Trademark Searching and Clearance

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This Note discusses searching and clearing a trademark for use in the US and federal registration with the US Patent and Trademark Office (USPTO). It covers the relevant considerations from the initial search request to filing a trademark application, including the purposes and benefits of trademark clearance. It also discusses the searching and clearance process, including the initial collection of information from the client, structuring an effective search, types of searches, the contents and analysis of a full trademark search report, conducting additional investigations, trademark availability opinions, investigations, ways to address potential conflicts and considerations for filing trademark applications.

Trademark searching and clearance is the process of gathering and assessing information to evaluate a mark's availability and protectability.

This Note focuses on the steps and considerations involved in trademark searching and clearance when adopting a new mark. However, searching for marks already in use also may be valuable:

- For advising on the risks of certain uses of a mark that were not previously cleared.
- For identifying risks associated with expanding the business or marketing under the mark.
- In assessing the strength of claims and objections brought by others based on a client's use of the mark.
- In assessing the strength of a potential infringement claim against another party.
- For identifying potential infringements or misuses by others.
- In conducting due diligence in mergers, acquisitions and financing transactions.

In this Note, “trademark” and “mark” refer to both trademarks and service marks.

PURPOSE AND BENEFITS OF TRADEMARK SEARCHING AND CLEARANCE

Trademark searching and clearance generally are not legally required but are often critical for managing the costs and risks of adopting a new mark. Trademark searching provides information to assess and advise clients on a mark's:

- Availability, in that it does not conflict with identified prior rights (see Assessing the Availability of a Mark).
- Protectability under the Lanham Act.
- Registrability with the US Patent and Trademark Office.

(See Assessing the Protectability and Registrability of a Mark.)
Companies often devote great attention and resources to creating and developing a mark, in some cases engaging outside brand consultants. However, companies often fail to consult with trademark counsel or consult them late in the process when it is costly or too late to effectively address the risk that a mark is unavailable or not protectable.

Searching and clearing a mark early in the brand development process enables trademark counsel to help a client avoid:

- Adopting a weak mark that the client is unable to protect, or that requires substantial costs to achieve the desired level of protection (see Assessing the Protectability and Registrability of a Mark).
- Spending resources on building goodwill in a mark that the client may be forced to drop because another party has prior rights to that mark.
- Exposure to damages and attorneys’ fees resulting from claims or oppositions by senior rights owners.

Other benefits of searching and clearing a mark include that:

- A logical and well-reasoned clearance opinion from counsel may support a defense against a claim of bad faith or willful infringement (see Reliance on Trademark Opinions as a Defense to Willful Infringement).
- The knowledge developed from the search report and analysis may assist counsel in drafting trademark applications that minimize the likelihood of trademark office refusals or oppositions by third parties (see Search Report as an Aid in Framing the Application).
- The search results may help a client in creating marketing materials that minimize the risk of challenges by the owners of similar marks uncovered in the search.

ASSESSING THE AVAILABILITY OF A MARK

US trademark rights are generally derived from using a mark in commerce. Trademark owners have the right, with certain limitations, to preclude others from using or registering the same or similar marks that are likely to cause confusion with the owner’s mark. Owners of famous marks also may prevent others from using or registering marks that are likely to dilute the famous mark (see Practice Note, Acquiring Trademark Rights and Registrations: Protected Subject Matter under the Lanham Act: Scope of Trademark Protection (http://us.practicallaw.com/2-505-1700)).

When adopting a new mark (candidate mark), trademark searching is used to identify other marks that the candidate mark may be likely to infringe or, in limited circumstances, dilute. Assessing likelihood of confusion or dilution (clearance) is subjective, and typically must be done in the context that the trademark owner is seeking the broadest possible protection for its mark. Trademark searching and clearance seek to identify each existing mark that presents an unacceptable risk that either:

- The mark’s owner will oppose registration of the candidate mark in the Trademark Trial and Appeal Board (TTAB) or bring an infringement or dilution claim in federal court, even if the claim is defensible (see Practice Note, Acquiring Trademark Rights and Registrations: Post-application Considerations and Procedure: Opposition (http://us.practicallaw.com/2-505-1700)).
- The trademark examiner will cite the mark as the basis for refusing registration of the candidate mark with the USPTO (see Practice Note, Acquiring Trademark Rights and Registrations: Post-application Considerations and Procedure: USPTO Examination (http://us.practicallaw.com/2-505-1700)).

ASSESSING THE PROTECTABILITY AND REGISTRABILITY OF A MARK

Certain material cannot be protected or registered as a trademark. Materials considered unregistrable on the USPTO’s Principal Register (see Principal Register versus Supplemental Register) include designations that are:

- Generic for a product or service.
- Deceptive, including deceptively misdescriptive and geographically deceptive.
- Morally or culturally offensive.
- Confusingly similar to or likely to dilute another mark (see Assessing the Availability of a Mark).

Other materials may be registered on the Principal Register only after they acquire distinctiveness, including terms that are:

- Descriptive of the products or services for which they are used, or of a quality or feature of those products or services (see Box, Spectrum of Distinctiveness: Descriptive Marks).
- Primarily a common surname.
- The name of a geographical place, including most US place names and well-known overseas place names.

For more information, see Practice Note, Acquiring Trademark Rights and Registrations: Requirements for Federal Trademark Protection: Eligibility for Trademark Registration under the Lanham Act (http://us.practicallaw.com/2-505-1700).

ASSESSING THE STRENGTH OF A MARK

Finding a trademark that is strong from both legal and marketing perspectives is often challenging.

Marketers often want a mark that immediately communicates something about the product or service. However, these marks typically are considered descriptive or, possibly, generic and often are costly or impossible to protect as trademarks (see Box, Spectrum of Distinctiveness: Descriptive Marks). Therefore, the initial savings from choosing a descriptive mark may be small compared with the higher costs and resources often needed to register and enforce the mark, and the mark may never achieve the desired brand recognition with consumers.

Marks that are considered inherently distinctive under trademark law receive the broadest scope of trademark protection and typically are the easiest and least costly to register. However, marketers often perceive inherently distinctive marks as requiring
substantial cost and effort to develop a customer association of
the mark with the source for the product or service (see Box,
Spectrum of Distinctiveness: Inherently Distinctive Marks).

Counsel should consider where a proposed mark may fall on a
scale of relative trademark strength, and evaluate this against
the client's overall objectives for the mark (see Box, Spectrum of
Distinctiveness; see also Practice Note, Acquiring Trademark Rights
and Registrations: Requirements for Federal Trademark Protection:
Distinctiveness (http://us.practicallaw.com/2-505-1700)).

Generally, counsel should encourage clients to be sensitive these
considerations and to try to avoid adopting as a trademark:
- Geographical names.
- Designations likely to be perceived as surnames.
- Laudatory terms, for example, premier, preferred, ultra, deluxe,
  supreme, superior and finest; and
- Acronyms that have significance in the relevant trade or
  industry.

