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February 1, 2019 - Panel 2: Trademark Registration in the USPTO and EUIPO – A Comparative, Practical Analysis

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McCarthy Institute Symposium 2019 at NYU: Trademark Law and Its Challenges

February 1, 2019



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Trademark Registration in the USPTO and EUIPO – A Comparative, Practical Analysis

- Iza Junkar, Senior Associate, Hogan Lovells (moderator)
- Meryl Hershkowitz, Deputy Commissioner for Trademark Operations, U.S. Patent and Trademark Office
- Barton Beebe, John M. Desmarais Professor of Intellectual Property Law, NYU School of Law
- Jeanne Fromer, Professor of Law, NYU School of Law
- Gordon Humphreys, Chairperson of the 5th Board, EUIPO Boards of Appeal
- Joao Negrao, Director, International Cooperation and Legal Affairs, EUIPO
- Joseph Ferretti, Vice President and Chief Counsel, Global Trademarks, PepsiCo

McCarthy Institute Symposium 2019 at NYU: Trademark Law and Its Challenges
February 1, 2019



**Getting the EU trade mark that
you want**

Iza Junkar, Senior Associate,
Hogan Lovells LLP

Registering a mark at the EUIPO

- File TM application & pay fee
- EUIPO will review:
 - Filing date & priority / seniority if applicable.
 - Formalities complied with.
 - **Classification and specification.**
 - **Absolute grounds** complied with (most common objection is lack of distinctiveness – can be overcome by showing acquired distinctiveness).
 - There is no relative grounds review by the EUIPO.
 - If all is in order – mark is published for 3 months **opposition period.** **Relative grounds** objections now come into play.
 - If no objections (successfully) raised mark is registered.



Application for a European Union trade mark

<i>Representative(s)</i>		
Country:	Spain	
Postal address:	HOGAN LOVELLS Avenida Maisonave 22 E-03003 Alicante Spain	
Telephone number:	965138300	
Fax number:	965138303	
Email address:	alicante@hoganlovells.com	
Website:		
<i>Trade mark</i>		
Trade mark type:	Word mark	
Representation of mark:	[REDACTED]	
Colour claim for the purpose of claiming priority in other Offices:		
<i>List of goods and services</i>		
Class	Goods and services	Language
30	Chocolate confectionery; sugar confectionery; chocolate; candy; desserts; sweets; coffee; tea; cocoa; sugar; cereals and cereal preparations; cereal based snacks; cereal bars and energy bars; biscuits; cakes; pastry; pastries; cookies; muesli; cocoa-based beverages; edible wafers; edible ices; ice-cream; frozen yoghurts; ice (natural or artificial); powders	EN

Descriptive, allusive words and slogans: registrability

- Rule of thumb – non-registerable: the EUIPO adopts a strict approach.
- Claiming a figurative mark often not sufficient.



MICRO-PAK X

RUGGED X



POP. DROP. FIZZ. SIP. X

BEYOND CARPET. BEYOND CLEAN. X

Single letter signs: registrability

- Article 4 EUTMR explicitly lists letters as registerable signs
- CJEU/GC case law has upheld the view that single letter signs can be registered. There is no need for enhanced stylisation:

Α I

(Case C-265/09 P; Case T-441/05)

- EUIPO practice confirms that single letter signs are largely registerable, examples of recently registered marks (filed as of 1 January 2016 up to present):



Simple (B&W) geometrical shapes: registrability

- In recent years case law has made clear that simple geometric shapes are not registerable unless acquired distinctiveness is shown. High threshold to meet – as it must be proven in all 28 Member States.

- Case T-53/13 *Vans v OHIM*



- Case T-291/16 *Anta (China) v EUIPO*:



- Cases T-63/15 *Shoe Branding Europe v OHIM*:



- Case T-3/15 *K-Swiss v OHIM*:



- Case T-612/15 *Basic Net v EUIPO (and C-547/17 P)*:



- EUTM no. 16173619:

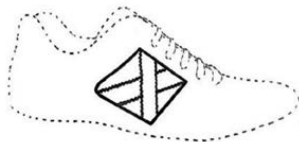


- EUTM no. 16443194 (appeal pending):

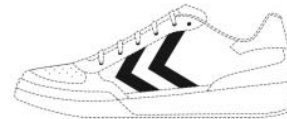


Single letter signs v. simple shapes registrability

- BUT: Consider the difference ?
- Marks **are** registerable because they are “single letters”:



- Marks **not** registerable because they are “simple geometrical shapes”:



Black and White Marks

- The assumption and wide-spread filing practice of users was to assume B&W marks cover use of that mark in all colours;
 - Cases: Case T-418/07, LIBRO v OHIM — Causley (LiBRO), para 65 and Case T-398/16 Starbucks v EUIPO - Nersesyan (COFFEE ROCKS), para 53: **The protection of a trade mark which does not refer to any colour in particular is extended to all colour combinations as from the time when the mark is registered**
 - Case: Case C-252/12 Specsavers



B&W Marks – Real world use

Brand	Ralph Lauren	Puma	Citroën	Nike
Trade mark				
	EUTM no 4049201	(IR)EU no 1138941	EUTM no 189910	EUTM no 62570
Real world use (inter alia)				

Black and White Marks

- Some uncertainty remains, and the above is not the approach the EUIPO currently applies, e.g. CP4 - Common Communication on the Common Practice of the Scope of Protection of Black and White Marks:

GENUINE USE	
Objective	<i>Is the use of a colour version of a trade mark registered in B&W/greyscale (or vice-versa) acceptable for the purpose of establishing genuine use?</i>
Common Practice	<ul style="list-style-type: none">A change only in colour does not alter the distinctive character of the trade mark, as long as the following requirements are met:<ol style="list-style-type: none">the word/figurative elements coincide and are the main distinctive elements;the contrast of shades is respected;colour or combination of colours does not possess distinctive character in itself and;colour is not one of the main contributors to the overall distinctiveness of the mark. <p>For establishing genuine use, the principles applicable to trade marks in B&W also apply to greyscale trade marks.</p>
Provisions	Article 10(1)(a) TMD Article 15(1)(a) CTMR

Non-traditional trade marks: new challenges ahead?

Implications of the EU trade mark reform - Article 3(3)
EUTMIR: on trade mark types

- 5 existing trade mark types have been (re?)defined:

TRADE MARK				
Word	Figurative	Shape	Colour	Sound

- 5 new trade mark types added:

				
Position	Pattern	Motion	Multimedia	Hologram

In principle no retroactive effect:

EUTM reform on new representation requirements and new types of marks applies from 1 October 2017.

BUT re. interpretation of scope of protection of marks - will the EUIPO be influenced?

Non-traditional trade marks: new challenges ahead?

Implications of the EU trade mark reform - Article 3(3) EUTMIR: on trade mark types

- Previous filing practice – a common sense approach;
- E.g. Often a “figurative” mark was chosen to designate a shape, position or pattern mark:

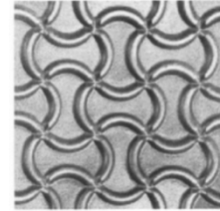
C-25/05 P - Storck v OHIM



Case T-68/16 - Deichmann v EUIPO



C-26/17 P - Birkenstock Sales v EUIPO



- This practice may now have to be re-considered and this may have implications for marks that may not neatly fall into any pre-existing category.

Specifications - How wide can we go?

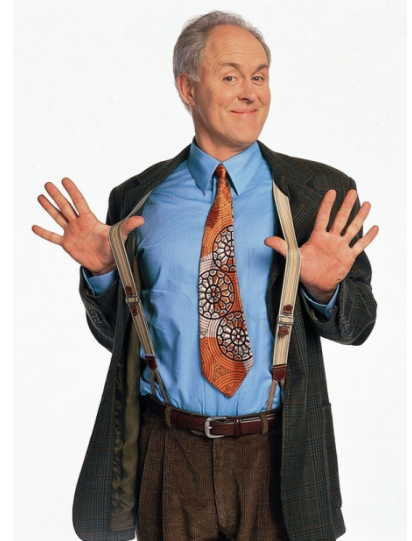
- Nice Classification system.
- G&S must be specified with sufficient clarity and precision.
- A description of goods and services is sufficiently clear and precise when its scope of protection can be understood from its natural and usual meaning.
- Certain parts of Nice class headings have been **blacklisted** (e.g. cl 7 “**machines**”; cl 37 “**repair**”, cl 40 “**treatment of materials**”, etc).
- However – provided they are clear and precise –there is no limit on how wide terms can be. There is no requirement of existing use or of a bona fide intention to use.

Specifications – The sky's the limit?

- Note: UK reference to the CJEU whether overly wide specifications could lead to invalidity because:
 - They were insufficiently clear and precise; OR
 - They were overly wide and so applied for in bad faith.(*Sky v Skykick* [2018] EWHC 155)

The goods at issue:

"computer software", "computer software supplied from the internet", and "computer software and telecoms apparatus to enable connection to databases and the internet"





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**UNITED STATES
PATENT AND TRADEMARK OFFICE**

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The Trademark Registration Process and the USPTO

Meryl Hershkowitz
Deputy Commissioner for Trademark Operations
February 1, 2019

UNITED STATES
PATENT AND TRADEMARK OFFICE



Overview

- The role and structure of the Trademark organization
- The trademark registration process and the importance of use in commerce
- **Examination Issues**
 - Likelihood of Confusion
 - Identification of Goods and Services
 - Non-Traditional Marks
 - Scandalous Marks

Role of the USPTO: Trademarks

- Maintain the federal register of trademarks
- Perform initial processing and preliminary examination of applications for registration
- Examine trademark applications under the law
- Publish and issue trademark registrations
- Offer search tools and information resources to provide notice of trademarks in use
- Provide policy support by proposing and implementing new rules, providing employee training, and interpreting and applying trademark law and procedures
- Disseminate information and raise awareness of intellectual property issues

Trademark Performance Metrics

- **Pendency Goals**
 - 2.5 to 3.5 months to first action
 - 12 months to disposal
- **E-Government**
 - 80% of applications processed entirely electronically
- **Quality Goals**
 - 95.5% compliance on first actions
 - 97.0% compliance on final actions
 - 45% “exceptional” Office actions

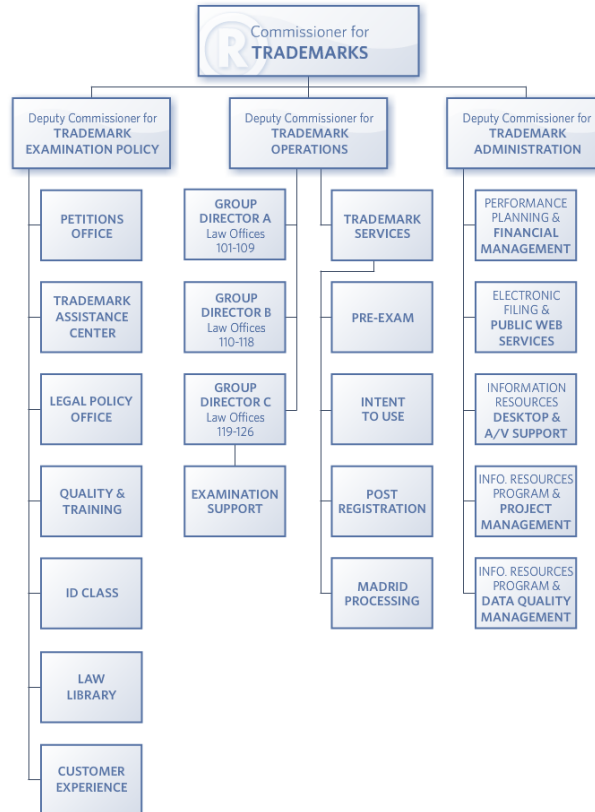


Fourth Quarter FY 2018, At a Glance

FIRST ACTION		TOTAL		YEAR TO DATE			
3.4	96.9%	9.6	97.9%	367,382	87.9%	638,847	7.5%
PENDENCY	QUALITY	PENDENCY	QUALITY	REGISTRATIONS	ELECTRONIC PROCESSING	APPLICATIONS	INCREASE IN APPLICATIONS



Trademark Organization



Benefits of Federal Registration

- 1) Legal presumption of ownership of the mark
- 2) Legal presumption of right to use the mark
- 3) Puts public on notice of ownership of the mark
- 4) Mark is listed in the USPTO database
- 5) Can record mark's registration with U.S. Customs and Border Protection
- 6) Right to bring legal action concerning mark in federal court
- 7) Use registration as a basis for foreign filing
- 8) Able to use the federal registration symbol: ®

