Trademark 101: What You Need to Know About Trademark Prosecution

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Introduction

- Types of Marks
- Benefits of Trademark Registration
- Selection of Marks
- Requirements for Registration
- Dealing with Trademark Examiners
- Registration with US Customs
What is a Trademark?

• Words (Sony, IBM)
• Names (Liz Claiborne)
• Phrases (“Fly the Friendly Skies”)
• Symbols (Logos)
• Designs (Coca-Cola bottle, “trade dress”)
• Any combination of the above
What is a Trademark?

• Used to:
  ➢ Identify and distinguish goods from those manufactured by others
  ➢ To indicate the source of the goods, even if that source is unknown
What is a Service Mark?

- Service Marks are the same thing as Trademarks except that they identify and distinguish services instead of products
  - AA (Airline services)
  - McDONALD’S (Restaurant services)
What protection is available?

• The rightful owner of a trademark/service mark can prohibit others from using the same mark or another mark which is so similar in sound, meaning or appearance that it would be likely to lead to confusion among customers regarding the source of the products or services in connection with which the mark is used.
Distinctiveness

- Marks must be distinctive:
  - The trademark law only protects distinctive marks.
  - *Arbitrary, fanciful and suggestive marks* are deemed to be inherently distinctive.
  - *Descriptive marks, geographic names, and surnames* are not inherently distinctive and can only be protected if they can be shown to have attained distinctiveness through use (referred to as “secondary meaning”).
  - *Generic terms* are unprotectable and can never function as a trademark. Once a word becomes generic, it is lost for trademark purposes.
Distinctiveness

**Arbitrary**

- An arbitrary mark uses words that are in common use but bear no relationship to the associated goods.
  - APPLE for computers
  - IVORY for soap
Distinctiveness

Fanciful

- A fanciful mark is composed of coined words.
  - XEROX for photocopiers
  - KODAK for film
  - POLAROID for instant photo cameras
Distinctiveness

**Suggestive**

- A suggestive mark suggests some quality or character of the associated goods, but not so explicitly that no imagination is needed to determine the nature of the goods.
  - COPPERTONE for suntan lotion
  - UNCOLA for a non-cola soft drink
Distinctiveness

Descriptive

- Descriptive marks are those that describe the qualities, ingredients or characteristics of the products or the services with which the marks are used.
  - BEEF & BREW for a restaurant
  - SWEET AND CHEWY for caramel
  - LASERGAGE for a laser measurement device
Distinctiveness

Generic

- A generic term is a common group or class name, such as “beer,” “shoes,” or “automobile,” to which a particular product belongs.

- A generic term can never be a trademark for the identified goods
  - APPLE for fruit (apples)
  - ASPIRIN for analgesics
  - ESCALATOR for moving stairways

- Use of an inherently distinctive mark generically can lead to “genericide” (ASPIRIN, ESCALATOR)
Acquiring Rights in Marks

First to use

• In the U.S., federal registration is not required to establish rights in a trademark. Rather, “common law” rights arise from actual use of a mark, whether or not it is the subject of a federal registration

• Generally, the first to either use a mark in commerce or file an intent to use application with the PTO has the ultimate right to use and registration
Acquiring Rights in Marks

Registration not required

• Even if the senior user does not have a registration for its mark, under Section 43(a) of the Trademark Act, the senior user generally may stop a junior user from further use of an infringing mark, even if the junior user has obtained a federal registration for the mark.

Registration recommended

• Even though registration is not required for trademark protection, it is advisable for a company to obtain registrations for its trademarks.
Acquiring Rights in Marks

Registration recommended

• Registration confers important benefits to the trademark owner:
  ➢ Automatic Federal Court jurisdiction
  ➢ Possibility of treble damages for infringement
  ➢ Presumption that registrant is owner of mark
  ➢ Geographic coverage for entire United States even if use is limited to localized areas
  ➢ “Incontestability” after five years upon filing of affidavit after five years of continuous use
The ™ symbol

- The ™ symbol is used by trademark owners before they obtain a federal registration for their trademark.
- The use of the ™ symbol, while not required by trademark law, can serve many useful purposes for a trademark owner.
  - puts third parties on notice that the owner is claiming trademark rights
  - may defeat an infringer’s claim that it was unaware that the owner claimed rights in the mark
  - can help prevent the mark from becoming generic.
Notice of Trademark/Service Mark

The ® symbol

• The ® symbol is used by trademark owners to give notice that a particular mark is registered with the PTO for particular goods or services.

