Creating a Strong Trademark

Key Considerations

By:Sean D. Detweiler
October 15, 2018



What is a Trademark?

A trademark is a word, phrase, symbol, or design that is used in conjunction with, and to identify the source of, goods or services in the marketplace (e.g., brand names and logos). A service mark is a form of trademark that applies to services instead of physical products. Most people are more familiar with the term "brand," which is what the trademark protects and represents.

Trademark rights arise under common law through the actual use of the mark in commerce, without registration. However, registration of the trademark with the Trademark Office (e.g., the United States Trademark Office) provides several advantages. Common law trademarks are typically designated with a "™" symbol, and federally registered trademarks are typically depicted with a "®" symbol once registered.

Types of Trademarks

The most common form of trademark is a word mark and/or logo. These are the words, logos, or symbols that are associated with your product or service and represent the associated brand.

By contrast, trade names (i.e., company names) are not specifically protectable as trademarks when used only as a company name. A company name, used for example only on legal documents, contracts, etc., is not protectable as a trademark. If, however, that same company name is also used in association with products or services to represent the brand and distinguish the source of the products or services in the market place, then the trade name / company name is being used as a trademark and can be protected under trademark law. This is often confusing to people, but it comes down to how the name is used in a sentence, document, web page, etc. It is the context in which the name is used, not something about the actual name itself.

The goal of trademarks is to create a distinctive brand in the market that distinguishes your goods or services from those of your competitors. To that end, there are marks that are inherently stronger, and marks that are inherently weaker and may not even be registerable. In order from weakest to strongest are generic marks (not registerable), descriptive marks (only registerable on the Supplemental Register), personal names (sometimes registerable), suggestive marks, arbitrary marks, and fanciful or coined marks. Descriptive and suggestive marks are typically the easiest to think of, but they are rarely capable of securing strong trademark rights. At the other end of the spectrum, arbitrary or fanciful marks are typically capable of acquiring very strong trademark rights, but they also take the most effort to identify. Below are some more detailed explanations of each category of mark.

Generic Marks

This type of mark is not actually considered a trademark. A generic word or phrase is so inherently descriptive of a product or service with which it is associated that it is ultimately incapable of ever functioning as a trademark. Generally speaking, generic words can be thought

of as the typical or well-known name of the product or service in question. For example, it would not be possible to register "CLOCK" for timepieces, or "LIGHT" for lighting fixtures. The reason for this is one of public policy. If such generic words or phrases were registerable, then the words or phrases would become unavailable for the public to use to describe the items. Note, if trademarks are improperly used they may be at risk of becoming generic. A famous example of this is "ESCALATOR," which used to be a trademark owned by Otis Elevator. The mark was used incorrectly and repeatedly as a noun, and Otis ultimately lost the rights to claim it as a trademark.

Descriptive Marks

This type of mark is one that companies often think of initially when trying to identify a new trademark for a product or service, but ultimately, is too weak to be considered a trademark under common law, and is difficult or virtually impossible to register. The word or phrase inherently describes a feature or characteristic of the goods or services. An example of a descriptive mark may be PARK 'N FLY (when the mark was first introduced) for services enabling customers to park their cars near an airport before flying. Such descriptive marks may be rejected outright by the Trademark Office. However, in some instances, various forms of evidence can overcome such a rejection. For example, the applicant can attempt to claim acquired distinctiveness as to the mark, e.g., based on 5 or more years of use and promotion in commerce, under §2(f). Included in this category are marks that are geographically descriptive, such as the name of the town in which the business operates. "CONCORD PIZZA" in the town of Concord will be rejected as being geographically descriptive. Even with a §2(f) declaration after 5 years of continuous and exclusive use, registration on the Principal Register is not guaranteed.

Personal Names

A lot of companies are named after first names or surnames of, for example, the founders of the company. Names, especially surnames, are actually relatively difficult to register as trademarks because the Trademark Office is hesitant to give one individual or entity the right to use the surname mark exclusively for certain goods or services. There may be a lot of other individuals in the country with the same surname who would also want to be able to operate a business selling goods or services with their surname. As such, there are a lot of companies and brands that are surname based, but unless the brand can acquire secondary meaning through extensive use, such as for more than 5 years (or if the surname is particularly rare), it can be quite difficult to convince the Trademark Office to register the marks. Therefore, personal names do not make for very strong trademarks.