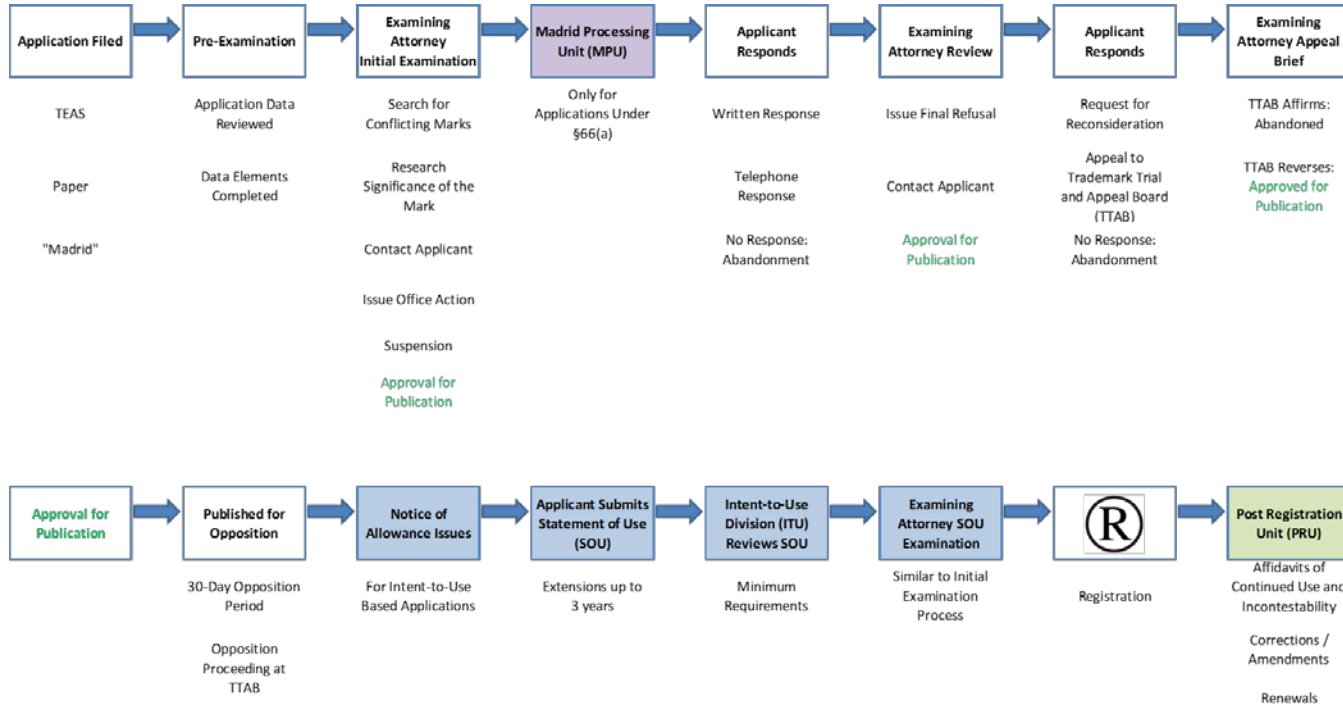
Examining Attorneys Must Balance...

- Registering trademarks whenever possible
- Ensuring that trademarks are published as quickly as possible



- Protecting American consumers
- Protecting the rights of those who have already registered their trademarks

Trademark Registration Process: Use in commerce



Examination: Likelihood of Confusion, Section 2(d)

- Searching
- How similar are the marks?
 - Appearance, sound, connotation and commercial impression
- Are the goods/services related?
 - Channels of trade, consumers
- Weakness
- Reliance on Identification

Identification of goods and services

- Allow informed judgment on 2(d)
- Must be specific, definite, clear, accurate, concise
- Provide public notice
- Allow classification
- Use common names
- No class headings
- Cannot be indefinite/too broad
- TM 5 project

Examination topics: Non-traditional marks

Smell, Touch, Taste

- Sewing thread and embroidery yarn with a high impact, fresh, floral fragrance reminiscent of plumeria blossoms
- Velvet on a wine bottle US Reg 315570

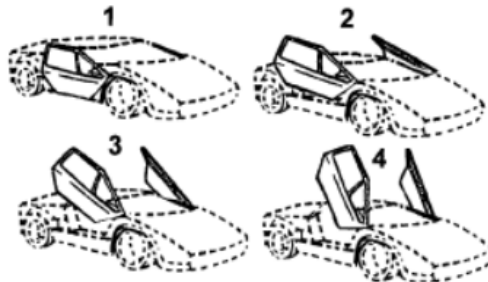
Color



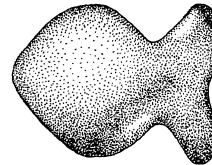
Sound



Motion



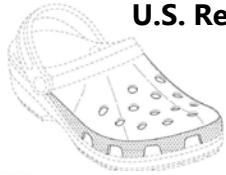
Shape



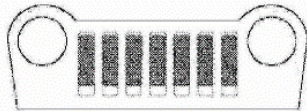
Examination topics: Non-traditional marks

3D Trade Dress: Product design

Crocs footwear
U.S. Reg. No. 5149328



Peeps marshmallow candies
U.S. Reg. No. 2185581

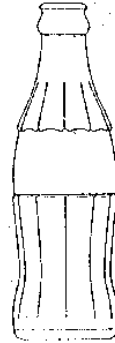


FCA US (Jeep) automobiles
U.S. Reg. No. 3199299



3D Trade Dress: Product packaging

Coca-Cola bottle
U.S. Reg. No. 0696147



Mrs. Butterworth's container
U.S. Reg. No. 1138877

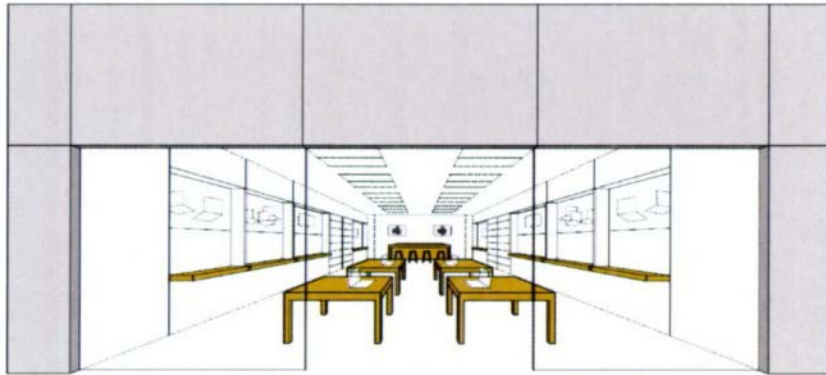


Crown Royal bottle
U.S. Reg. No. 3067575

Examination Topics: Non-traditional marks

3D Trade Dress: Services

- Three-dimensional items used in connection with services, e.g., a building design, a building interior, a uniform or a vehicle used in rendering the service.



Apple Retail Store Design and Layout
U.S. Reg. No. 4277913



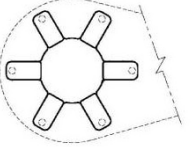
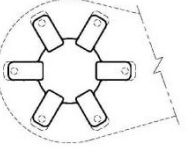
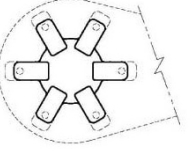
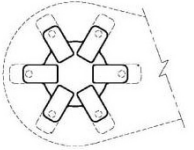
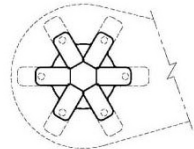
§§1, 2, and 45 – Failure to Function

In re Forney Industries, Inc., Serial No. 86269096 (TTAB September 10, 2018)

A mark consisting of colors applied to product packaging cannot be inherently distinctive.



In re Loggerhead Tools, LLC, 119 USPQ2d 1429 (TTAB 2016)



- Application for a motion mark for gripping tools in the nature of wrenches and wire crimpers
- Applicant owned utility *and* design patents for highly similar goods
- Precedential decision affirming the refusal for functionality under §2(e)(5), 15 U.S.C. §1052(e)(5)
- Applicant claimed acquired distinctiveness, and submitted copious amounts of evidence to support its claim
- Notes from this case include:
 - “It is not necessary to consider all the Morton-Norwich factors in every case.” TMEP 1202.02(a)(v). Here, the first two Morton-Norwich factors were sufficient to determine functionality. “Moreover, there is no requirement that all four of the Morton-Norwich factors weigh in favor of functionality to support a refusal.” *Id.*
 - “The applicant’s own advertising touting the utilitarian aspects of its product design or product packaging is often strong evidence supporting a functionality refusal.” TMEP 1202.02(a)(v)(B).
 - Evidence of functionality in a patent is not limited to language in the claims themselves.

Serial no. 85700986

Section 2(a) issues

15 U.S.C. §1052 (Extract, §2(a))

No trademark by which the goods of the applicant may be distinguished from the goods of others shall be refused registration on the principal register on account of its nature unless it—

- (a) Consists of or comprises immoral, deceptive, or scandalous matter; or matter which may ~~disparage~~ or falsely suggest a connection with persons, living or dead, institutions, beliefs, or national symbols, ~~or bring them into contempt, or disrepute~~; or a geographical indication which, when used on or in connection with wines or spirits, identifies a place other than the origin of the goods and is first used on or in connection with wines or spirits by the applicant on or after one year after the date on which the WTO Agreement (as defined in section 2(9) of the Uruguay Round Agreements Act) enters into force with respect to the United States

TMEP 1203.03(b) Disparagement, Bringing into Contempt, and Bringing into Disrepute

Until June 19, 2017, the USPTO examined applications pursuant to the provision in Section 2(a) of the Trademark Act, 15 U.S.C. §1052(a), that prohibits the registration of a mark that consists of or comprises matter that may disparage, or bring into contempt or disrepute, persons, institutions, beliefs, or national symbols. However, the Supreme Court held this provision of §2(a) unconstitutional under the Free Speech Clause of the First Amendment in *Matal v. Tam*, 582 U.S. ___ (2017). Accordingly, that a mark may "disparage . . . or bring . . . into contempt, or disrepute" is no longer a valid ground on which to refuse registration or to cancel a registration.



§2(a), cont.

The “immoral, ... or scandalous” provision of §2(a) is under review. In *In re Brunetti*, 877 F.3d 1330 (Fed. Cir. 2017), the U.S. Court of Appeals for the Federal Circuit ruled that “Fuct”, while vulgar, was protected speech under the First Amendment, and that the immoral or scandalous provision of Section 2(a) unconstitutional.

The Supreme Court has recently granted cert.

Questions

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Are We Running Out of Trademarks?
An Empirical Study of Trademark Depletion
and Congestion

131 HARVARD LAW REVIEW 945 (2018)

Barton Beebe & Jeanne Fromer
NYU School of Law

Barton Beebe & Jeanne Fromer, *Are We Running Out of Trademarks? An Empirical Study of Trademark Depletion and Congestion*, 131 HARVARD LAW REVIEW 945 (2018)

Main Takeaways

- The supply of competitively effective trademarks is exhaustible and has already reached chronic levels of trademark depletion and trademark congestion.
- New trademark applicants are increasingly resorting to second-best, less competitively effective marks.
- Yet PTO refusal rates continue to rise.
- The ecology of the trademark system is beginning to break down.

Conventional Wisdom in Law: Infinite Supply of Possible Trademarks

- “The distinctive yet pronounceable combinations of letters to form words that will serve as a suitable trademark are as a practical matter infinite, implying a high degree of substitutability and hence a slight value in exchange.” William M. Landes & Richard A. Posner, *Trademark Law: An Economic Perspective*, 30 JOURNAL OF LAW AND ECONOMICS 265, 276 (1987)
- Strong version of claim: there will always exist an inexhaustible supply of available trademarks that are at least as competitively effective as those already claimed

Does the Press Know Better?



Then there is the issue of trademarks. Before any company or product name can be registered and legally protected, it must pass an evaluation by the Patent and Trademark Office to determine whether it has already been taken. **Almost every naturally occurring word has been claimed, which is why namers so often arrive at portmanteaus (Accenture derives from “accent” and “future”) or drop vowels (Flickr and Tumblr) or change letters (Lyft).** “Coming up with a good name is hard,” Margaret Wolfson says. “Coming up with a great name is even harder.



Every name we liked, either somebody already had it or it wasn't trademarkable or it meant something pornographic in another language.

