

LEGAL/PRIVACY

## Gucci files suit against counterfeit sites, protects brand image

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By ERIN SHEA

Italian fashion house Gucci has filed a lawsuit against a number of counterfeit Web sites and online merchants to help protect the brand's image, although the legal battles are not likely to stop counterfeiters.

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The label recently went after web domains and individual merchants on online trading community iOffer in a suit in the Florida Southern District Court. Although this case is not likely to stop counterfeiters, it could prevent them from targeting Gucci in the future.

"It is very hard to put counterfeiters out of business," said Steven Gursky, partner and head of intellectual property practice at [Olshan Frome Wolosky LLP](#), New York.

"Lawsuits rarely convince counterfeiters that this is a bad business," he said. "The more companies do, the less likely they are to be targeted by counterfeiters."

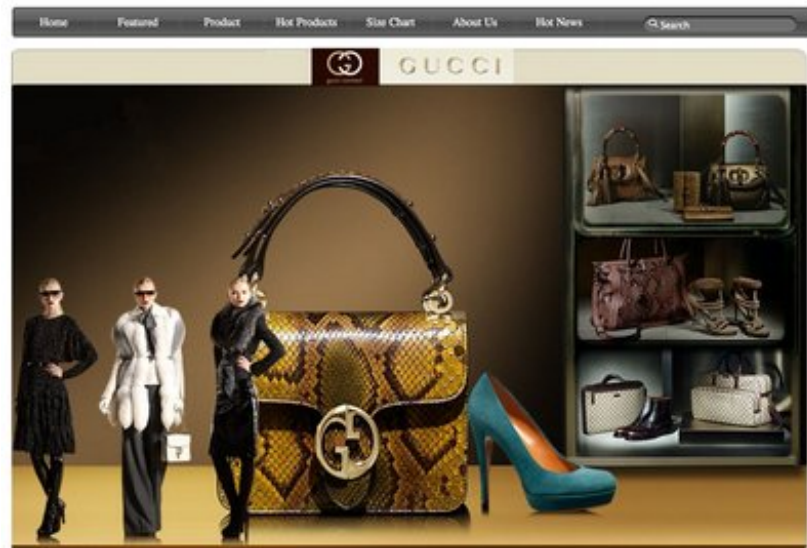
"Brands can have an impact. If brands do nothing then the counterfeiters come to know that they have impunity and they will do more of it."

Mr. Gursky is not affiliated with Gucci, but agreed to comment as an industry expert.

[Gucci](#) did not respond by press deadline.

## Defending trademarks

Gucci filed suit against 100 defendants in the Florida case. Defendants included Web sites such as <http://www.guccishop.com>, <http://www.googleunglasses.com> and <http://www.hotbrands4u.net>, and individual merchants on iOffer, according to [The Fashion Law](#).



*Screen shot of guccishop.com*

This is not Gucci's first time in court this year defending its products and logo.

In May, Gucci vigorously attempted to protect its brand trademarks while taking Guess Inc. to court. However, Gucci lost three of its Italian and European trademarks, while it only received \$4.7 million from the \$221 million it asked for in the United States-based case ([see story](#)).



*Gucci shoulder bag with logo*

Although Gucci's most recent legal battle is not likely to pay off monetarily either, it will give the brand more protection over counterfeiters.

"In dollar terms, the lawsuit will probably not pay for itself, but it is important to send the message that brands have an eye on iOffer," said Susan Scafidi founder of the [Fashion Law Institute](#) at Fordham Law, New York.

"Counterfeiting is a chameleon crime, continually changing with the marketplace and monitoring online sales is an essential part of good brand strategy," she said.

#### Fighting the battle

Earlier this year, other luxury brands faced similar legal issues.

For instance, Luxury conglomerate Richemont's legal battle with counterfeit watchmakers was not the end of legal confrontations between counterfeiters and luxury brands.

Richemont brands such as Cartier, Alfred Dunhill and Roger Dubuis won \$100 million Jan. 4 in their case against the Nanyang Technology Company for running Web sites that sold counterfeit watches. Although counterfeiting will continue, brands that actively combat it are likely to make a dent in the industry ([see story](#)).

In addition, some areas are furthering legal action to protect against counterfeiters.

In New York, there is a proposed bill to curtail the sale of counterfeit luxury items in the city and protect brand integrity that hones in on consumers rather than vendors.

Up to a \$1,000 fine or a year in prison will be dispensed to those guilty of buying counterfeit luxury items if the bill in its current form passes. Perhaps the most intrepid tactic seen in years against the counterfeit specter, the bill may fortify luxury brand integrity by discouraging the purchase of phony products ([see story](#)).

Although these regulations and lawsuits are not likely to deter counterfeiters, brands should be adamant about protecting their brand.

"If brands put effort behind lawsuits like this, counterfeiters will move onto another brand, but they won't disappear," Olshan Frome Wolosky LLP's Mr. Gursky said.

#### Final take

*Erin Shea, editorial assistant on Luxury Daily, New York*

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