

PROTECTING YOUR TRADEMARK RIGHTS

By Gold & Rizvi, P.A. – *The Idea Attorneys*[®]

The Business License Myth

Many business owners believe that filing for a business license, submitting articles of incorporation, or submitting a fictitious business name statement gives them exclusive rights to use their name as a trademark and prevents competitors from using similar identifying marks nationwide.

NOT TRUE. Business licenses, fictitious name statements, and articles of incorporation *are not* substitutes for Federal trademark registration. Mistaken assumptions about trademark rights can be very costly to a business. Trademark issues should be addressed at the early stages of business development to avoid such problems.

The attorneys at GOLD & RIZVI, P.A. focus exclusively on the protection of new ideas and business identities. We are knowledgeable and experienced in practicing before the United States Patent and Trademark Office. We can assist you with securing Federal trademark protection for your company's name and product/service brand identities.

After reviewing the benefits and costs associated with Federal registration, if you would like to proceed with a trademark search and/or application, simply complete the attached documents and forward them to our office. We will take care of the rest.

Trademark Law Basics

Trademark law provides the exclusive right to use a mark that serves to distinguish the goods of one person from another. A trademark typically is a word, phrase, logo, design, symbol, or a combination thereof. Trademarks serve to identify the source of a particular good, while Service marks identify the source of a particular service.

Brand Names - Words used by a company to identify their name or the name of a product or service. Well known examples include Coca Cola[®], McDonalds[®] and Microsoft[®].

Slogans – Catch phrases used to identify a product or service. Some well-known examples: *We Bring Good Things to Life*[®] (General Electric); *Soup is Good Food*[®] (Campbell); and *Don't Leave Home Without It*[®] (American Express).

Logos - Designs or graphical images associated with a product or service. Well known examples include the swoosh mark used by Nike[®] and the flag logo used by Microsoft[®].

Trademarks as Valuable Assets

Trademarks are valuable assets of a business and continuously increase in value as the products or services they represent gain brand recognition and consumer loyalty. Over 90% of the market capitalization of Yahoo![®] is based on its brand equity. Other companies, including BMW[®], Nike[®], Apple[®] and Ikea[®], have brand equity valuations exceeding 70% of the company's total market value. Not surprisingly, the trademark rights to Coca-Cola[®] have been valued at over 80 billion dollars. By obtaining adequate trademark protection on their brand identities, these companies have been able to prevent others from using their identifying marks without permission.



Trademark rights can provide an owner with the power to prevent others from adopting the exact mark, as well as “confusingly similar” marks.

Domain Names

The interaction between trademarks and domain names has created a minefield of potential dangers to businesses. Without proper trademark protection, a company's reputation and goodwill can be "kidnapped" by so-called cyber-squatters. Proper trademark protection can provide a potent barrier to would-be cyber-squatters. Obtaining a trademark on your company's name or products can facilitate quick and effective recourse in the event that your company or product name is held hostage, preventing would-be thieves from unfairly benefiting from the goodwill you have worked so hard to generate.

Trademark Strength

Trademarks are generally classified into one or more categories, namely, generic, descriptive, suggestive or arbitrary. Marks receive differing degrees of protection based upon their particular classification.

Generic marks: Trademark rights cannot exist in marks that are considered generic. A generic term is the common ordinary name of a good or service and can never serve as a trademark. Examples of generic terms include "corn flakes", "automobile" and "basketball".

Descriptive marks: Descriptive marks *describe* one or more aspects of an associated product or service. Descriptive marks are usually not preferred. Trademark protection is only extended to descriptive marks that have attained a *secondary meaning*. Secondary meaning is achieved when a mark has been used for so long and/or so exclusively that, beyond conveying a literal meaning, the public associates the mark directly with the source of the underlying goods or services.

Suggestive marks: Unlike descriptive marks, suggestive marks merely *suggest or hint* at some quality, aspect or component of the goods or

services with which they are used. A suggestive mark is usually stronger than a descriptive mark and does not require a showing of secondary meaning.

Fanciful or Arbitrary marks: Fanciful or arbitrary marks are the most distinctive and are generally entitled to the greatest level of protection. Such marks are typically unknown before they become associated with a product. A famous example of an arbitrary mark is the coined mark Kodak® for photographic-related products and services. An example of an arbitrary mark is Apple® for computers.

The Benefits of Federal Registration

Your corporate name, along with the brand identity established by your products or services, could become your most valuable asset. A strong brand identity can help prevent your company, product, or service from becoming a commoditized item, helping to insulate your company from the effects of price competition. Typically, trademarks tend to continuously increase in value as the products or services they represent gain brand recognition and consumer loyalty.

The owner of a Federally registered trademark is presumed to be the exclusive owner of the mark for the goods and services specified in the registration, and is generally entitled to exclusive nationwide use. Additionally, trademark owners have the right to request U.S. Customs Officials to seize imported goods bearing an infringing trademark.

Once your mark is Federally registered, you are legally entitled to use the registration symbol "®", thereby providing constructive notice of your rights and deterring would-be infringers from adopting the mark. Furthermore, Federal registration can also entitle a registrant to enhanced monetary damages and other remedies in a court of law.

Getting Started With Your Federal Registration (3-Step Procedure)

Step 1: Select a Search Option

Option A – No Search

Cost: None

An applicant for a Federal trademark is not required to conduct a search for conflicting marks prior to submitting an application for registration. However, there are benefits to having a search conducted. First, a search can provide some level of confidence that a proposed mark will be accepted for registration. Second, a search can reduce an applicant's risk of inadvertently infringing a federal, state or common law trademark of another.

