

# Trademarks — Use Them (Properly) or Lose Them

How a trademark is used must be managed carefully to protect its value and avoid losing rights and registrations

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To acquire and maintain trademark rights, it comes down to use of the mark. If the mark is no longer used, no longer used in association with all of the goods/services identified in registration for the mark, or if the mark is used incorrectly, rights in the mark will be lost. Therefore, it is crucial that everyone tasked with managing the use of a trademark understand what actual use of a mark requires.

## Essential Rules For Proper Trademark Use

**Rule #1:** A trademark is an adjective. It is not a verb. It is not a noun.

**Rule #2:** The purpose of a trademark is to identify the source or origin of a product or service; it is not to identify the product or service itself.

If these two rules are followed in all cases, then use of the mark should be considered to be occurring.

## Potential Pitfalls Of Improper Use

When there is a product that is the only one of its product class, there is a particularly high risk of the mark being incorrectly used as a noun instead of as an adjective. A recent example of a new product class is the GoPro® camera. Before the GoPro® camera existed, there were no other well-known wearable, compact, portable, battery operated, automated cameras in the consumer retail market. To date, trademark registrations and rights have been maintained and not transformed into a generic mark like some of its predecessors. However, it is very easy for people to say “I’m using my gopro to take this video” or “I’ve mounted my gopro on my helmet.” These would be examples of improper use of the trademark. History is full of a number of trademarks that devolved into generic terms because use of the marks was not properly policed by their owners. For example, the “escalator” moving stairway is now a generic term with no trademark rights. It was originally a trademark owned by Otis Elevator Company. Likewise, “aspirin” is generic in the United States because the original owner, Bayer, lost its trademark in the early 1900’s because it failed to use the name for its own product and had for years allowed the use of “aspirin” by other manufacturers to refer generically in reference to their medications used to treat pain, fever, or inflammation.

## Marketing Materials

Turning back to the above example, the proper way to use the GoPro® trademark is to say “I’m using my GoPro® camera to record this.” In that form of use, “GoPro” is an adjective modifying the noun “camera,” and thereby indicating the origin or source of the camera (vs. Canon®, or Nikon®, or the like). It is easiest to misuse a trademark in a sentence or in a narrative, such as may be found on a website or in marketing materials. However, a frequent way of using a trademark is using the mark alone, not in a sentence, but simply placed on a page or a brochure

by itself, perhaps with narrative or description elsewhere on the page but not actually in a sentence that uses the mark. This type of use is typically correct, especially if it also includes a “TM” after it if it is a common law mark or a “®” after it if it is a registered mark.

If a trademark is used as a noun or a verb, loss of trademark rights may occur. This most often becomes an issue in marketing and with those responsible for marketing the product or service. There is often a struggle pitting the cumbersome presentation of always needing to include the product class with the trademark against the desire to have a simple, clean, or visually pleasing promotional use of the mark. It is admittedly simpler and cleaner to say “Drink Ovaltine”, than it is to say “Drink Ovaltine® dairy-based chocolate beverage mix.” Though, something in the middle might be considered, such as, “Try Ovaltine® mix” or “Try Ovaltine® drink mix”, which would be perfectly acceptable.

Time and time again, clients offer examples of how major brands incorrectly use their trademarks, with the question “they do it, so why can’t we?” Most frequently I’m told that “Coke is used as a noun on the Coca-Cola website!” The response of any trademark attorney is that using your trademark correctly is essential for long-term viability of the trademark. If your mark is frequently used incorrectly, and trademark rights are lost, then competitors will be able to use the former trademark to identify their products or services, and any value in the brand that had built up with investment in marketing will be wiped out. Just because another company is misusing their trademark on occasion, does not mean that the trademark law has changed; it just means that no one has challenged the improper use of the mark in an attempt to cancel or invalidate the trademark rights, or the misuse is minor and infrequent. At a minimum, trademarks must be used as adjectives, preferably with the proper “TM” or “®” marking, in the first instance, or first few instances of use on a webpage or in marketing materials. If later use in the same document strays from that practice, then it is unlikely that would be sufficient grounds to challenge the rights in the mark. Though there is no clear case law on this point, or to indicate a relative proportion of proper use versus improper use required to maintain trademark rights. As such, the best practice is to use the trademark properly all the time, or at least as often as possible.

If a mark is at risk of becoming generic, or has become generic through improper use, it is sometimes possible to rehabilitate the mark. This was historically done with Band-Aide® and Kleenex®. However, a significant marketing effort, at significant cost is required to promote the trademark itself, and often in a more cumbersome (but accurate) use, such as “Kleenex® brand tissues” instead of merely “Kleenex® tissues”.

