



Top 10 Benefits of Trademark Registration

Are Your Trademarks Registered?

Trademarks are highly valuable assets. According to one recent estimate, trademarks account for, on average, one-third of corporate value. The world's most valuable brand was recently estimated to be worth more than \$180 billion.¹ Developing and protecting trademarks is not a mere "cost of doing business," but rather an investment in customer goodwill, leading to greater customer satisfaction and higher sales.

A trademark can be almost anything—a word, logo, sound, shape, color, scent, taste or any combination of these—that distinguishes the goods or services of one party from those of another. Trademarks also assure consumers of consistent quality and thus help promote efficient competition.

An application to register a trademark in the United States is far less costly than a patent filing. An application can be based on either (a) a "bona fide intent to use" the mark, which essentially allows you to reserve a mark for up to three years after allowance of the application by the Trademark Office, (b) actual use of the mark in US Commerce, or (c) ownership of a foreign application or registration. While a trademark search prior to adoption is generally not legally required—and no search is foolproof—searching can help prevent conflicts by analyzing whether a proposed mark is available for the goods and services for which it is intended to be used.

The Top 10 Benefits of Registration on the Trademark Office's Principal Register are:

- 1) Discourages others from using confusingly similar marks in the first place by making the mark easy to find in a trademark availability search, thereby preventing problems before they even begin.
- 2) Protects against registration of confusingly similar marks, as the Trademark Office has a duty to cite prior registrations against applications for confusingly similar marks and to refuse to register such marks, thereby enlisting the power of the US Government in helping to prevent infringement at no additional cost to you.
- 3) Treats the mark as if used nationwide as of the application date, which is vital in a system in which first use wins—otherwise, your rights are limited to the geographic area of use or reputation of the mark, potentially allowing others to use the same mark in another geographic area and leading to inevitable confusion when one or both parties expands.
- 4) Provides nationwide notice of ownership of the mark as of the registration date, preventing others from claiming their subsequent adoption of the mark was in "good faith."
- 5) Serves as evidence of the validity and exclusive ownership of the mark for the goods and services listed in the registration, with heightened protection after five years and the possibility of becoming "incontestable," which can help not only in court proceedings but perhaps more importantly in quickly convincing others to cease using a mark without the need to go to court.

*Registering
your trademarks
is vital to a
strategy of
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these critically
important assets.*

- 6) Grants the right to use the ® symbol when the mark is used for the goods and services listed in the registration (unregistered marks may be designated by a superscript "TM"), giving your products more marketing cachet and putting competitors on notice that you are serious about protecting your rights.
- 7) Grants the right to sue in federal court and, in certain cases, obtain treble damages and attorney fees, thereby providing for potential significant monetary recovery in appropriate cases.
- 8) Entitles you to certain statutory damages in the case of counterfeiting, relieving you from having to demonstrate actual damages in order to receive a monetary award.
- 9) Provides a basis for foreign registrations, facilitating protection of your marks worldwide as business expands.
- 10) Empowers US Customs and Border Protection to block imports that infringe the mark or are counterfeits once the registration is separately "recorded" with Customs, putting Customs in your corner in preventing infringement at no additional cost to you.

Trademarks that are deemed "merely descriptive" of the associated goods and services are not eligible for registration on the Principal Register, but rather 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 serve as evidence in court of the owner's exclusive right to use the mark or of the mark's validity. However, it does allow the Trademark Office to block subsequently filed applications for confusingly similar marks. It also makes ownership of the mark of record, so that others who conduct searches seeking in good faith to minimize trademark problems can easily find the mark. A Supplemental Registration also entitles the owner to use the ® symbol. Furthermore, once the mark has "acquired distinctiveness," a new application can be filed seeking registration of the mark on the Principal Register.

Whether registered or not, a trademark should never be used in a generic sense to refer to your goods or services. Rather, the mark should be used to modify the generic noun, such as KLEENEX facial tissue. Otherwise, your mark may become an unprotectable part of the English language, a fate that befell the onetime marks CELLOPHANE, ESCALATOR, and ASPIRIN.

¹ *MillwardBrown Optimor, BrandZ Top 100 Most Valuable Global Brands 2013.*

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