

Practical Advice on Trademarks

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What is a Trademark?

A trademark is a word, phrase, symbol or design, or a combination of words, phrases, symbols or designs, that identifies and distinguishes the source of the goods of one party from those of others. A service mark is the same as a trademark, except that it identifies and distinguishes the source of a service rather than a product.

What makes a strong Mark?

A strong mark is one that has a greater level of distinctiveness in relation to the product or service. A mark must be distinctive rather than descriptive. Matter that merely describes the goods or services on or in connection with which it is used is not registrable on the Principal Register. TMEP § 1209 (2007). The reasons for not protecting merely descriptive marks are: (1) to prevent the owner of a mark from inhibiting competition in the sale of particular goods; and (2) to maintain freedom of the public to use the language involved, thus avoiding the possibility of harassing infringement suits by the registrant against others who use the mark when advertising or describing their own products. If Starbucks were able to register "coffee" as a trademark, Starbucks could stop anyone from using the term "coffee" when referring to coffee and thus the public would be without a word to describe coffee.

Continuum of Distinctiveness. The strength of a mark may be categorized along a continuum, ranging from marks that are highly distinctive ("Pepsi" for cola) to matter that is a generic name ("coffee" for coffee) for the goods or services. The degree of distinctiveness – or, on the other hand, descriptiveness – of a designation can be determined only by considering it in relation to the specific goods or services. *Remington Products, Inc. v. North American Philips Corp.*, 892 F.2d 1576, 13 USPQ2d 1444, 1448 (Fed. Cir. 1990). The degree of distinctiveness of a mark corresponds to the degree of protection provided by Trademark law. The more distinctive a mark is the more protection provided by law.

At one end, marks highly distinctive when used in relation to the goods or services, are completely arbitrary or fanciful. Next on the continuum are suggestive marks, followed by merely descriptive matter. Finally, generic terms for the goods or services are at the opposite end of the continuum from arbitrary or fanciful marks. TMEP § 1209.01.

Fanciful marks are those terms that are created for the sole purpose of functioning as a trademark or service mark. TMEP § 1209.01(a). Such marks comprise words that are either unknown in the language, for example, PEPSI, KODAK, and EXXON. *Id.* Next, **arbitrary** marks are those that are in common use but, when used to identify particular goods or services, do not suggest or describe a significant ingredient, quality or characteristic of the goods or services (e.g., APPLE for computers). *Id.*

Suggestive marks are “those that, when applied to the goods or services at issue, require imagination, thought or perception to reach a conclusion as to the nature of those goods or services.” *Id.* For example, *Beautyrest* suggests something about the nature of mattresses. A suggestive term is different from a descriptive term because a descriptive term immediately tells something about the goods or services (e.g. “great coffee”).

A mark is **merely descriptive** if it describes an ingredient, quality, characteristic, function, feature, purpose or use of the specified goods or services. TMEP § 1902.01(b). Descriptive marks may not be registered on the primary register without proof of that the mark is widely recognized by consumers (that is the marks have gained “secondary meaning” in the marketplace). *Id.* For example, BED & BREAKFAST REGISTRY is merely descriptive of lodging reservations services. *In re Bed & Breakfast Registry*, 791 F.2d 157, 229 USPQ 818 (Fed. Cir. 1986). However, *American Airlines* was originally merely descriptive, but over time has become widely recognized and thus protectable. **Generic** terms are those terms “that the relevant purchasing public understands primarily as the common or class name for the goods or services [e.g. coffee].” TMEP § 1902.01(c).

Legally Strong Marks. The strongest marks are fanciful and arbitrary marks. However, practically these marks require the most marketing resources to create consumer recognition. Suggestive marks provide a middle ground where the mark suggests a feature of the product or service thereby reducing the amount of marketing resources required as compared to fanciful marks, while still providing a reasonable amount of trademark protection.

Trademark searches.

