

Protecting Your Trademarks: Understanding the Basics

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Species of IP Protection

- **Copyright:** expression of authors
- **Trademark:** distinctive marks used in commerce; **unfair competition** and **publicity**
- **Patent:** novel, useful, non-obvious inventions
- **Trade secret:** whatever, as long as it's secret
- **Ideas, etc.:** don't waste your time

What's a Trademark?

- Federal Lanham Act (15 U.S.C. § 1051 *et seq.*) and state statutory/common law coexist
- ***Distinctive marks*** that identify a product or service
- ***Marks*** can be logos, business names, words, phrases, even sounds or colors



Continuum of Distinctiveness

- **Generic:** soap; dynamite; golf balls
- **Descriptive:** 100% pure soap; explosive dynamite; tournament-quality golf balls
- **Suggestive:** Ivory soap; Ka-Boom dynamite; Maxfli golf balls
- **Fanciful/arbitrary:** Camay soap; Acme dynamite; Nike (name and/or swoosh) golf balls

Distinctiveness *(cont.)*

- **Generic** marks are unregistrable/unprotectable
- **Descriptive** marks require **secondary meaning** (often proved by **surveys**) – consumers must associate mark with source
- **Suggestive and fanciful** marks are inherently distinctive

Acquiring a Trademark

- Use and/or registration
- Use still works
- Federal registration: after use, or Intent to Use – actual use within 6 (really 24) months
- Federal registration has ***major*** advantages--

Advantages of Federal Registration

- Constructive nationwide notice
- Constructive nationwide use – can be critical in knocking out subsequent users
- Presumption of ownership and validity
- State registration largely useless

International Trademarks

- All other countries require registration, not mere use
- Country-by-country, with major exception of EU
- By treaty, one-stop shopping after filing in US
- Six-month window to get benefit of initial filing date

Trademark Infringement

- “**Straight**” infringement: unauthorized use of “any reproduction, counterfeit, copy or colorable imitation of a registered mark . . . [which] is likely to cause confusion, or to cause mistake, or to deceive”
- Injunctions, damages (plaintiff’s losses/defendant’s profits – rare), multiple damages and attorney’s fees – rarer still

Proving Infringement

CareFirst of Md., Inc. v. First Care. P.C., 434 F.3d 263 (4th Cir. 2006)

To determine if a likelihood of confusion exists, we look to:

- 1) The strength or distinctiveness of the plaintiff's mark as actually used in the marketplace;
- 2) The similarity of the two marks to consumers;

Proving Infringement *(cont.)*

- 3) The similarity of the goods or services that the marks identify;
- 4) The similarity of the facilities used by the mark holders;
- 5) The similarity of advertising used by the mark holders;
- 6) The defendant's intent; and
- 7) Actual confusion.

Lanham Act § 43(a)

- “...uses in commerce any word, term, name, symbol, or device ... or any false designation of origin ... or false or misleading statement of fact which:
 - ❑ **(A)** is likely to cause confusion ... as to the affiliation with ... or as to the origin, sponsorship, or approval ... by another person, or

§ 43(a) (cont.)

- ❑ **(B)** in commercial advertising or promotion, misrepresents the nature, characteristics, qualities, or geographic origins....”
- ❑ Catches all straight infringement, plus . . .
- ❑ False advertising and endorsement, **trade dress**, occasionally the non-functional aspects of products themselves
- ❑ Competitors can sue, but not consumers



Trade Dress: National Brand Beats Store-Brand Look-Alike

- *McNeil Nutritionals v. Heartland Sweeteners*, 2007 U.S. App. LEXIS 29751 (3d Cir. 12/24/07)
- No TM infringement, but **trade dress** claim: Does “get-up” of product create confusion?
- No immunity acquired by placing your own label on package – depends on overall impression
- Here, “tiny differentiating label” not enough in view of other similarities
- Other generics with more prominent labels OK

