



By Catherine Parrish Lake

Trademark Pitfalls

As you prepare to launch a new project or product name, there will be several trademark hurdles to leap over. Following is a guide of how to avoid some pitfalls you'll encounter along the way:

Clear Your Marks

Last fall, Apple introduced the iPhone. Great name, except that Cisco claimed it owned the rights to "iPhone." Within days, Apple was involved in a trademark dispute over who could use the term. While the parties reached an amicable settlement earlier this year, not all trademark disputes end so well. How do you avoid this? You clear the rights to use a name before you launch the product or service. Conduct an Internet search for the same or similar terms. If this initial search is clear, have an attorney check a wider variety of sources to determine if you can use and register your mark. It's better to spend a relatively small amount upfront than to re-brand or litigate later.

Secure the Domain Name Rights

Domain names are often registered with new product names with the hope of selling the domain name to the trademark owner, or selling pay-per-click ads on a related Web site. Arbitration procedures assist legitimate owners

in transferring such domain names; however, arbitration is not always successful and is more expensive than first securing a domain name. A recent arbitration decision ruled against MGM, producers of the "War Games" movie, in the studio's attempt to transfer registration of the domain name *wargames.com*. A Mr. Cadenhead had registered *wargames.com* and used it as a pay-per-click site until 2006, when he began selling simulation war games on it. The arbitrators found that his interest in the domain name was legitimate and refused to transfer it to MGM.

Use Symbols Correctly

You don't know what ® means exactly, but you know you want it. The fact is, you can't use the ® until you have obtained federal registration for the mark in the United States. Until you obtain federal registration, use the designations ™ for trademark or ℠ for service mark. Improper use of the ® can be fraud and may prevent you from obtaining a registration or enforcing your rights.

You Snooze, You Lose

Even after obtaining a federal registration for your mark, you aren't completely in the clear. Trademark rights are based on use; registration simply recognizes and provides legitimacy to such use. You must continue using your mark as a trademark — that is, as an adjective or descriptive noun to identify your goods or services, and you are obligated to look for uses that damage your trademarks. For instance, it's great that Google has become so well known, famous even, but when a mark becomes descriptive or generic, it loses its trademark protection. "Escalator" and "thermos" suffered this fate. No one expects Google to prevent all incorrect uses of its mark, but the law requires that it make an effort to do so in order to keep its rights. When you find infringing or damaging uses, quickly demand that the other party stop.

Don't Let Your Marks Run Around Naked

A trademark "dresses" a product or service with certain qualities. The public relies on this dressing for information about the product or service: Coca-Cola certain tastes or Chanel certain smells. Allowing use of your marks without specifying their appearance and on what goods they cannot be used strips them of their quality protections, leaving them naked. The public can no longer rely on the mark to designate certain features, so the mark is no longer protected. To avoid this, anytime you license or grant the right to use your marks, you should retain approval of how the marks are used and specify the quality required with such use. ●

Catherine Parrish Lake is an associate of the law firm of Callister Nebeker & McCullough in Salt Lake City. Her practice focuses on intellectual property and privacy issues, including assisting businesses and other individuals to develop, protect and make the most of intellectual property rights, and to handle and protect private information. Previously, Lake practiced law in New York City.