



# The Importance of Trademarks

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# Major Types of Intellectual Property



- Copyright
  - Protects Expression
- Patent
  - Protects Novel Innovation
- Trademark
  - Protects Reputation and Goodwill
- Trade Secrets
  - Protects Valuable Secret Information

# Why is Your Brand Important?

- Your brand symbolizes your business' identity and reputation
- Your brand is the image your project projects to the outside world; for your business to thrive and grow, you'll want to protect it

# What Is a Trademark?

- A trademark can be anything that identifies the source of a specific product or service and distinguishes it from others in the marketplace

Category	Example
Word	<b>TOYOTA</b>
Symbol	
Slogan	JUST DO IT
Trade Dress	

# What Does a Trademark Do?

Identifies a **common source** for goods and services



**Distinguishes** the goods and services other companies



# What Do Trademarks Prevent?

- Trademarks prevent the **Likelihood of Confusion**
  - Protects the public interest by allowing consumers to rely on brands to inform their purchasing decisions
  - Allows a business to protect its reputation and goodwill
- Likelihood of confusion includes confusion over whether there is a connection, affiliation, association, sponsorship, or endorsement

# Some Advantages of Trademarks

- Trademarks help your customers distinguish your products and services from your competitors
- Trademarks help you to build a customer base and customer loyalty
- Trademarks help ensure that competitors don't steal, damage, or unfairly profit from your brand

# Obtaining Trademark Rights

- In the U.S., trademark rights are obtained:
  - By use (common law rights)
  - By registration



# Advantages of Trademark Registration

**Nation-wide rights:** Registration confers an exclusive, nation-wide right to use the trademark and prevents others from registering a confusingly similar mark

**Reserves right to use:** Applying to register goods and services you will be offering in the future helps ensure your freedom to expand into that product lines as your business grows

**Enforcement:** Registration creates the presumption of ownership and validity and allows you to better fight infringers, counterfeits, as well as unauthorized product sales in online marketplaces

# Strong Trademarks Are Valuable Business Assets

- Trademark registrations are an important consideration during the valuation of a company and its assets
  - Not having registered marks may cause investor concerns
- Trademark registrations facilitate monetizing your trademark through licensing, collaborative ventures, asset sales, and other business deals
  - A registered mark helps ensure clear title and ownership
- A registration shows business readiness, and that you are thinking long-term and strategically about protecting the value of your goodwill

