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Dunner Law PLLC

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Securing Your Future Use of a Trademark

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Imagine that you come up with a great word, name, symbol, or some combination that you want to use as a trademark. Did you know that as soon as you have a concrete idea as to what products or services you intend to sell using that trademark, you can stake a claim in it by filing an intent-to-use (“ITU”) trademark application with the United States Patent and Trademark Office? This issue of *Dunner Law Dicta* reviews the benefits of the ITU filing system and the important requirements that must be met in order to fully take advantage of this form of trademark protection.

The Basics

Trademarks are used as source identifiers and represent the quality of the trademark owner’s goods or services as well as the goodwill of the owner’s business. U.S. trademark rights are typically use-based, meaning that products or services bearing a trademark must be sold before a trademark can be used to preclude others from using a similar name for similar products or services. There is no legal requirement to register trademarks with the Trademark Office, but a trademark registration solidifies and strengthens trademark rights by giving the owner of a registration automatic nationwide rights, among other benefits. When there is a dispute between owners of confusingly similar trademarks, the one with prior rights is the one legally entitled to use the trademark.

Bona Fide Intent is Required

The beauty of an ITU trademark application is that you can protect your interest in a trademark before you commercialize its use. This way, you can lock in your rights in a particular trademark before a competitor does. However, there are certain conditions that must be met in order to fully take advantage of an ITU application. For instance, everyone who files an ITU application must have what is called a “bona fide intent” to use the trademark for the products and services identified in the application. This bona fide intent must exist at the time the application is filed and continue all the way up until actual use of the trademark.

The purpose of the bona fide intent requirement is to grant protection to only those applicants who can reasonably put the trademark to use in the marketplace, rather than to everyone who simply thinks of a cool name or logo. Bona fide intent requires two things: 1) that you are actually contemplating using the trademark (subjective intent) and 2) that you are taking steps in preparation of using the trademark (objective intent). The Trademark Office does not investigate bona fide intent, but your competitors might—and if another person or company thinks that your intent is questionable, then that person or company can challenge your ITU application.

An ITU application is a powerful tool that can help provide you with some assurance that your proposed trademark will be available for you to use when you are ready

Challenging another's ITU application on the basis of a lack of bona fide intent has become an increasingly common occurrence. So, when filing an ITU application, the best way to protect yourself against such an allegation is to document your efforts to actually use the trademark in connection with the products or services you intend to offer. This type of evidence may include a written business plan, internal correspondence regarding preparations for use in the marketplace, samples of proposed tags, labels, or artwork featuring the applied-for trademark, invoices or purchase orders from customers, and documentation relating to license negotiations. Importantly, this evidence should specifically display or refer to both the trademark and the intended products or services.

An ITU application is a powerful tool that can help provide you with some assurance that your proposed trademark will be available for you to use when you are ready; however, the Trademark Office does not allow you to wait forever. Assuming that your ITU-based trademark does not conflict with the rights of others, the Trademark Office will allow a total of three years to demonstrate actual use following the Trademark Office's approval of your application. If, after three years, you have not yet sold products or services bearing the trademark, then you will have to file a new ITU application and begin the process over, all the while maintaining a bona fide intent.

Rights Kick in When Trademark Use is Realized

While an ITU application reserves your rights in a trademark, those rights will not fully kick in until actual trademark use has begun and the ITU application registers. Once these events occur, you will enjoy trademark rights dating back to the date when you filed your application. This is the biggest benefit of filing an ITU application, because it allows you to retroactively trump a competitor who may have started using a similar trademark before you, but after your filing date.

By way of example, you file an ITU application on April 1st but you have not yet begun to use your trademark. On May 1st a competitor begins to sell products or services under a similar name—but the competitor does not file an ITU application prior to your April 1st date. Once you begin to use your trademark and complete the registration process – even if it is after your competitor's May 1st date – you are entitled to demand that the competitor stop using the similar trademark based on your earlier filing date (also known as a date of “priority”).

Conclusion

Given the powerful advantage that an ITU application can give your business, do not wait to file your trademark application. As soon as you can objectively document your intentions to put the trademark to use, get the registration process started with the Trademark Office in order to lock in your rights.