Protecting Your Brand 101

Disclaimer: This guide does not constitute legal advice and is not intended to supplement the advice that would be obtained from retaining a qualified trademark attorney to help you identify and protect your intellectual property rights. It is being provided in an effort to clear up some of the more common trademark myths and misconceptions. It is highly suggested that anyone facing a potential trademark issue seek legal counsel on the issue.

Trademarks and service marks (collectively, "trademarks") are source identifiers or brand names. For example, JUST DO IT® identifies a brand of athletic clothing and gear by Nike. A trademark is essentially a word, phrase, symbol, design or combination thereof that is used to identify and distinguish the source of one party's goods or services from those of another.

In reality, trademarks are regulated and protected in order to protect the consuming public. Trademarks have evolved as a use based right which protects the goodwill that the public has come to associate with a source identifier for a good or service. Therefore, as a use based right, a trademark owner develops his rights by actually using the mark in commerce. In other words, as a user consistently uses the mark overtime with his or her respective products and services, the marketplace of applicable consumers begins to associate the mark with the user's goods and/or services, thereby creating and instilling the goodwill protected by trademark law. In it in this sense that a consumer ordering a BigMac® sandwich at any McDonalds'® restaurant knows exactly what he is going to receive.

Furthermore, because a trademark is a use-based right, it is not always necessary to register the mark in order for the user to obtain and assert rights in the mark. Indeed, most state laws provide for common law trademark rights which offer some protection to unregistered marks. However, because the degree of protection varies greatly from state to state, registration of a mark (particularly, a federal trademark registration) has significant advantages, particularly in a state such as Louisiana which traditionally rebukes common law traditions.

For example, a federally registered trademark is eligible for relief under the Lanham Act[1] and allows a trademark owner to bring suit in federal court. A federal registration also carries with it presumptions of validity of the mark, ownership by the registrant, and exclusive rights to use the mark in conjunction with the claimed goods and services. The federal registration essentially acts as constructive use of the mark throughout the United States. This generally means that the user is considered to have at least minimal use-based rights throughout the entirety of the United States as of the registration date (with ability to tie back that use to the date the application was filed). Such priority effectively prevents others who would start selling like goods or providing like services in a manner which would be deemed confusingly similar[2] to the registered mark. Moreover, a federal registration can also aid in land-locking prior users into the geographic regions in which the prior users were operating when the registrant's marks actually registered.

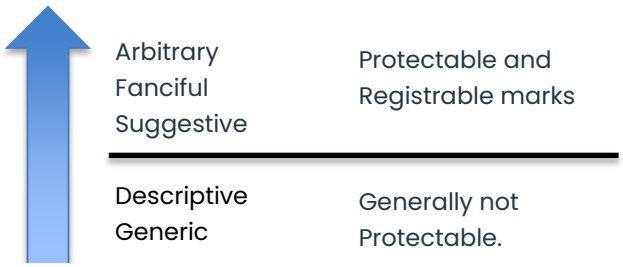
Eligibility of terms for trademark protection

In the trademark sense, a term or word can fall under one of five categories – arbitrary, fanciful, suggestive, descriptive, and generic. Terms that are arbitrary, fanciful, and suggestive are distinct on their own rendering them prime candidates for trademarks.

[1] The Lanham Act (also known as the Trademark Act of 1976) is the federal statute that governs trademarks, service marks, and unfair competition. It was passed by Congress on July 5, 1946 and signed into law by President Harry Truman.

[2] Please note: "Confusing Similarity", i.e., whether or not the public is likely to confuse the source of the marks, is the test for trademark infringement under the Lanham Act. The analysis of confusing similarity is being left out of this primer in an attempt to limit the scope to information on obtaining rights as opposed to enforcing them after obtained.

These are terms that do not immediately convey the underlying product or describe characteristics or intended usage of the products of services. For example, with Apple® computers, the term "apple" has nothing to do with computers and would thus be arbitrary, rendering it a prime candidate for a trademark. At the bare minimum, a term should be suggestive, meaning that it takes an imaginative step for a consumer to link the intended trademark with the covered goods and services. This need for an imaginative step or indirect association can be the defining line between a suggestive mark that is sufficiently distinct to be protectable and a descriptive mark that cannot be protected on its own.



Trademarks cannot be used to protect generic or purely descriptive terms for the goods and services they identify, with one caveat discussed below. It is in this sense that Apple® computers cannot foreclose upon others using the term "computers," and Planter's® Peanuts cannot stop someone from using any type of "nuts" in their brand. Purely generic terms are free for all to use and can never be subject to trademark protection. It is possible over time to develop a descriptive mark into a protectable trademark. In order to do so, the mark must be sufficiently used for a sufficient period of time such that the consuming public actually begins to identify the mark as yours despite the descriptive nature. This is termed as the development of secondary meaning or "acquired distinctiveness" to the descriptive mark.

Trademark Designation – where and when to use TM, SM, or ®

The TM and SM symbols represent trademark and service mark, respectively. These marks can be used without registration to alert third parties that the user is claiming some rights in the designated word, phrase, symbol, design, or combination thereof as a trademark. As soon as a party commences any sales, offers for sales, or marketing materials that employ a mark in conjunction with goods or services, the mark should be designated with either the TM or SM symbol. Failure to properly do so may hinder or prevent the user from asserting its rights in the mark.

