

TRADEMARK CORNER

Benefits of U.S. Trademark Registration

Why Register a Trademark?

There are numerous benefits to formally registering your trademark with the U.S. Patent and Trademark Office (USPTO). Here are just a few of them:

Nationwide rights are afforded trademarks that are federally registered. These rights include nationwide (indeed, global) notification of ownership of the mark, which prevents others from claiming that any subsequent mark was adopted in “good faith.” It also provides nationwide priority, treating the mark as if it had been in use nationally since the date of the trademark registration application. (Otherwise, rights in the mark may be limited geographically to the area of use or its general reputation.)

The mark will also be listed in the USPTO’s on-line public database. Doing so can discourage others from using confusingly similar marks because it will be easily found in a clearance or trademark availability search. It also protects against the registration of confusingly similar marks. If someone were to attempt registration of a similar mark for the same or similar goods/services, the USPTO will likely cite the already-registered mark against the new application and not permit the registration to proceed.

A registered trademark can use the ® symbol. This symbol is recognized internationally

as notifying the public that the mark is federally registered. It also affords goods/services more distinction in the marketplace and places competitors on notice of the protections being accorded the mark.

Federal registration grants the right to sue in U.S. federal court nationwide against anyone to enforce trademark rights. There are many advantages of suing in federal court, including the presumption of the mark’s validity and exclusive ownership of the mark; the availability of statutory damages; and treble damages and attorneys’ fees for establishing willful infringement. Moreover, after five years, the mark may be deemed “incontestable,” which generally means that others cannot challenge certain aspects of the registration, such as the ownership of the mark, or that it was improperly registered. (However, an incontestable mark is still vulnerable to defenses such as abandonment or fraud.)

Infringing websites can be more easily shut down. If someone attempts to register a domain name that includes or infringes on a registered mark, the mark owner can take steps to shut down the website under, for example, anti-cybersquatting laws.

Importation of infringing goods can be prevented. Recording the registration with the U.S. Customs and Border Protection can block the entry of goods that infringe the mark or are counterfeits

at the border before they enter the stream of U.S. commerce.

Having a federally registered trademark can increase the value of the business. Like all intellectual property, trademarks are valuable assets of the company that are important aspects of its value and goodwill. Registering trademarks further increases that value, which can have an impact on, among others, asset sales and licensing arrangements. Most sophisticated businesspeople also generally will not pay to license a trademark that is not first registered with the USPTO.

A federal registration can be used to obtain registration of the mark in foreign countries. The owner of a federally registered trademark can use it to secure a registration of the same mark in foreign countries. Utilizing this process can more easily facilitate a company's worldwide business expansion plans.

What is the Difference Between the Principal and Supplemental Register?

The Principal Register is the main registry of trademarks that is maintained by the USPTO. Marks that are deemed "merely descriptive" of goods/services are ineligible for registration on the Principal Register, but, rather, may be placed on the Supplemental Register. Registration on the Supplemental Register confers some, but not all, of the above benefits. For example, a Supplemental Registration does not carry with it the presumption of the mark's validity and exclusive ownership of the mark. However, the USPTO can still block later-filed applications for confusingly similar marks. It also entitles the owner to use the ® symbol and grants the right to sue in federal court. It can also be used as a basis for obtaining a foreign registration of the mark. Once the mark has become "distinctive," a new application can be filed seeking registration of the mark on the Principal Register.

TM ® SM

For more information on the Trademarks and Unfair Competition Practice at Fox Horan & Camerini LLP, please contact Theo Cheng at tcheng@foxlex.com or (212) 480-4800.

**Fox Horan &
Camerini** LLP

825 Third Avenue
New York, NY 10022

www.foxhorancamerini.com

An international law firm located in New York City