Hot Issues

- **Internet use** of trademarks
- **Nominative use:** defendant uses plaintiff's mark to make legitimate reference to plaintiff's product
- **Fair use:** defendant uses plaintiff's mark for other ("non-trademark") purposes, such as criticism, comparison, or parody
- **Dilution:** tarnishment or blurring, *in theory* without confusion



EROTICA
Terri Welles

PLAYBOY PLAYMATE OF THE YEAR 1981

Take The Tour and Join Me Inside

html> <head><title>Terri Welles Erotica</title>

<META NAME="description" CONTENT="Playboy Playmate Of The Year 1981 Terri Welles website featuring erotic nude photos, semi-nude photos, softcore and exclusive Members Club">

<META NAME="keywords" CONTENT="terri, welles, playmate, playboy, model, models,

Playboy Enterprises, Inc. v. Welles, 279 F. 3d 796 (9th Cir. 2002)

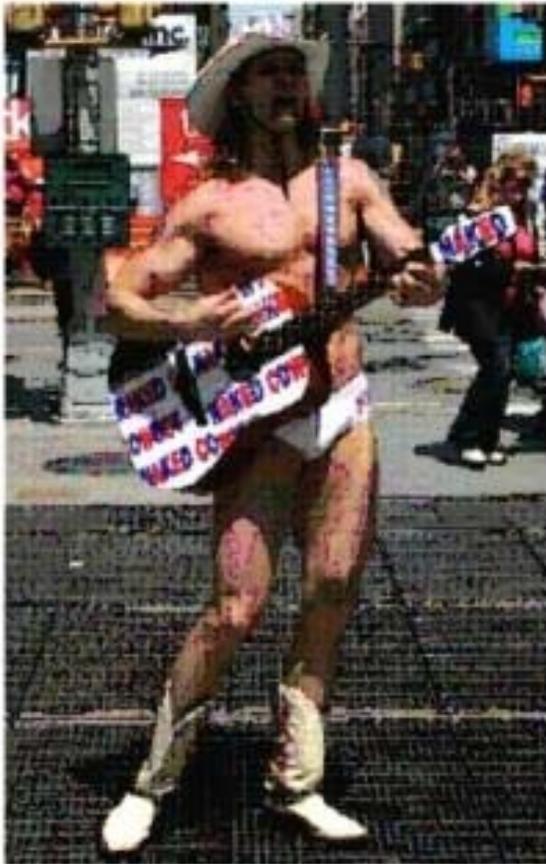
Playboy complains of:

- **“Playboy”** and **“Playmate”** in metatags
- “Playmate of the Year 1981” on masthead
- Same phrase on banner ads
- Repeated use of “PMOY ‘81” on wallpaper

Court Holds:

- Use of *Playboy* marks in headlines and banner ads is “purely nominative” – no alternative way to identify herself, use not excessive, no suggestion of sponsorship – so not infringing
- Metatag use also nominative – her site doesn’t appear at top of lists
- Repeated “PMOY ’81” fails nominative test

Fair Use?



The Naked Cowboy: *Burck v. Mars*, 558 F. Supp. 2d 734 (S.D.N.Y. 2008)

- NC is persona of Burck, a NYC busker; registered trademark in name and likeness
- Sued Mars over commercial with similarly clad blue M&M
- Lanham false endorsement claim survives motion to dismiss: jury could find confusion, reject parody claim
- “Hybrid parody” defense may apply to an ad

Dilution: Infringement without Confusion

- ***Moseley v. V Secret***: S. Ct. said plaintiff must show “actual dilution” [undefined] of famous mark
- Overruled by ***Trademark Dilution Revision Act of 2006*** (revising 15 U.S.C. § 1125(c))
- Covers only marks that have achieved widespread fame among general consuming public
- Actual dilution no longer required; enough if “likely to cause dilution by blurring or ... tarnishment”

