

United States

While trademarks are protected under both common law and federal law in the United States, obtaining a trademark registration offers unparalleled advantages. But brand owners should beware of the quirks of the US registration system

Securing appropriate trademark protection is critical in an increasingly globalized economy. A central issue for trademark owners is how best to obtain and secure valid trademark rights. The following analysis examines the US trademark registration system and provides practical insights on how to obtain the best protection cost effectively and without undue delay.

The US trademark registration system

Title 15 of the US Code contains the federal statute governing trademark law in the United States, referred to as the Lanham Act. Federal registration significantly enhances common law use-based protection by providing, for instance:

- an exclusive right to use the registered mark nationwide (as opposed to the local use area) in connection with the goods and services specified in the registration;
- a presumption that the mark and the registration are valid;
- a presumption that the registrant owns the registered trademark;
- access to federal courts;
- the ability to obtain nationwide injunctive relief;
- the possibility to recover profits, damages, costs, attorneys' fees and up to triple the amount of damages;
- the subjection of infringers to criminal penalties in certain circumstances;
- the inclusion of the mark in databases of registered and applied-for marks for search purposes;
- a basis for a foreign registration;
- the ability to record a registration with US Customs to prevent the importation of infringing goods;
- the ability of the mark to become incontestable five years after the date of registration, making it immune to challenges based on allegations that it is merely descriptive;

- the ability to reference a specific federal registration in an assignment or licence of rights;
- a simple reference for use in balance sheets for due diligence purposes to show what a company owns or for valuation;
- assistance in the sunrise periods for opening of new generic top-level domains;
- anti-counterfeiting protection; and
- stronger protection against dilution of a famous mark.

Rejections

Since registration is desirable, certain strategies are available to expedite the application onto registration in a cost-effective manner. The US system examines on both absolute (ie, inherent trademark quality) and relative (ie, prior rights) grounds. Section 2 of the Lanham Act contains the grounds upon which an applicant may be refused registration and specifically lists what is not registrable subject matter. The Trademark Manual of Examining Procedure (TMPEP) outlines the process of trademark examination, drawing from the Lanham Act, Title 37 of the Code of Federal Regulations and the US Patent and Trademark Office's (USPTO) own practice.

In the United States, over 80% of all applications receive at least one office action refusing registration. The most common substantive rejections are prior trademark citations and descriptiveness, with the most common procedural rejection being the wording of the specification of goods and/or services. The applicant must respond within six months or the application is deemed abandoned. Some of the major rejections issued by the USPTO on absolute grounds (Sections 1, 2 and 45 of the Lanham Act) are because the sign applied for:

- is merely descriptive or is deceptively misdescriptive of the goods or services to which it is applied (TMPEP §1209);
- is primarily geographically descriptive or is geographically deceptively misdescriptive of the goods or services it names (TMPEP §1210);
- does not function as a trademark (TMPEP §1202);

- is merely a trade name (TMPEP §1202.01);
- is merely functional (TMPEP §1202.02);
- is merely ornamental (TMPEP §1202.03);
- is merely informational (TMPEP §1202.04);
- is the title of a single creative work (TMPEP §1202.08);
- is used solely as an author's name (TMPEP §1202.09);
- merely indicates the model or grade of a product (TMPEP §1202.16);
- is immoral, deceptive or scandalous (TMPEP §1203);
- disparages or falsely suggests a connection with persons, institutions, beliefs or national symbols or brings them into contempt or disrepute (TMPEP §1203);
- consists of or simulates the flag, coat of arms or other insignia of the United States or of a state, municipality or foreign nation (TMPEP §1204);
- consists of certain words, names, symbols, terms, initials, marks, emblems, seals, insignia, badges, decorations, medals or characters adopted by the US government, or particular national or international organizations (TMPEP §1205);
- is the name, portrait or signature that identifies a particular living individual, or a deceased US president during the life of the president's widow (TMPEP §1206); or
- is primarily a surname (TMPEP §1211).

The reasons for the USPTO to reject an application on relative grounds (Section 2(d) of the Lanham Act) are where the sign applied for is confusingly similar to a trademark that:

- is the subject of a prior filed pending application for registration with the USPTO for similar goods or services (TMPEP §1208); or
- is already registered with the USPTO for similar goods or services (TMPEP §1207).

