

protecting your trademarks

a guide for small businesses

presented by:

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Trademarks for Small Business

Erik M. Pelton, Esq.
PO Box 100637
Arlington, Virginia 22210
Phone: 703-525-8009
Fax: 703-525-8089
Toll Free: 877-861-8686
emp@tm4smallbiz.com

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For additional information
about trademarks, domain
names, copyrights and patents,
please visit: tm4smallbiz.com
or e-mail attorney
Erik M. Pelton, Esq. at:
emp@tm4smallbiz.com



Quick Tips:

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- Avoid descriptive words when choosing a Trademark
- Use the TM and ® symbols when appropriate
- Maximize protection by filing for Federal Trademark Registration
- Consult a Trademark Attorney when new trademarks are developed
- Maintain thorough records of trademark development and use

W h a t I s a T r a d e m a r k ?

A trademark is any word, phrase, name, symbol or design which identifies and distinguishes your company's goods or services. A service mark is the same as a trademark except that it identifies and distinguishes the source of a service rather than a product.

T r a d e m a r k s I n c l u d e :

- Brand Names used to distinguish one company's products or services from their competitors (*Coca-Cola*[®])
- Slogans catchy phrases used to communicate with customers (*Just do it*[®])
- Logos designs or graphics identifying a product or service
- Certification Marks identify goods or services which meet standards or qualifications (*Good Housekeeping*[®])
- Collective Marks identify members of an organization (*AARP*[®])

Almost anything used to distinguish one company's products or services from those of competitors can be protected as a trademark. A trademark may be as simple as a color (*pink for insulation*) or a sound (*the NBC chimes*). A good trademark is a symbol of a company's consistency and quality so customers know what to expect from the brand.

W h a t ' s t h e D i f f e r e n c e ?

Patents

give the exclusive right to make, use and sell the design or mechanics of an invention

Copyrights

protect the expression of original ideas or works of art

Trademarks

distinguish a company's products or services from those of its competitors

T r a d e m a r k o r S e r v i c e M a r k ?

Technically, the world of trademarks (or 'marks' for short) is made up of both 'service marks,' which differentiate services, and 'trade marks,' which are used on products. Today, most people use the term 'trademark' to refer to both service marks and trade marks.

Strong VS. Weak Marks

Some trademarks are entitled to greater protection than others. There are five basic types of marks, in order from those with the most protection to the least, they are:

STRONG

Coined: completely new and made up terms (*such as Exxon[®] and Kodak[®]*)

Arbitrary: not made up, but unrelated to the goods or services (*such as Yahoo![®]*)

Suggestive: words which relate to the goods or services, but are not descriptive of them (*such as “Apple-A-Day” for vitamins*)

Descriptive: terms which can be used to refer to a product or services (*such as “Wireless” for a cellular phone*)

Generic: words which are commonly used to refer to a good or service, or answer the question “what is it?” (*such as “Laptop” for a portable computer*)

WEAK

Coined, arbitrary and suggestive names are generally able to become registered trademarks, provided someone has not already registered a confusingly similar mark for a related product or service. Coined and arbitrary marks are given the ‘strongest’ protection and are thus the most desirable. Descriptive marks may sometimes be registered, but generally are afforded less protection. For this reason, descriptive marks are considered ‘weak.’ Generic trademarks are the weakest of all – they are entitled to little or no protection.

Choosing a Trademark:

- Select a mark which is not confusingly similar to those of your competitors
- Avoid descriptive terms, geographic terms, and names of individuals
- Consider novel spellings and presentations
- Conduct a search of all relevant databases for confusingly similar marks

Q: I already registered my business name with the state, doesn't that protect me?

A: All you did was notify the state of your name. Your corporate name is completely separate from your trademarks and does not protect use of your name outside the region.

Registering A Trademark

Without a registration, trademark rights are generally limited to the local geographic area. Registering a trademark with the PTO gives the owner of the registration nationwide priority. The moment an application for Federal trademark registration is filed, everyone across the country is put on notice that you are using your mark. Anyone who attempts to use or register a confusingly similar mark after your filing can be stopped. A company therefore vastly increases its chances of preventing anyone else from using its name anywhere else in the United States by registration of its trademark. Once a trademark is registered, the name or logo can become a valuable asset of a business and has the potential to be sold, franchised or licensed in part to another company.

In addition to extending trademark rights to all fifty states, Federal registration also allows use of the ® or Registered Trademark wording alongside the registered name or logo. Registration also provides constructive notice of ownership of the trademark across the country. After five years of registration, the rights become incontestable, eliminating nearly every defense to trademark infringement.

Registration also provides substantial benefits and savings if it is ever necessary to go to court to stop an infringement. Registered marks can collect up to triple damages plus attorneys fees. Additionally, if someone registers an infringing Internet domain name, registered trademark owners can shut down the infringing site easier and faster than unregistered owners. The cumulative effect of all these benefits is a strong warning to others not to use infringing marks.