Counsel also should advise the client about the potential
difficulties it may encounter in seeking to protect or enforce an
inherently weak mark.

**SCOPE OF SEARCHING AND CLEARANCE**

The scope of trademark searching and clearance varies based on
several factors including:
- Client considerations, including budget, timing and risk
tolerance (see Client Considerations).
- The nature and extent of the intended use of the candidate
  mark (see Nature and Extent of Intended Use).
- The competitive environment (see Competitive Environment).
- Whether the client is clearing the mark for use and federal
  registration or only use (see Federal Registration).

Trademark counsel should also consider the searching activities
and the attorney time for each aspect of the process, which
typically includes:
- Collecting information from the client (see Structuring an
  Effective Search).
- Conducting one or more searches (see Types of Searches).
- Evaluating the search results (see Analyzing a Full Search
  Report).
- In some cases, further investigating possibly conflicting marks
  (see Investigations of Potentially Conflicting Marks).
- Preparing an availability opinion (see Clearance Opinion).

**CLIENT CONSIDERATIONS**

**Budget**

Clients often wish to minimize costs of trademark clearance.
Counsel should advise the client of the costs associated with each
component of the process, including that the costs may vary
depending on the nature and complexity of the search and any
subsequent clearance steps (see Post-search Clearance Steps).
Counsel should also advise the client of the potential costs of not
conducting proper clearance, including the greater risk of litigation
(see Purpose and Benefits of Trademark Searching and Clearance).

**Timing**

Clients often request trademark clearance only days or a couple
weeks before, for example, a product is to be announced or
marketing materials must be printed. However, trademark
clearance including both preliminary and full US searches
typically takes one to two weeks, longer if the search identifies
issues that must be addressed (see Preliminary Trademark
Searches and Full Trademark Searches).

Counsel should ensure they understand the client's time
constraints, and advise the client of potential options for meeting
its deadlines. Although each has its drawbacks, depending on the
circumstances appropriate options may include:
- Conducting expedited searches, though this option increases
  search costs. For example, a basic full US search from a search
  provider typically takes four business days, but same-day,
  overnight and two-day searches are available for higher fees.
- Forgoing the preliminary search and going straight to a full
  search. A preliminary search of a mark typically may involve
  a half hour to one and a half hours by a paralegal and up to a
  half hour of attorney time.
- Conducting only a preliminary search to attempt to identify
  substantial risks before the launch.

**Risk Tolerance**

In some cases, clients seek to minimize any risk of claims or
objections to using or registering a mark. In others, a client may
be willing to accept the risks and associated costs of:
- Overcoming issues raised by a trademark examiner during
  prosecution or by a third party in an opposition, recognizing the
  subjectivity involved in determining registrability (see Assessing
  the Protectability and Registrability of a Mark).
- Defending an infringement claim.
- Needing to cease using the mark and rebranding.

**Importance of the Brand to the Business**

A significant risk of a trademark infringement claim is being forced
to rebrand, either to avoid costly litigation or because the use is
enjoined. If the brand is important to the business or intended for
long-term use, comprehensive searching and clearance should be
done to minimize these risks.
NATURE AND EXTENT OF INTENDED USE

Type and Duration of Use

How the client plans to use the mark often affects both the costs of establishing the branded product or service and the costs that would be incurred to rebrand. For example:

- If the proposed mark is intended to serve as a house mark, it generally warrants a broader search of several categories of goods and services, and the investment in marketing and advertising is usually much more significant.
- If the mark is to be affixed to a product, or appears on business cards, letterheads, signage and other collateral materials, having to rebrand may require the client to dispose of significant inventories.
- A more limited search and clearance may be sufficient if the client intends a narrower use of the mark, for example:
  - Only online where it may be changed quickly and relatively inexpensively.
  - For a limited duration. For example:
    - the client may plan to use the mark only for a short term or seasonal promotion;
    - tagline (slogan) marks often have relatively short intended life spans; and
    - the product may have a technologically short life span.

Geographic Scope of Use

Trademark rights are territorial. If the client operates or otherwise plans to use the mark outside the US, counsel should consider searching in those countries and engaging local trademark counsel or agents as appropriate. Factors to consider include:

- The extent of planned use in each country.
- Projected timing for rolling out the mark internationally. For example, consider whether the product will be launched simultaneously worldwide or in several countries over several years.
- The importance of not getting blocked in particular countries where launch may be delayed.

(See Box, Searches for Marks to Be Registered or Used Outside the US.)

Launch Scale and Investment

A mark that will first be used in a major product launch or high-profile advertising or promotional campaign typically merits more comprehensive searching and clearance analysis because the associated costs are often substantial.

Relationship to Other Client Marks

Risks associated with launching a new mark are typically lower if the mark is related to any of the owner’s existing marks. Therefore, more limited clearance may be appropriate where, for example, either:

- The client plans to use the mark only with an established house mark.
- The candidate mark fits in a family of marks already owned by the client.

COMPETITIVE ENVIRONMENT

The client’s industry may affect the scope of searching and clearance. For example, a higher sensitivity to prior uses disclosed in a search may be warranted if the client’s industry is particularly brand-oriented (for example, consumer products) or litigious. Counsel also should consider whether the client has any contentious relationships with primary competitors.

FEDERAL REGISTRATION

Clients often seek an opinion on the availability of a mark for both use and registration because federal trademark registrations provide substantial benefits (see Practice Note, Acquiring Trademark Rights and Registrations: Federal Trademark Registration under the Lanham Act: Benefits of Federal Registration (http://us.practicallaw.com/2-505-1700)). However, in some cases, searching and clearance is done solely for use of a mark. Situations in which marks may be cleared only for use include where a client:

- Plans to use terms or taglines only in a descriptive sense.
- Anticipates using the mark for only a short period.
- Does not wish to pay registration-related costs.
- Wishes to use the term, but is not concerned with claiming exclusive rights or precluding others from using it.

STRUCTURING AN EFFECTIVE SEARCH

Structuring an effective search requires detailed information about the mark and the client’s plans for using the mark so that counsel may:

- Arrange for a search that provides results appropriately broad to assess availability.
- Efficiently identify the most relevant search results (references or reference marks).
- Give each of those references sufficient weight in terms of their impact on availability of the mark.

Types of information counsel should obtain from the client include, in addition to the information used to determine the scope of clearance (see Scope of Searching and Clearance).
SEARCHES FOR MARKS TO BE REGISTERED OR USED OUTSIDE THE US

If the client plans to use or register its mark outside the US, it is a best practice to conduct searches in key jurisdictions. If the client’s time and budget considerations allow, this may include countries:
- Where the client conducts or plans to conduct business.
- Where the client plans to use the mark within six months to five years.
- Known for trademark pirating or counterfeiting, where the client may want to seek trademark registrations for defensive purposes.

