

This memo briefly describes basic trademark law and the steps that must be implemented by an owner of a mark in order to maintain its registered status.

## **A. WHAT IS A TRADEMARK?**

1. **Trademarks/Service Marks.** Trademarks are used to identify goods, that is, physical commodities, which may be natural or manufactured or produced, and which are sold or otherwise transported or distributed. Service Marks are used to identify services, that is, intangible activities, which are performed by one person for the benefit of a person or persons other than himself (herself) either for pay or otherwise. The Trademark Act of 1946 (the Act") defines "Trademark" (Service Mark) as follows:

The "Trademark" (Service Mark) includes any word, name, symbol or device, or any combination thereof --

(i) used by a person, or

(ii) which a person has a bona fide intention to use in commerce and applies to register on the principal register established by the Act,

to identify and distinguish his or her goods (services), including a unique product (service), from those manufactured or sold by others and to indicate the source of the goods (services), even if that source is unknown.<sup>1</sup>

2. **Establishing Trademark Rights.** Trademark<sup>2</sup> rights arise from either (i) actual use of the mark, or (ii) the filing of a proper application to register a mark in the Patent and Trademark Office ("PTO") stating that the applicant has a bona fide intention to use the mark in commerce regulated by the U.S. Congress. Federal registration is not required to establish rights in a mark, nor is it required to begin use of a mark. However, federal registration can secure benefits beyond the rights acquired by merely using a Mark. For example, the owner of a federal registration is presumed to be the owner of the mark for the goods and services specified in the registration, and to be entitled to use the mark nationwide.

There are two related but distinct types of right in a mark. The first is the right to register the mark. Second, is the right to use the mark. Generally, the first party who either uses a mark in commerce or files an application in the PTO has the ultimate right to register that mark. However, the PTO's authority is limited to determining the right to register a mark. The right to use a mark can be more complicated to determine. This may be particularly true when two parties have begun to use the same or similar mark without knowledge of the other and neither has a federal registration. In that instance, only a court can render a decision about the right to use the mark.

Unlike copyrights or patents, trademark rights can last indefinitely if the owner continues to use the mark to identify its goods or services. The term of a federal trademark registration is 10 years, with 10-year renewal terms. However, between the fifth and sixth year after the date of initial registration, the registrant must file an affidavit setting forth certain information to keep the registration alive. If no affidavit is filed, the registration is canceled.

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<sup>1</sup> **Trade Names.** The name of a business or a company is a trade name. The Trademark Act defines "Trade Name" and "Commercial Name" as follows: "Any name used by a person to identify his or her business or vocation. Trade Names must be distinguished from Trademarks and Service Marks because there is no provision in the Trademark Act for the registration of a Trade Name which is solely as a Trade Name. However, wording which constitutes a Trade Name may be used in such a manner that it also functions as a Trademark or Service Mark.

<sup>2</sup> Throughout this memo the terms "Trademark" or "Mark" are used to refer to both trademarks and service marks.

**3. Applications for Federal Registration.** An applicant may apply for federal registration in three ways. First, an applicant who has already commenced using a mark in commerce may file based on what is known as a "use" application. To file a "use" application, the applicant must demonstrate to the PTO that it is actually using a mark in commerce by providing actual specimens which show how the mark is used in interstate commerce. The use in commerce must be an actual use in the ordinary course of trade and not made merely to reserve a right in the mark. Use of a mark in promotion or advertising before the product or service is actually provided on a normal commercial scale does not qualify as "use in commerce." The second manner in which an applicant may file for federal registration is where the applicant has not yet used the mark but may apply based on what is known as a bona fide "intention-to-use" the mark in commerce (an intent-to-use application). If the applicant files based on a bona fide intention-to-use in commerce, the applicant will have to use the mark in commerce and submit an allegation of use to the PTO before the PTO will register the mark. The final way in which to file for federal registration arises under certain international agreements, whereby an applicant from outside the United States desires to file in the United States based on an application or registration in another country.

A U.S. registration provides protection only in the United States and its territories. If an owner of a mark wishes to protect a mark in other countries, the owner must seek protection in each country separately under the applicable country's relevant laws. The PTO cannot provide information or advice concerning this protection in other countries.

Anyone who claims rights in a mark may use the "tm" (trademark) or "sm" (service mark) designations with a mark to alert the public to the claim. It is not necessary to have a registration, or even a pending application, to use these designations. The claim may or may not be valid. The registration symbol, ®, may only be used when the mark is registered with the PTO. It is improper to use this symbol at any point before the registration is issued.

