

Legal Considerations When Selecting a Trademark

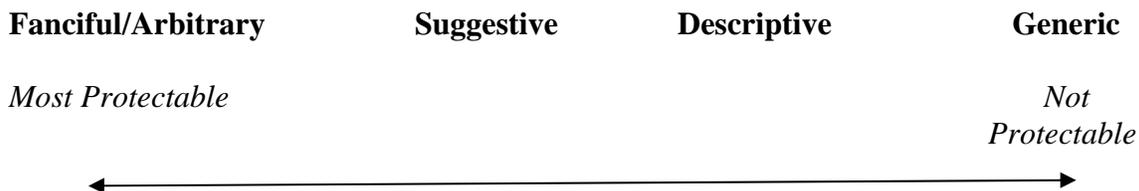
Trademarks are words, terms, slogans, images, sounds or smell that are exclusively identified with a product or service. This exclusive ownership right allows the trademark owner to prevent anyone else from using such a similar trademark on a similar product or service.

We strongly recommend you choose the strongest mark so that you can have the exclusive right to apply your trademark to your product or services. The second requirement is to choose a mark that is not in use to describe a product or service similar to yours.

TRADEMARK TYPES

Not all brand names are eligible for trademark protection. United States trademark law recognizes a “spectrum of distinctiveness,” a sliding scale of protectibility, where the more distinct and unique the term, the easier it is for the owner to claim and be granted exclusive trademark rights for that term.

The diagram below illustrates the spectrum of distinctiveness and protection for the four categories of trademarks.



Fanciful and Arbitrary Trademarks

The strongest trademarks are Fanciful and Arbitrary trademarks. Fanciful trademarks are generally “coined” terms that had no meaning before their use as a trademark. Famous examples of fanciful trademarks include KODAK, VERIZON, EXXON, and CINGULAR. Fanciful words are inherently distinctive and immediately function as a trademark or service mark. They are afforded the greatest amount of trademark protection.

Arbitrary marks are common English words, which are used in a way such that their normal meaning bears no relationship to the goods, or services to which they are applied. NICKELODEON is an example of an arbitrary mark- its definition as “an early movie theater charging an admission price of a nickel” is not related to a cable television channel for children. The trademark APPLE for computer products is another example of an arbitrary mark. Obviously, whether a mark is arbitrary or not depends upon its context. Whereas APPLE as applied to computers is arbitrary, if applied to a fruit grower that mark would be descriptive.

Arbitrary marks are generally easy to register because there is no connection between the mark and the goods or services, but they may present a marketing challenge.

Suggestive

Although not as inherently distinctive as fanciful or arbitrary trademarks, suggestive trademarks are also deserving of trademark protection. Suggestive trademarks allude to some quality or characteristic of the product or service, however, the consumer must exercise some degree of imagination to determine the exact nature of the product or service. Examples of suggestive marks include GREYHOUND for bus services and JAGUAR for automobiles, with both marks suggesting the speed of their products, both of which are used for transportation. Other example is 7-ELEVEN for a convenience store that was originally open from 7:00 a.m. to 11:00 p.m.

While the categories of distinctive marks, fanciful, arbitrary, and suggestive have the benefit of receiving trademark protection, these trademarks often require a larger amount of marketing dollars and effort to convey the qualities of the company, product or services to consumers. Because marketing concerns will often outweigh trademark concerns, many companies use descriptive trademarks.

Descriptive

Descriptive trademarks are often the easiest to market because they describe the goods or services. Examples of descriptive trademarks would be COMPUTERLAND for a computer store, OATNUT for bread containing oats and nuts, VISION CENTER for a business offering optical goods and services. Companies may choose a descriptive trademark even though it is a weak mark because there are marketing benefits to using a mark that describes the product. The Trademark Office generally feels that a descriptive trademark is not initially entitled to registration because it describes all other competing products too.

Descriptive marks may become registrable upon a showing that consumers identify that descriptive term with only one company. For example, the descriptive term FROSTED MINI WHEATS was granted registration after Kellogg showed its extensive use and advertising of this mark and had thus established “secondary meaning.” “Secondary meaning” occurs when customers come to recognize the particular term as having a second meaning, signifying a particular brand/trademark. This will take years to occur, usually 3-5 years. Then, it might be possible to have trademark rights in a trademark that began life as descriptive.

While descriptive trademarks have an initial marketing ease, there are many disadvantages to using them. These include increased costs of trying to register descriptive trademarks, which are routinely rejected by trademark offices worldwide. In the event that the owner of a descriptive trademark is not able to develop secondary meaning in the trademark, the mark is not protectable and consequently the owner will not be able to prevent others, including competitors, from using the same or similar terms for the same or similar products or services.

Generic

Generic trademarks are trademarks that use terms or language used to identify a whole class of similar products. Examples would include the term “CHIPS” to identify potato chips. Generic trademarks are not granted any trademark rights and are not protectable.

Trademarks can acquire generic status over time when the trademark becomes so well known that it is used by consumers to describe that term. Then the trademark ceases to function as a trademark and no one can have exclusive rights in it. Prime examples of former trademarks that became the generic name for a whole class of products include ASPIRIN, THERMOS, XEROX, BAND-AID, TARMAC, TRAMPOLINE, ESCALATOR, and CELLOPHANE.

Because of the many advantages for achieving trademark rights and registration for fanciful, arbitrary and suggestive trademarks, the following naming strategies are designed to help you create a distinct, protectable brand that also conveys the attributes of your company, product or service.

Caveat

Do not be misled by seeing examples of bad trademarks used by good or big companies. “Office Depot” will never be a good trademark on its own, but with the millions of dollars of commercial impressions (stores and advertising dollars) the mark will achieve some reasonable legal protectibility. However, have you ever been confused between Office Max and Office Depot? I have. Therein lays the need to have a trademark that is highly distinctive.

THE SECOND STEP – TRADEMARK LEGAL CLEARANCE

Choosing a suggestive, arbitrary, or fanciful trademark increases the likelihood that the term will be eligible for strong trademark protection. However, if someone is using the mark before you for a similar product or services, according to legal standards, you may not be able to use the mark.

Thus, it is an indispensable step to perform a Trademark Search. The Search reviews conflicting uses and a trademark attorney will give you a legal opinion if the trademark is available to you (a/k/a as “clearance”). You can conduct this search yourself but ideally a professional search company should conduct this search. Professional search companies will check white papers, journals, directories, web pages, phone books, the internet and many other sources which are relevant to the trade channel of your product or service. A proper search will give you the maximum piece of mind that you can then roll out your product or service.

After choosing a trademark that satisfies both marketing and legal concerns, you will be rewarded with a strong brand that your company can use exclusively and forever.

Good luck in choosing your new trademark or servicemark and let me know if I can be of help to you.

Contact Us

If we can help you or you would just like to talk to us, please call our office or send us an e-mail.

We wish you the best of luck with your business!

Cordially,

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About Charles Brown, Esq.

Charlie has thirty years of experience as an accomplished attorney for businesses in diverse industries nationally and internationally. He specializes in IP (patent management, trademarks, trade secrets and other areas) and corporate law. He counsels start-up and developed companies.