Suggestive

A suggestive mark provides some hint or suggestion as to the product or service without actually describing the product or service. Frequently, companies believe that a suggestive mark would make the best trademark. However, fanciful, coined, and arbitrary marks are actually stronger. An example of a suggestive mark is AIRBUS for airplanes or YETI for coolers. An advantage to suggestive marks is that they may provide some instant inherent element of sales appeal and they may not require as much education of the consumer as arbitrary, fanciful, or coined marks. A disadvantage to suggestive marks is that they may be entitled to less-extensive and weaker protection than arbitrary, fanciful, or coined marks because there is a higher likelihood that someone else may be using a same or similar trademark suggesting the same or similar goods (e.g., "air" would be a common word in association with airplanes). Accordingly, there is more risk involved that the trademark may overlap with another's trademark rights.

Arbitrary

The second strongest type mark is one that is formed of a word or words that have a common meaning, but that are used in a way that is otherwise not logically connected with the product or service. Some of the more famous of such marks include APPLE for computers or UBER for vehicle transportation services. The word "apple" existed to describe the fruit, but it had never before been associated with computers. The word "uber" denotes an outstanding or supreme

example of something, but says nothing about the type of services being offered. Because arbitrary marks are formed of words that consumers may already associate with another thing (according to their dictionary definition) there is, as with fanciful or coined, some education of the consumer required to develop the association between the mark and the product or service. Arbitrary marks also typically receive broad and strong trademark protection as well because they typically are not used by others on such completely disconnected goods or services relative to the traditional meaning of the word or phrase.

Fanciful or Coined

The strongest trademark is one that is completely made up, coined, or fanciful, because it is inherently distinctive (having never existed before it was created to be a trademark). Sometimes such marks are combinations of portions of other words, and sometimes there is no meaning or logic underlying them at all. Some examples include EXXON and KODAK. If you are in the market for a new trademark, a fanciful or coined mark should be your goal from the perspective of trademark law because it is typically the easiest to register and receives the broadest and strongest forms of protection. The potential drawback to a fanciful or coined word is that it may require more effort in terms of marketing dollars to introduce the mark to consumers and to build the brand and product recognition by educating the consumer since, at first glance, the consumer may not immediately understand what the product or service is, or whether they have a need for it. They are also the most difficult types of marks to think of, requiring the highest levels of creativity and time and effort (unless you are lucky enough to have a lightbulb go off while you are, e.g., out on your daily run).

It is also very important to understand that a word mark is often stronger than a design/logo mark that is primarily a stylized word (vs. a very unique and different design that has no words, like the Nike swoosh, which can be equally strong to a word mark). You may pursue registration of word marks or logos, or both. However, between the two, a word mark is much stronger than a design/logo mark if the design/logo is primarily made of words that are simply presented in a stylized font. A registration for a word mark means that your mark is protected no matter what stylized form it takes. However, a registration for a design/logo is limited to the specific design or logo presentation of the mark, including the specific font. For example, if you registered the mark WALT DISNEY for theme parks, such a registration would protect you for all stylized forms of the phrase WALT DISNEY. However, if you only registered the design/logo of the cursive handwritten version of the mark, then the registration would only protect that stylized cursive handwritten version of the mark, with some additional, but more ambiguous, rights to the underlying words. As such, most companies pursue a registration for a word mark at a minimum, and additionally the various stylized or design/logo versions of the mark as additional trademark registrations.

Designs/logos that are truly unique and do not rely primarily on words, or at all on words, can be equally powerful, but often take a number of years and a significant amount of monetary marketing investment for the consumer market to recognize. Some examples of truly unique logos that are strong include the Nike swoosh and the Amazon arrow.



Brainstorming a Mark

Keeping in mind the above discussion about the strength of marks, the goal when thinking of a new trademark is to try to identify a fanciful, arbitrary, or possibly suggestive word or phrase for your trademark that distinguishes your product or good from others in the market. Stay away from generic, descriptive, and even suggestive marks if you are seeking a trademark that will have the ability to develop the strongest trademark rights. However, a suggestive mark is a reasonable compromise between creativity and inherent conveyance to the customer what products or services are being offered.Brainstorming a Mark

A primary rule to keep in mind when you are trying to create a new trademark is to remember that *the purpose of a trademark is to identify the source or origin of a product or service; it is not to identify the product/service itself*. Steer clear from trademarks that identify or describe the product/service itself. Think more in terms of an arbitrary or suggestive word or phrase that is the origin of the product/service. The trademark APPLE® for computers does not directly identify the product, it identifies the source of the product, and when it was first thought of it was "arbitrary" as a term relative to computers. YETI® for coolers is a great mark because it does not directly identify the product, but there is a thread of suggestion implied by the relatively arbitrary word Yeti that it may have something to do with cold (given the folklore of Nepal describing an abominable snowman-type creature who lives in the mountains), which then in turn makes sense when viewed on a cooler. Marks like YETI® are the types that most companies try to find when selecting a new mark because it is both not descriptive of the product and is within a couple of levels of abstraction of things that are cold, which is the functional purpose of the initial product line of coolers made by the company in association with that mark.