Therefore, anywhere the mark is used as a source identifier (e.g., websites, product labels, e-mail footers, advertising materials, product packaging, etc.), the mark should be designated as such. To do so, the symbol should be prominently displayed so as to alert third parties that the user asserts trademark rights, but that does not mean that the symbol has to be a focal point of the mark. For example, the following designation of "trademark" would suffice.

TM

TRADEMARK

It should be further noted that technically the term "trademark" is only proper when discussing a source identifier for goods while the term "service mark" is only proper when discussing a source identifier for services. Through time, the public has grouped the two in common language under the term "trademark." Despite this trend, the correct and recommended practice is to use the appropriate TM or SM designation depending on whether the mark will identify goods (TM) or services (SM). If the mark is used to designate both, however, it is acceptable to only use the TM symbol.

The ® (meaning "Registered") designation, on the other hand, can only be used **after** federal registration has been obtained from the United States Patent and Trademark Office ("USPTO"). During the application process, it is suggested that the applied-for mark be marked with the TM or SM symbol, as applicable, to alert the public that the user asserts rights in the mark. After the applicant receives a

certificate of registration from the USPTO, use of the mark as a source identifier for the registered goods or services should be designated by the ® symbol to alert the public that the user has obtained a federally registered trademark.

Finally, trademarks should be used as adjectives, not nouns. When properly used, trademarks modify the underlying products to present a source or brand of the product – e.g., Planter's® Peanuts, Nike® tennis shoes, or Apple® computers. Use of a trademark as a noun is improper and could diminish trademark rights.

Application Process

A common question regarding the trademark application process is: "When should a user consider filing a trademark application?" Although the answer varies under the circumstances, the safest time to start considering the trademark application is during the brand development process. Even when picking and determining a brand name, it would be wise for a potential user to conduct a search of the federal trademark registry to determine if a prior-federal registration exists which may prevent the widespread use of the mark. If the search does not turn up any prior registrations which may cause issues down the line, the user should then consider filing an application with the USPTO to secure federal rights in the mark.

Generally, there are two types of applications a user can file with the USPTO: the use-based application and the intent to use based application. Trademarks are use-based rights, so the trademark must actually be used in order to obtain any rights in the mark, including a registration. Furthermore, in order to obtain federal protection, the use must be in interstate commerce, i.e., the use must occur in at least two states.

Use-based applications are appropriate when a mark is already in use in commerce. The applicant files an application complete with specimen materials showing use of the mark in conjunction with the claimed goods and services with the USPTO. Typically, in about three to six months, the applicant will receive correspondence from the USPTO that the mark is either accepted or rejected. If rejected, the applicant has the opportunity to submit a response to the USPTO to overcome the rejection and seek registration. Once a mark is accepted by the USPTO, it is published in the Official Gazette whereby third parties have an opportunity to challenge the mark based on their prior registrations. If the application avoids any challenges, it is registered and a certificate of registration is mailed to the applicant. The typical time period for an application which "smoothly" passes through the USPTO is about six months to one year from date of filing to receipt of a certificate of registration. As previously stated, all trademarks should be designated with the proper TM or SM markings throughout the application process.

An intent-to-use (commonly referred to as an ITU) application acts as name reservation for a mark. If a user anticipates launching a product or campaign under a particular brand, the intent to use application allows them to file an application with the USPTO which will reserve the mark until the applicant is capable of proving the mark is used in interstate commerce. An intent-to-use application follows the normal path of a use-based application with the exception that no specimen of use is filed with the application because no use has yet commenced. If the mark is accepted, the applicant is given six months from the date of acceptance to file a statement of use with applicable fee showing use of the mark in conjunction with the claimed goods or services in interstate commerce. If the applicant is unable to submit the statement of use at the time, the applicant is able to pay extension fees on a per class basis for an additional six month extension of the name reservation. With timely requests and payments of extension fees, the applicant is afforded up to two and a half years of extensions (three years from the date of the notice of allowance) before the mark will be deemed abandoned.

Kean Miller Trademark Process

Kean Miller's general practice for federal trademark applications is to conduct trademark searches, and, if the search results come back favoring registration, to prepare and file a single federal trademark application in a single class of goods or services for a

flat rate. The general format of the process includes the following services:

- Search of the federal trademark records to assess whether a pre-existing federal trademark registration may cause the denial of the application on grounds of confusing similarity;
- Analysis of the trademark search results including the creation of a memorandum to the client discussing prior registrations and other troublesome aspects which may arise during the application process;
- Drafting and filing the federal trademark application (including filing fee for one class of goods/services[3]);
- Tracking the application with the U.S. Patent & Trademark Office once filed;
- Responding to any non-substantive Office Actions on the client's behalf; and,
- Mailing the trademark registration upon receipt.

A similar process is also available for state trademark registrations.

[3] The USPTO requires trademark applications to provide a specific description of the types of goods and services to be identified by the trademark. The USPTO divides goods and services into as many as 45 different classes, each of which requires a separate $275 filing fee. Applications for multiple classes of goods or services will require an additional fee of $275 per class for which the mark is applied.

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