

TRADEMARK CORNER

U.S. Trademark Basics

What is a Trademark or Service Mark?

A **trademark** is any word, phrase, slogan, symbol, logo, or design – or a combination of these – that identifies and distinguishes the source (or origin) of the goods or services of one party from those of another. A **service mark** is a trademark relating to services, rather than goods. Service marks are also often referred to as “trademarks,” and both trademarks and service marks are referred to generally as **marks**. Regardless of the terminology, they all function as **brands** for goods and services. For example, when someone sees this:



they probably recognize it as a brand for a sports drink. When they see the word GATORADE and the orange lightning bolt, they immediately know the source of that drink. The word and design also distinguish this drink from those of Gatorade’s competitors. The word GATORADE is a trademark, but it is also displayed here in a distinctive font and color. Such a display of the word in a “stylized” form is also a mark. Moreover, the combination of the word and the design is considered a separate mark. The use of marks in a comprehensive

branding strategy can assure consumers of consistent quality and help promote efficient competition.

A trademark is not limited to just words and designs. It can be a sound (NBC’s three chimes), a smell (plumeria scent for sewing thread), a shape (Toblerone’s triangular chocolate), or even a color (Owens-Corning’s pink fiberglass). Almost anything can serve as a mark so long as it identifies the source of goods/services and distinguishes them from those of others.

How is a Trademark Different From A Copyright or Patent?

Trademarks, copyrights, and patents protect different types of intellectual property. A copyright protects original artistic and literary works, such as books, songs, and movies. A patent protects new inventions or ideas, such as engines, medical drugs, or even business methods.

Although each is very different, they may all exist in a single product. For example, if Dyson invents a new type of vacuum cleaner called “Cyclone,” it might file an application with the U.S. Patent and Trademark Office (USPTO) to obtain a patent on the invention itself. It could also file an application with the USPTO to register CYCLONE as a trademark for the brand name that it will use on the vacuum. Finally, it may also file an application with the U.S. Copyright Office to register

a copyright on the television commercial it creates and uses to market and sell the product.

What is the Difference Between a Trademark and a Business or Trade Name?

A business or trade name is the name under which a company in a particular state or jurisdiction operates. Oftentimes, a state requires that the business name be “registered” with the state in order for the company to be “qualified” to do business in that state. However, a business name registration with a state does not mean that the company also has been granted trademark rights.

A business name can also be a trademark. It all depends on how it is used. If the business name identifies the source of the goods/services and distinguishes them from those of another, that amounts to a trademark use.

Companies also often “register” domain names, creating websites for marketing and promotional purposes. But “registering” a domain name with a registrar company (GoDaddy, Network Solutions, etc.) only secures a web address and is not the same as registering a trademark with the USPTO. In fact, a domain name that includes someone else’s trademark may result in a dispute in which the domain name may have to be surrendered. A domain name can function as a trademark so long as it is used in a way that identifies the source of particular goods/services. Thus, many companies

have trademarks and domain names that are virtually identical (for example, AMAZON and amazon.com or ZAPPOS and zappos.com).

What do the ®, TM, and SM symbols mean?

The symbol ® indicates that the mark has been registered with the USPTO. Nationwide rights are afforded trademarks that are federally registered. Until it has been registered, however, the owner of a mark can use the superscript symbols TM (for trademark) and SM (for service mark) to indicate that the word, phrase, slogan, symbol, logo, or design is being used as a mark. Individual states may also register trademarks, but the protection granted is limited to that state.

One key thing to remember is that, in the U.S., unlike in some other countries, trademark rights are created through the actual use of the mark in commerce, and not through registration. These use-based rights are known as “common-law” rights. They are, however, limited, often to a particular geographic area. It may be difficult not only to enforce those rights outside that limited scope, but also for others to know about them. While federal registration of a trademark is not required, it will enhance the rights afforded to the mark by, among other things, giving notice to the world of the use of the trademark. In another *Trademark Corner*, we will explore the importance of registering marks with the USPTO and the benefits of doing so.

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.

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