• May only be used after a federal registration has been granted.

• Even if a trademark application is pending with the PTO, the ® symbol may not be used until the mark becomes federally registered.

• Improper use of a federal registration symbol, if done with intent to deceive the purchasing public or others in the trade into believing that the mark is registered, is ground for denying registration of an otherwise registrable mark.
Likelihood of Confusion

• The test for trademark infringement is whether the simultaneous use of two marks is *likely to cause confusion among consumers* regarding the source or sponsorship of the goods or services associated with the marks.
Selection of Marks: Infringement

Sight, Sound and Meaning Trilogy

• Marks may be examined to see if they
  ➢ look the same;
  ➢ sound the same; or
  ➢ have the same meaning

• Any one of these elements may be sufficient to establish infringement.

• Other factors also are taken into consideration
Selection of Marks: Infringement

DuPont Factors
• The Court in *In Re E.I. du Pont de Nemours & Co.*, in an application proceeding, set forth 13 factors to be weighed in determining whether one mark is likely to be confused with another:
  1. The similarity or dissimilarity of the marks in their entireties as to appearance, sound, connotation and commercial impression.
  2. The similarity or dissimilarity of the goods for which the marks are used.
Selection of Marks: Infringement

DuPont Factors

3. The similarity of the channels of trade of the goods for which the marks are used.
4. The sophistication of purchasers; impulse buying versus careful, sophisticated purchasing.
5. The fame of the senior mark.
6. The number and nature of similar marks in use on similar goods.
7. The nature and extent of any actual confusion.
8. The length of time under which there has been concurrent use without evidence of actual confusion.
Selection of Marks: Infringement

DuPont Factors

9. The variety of goods on which a mark is used (e.g., “House” marks, “Family” marks, “Product” marks)

10. The market interface between the junior and senior users (consents to use, agreements designed to preclude confusion).

11. The extent to which the applicant has the right to exclude others from use of its mark on its goods – the strength of the mark.

12. The extent of potential confusion.

13. Any other established fact probative of the effect of use.
Selection of Marks: Infringement

Examples of Marks held Similar in Appearance
- CHEZ MOI  CHEZ LUI
- SI SENIOR  SENORITA

Examples of Marks held Similar in Sound
- ARROW  AIR-O
- DATSUN  DOTSON
- NEVA-WET  NEVER WET
- LISTERENE  LISTOGEN
Selection of Marks: Infringement

Examples of Marks held Dissimilar in Sound

• COCA COLA  
  COCO LOCO
• HOUR AFTER HOUR  
  SHOWER TO SHOWER
• WIZZ  
  GEE WHIZ

Examples of Marks held Similar in Meaning

• CYCLONE fencing  
  TORNADO fencing
Selection of Marks: Infringement

Examples of Marks Held NOT Similar in Meaning

- DAWN doughnuts  DAYLIGHT doughnuts
- TORNADO fencing  TYPHOON fencing
Selection of Trademarks: Clearance searches

Take measures to avoid choosing an infringing mark, and avoid future problems – have a Trademark Clearance Search conducted

• Preliminary Trademark Search:
  ➢ Searches Federal applications and registrations
  ➢ Good for eliminating a mark from consideration, but not for determining a mark is available

• Full Trademark Search
  ➢ Searches both registered and unregistered uses
  ➢ Not perfect, but the best measure that can be taken
Use of a mark ultimately required for registration

• Assuming a mark is capable of registration, the mark ultimately must be used “in commerce” before PTO will issue a registration for it.

• Use in Commerce: commerce is defined as “all commerce which may be lawfully regulated by Congress.”

• This typically includes commerce between the States and commerce between the United States and a foreign country.

• Sales of goods across State borders or into the United States from a foreign country will constitute use in commerce.
Two kinds of Registers

• Principal Register
  ➢ Main and regular register for distinctive and protectable trademarks/service marks.

• Supplemental Register (“Trademarks-in-Waiting”) must be in use
  ➢ Special register for descriptive marks, surnames, and geographical names capable of achieving trademark status. The marks listed may be registered in the Principal Register when they acquired Secondary Meaning. Registration in the Supplemental Register does not provide legal protection beyond common law. However, the Supplemental Register does provide the following benefits:
    – (1) right to use the federal registration symbol "®"
    – (2) PTO may cite the trademark as a bar to registration of confusingly similar trademarks filed by others
    – (3) registration abroad based on U.S. rights
    – (4) registrant may bring suit in federal court
Federal Registration

Two main paths to registration on Principal Register (main register)

- **Use-based Application**: a person or company who already has used the mark in commerce may file an application based on this use.