Additional factors relevant to determining whether to conduct preliminary or full searches in foreign jurisdictions include:
- Whether the jurisdiction is a common law or civil law jurisdiction. For any key jurisdiction that, like the US, recognizes unregistered, common law trademarks, counsel should consider searching local sources of common marks and names.
- Reliability of online databases. Other than online trademark databases for the European Union Community system, Canada, the UK and Australia, many online trademark databases for national trademark offices are less reliable and less comprehensive than the USPTO’s online databases.
- Language considerations. When conducting clearance searches outside the US, counsel should consider local language and cultural factors including:
  - translations;
  - transliterations;
  - connotations;
  - phonetic equivalents; and
  - local usage, culture or meaning issues.

Counsel should also consider seeking advice on these considerations from a local agent or trademark lawyer familiar with the language, culture and usage in each country.

PRESENTATION OF THE MARK

Marks may be words, names, symbols, devices or nontraditional marks, including sounds. Counsel should ask the client to provide each planned separate use and presentation of the mark. For example, a client may expect to use or present a word mark several ways that may include:
- A word mark on its own.
- A word mark with another word or house mark.
- An acronym of the word mark.
- As part of a domain name.

In addition, a client may present the mark:
- In word form only.
- In design form.
- A combination of words and design form.
- In a stylized presentation, such as a specific color or font.
- With a logo.

PRONUNCIATION OF THE MARK

A certain pronunciation may affect the likelihood of confusion with other marks.

FOREIGN LANGUAGE OR DERIVATION OF THE MARK

Different marks may be found confusingly similar if they have the same or similar meanings. Therefore, depending on where and how the mark will be used, the search may need to cover:
- Foreign equivalents if the word has significance in another language or originates from another language.
- The long-form words for any acronym or the meaning of any abbreviation in the mark.

RELEVANT GOODS OR SERVICES

The search should at least cover all goods and services for which the client has immediate plans to use the mark, specifically including:
- Trade channels. For example, whether the product or service is provided directly to consumers or through wholesalers, distributors, retailers or other intermediaries.
- Customers or end users. For example, whether the product or service is intended for consumers or business purchasers and, for business purchasers, whether the product or service is most likely to be focused on specific departments within companies.
- Price points. For example, whether the product is for a luxury or discount market.

Counsel also should obtain from the client information about planned or likely areas of expansion for the mark.

KEY COMPETITOR NAMES

The client’s competitors may be more likely to challenge a client’s proposed mark, even if the mark is not reasonably likely to cause confusion. Therefore, knowing the names of competitors may help counsel identify potential risks they might otherwise overlook.

KNOWN SIMILAR MARKS ALREADY BEING USED BY OTHERS

Trademark searches are not perfect, and they may not uncover every reference that could pose risks. To narrow this gap, counsel
Trademark Searching and Clearance

should ask the client whether it is aware of any similar marks (see Limitations of Preliminary Searches, Limitations of Full Searches and Caveats on Scope and Reliability.)

USE AS A CORPORATE NAME

If the client also intends to use its mark as a corporate name, counsel should consider both:
- A broader corporate name search.
- Appropriate corporate name searching and filings in each relevant state.

TYPES OF SEARCHES

Trademark searches typically are performed in two stages:
- A preliminary (knock-out) search (see Preliminary Trademark Searches).
- A comprehensive (full) search (see Full Trademark Searches).

However, based on the client’s needs and other factors (see Scope of Searching and Clearance), searching may include only one of these steps.

PRELIMINARY TRADEMARK SEARCHES

Preliminary (knock-out) searches are typically used to:
- Narrow or prioritize a list of candidate marks by eliminating any marks with an obvious conflict.
- Identify any obvious conflicting marks before investing in a more expensive, comprehensive search from a trademark search vendor (see Full Trademark Searches).

In some cases, counsel may conduct only this more limited search, for example if the client:
- Does not plan to invest significantly in the mark and believes costs of rebranding, if necessary, would be low.
- The client plans to use the mark for a limited time or in a limited manner (see Type and Duration of Use).
- The client’s budget does not accommodate the costs of a full search (see Client Considerations).

Where only a preliminary search is done, counsel should remind clients of the attendant risks (see Limitations of Preliminary Searches).

Preliminary searches may be done relatively quickly and inexpensively. They typically involve searches primarily of free online databases, including the USPTO’s online database (see Free-of-charge Sources). Depending on the circumstances, preliminary searches sometimes also involve searches of certain limited, fee-based databases (see Fee-based Databases). Free databases are becoming more comprehensive with advances in technology. However, fee-based databases tend to be more reliable and comprehensive. For example, fee-based databases typically are more effective for differences in spelling and foreign translations.

Factoring in attorney and paralegal time, screening a mark through multiple free or limited, fee-based databases can become expensive compared to the cost of a full comprehensive search through a vendor (see Full Trademark Searches).

Limitations of Preliminary Searches

Preliminary searches are effective primarily for ruling out candidate marks that are clearly unavailable. However, because of their limited scope, counsel should not rely on preliminary search results to draw any definitive conclusions on the availability of the candidate mark for use or registration. For example, basic preliminary searches typically do not identify the many types of phonetic, spelling and structural variations covered by full US searches (see Full Trademark Searches). They also do not typically cover common law (unregistered) marks and names, other than what a cursory check of the internet might reflect.

Free-of-charge Sources

Preliminary searches for conflicting marks may include searches of:
- The USPTO’s online database of federal trademark applications and registrations, searchable online using its Trademark Electronic Search System (TESS).
- General internet searches.
- Domain name WHOIS databases.
- State trademark registry and secretary of state databases, many of which are searchable online on a state-by-state basis.
- Trade publications available and searchable online.
- Local telephone yellow pages and other business directories.

Sources that may be useful in assessing whether a mark meets the requirements for trademark protection and registration include:
- Dictionaries. These may help counsel assess whether a mark is descriptive or generic in a particular field.
- Atlases. These may help counsel assess whether a mark is likely to be considered primarily geographically descriptive or geographically misdescriptive.
- Telephone white pages. These may help counsel determine whether a mark is likely to be considered primarily a surname.

Fee-based Databases

There are also many fee-based database searches available that offer more comprehensive information on potentially conflicting marks than a search of free databases, but are more limited or targeted searches than what is included in a full search provided by a vendor (see Full Trademark Searches). These include, for example:
- SAEGIS® (through Thomson Compumark).
- Corsearch Advantage Screening (through CT Corsearch).
- ActiveIP® Screening Platform (through Corporation Service Company).
FULL TRADEMARK SEARCHES

If the preliminary search results do not eliminate a candidate mark, as a best practice counsel should conduct a full US trademark search. Full US searches are available from several outside search vendors, including CT Corsearch, Thomson and Corporation Service Company. Analysis of a full search report gives the client a more complete understanding of the availability of the proposed mark for use or registration, and a better sense of potential risks. It also can provide a basis for defending the client’s good faith adoption of the mark in the event of a legal challenge (see Reliance on Trademark Opinions as a Defense to Willful Infringement).