HUH? PHOTOGRAPHER: DAVID PAUL MORRIS/BLOOMBERG

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We're Going to Run Out of Company Names



35 JAN 13, 2017 1:00 PM EST

By [Justin Fox](#)



Justin Fox is
He was the
Business Re
Fortune and
author of "T
Market."
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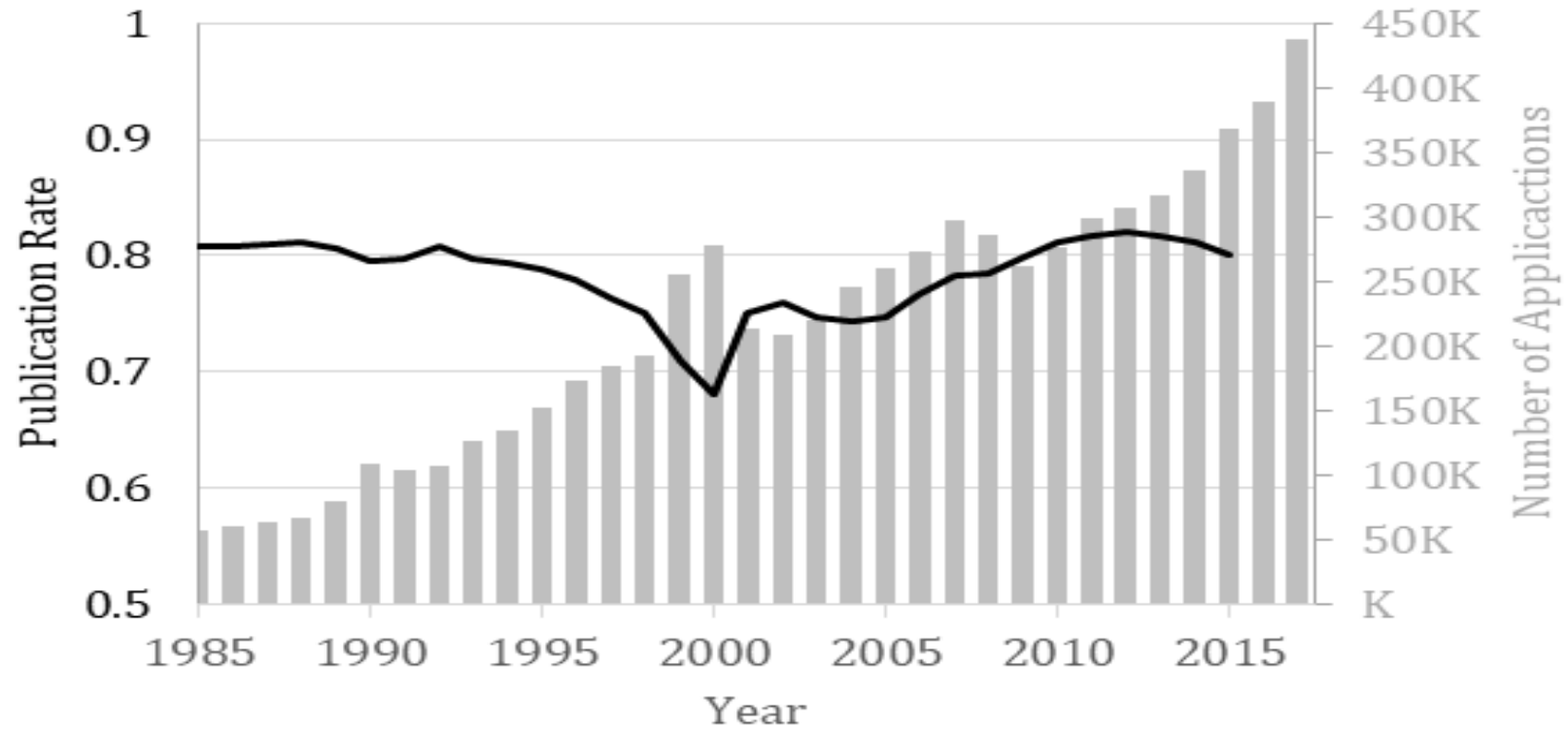
Main Research Questions

- What proportion of commonly used words in American English are precluded from registration by already-registered confusingly similar trademarks?
 - Surnames?
 - Neologisms?
- Trends over time in these proportions
- How has applicant conduct changed, if at all, in response to (coincident with) changes in the supply of still-available trademarks?

The Datasets

- USPTO Trademark Case Files Dataset
 - 9.1 million observations detailing trademark registration applications filed from 1870 through 2017; 7.4 million filed from 1985 through 2017 or already registered as of 1985.
 - 2,228,613 live Principal Register trademark registrations at PTO in 2017
- Beebe & Fromer, USPTO Trademark Office Actions Dataset
 - Full text of all 3.1 million trademark Office Actions issued by USPTO from 2003 through 2017
- Beebe & Fromer, Phonetic Representation of Trademarks Dataset
 - Arpabet phonetic transcription of all text marks in the USPTO Trademark Case Files Dataset
- Corpus of Contemporary American English (Mark Davies, BYU)
- U.S. Census Frequently Occurring Surnames (2000 census)
- Verisign .COM and .NAME TLD Zone Files (2016)
 - 128 million .com domain names

Number of Applications and Publication Rate, 1985-2017



Evidence of Word Mark Depletion

- Trademark depletion is the process by which a decreasing number of potential marks remain available for registration in one or more classes of goods or services.
- Measures of similarity:
 - Identical matches
 - Within mark whole-word matches
 - Jaro-Winkler edit distance

Common-Word Depletion – Identical Matches

813 of the 1,000 most-frequently-used English words identically matched a registered single-word trademark in 2016

Table 1: Proportion of Most Frequently Used Words Matching Active Single-Word Marks in 2016

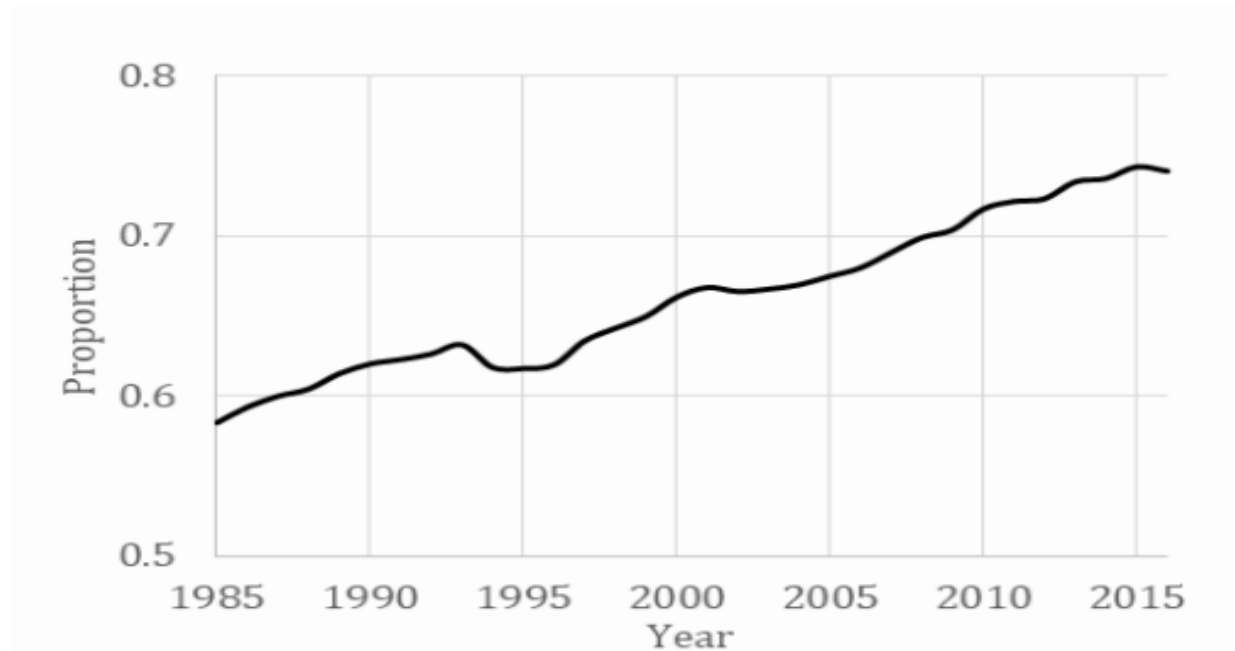
Number of Most Frequent Words	Number Registered as Single-Word Marks	% of Number of Most Frequent Words	% of All Word Usage Claimed by Single-Word Marks
1,000	813	81.3	60.0
5,000	3,471	69.4	69.8
10,000	6,188	61.9	72.3
86,408	20,295	23.5	74.0

Of the 1,000 Most-Frequently-Used English Words, the 187 Not Registered as Single-Word Trademarks in 2016

ACCORDING	DURING	MONTHS	SHOWS
ACTIVITIES	EARLY	NEARLY	SITTING
ADDED	EFFORTS	NEEDED	SMALL
ADMINISTRATION	EITHER	OFFER	SOMETIMES
ALLOW	ENGLISH	OFFICIALS	SPEND
ALLOWED	ENTIRE	OLDER	STARTED
ALONG	ESPECIALLY	OPENED	STILL
ALREADY	EVENING	PARTICULARLY	STOOD
ALTHOUGH	EXPECTED	PASSED	STOPPED
AMONG	FIGURE	PAST	STUDENTS
ANOTHER	FINANCIAL	PATIENTS	STUDIES
ANY	FOLLOWED	PERCENT	TEACHING
ANYONE	FOLLOWING	PERHAPS	THANK
AUTHOR	FORCES	PERSON	THEIR
BECAME	FULL	PLANS	THEMSELVES
BEGAN	GETTING	PLAYED	THINKING
BEGINNING	GIVING	PLAYING	THIRD
BEHIND	GROUPS	POLITICAL	THOSE
BELOW	HAPPENED	PRACTICE	THOUGH
BROUGHT	HAVE	PROBABLY	THROUGHOUT
CALLS	HAVING	PROBLEM	THUS
CASES	HELPED	PROBLEMS	TOOK
CERTAINLY	HERSELF	PROCESS	TOWARD
CHANGED	HIMSELF	PROGRAMS	TRIED
COMING	HUSBAND	PROVIDED	TRYING
COMMITTEE	IMPORTANT	QUITE	TURNED
COMPANIES	INCLUDED	RATES	UNDERSTANDING
CONDITIONS	INCLUDING	RATHER	USED
CONSIDERED	INTERESTING	REACHED	USUALLY
COSTS	ITSELF	RECEIVED	VIOLENCE
COULD	KILLED	RECENT	WAITING
COUNTRIES	KNEW	RECENTLY	WALKED
CULTURAL	LACK	RELIGIOUS	WANTS
DAUGHTER	LEAST	REPORTED	WAYS
DEAD	LEAVE	REPORTS	WENT
DECIDED	LEFT	REQUIRED	WHATEVER
DEMOCRATIC	LIKELY	RIGHTS	WHICH
DEPARTMENT	LIVED	SAYING	WHILE
DESPITE	LOOKED	SCHOOLS	WHOSE
DEVELOPED	LOSS	SEEING	WIFE
DIED	MAKES	SEEMED	WOMAN
DIFFERENCE	MAKING	SERVICES	WORKED
DIFFICULT	MALE	SEVERAL	WOULD
DISEASE	MARRIED	SHORT	WRITTEN
DOING	MINUTES	SHOULD	WROTE
DRUG	MONTH	SHOWED	YEARS

About 75 percent of the time, when Americans use their language, they are using a word that identically matches a registered single-word trademark

Figure 3: Proportion of All Word Usage Consisting of Words Claimed as Single-Word Marks, 1985-2016

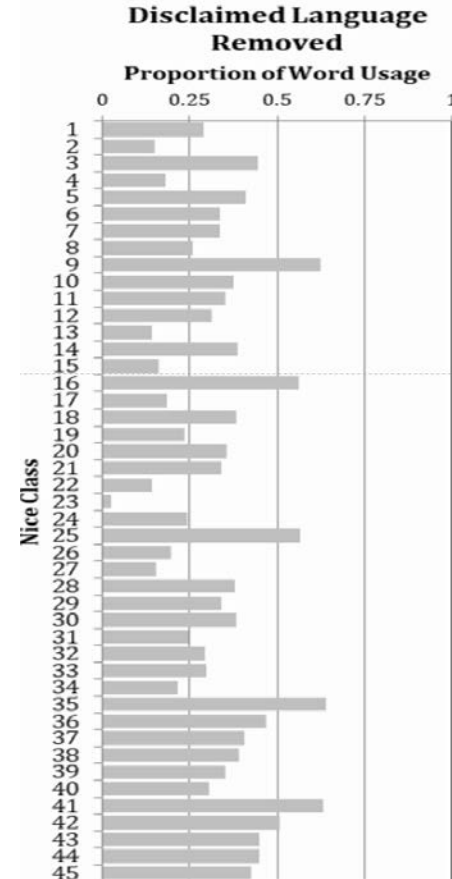


Proportion of Word Usage in Particular Classes:

Identical Matches

- Class 5 (pharmaceuticals)
- Class 9 (electronics, computer goods, software)
- Class 25 (apparel)
- Class 35 (business administration services)
- Class 41 (entertainment services)
- Class 42 (technology-, computer-related services)

Figure 4: Proportion of All Word Usage Consisting of Words Identically Matching an Active Registration by Nice Class in 2016, Full Marks and Marks with Disclaimed Language Removed

