Why territorial scope matters in modern trademark enforcement

In an increasingly borderless marketplace, brand owners are under growing pressure to enforce trademark rights efficiently across multiple jurisdictions. Ben Anger, Mathilde Carle, Josh Dalton, Megan Christine Kilduff, Alexander Klett, Christoph Mikyska, Ali Razai, and Katherine Soule of Morgan Lewis & Bockius, examine how strategic trademark enforcement in the EU and the US can deliver broader injunctive relief, while highlighting the practical limits of pan-EU and nationwide actions in a global enforcement landscape.


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> After *Abitron*, the Lanham Act applies only to infringing use in US commerce, sharply limiting extraterritorial enforcement.

In a global marketplace where cross-border commerce is increasingly complex, clients often ask whether a single strategic complaint or trademark filing can stop infringement worldwide. While no single trademark action or registration can provide universal protection, carefully coordinated filing and enforcement strategies in the EU and the US can allow brand owners to act efficiently and exert meaningful leverage against infringers.

EU: when is pan-EU relief possible?

EU trademarks and national trademarks

In Europe, trademark enforcement operates through two parallel systems: EU trademarks (EUTMs) and national trademarks. Each offers different enforcement advantages. Unlike national rights, EUTMs allow proprietors to seek injunctive relief covering the entire European Union through a single infringement action.

Such actions are heard by EU trademark courts. These are designated national courts of the member states, rather than supranational tribunals, applying EU trademark law. Where jurisdictional requirements are met, these courts can issue injunctions with EU-wide effect.

Pan-EU injunctions

Pan-EU injunctions may be granted either in preliminary injunction proceedings or in main infringement actions. In jurisdictions such as Germany, which is traditionally rightsholder-friendly, preliminary injunction proceedings offer a fast and cost-effective enforcement tool. An EU trademark court in Germany may grant a pan-EU injunction within days or a week, and in some cases ex parte, provided the legal requirements are satisfied.

Whether a national court can issue pan-EU relief depends on its international jurisdiction under EU trademark law. Articles 125 and 126(1) of the EU Trademark Regulation set out the relevant bases of jurisdiction. EU trademark courts may grant EU-wide relief where proceedings are brought:

- in the courts of the member state in which the defendant is domiciled or has an establishment;
- if the defendant is not domiciled and has no establishment in the EU, in the courts of the member state in which the plaintiff is domiciled or has an establishment;
- where neither party is domiciled or established in the EU, in the courts of the member state where the European Union Intellectual Property Office is located, namely Spain;
- in another EU trademark court, if agreed by the parties or if the defendant enters an appearance.

Member state-only relief

Where proceedings are brought in the courts of the member state in which the alleged infringement has been committed or threatened, rather than where either party is domiciled or established, jurisdiction is limited. In such cases, courts may grant relief only in respect of acts committed or threatened within that specific member state.

Rightsholders may also pursue infringement claims based on national trademarks before national courts, where relief will necessarily be limited to the territory of the relevant member state.

Advantages and limitations

Pan-EU injunctions offer substantial strategic value. They allow centralized enforcement, reduce the need for parallel proceedings, and can significantly lower overall litigation costs, particularly in preliminary injunction proceedings. They also increase pressure on alleged infringers in settlement negotiations.

However, EU-wide relief carries risks. Defendants may argue that infringement is limited to specific member states, potentially undermining the scope of relief.

In addition, establishing that a defendant has an "establishment" within the EU can be challenging, as the concept is not precisely defined in EU legislation.

US: nationwide relief and extraterritorial limits

Federal and state trademark claims

As in the EU, trademark protection in the US operates through parallel systems. Brand owners may enforce trademark rights at both the state and federal levels, whether registered or unregistered. In practice, most infringement actions are brought in federal court under the Lanham Act.

The Lanham Act provides significant advantages. Federal courts have original jurisdiction over Lanham Act claims and can issue nationwide injunctions, award enhanced damages, and coordinate proceedings with the US Patent and Trademark Office. The statute is supported by a well-developed body of case law, promoting predictability in enforcement. Federal courts may also adjudicate related state and common law claims, creating procedural efficiencies.

