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## Counterfeits Got You Down? An Ex Parte (Seizure) Might Cheer You Up!

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If trademark infringement and dilution are frequent headaches for brand owners, counterfeiting – which the U.S. Trademark Act defines as use of “a spurious mark identical with, or substantially indistinguishable from, a registered mark” – is a migraine. As a practical matter, counterfeiting in most cases renders perfunctory the task of analyzing the “likelihood of confusion factors” required in traditional infringement cases. In counterfeit cases, the marks and goods are identical, and the counterfeit mark was applied with the intent to deceive consumers into believing that fake goods are genuine, so it’s reasonable to assume it will do exactly that.

Online marketplaces are popular counterfeit haunts. The scale of the problem is immense: by some metrics, [counterfeit goods are a \\$460 billion \(with a “b”\) industry](#). Some third-party organizations (that, admittedly, may have an interest in spotlighting the problem) estimate that [more than half of the products on leading e-commerce sites are counterfeit](#). Brand owners can file takedown notices with most of these sites in an effort to have individual listings removed, which is inexpensive to do and can be effective when the counterfeiting is clear and only a single listing is at issue.

But where there’s smoke, there’s usually fire; one counterfeit listing often suggests more. A private investigator can be a useful ally in ascertaining the full scope of the problem by making controlled buys. These purchases allow the investigator to obtain physical product specimens (helping the brand owner determine whether the products are counterfeit) and learn more about the individual sellers (helping the brand owner draw connections among them – e.g. whether the product serial numbers are all the same, suggesting that each came from a single counterfeit batch). As an added bonus, the investigator purchases can help establish personal jurisdiction in a subsequent lawsuit.

If the counterfeiting appears ripe for a more serious remedy, brand owners can take advantage of an infrequently used procedure outlined in the Trademark Act and available only in cases involving counterfeit goods: the *ex parte* seizure. The procedure, codified in [15 U.S.C. 1116\(d\)](#), explicitly authorizes the federal courts in counterfeiting cases to grant seizures of goods and related materials on an *ex parte* basis. (The term “*ex parte*” means “without the presence of both parties” – in other words, the other side isn’t notified beforehand.) The procedure is intended to thwart those who deal in counterfeits from destroying or transferring counterfeit merchandise upon learning that legal proceedings have been instituted.

15 U.S.C. 1116(d) describes in detail the procedure for obtaining an *ex parte* seizure; it’s not easy, but not impossible either. (Of course, it should be done with the assistance of an attorney experienced in counterfeiting matters.) As a threshold matter, the brand owner must provide such notice as is reasonable under the circumstances to the U.S. Attorney for the district in which the order is sought. It must provide roughly contemporaneous evidence of where the product might be found, physically. It must then post a bond, and make an adequate showing of the facts that justify issuance of an order. Some of these “facts,” like [Matryoshka dolls](#), hide within more facts yet to be proved. For instance, the statute requires a showing of likely success on the merits, which itself requires an analysis of the confusion factors – superficial as that analysis may be under the circumstances. Showings of irreparable harm and harm balancing are also required, among other things.

If the *ex parte* seizure request is successful, the fun really begins; federal law enforcement officers such as the

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U.S. Marshals will carry out the physical seizure (often accompanied by a representative from the brand owner). And if there's one universal truth about executing an actual seizure, it's that what you find is never *quite* what you expected.

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