Caution: Marketing professionals almost always prefer marks that are instantly indicative of the product itself, because, logically, it makes the job of marketing the product or service easier when you do not have to explain what the product or service is. However, from a trademark law perspective as discussed previously herein, descriptive marks are not registerable. There is often a debate that forms internally in a company between proposed trademarks that are more descriptive (sometimes preferred by marketing professionals) and marks that are more suggestive, arbitrary, or fanciful (preferred by trademark professionals). It takes more time, effort, and creative energy to generate marks that are on the fanciful end of the spectrum, but it is worth the time and effort in the end because a more fanciful mark will be capable of substantially stronger trademark protection, which in turn protects your valuable brand and the marketing dollars invested in the brand over time.

The selection of a trademark can be a longer process than one might expect. Creativity is a key element to the identification of a trademark. When selecting a trademark, in addition to the above strength scale, also try to avoid similarities with other existing marks. For example, do not select DUNKABLE DONUTS for your new donut shop when you know DUNKIN DONUTS® is a strong and well-established brand. If you are planning to register the mark, one of the factors a Trademark Examiner considers when reviewing an application for registration is whether your mark is confusingly similar to another registered mark for the same or similar goods or services. If it is, you will not be allowed to register your mark. Avoid marks that are similar to famous trademarks, or marks that are known in the particular industry, product, or service area of competitors to your product or service. If another's mark is not as famous as DUNKIN, and if it is registered for very different goods than what you are seeking, that is typically allowable and registerable. For example, a mark that is registered for lawn and garden equipment is going to be considered to represent distinctly different goods from a new mark you may be seeking to register for a consumer product, or for network computing services, or for coffee, as your goods or services.

While it may sound attractive to try to create a trademark that is similar to that of a competitor providing similar goods or services to you, ultimately having a similar mark will only create problems that could result in additional legal costs, while also not achieving the primary goal of trademarks, which is to make your product or service stand out in the marketplace. As your trademark becomes more well-known and better established, so do your reputation and the degree to which consumers recognize your brand, think of your products or services, and eventually become loyal to your brand. With that ultimate goal in mind, you can understand that it does not help you to be similar to a competitor in your space, because that will only lead to customer confusion and hinder your ability to build your brand.

Another factor to consider when creating your trademark is whether you plan to eventually be in foreign markets. If yes, then you may want to consider whether your new trademark has a meaning in a foreign language that would be undesirable. A famous example of this is when General Motors attempted in the 1970's to sell the Chevy NOVA in Mexico. What they did not

realize at the time is that “NOVA” sounded like “no va” in Spanish, which means “not going”. It is difficult to sell a car that doesn’t go anywhere!

Overall, the process for creating a trademark should be one of invention and creativity. Take some time to think through what you want your brand to represent. The most important factor is that your trademark be distinctive so that it is protectable and registerable. A trademark that is inherently distinctive also helps to distinguish the mark in the marketplace with consumers. Marks that are short and easy to read, spell, and pronounce are best. It is terrible when a consumer struggles over how to pronounce your trademark when they are trying to tell a friend about your product! There should be no unintended secondary meanings or undesirable connotations. Again, check to see whether your mark, both literally and phonetically, has a meaning in a foreign language that may not be helpful. The trademark should not intentionally be confusing as to the nature of the product. Finally, as the law currently stands in the U.S. in 2018, it should not be immoral or scandalous, but they can be disparaging. Fanciful or coined words or phrases as they relate to the product or service have the most potential for trademark protection and strength, followed by arbitrary marks, followed by suggestive marks.

A final note for pharmaceuticals and regulated medical devices: the trademark selection process for a pharmaceutical should also consider the U.S. Food & Drug Administration (FDA). The FDA, as a part of the regulatory process of approving a drug or a medical device, will consider whether the trademark is confusingly similar to another drug or medical device name so as to affect the potential health and safety of consumers. Principally, the FDA is looking to determine, e.g., whether a proposed drug name could be confused with an existing drug name and result in a consumer or patient taking the wrong drug mistakenly. The FDA does have available guidance for the development of proprietary drug names, which should be consulted as you develop your trademark names.

For more information on trademarks, please contact **Sean Detweiler**.