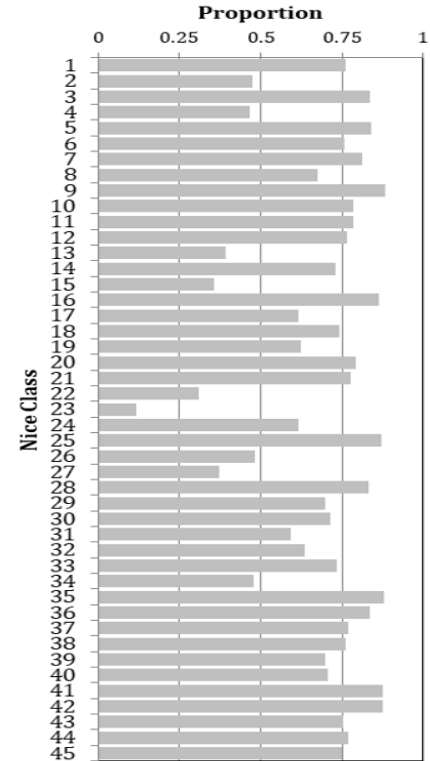


Common-Word Depletion – Jaro-Winkler Similarity

Matches

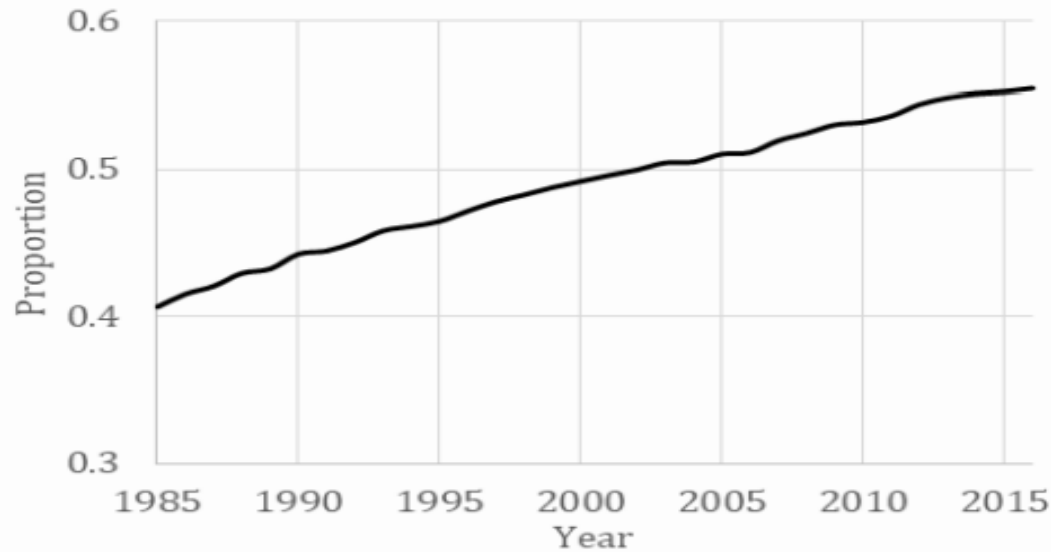
- Frequently used words:
 - 97.1% of the 86,408 most frequently used words were confusingly similar with an active trademark registration in 2016.
 - Accounts for 89.1% of all word usage in American English
 - All but 9 of top 10,000 words are confusingly similar with an active trademark registration in 2016.

Figure 8: Proportion of All Word Usage Consisting of Words Triggering Jaro-Winkler Similarity Matches with Active Registrations in 2016 by Nice Class



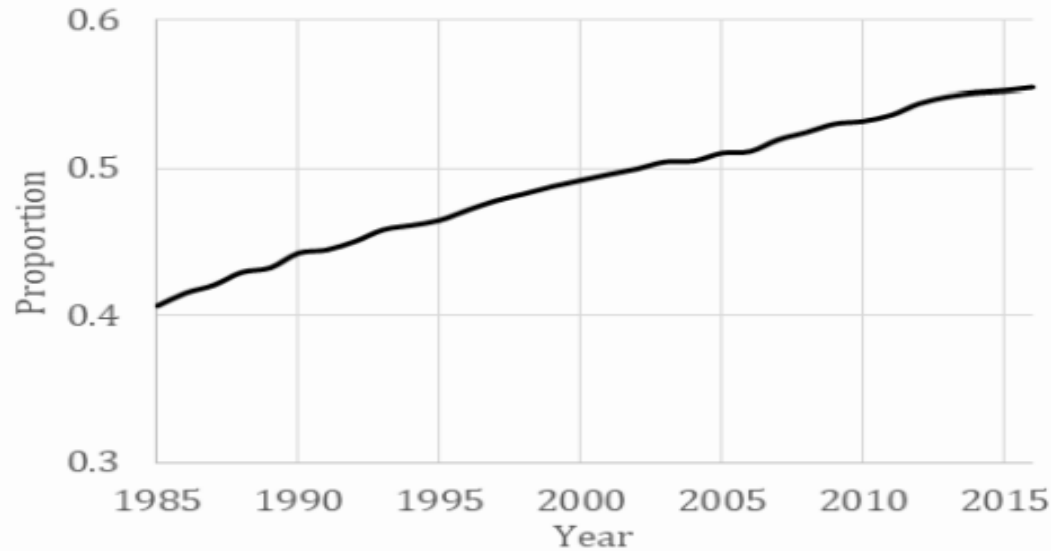
Surname Depletion – Identical Matches

Figure 5: Proportion of U.S. Population Carrying a Surname Registered as a Single-Word Trademark, 1985-2016



Surname Depletion – Identical Matches

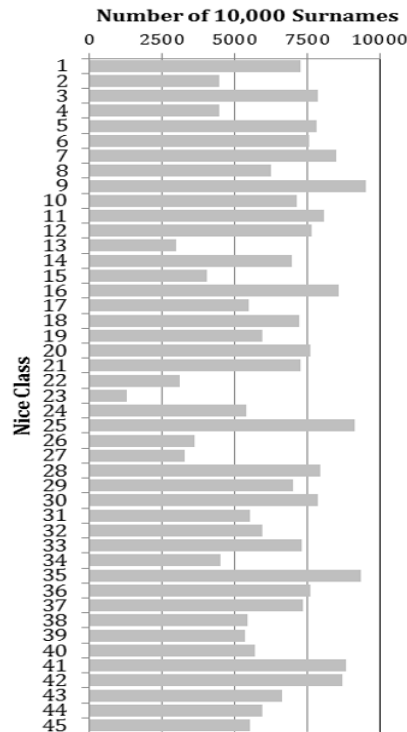
Figure 5: Proportion of U.S. Population Carrying a Surname Registered as a Single-Word Trademark, 1985-2016



Surname Depletion – Jaro-Winkler Similarity Matches

- Surnames:
 - All but 19 of top 10,000 surnames (which cover 68.1% of population) are confusingly similar with an active trademark registration in 2016.

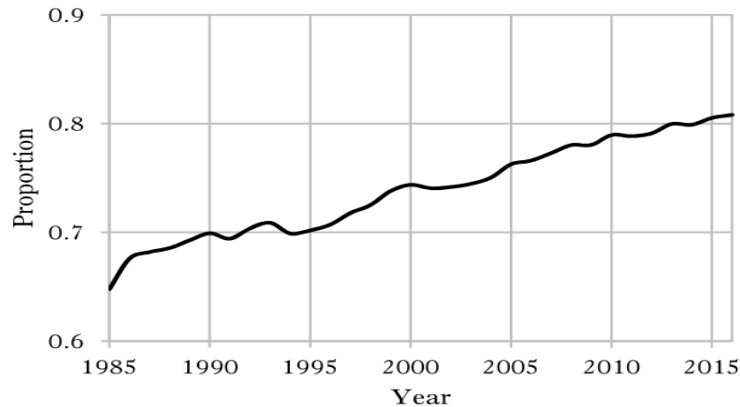
Figure 9: Number of 10,000 Most Frequently Occurring Surnames Triggering Jaro-Winkler Similarity Matches with Active Registrations in 2016 by Nice Class



One-Syllable Word Mark Depletion – Identical Matches

- 10,753 distinct syllables appearing in words of Corpus of Contemporary American English
- In 2016 5,632 (52.4%) were claimed as single-syllable marks
Proportion of All Syllable Usage Consisting of Syllables Registered as Single-Word Trademarks, 1985-2016

Figure 6: Proportion of All Syllable Usage Consisting of Syllables Registered as Single-Word Trademarks by Year, 1985–2016



One-Syllable Word Mark Depletion – Identical Matches

Table 2: Syllables Among the 100 Most Frequently Used Syllables Not Registered as Single-Syllable Trademarks in 2016

Frequency Rank	Arpabet Phonetic Transcription	Pronunciation Example
18	D IH	<u>din</u>
24	B IH	<u>bin</u>
31	S AH	<u>support</u>
32	R IH	<u>writ</u>
37	T AH	<u>tut</u>
39	IH	<u>big</u>
41	N AH	<u>nut</u>
44	M AH	<u>mut</u>
45	S IH	<u>signal</u>
47	DH ER	<u>other</u>
53	R AH	<u>rut</u>
58	T AH D	<u>stud</u>
69	P AH	<u>put</u>
76	L IH	<u>Linda</u>
78	M EH	<u>men</u>
79	M AH N T	<u>arrangement</u>
85	M IH	<u>minnow</u>
92	SH AH N Z	<u>stations</u>
93	T IH	<u>tin</u>
96	AE	<u>fast</u>

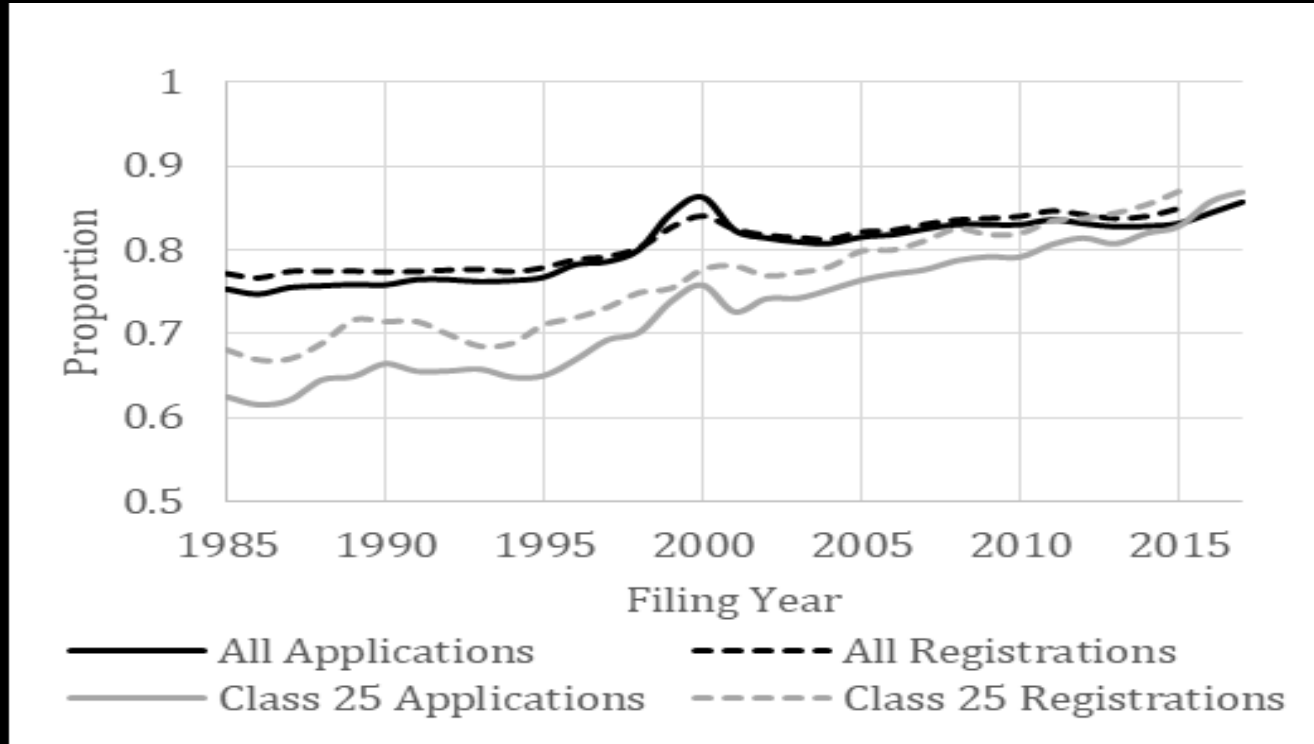
wuh, duh, gehn, gehnst, erf, gloud

.com Domain Names (2016 data)

- Words:
 - 77,340 of the 86,408 most frequently used words in English were registered as domain names in the .com top-level domain (representing 86% of all word usage).
- Surnames:
 - All but 813 of the 151,671 surnames listed in the U.S. Census data match a domain name (more than 90% of the U.S. population)
- Letter combinations
 - All two-letter combinations are registered
 - All but 36 of the 17,576 possible three-letter combinations are registered
 - 99.7% of the 456,976 possible four-letter combinations are registered

