

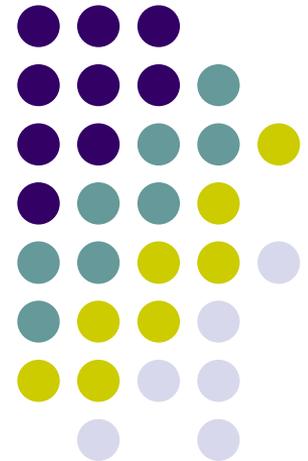
Understanding Trademark

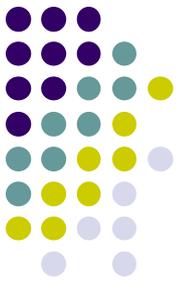
March 11, 2015

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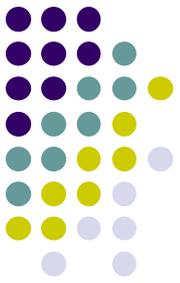




What is a Trademark?

- A **trademark** is a word, phrase, symbol or design, or a combination of words, phrases, symbols or designs, that identifies and **distinguishes** the **source** of the goods of one party 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.

WHAT MAKES A GOOD TRADEMARK



- The **strength** of any particular trademark will depend on the marks capability to **distinguish** itself from that of other goods or services. Generally, the **strength of a mark is categorized along a spectrum of distinctiveness** along five terms (from most to least distinctive).
 - **Fanciful** – Marks that have been invented for the sole purpose of acting as a trademark.(Kleenex, Xerox).
 - **Arbitrary** – Utilizes a device that has a common meaning but no relation to the mark itself (Apple).
 - **Suggestive** – Marks that suggest a particular quality or characteristic of the goods and services (Microsoft, Netscape).
 - **Descriptive** – Devices that merely describe the services or goods on which the mark is used (Container Store).
 - **Generic** – Devices that actually name a product and are incapable of trademark (Modem, E-mail).

Types of Marks:



A trademark is a device which can take almost any form, as long as it is capable of identifying and distinguishing specific goods or services. Here is a list of the types of devices available:

Letters and Words

Logos

Pictures

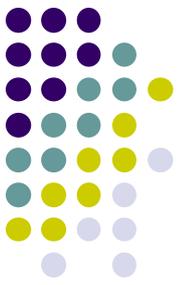
Combination of words and a logo

Slogans

Colors

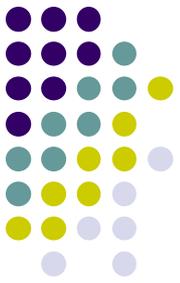
Product Shapes and sounds

When Can One Claim Ownership of a Trademark



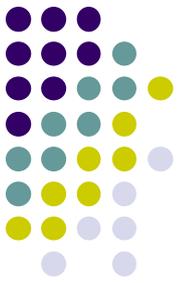
- If I file a d/b/a with the county to open a bank account does that registration protect my name/mark?
- **NO**
- Do not confuse an Texas trademark registration with a certificate of assumed business name or any other corporate documents filed with state or local governments. For instance, the certificate of assumed business name is filed with the county recorder primarily for the benefit of creditors and has absolutely nothing to do with obtaining a protectable trademark registration. The concept of protecting the name by filing a certificate of assumed business name is perhaps one of the most common misconceptions in business communities.

When Can One Claim Ownership of a Trademark (Cont)



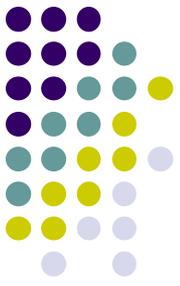
- Do you have to register your mark with the federal government to have a valid trademark?
- **NO**
- **YOU CAN ESTABLISH RIGHTS IN A MARK BASED ON LEGITIMATE USE OF THE MARK**

Common Law v. Registered Trademarks



- You can claim a **Common Law Trademark as soon as you start selling your products or services.**
- **BUT:** common law trademarks only afford the business owner protection in the geographical area in which he or she has conducted business

What are the various types of trademarks?

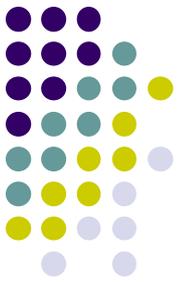


- Trademarks come in four forms
 - common law trademarks
 - state law trademarks
 - federal trademarks
 - foreign trademarks
- A Common Law Trademark (unregistered)- The first and easiest way to obtain a trademark, and unfortunately the most common way, is to do nothing—just adopt the name and use it in commerce. If it becomes distinctive, either to the business or the product, a common law trademark comes into existence. Generally speaking, **common law trademarks are limited to those particular products to which they have become distinctive**, in the limited geographic region where the goods or services are marketed. This type of trademark is the most limited, but does give the holder certain rights.
- A Registered Texas State Trademark is obtained from the Texas Secretary of State's office in Austin , TX. State registration gives you the right to exclude the later use by others of the same or confusingly similar trademark in Texas only.