While a search is required before filing a trademark application, you should do a trademark search (1) to reveal if you are the first to use the mark for goods or services in the relevant channel of trade, and (2) save money during trademark prosecution by avoiding an application on a mark that is already registered. If you fail to do a search you may have to change your mark or pay damages to someone that registered a mark that is likely to cause consumer confusion with your proposed mark. The cost of changing your mark when it is a business name is substantial.

Approval by the Secretary of State of a business name does not immunize an applicant from an allegation of trademark infringement.

Failure to conduct a Trademark Search as Proof of Willful Infringement? The Third Circuit U.S. Appeals Court noted that an infringer might be found willful if (1) the infringer failed to conduct a full trademark search contrary to the advice from its attorney, and (2) the infringer was aware when it adopted the mark that it was copying "authentic details" from the plaintiff's design. *SecuraComm Consulting Inc. v. Securacom Inc.*, 166 F.3d 182, 188-89 (3rd Cir. 1999) (superseded by statute on other grounds as recognized by *Banjo Buddies, Inc. v. Renosky*, 399 F.3d 168 (3rd Cir. 2005)). The court noted that failure to conduct a trademark search alone without additional facts, may only constitute carelessness, not willfulness.

Search services: (1) Thomson CompuMark (<http://compumark.thomson.com/jsp/index.jsp>) (2) Trademark Express <http://www.tmexpress.com/index.php> (3) Trademark.com

When is my trademark application filing date critical?

The person entitled to trademark protection is generally the first person or entity to use the mark in commerce, regardless of the registration date. (Cite) So usually trademark rights are not determined by a race to the Trademark Office. However, if your client is not currently using the mark in commerce, you may file an "intent to use" application. There the applicant claims a bona-fide intent to use the application in commerce within a specified period of time (6 months, which is extendable in six month increments not to exceed 36 months after notice of allowance).

Therefore the filing date is critical for an applicant who is not currently using the mark in commerce but has a bona-fide intent to do so. Under 15 U.S.C. §§1057(c) and 1141f(b), filing *any* application for registration on the Principal Register, including an intent-to-use application, constitutes constructive use of the mark in commerce, provided the application matures into a registration. TMEP § 201.02 (2007). "Upon registration, filing affords the applicant nationwide priority over others, except: (1) parties who used the mark before the applicant's filing date; (2) parties who filed in the USPTO before the applicant; or (3) parties who are entitled to an earlier priority filing date based on the filing of a foreign application under 15 U.S.C. §1126(d) or §1141g." *Id.*

Therefore, an applicant filing an intent to use application has superior rights to a third party who actually uses the same or similar mark in commerce after the filing date but before the applicant actually uses the mark in commerce, if the application matures into registration.

Moreover, it is advisable to file early, to allege the need to prove prior use in commerce against a registered mark in a cancellation proceeding at the PTO.

What's the difference between registering a word mark and a logo mark? What are the resulting legal protections of each?

A word mark is one consisting of only characters. A design mark consists commonly of a graphic design or distinctive typefaces with a business or product name. The name can be considered as one mark while the combination of the graphic design may be viewed as a separate mark.

Which do you register? (1) Words only? (2) Graphic/Logo Only? (3) Combination of Words and Graphics/Logo?

Word marks have the broadest coverage, unless the words themselves are not very distinctive. A word mark protects the use of the word in manner. However a design mark protects the specific design shown. If words are used in the design, the registrant may not be protected against a third party that uses the words outside of the design shown. Each registration is an additional cost filing and prosecution costs. If cost is an important consideration follow this priority in registration:

1. Words only, as long as the words are rather distinctive
2. Combination of words and Graphics/Logo.

Trademark Classes: When and why does the choice of classes may have an impact on your rights?

Consider the InstraTech Company who both makes and sells machine parts and also provides consulting machine part design services. If InstraTech registers its mark in Class 7 (Machines and machine tools), it is protected against the same or similar marks used on machine parts. However the registration may not protect InstraTech in connection with its design consulting service. For the broadest protection InstraTech should also register its mark in service Class 42 (scientific and technological services and research and design relating thereto).