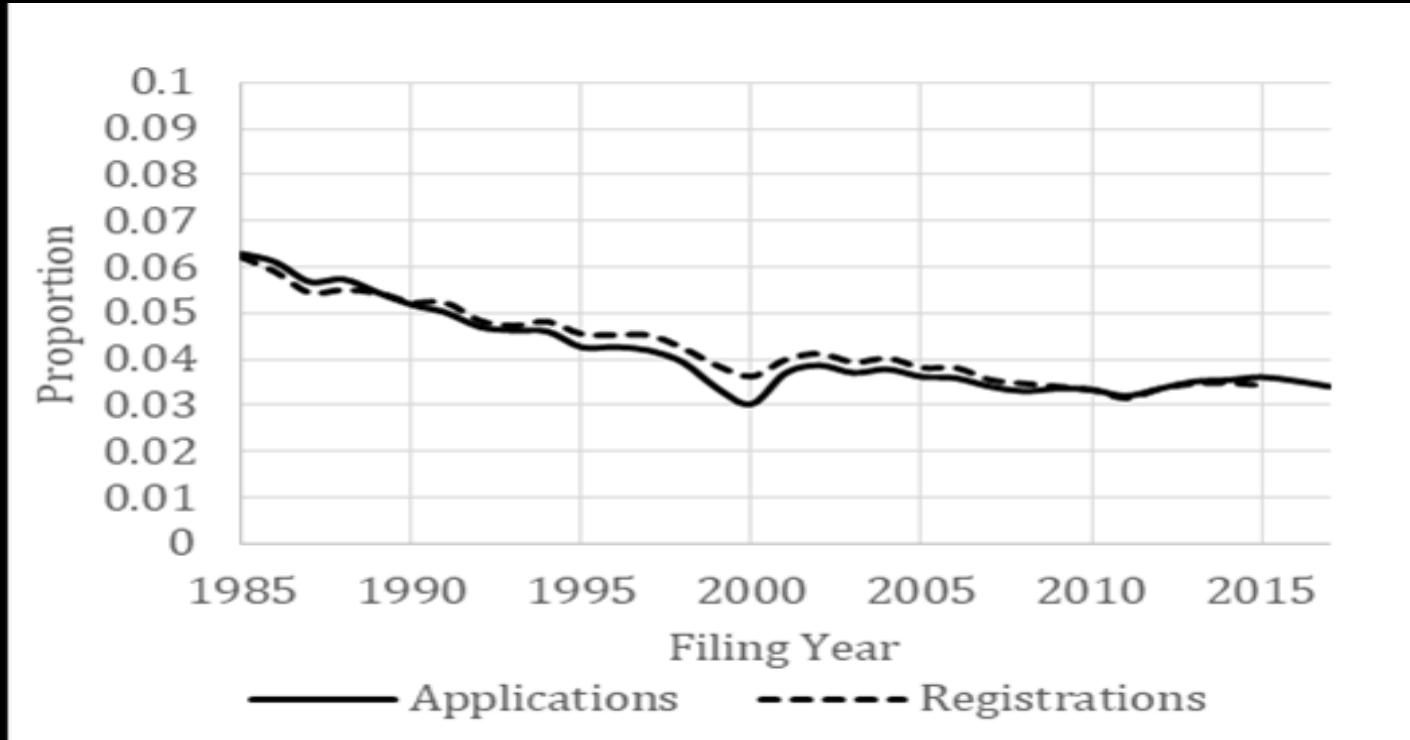
Trends in Marks Being Applied for and Registered

Proportion of Applications and Registrations of Single Word Marks Consisting of Neologisms, 1985-2017



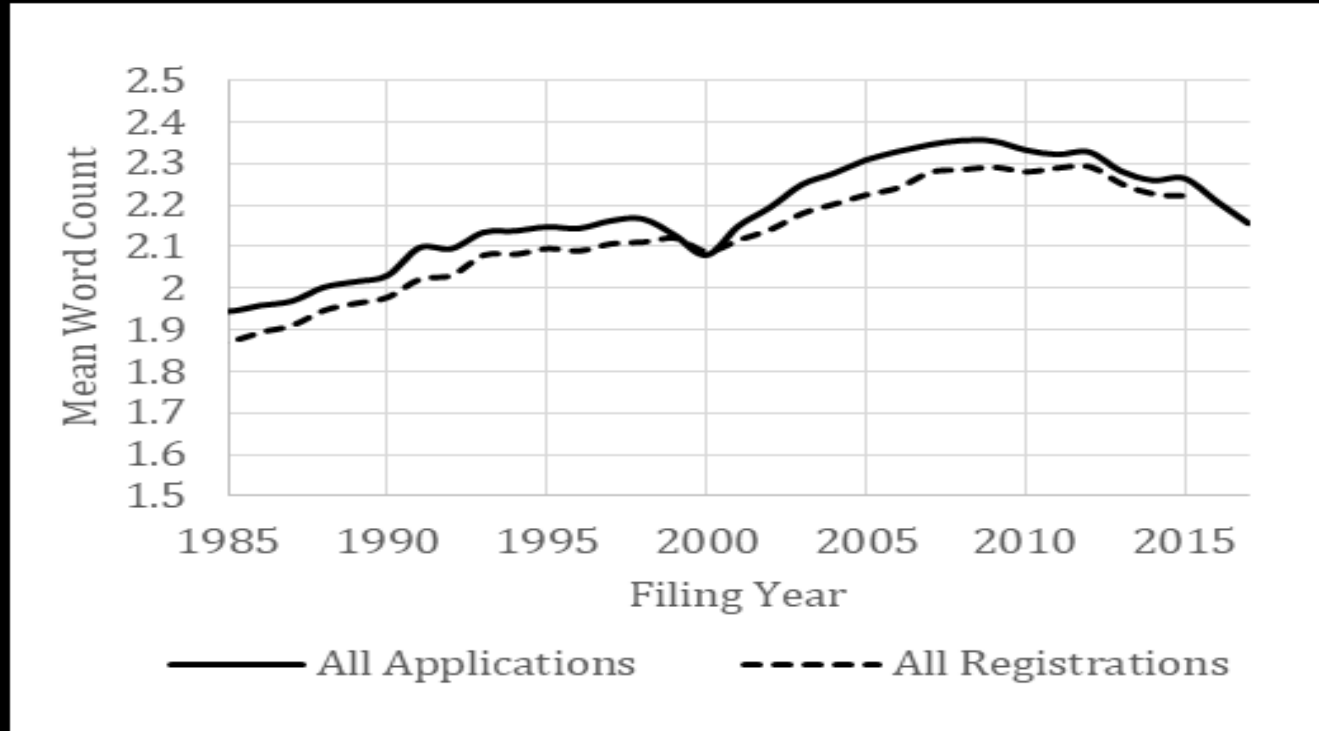
Trends in Marks Being Applied for and Registered

Proportion of Applications and Registrations of Single Word Marks Consisting of Surnames, 1985-2017



Trends in Marks Being Applied for and Registered

Length in Mean Word Count of Applied-For and Registered Marks by Filing Year, 1985-2017

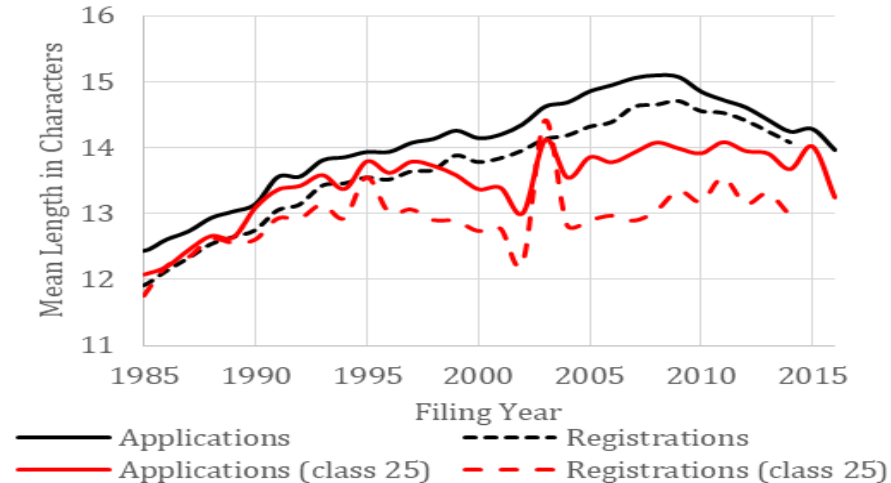


Trends in Marks Being Applied for and Registered

A shift towards applications consisting of longer word marks

Character Count

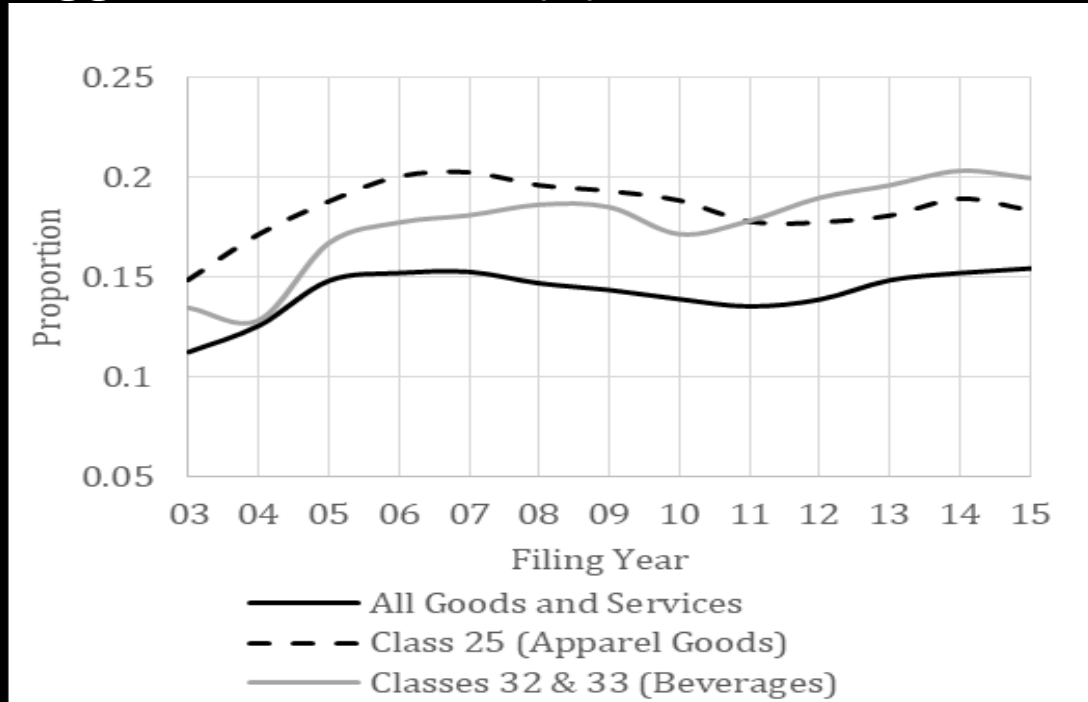
Figure 15: Length in Mean Character Count of Applied-For and Registered Marks by Filing Year, 1985–2016



Trends in Application Refusal Rates

Increasing Section 2(d) refusal rates:

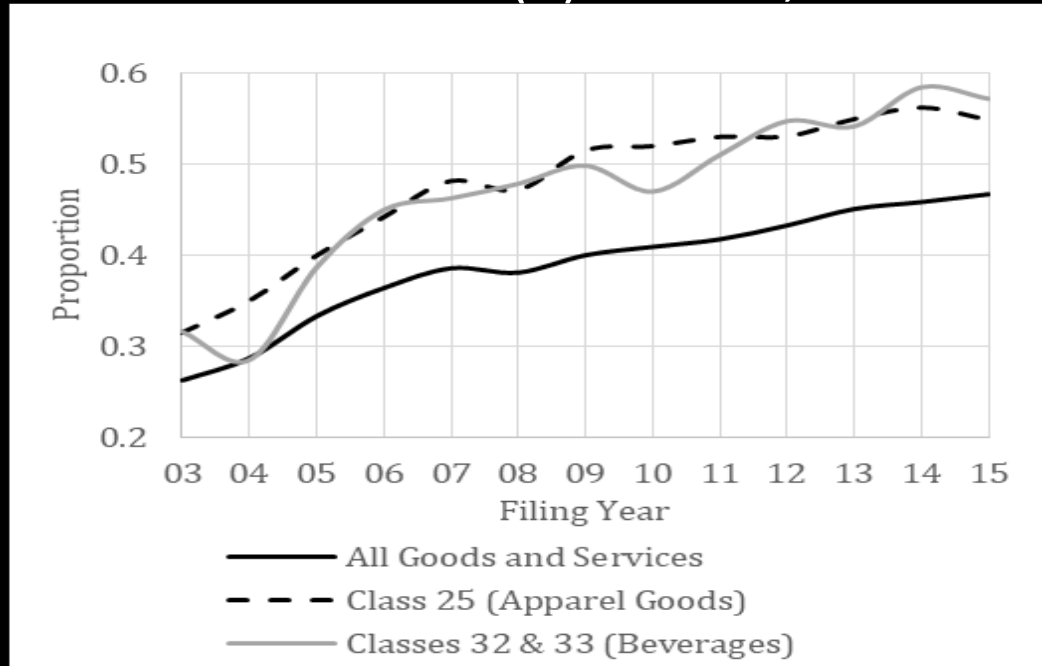
Proportion by Filing Year of Applications Containing Text That Triggered a Section 2(d) Refusal, 2003-2015



