

What Exactly Is Your Trademark? Some Basics

By Hun Ohm*

You own a microbrewery and have perfected a recipe for your distinctive take on an India pale ale. Sure, the uniquely balanced combination of hops and malt will appeal to your customers' palates. But how do you distinguish yourself and your product among the masses of craft brews on the shelf? Will your reputation precede you? Will customers be compelled to ask for your IPA by name?

Trademarks are frequently one of the most important assets of a business. Companies invest significant time and money developing and nurturing their trademark portfolios, as well as additional resources policing and protecting their marks. If you are developing a business, your trademarks should not be an afterthought. But what, exactly, is a trademark?

What is a trademark?

A trademark is any word, name, symbol or device, or any combination thereof, used by a party to identify and distinguish the party's goods from those manufactured or sold by others, and to indicate the source of the goods.

What is a service mark?

A service mark is any word, name, symbol or device, or any combination thereof, used by a party to identify and distinguish the party's services from the services of others, and to indicate the source of the services.

Why do we have them?

A couple of central goals of trademark law are: (1) to protect consumers from becoming confused in the marketplace so that they can make accurate and informed decisions based on past experiences with brands (and the quality they associate with such brands); and (2) to help businesses cultivate and protect goodwill and brand recognition relating to their goods/services through the use of marks, and to provide businesses with a shorthand means through which they can market and promote their goods and services to consumers.

Not a copyright

A copyright protects an original expression of an idea that has been fixed in tangible form. Think of a book, a painting, a video game, a motion picture and a song; these works are protected under copyright law. Copyright laws strive to promote and stimulate the creation of original works of authorship by rewarding the creator of a work with a set of exclusive rights (*e.g.*, the right to reproduce the work, to prepare derivative works based on the work, among other rights) for a limited period of time; at the expiration of that period, the work falls into and enriches the public domain.

Not a patent

A patent is a property right granted by the U.S. government. Patents cover inventions that are novel, non-obvious and useful. In exchange for fully disclosing an invention to the public, the federal government grants the owner of a patent, for a limited period of time, the right to exclude others from making, using, selling or offering to sell the invention.

So what does that all mean?

Although answers to this question are wide and varied, an easy way to generally think about trademarks and service marks is to think of them simply as brands. For example, COCA-COLA for soft drinks. EXXON for petroleum products. These are all trademarks that you might encounter in everyday life. Your trademark/service mark is your brand for your product or your service.

Are all marks created equal?

No. Marks differ in terms of their legal strength. Generally, the stronger, *i.e.*, more distinctive, a mark is, the broader its scope of protection. The following sets forth the pecking order of marks (from strongest to weakest):

Fanciful

These marks are coined or made up words that have no meaning. Fanciful marks are considered to be inherently strong marks. An example would be:

JOGIANCH for beer

Arbitrary

These are actual words in common use but which are used in an arbitrary manner that is neither descriptive nor suggestive of any qualities or characteristics of the goods or services offered under the mark. Arbitrary marks are likewise considered strong marks. An example would be:

WILD HORSE for beer

Suggestive

These marks suggest, but do not immediately describe or convey information about, an attribute or quality of the applicable goods or services; unlike a mark that is merely descriptive, some exercise of thought and imagination must occur to reach a conclusion as to the nature of the goods or services offered under the mark. Suggestive marks are not as strong as fanciful or arbitrary marks, but can be federally registered without a showing of secondary meaning (see below). An example would be:

KINDLED BLISS for beer

Descriptive

These marks merely and immediately describe an aspect, trait or characteristic of the goods or services in question; merely descriptive marks cannot be federally registered on the Principal Register without a showing of secondary meaning, *i.e.*, a showing that the mark has acquired distinctiveness through substantially exclusive use of the mark over a long period of time. These marks are “weak” and are generally accorded a relatively more narrow scope of protection than inherently strong marks. An example would be:

HOPPY for beer

Generic

Generic terms are terms that have become the common name for a good or service. These terms are not registrable. An example would be:

BEER for beer

How Do I Acquire Rights in a Mark?

In the United States, trademark rights generally accrue through use of the mark in connection with the applicable goods or services, and they accrue for the geographic area of actual use. Typically, the first to use a mark is considered to be the owner of the mark for the applicable goods or services.

Federal Registration Benefits

Registration is not mandatory, though a U.S. federal registration does accord certain benefits and advantages, including the following, among others:

1. The registration is *prima facie* evidence of your exclusive ownership rights in and your exclusive rights to use the mark in connection with the goods/services listed in your registration.
2. Third parties conducting clearance searches will be more likely to come across your mark, and this may serve to dissuade such third parties from adopting an identical or confusingly similar marks. Likewise, your registration may be cited by an Examining Attorney as a bar to the federal registration of an identical or confusingly similar mark that is part of a later-filed application.
3. You are deemed to have nationwide priority as of your application filing date.

State Registrations

State trademark/service mark registration requirements and processes vary by state; typically, a state registration accords somewhat limited protection in comparison to federal registration. However, state registrations are generally less expensive than federal registrations and could be useful if your business is purely local in nature.

What is your trademark?

When properly nurtured and used, trademarks and service marks are important assets and powerful tools that will help you foster brand awareness, reward diligent and consistent quality control, and provide you with a streamlined manner to communicate with your consumers, and simultaneously make it easier for them to reach your goods and services. Their potential value to your business should not be ignored. So what is your trademark?

*Hun Ohm is a partner in the Entertainment/Intellectual Property Group at Fierst, Kane & Bloomberg LLP in Northampton, Massachusetts. He can be reached at: ohm@fierstkane.com.

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