- **Intent-to-use (“ITU”) Application**: a person or company who has a bona fide intention to use a mark may file an application based upon this intention to use the mark. A registration will not issue, however, until the applicant has begun using the mark.
Application Process

Use-Based Application – Filing Fee $325 Per Class if filed electronically (TEAS Plus $275)

A person or company may apply to register a mark in use by filing an application with the PTO which sets forth:

- Dates of first use in trade and in commerce
- Goods or services for which the mark is used
- A drawing of the mark
- Specimens of the mark as actually used
- A statement that to the best of the applicant’s belief, no other person has the right to use the mark
Federal Registration

- Specimens – one specimen per class
  - Goods: mark used on or in connection with the goods
    - Labels, tags, containers, display associated with the goods (banners, menus, window displays)
  - Services: must show the mark as actually used in the sale or advertising of the services and adequately describe the services
    - Newspaper and magazine advertisements, brochures, billboards, handbills, direct-mail leaflets, menus (for restaurants), website screenshots
  - Use required for all goods/services listed even though only one specimen per class is required
Application Process

ITU Application

A person or company may apply to register a mark based on its bona fide intent to use the mark by filing an application with the PTO which sets forth:

- The applicant has a bona fide intention to use the mark in commerce
- Goods or services for which the mark will be used and the manner of intended use
- A drawing of the mark
- A statement that to the best of the applicant’s belief, no other person has the right to use the mark
- Filing Fee - $325 per class if filed electronically ($275 Teas Plus)
Application Process

Examination

• *Initial review of both Use-Based and ITU Applications*: the
USPTO Examiner assigned to an application reviews it to be
sure that:
  ➢ It complies with *statutory requirements*; and
  ➢ To determine if there are any *grounds for rejecting* the mark. For
example, *three of the most common rejections are*:
    – Lack of distinctiveness (e.g., descriptiveness)
    – Prior registrations or applications for conflicting marks (likelihood of
confusion)
    – Description of goods/services is too broad, misclassified or otherwise
does not comport with PTO practice
Application Process

Effect of rejection

• If the PTO issues an Office Action and mark is rejected, the applicant may respond, usually through an attorney, with arguments why the mark is registrable.
  ➢ A response is due 6 months from the dates of the Office Action

• If the response is unsuccessful, the rejection is generally deemed to be final in a second Office Action.

• It is possible to file a Request for Reconsideration within 6 months and/or Appeal.
Application Process

**Effect of acceptance – publication for opposition**

- Publication in Official Gazette of Trademarks - 30 day opposition period for interested parties, subject to extension up to 120 days from publication date
- If opposed, opposition proceeding in the TTAB (*inter partes*) will determine applicant’s right to register mark
Effect of Successful Passing through Publication Stage

- Registration Certificate issues for:
  - Use–based applications
  - ITU applications where an Amendment to Allege Use was filed and accepted prior to approval for publication

- Notice of Allowance issues for:
  - ITU application where no Amendment to Allege Use has been filed
  - A Statement of Use must still be filed to obtain registration
Amendments to Allege Use - ITU Applications

• Prior to publication, if the mark is in use, the applicant may file an Amendment to Allege Use
  ➢ Must be filed before the Examining Attorney approves the mark for publication in the Official Gazette.

• Specimens of use must be submitted – one for each class - $100 filing fee per class

• Applicant signs a declaration that the mark is in use
  ➢ Must be in use on all of the goods, or those not in use must be dropped, or alternatively, the applicant can file a divisional application.
Application Process

Statements of Use - ITU Applications

- After successfully passing through publication, if the mark is in use, the applicant may file a Statement of Use
- Specimens of use must be submitted – one for each class - $100 filing fee per class
- Applicant signs a declaration that the mark is in use
  - Must be in use on all of the goods, or those not in use must be dropped, or alternatively, the applicant can file a divisional application.
Application Process

ITU – Notice of Allowance

• Applicant has six months to begin use and file a Statement of Use or to file a request for extension to do so; up to five six-month extensions available

• Applicant has a total of three years from the Notice of Allowance to begin use and file a Statement of Use; otherwise the application will go abandoned
Application Process

