

Trademark Advice: Measure Twice, Cut Once — How to Avoid Unnecessary Legal Fees

By: Eric Nielsen, Snell & Wilmer L.L.P.

Very seldom do companies intentionally adopt trademarks that are likely to cause confusion in the marketplace or intend to profit on the goodwill of other companies. Yet, even without such intent, it is far too often the case that companies have to abandon trademark applications, are drawn into trademark opposition or cancellation proceedings, receive cease and desist letters or become defendants in trademark infringement litigation all because they didn't adhere to the old adage "measure twice, cut once." Time, money and goodwill are inevitably lost as a result. Other companies are surprised to learn that their trademarks, while not infringing the rights of others, cannot be successfully enforced against others.

While the counsel of an experienced trademark attorney cannot be overstated, whether you are selecting a name, logo or tagline for a new or existing company, or its products or services, the four suggestions outlined in this article can help you to build a protectable brand, and do so more efficiently. By carefully considering your trademark issues, like the carpenter who measures twice before cutting, you too can save time, money and avoid legal hassles.

Select a Trademark that is Distinctive

When selecting a trademark, avoid those that are generic or descriptive. Generic trademarks are never protectable and trademarks that are descriptive are only protectable upon a showing of acquired distinctiveness. On the other end of the "spectrum of distinctiveness," trademarks that are suggestive, arbitrary or fanciful are increasingly protectable.

Avoid Confusingly Similar Trademarks

When selecting a trademark, avoid those that may be likely to cause consumer confusion. To that end, search the Trademark Electronic Search System at www.uspto.gov for pending trademark applications and registered trademarks and use Internet search engines to uncover additional "common law" trademark usage, which can be just as perilous as the registered rights of others. The trademark ultimately selected should be sufficiently distinct in sight, sound and/or meaning from trademarks used by others for similar goods or services. Accordingly, search beyond just trademarks that have the same spelling—search for phonetic equivalents as well as trademarks that convey a similar commercial impression. In some instances, it may also be appropriate to search for foreign trademarks.

Consider Whether to Seek U.S. Registration of the Trademark

Depending on the business objectives and the trademark, it may make sense to seek U.S. registration of the trademark. While a registration is not generally obtainable in the U.S. without actual use of the trademark in commerce, use in commerce is not required to file an application. Whether applied for based on actual use or an intent-to-use, U.S. registration gives the registrant nationwide rights, notwithstanding the registrant's current business footprint which may be limited to a small geographical area. The advantages and disadvantages of seeking U.S. registration can be evaluated with an experienced trademark attorney, who can also help to develop and implement related strategies, especially vis-à-vis the trademark rights of others.

Use the Trademark Appropriately

Whether or not registered, proper use of the trademark is recommended. Unregistered trademarks can be used with the TM or SM symbol, the former designating trademarks and the latter designating service marks. Both symbols can be used even absent a trademark application. Only registered trademarks, on the other hand, can be used with the ® symbol. Generally speaking, trademarks should be used as adjectives, not nouns, to avoid the trademark becoming generic; and trademarks should be used in a font, color, size, style, etc. that is distinct from surrounding text.

While trademark issues will inevitably arise, and implementing the above suggestions may necessitate consulting with a trademark attorney, if implemented, you may expend fewer unnecessary resources and build a brand that is an asset, not a liability, for your company.

Eric Nielsen is an attorney with the law firm of Snell & Wilmer. Founded in 1938, Snell & Wilmer is a full-service business law firm with more than 400 attorneys practicing in nine locations throughout the western United States and in Mexico.

Eric's practice is based out of Snell & Wilmer's Salt Lake City and Phoenix offices, and is centered on intellectual property counseling—in particular, the design and implementation of business-driven strategies to identify, protect, defend, enforce and otherwise build value around intellectual property assets, including patents, trademarks, copyrights and trade secrets.