### **Cancellation for Non-Use**

Can a mark be cancelled for non-use? Yes it can, at any time. The challenger must show that use of the registered mark has been discontinued with intent not to resume use. Non-use for three consecutive years constitutes *prima facie* evidence of abandonment. The procedure for cancellation on the basis of non-use is the same as the procedure for cancellation on the basis of other grounds, and is similar to the process for oppositions. In 2019, the USPTO made it possible for parties in a cancellation proceeding for non-use to request entry into a Pilot program designed to shorten the duration and cost of a cancellation for non-use. Both the Interlocutory Attorney and one of the Administrative Trademark Judges join in the discovery conference, which happens very early in the process. The judge who joins in the conference will not be on the panel of judges to decide the case on the merits. In addition to the usual subjects covered in a discovery conference, these conferences explore potential stipulations of fact, evidentiary stipulations, ways to limit discovery, and the possible use of the “summary judgment ACR model” to abbreviate the proceeding by having the Board treat summary judgment motion filings and accompanying evidence as the final record and briefing, and decide disputed factual issues.<sup>1</sup>

The grounds on which a registration can be cancelled vary depending on whether the registration has passed its fifth anniversary and has achieved incontestable status. If the registration has not passed its fifth anniversary, it can be cancelled for any of the reasons that

would have prevented its issuance in the first place, or on the grounds that the continued registration of the mark is likely to dilute the distinctiveness of a prior user's famous mark.

If the registration has passed its fifth anniversary and has achieved incontestable status, the grounds on which it can be cancelled are limited to:

- the registration was procured or maintained through a fraudulent filing;
- the registered mark has become generic (aka, genericide from improper use);
- the registered mark is functional;
- the registered mark has been abandoned (non-use);
- as of the registration date, the registered mark:
  - is deceptive;
  - is immoral or scandalous;
  - falsely suggests a connection with a person, institution, belief or national symbol;
  - comprises the flag or coat of arms or other insignia of the United States, any state or municipality or any foreign nation; or
  - comprises a name, portrait or signature identifying a particular living individual (except by his or her written consent) or the name, signature or portrait of a deceased president of the United States during the life of his widow, if any;
- the registered mark has been used to misrepresent the source of the goods or services on or in connection with which it is used; or
- if it is a certification mark, the registered mark has been used as a trademark or service mark.

Anyone may file a petition for cancellation, which includes a short statement of the reasons why the petitioner believes that it is or will be damaged by the challenged registration, and the grounds for cancellation. Likewise, if the mark is no longer in use, or for any other reason, a registration may voluntarily be surrendered for cancellation.

### **Use the Mark, Not a Variation of the Mark**

Use of the mark means proper use of the registered mark as shown in the registration. To demonstrate use of a mark (which is required for renewals of registrations), the mark that is used must be the mark exactly as represented in the trademark registration. This is typically a more straightforward proposition with word marks, because any stylized version of the word mark is still use of the word mark. Composite or logo trademarks are more often the types of marks where variations are made in the graphic design of the mark that differ from what is in the registration, especially if there are requirements that specific colors be used. It is important to always check with a trademark professional before making any changes or alterations to a trademark and how it is used in marketing materials, on labels and packaging, and on a web page. Otherwise, when it is time to renew a registration and the specimen evidencing use does not show the proper mark, it may not be possible to claim continued use of the mark, which essentially means abandonment of the mark. If that occurs, the remedy is to re-file for a new registration with a later date of use, and hope that no competitors have acquired intervening rights.

It is possible in some instances to amend a registration for a trademark. Section 7(e) of the Trademark Act, 15 U.S.C. §1057(e), prohibits an amendment that materially alters the character of the mark. "Material alteration" is the standard for evaluating amendments to marks at all relevant stages of processing, both during examination of the application and after registration. When assessing whether a proposed amendment is a material alteration of a registered mark, the USPTO compares the proposed amendment to the mark as originally registered. If the change would require republication in order to present the mark fairly for purposes of

opposition, the amendment is considered a material alteration (and would not be allowed). An amendment of a registered mark is acceptable if the modified mark contains the essence of the mark as originally registered, and the mark as amended creates essentially the same impression as the original mark.

### Takeaways

The bottom line is that it pays to carefully manage use of a trademark, or otherwise risk losing trademark rights and registrations. Trademarks are valuable intellectual property assets because they are the primary legal tool for protecting the customer facing brand of a product or service. Many companies carry trademark value expressed as dollars of assets on their balance sheets. Improper use leading to loss of those assets can be financially difficult. More importantly, if large amounts of dollars are poured into marketing a product or service associated with a brand/trademark, it simply makes sense to preserve and protect the value generated by those marketing dollar investments.

If you have any questions relating to use of your trademarks, please contact **Sean Detweiler**.

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### Footnotes.

1. *See*

<https://www.uspto.gov/trademarks-application-process/trademark-trial-and-appeal-board/expedited-cancellation-pilot-program>