

Trademarks: Protecting your Identity



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IN JANUARY, I REVIEWED HOW TO OBTAIN, maintain and market patents and I promised a follow-up column on trademarks and copyrights. At the time, I planned to concentrate on trademark issues and provide a very brief overview of copyright requirements. After researching and consulting with my wife, who deals with copyright issues in her graphic design and advertising business, we concluded that there was too much material for one column. I will review trademarks this issue and copyright topics in April. This column represents a layman's viewpoint and is not intended to provide legal advice.

Patents, trademarks and copyrights have one thing in common: they are guaranteed by the most basic legal foundation of the coun-

try, the Constitution. Article 1, Section 8 provides the legal foundation: "To promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries."

What is a trademark?

The idea of a trademark has three additional identifying marks: service, certification and collective marks. Short definitions are in order.

- Trademarks are brand names that distinguish products from different manufacturers or marketers.
- Service marks distinguish among different sources of services.
- Certification marks are names or symbols to certify geographic origin, quality, accuracy or other characteristics that are not provided.
- Collective marks identify organizations or associations, and are used by members in their commercial pursuits.

Examples for each mark, in the order listed, may be Coca-Cola, the Graphic Artist Guild logo, the Underwriters Laboratories (UL) mark and the PEI logo. It is obvious that there is some overlap among the categories; while the Graphic Artist Guild logo also may be used as a collective mark, the PEI logo also can indicate a service mark. I will discuss all four marks collectively as "Trademarks."

In the most basic definition, trademarks are words, phrases, symbols or designs that identify a brand. BP Amoco, for instance, protected the name of its premium product by using a unique form of "Ultimate" in which the "i" and the "m" appear as one letter. Trademarks differ from patents or copyrights. Copyrights protect artistic or literary works while patents generally protect inventions. There is some overlap in the area of design patents, which protect an ornamental design of a product. The shape of the traditional Coca-Cola bottle, for instance, could be covered by a design patent and is, of course, a trademark.

Protecting a trademark

Trademark protection rises from common-law rights. Federal registration is not required; rights to a mark start with the actual use of the mark. The first to actually use a mark in commerce has the right to registration, which, in turn, results in the legal presumption of ownership and the right to use the mark nationwide. However, registration results in some tangible benefits.

The agency responsible for registering trademarks is the Patent and Trademark Office (PTO) of the US Department of Commerce. The PTO's authority is limited to the registration process. In case of a dispute, the final right to a mark may be determined by a Federal Court. Registering a trademark may be on the basis of actual use of the mark or by certifying an intent to use the mark in commerce. While trademark rights last indefinitely, they renew in 10-year cycles. During the initial 10-year period, an affidavit of actual use must be filed between the fifth and sixth years, or the registration is canceled.

Prior to registration, search active and pending trademarks at a Patent and Trademark Library. Also search other data bases such as individual state registries, the yellow pages and industrial directories. It is important to realize that PTO examiners are not looking for identical matches, but for a combination of terms that may be confusing and misleading when used for similar products or services. An actual example of a problem was the mark COMCET proposed to use that is too similar to COMSAT.

While new trademarks must be unique and unambiguous when compared to existing trademarks, the PTO also imposes restrictions on the use of names, pictures of personalities, coats-of-arms, flags or other national symbols. Details of the requirements are available in the Trademark Act, 15 U.S.C. §1052.

The PTO web site lists five benefits for federal trademark registration:

- Provides notice of the trademark owner's claim
- Constitutes evidence of trademark ownership
- Invokes jurisdiction of federal courts
- Can be used as basis for foreign registration
- Can be used with US Customs Service to prevent entry of infringing foreign products

Registering a trademark

The trademark registration process starts with the filing of a properly executed application with the PTO and is accompanied by a specimen of the trade or service mark. While the PTO suggests that specimens be true examples of the mark's use, the maximum size for submission is 8.5 by 11 inches and may require the use of reduced-size facsimiles. Applications may not be faxed. They are made by the owner of the trademark, with one application for each class of product or service.

The application does not need to list the classification. The PTO determines the appropriate International Class and allows the applicant an opportunity to file for additional classes or limit the product or service to one class.

When the PTO receives an application, it conducts a quick review to ensure that minimum requirements are met, and it issues a serial number to the applicant. A thorough review usually begins after several months. During the review, the PTO examiner may contact the applicant to resolve small problems. Formal correspondence resolves significant objections.

Assuming the applicant is successful, the PTO publishes the application in the *Official Gazette*, a weekly PTO publication. Outsiders who may object to the mark must file such objections within a 30-day period. The Trademark Trial and Appeals Board resolves opposition.

After resolving all objections, the PTO issues a Notice of Allowance. The applicant has six

months from the date of the notice to actually use the mark and submit a Statement of Use or request an extension prior to filing the Statement of Use. The entire registration process may require up to several years.

Cost and resources

For trademark registration, the PTO does not require the use of an attorney. However, the necessity for following complex requirements and conducting searches on data bases may be beyond the capabilities of many individuals.

All information required for registering a trademark with the PTO is available on the PTO's web site at www.uspto.gov. One of the publishers of legal self-help material, Nolo Press, also provides several books and kits regarding trademark issues. Reach Nolo Press at www.nolopress.com.

PTO fees increased in January 2000. Registration applications now cost \$325 for each class. Renewals cost \$400 and extensions for filing a Statement of Use cost \$150. Objection filing following publication of the mark costs \$300. Attorney fees vary widely, but may reach several thousand dollars for normal trademark prosecutions. The cost of trademark searches depends on the degree of difficulty and the number of different data bases searched. When I started my consulting business five years ago, I was quoted \$3,000 for a trademark search.

Using the registration mark

Trade or service marks not registered but used under common law may be used alone or with the "TM" or "SM" marks, providing the public with notice that trademark protection is claimed. Alternatively, one can use an asterisk with the footnote "Trademark of the ZZZ Company." While the legal community frowns on using the "TM" or "SM" marks in a circle, implying registration of the mark, such use appears to be legal.

Trademarks registered by the PTO may use the ® mark after completing the registration

process. While the registration is pending, the mark may not be used. Instead the use of "TM Pending" or "TM" may be appropriate during that time. While there are other marks using a letter surrounded by a circle, only the ® is the legal registration mark for trademarks.

While I have concentrated on the federal trademark registration process, it is important to recognize that all states register marks used in intrastate commerce. Common law marks, those used in commerce but not registered, may be available only through industry directories. Finally, more than 200 countries have their own domestic trademark registration processes. It is not surprising that large corporations rely on trademark attorneys to attain and maintain corporate and brand identities. ☐

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