Option B – Federal Trademark Register Search

Cost: \$395.00

If a trademark identical, or confusingly similar, to your proposed mark is already federally registered, your proposed mark may not be accepted for registration. This is particularly true where the registered and proposed marks are for similar goods or services. The U.S. Patent and Trademark Office typically requires approximately 2-3 months, and sometimes longer, to review an application. Most businesses cannot afford to wait this long before introducing a product or service to the marketplace. A search of the federal trademark registry can provide a reasonable level of assurance that an application will not be rejected based upon similarities with an existing Federally registered mark.

Our Federal Trademark Register Search includes a search of the U.S. Patent & Trademark Office database of active, expired and cancelled registrations, as well as pending applications, for marks identical or substantially similar to your proposed mark, providing a fairly good idea whether or not your proposed mark will be accepted for registration. However, the Federal trademark register does not include state and common law marks and, therefore, does not minimize the risk that your Federal trademark rights may be limited to the extent that state or common law rights in your mark already exist.

Option C – Comprehensive Federal, State, Common Law and Internet Domain Name Search

Cost: \$1495.00

U.S. Patent & Trademark Office searches are generally limited to Federal registrations and pending applications; no search of state, common law and Internet domain name usage is conducted. Furthermore, prior use of your proposed mark by others can substantially limit your trademark rights, even though the prior user has not federally registered the mark. For example, a prior user of your proposed mark in, lets say, California, could prevent you from expanding your use of the mark in California (and possibly surrounding areas), even though you have Federally registered the mark!

In fact, existing state and common law marks can act to greatly limit your expansion into new geographical and/or product or service markets, and in some cases, prevent your use of the mark altogether.

Our Comprehensive Search includes a search of Federal, State, Common Law and Internet Domain Name databases, better assessing the potential risk that others have existing rights in your proposed mark.

Step 2: Complete Trademark Information Sheet & Fee Agreement (on following pages).

Step 3: Return completed Trademark Information Sheet & Fee Agreement. Our office will contact you to arrange a (free) telephone consultation.

Trademark Information Sheet and Fee Agreement

I. Individual: If the trademark is owned by an **individual** please complete this portion:

Full Name of Applicant

Citizenship:

II. Company: Only complete this portion if the trademark is owned by a **company**.

Company Name

Corporate Form (Corporation, Partnership, LLC, etc.)

State of Incorporation or Organization

Name of Officer Signing Application

Title of Officer Signing Application

Address:

Phone:

Facsimile:

Phone 2:

E-mail:

(A) Would you like a search performed prior to filing your trademark application? Yes No

(B) If Yes, check one (See Descriptions): Federal Trademark Register Search (\$395.00)

Comprehensive Search (\$1495.00)

(C) Describe your mark here:

(Note: If mark includes Logo or Stylized Lettering, please mail or e-mail the mark to our office)

(D) What do you consider to be the important features of the mark (Check appropriate box)?

Word(s) Picture, logo, design, or emblem Combination

(E) Please provide a complete list of the particular types of goods or services with which the mark is being / will be used?

(e.g., .Restaurant, Food, Clothing, Hair Care Product, Lawn Care Service, etc.)

(F) Are goods/services currently sold across state and/or country boundaries? Yes No

(G) If yes, what is the approximate date (month/year) that the goods/services were first sold/performed anywhere?

(H) If applicable, what was the approximate date (month/year) that the goods/services were first sold/performed either between states or between the U.S. and another country (i.e., Interstate Commerce)?

(I) If the mark is currently being used in interstate commerce, please forward a specimen (or a digital photograph of a specimen) of the mark applied to the goods/services (e.g., packaging, labels applied to the goods, tags applied to the goods, an advertisement of services, etc.

(J) If the mark includes stylized lettering and/or a logo, please provide a digital (.jpg) file of the mark, if available. Alternatively, please provide a paper copy from which our illustrator can create an appropriate digital (.jpg) file.

(K) Has a trademark application been filed outside of the United States? Yes No

If so, please provide the following:

- 1) A digital or paper copy of the application and/or Registration Certificate;
- 2) A complete English translation of the certificate (signed by the translator);
- 3) The Renewal Date (i.e., date registration was last renewed):
- 4) The Expiration Date of the Registration:

(L) Any additional comments

FEE AGREEMENT

The Client, _____, retains Intellectual Property Law Firm, Gold & Rizvi, P.A., for representation relating to the preparation and filing of a Federal Trademark Application in the United States Patent & Trademark Office.

Client has reviewed the different search options available (see attached) and would like the following search performed along with the preparation and filing of their Federal trademark application. Total costs shown include any applicable search fees, legal fees charged by Gold & Rizvi, P.A., and governmental filing fees charged by the U.S. Patent & Trademark Office.

• Please indicate your desired scope of services below:

Option A - No Search. (No search fee).

Legal Fees for Filing \$895
Governmental filing fee \$325
Total \$1,220.00

Option B - Federal trademark register search only (\$395)

Legal Fees for Filing..... \$895
Governmental filing fee \$325
Total: \$1,615.00

Option C - Comprehensive Federal, State, and Common Law Search (\$1495)

Legal Fees for Filing \$895
Governmental filing fee \$325
Total \$2,715

The applicable fees above include basic costs (e.g., postage, photocopying, long-distance charges, etc.) and shall be deemed earned upon the filing of a Federal trademark application. Additional fees for subsequent services will be required during prosecution of the application and client will be provided with an itemized invoice for any such post-filing services. A fixed-cost estimate and Client approval will be obtained prior to performing any individual service (e.g., replying to an Office Action) requiring fees exceeding \$350.

ACCEPTED on this _____ day of _____, _____.

Client's initials indicating acceptance of these terms:

First Middle Last

Print Name

Date