
Revision Legal Presents:

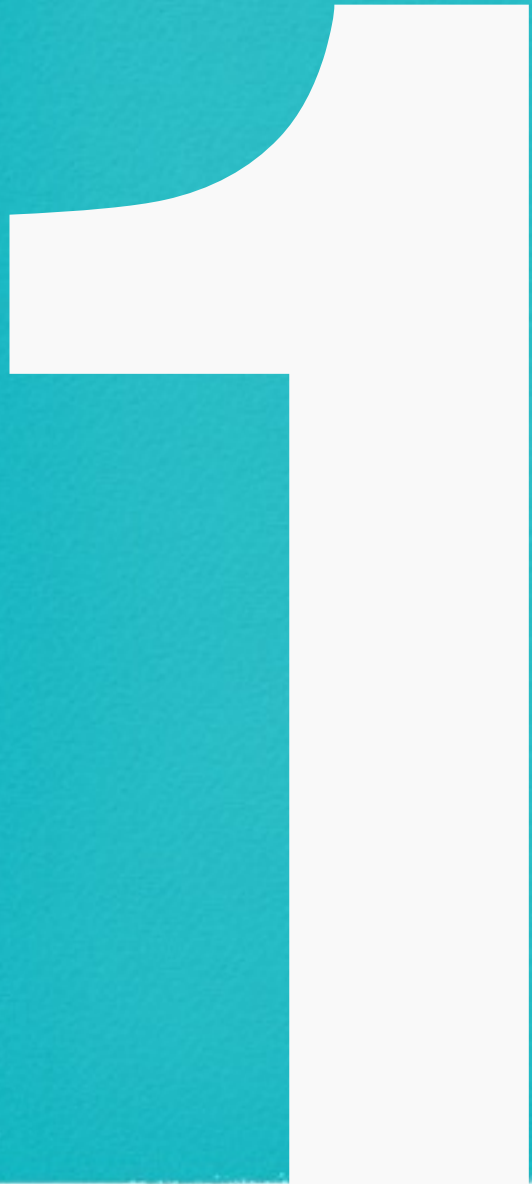
Asked & Answered: Trademark Law



R E V I S I O N / L E G A L

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Trademark Basics



The Basics

Trademarks are vitally important yet go almost unnoticed in everyday life. Trademarks are what helps you find your favorite pasta sauce in the wall of red sauce. You see a label, you connect the logo on that label with the quality you desire, and you decide to purchase.

The logo on the bottle encompasses everything that business has built. And it helped you get a somewhat satisfying, but at least quick, dinner on the table.

This book will teach you the basics of what trademarks are, how to protect them, how to select a trademark, and how to respond to trademark infringement.

If you have questions, comments, concerns, or suggestions, please contact us at contact@revisionlegal.com.

Of course, your use of this book does not form an attorney-client relationship. You should contact an attorney for individual legal assistance.

What is a trademark?

A trademark is any word, name, symbol, or device, or any combination thereof, used by a person to identify and distinguish his or her goods or services from others. In human terms, a trademark is your name, logo, or slogan that you use to identify your goods or services from the competition.

What Do Trademarks Do?

Trademarks primarily operate to identify source. They are designed to protect the purchasing public. For example, let's assume I enjoy Starbucks whole bean coffee. At the grocery store, I scan the aisles for the Starbucks logo, find it, grab it, and go. If an imitation brand was permitted to use a logo similar to Starbucks, I would be confused and could purchase a coffee that is not up to my expectations. Trademark law is designed to prevent this.

Of course, a valuable offshoot of consumer protection is that trademarks are a valuable form of intellectual property for the trademark owner.

What Kind of Trademarks Exist?

Character marks: marks made up of text alone. In general, this is the broadest form of trademark protection because it grants the owner trademark rights in any use of the mark.

Design marks: these are a drawing or design that may incorporate words or letters (called the “literal element”). In general, these provide a slightly more narrow form of protection as compared to character marks because they protect only the design as registered.