# Process of Securing a Trademark

Select

Assess  
Risk

Protect

# Selecting a Mark

**APPLE**







*Not a Trademark*

**APPLE**



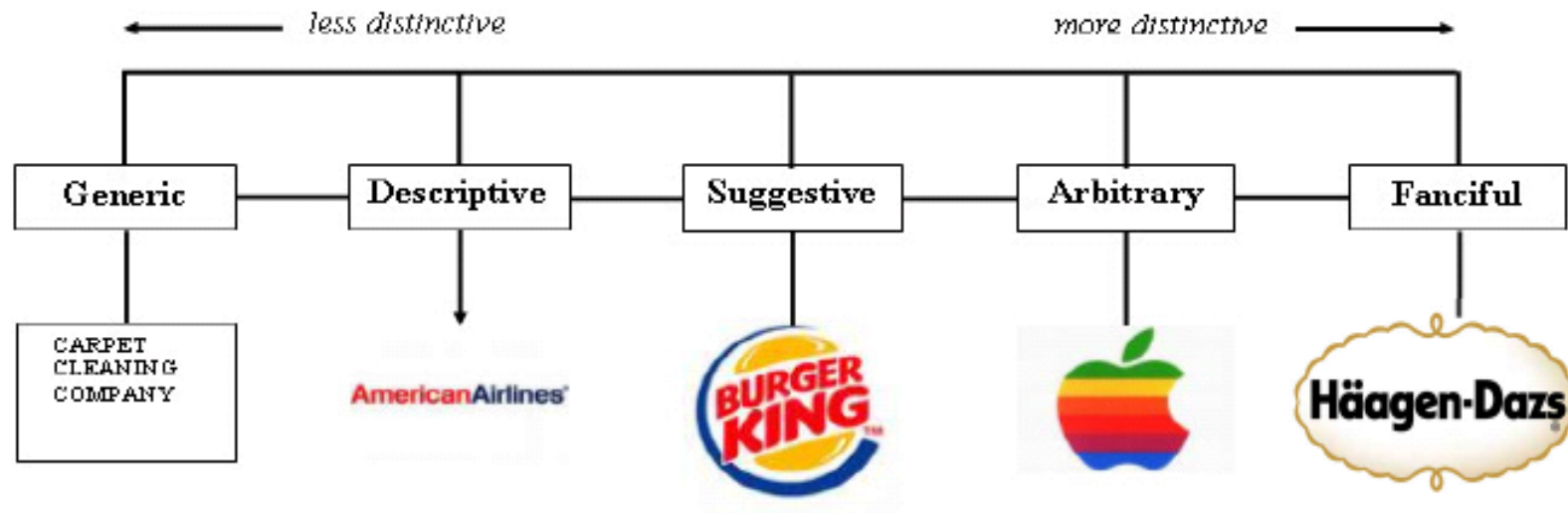
*Great Trademark*

# Mark Selection – Spectrum of Distinctiveness

FANCIFUL	ARBITRARY	SUGGESTIVE	DESCRIPTIVE	GENERIC
				<p><b>CARPET CLEANING COMPANY</b></p>
Strongest Trademark	Strong Trademark	Weaker but "Inherently Distinctive"	Must "Acquire Distinctiveness" for Protection	Cannot be a Trademark

# Selecting a Mark (Continued)

## Distinctiveness Spectrum



**The more distinctive the mark, the greater its level of legal protection.**

Generic marks are not capable of trademark protection.

Descriptive marks are capable of protection only with a showing of secondary meaning.

# Risk Assessment Categories

Category 1

**UNKNOWN RISK**

Category 2

**KNOWN RISK**

# Managing Unknown Risk with Trademark Searching

- **Trademark searching is used to understand what similar brands may be obstacles in the relevant market**
  - Review various sources, including trademark databases, the Internet and other resources to determine whether a trademark is available for use and registration
- **Why should you conduct a trademark search?**
  - Searching helps identify potential concerns and obstacles to help a business take intelligent risks
  - Searching helps assess chances of registration and the commercial environment surrounding a proposed mark



# Managing the “Known Risk”

- **Examination risk:** the risk that a mark will be cited as an obstacle by the USPTO examining attorney
- **Freedom to operate risk:** the risk that using the mark will trigger an objection from an third party
- **Tarnishment risk:** the risk that the mark may have a negative association in the minds of consumers because of actions outside of your control

# Trademark Registration

- **Registrability**

- Meets the legal requirements – that is, it is not generic, merely descriptive, and meets other statutory requirements

- **Availability**

- Is not confusingly similar to a prior mark

- **Application Procedure**

- United States: federal registration (with the USPTO) or state registration (with the secretary of state)

# International Aspects of Trademark Rights

- Trademark rights are created country by country, so a registration in US does not secure rights in other countries

United States



Europe



United States



Australia



# International Considerations

- Trademark laws vary from country-to-country
- Many countries are “first to file,” and provide little to no protection for use-based rights.
  - Many countries grant registrations without requiring proof of use.
- Filings in the U.S. creates a six-month window to file in other countries with “priority.”
  - Effectively holds your place in the line for six months

# Loss of Rights

## Loss of Trademark Rights

- Abandonment: Stopping use with no intent to resume use
- Failure to control use by licensees or police against infringers
- The mark becomes the “generic name” for the goods and services

## Loss of a Trademark Registration

- The registration will best lost if the registrant does not:
  - Prove the mark is still in use by the six-year anniversary
  - Renew by the ten-year anniversary, and every ten years thereafter

