

Selecting and Protecting TRADEMARKS

Some trademarks are among the most valuable intellectual property in the World. Estimates of the value of the mark "Coke" are in the billions of dollars, and "Microsoft" and "Wal-Mart" cannot be far behind. What can you do in selecting and protecting a trademark to maximize its value?

In selecting a mark for your product or service, you should choose a mark that is registerable. To be registerable, the mark must first be a trademark or service mark, not a trade name. A trademark is a "device" to indicate the source of the goods or services, usually a word or group of words, but also designs, colors, sounds and smells. Marks come in many varieties. Words (i.e., Nike), logos (i.e., Nike Swoosh), tag-lines (i.e., "Just do it"), colors (i.e., pink insulation) and sounds (i.e., NBC chimes) can all be marks. A mark distinguishes the source of the goods of one business 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. The terms "trademark" and "mark" refer to both trademarks and service marks. Trade names are the names, usually registered with the Secretary of State of a given state, under which a company does business in that state.

Second, the mark must not be confusingly similar to existing marks. Marks are confusingly similar if they are used with the

same or similar goods or services and are identical, look the same or sound the same, or are so close to one another that a consumer may mistake one for the other. For example, the mark "Koak" would be confusingly similar to the mark "Coke," if they are both used in association with beverages. Because a mark is a device indicating the source of goods or services, it follows that if a mark is confusingly similar to another existing mark, neither mark would actually function as a source indicator because there would be confusion among consumers as to the source of either mark.

Third, the mark must be distinctive. In order to be distinctive, a mark cannot be generic or descriptive. A mark may not merely describe the goods or services. For example, a company cannot register the mark "mp3" for use with mp3 players because the mark "mp3" merely describes the goods. If this were not the case, one could register the mark "hamburger" and prohibit everyone else from advertising the sale of hamburgers. Marks must also not be geographical in nature if the source of the goods is within the named geographic region. For example, the mark "New Hampshire Maple Syrup" cannot be registered for use with maple syrup from New Hampshire because New Hampshire is geographically descriptive and "Maple Syrup" is generic or descriptive.

There are, however, degrees of "distinctiveness," and the more distinctive a mark is, the more valuable it can become. A distinctive mark may be suggestive, arbitrary or fanciful with the latter being potentially more valuable. Fanciful marks are those words, designs, sounds, etc., that are completely "made-up." For example, the mark "Kodak," which George Eastman selected for his new camera because he liked the letter "K," as a fanciful mark. Other valuable marks are arbitrary marks. For example, the mark "Dominos" is not fanciful, but its use in association with pizza is arbitrary. Suggestive marks are not as valuable compared to arbitrary or fanciful marks, but are preferred to descriptive marks. A suggestive mark suggests a quality or characteristic of the goods or services. For example, "PC Connection" is a suggestive mark.

When choosing a mark, many companies initially pick something that leaves the consumer in no doubt as to either the quality or the type of product or service. This is an understandable mistake as a descriptive or suggestive mark gives the new business or new product instant recognition. However, in the long term, a fanciful or arbitrary mark will bring your business greater brand loyalty and recognition as compared to a descriptive or suggestive mark. If you are having difficulty choosing a name



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that is not descriptive or suggestive, a compromise is to choose a name that “conjures up” thoughts of your product or services without being descriptive or suggestive. Take “Starbucks” for example. Starbuck was the coffee loving character in Moby Dick. So, although the name “Starbucks” is seemingly arbitrary, it becomes a logical choice and thus a powerful mark once the consumer understands the connection between the mark and the product.

Once you have selected a candidate mark, before adopting the mark and launching the products or services, you should have a trademark search performed and seek an opinion of counsel that it is registerable. The full search includes a search of all common law, state and federal marks. The resulting search report is then reviewed by counsel and an opinion is given. This search and opinion allows you to determine the likelihood that you can both use your mark without infringing another’s mark as well as register your mark with the United States Patent and Trademark Office (USPTO).

Once you have determined that you will most likely be able to use and register your mark, you should protect it by registering it with the USPTO. Although you can obtain common law protection just by using a mark, common law protection only extends to the geographic area in which you use the mark. To obtain protection in other areas of the U.S., you must register the mark with the USPTO. Once a mark is registered in the U.S., your company will have the ability to expand its distributorship and or clientele throughout the U.S. on its own terms. You will not have to worry about a competitor trading off your good will in areas of the U.S. in which you have not yet entered.

Registration with the USPTO requires an application and a filing fee of \$325. You can either file a “use based” application or an “intent-to-use” application. Actual registration requires use of the mark in commerce, in association with the goods or services. However, if you have not used your mark, but have plans to use the mark, filing an intent-to-use application means the application will be examined and, once allowed, will register as soon as you prove use in commerce. It is best to file a trademark application as soon as you select the mark. Typically, this is an intent-to-use application. The early filing date can avoid problems down the road if another person is also interested in the same mark. Once the application is allowed, with extensions, you will have a

maximum of 36 months to prove use of the mark in commerce. Again, once use in commerce is proved, the mark will register.

If you plan to sell your product or services in any country outside the U.S., this should be taken into consideration early when selecting a mark. Each country has its own registration and trademark rules and laws, and there could be a confusingly similar mark already in use within that country. Thus, additional searches in those countries are recommended prior to adopting your new mark. It is also worth noting that if you file foreign applications within six months of your U.S. application, you can claim priority to the U.S. application for purposes of the filing date. |

A method of producing energy wherein,

$$E = \pi mc^2$$

Some things even we can't patent!

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