Prosecution practice tips

Practical strategies to expedite the registration process in a cost-effective way include the following:

Avoid unnecessary office actions – Considering the high level of preliminary

rejections, time spent obtaining accurate information before filing the application correctly is time well spent. Using the approved language and classification in the identification manual found on the USPTO website at <http://tess2.uspto.gov/netahtml/tidm.html> will save time and money.

Search before you file to avoid Section 2(d) rejections – Since the most common substantive rejection is a prior trademark, at a minimum, a search of the federal register is essential prior to filing an application. A full search of prior federal and state applications and registrations, common law and internet uses, domain names and business names is preferred. Such a search should be conducted prior to beginning use. Not only will this search assist in avoiding Section 2(d) rejections, it may also avoid a cease and desist letter or even a court action since prior trademark owners can object on the basis of both federal registration rights and unregistered common law rights.

Talk to the examining attorney – In the United States, examining attorneys will speak to applicants or their attorneys to assist in the examination process. This is an informal way in which quickly to resolve minor issues which are delaying the processing of the application.

Ensure that the trademark is distinctive and registrable – Care should be taken not to file an application to register a term or expression which may not meet the criteria for a registrable trademark. Additional distinctive material may need to be added, such as a distinctive logo or perhaps a house mark, to enable the trademark to move swiftly through the examination process.

Appoint a US attorney as attorney of record and domestic representative and provide a US address for correspondence – Although Madrid Protocol applications permit foreign applicants to ‘check the box’ for a request for extension of protection to the United States, the high rejection rate at the USPTO suggests that US counsel should be retained in advance to assist. Representation by US counsel is required by the rules in certain cases (ie, the office action must be answered either *pro se* or by an attorney admitted to the Bar of one of the US states or the District of Columbia). Failure to do so slows down the process.

Have use evidence readily available or file under conventions – Although applications can be filed on a *bona fide* intent to use basis, use must be proven before the application will register (unless the Paris Convention for the Protection of



Clark W Lackert
Partner
clackert@kslaw.com

Clark W Lackert is a partner in King & Spalding’s IP group. He has been on the Executive Committee of the International Trademark Association (INTA) Board of Directors and chairperson of various INTA committees, and has also been the chairperson of the Trademark and the Copyright Divisions of the American Bar Association. Mr Lackert is consistently ranked as one of the world’s leading trademark lawyers.



Katrina M Quicker
Partner
kquicker@kslaw.com

Katrina M Quicker is an IP partner in King & Spalding’s Atlanta office. Her practice concentrates on patent, trademark and copyright transactional matters and related litigation. She is a special assistant attorney general for IP matters for the state of Georgia and has been recognized as a “Georgia Rising Star Super Lawyer” by *Atlanta Magazine*.

Industrial Property or the Madrid Protocol is used). Although extensions of time to file proof of use are permitted, these extensions increase costs and delay the eventual registration of the application. Moreover, the specimens of use should be of a form acceptable to the USPTO to avoid unnecessary office actions. If possible, plan in advance to collect appropriate specimens to file when it is time to prove use.

Be careful as to use allegations made – Recent cases have carefully examined allegations of use (eg, *Medinol*, 62 USPQ2d 1205 (TTAB 2003)). Allegations of use have invalidated applications and/or registrations on the basis of fraud if the allegations were inaccurate. For example, if a very broad specification of goods is initially filed and the applicant later makes a sworn statement that the mark is in use on all of the goods when this is not true, the filing may be rejected and the application and any resulting registration may be voided or cancelled.

Do not wait the full six months to reply – Although the USPTO permits a six-month period in which to reply to an office action, best practice suggests that the office action be answered at the applicant’s earliest opportunity.

Take advantage of ‘priority actions’ – In certain cases, the examining attorney will issue a ‘priority action’, which promises quicker action by the USPTO if the applicant responds within two months. If the applicant does not take advantage of the two-month priority deadline, the reply date will revert to the statutory deadline of six months.

Use the examiner’s amendments where possible – Another helpful strategy to speed up examination is by means of an examiner’s amendment whereby, following consultation with the applicant’s representative, the examining attorney will issue an amendment to the applicant directly (usually on a minor procedural issue). Such amendments are inexpensive and help accelerate the ultimate registration of the application.

Conclusion

Trademark prosecution in the United States is multi-faceted, with many opportunities for obtaining a trademark registration quickly and inexpensively. There are also many opportunities for the uninitiated to inadvertently add delay and expense to the process. Careful examination of all of the options with an experienced practitioner will enable trademark owners to select the best approach for the specific trademark to be registered. [WTR](#)