PROTIP: If color plays an important role in your marks, you can apply for trademark registration that incorporates a color element. However, it is usually suggested to register a gray scale version of the design to obtain the broadest protection.

Acquiring and Protecting Trademarks Rights

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How do I Acquire Trademark Rights?

You acquire trademark rights by using your marks in commerce. Really, it is that simple. This means exactly what you think it means: using your marks to identify your goods or services. Basically, when you affix a logo, slogan, or company name to your advertisements, marketing materials (including your website), packaging materials, or the item itself, you are building trademark rights.

PROTIP: The date you begin using your mark in commerce is extremely important. Because trademark rights being upon use, the first to use a mark generally wins. If you are launching a new product or using a new mark, make note of your use in commerce **and document it**.

I Don't Have to Register a Trademark to Obtain Trademark Rights?

Federal registration of a trademark is **NOT** required to build trademark rights. The moment you begin using a mark in commerce (and continually and exclusively use that mark) you are acquiring common law trademark rights.

What are Common Law Trademarks?

Unregistered trademarks are subject to a limited form of protection referred to as common law trademark rights. The superscript TM marker identifies unregistered marks. Yes, that is right, anyone can use the TM marker without any form of authorization or approval.

Common law rights are limited to the geographic region in which you operate. In other words, this means a BIG KAHUNA BURGER mark could be used by Restaurant A in Los Angeles and Restaurant B New York at the same time. As long as the restaurants do not provide goods in each other's markets, this is not trademark infringement.

But if either company plans on expanding, the trademark situation can become a mess. There will be fights over who *first* used the mark *where*. And by "fight" I mean the restaurants will pay attorneys to write letters back and forth. This "fight" can usually be avoided by registering your marks with the United States Patent and Trademark Office (USPTO).

Can I Protect Common Law Trademarks?

Yes. Federal law (and usually state law) protects unregistered marks against infringement. This means you can use cease and desist letters, submit online complaints, and start federal litigation based on common law trademark rights.

What is a Registered Trademark?

A registered trademark is identified by the ® marker. This marker is reserved for marks that have been registered with the USPTO.

Obtaining a registered trademark is done by submitting an application for registration with the USPTO. We will cover more details about this a bit later.

What are the Benefits of a Registered Trademark?

First, you obtain **NATIONWIDE** priority to use your mark in connection with your goods or services. This means you can lock out the competition from using a mark throughout the country. Given the costs of trademark registration (usually less than \$1,500), this is valuable investment.

Second, you obtain a **presumption of ownership** in the mark. This is a little bit of legal nerdery, but it is very important. In short, you will save money on lawsuits if you are the one with the registered mark.

Third, you can obtain statutory damages in a trademark lawsuit of up to **\$2,000,000**. The availability of these statutory damages gives you great leverage when writing cease and desist letters. Not many people want to face \$2 million in liability.

Finally, a registered trademark is your property. This is an **asset to your business** that can grow in value over time. Again, for a relatively small investment, you obtain a valuable return.

What Marks Should I Register?

If we performed an audit of your business, we would likely find multiple marks that are eligible for trademark protection. What marks are worthy of federal registration is usually a business decision. But, you should ask yourself the following questions:

- Is this mark what I want consumers to connect with my business?
- Am I spending a lot of advertising dollars on building a market for this specific brand?
- Would I want to prevent others from using this mark?
- Do I plan on using this mark five from now?

When Should I Register my Mark?

You have two options: 1) after you are already using the mark in commerce or 2) before you are using the mark in commerce.

- **“In Commerce”** applications are appropriate when you are already using the mark in connection with a good or service.
- **“Intent to use”** applications are appropriate when you plan on using a mark in connection with a good or service in the future. This is an extremely valuable tool when you want to acquire trademark rights BEFORE sinking money into a brand.

PROTIP: Intent to use applications provide a huge benefit for those planning to launch a new product or service. As usual, being proactive is a smart idea.