Sources Included in a Full Search

A full search of a word mark from an outside vendor generally includes a search of:
- USPTO records.
- State registered trademarks.
- Common law and company name databases.
- Domain name databases.
- Websites, on a limited basis.

Existing Uses Identified by a Full Search

Full searches seek to identify conceptual, structural and phonetic variations, including:
- Abbreviations.
- Spelling variations.
- Phonetic equivalents.
- Unusual punctuation forms.
- Inventive or irregular word construction.
- Visual equivalents
- Synonyms.
- Translations (foreign equivalents).
- Transliterations.

Limitations of Full Searches

Even full searches are not completely reliable. Some relevant marks may not appear in a search report and the analysis often requires some level of subjectivity. Therefore, even after analyzing a full search report and coming to a favorable conclusion, some risk is always present when adopting or extending use of a trademark.

Reasons relevant marks may not appear in a full search report include:
- Some common law marks may not be included in any of the sources searched by the search agency.
- Recently filed applications may not appear in the search report owing to processing delays.
- Applications filed on the basis of a foreign application or registration may obtain an effective filing date that is up to six months earlier than the actual filing date under certain international treaties, including the Paris Convention (see Practice Note, Acquiring Trademark Rights and Registrations: Application Process and Considerations: Filing Basis (http://us.practicallaw.com/2-505-1700)).

Search reports are designed to be comprehensive but not exhaustive. They reflect reasoned but subjective determinations and search strategies by the search provider’s staff and may not always include every arguably relevant reference (see Caveats on Scope and Reliability).

DESIGN SEARCH

Design marks, logos and design elements of word marks must be searched separately. For design searching, outside vendors typically limit their searches to USPTO records. Therefore, the search results generally do not identify potentially conflicting common law uses.

DILUTION SEARCH

Certain outside search vendors also offer dilution searches, which search for existing uses of the searched mark or term without limitation to specific goods or services. A dilution search can help in:
- Assessing a mark’s strength (see Assessing the Strength of a Mark).
- Determining whether many similar marks already coexist.
- Defending against an infringement or dilution claim by demonstrating that the scope of protection for the plaintiff’s mark is weakened by third-party use of the same or similar marks.

CONTENTS OF A FULL SEARCH REPORT

The work product of a trademark search is a trademark search report. The search report for a basic full US search for a word mark is typically anywhere from under 100 to several hundred pages or longer, depending on the candidate mark’s prevalence of use in the marketplace. While report formats vary among vendors, the results are typically organized into several general sections.

UP-FRONT SECTION

The first section of the full search typically includes
- The specific mark and products or services of interest.
- Table of contents.
- A summary of the search limitations, for example, disclaimers made by the search vendor as to the accuracy of the third party databases out of its control and the subjectivity of trademark searching and evaluation).
ANALYZING A FULL SEARCH REPORT

Courts generally have not found an affirmative duty to conduct a search before adopting and using a mark. However, when a full search is done, the results must be analyzed carefully and reasonably so that:

- The client can understand and rely on the opinion and recommendations.
- A court is likely to find that the client was justified in relying on the opinion if it is ever disclosed in litigation (see Reliance on Trademark Opinions as a Defense to Willful Infringement).

RELIANCE ON TRADEMARK OPINIONS AS A DEFENSE TO WILLFUL INFRINGEMENT

Generally, trademark search reports provided by a third-party search provider are discoverable in any adversarial proceeding involving the mark. However, availability opinions from counsel are protected by the attorney-client privilege unless waived. Clients most frequently grant waivers to support a defense of reliance on the advice of counsel against a claim of bad faith or willful infringement.

CONFLICT CONSIDERATIONS

Throughout the searching and clearance process, counsel should be sensitive to potential conflicts of interest. If a reference mark is owned by another client of the reviewer or by a client of the reviewer’s law firm, counsel may be ethically precluded from issuing an opinion on the risks posed by that mark or potential ways to mitigate the risks. This can be a particular problem for lawyers in large firms with broad client bases.

Determining whether a conflict exists typically requires evaluation of the relationship between the lawyer or his firm and the reference mark’s owner under the Rules of Professional Conduct for the lawyer’s jurisdiction of practice and is beyond the scope of this Note.

IDENTIFYING POTENTIALLY CONFLICTING MARKS

The nature of the planned use of the candidate mark is important in how counsel identifies and evaluates search references. For example, a proposed mark may pose less risk for use than for registration in any of the following circumstances:

- It is merely descriptive (see Box, Spectrum of Distinctiveness: Descriptive Marks).
- The client plans to use it with an established product mark or a house mark.
- The products or services are distributed through a very specialized channel of trade or to a narrow customer base.
- The mark is intended for short-term use (see Type and Duration of Use).

Similar Marks

Typically, the first step in analyzing trademark search results is reviewing the full search report and identifying, or tagging, each search result (reference or reference mark) that is similar to the candidate mark.
Counsel should look for similarities in:

- **Sight or appearance.** This includes both:
  - spelling of word marks; and
  - design elements, which may include color, typeface, stylization, logos and other designs.

- **Sound.** Phonetic similarity may create a likelihood of confusion, even where the marks differ visually.

- **Structure.** For example:
  - whether the marks share an alliterative or rhyming quality; or
  - particular letter strings or combinations that dominate the overall impression of both the candidate and reference marks.

- **Meaning or connotation.** This includes references that comprise translations, transliterations or acronyms, if any, of or for the candidate mark.

- **Commercial impression.** Courts sometimes refer to the impact of the sight, sound and meaning as a mark's commercial impression.

**Marks Owned by Competitors**

Counsel should also specifically note any marks owned by any entity that the client has identified as a competitor (see **Competitive Environment**).

**Marks Covering Unrelated Goods and Services**

Further consideration is typically unnecessary for marks covering goods or services totally unrelated to the proposed use of the candidate mark because consumer confusion is generally not likely between marks used in unrelated fields. However, counsel should tag any reference if there is reason to believe it covers a mark that is or may be famous. Famous marks may be protected well beyond a particular industry or activity under dilution laws (see **Fame of the Reference Mark**).

**ANALYZING POTENTIALLY CONFLICTING MARKS**

The next step is to analyze potentially conflicting marks, including:

- Getting an overall sense of the search results (see **Landscape Analysis**).

- Reviewing each individual tagged reference in the context of the candidate mark and overall search landscape.

Counsel should closely review each tagged reference to determine whether it presents a substantial risk to using or registering the candidate mark. In some cases, this determination requires further investigation (see **Investigations of Potentially Conflicting Marks**).