# Trademark Best Practices: Using Marking Symbols Correctly

Registered or Unregistered Marks	Only Registered Marks
TM	®

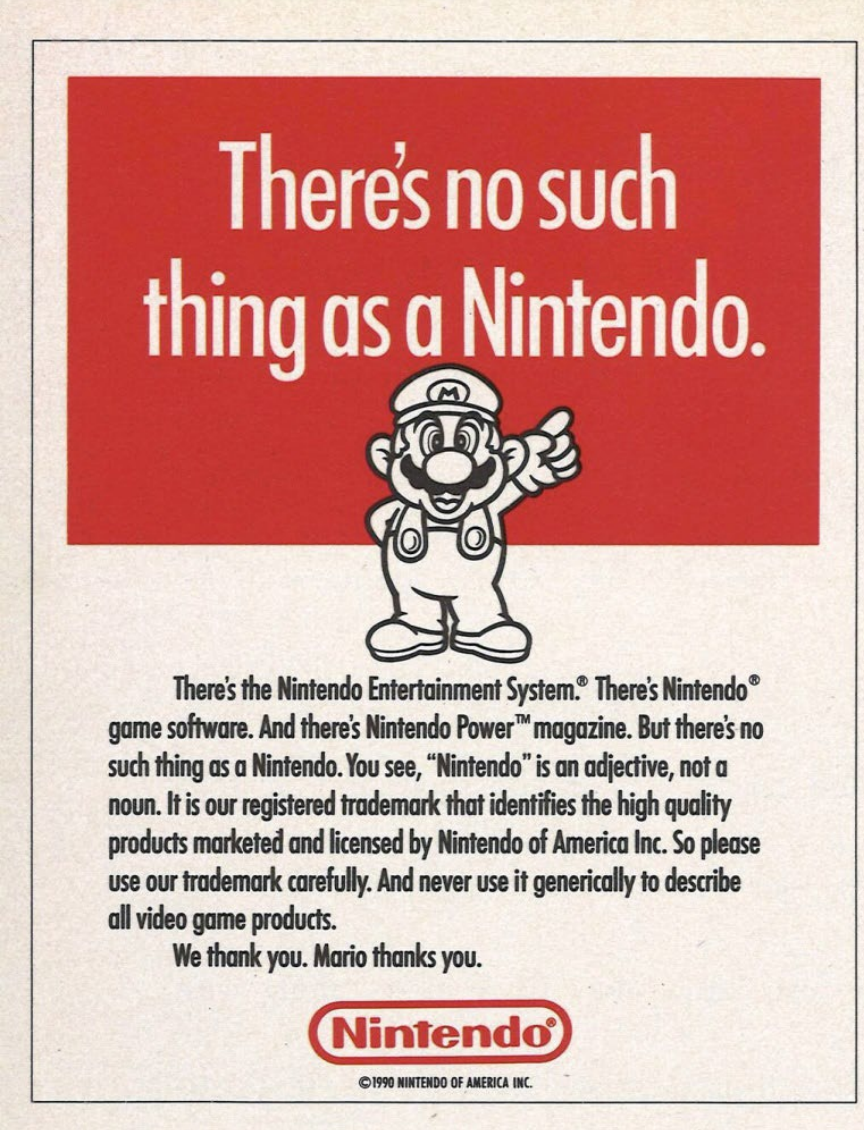
## Trademark Best Practices: Proper Trademark Use

Trademarks are adjectives, not nouns or verbs


- Use the mark to modify a generic term
  - NIKE® shoes, FORD® truck.

### “Genericide”

- Improperly used trademarks can become the generic name of the goods
  - Think, escalator, elevator, thermos




There's no such thing as a Nintendo.



There's the Nintendo Entertainment System.® There's Nintendo® game software. And there's Nintendo Power™ magazine. But there's no such thing as a Nintendo. You see, "Nintendo" is an adjective, not a noun. It is our registered trademark that identifies the high quality products marketed and licensed by Nintendo of America Inc. So please use our trademark carefully. And never use it generically to describe all video game products.

We thank you. Mario thanks you.



©1990 NINTENDO OF AMERICA INC.

## Trademark Best Practices:

# Trademark Monitoring and Enforcement

- Keeping a mark strong and distinctive may require objecting to confusingly similar marks adopted by other companies
- Resources
  - Subscribe to trademark watching and brand protection services
  - Use internal “eyes and ears” by educating your staff on what to watch out for





**Resources**

# Additional resources for trademark information

- **USPTO** - see [USPTO.gov/Trademarks/Basics](https://www.uspto.gov/trademarks/basics)
- **INTA** – see [INTA.org/Resources/Fact-Sheets](https://www.inta.org/Resources/Fact-Sheets)
- **INTA Pro Bono Clearinghouse Program**

# INTA Pro Bono Clearinghouse

- The Clearinghouse matches eligible clients facing trademark issues with member attorneys who volunteer to provide services free of charge
- The Clearinghouse serves low-income individuals, small- to medium-enterprises, and not-for-profit, and nonprofit or charitable organizations with low operating budgets that might not otherwise have affordable access to legal assistance

# Online Application Required

- Interested applicants must submit an application at: [INTA.org/Resources/Pro-Bono-ClearingHouse](https://www.inta.org/Resources/Pro-Bono-ClearingHouse)
- INTA will screen applicants for a valid trademark issue and a certain level of financial need
- Submitting an application does not guarantee that a participant will be matched
- Submitting an application does not initiate any attorney-client relationship
  - Applicant must complete any required engagement process directly with the volunteer attorney