Applying for Trademark Registration

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How Does the Trademark Application Process Work?

The trademark application process is straightforward. However, problems can arise if you don't get the first steps right. Lucky for you, this is what we do for a living. **And for a flat rate between \$800 - \$1,200, we will do the following for you:**

Step 1: Understand the Risks - We recommend performing a full trademark availability assessment prior to filing. We perform a search of USPTO records and draft a legal opinion on the likelihood your mark will achieve registration. This is an important step because we understand the competition landscape and can modify your application accordingly.

Step 2: Draft and File the Application - We draft the application, submit for your review, and file with the USPTO.

Step 3: Respond to Office Actions - Three months after the application is submitted, it will be assigned to an examining attorney ("EA"). The EA will poke holes in the application and make sure it conforms procedural and substantive requirements. If there is a problem, the EA will issue an Office Action and will refuse to move the application to the next step. We will respond to the Office Action and ask the application to proceed.

Step 4: Opposition Period - Once we get by the EA, a 30-day opposition period stands between you and a registered mark. Here, someone that believes they will be injured by your mark's registration can object (or oppose) the registration of your mark. If this happens, then we will have to talk about trademark opposition proceedings, but that is outside the scope of this book. The vast majority of times no opposition is filed and your mark proceeds to final registration. You can expect the certificate of registration about 12 weeks after the opposition period.

In all, the process can take 8-12 months, or longer if there are Office Action issues. But, the important work is done up front. The rest of the time is waiting for the federal government to act.

A 2013 study shows that trademark applicants that hired an attorney had an 82% chance of obtaining final registration. This is an improvement of nearly 25% over non-attorney.

Selecting a Trademark

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Are all trademarks equally as strong?

No! Trademarks are judged on a spectrum of strength. The strongest marks are fanciful or arbitrary marks. For example, TRELLO is a fanciful mark because it is a word that doesn't naturally exist and therefore is a strong trademark. AMAZON to sell books is arbitrary because AMAZON has no connection to selling books.

On the other hand, suggestive marks are less strong. PERISCOPE for the streaming video app may be considered suggestive because (surprise, surprise) it suggests the services provided by the app itself.

On the far end of the spectrum are descriptive or generic marks. For example, if you are selling a candle that smells like apple pie, you will may not be able to register APPLE PIE CANDLE because this is "merely descriptive" of the goods.

Trademark Strength from Strongest to Weakest
Fanciful
Arbitrary
Suggestive
Descriptive
Generic

Are there other rules about what can be registered as a trademark?

Yes, there are a number of other types of words that are best to avoid when selecting a trademark.

- Descriptive or laudatory words (super, best, strong, etc).
- A surname;
- Geographically descriptive language;
- Immoral, deceptive, or scandalous matter;
- The flag, coat of arms, or insignia of any state or municipality or foreign nation;
- A name, portrait, or signature identifying a particular living individual (unless you have that person's consent);
- A deceased President's portrait; and,
- A mark that is likely to cause confusion with a mark already registered.

How do I avoid selecting a name that is too similar to another mark?

This is not an easy one to answer. A number of factors go into this complex analysis. If you are selecting a new mark, we suggest you do the following:

- Search for common law uses of the mark through your search engine of choice.
- Search the USPTO records for similar marks. Here is a [link](#) to the USPTO TESS database. You can type in the mark you wish to register and review the results. Pay attention to the LIVE marks and the goods or services connection to the marks.

PROTIP: If you are confused about whether your mark may infringe on another's mark, this is a good time to spend money on an attorney. **A name clearance opinion is generally available for less than \$1,000. Get started on the right foot, not worry about being sued.**

Monitoring Trademarks

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Why is trademark monitoring important?

Trademark owners have a duty to monitor how their trademarks are used. If others are using your marks without your permission or control, you run the risk of losing your marks.

How to monitor trademarks

Revision Legal offers a flat rate annual monitoring service for less than \$500. It's a no-brainer.