**Factors to consider when evaluating each reference mark include:**

- Similarities and distinguishing features of the reference and candidate mark (see **Similarities and Distinguishing Features**).

- Registration status, including whether the reference is registered on the Principal or Supplemental Register (see **Federal Registration Status of the Reference Mark**).

- Whether the mark is currently in use (see **Use Status of the Reference Mark**).

- The strength of the mark (see **Strength of the Reference Mark**).

- Whether the mark is famous (see **Fame of the Reference Mark**).

- Disclaimed elements, if any (see **Disclaimed Elements**).

- Similarity of the goods and services, including trade channels, between the candidate mark and reference mark (see **Similarity of Goods and Services and Trade Channels**).

- The reference mark owner’s history of protecting its rights (see **Reference Mark Owner**).

Counsel may find much of this information in the search report or in the registration records on the USPTO’s online database. However, certain information, including whether the mark is in use, may require additional investigation (see **Investigations of Potentially Conflicting Marks**).

**LANDSCAPE ANALYSIS**

Reviewing the compiled list of tagged references gives counsel an overall sense of the landscape against which to analyze the candidate mark. For example, if a literal or design element is shared by a large number of references, this suggests the element may be highly diluted or descriptive in the field searched or has little source-indicating significance.

Understanding the overall field helps counsel assess availability of the candidate in the context of:

- How similar the reference mark is to the candidate mark compared to the marks disclosed by the search results in general.

- If the reference and candidate marks share certain literal or design elements but are not identical, the strength of those common elements relative to strength of any unshared elements (see **Assessing the Strength of a Mark**).

- Whether any similarity in structure between the reference mark and the candidate mark is common to many marks in the area searched, for example, certain alliterations, rhyming or letter strings.

**SIMILARITIES AND DISTINGUISHING FEATURES**

For each reference mark that is not identical to the candidate mark, counsel should evaluate the overall risks based on the similar and distinguishing elements of the two marks. For example, marks sharing a highly distinctive element typically pose a higher likelihood of confusion than marks that share a descriptive or diluted term, but are distinguished by a distinctive element in one or both of the marks.
FEDERAL REGISTRATION STATUS OF THE REFERENCE MARK

References included in the federal registration section of a search report generally merit more attention than those appearing only in other sections. The owners of those references have spent resources to obtain a federal registration, suggesting they may be:

- More aggressive in their perception of the available scope of protection for their marks.
- More likely to enforce their rights.
- Vigilant about policing use of their marks or similar marks.
- Represented by counsel or knowledgeable about protecting trademark rights.

In addition, registration on the Principal Register provides evidentiary benefits and presumptions that may make infringement and dilution claims more difficult and expensive to defend (see Practice Note, Acquiring Trademark Rights and Registrations: Federal Trademark Registration under the Lanham Act: Benefits of Federal Registration (http://us.practicallaw.com/2-505-1700)).

Principal Register versus Supplemental Register

The level of risk a federal registration reference poses is affected by whether the mark is on the Principal or Supplemental Register. A mark must be inherently distinctive or have acquired secondary meaning for registration on the Principal Register. The Lanham Act provides for a mark to be registered on the Supplemental Register if it is descriptive or primarily merely a surname, but capable of identifying a source of goods or services (see Box, Spectrum of Distinctiveness).

A Supplemental Register registration reflects that the reference mark is descriptive. However, secondary meaning may already exist. A mark on the Supplemental Register may ultimately be registered on the Principal Register when secondary meaning can be demonstrated.

Registration on the Principal Register under Section 2(f) of the Lanham Act means the mark is descriptive but has acquired secondary meaning or distinctiveness through use. This suggests the reference mark has been in use for a long period, or that the owner has devoted extensive resources to marketing and promoting the mark, thus indicating that the mark may pose a higher risk to the candidate mark.

A mark registered on the Principal Register may not present undue risk if:

- The owner of the mark has abandoned its rights (see Use Status of the Reference Mark).
- The mark is used for a relatively narrow product or service line, or in a specific field of use, that does not overlap with the proposed use of the candidate mark (see Similarity of Goods and Services).

USE STATUS OF THE REFERENCE MARK

Because US trademark rights are generally based on use of a mark in commerce, current use of the reference mark (whether local, regional or national) is always a key consideration.

A reference mark that is not in use may not be enforceable. Therefore it may not be an obstacle to using the candidate mark. However, a mark not in use may have:

- A basis for excusable nonuse.
- Residual goodwill that may support an infringement claim.

The mark also may still be within a grace period, for example:

- The first three years to show use following registration under Section 44(e) of the Lanham Act.
- Up to three years of nonuse, the period required for a trademark to be presumed abandoned for nonuse under the Lanham Act (15 U.S.C. § 1127).

Pending Intent-to-use Applications

In general, counsel should assess reference marks that are the subject of intent-to-use applications as though the owner will use the mark for the covered goods or services and the application will ultimately mature to registration. This analysis should also consider:

- How long the application has been pending. An application that has been pending for a year or longer, and has received several extensions of the time to prove use, may suggest a lower likelihood that use will ever start.
- Whether use has started, which counsel may be able to determine by a quick internet search.

Additional investigation to confirm whether the owner has abandoned plans to use the mark is generally warranted if the particular reference poses a significant risk based on its similarities with the candidate mark.

Cancelled Registrations and Abandoned Applications

A reference mark that is the subject of a cancelled registration or abandoned application (particularly a use-based application) may still be in actual use. A trademark owner may abandon an application, or allow a registration to expire or be cancelled, for a mark that remains in use for many reasons, including:

- Costs of overcoming issues raised during prosecution of an application (see Practice Note, Acquiring Trademark Rights and Registrations: Post-application Considerations and Procedure: USPTO Examination (http://us.practicallaw.com/2-505-1700)).
- Deciding that a registration was not needed for the trademark owner’s business model.
- Lack of understanding about USPTO procedures.

If an abandoned application was based on intent-to-use, it is possible the owner never actually used the mark. However, counsel generally cannot comfortably rule out these references as risks without independently investigating if the mark is in use (see Investigations of Potentially Conflicting Marks).
If an online investigation cannot readily determine whether the mark is in use, certain information may give an indication, including:

- How long the registration or application in question has been cancelled or abandoned.
- The reason for cancellation or abandonment. For example, if the application was abandoned for failure to file a statement of use, this may suggest the mark was never used (see Practice Note, Acquiring Trademark Rights and Registrations: Post-application Considerations and Procedure: Registration (http://us.practicallaw.com/2-505-1700)).

STRENGTH OF THE REFERENCE MARK

A search report that reflects many marks having a common element suggests that the element is weak in the field searched (see Landscape Analysis). In these cases, small differences between the candidate mark and reference marks often may be sufficient to distinguish them in evaluating likelihood of confusion (see Similarities and Distinguishing Features).