Although individuals may file applications for trademark registration on behalf of themselves, it is recommended to consult with an attorney because there are many substantive and procedural requirements which must be complied with in order to receive a registration.

“Satisfying the complicated requirements imposed by the Trademark Office is not easy and filing without the help of a trademark lawyer is likely to result in the rejection of the application.”

Lee Wilson
The Trademark Guide

Using Your Trademark & Providing Notice

To maximize the protection for a trademark, it must be used properly in commerce AND registered with the US Patent and Trademark Office. The exclusive rights created in a trademark may be lost forever as a result of careless or improper use, usually by allowing the mark to be used as a generic or descriptive term (Ex: aspirin, escalator, and corn flakes used to be registered trademarks).

In the period after an application for trademark registration has been submitted, but before the mark is approved for registration, the owner should use a TM or SM on the right shoulder of the mark to notify others of the intent to enforce all available rights. The TM symbol stands for “trade mark” and is used on goods and packaging. The SM symbol stands for “service mark” and is used when the trademark promotes a service.

Once a mark has become registered, it should be displayed with the ® [registered trademark] symbol to the right of the mark in super or sub script. These symbols need not be used every time the trademark is used, but should be used frequently and appear alongside at least the first display of the trademark on any product, page or publication.

When used in print or on the Internet the trademark should be distinguished from the surrounding text (Ex: IN CAPITALS, **Bold Font** or *Italic Lettering*.) Also, a trademark should always be used as an adjective, not as a noun. (Ex: Instructions for installing the Rebels® software. NOT: Instructions for installing Rebels.) When using designs or logos, they should be displayed prominently in comparison with the surrounding words and images.

These notices help prevent a brand name from becoming generic, warn others not to use it, and help guarantee full protection. To ensure maximum protection, copies of the first uses of a new trademark should be archived along with the dates of use to ensure the best evidence will be available if any future trademark dispute or infringement occurs.

Trademarks In the Internet Age

The protection and registration of trademarks is more important now than ever before. The growth of the Internet allows competition to come from anywhere in the world. The importance of being positioned on the Internet and the confusing world of domain names has made securing a unique and protected name an important element of any successful business strategy. As commerce becomes increasingly electronic and global, the value of a strong and registered trademark cannot be ignored.



A domain name is often also a trademark. When a domain name, such as Amazon.com, is also used to identify and advertise your business' goods or services, then it is being used as a trademark. Strong domain name protection requires a combination of creative name selection and registration with the US Patent and Trademark Office.

Trademark Registration Timeline

Note: All times are approximate and may vary depending on the PTO caseload.

1. *Application for trademark registration filed.*
2. *Filing receipt received* (two months after filing): If the application meets the basic filing requirements, it is assigned a serial number and placed in the PTO database.
3. *Initial examination* (four months after filing receipt): If approved, the mark moves on to Publication. If the application is refused initially, an Office Action will be mailed. The applicant is given six months to respond.
4. *Publication* (three months following approval): When the mark is approved for registration, the PTO publishes it in the Official Gazette, a book of new marks available to the public.
5. *Issuance of Registration Certificate* (three months after publication): If no party opposes the registration when it is published, the PTO issues a Certificate of Registration (or a Notice of Allowance if the mark has not yet been used.)



Post Registration Protection: A Federal Trademark Registration has a duration of 10 years. However, a filing demonstrating use of the mark in order to maintain the registration is due between the fifth and sixth anniversaries of the issuance of the Certificate of Registration. At the same time, an assertion that the mark is incontestable may be filed.

Practice Profile: Erik M. Pelton*

Erik M. Pelton founded his trademark law practice in 1999 with the goal of providing intellectual property expertise to small businesses.

Prior to beginning his practice, Mr. Pelton reviewed trademark applications as an Attorney for the U.S. Patent and Trademark Office. Mr. Pelton's extensive experience at the U.S.P.T.O. included writing appellate briefs and statutory refusals of trademark registrations. At the U.S. Patent and Trademark Office, Mr. Pelton earned performance ratings of 'commendable' or 'outstanding' in all categories. In law school beforehand, Mr. Pelton focused on the convergence of new technologies, communications, and intellectual property law during internships for National Public Radio, PBS Broadcasting, and The White House.



Building upon his experience and recognizing the rising value of trademark protection in the information age, Mr. Pelton launched his practice and website to provide affordable legal assistance for small businesses in need of trademark protection. Since then, Mr. Pelton's counsel has helped build and sustain strong brands for hundreds of Internet ventures, software companies, inventors, restaurants, and small businesses across the U.S. and abroad.

For more information visit: www.tm4smallbiz.com



Disclaimer: This guide is merely informational and is not intended to be legal advice. Contact an attorney if you have any questions regarding your trademark rights. The filing of a trademark application does not guarantee it will be approved for registration.