These efficiencies are enhanced when a rightsholder owns a US federal trademark registration. Although registration is not required to enforce trademark rights, federal registration creates nationwide constructive use and presumptions of validity, ownership, and exclusive rights in relation to the registered goods and services.

Nationwide injunctions

To obtain permanent injunctive relief, a rightsholder must establish:

"(1) that it has suffered an irreparable injury;

(2) that remedies available at law, such as monetary damages, are inadequate to

compensate for that injury;

(3) that, considering the balance of hardships between the plaintiff and defendant, a remedy in equity is warranted; and

(4) that the public interest would not be disserved by a permanent injunction."

eBay Inc. v. MercExchange, L.L.C., 547 US 388, 391 (2006); see also 15 USC § 1116(a).

In trademark cases, courts generally presume irreparable harm once infringement is established. In preliminary injunction proceedings, a likelihood of success on the merits creates a rebuttable presumption of irreparable injury.

Federal courts may issue nationwide injunctions under 15 USC § 1116(a). However, nationwide relief is not automatic. Although federal registration provides nationwide priority, an injunction may be geographically limited where a defendant can demonstrate prior use-based rights in a specific area.

For unregistered trademarks, courts often assess the geographic scope of the rightsholder's actual market penetration. In some cases, injunctive relief may be limited to areas where the mark has achieved significant recognition. That said, online marketing and e-commerce can support findings of nationwide market penetration and justify broader relief.

Extraterritorial reach of the Lanham Act

A nationwide injunction does not necessarily address infringement occurring outside the US. Historically, US courts allowed extraterritorial enforcement where foreign conduct affected US commerce. More recently, the Supreme Court has significantly narrowed that approach.

In *Abitron Austria GmbH v. Hetronic International, Inc.*, the Court applied the presumption against extraterritoriality. It held that the Lanham Act's infringement provisions apply only to conduct that constitutes infringing use in US commerce. Applying a two-step framework, the Court concluded that Congress had not clearly indicated extraterritorial intent and that only domestic conduct relevant to the statute's focus falls within its scope.

Following *Abitron*, courts must assess whether the conduct relevant to the alleged infringement occurred within the US. This is a fact-intensive inquiry. In a post-*Abitron* case affirmed by the Ninth Circuit, the defendant manufactured allegedly infringing products in the US but marketed and sold them abroad. The court held that the domestic manufacturing and transport alone were insufficient to establish actionable infringement, as they were unlikely to cause consumer confusion. As a result, the rightsholder was denied relief under the Lanham Act.

By focusing solely on domestic conduct, *Abitron* significantly limits the availability of relief in cases involving mixed domestic and foreign activity.

Extraterritorial injunctions under other law

Although the Lanham Act may not support extraterritorial enforcement, US courts may still issue injunctions affecting foreign conduct where other legal bases apply, such as contract law.

In a post-*Abitron* case affirmed by the Fourth Circuit, a court enforced a global settlement agreement between competitors in the video game market. The agreement restricted the defendant's use of a mark on social media in specified European countries and the UK. After finding a breach of those terms, the court issued an injunction requiring the defendant to alter its conduct in the agreed territories. The Fourth Circuit confirmed that Abitron did not apply, as the injunction enforced contractual obligations rather than a US statute.

This illustrates that, even after Abitron, extraterritorial injunctions remain available where enforcement is grounded in contract or other non-statutory legal frameworks.

Key takeaways for global enforcement

For efficient enforcement in the US, brand owners should prioritize federal trademark registration, which strengthens entitlement to injunctive relief and facilitates nationwide enforcement. However, US registration alone is insufficient in a global economy.

When negotiating trademark settlements, rightsholders should consider global territorial clauses to ensure enforceability beyond the US. More broadly, developing and maintaining a robust international trademark portfolio remains essential for addressing infringement across borders and coordinating effective global enforcement strategies.

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