Retroactive ownership under ITU registration

• Even though a registration will not issue under an ITU application until use of the mark has begun, once the mark has been registered, the registration date will relate back to the date the application was filed. This creates a “constructive use” of the mark beginning on the filing date.
  – Registrant can prevail over another party who began using the mark before the Registrant, but after the filing date of the application
Post Registration

- Section 8 Declaration – a declaration of continued use must be filed during the fifth and sixth year after registration
  - Specimens of use must be submitted and will be examined as before - $100 filing fee per class
  - Goods/services not in use must be dropped from the registration
  - Six month grace period – additional filing fee of $100 per class

- Section 15 Declaration – a declaration of continued use may be filed at any time the mark has been in continuous use for 5 years or more
  - The mark will be granted “incontestable” status - $200 filing fee per class
Post Registration

Renewal

• Section 9 - Renewal application with declaration of continued use must be filed every 10 years after the date of registration
  ➢ $400 filing fee per class
  ➢ Specimens of use must be submitted and will be examined as before
  ➢ Goods/services not in use must be dropped from the registration
  ➢ Six month grace period - $100 additional filing fee per class

• Section 8 – Also need to file a Section 8 declaration of continued use - $100 filing fee per class.
Dealing with Trademark Examiners

- “Identification is unclear and needs to be clarified”
  - Try calling or emailing Examiner to discuss identification and propose amended identification
    - [firstname].[lastname]@uspto.gov
  - Point out identifications in approved ID manual and other registrations
  - Ask for Examiner’s Amendment
  - TMIDSUGGEST@uspto.com: For suggested additions to the US Acceptable Identification of Goods and Services Manuals.
Dealing with Trademark Examiners

- Likelihood of confusion – Responses to Office Actions
  - Narrow identification of goods and services to distinguish marks
  - Marks can be distinguished (different components, sounds, meanings)
  - Goods/services are unrelated (including channels of trade)
  - Customers are sophisticated
  - Trademark field is diluted with common component (submit actual copies of PTO records in case it is necessary to appeal)
Dealing with Trademark Examiners

• Descriptiveness – Responses to Office Actions
  ➢ Argue mark is arbitrary or suggestive, not descriptive
    – Third party registrations
    – Mark doesn’t convey an “immediate” knowledge of a characteristic of the goods/services
  ➢ Make section 2(f) claim of acquired distinctiveness based on prior registrations or 5 years use
  ➢ Submit evidence of acquired distinctiveness
    – sales figures, advertising expenditures in connection with the use, samples of advertising, letters or statements from the trade and/or public, survey evidence, market research, consumer reaction studies, and other evidence that establishes the distinctiveness of the mark as an indicator of source
Protection by U.S. Customs and Border Protection
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- Goods marked with infringing trademarks can be barred by importation into the U.S. by U.S. Customs and Border Protection
Protection by U.S. Customs and Border Protection

- Under the Lanham Act, no article of imported merchandise shall be admitted to entry at any U.S. customhouse if it:
  - copies or simulates a trademark registered in the U.S.;
  - copies or simulates the name of any domestic manufacture, or foreign manufacturer that treaty, convention, or law affords similar privileges to citizens of the U.S.; or
  - bears a name or mark calculated to induce the public to believe that the article is manufactured in the U.S., or that it is manufactured in any foreign country other than the country in which it is in fact manufactured.
Protection by U.S. Customs and Border Protection

Steps Required to Obtain Assistance from U.S. Customs and Border Protection

• Mark must be registered with the PTO
• Mark owner must apply to record mark with U.S. Customs and Border Patrol
Protection by U.S. Customs and Border Protection

Application

- Can be in the form of a letter or filed online through the Intellectual Property Rights e-Recordation (IPRR) https://apps.cbp.gov/e-recordations/

- Filing must contain:
  - Name, address, and citizenship of trademark owner
  - Name and address of foreign persons or business authorized or licensed to use the trademark
  - Copy of U.S. registration
  - Filing fee of $190 for each trademark and each class of goods or services
Protection by U.S. Customs and Border Protection

Term of Protection

• Recordation lasts through the term of the trademark registration, and may be renewed when mark is renewed
Practical Matters

• In practice, additional efforts often are required beyond simply recording the mark to encourage the local Customs authorities to search for and seize infringing merchandise.

• Trademark owners will typically see a higher success rate in seizures of infringing merchandise if they continuously provide Customs with such helpful information as the identities of known foreign counterfeiters, their countries of origin, suspected importers, and the ports through which the merchandise is imported.
Questions?