Trends in Application Refusal Rates

Of applications that failed, an increasing proportion are failing because of Section 2(d):

Proportion by Filing Year of Applications Failing to Publish that Received a Section 2(d) Refusal, 2003-2015



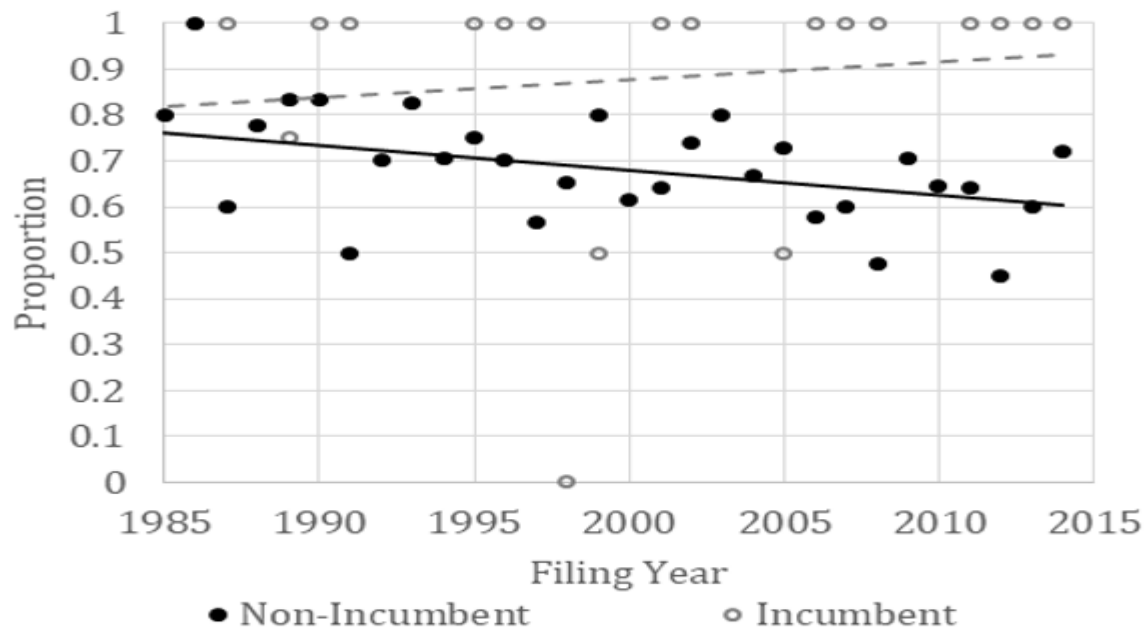
Incumbents Are Doing Fine

Words that were the most frequent subjects of single-word trademark applications at the PTO, 1985-2014

Table 4: Most Applied-For Single-Word Marks of Two or More Characters, 1985–2014

Word	N	Word	N
ECLIPSE	579	SMART	406
TITAN	555	ENCORE	396
IMPACT	540	APEX	388
FUSION	504	SPECTRUM	388
INFINITY	489	QUANTUM	388
GENESIS	475	MILLENIUM	386
EXTREME	421	GUARDIAN	385
ELITE	413	VISION	384
OASIS	413	INSIGHT	384
ADVANTAGE	409	REVOLUTION	376

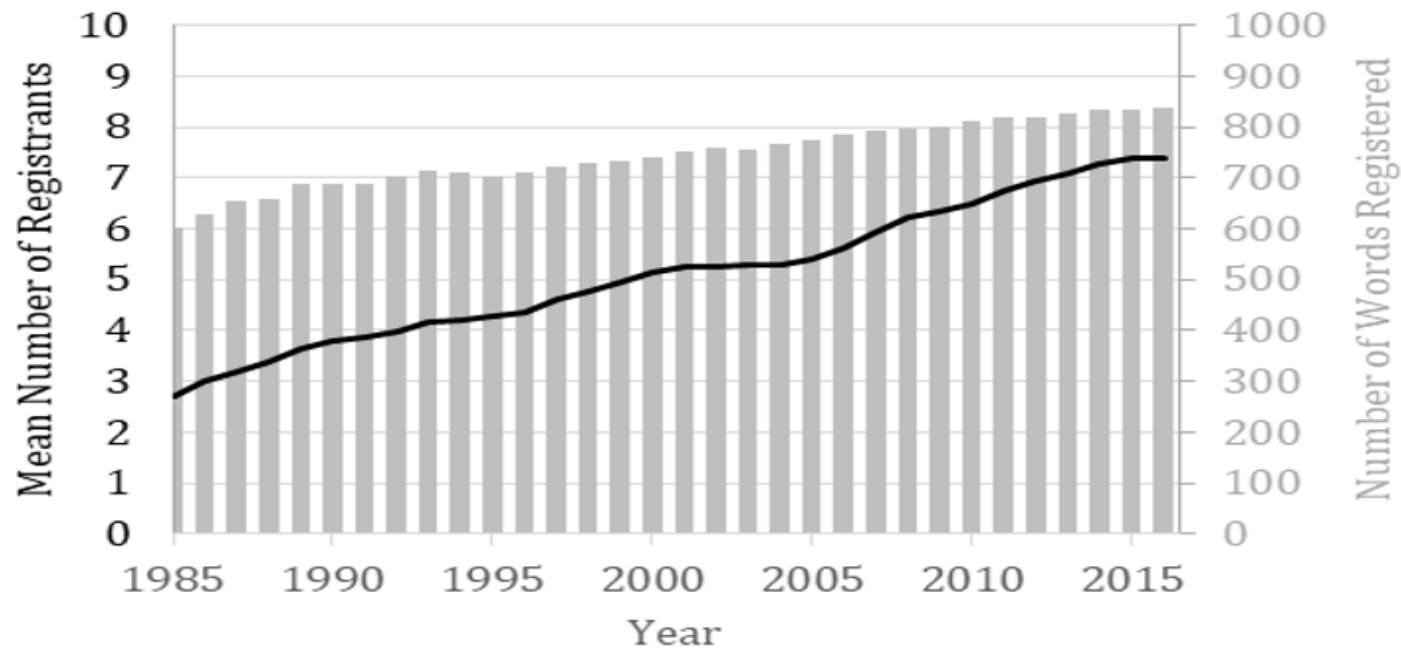
Figure 21: Incumbent vs. Non-Incumbent Publication Rates by Filing Year for the Mark ECLIPSE, 1985-2014



Word Mark Congestion

- Trademark congestion is the process by which, for any particular trademark that has already been claimed, that mark is claimed by an increasing number of different trademark owners.
- The example of ACE
 - First registered in 1949 for adhesive bandages
 - Registered for hardware goods in 1985 and for hardware store services in 1987
 - By 2016, 130 different registrations owned by 95 different registrants across the various classes of goods and services.
- Why is congestion a problem?
 - Parallel registrations dilute the uniqueness and distinctiveness of a mark
 - Parallel registrations increase consumer search costs

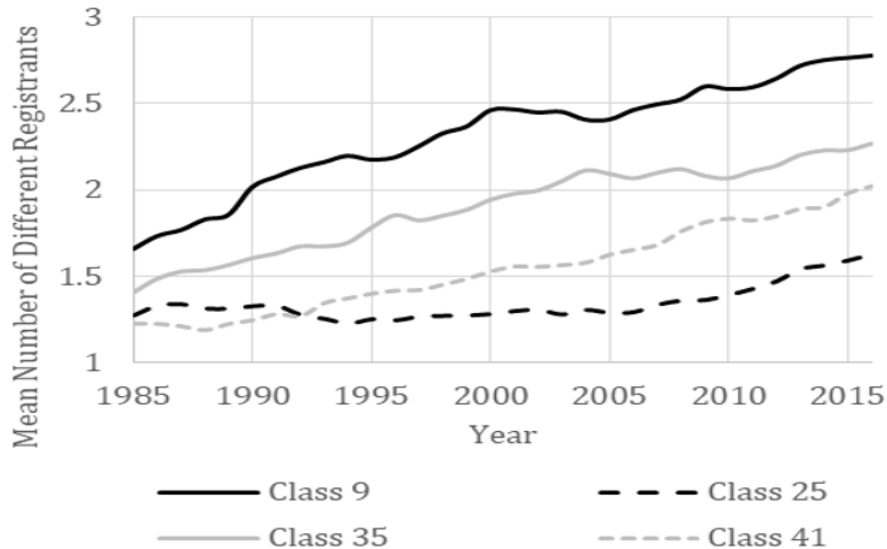
Figure 23: Number of 1,000 Most Frequently Used Nouns or Adjectives Registered as Single-Word Trademarks and Mean Number of Registrants Per Noun or Adjective by Year, 1985-2016



Word Mark Congestion

Increasing parallel registrations of common words in particular classes

Figure 25: Mean Number of Registrants Per Word for Single-Word Trademarks Consisting of 1,000 Most Frequently Used Nouns or Adjectives by Year, 1985-2016

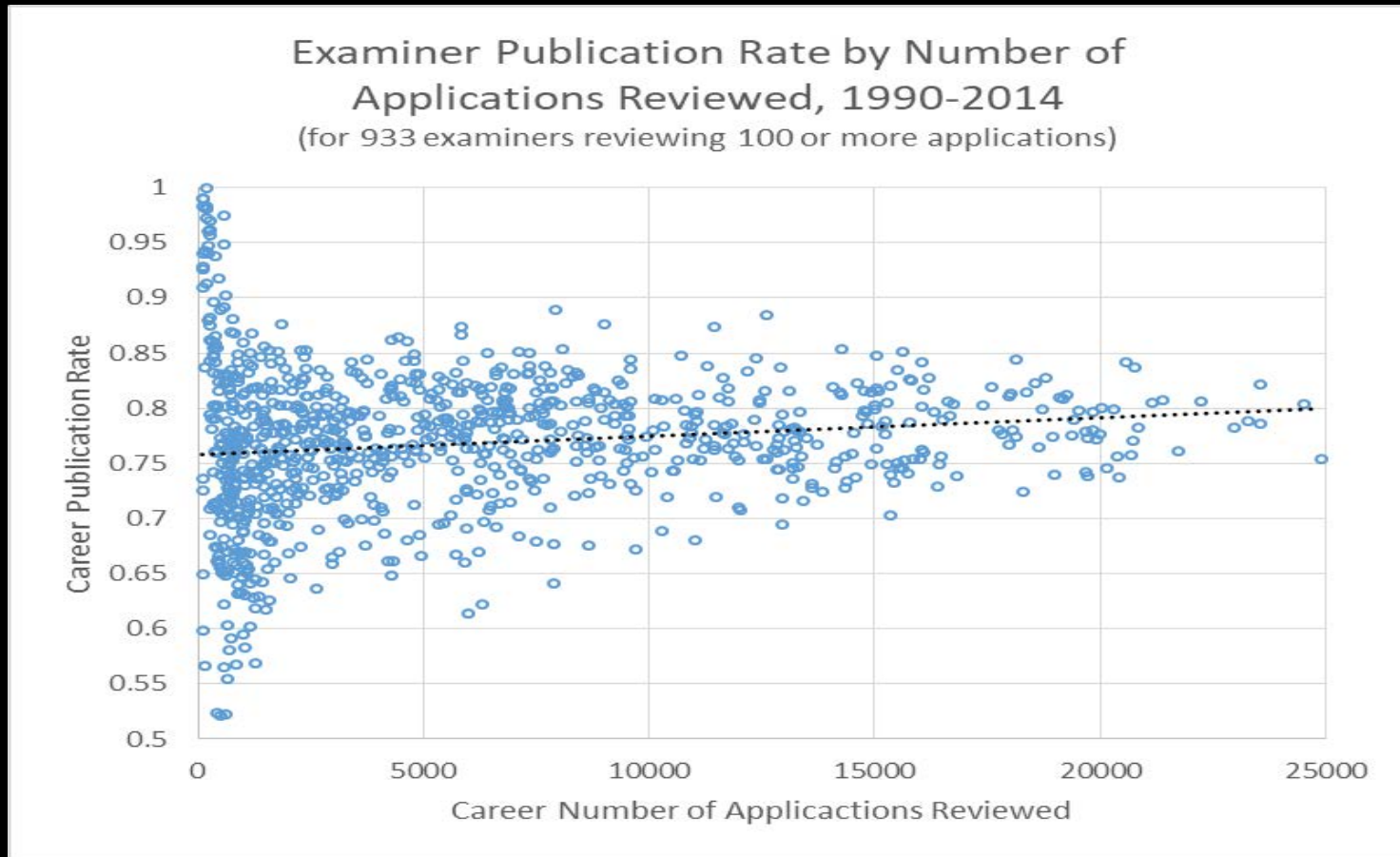


Policy Implications

- Harms:
 - Effects on competition: Additional barrier for new entrants
 - Increased consumer search costs as mark complexity and congestion increase
 - Costs to the public domain: chilling effect of registered marks on speech
- “Possible” reforms:
 - Pre-Registration
 - Heightened secondary meaning requirement for descriptive marks
 - Post-Registration:
 - Increased maintenance and renewal fees (and registration fees)
 - Uniform vs. congestion pricing
 - Auditing
 - Trademark use requirement / PTO Post-Registration Proof of Use Pilot Project and permanent rule
 - Mechanisms to expunge registrations
 - Streamlined cancellation and expungement proceedings
 - Caution in granting incontestability
 - Use of empirical data in mark registration and infringement litigation