Trademarks and Domain Names

If you don't already own the domain name for your trademark, stop what you are doing and register the domain now. GO!

If someone else owns a domain name that contains your trademark, you should keep an eye on how that domain is being used. Are they trying to steal your customers? If so, you may have the chance to recover possession of the domain.

There are two methods for attacking domain names that contain your trademark. First, the UDRP is an administrative proceeding in which the only remedy is ownership of the domain. Second, the Anticybersquatting Consumer Protection Act (ACPA) is a US Federal law that creates a very strong cause of action for cybersquatting. In fact, you can obtain statutory damages of up to \$100,000 per domain name. If you have questions about domain names & trademarks, drop a line at contact@revisionlegal.com.

Using Trademarks

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Is there a right way to use a trademark?

Yes. Which means there is also a wrong way. **First, use the correct TM or ® marker.** Put these in the upper right corner of your mark. If you refer to your mark multiple times in a single publication or webpage, use the TM or ® on the first mention of the mark. You don't have to use it every® single® time® that® would® look® stupid.®

Use your mark consistently the same way. And match it to your registered mark.

Plus, **don't use it as a verb.** This makes your mark more generic and could hurt your claim to own a mark in whole.

- Bad: "I'm going to Google that."
- Good: "I'm going to use the Google search engine to search find out."

Can I let others use my trademark?

Yes, but be careful. If you are going to let others use your mark, you should have a trademark licensing agreement in

place. This is important because a trademark is tied to your company, including its products and quality.

A trademark licensing agreement will contain quality control provisions to make sure the use of your mark is only done with the types and qualities of goods and services as you would provide.

If you let a bunch of people use your trademark with no quality control, you run the risk of "naked licensing," which is not as fun as it sounds. In fact, its terrible. You could lose your trademark rights in whole.

Trademark License Agreements

Don't trust that others are going to use your trademarks in the manner you expect. Get it in writing. Protect yourself.

Revision Legal offers license template agreements that you can re-use for multiple situations for a one-time fee of \$400.

Be proactive. It's worth it. Otherwise, you will be calling us and the number will be much higher than \$400.

Responding to Trademark Infringement



What is trademark infringement?

Trademark infringement liability can attach when a disputed mark is “likely to cause confusion among consumers regarding the source or origin of the good or services provided.” The “likelihood of confusion” analysis is very complex. For your purposes, I’d recommend using common sense. If you think there is a chance the two marks are confusing, it is time to take the issue seriously.

What to do when you find trademark infringement?

Well, it depends on the circumstances. If a small time Amazon seller is using your mark, you may want to contact Amazon to have the infringing items removed. And if a company is using a mark that threatens your business as a whole, its time to talk to an attorney. But, almost anytime a trademark issue is present, a cease and desist letter will be use.

What are the benefits of a cease and desist letter?

It puts everyone on notice of the claim to use the mark. Plus, it is usually the cheapest and most effective method to ending disputes. Litigation is not fun and we should avoid it if at all possible. Well, litigation is kinda fun for us, but it probably won’t be fun for you.

What if the infringer does not stop after sending a cease and deist letter?

If the infringement is not taking place through a service provider that will act on your behalf (like Amazon or eBay), then you will have to force action. Typically, that is done by filing a trademark infringement lawsuit.

About Revision Legal

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REVISION / LEGAL

Revision Legal is an intellectual property and Internet law firm that helps people and business that primarily operate online. We appreciate a free Internet, believe that dogs belong on couches, and take on challenges.



John Di Giacomo: John is an experienced Internet attorney that has represented all types of online businesses, from startups to publicly traded companies. He uses his deep understanding of online business models to help clients create and protect online assets. Learn more about John [here](#).

Eric Misterovich: Eric advises and counsels businesses on Internet law issues ranging from domain name theft to copyright infringement and everything in between. He understands the speed at which online businesses act and meets those demands. Learn more about Eric [here](#).



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