TDRA of 2006

- No economic injury or actual or likely confusion required
- **Blurring:** “association arising from the similarity ... that impairs the distinctiveness of the famous mark”; factors include degree of similarity, defendant’s intent, “any actual association”

TDRA of 2006 *(cont.)*

- ***Tarnishment***: “association arising from the similarity ... that harms the reputation of the famous mark”
- Fair use exclusion: nominative use, comparative advertising, criticism and parody, “all forms of news reporting,” “any noncommercial use”

Final Result in *Moseley* (6th Cir. 5/19/10)

- No blurring, but finding of likelihood of tarnishment aff'd
- “a kind of rebuttable presumption, or at least a very strong inference, that a new mark used to sell sex-related products is likely to tarnish a famous mark if there is a clear semantic association between the two”
- Burden on D to produce evidence to rebut “probability that some consumers would find the new mark both offensive and harmful to the reputation” of VS -- not met here
- Can plaintiffs win in any other contexts?

Louis Vuitton v. Chewey Vuitton

LOUIS VUITTON



Muttsoni Bags

50's Car

Dogue Magazine

BARK STREET JOURNAL

Bark Street Journal

Estie Doglar Nail Polish

Cute Dogs (not for sale)

Furagamo Shoes

Poochi Bags

Estie Doglar Lipstick

HAUTE new 50's Car Bed!!

Pawda Bags

Growlex Watch

Ruff Lauren Aftershave

HAUTE new 50's Car Bed!!

Hoodie Sweatshirts! with Rhinestones! xxs, xs, sm, md, lg, xlg

Molly's

Surf Shack

Roo's Rice House

Biscuit's

Bessie's

Taquito's

Daisy's

(underside)

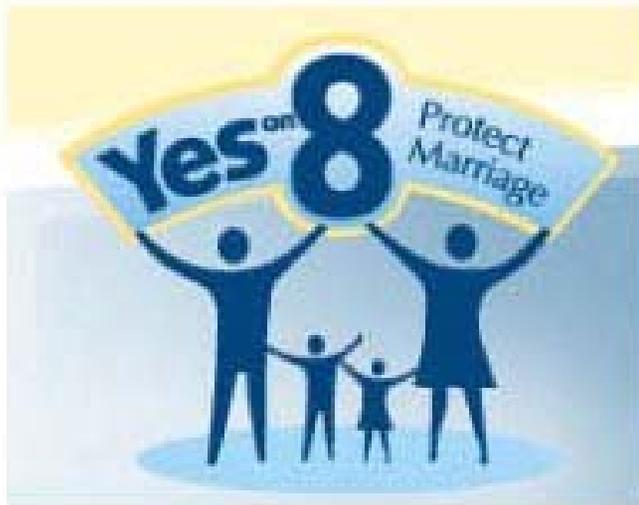
*coming soon...
"Looking for a Brad Pittbull"
and "Where's the Puparrazi?"

info@hautediggitydog.com (702) 257-0213

Louis Vuitton v. Haute Diggity Dog, 507 F.3d 252 (4th Cir. 2007)

- Summary judgment for Dog affirmed
- Interlocked L/V and C/V [Chewey Vuitton], but –
- **Infringement:** An obvious and successful parody not likely to cause confusion – H D Dog conveys enough of LV's marks to make the parody work, but stops short of appropriating their value
- **Dilution:** Ditto – successful parody doesn't impair distinctiveness/blur, nor harm LV's reputation/tarnish
- Except for **Moseley**, we **still** don't know what a successful dilution claim looks like

Can You Do This?



ProtectMarriage's Trademark



Courage Campaign's Infringing Mark

You Probably Can . . .

- ***Projectmarriage.com v. Courage Campaign***, 680 F. Supp. 2d 1225 (E.D. Cal. 2010)
- Cal. Federal district court denied TRO on 1st Amendment, TM parody grounds

Trademark and the Internet

- New modes of use as well as of infringement, but the same principles apply
- New statutory provisions pertaining to domain names

Can Trademark Rights be Established Through Use on the Internet?