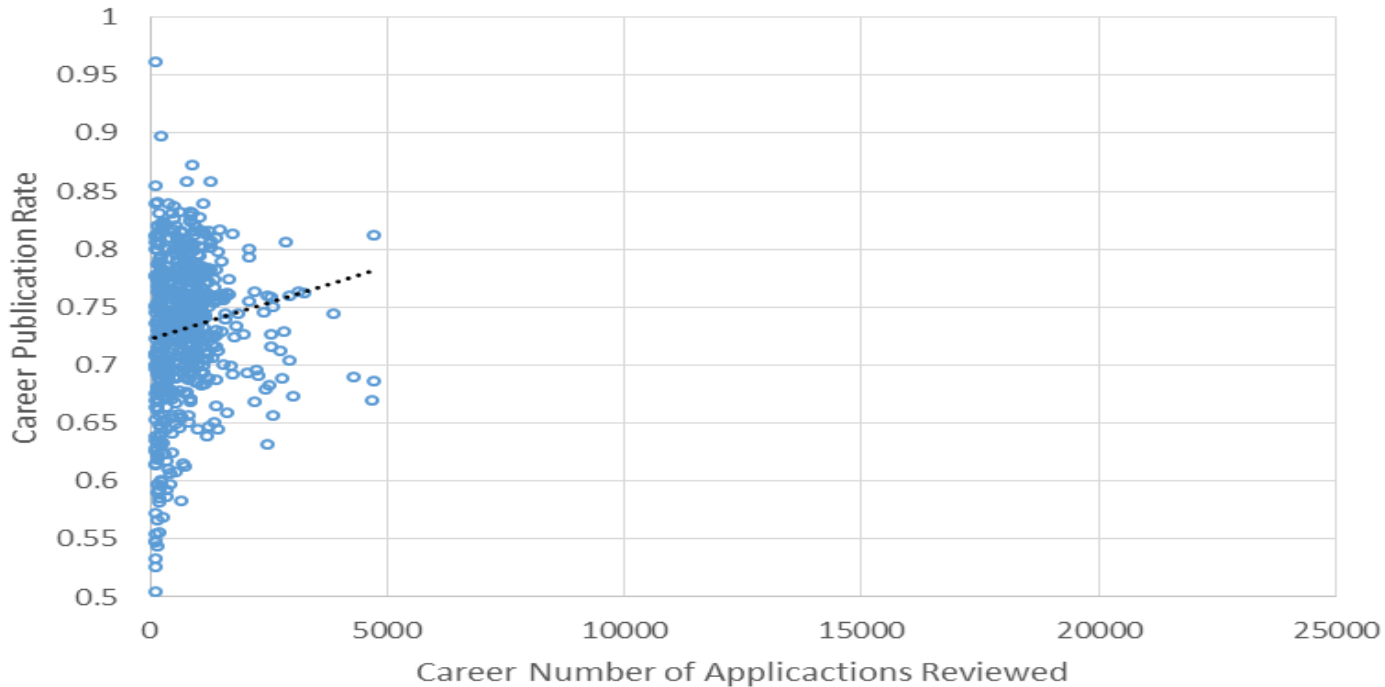
New Preliminary Results

More Experienced Examiners Have Slightly Higher Career Publication Rates



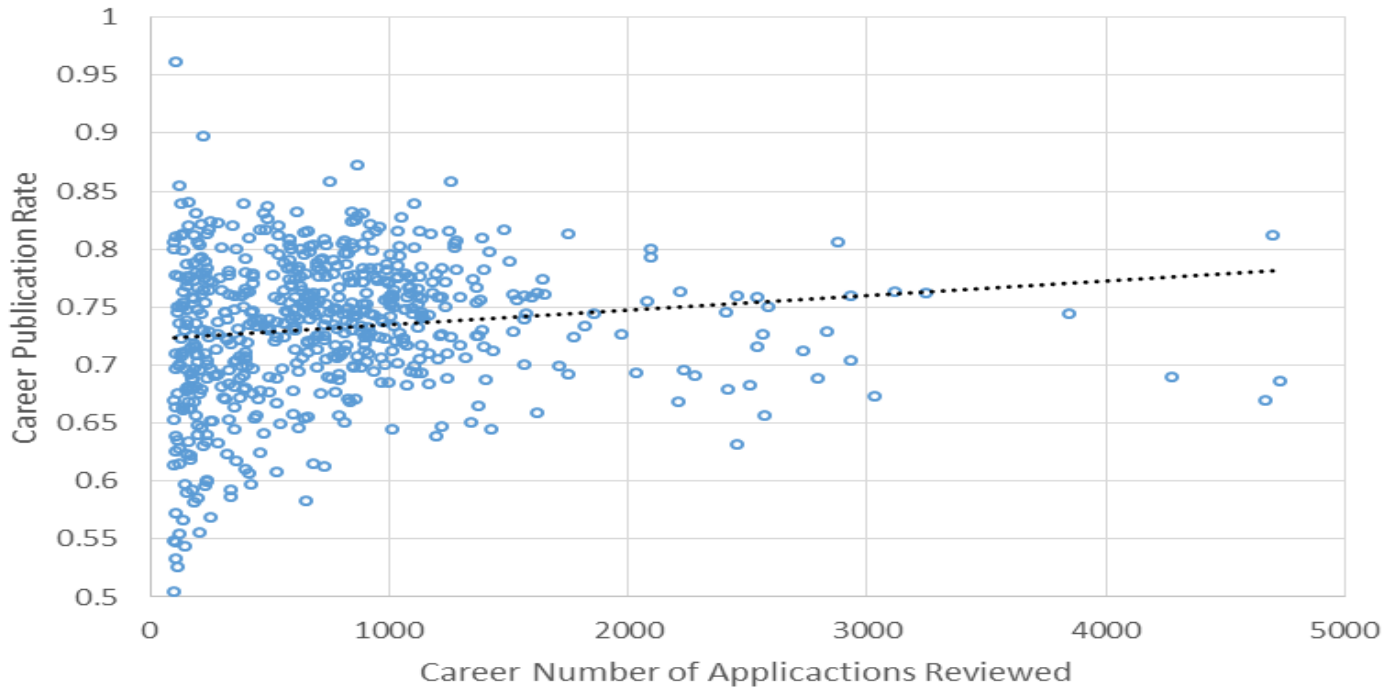
More Experienced Examiners Have Slightly Higher Career Publication Rates – Class 25

Examiner Publication Rate in Class 25 by Number of Applications Reviewed in Class 25, 1990-2014
(for 622 examiners reviewing 100 or more applications in Class 25)



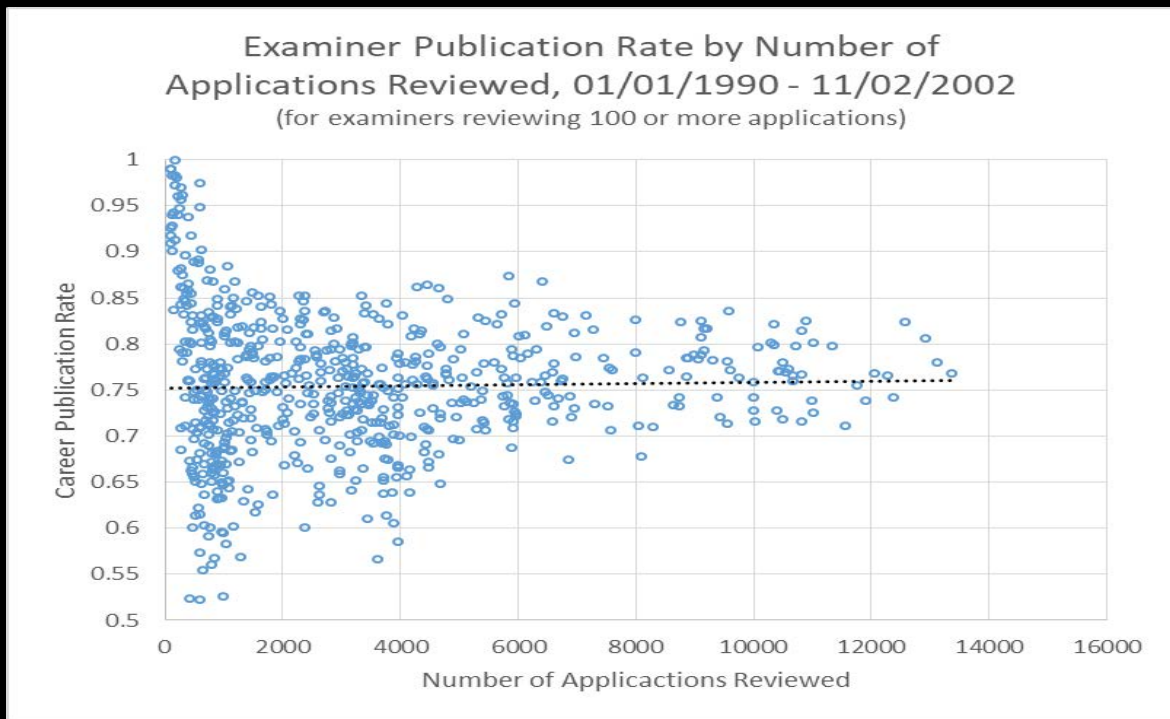
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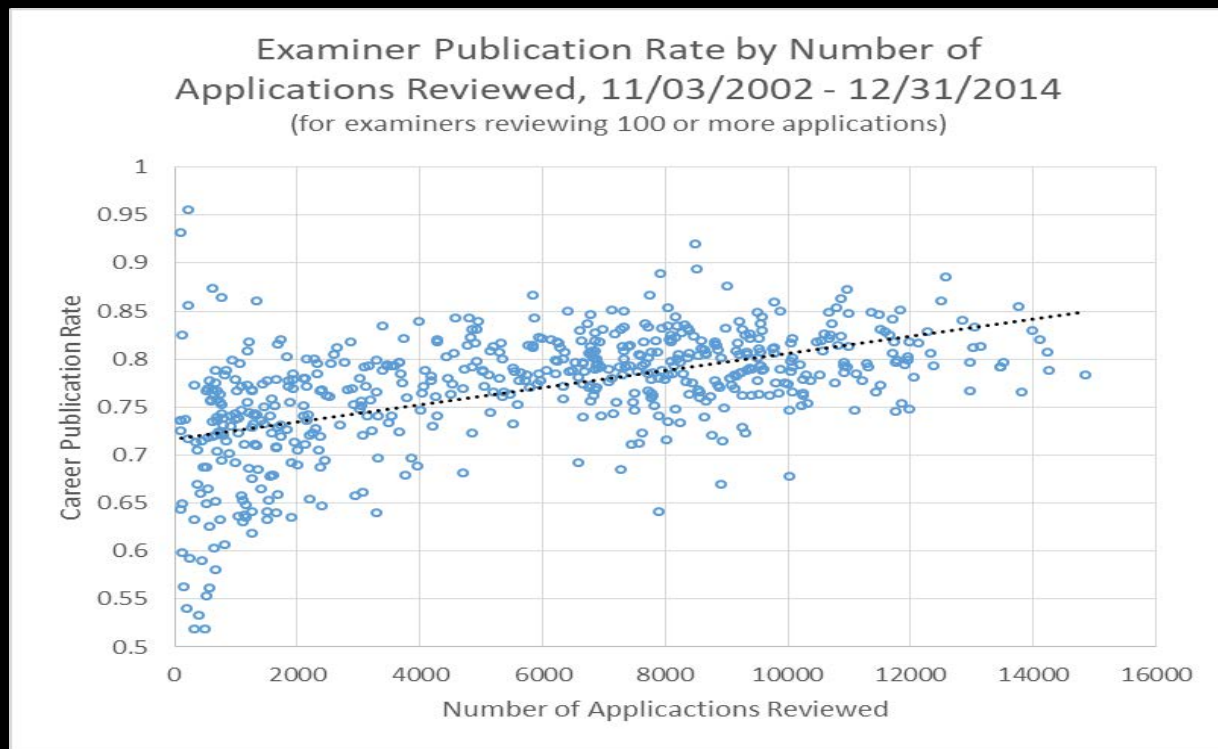
The Period Following Examiner De-Specialization Shows a More Dramatic Effect of Experience