FAME OF THE REFERENCE MARK

Reference marks that may be famous marks under federal or state trademark dilution statutes require careful evaluation. Sometimes the notoriety may be clear to counsel. Sometimes determining notoriety within a particular industry or field of use requires the client’s input.

Information in a search report that may be consistent with a mark being famous includes:

- Broad product and service coverage for a registration.
- Multiple applications and registrations for the reference mark.
- References to the mark in several sections of the search report. For example, in addition to the federal registration section, the mark also appearing in:
  - business names;
  - domain names; or
  - internet uses.

(See Contents of a Full Search Report.)

- References showing that the mark’s owner has filed oppositions claiming dilution.

Still, counsel may not always be able to reliably identify either:

- The fame of a reference mark.
- If famous, the broader scope of protection the reference mark may receive.

The opinion given to the client therefore should include a caveat on the limitations of searches for ability to assess fame of a particular reference (see Caveats on Scope and Reliability). This has become more important since the Trademark Dilution Revision Act of 2006, which expanded the universe of potentially diluting marks to any term that is likely to blur or tarnish the famous mark (see Practice Note, Acquiring Trademark Rights and Registrations: Protected Subject Matter under the Lanham Act: Scope of Trademark Protection (http://us.practicallaw.com/2-505-1700)).

DISCLAIMED ELEMENTS

A trademark application or registration may show certain terms or elements as disclaimed. This means the trademark owner does not claim exclusive rights in those elements for federal registration purposes. Disclaimed elements typically are generic, descriptive or highly diluted. Therefore, disclaimers of elements of the reference mark that overlap with the candidate mark suggests that both:

- The reference mark is less likely to prevent use or registration of the candidate mark if the non-disclaimed elements are distinct.
- Those disclaimed elements are also less likely to have an impact on the scope of protection for the candidate mark (see Assessing the Strength of a Mark).

Still, disclaimed elements must be taken into account in the likelihood of confusion analysis.

SIMILARITY OF GOODS AND SERVICES

The relationship between the goods and services of the candidate mark and the coverage of the reference mark is another key factor in the likelihood of confusion analysis. Counsel should consider, among other things, whether:

- The products or services under the marks are complementary or companion items (for example, wine and cheese).
- One product may be an ingredient in the other (for example, peanut butter and ice cream).
- The goods or services are types that often have the same source or are offered under the same brand (for example, apparel and fragrance products).
- The trade channels or customers overlap.

The extent to which the candidate and reference marks’ goods or services are related typically affects the degree to which the marks must differ to avoid likelihood of confusion (see Assessing the Availability of a Mark). A senior rights owner is less likely to tolerate a new mark for goods that have some relationship with its own products than one for goods that are wholly unrelated.

Counsel should bear in mind that the goods and services descriptions in a trademark application or registration may differ from how the mark is actually used. For example, the application or registration may not reflect marketplace realities, for example, limitations on specific:

- Products or services. For example, radios versus underwater radios.
- End users. For example, general consumer versus business buyers.
- Trade channels. For example retail or wholesale.
- Marketing channels. For example, store or online.
The relevance of these considerations may differ based on whether the client wishes to register, or simply use, the mark. In opposition and cancellation proceedings, the TTAB considers limitations on channels of trade, end users and the like only if they are specified or inherent in the goods or services description in the cited application or registration. However, the likelihood of confusion analysis in infringement litigation considers actual use of the mark in the marketplace.

Therefore, in some situations a reference mark may present no reasonable likelihood of confusion with the candidate based on its actual use, but still be a significant obstacle to registering the candidate mark. If registering the mark is important, trademark counsel may recommend post-search clearance steps, such as:

- Seeking an agreement with the reference mark’s owner.
- Pursuing a partial cancellation proceeding.

(See Post-search Clearance Steps.)

**TRADE CHANNELS**

In some cases, overlapping trade channels may increase the likelihood of confusion even where the products themselves are not closely related. For example, for items sold through mass merchandising, the channels of trade may not be significant if the differences in the goods are great enough for the goods to be shelved in different aisles or store sections. However, where the channels of trade are specialized, for example, auto parts sales, the concurrent presence of products in that channel may evoke a consumer perception of a common source for distinct products, for example, spark plugs and windshield wiper blades.

**REFERENCE MARK OWNER**

Whether a reference owner aggressively protects its rights is particularly important if the client seeks to avoid any potential objections or claims, regardless of the likelihood of overcoming an objection. Most full search reports list opposition proceedings associated with a particular mark. Trademark litigations also may be searched through databases, such as the federal court’s Public Access to Court Electronic Records (PACER) system.

**INVESTIGATIONS OF POTENTIALLY CONFLICTING MARKS**

**DUTY TO INVESTIGATE**

There is no statutory, regulatory or case precedent that imposes a duty to conduct a trademark search. However, if a search discloses a reference mark that is similar to the candidate mark, for the same or closely related goods, additional investigation may be necessary for counsel to give an opinion that:

- Distinguishes the reference and concludes there is no likelihood of confusion (see Assessing the Availability of a Mark).
- A court is likely to find credible to support the client’s asserted good faith adoption of the mark (see Reliance on Trademark Opinions as a Defense to Willful Infringement).

The specific information sought in an investigation varies based on the particular circumstances, but typical subjects of investigations include:

- Determining whether a mark is in current use.
- If a mark is not currently in use, when the owner stopped use, and whether the owner has plans to resume use to assess whether the mark has potentially been abandoned.
- Duration of use.
- Planned expansion of use.
- Nature of the use. For example, on packaging, in advertising.
- Specific goods or services for which the mark is used.
- Whether the mark is a primary or secondary product mark.
- Geographic region of use.
- Trade channels.
- Marketing channels.
- Price points.
- Customers or end users.
- Obtaining current product samples, advertising or promotional materials.
- Details concerning the owner of the mark, including the owner’s financial resources.

**CONSIDERATIONS AFFECTING THE METHOD OF INVESTIGATION**

Factors affecting the scope and nature of any investigation include:

- How similar the reference mark and its coverage are to the candidate mark (see Identifying Potentially Conflicting Marks).
- The specific information needed to assess likelihood of confusion.
- The client’s budget and timing constraints (see Client Considerations).

An investigation may be very narrow or very broad. Often, visiting the reference mark owner’s website or reviewing the reference mark’s USPTO file history on the USPTO’s website may be sufficient to draw a reasonable conclusion as to the risks posed by the reference.

**ETHICAL ISSUES IN INVESTIGATIONS**

Investigating references through internet searches or by obtaining publicly available reports or records, for example, USPTO files, secretary of state records or financial reports from Dun and Bradstreet, usually does not raise ethical issues.

However, certain external investigative techniques may not be ethically permissible. For example, using private investigators and other techniques that involve direct contact with trademark owners or other persons that may have information about a reference mark or its owner may require constraints to avoid ethical issues.
The Rules of Professional Conduct or other ethical rules for each state generally provide that a lawyer cannot knowingly:

- Make a false statement of material fact or law to a third person.
- Make a false or misleading communication.

