

#### You Say Yes, They Say No, No, No!

#### By: Monica Riva Talley

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## 2(b) or not 2(b)?

By: Julie D. Shirk

As the fourth of July holiday and midterm elections approach, you may be seeing more of the American flag, and other variations on the red, white, and blue, in your day-to-day activities. As a visual cue of patriotism, it may even be tempting to incorporate the flag—or aspects of it—in branding for certain types of goods or services. Keep in mind, though, that while you may be able to **use** the American flag in a mark or brand, that same mark with the flag may not be federally registrable.

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### USPTO National Trademark Expo

By: Monica Riva Talley

The 2018 U.S. Patent and Trademark Office, National Trademark Exposition will take place July 27 and 28 at the Smithsonian's National Museum of American History in Washington, DC.



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## gTLD Sunrise Periods Now Open

As first reported in our December 2013 newsletter, the first new generic top-level domains (gTLDs, the group of letters after the "dot" in a domain name) have launched their "Sunrise" registration periods. Please contact us or see our December 2013 <u>newsletter</u> for information as to what the Sunrise Period is, and how to become eligible to register a domain name under one of the new gTLDs during this period.

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# Contact



Monica Riva Talley Director <u>mtalley@sternekessler.com</u>



**Tracy-Gene G. Durkin** Director tdurkin@sternekessler.com

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The G&W case involved drug manufacturers arguing over the defendant's marketing of its product as "equivalent or substitutable" for plaintiff's drug. Plaintiff submitted that the claims were literally or impliedly false because the products at issue allegedly did not contain the same active ingredients. In its motion to dismiss, defendant took the position that the issue of equivalency was within the FDA's primary jurisdiction, and that plaintiff was attempting to use the Lanham Act to prevent it from selling its generic – in other words, the plaintiff was trying to make an impermissible end run around the FDCA.

The court disagreed, explaining that while the Lanham Act and the FDCA both regulate the advertising, marketing, and labeling of drugs, "the FDCA is primarily concerned with the safety and efficacy of new drugs, while the Lanham Act is focused on the truth or falsity of advertising claims." The statutes serve different functions. Thus, plaintiff's issue of whether defendant's advertising of its product was literally or impliedly false was within the purview of the court.

This case is a good reminder that branding and advertising may need to meet the approval or criteria of more than one entity. Following are some examples of approvals that do not preclude the owner from potential liability under the Lanham Act:

• Registration of trademark as a **business entity name** with a Secretary of State;

- Registration of a **domain name**;
- Registering a trademark with a **state trademark registry**;
- Clearance of a **drug name** with the **FDA**;
- Labeling on food and beverage containers regulated by the **Federal Food**, **Drug**, **and Cosmetic Act or the U.S. Department of Agriculture**; and
- Certificate of Label Approval (COLAs) for beer, wine, and distilled spirits issued by the **Alcohol and Tobacco Tax and Trade Bureau (TTB)**.

The takeaway from this case is that trademark clearance and advertising review should continue to be undertaken as part of the routine business clearances, and not overlooked because a brand or label has been otherwise approved by a different process.

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Section 2(b) of the Trademark Act prohibits registration of a mark that "[c]onsists of or comprises the flag or coat of arms or other insignia of the United States ... or of any foreign nation, or any simulation thereof." "Simulation" generally refers to something that gives the appearance, or that has the characteristics, of an original flag or insignia. Whether a mark comprises a simulation is determined from a visual comparison of the mark relative to the flag or other insignia in question; the test is whether the mark prompts a general recollection of the flag or insignia by purchasers, not a careful or side-by-side analysis. Also, a mere incorporation of certain elements, or stylizations of a flag in a mark, should not bar its registration under \$2(b).

By way of example, the following marks incorporating aspects of the American flag were found not to be in violation of Section 2(b), and have been registered:



But the following marks were denied registration, because all significant features of the American (or other) flag were present in the mark:



However, in a rare 2(b) decision, the Trademark Trial and Appeal Board[1] reversed a refusal to register the mark shown below for various educational goods and services, finding that the mark does not consist of or comprise the flag of the United States (or other foreign nations), even though the mark shows the whole of national flags.



In assessing registrability under Section 2(b), the Board found that the flags in the applied-for mark "do not have the commercial impression of national flags but rather as designations of individuals from various nations," a noteworthy distinction.

So if you're thinking about registering a flag-inspired mark with the USPTO, keep the prohibition of Section 2(b) in mind when determining whether your mark is "to be!"

[1] In re 3P Learning Pty Ltd., Serial No. 85641327 (September 30, 2014) [not precedential].

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gTLD launches via this monthly newsletter, but please refer to the list on ICANN's website for the most up-to-date information – as the list of approved/launched domains can change daily.

Because new gTLD options will be coming on the market over the next year, brand owners should review the list of new gTLDs (a full list can be found <u>here</u>) to identify those that are of interest.

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