

Protect the Crown Jewels!

By Tyler T. Ray



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A trademark is often the single most important asset in a company but one that is often overlooked. Let's look at some high-profile brands such as Coca-Cola®, McDonald's®, Samuel Adams®, or Nike®, for example. What do you see here? I see sugar water, burgers, beer, and shoes. That's right, generic products that are widely available from thousands of competing merchants. How did these companies become so successful? These marketing machines have achieved substantial commercial success not just through traditional advertising, marketing, or public relations channels, but also through careful creation, protection, and enforcement of their crown jewels – trademarks.

In my practice, I have found that even among talented advertising or marketing specialists, CEOs or entrepreneurs, fundamental misconceptions about trademarks exist when developing ad campaigns. It is my hope that we can clear up some common misunderstandings so that the “crown jewels” of your company or client continue to drive sales!

“The mark is available – we searched the USPTO online database!”

Not so fast. Although the United States Patent and Trademark Office (USPTO) online database is a wonderful tool for clearance searches, it is by no means comprehensive, nor should it be relied upon to protect against infringement analysis. The USPTO only supports federal registrations or applications. As you may recall, trademark rights stem from use, not just from registration. Thus, the USPTO database should be a starting point. A clearance search should also review state trademark registries, industry publications, the Internet (Google, Bing), domain names, and other sources. In other words, a true availability search is likely far broader and more extensive than anything a company or advertising agency can do in-house.

“We’ve registered the domain name, so we own the trademark.”

Wrong! The mantra “no trade, no trademark” aptly applies here. The trademark has to be in use in order for your client or company to have acquired or own any rights to the trademark. This means that every .com, .us, or .net registration is not worth the paper it is written on without any use. Even still, in use domain names may not function as a trademark if the mark does not identify the intended goods or services. Remember, a trademark is a source identifier.

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“The best mark is descriptive – it conveys the nature of the product or service!”

The battle between trademark lawyer and marketing teams usually begins here. Marketing folks are often inclined to descriptively name products to easily capture consumer intent and convert that into point-of-sale purchases. Be wary of this trap, because not all marks are created equal! There are four categories to determine whether, and the extent to which, a mark will be entitled to protection against competitors: (1) fanciful, coined, or arbitrary; (2) suggestive; (3) descriptive; and (4) generic (and unprotectable).

Fanciful marks are the strongest marks, usually a mark devised by the owner purely to identify and distinguish a product or service, like Xerox® for copiers, or arbitrary and completely random, like Apple® for computers. Suggestive marks are when marketers attempt to provide a link to the product through the name, such as Coppertone® for suntan lotion or Whirlpool® for washing machines. Descriptive marks are very low on protection. By definition, if it immediately, without conjecture, describes a function or feature, like Raisin Bran® cereal or Bed Bath & Beyond®, it is descriptive. This law is logical, as marks that are merely descriptive are needed by competitors in the marketplace to describe their products or services, and the law frowns on taking terms out of commerce that competitors need to compete effectively. To summarize, the strongest trademarks, i.e. the marks afforded the most protection under the law, are fanciful, coined or arbitrary, so remember that the next time you battle with your trademark lawyer!

“D-I-Y trademark disasters!”

I’ve seen it. The trademark federal application process is full of traps that can lead to disastrous results for a company seeking to save a few bucks. Commonly, trademark owners who file their own applications select the wrong classes of goods or services or describe their goods and services in ways that, while appearing reasonable to the layperson, in fact provide inadequate or inappropriate protection. Seek or recommend professional assistance!

“I can’t use the ™ symbol until my mark is registered!”

Contrary to popular opinion, your business can use the ™ symbol whenever it wishes to claim a trademark. You do not need to file any paperwork or receive permission to use the ™ symbol (but make sure you have performed a clearance search!). Use of the ™ symbol can put the world at-large on notice that the business considers a mark its trademark. This is part of your obligation to enforce your mark. However, the ® symbol may ONLY be used AFTER the USPTO grants a federal registration certificate.

Of course, not all of our clients or companies are behemoths like Coca-Cola or Nike. Most of us operate on a smaller scale and in segmented sectors of industry. The goal, regardless of size, is just the same: protect the crown jewels – trademarks. In a world in which consumers are increasingly in control of media and branding, this is just as important for advertising, marketing, and public relations professionals as creating the right ad campaign. ■

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