This covers statements and communications made by anyone working on the lawyer’s behalf including:

- Private investigators.
- Paralegals.
- Client representatives working at the direction of the lawyer.

Before conducting any investigation, counsel must also consider ethical rules that bar contact with a party known to be represented by counsel. Counsel should ensure that persons that call or visit a place of business are informed of and understand the ethical boundaries of the investigation.

Particular ethics codes and laws and a discussion of what external investigative techniques may be ethically permissible are beyond the scope of this Note.

**ATTORNEY-CLIENT AND WORK PRODUCT PRIVILEGES**

Information obtained from an investigation and communications with an investigator may not be protected either:

- **By attorney-client privilege.** At a minimum, factual information obtained by an investigator is not privileged.
- **As attorney work product.** In most cases, trademark clearance investigations are not done in anticipation of litigation but rather for purposes of avoiding issues that might lead to litigation.

**CLEARANCE OPINION**

A clearance opinion by counsel is the ultimate product of the searching and clearance process. Depending on the circumstances and the client’s preference, counsel may give a clearance opinion orally or in writing. For example, some clients prefer to receive an oral opinion either:

- Regardless of the conclusion, for example, to avoid fees for counsel’s time in drafting the formal opinion letter.
- To avoid a written record of a negative opinion, recognizing that no opinion can anticipate all the possible interpretations that may later be ascribed to the written words.

However, others want a written opinion whether or not it is positive. In some cases, the client may find a logical, well-reasoned negative written opinion from trademark counsel useful in counseling their business people not to adopt the candidate mark or to make changes to the mark to lower potential risk.

Written opinions vary in length based primarily on the scope of the search and the number of reference marks counsel considers significant.

**BACKGROUND INFORMATION**

The first section of a written opinion should set out the context for the opinion. Specifically, this section should identify:

- The candidate mark.
- The client’s plans for use of the candidate mark.
- Whether the opinion addresses both use and registration or only use (see Federal Registration).
- Any other background information the client has provided and on which counsel relied in assessing the significance of the search references.

**CAVEATS ON SCOPE AND RELIABILITY**

Some practitioners also include important caveats about the extent and reliability of trademark searches early in the written opinion. Others prefer simply to refer the client to a caveat sheet attached to the opinion, which may be as detailed as necessary for the particular client or search parameters. Typical caveats included in written opinions identify:

- Limitations on the ability to assess fame of a particular reference based on search results (see Fame of the Reference Mark).
- Potential omissions from the search report owing to the timing of database updates and searcher subjectivity (see Limitations of Full Searches).
- The gap between the date of the search and the date of the opinion (see Contents of a Full Search Report).
- Assumptions about the completeness and reliability of the content of the source databases.

**SUMMARY OPINION**

The first page of the opinion typically includes a summary to give the client an immediate indication of the availability conclusions. This executive summary may be a single sentence and usually is no more than three sentences, depending on the extent to which the summary opinion is qualified, for example, to reflect assumptions or limitations on how the client may use the mark (see, for example, Limitations on How the Mark is Used).

**PERTINENT REFERENCES**

Most opinion letters then address the pertinent references organized in sections paralleling the search report, typically:

- Federal references.
- State registrations.
- Common law references, including information from:
  - trade directories;
  - online directories;
  - business name databases;
  - domain name registration databases;
  - internet references; and
  - any others included in the report.

(See Contents of a Full Search Report.)
Overview of Pertinent Marks

The written opinion typically lists each reference mark counsel has identified as potentially conflicting or otherwise pertinent to the analysis. The opinion should at least include for each:

- Registration status (see Federal Registration Status of the Reference Mark).
- Goods or services covered by the reference mark (see Similarity of Goods and Services).
- The name of the owner of the reference (see Reference Mark Owner).

Seeing these references in list form gives the client an overall context for the evaluations and risk assessments that follow.

Description of the Landscape

Occasionally, counsel does not believe any mark included in the search report is close enough to the candidate mark to warrant detailed discussion. In these instances, providing an overall description of the landscape of the search results from the particular section of the search may be useful to the client. This may give perspective on:

- Various uses by others in the marketplace.
- How much the candidate mark differs from these uses and, therefore, a sense of the possible scope of protection for the candidate mark.

When listing these references in an opinion, they should be identified clearly as for “landscape purposes” to lower the risk of their receiving a higher profile or significance than they deserve if the opinion is disclosed in litigation to an adverse party or a court (see Reliance on Trademark Opinions as a Defense to Willful Infringement).

RISK ASSESSMENT

The risk assessment section of the written opinion sets out counsel’s analysis of each pertinent reference mark and the landscape. Any written opinion must be logical and sufficiently complete in its analysis to justify its conclusions on availability (that is, likelihood of confusion or dilution of any of the reference marks). Case law suggests that for an opinion of counsel to support a defense against a willful infringement claim, it must be thorough enough to justify the client’s good faith reliance on the opinion (see Reliance on Trademark Opinions as a Defense to Willful Infringement).

For each reference counsel considers potentially relevant to the availability of the candidate mark, the written opinion should include at least some specific factors that counsel believes reasonably support the opinion that there is no likelihood of confusion (or dilution in the case of a famous reference). In many cases, counsel may simply refer to specific differences between either or both of:

- The candidate and reference marks themselves (see Similarities and Distinguishing Features).
- Goods or services, trade channels or end users (see Similarity of Goods and Services).

In other cases, a more developed analysis may be necessary, depending on how the client plans to use the candidate mark. For example:

- If the client plans to use the candidate mark as a house mark or for a broad product line, the opinion should set out the basis for concluding why each of the most pertinent reference marks is distinguishable under a likelihood of confusion analysis.
- If the candidate mark is a composite mark (that is, incorporates more than one element), or is always used with a distinctive design element, reference marks may be distinguished based on the overall commercial impressions evoked by the other elements of the candidate composite or by the design.

If the owner intends to use the candidate mark only descriptively and the mark is being cleared from a defensive perspective, the risk assessment should state that the conclusion assumes the client will use the candidate mark only in a descriptive manner.

Limitations on How the Mark is Used

The risk assessment section of a written opinion often suggests steps the client may take to reduce likelihood of confusion with a particular reference mark. These may include, for example:

- Only using the candidate mark in connection with a house mark or other established brand.
- Combining the candidate mark with other elements (for example, words or design elements) in a way that changes the commercial impression to further distinguish it from the reference.

When a reference mark is weak or diluted, adding a house mark or design element may sometimes significantly reduce the risk of a likelihood of confusion.