The classification is used more by the PTO than in the courts. Courts simply look to see if there's a likelihood of confusion regardless of classification of the two marks. However, if InstraTech fails to register in class 42, the PTO may allow, rightly or wrongly, a third party to register a similar mark (Ex, InstroTech) in class 42 for machine design services.

Should a Trademark ever be registered claiming a color? Does a claim of color limit your rights?

If you register the logo in black and white and without claim to color, a third party cannot register or use a confusingly similar logo in any color (or no color) without infringing.

If you do claim color it depends on the fact of the case whether a similar logo without your claimed colors will infringe. A claim of color means that you consider the color to be an essential part of the mark.

The "Mobil" mark of the ExxonMobil Corporation is a good example of where a claim for color is appropriate. The Mobil sign has the "M_bil" characters in blue and the "o" in red. Mobil registered its mark as both a word (U.S. Reg. No.) and a logo of "Mobil" claiming color (U.S. Reg. No.

1,015,027). This prevents other from using confusingly similar words like “Mabil” and also prevent confusingly similar use of colors in a word “Force” with the “F_rce” in blue and the “o” in red.
Source: <http://www.bpmlegal.com/tmqa.html#7a>.

The extent that a claim of color limits our rights depends on the strength (uniqueness) of the mark. If the mark is a rather simple X with a claim of color, then other marks with X using a difference color scheme may not infringe due to the commonality of “X.” However if your mark is very distinctive like the Starbucks® logo, then even a registration with a claim of color on that logo would be sufficiently strong to prevent others from using a similar logo with a different color scheme.

The best practice is to claim color only when color is essential to the mark.

Internet Domain Names as Trademarks: Do I register my mark as "Mark" or "Mark.com"?

“Because TLDs (Top Level Domains “.com”, “.net” etc.) generally serve no source-indicating function, their addition to an otherwise unregistrable mark typically cannot render it registrable.” TMEP § 1209.03(m); see also *In re Reed Elsevier Properties Inc.*, 482 F.3d 1376, 82 USPQ2d 1378 (Fed. Cir. 2007) (LAWYERS.COM generic for “providing an online interactive database featuring information exchange in the fields of law, legal news and legal services”); *In re Oppedahl & Larson LLP*, 373 F.3d 1171, 71 USPQ2d 1370 (Fed. Cir. 2004) (PATENTS.COM merely descriptive of computer software for managing a database of records and for tracking the status of the records by means of the Internet).

However, “The Federal Circuit has cautioned that in rare, exceptional circumstances, a term that is not distinctive by itself may acquire some additional meaning from the addition of a TLD such as “.com” or “.net.”” *Id.*; *In re Steelbuilding.com*, 415 F.3d 1293, 1297, 75 USPQ2d 1420, 1422 (Fed. Cir. 2005) (STEELBUILDING.COM for “computerized on line retail services in the field of pre-engineered metal buildings and roofing systems” held highly descriptive, but not generic), citing *In re Oppedahl & Larson*, 373 F.3d at 1175-1176, 71 USPQ2d at 1373. “In those rare instances, a term that is not distinctive by itself may acquire some additional meaning from the addition of a TLD, such as “.com,” “.net,” etc.”” Moreover, “In those unusual circumstances, the addition of the TLD can show Internet-related distinctiveness, intimating some “Internet feature” of the item.” *In re Steelbuilding.com*. Therefore generally it is advisable to leave the TLD out of trademark registration applications unless the circumstances indicate that the addition of the TLD would add distinctive characteristics to an otherwise undistinctive mark.

After Registration

After a mark is registered the owner may use the ® symbol after the mark to indicate that it is registered with the U.S. Trademark Office.

Section 8 and section 15 declarations must be filed between the 5th year and the 6 year after registration. See TMEP §§ 1604, 1605 (2007). The Section 8 declaration officially advises the PTO that your mark is still in use and your registration should continue. The section 15 declaration provides that your mark has been in continuous use from the date of registration. This continuous use provided additional protection against potential challengers. Failure to file section 8 declaration is will result in the cancelation of your registration.