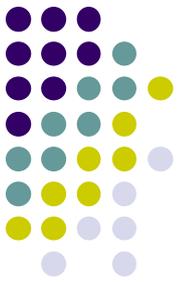
What are the various types of trademarks? (Cont)



- A Federal Trademark Registration provides the best protection available by giving you the right to exclude the later use by others of the same or confusingly similar trademark anywhere in the United States. There are two bases for federal trademark registration:
 - **In Use.**
 - **Intent to Use.**
- A Foreign Trademark Registration is usually on a country-by-country basis, and if your products are to be sold in other countries, you may wish to register trademarks in those countries. If a trademark is already owned or an application has already been filed in the United States, the owner may file for foreign protection under the Madrid Protocol, which was enacted in November 2003. There are cost saving benefits by filing under the Madrid Protocol versus on a country-by-country basis. They include: the application can be filed in English (no translation costs), the application can be directly filed by my office (there is no need to hire a foreign attorney for filing), and there is one renewal date and one renewal fee.



Federal Trademark Registration



Basis for Filing

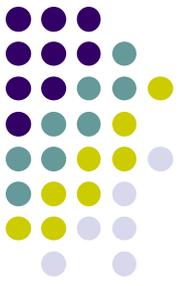
- **1A**

Based on use in commerce, you must already be using the mark in commerce on or in connection with *all* the goods and/or services listed.

- **1B**

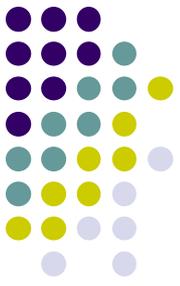
Based on intent to use, you must have a bona fide intention to use the mark in commerce on or in connection with *all* the listed goods and/or services.

Basis for Filing (cont)

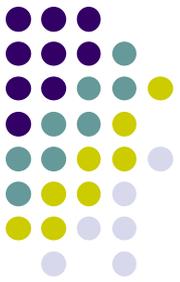


- Federal trademark rights and protections are ultimately based on actual use in commerce.
- **Intent to use** – Filing an intent to use trademark application allows the applicant to file for trademark protection before committing all of the costs of marketing and promoting the mark. An applicant who files an intent to use application must make actual use of the mark before it can be registered. There is an added step – filing a statement of use.
- **Use Based** – According to the USPTO an applicant filing a use based application must actually already be using the mark in commerce in connection with the goods and/or services identified in the application.

What are the steps to getting a trademark registration?

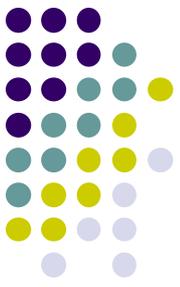


- **Conduct a trademark search**
- **Prepare the Application** (First use? Description? Class?)
- **Submit the Application** (All electronic)
- **Wait for an Examiner to review your file**
- **Correspond with the Examiner** (Office Actions) to correct any problems with application and get approval
- **Publication by USPTO on Gazette**
- **Registration** (9 months from submission)



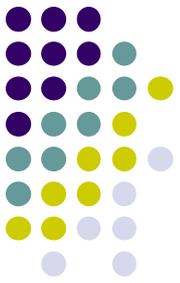
Search Process

- The first step in the registration process is to search the USPTO to see if anyone is claiming trademark rights in a particular mark.
 - A simple “knock out search” can be done through the USPTO website www.uspto.gov. Through this website you can search for any and all registered and to be registered trademarks.
 - Hire a search company that will search all possible trademark databases before you file, as well as after you file---to catch any infringers.
 - Google
 - **ITS VERY IMPORTANT TO CONDUCT A TRADEMARK SEARCH** (*Best if done before you name your business*)



The Application Process

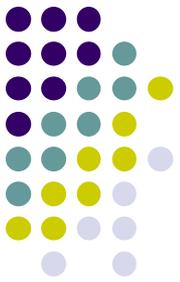
- **An application must include the following elements before the USPTO will accept it:**
 - the name of the applicant;
 - a name and address for correspondence;
 - a clear drawing of the mark;
 - a listing of the goods or services;
 - a specimen of the mark in use for 1A; and
 - the filing fee for at least one class of goods or services.
- *If your application does not meet these requirements, the USPTO will deny the application and refund any fees submitted (Maybe).*



