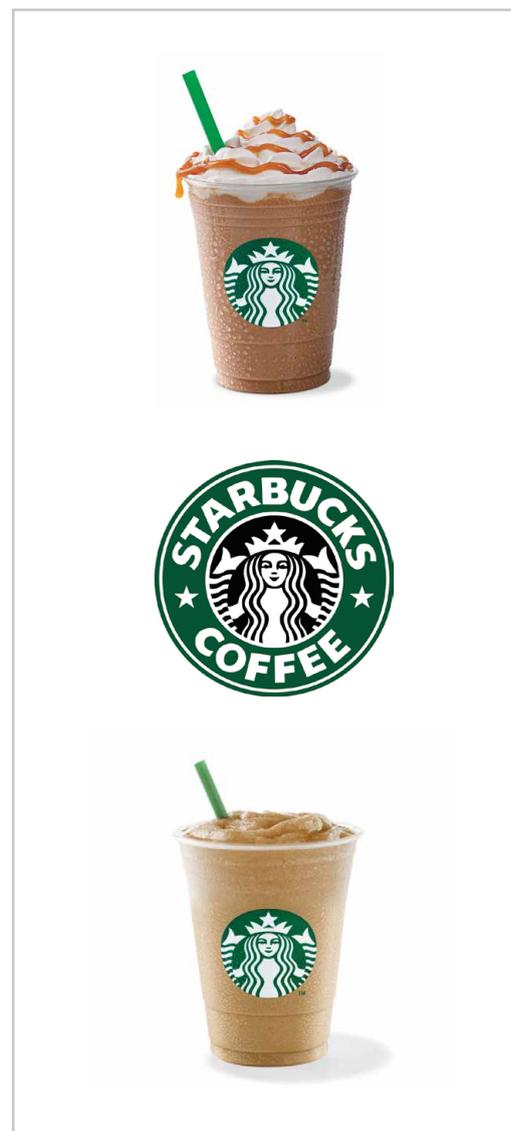
- ▶ Identical trademark FRAPPUCCINO (word), in class 30, registered by an Uruguayan owner.
- ▶ PUCCINO trademark (word), in class 30, registered by the company Melitta, from Germany.

Evidently, the referred trademark FRAPPUCCINO, which emerged as background, represented an attempt of bad faith registration, since the trademark FRAPPUCCINO is a fantasy creation of Starbucks and, by the time of application for registration, it was already a well-known trademark associated with Starbucks.

Regarding the PUCCINO trademark, in several administrative instances it was understood that the trademarks PUCCINO and FRAPPUCCINO may not coexist peacefully given the phonetic similarities; however, Starbucks successfully defended its trademark, proving that it is fully distinctive. Today both trademarks coexist registered in class 30.

FRAPPUCCINO is a trademark of STARBUCKS CORPORATION which identifies a cold drink based on coffee, mixed

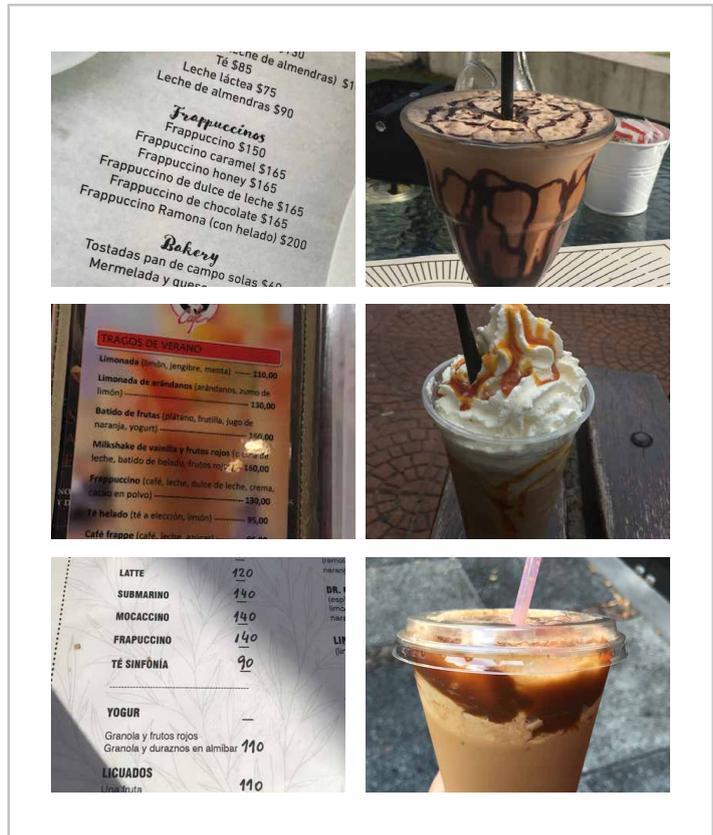
Client	STARBUCKS CORPORATION
Trademark	Frappuccino



with ice and other ingredients, which can be milk, whipped cream or others. Etymologically FRAPPUCCINO has its origin in the combination of the words “frappé” and “cappuccino”.

The trademark “FRAPPUCCINO” is registered by STARBUCKS CORPORATION in the majority of the countries of the world.

The success of the trademark FRAPPUCCINO determined that Starbucks decided to extend its registration protection and today, in Uruguay, the registration of the trademark FRAPPUCCINO protects not only the products in class 30, but also products and services included, among others, in classes 18, 25, 29, 32, 35, 43.



Infringement identification

After having detected the unauthorized use of its trademark, STARBUCKS CORPORATION arranged for an intensive search to be carried out in the local market in order to locate those who were marketing or even offering on their menus products under the term “Frappuccino” or similar: “Frapucino”, “Frapuchino”, “Frapuccino”, etc.

The market study was based on information available from social networks such as Facebook and Instagram and web pages, as well as from formal establishments located in different cities throughout Uruguay.

As a result of this market study, a number of cafeterias located in Montevideo were identified as offering “FRAPPUCCINO” products and were using the term on their menu without authorization.

There were also formal establishments located in Punta Del Este, in the most important commercial area, offering products of the registered trademark, property of STARBUCKS CORPORATION.

Simultaneously, there were found several stores that, while not offering



products identified with the trademark FRAPPUCCINO in their commercial premises , they did so on their websites or social networks.

Extrajudicial actions

In view of this situation, out-of-court actions were taken requesting at each of the locations the cease in the use of the trademark and the cease in the commercialization of products that infringed the intellectual property rights of STARBUCKS CORPORATION.

It is important to highlight that each commercial establishment will be able to continue commercializing this cold beverage, but under a different term than the one registered by STARBUCKS CORPORATION.

The out of court actions procedure was well received by those responsible for the infringing businesses. Currently, there are no formal stores that commercialize products called FRAPPUCCINO or similar in Uruguay, in violation of STARBUCKS CORPORATION's rights.

Conclusions

Starbucks was diligent in protecting its trademark both at the registration level and at preventing its use by unauthorized third parties.

FRAPPUCCINO is a product chosen by the consumer public of Uruguay and both consumers and traders in this area recognize that FRAPPUCCINO is a trademark owned by STARBUCKS CORPORATION.

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