

# U.S. Trademarks

Many businesses place great import and value on patent rights. A business' greatest asset, however, can be a trademark, logo or service mark.

A trademark is different from a copyright or a patent. While a copyright gives protection for an artistic or literary work, and a patent gives protection for an invention, a trademark gives protection for a mark against use by a newcomer with a confusingly similar mark. A trademark can protect the value of an owner's reputation and marketing investment. Unlike a copyright or patent, trademark rights can last indefinitely if the mark continues to perform a source indicating function.

## DEFINITIONS

- A **trademark** may be a word, name, symbol or design or combination word and design, a slogan or even a distinctive sound, color or aroma which identifies and distinguishes the goods of one party from those of another and indicates the source of the products.
- A **service mark** is used to identify the source of services rather than the source of goods. Normally a trademark for goods appears on the product or on its packaging, while a service mark is usually used in advertising to identify the owner's services.
- A **trade name** is a name assumed by a company or other entity to identify its business. It is possible for a trade name to also function as a trademark; however, trade names are usually the corporate name or an assumed name (or dba) and these are not the same as a trademark. Trade names are filed in each state where a company is actually doing business. There are no federal trade name filings in the U.S.

## PROTECTIONS

### Treaties

The U.S. has now signed the Madrid Protocol to permit international filings.

### Common Law

Registration is not required for an owner to have protectable exclusive trademark rights in the U.S. This common law protection attaches to the first one to actually use a mark in commerce with an intent of ownership, but only as to the area of actual use. Many nonregistered trademarks have a <sup>TM</sup> next to them to show a claim of ownership. Only federally registered trademarks may use an ®.

### State Registration

Goods or services which are used only in intrastate commerce may be registered in such state. State registration provides benefits and protection over simple common law rights. Many state laws now give the registrant the exclusive rights, subject to prior

federal registrations, to use the trademark in the entire state in connection with the goods or services.

State registrations are issued quickly and inexpensively. In addition, the registrant may be able to obtain costs of enforcement and reasonable attorneys' fees. The term of state registrations varies from 5-10 years, depending upon the state. A state registration does not entitle one to use an ®.

### Federal Registration

A trademark or service mark should be registered with the United States Patent and Trademark Office if it is USED OR INTENDED TO BE USED in interstate or U.S./foreign commerce. The filing confers nationwide priority rights, ensures such will be listed on search reports obtained by others, provides evidence of the owner's exclusive rights, gives federal court jurisdiction, helps one obtain foreign filings, and precludes states from requiring modifications to the mark. In addition, the registrant may be able to obtain costs of enforcement and reasonable attorneys' fees. The term of the Federal Trademark Registration is 10 years, with 10-year renewal periods. However, between the 5th and 6th years after the date of registration, the registrant must file an affidavit that the mark is currently in use in commerce. If no affidavit is filed, the registration is canceled. The registration process is now averaging 16 months. Foreign registrants need not themselves be U.S. citizens or entities.

### Customs

A federal registration also gives one the right to prohibit importation of goods bearing infringing marks once the registered mark also has been recorded with the U.S. Customs Office.

### Summary

The ability to enforce a trademark is only as good as one's desire to hire an attorney to stop an infringer. Therefore, the right to obtain attorneys' fees and costs can be very important in the U.S. and again highlights the need for registration. Registration also broadens one's territorial rights and is a sign of good faith in an infringement action. To provide the most expansive benefit and protection, we recommend U.S. registration.

### Experience

Ryan, Swanson & Cleveland has provided quality trademark registration, licensing and enforcement services for many decades. We have filed thousands of trademarks. Kevin Collette, Chair of the Franchising, Technology & Intellectual Property Law Group, has emphasized trademarks since 1980. He is assisted by a team of experienced trademark practitioners. We are happy to work on either an hourly or fixed-fee basis.