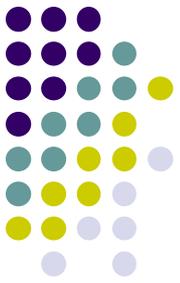
Preparing the Application

- Standard word mark ("standard character" drawing) or
- "Stylized or Special Form" drawing
 - Logo or a mark?
- Class
- Description of the services or good
- Date of first use
 - 1A
 - Not 1B (why)

GOODS AND/OR SERVICES

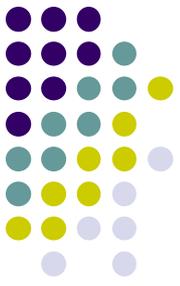


- For each good or service for which registration is sought, the applicant must determine the specific goods/services classification :
- Under the International Schedule of Classes of Goods and Services There are 45 numbers assigned to goods and services
 - #1 - 34 goods
 - #35 – 45 services
- When specifying the goods and/or services, use clear, concise terms, *i.e.*, legal services.
- Please note that the terms in the classification listing of goods and services in the International Schedule of Classes of Goods and Services -
<http://tmep.uspto.gov/RDMS/detail/manual/TMEP/current/d1e2.xml#/manual/TMEP/current/TMEP-1400d1e1.xml> For a listing of acceptable wording for goods and services, see the USPTO's *Acceptable Identification of Goods and Services Manual*, at
- <http://www.uspto.gov/trademark/guides-and-manuals/manuals-guides-official-gazette>



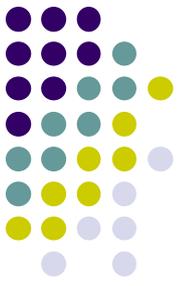
ONE MORE TIME

What are the steps to getting a trademark registration?



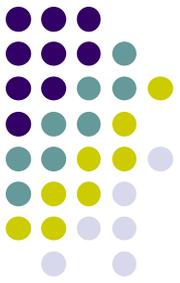
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Symbols of Registration



- The Symbol TM or SM represents an *unregistered* trademark. Use this during application.
- **Federally Registered Trademarks** – The symbol ® is a notice to the public that a particular trademark is federally registered.
 - A Federally Registered Trademark is much more valuable than a Common Law Trademark because it allows the business owner to assert his trademark against a subsequent user ANYWHERE in the United States.
 - Even if the business hasn't started transacting business in other States.

How long do trademark rights last?



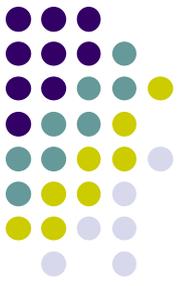
- An actively used trademark can continue to exist, increase in value to the company, and increase the sales and profits of the company for an unlimited period of time.
- The continued validity of a trademark registration is dependent upon **actual use** of the trademark.
- The trademark holder does have to confirm use at 5 years again at 10 and then every 10 years.
- Trademark rights can also be lost through dilution. **Dilution** commonly occurs where competitors adopt very similar trademarks and the trademark holder takes no action to defend the mark.
- Another means of losing trademark rights occurs when the trademark becomes so identified with the particular, precise goods to the point where the mark loses its distinctiveness and instead becomes a **generic descriptive** term. An example most people are familiar with is aspirin, which was originally a trademark (owned by Bayer), but became so identified with acetylsalicylic acid tablets that it eventually turned into a generic term. Other companies are fighting to keep their trademarks from being found generic. These include Xerox ® for photocopiers.

Trademark Protection



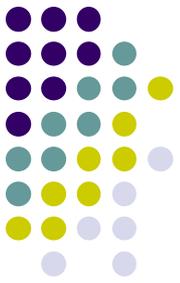
- After your trademark has been registered you're not done...
 - **Maintenance** – Trademarks must be maintained through proper use and due diligence. This involves keeping your mark active in the stream of commerce and ensuring that your mark does not become generic.
 - **Watching** – Many trademark owners list their marks with various trademark watching services. These services are particularly helpful when a company seeks to expand their enterprise in the USA and abroad.
 - **Enforcement** – Enforcement consists of pursuing adverse users. A particularly cheap and effective method of enforcing against an adverse user is by having an attorney file a “cease and desist” letter. While litigation may prove necessary it should be avoided whenever possible.

What if I want to have my mark registered in other countries?



- If your products are to be sold in other countries, you may wish to register trademarks in those countries. A Foreign Trademark Registration is generally acquired on a country-by-country basis, and trademarks registered in foreign countries do not affect your registration of the mark in the United States.
- If a trademark is already owned or an application has already been filed in the United States, the owner may file for foreign protection under the Madrid Protocol, rather than filing in each country separately. Filing under the Madrid Protocol can reduce costs considerably if more than one foreign registration is sought.

Questions about Trademarks?



- Any questions
- Use the uspto.gov website and go to <http://www.uspto.gov/faq>
- This has answers to all FAQs – very helpful.