- For a trademark, website must provide a means of ordering the product – satisfies “display associated with the goods” requirement: *In re Dell Inc*, 71 USPQ2d 1725 (2004)
- For a service mark, use in website advertisement of service can be sufficient

Specimen of Use of Trademark on Webpage

The screenshot shows a product page for a Craftsman Gas Brush Cutter. The page features a search bar at the top with the text "Enter keyword or item number" and a "GO" button. Below the search bar are navigation tabs for "LocalAd", "Deals", "Parts & Services", "Gifts", "Gift Cards", and "Gift Registry". A banner below the navigation tabs reads "get it today with free store pick up | SHOP YOUR WAY REWARDS member exclusives". The product title is "Craftsman Gas Brush Cutter BushWacker™ 27cc* 2-Cycle Straight Shaft". The price is listed as "\$167.99" with a "Savings: \$42.00" from a "Reg Price: \$209.99". The page includes a "Ship FREE" and "Store Pickup FREE" option, an "Add to Cart" button, and an "Express Checkout" button. There are also social media sharing options for Facebook, Twitter, and email. The Craftsman logo is visible in the bottom left corner of the product page.

Acceptable Specimen of Service Mark

The screenshot shows a Firefox browser window displaying the website www.artrelief.info. The browser's address bar shows the URL, and the title bar indicates the page is titled "ARTrelief Home - EXPRESSIVE...". The website's header includes the "ARTrelief" logo on the left and the text "EXPRESSIVE ARTS THERAPY CENTER" on the right. A vertical navigation menu on the left lists various services and resources, including "ARTrelief Home", "Philosophy", "Insurance & Rates", "Counseling Services", "Groups and Workshops", "Out-of-School Peace Zone", "Prescriptions", "Parenting Resources", "artLAB: open art studio", "Improvisation LAB", "Music Offerings", "Supervision Services", "Training Services", "Zen Shiatsu Therapy", "ARTrelief SALON", "About us", "Testimonials", and "Knowledge". The main content area features an announcement for an "open mic-stage - next 2 Mondays: 12/5/11, 12/19/11" with a photograph of the Expressive Arts Therapy Center building. Below the photo is a quote: "Change the name and it's about you, that story. -Horace". A "Mission Statement" section follows, stating: "ARTrelief is dedicated to using and promoting the use of all forms of art to support health, joy, awareness, development, education, social...". The Windows taskbar at the bottom shows the system clock and several open applications, including the browser window.

Does Use of Your Mark on the Internet Establish Nationwide or Global Use?

- Although the internet is global, use on the internet does not prove global use: still depends on evidence of recognition in the geographic area
- Evidence such as sales in the geographic area and proof that people in an area accessed the website must be used to establish territorial extent of rights

Does Reservation of Domain Name Confer Trademark Rights?

- No – reservation of domain name is irrelevant to trademark registration and cannot trump existing trademark rights
- Nor does mere use of the domain name create trademark rights

March Madness Athletic Ass'n v. Netfire (N.D. Tex. 2003)

- Defendant acquired domain name marchmadness.com in 1995 believing registering the domain name authorized use
- Site was used to sell sports related merchandise
- Despite tangled ownership of MARCH MADNESS mark, Plaintiff established prior rights in the mark and the court had no trouble finding trademark infringement as well as unlawful cybersquatting

Gripe Sites

- Defendant registered fallwell.com and created a site critical of Reverend Jerry Falwell in *Lamparello v. Falwell*, 420 F.3d 309 (4th Cir. 2005)
- Even though the domain name was confusingly similar to Falwell's name and mark, it was permissible
- No one would be confused that the site was sponsored by Falwell

Gripe Sites, (cont.)