## **B. REGISTRATION PROCESS**

**1. Filing Receipt.** When an application is received by the PTO, it reviews it to determine if the application meets the minimum requirements for receiving a filing date. If the application meets the filing requirements, the PTO assigns it a serial number and sends an applicant a receipt about two months after filing. If the minimum requirements are not met, the entire mailing, including the filing fee, is returned to the applicant.

**2. Examination.** Approximately four months after filing an application, an examining attorney at the PTO reviews the application and determines whether the mark may be registered. If the examining attorney determines that the mark cannot be registered, the examining attorney will issue a letter listing any grounds for refusal and any corrections required in the application. This letter from the PTO is commonly referred to as an "Office Action". The examining attorney may also contact the applicant via telephone if only minor corrections are required. The applicant must respond to any objections raised in the Office Action within six months of the mailing date listed on the Office Action or the application will be deemed abandoned. If the applicant's response does not overcome all objections, the examining attorney will issue a final refusal. The applicant may then appeal to the Trademark Trial and Appeal Board ("TTAB"), an administrative tribunal within the PTO.

**3. Publication for Opposition.** If any examining attorney determines that there are no objections, or if the applicant overcomes all objections, the PTO will approve the mark for publication in what is known as the "Official Gazette". The Official Gazette is a weekly publication from the PTO which lists all pending marks for registration. The PTO will send the applicant a Notice of Publication indicating the date of publication in the Official Gazette. Any entity or individual who believes it will be damaged by the registration of the pending mark has thirty days from the date of publication to file an opposition to the mark's registration. An

opposition is similar to a formal proceeding in federal courts, but is held before the TTAB. If no opposition is filed, the applicant enters the next stage of the registration process.

**4. Issuance of Certificate of Registration or Notice of Allowance.** If the application was based upon the actual use of the mark in commerce prior to approval for publication, the PTO will register the mark and issue a registration certificate about 12 weeks after the date the mark was published, (assuming no opposition was filed). However, if the mark was based on an applicant's statement of having a bona fide intention to use the mark in commerce, the PTO will issue what is known as a Notice of Allowance about 12 weeks after the date the mark was published, (again assuming no opposition was filed). The applicant then has six months from the date of the Notice of Allowance to either (1) use the mark in commerce and submit a Statement of Use Declaration, or (2) request a six-month Extension of Time to File a Statement of Use declaration. If the Statement of Use Declaration is filed and approved, the PTO will then issue a registration certificate.

### **C. POST REGISTRATION PROCEEDINGS**

**1. Duration of Registration.** All registrations which are issued or renewed on or after November 16, 1989, are issued or renewed for ten-year periods.

**2. Affidavit of Use in Commerce.** The owner of a mark is required to submit an affidavit of use or non-use of the mark in commerce, "Section 8 Affidavit", to the PTO in order to avoid cancellation. The Section 8 Affidavit must be filed between the fifth and sixth year.

**3. Affidavit of Incontestability.** Section 15 of the Act permits owners of registrations to file affidavits which state that the right to use the registered mark in commerce for the goods or services is "uncontestable." A Section 15 Affidavit may not be filed until the mark has been in continuous use in commerce for at least five consecutive years.<sup>3</sup>

Failure to file Section 8 and 15 Affidavits will cancel the registration status of the mark.

**3. Change of Owner.** When an assignee of the entire right, title and interest seeks to take action in a matter before the PTO with respect to a registration, the assignee must establish its ownership of the property to the satisfaction of the Commissioner of the PTO. Ownership is established by submitting to the PTO documentary evidence of a chain of title from the original owner to the assignee or specifying where the evidence may be found within the PTO. Documentary evidence of a chain of title from the original owner to the assignee would normally consist of assignment documents, certificates of merger, certificates of change of name, etc.

**4. Renewal of Registration.** Each registration may be renewed for periods of ten years from the end of the expiring period upon payment of a prescribed fee and the filing of a verified application setting forth those goods or services recited in the registration in connection with which the mark is still in use in commerce and having attached a specimen showing current use of the mark. The renewal application may be made at any time within six months before the expiration of the period for which the registration was issued or renewed, or it may be made within three months after such expiration on the payment of an additional prescribed fee.

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<sup>3</sup> It is generally advisable to file the Sections 8 and 15 Affidavits simultaneously.