POST-SEARCH CLEARANCE STEPS

Identifying potentially conflicting marks believed to present unreasonable business risks does not necessarily end the clearance process. Depending on the importance of the candidate mark to the client’s business, and the extent of the client’s budget, the client may want to explore minimizing the risk of adopting or continuing use of the candidate mark by:

- Negotiating a consent or coexistence agreement with the reference mark’s owner (see Consent and Coexistence Agreements).
- Petitioning the USPTO to cancel the reference mark (see Petitions to Cancel Existing Registrations).
- Purchasing or licensing the reference mark (see Purchase and License Agreements).
CONSENT AND COEXISTENCE AGREEMENTS

Where counsel identifies only one or two references as posing risk, it may be possible to negotiate a consent or coexistence agreement with the owners of the conflicting marks. For example, the candidate and reference marks may coexist without likelihood of confusion if, for example, they are used:

- For products or services with differing:
  - end users; or
  - channels of trade.
- In different geographic regions.
- With a distinguishing element or elements, such as a design, font, color or house mark.

These agreements sometimes can be achieved without the need for any significant monetary consideration being paid. In other cases, the owner of the conflicting mark may insist on significant compensation.

Before approaching the reference mark’s owner, counsel should caution the client to be prepared to choose a different mark if the reference mark’s owner declines consent. In that case, if the client proceeds with using the candidate mark, the client may face a claim of willful infringement by the reference mark’s owner.

PETITIONS TO CANCEL EXISTING REGISTRATIONS

Filing a petition for cancellation or partial cancellation of a registration for a reference mark may be an option where investigations suggest that the reference mark is either:

- No longer in use and has been abandoned.
- Not in use for the goods or services most similar to those for which the client plans to use the candidate mark.

(See Use Status of the Reference Mark.)

In many cases, the threat of a viable cancellation action may also provide sufficient incentive to the reference mark’s owner to negotiate a consent or coexistence agreement.

PURCHASE AND LICENSE AGREEMENTS

In some circumstances, the client may wish to attempt to purchase the reference mark and either:

- Obtain the reference mark owner’s agreement to stop using it.
- Issue a license back to the reference mark’s owner to allow it to continue its use.

Counsel should advise the client of trademark license quality control requirements, and carefully draft any agreement, to ensure against creating a naked assignment or a naked license. For a sample trademark license agreement, see Standard Document, Trademark License Agreement (Pro-Licensor) (http://us.practicallaw.com/8-500-7097).

The client also may consider seeking a license from the reference mark’s owner. This may not be a desirable approach because the client would be subject to quality control efforts and other restrictions imposed by the reference mark owner to preserve the mark’s validity.

TRADEMARK APPLICATION FILING CONSIDERATIONS

After issuing a clearance opinion, counsel should advise the client on applying to register the candidate mark with the USPTO (see Checklist, Registering a Trademark (http://us.practicallaw.com/6-502-8835)).

NECESSITY OF FILING AN APPLICATION FOR REGISTRATION

Federal trademark registration provides substantial benefits (see Benefits of Filing an Application for Registration). However, registration is not a requirement for trademark protection and sometimes filing is not necessary or desirable.

If a search was done primarily for defensive purposes, filing may not be necessary or even appropriate. For example, if a mark is descriptive and is cleared on the basis that it will be used in an arguably fair, descriptive manner, filing an application may undercut a fair use defense to an infringement claim. Filing also may not be warranted if the client plans to use the candidate mark for a very short period, for example in a seasonal advertising campaign.

USE WITHOUT FILING AN APPLICATION FOR REGISTRATION

Even where a client wishes to register the candidate mark, in some situations it may be more desirable to use the mark without filing for some period of time. For example, counsel reasonably may believe using the candidate mark presents no likelihood of confusion with a reference mark, but is concerned that either:

- A trademark examiner may cite the reference mark against an application for registration of the candidate mark.
- Filing an application may prompt an opposition or claim if the owner of the reference mark aggressively protects its mark (see Reference Mark Owner).

In these situations, using the candidate mark for one or two years with no objection may enhance the argument of no likelihood of confusion if the client applies for registration at a later time. A period of concurrent use reflecting that the marks can coexist in the marketplace without causing confusion also may be a persuasive factor in achieving a consent or coexistence agreement with the reference mark’s owner (see Consent and Coexistence Agreements).

BENEFITS OF FILING AN APPLICATION FOR REGISTRATION

The benefits of filing a trademark application include:

- For a mark not yet in use, establishing a nationwide constructive date of first use by filing an intent-to-use trademark application.
- Creating a record at the USPTO that may block any later-filed application for a confusingly similar mark for related goods or services.
SEARCH REPORT AS AN AID IN FRAMING THE APPLICATION

Knowledge from the search report may guide the application preparer in drafting an accurate description of the products or services that helps distinguish the mark from any of the pertinent references in the report.

The search report results also may suggest that certain components of a composite mark are likely to be considered merely descriptive and not protectable (see Assessing the Strength of a Mark). In those cases, counsel may consider disclaiming those elements in the initial application to increase the likelihood of the trademark examiner approving the application on the first review (see Disclaimed Elements).

SPECTRUM OF DISTINCTIVENESS

US trademark law recognizes a spectrum of distinctiveness that provides a sliding scale of trademark protectability. Generally, it is easier and less costly for a trademark owner to acquire and enforce exclusive rights in a mark that is distinctive and unique than one that is descriptive or highly diluted (widely used). The spectrum of protectable marks runs from inherently distinctive to descriptive. Generic terms are not protectable under any circumstances, and may be used by anyone for any product or service the term defines.

INHERENTLY DISTINCTIVE MARKS

Inherently distinctive marks may be immediately protectable and registrable. These marks include terms that are:

- Fanciful or coined. For example, GOOGLE is fanciful for search engine services.
- Arbitrary. For example, AMAZON.com is arbitrary for online bookstore services.
- Suggestive. For example, COPPERTONE is suggestive for suntan lotion.

Suggestive marks often strike the best balance between:

- Protectability.
- Marketability.

They are not as immediately strong as fanciful and arbitrary marks, and determining whether a mark is descriptive or suggestive mark is often difficult. However, marketers often prefer suggestive marks because they give customers some sense of the nature of the products or services.

DESCRIPTIVE MARKS

Descriptive marks include terms that immediately convey something about the product or service, for example, its:

- Nature.
- Quality.
- Characteristics.
- Composition.
- Intended use.

Marketers often perceive descriptive terms as the easiest to market because they readily communicate something about the salient qualities, characteristics or attributes of the product or service. However, there are disadvantages to using them, including that a descriptive term:

- Does not qualify for trademark protection without a showing of acquired distinctiveness.
- Typically requires extensive use and promotion, often for five to ten years, to be protectable and registrable on the Principal Register.
- Often must coexist in the market with similar marks of others, including the trademark owner’s competitors.

For more information on the spectrum of distinctiveness, see Practice Note, Acquiring Trademark Rights and Registrations: Requirements for Federal Trademark Registration: Distinctiveness (http://us.practicallaw.com/2-505-1700).
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