- And despite the initial interest confusion, the use was noncommercial and therefore not prohibited
- If use commercial, result may be different:
Planned Parenthood Federation of America v. Bucci, 42 U.S.P.Q.2d 1430 (S.D.N.Y. 1997),
aff'd, 152 F.3d 920 (2d Cir. 1998)

Anti-Cybersquatting Act

- Amendment to federal Lanham Act in 1999
- Prohibits bad faith registration, trafficking in or use of a domain name that is confusingly similar to another's mark, or dilutive of a famous mark
- Bad faith determined by nine statutory factors
- Court can order transfer of domain name as well as award damages and injunctive relief

Reverse Domain Name Hijacking

- Anticybersquatting Act also provides remedy for victims of bad faith challenges to domain names
- 15 USC § 1114(2)(D)(iv)

UDRP

- Uniform Domain Name Dispute Resolution Procedure adopted by ICANN in 1999
- International procedure for expedited adjudication of cybersquatting claims
- Complainant must show registrant has no legitimate interest in mark – not for cases of legitimate disputes over rights in a mark
- Remedy limited to cancellation or transfer of domain name
- Decision is not binding on a court and does not preclude court action either pre- or post-UDRP decision

Can a Domain Name be a Trademark?

- **Yes**, if used as a trademark or service mark
- **No**, if used to merely to inform of the location of a website

Use of Domain Name as a Mark

AuctionMyAuto.com

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just for Dealers anymore



Not a Use of a Domain Name as a Service Mark

**Robinson
Bradshaw**

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Other Forms of Infringement in Cyberspace: Use in Metatags

- Use of another's mark in metatags, keywords, or other hidden code of site
- Many courts have found “initial interest confusion” is infringement, that is, even though there may be no ultimate confusion, use of a competitor's mark to draw interest to your site is actionable: ***Brookfield Communications v. West Coast Entertainment Corp.***, 174 F.3d 1036 (9th Cir. 1999)
- Some courts and commentators argue use of others' marks to generate a “menu” of options should not be infringement because serving the interests of consumers, e.g., ***Hearts on Fire Company, LLC v. Blue Nile, Inc.***, 603 F.Supp.2d 274 (D. Mass. 2009)

What About Sale by Search Engines of Trademarks to Generate Sponsored Ads: Use In Commerce?

- ***Rescuecom v. Google***, 562 F.3d 123 (2d Cir. 2009): G's sale of others' trademarks as keywords ***is*** an actionable use in commerce; cases (including 2d Cir.'s) not consistent
- European Court of Justice disagrees: ***Google France v. Louis Vuitton***, ECJ 3/23/10: "Google has not infringed trademark law by allowing advertisers to purchase keywords corresponding to their competitors' trademarks"
- Purchaser is also making "use in commerce": ***Network Automation v. Advanced Systems Concepts***, 638 F.3d 1137 (9th Cir. 2011)

Can Sponsored Ads Resulting From Sale of Keywords be Infringing?

- A court in Virginia said Google can be liable where the mark appears with the sponsored ads, but “no” when not: ***GEICO v. Google***, (D. Ct. E.D. Va. 2005)
- In suit against purchaser of ad word, 9th circuit says focus on whether ad permits source confusion: ***Network Automation***

Linking and Framing

- Using another's mark to link to the mark-owner's site, without more, is OK
- But linking could make an expressive site a commercial site
- Framing another's site within your site is not a per se trademark problem (copyright is a more direct issue) but each case would have to be looked at – very little trademark case law

Remedies for Trademark Infringement

- Injunction is the principal remedy under federal law
- Actual damages (losses and expenses) if provable, which may be tripled in the court's discretion
- Defendant's "profits" if "something more" such as intentional infringement – subject to increase
- Attorneys' fees in "exceptional" cases – what is exceptional is not completely agreed
- State law remedies also available

Course of Typical Infringement Matter

- Commences with “cease and desist” letter
- Pre-suit negotiation and resolution common due to great uncertainty of monetary and fee awards and costs of litigation
- If lawsuit develops, high rate of pre-trial settlement
- Usually in federal court but state courts have concurrent jurisdiction



QUESTIONS?