Period 1 – Specialized Examiners



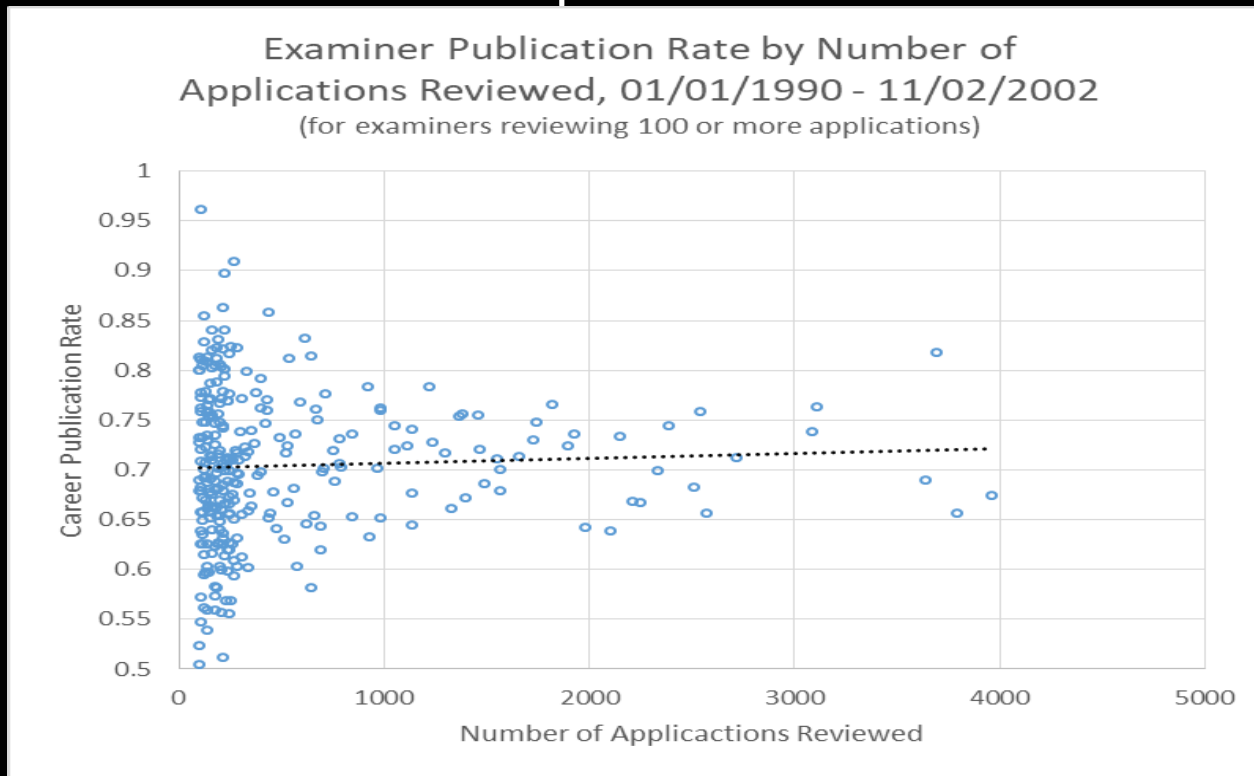
The Period Following Examiner De-Specialization Shows a More Dramatic Effect of Experience

Period 2 – Non-specialized Examiners



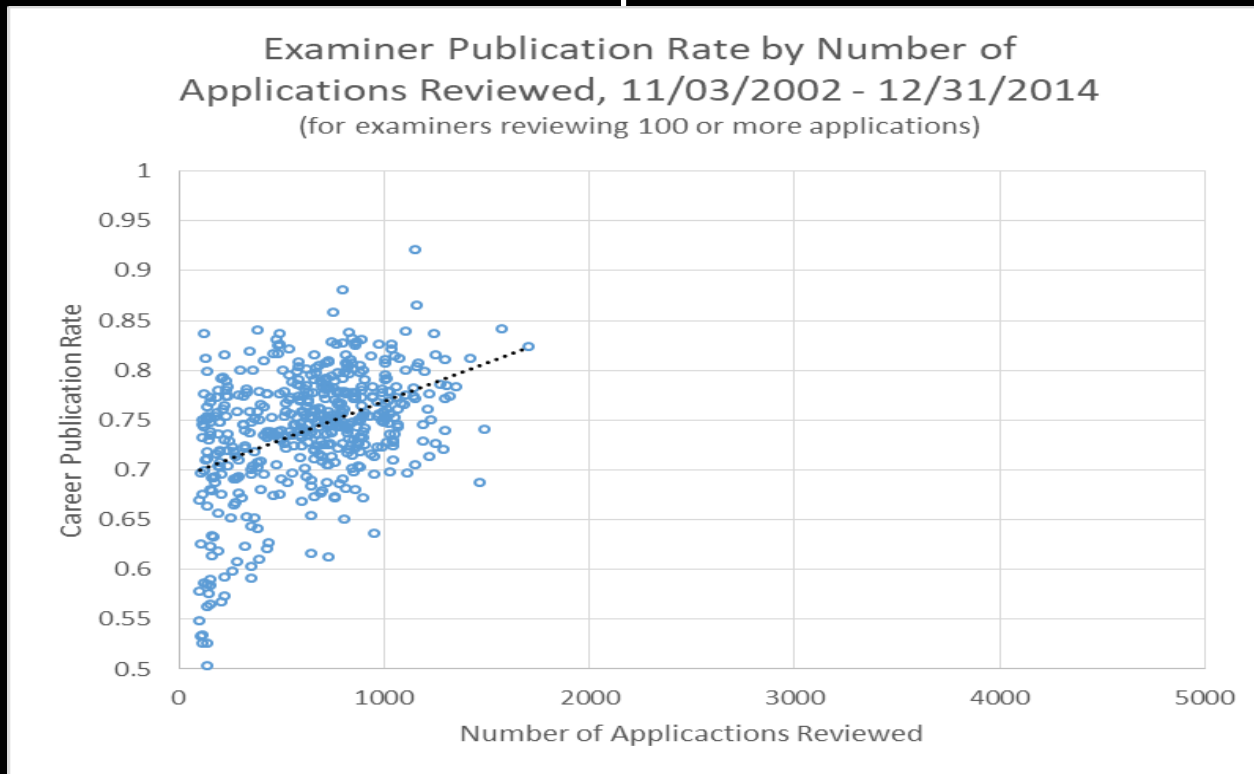
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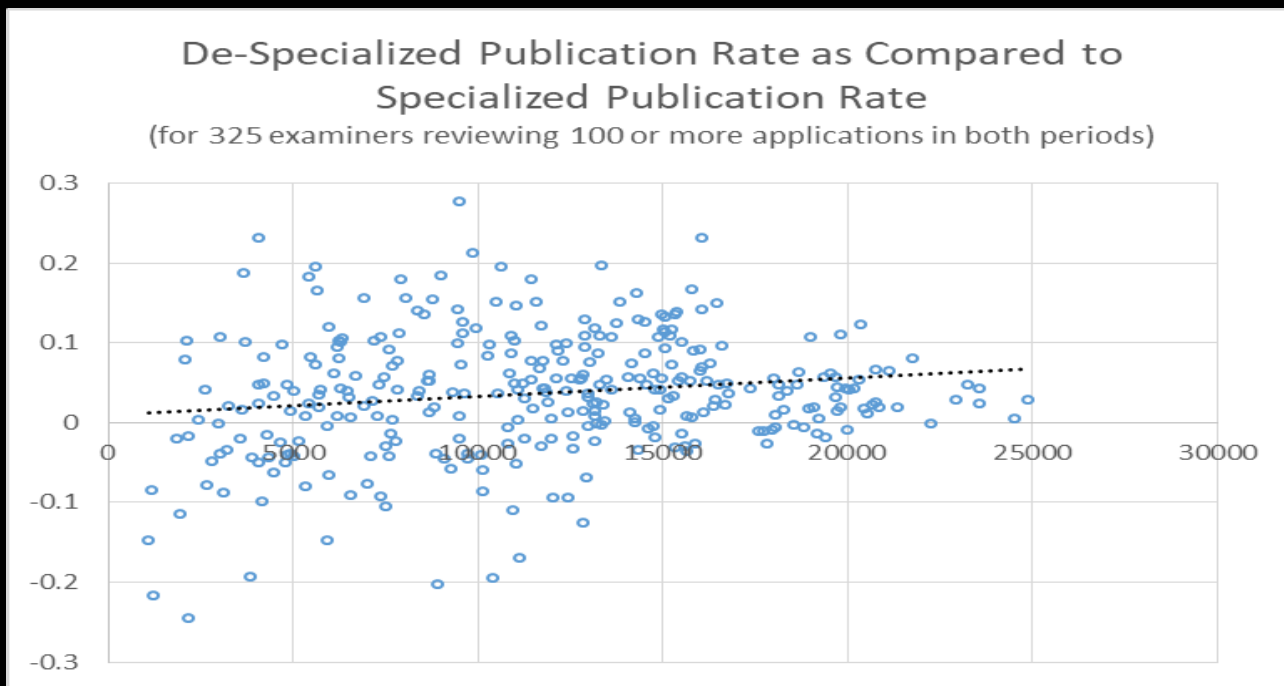
The Period Following Examiner De-Specialization Shows a More Dramatic Effect of Experience – Class 25

Period 2 – Non-specialized Examiners



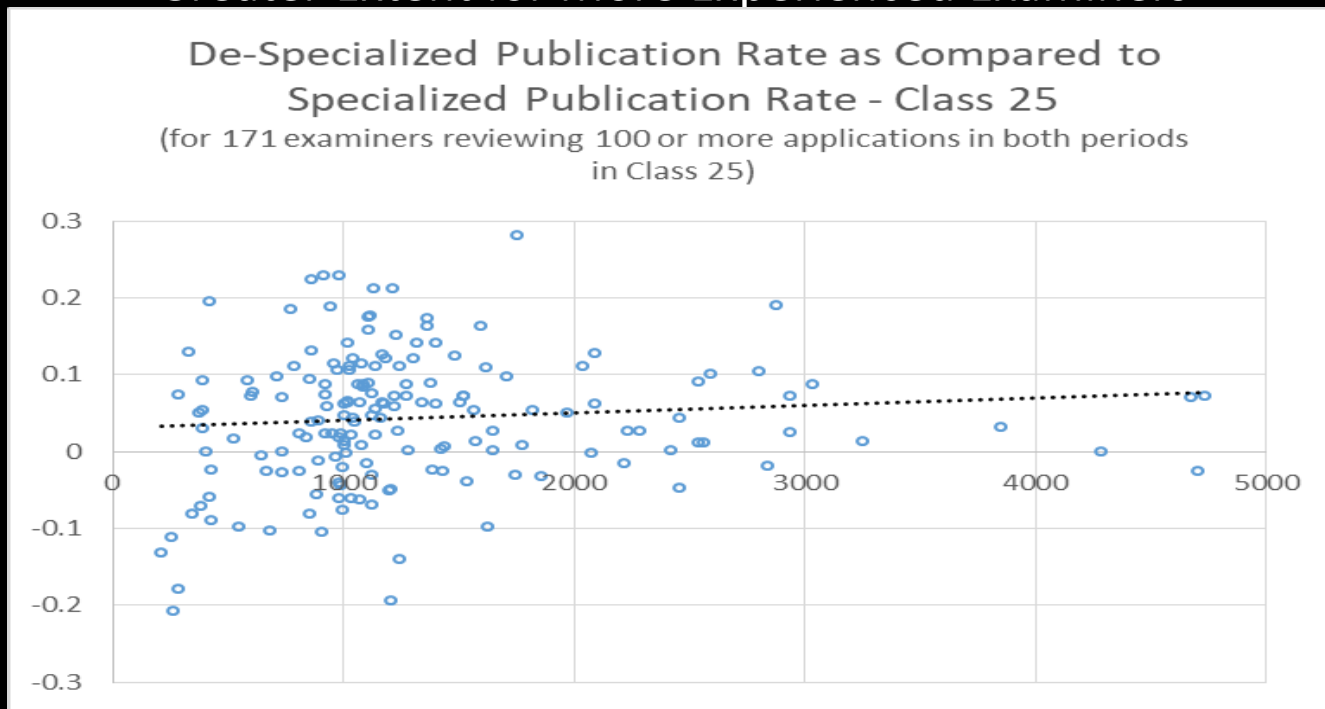
Changes in Individual Examiner Publication Rates from Period 1 to Period 2

Most Individual Examiner Publication Rates Increased in Period 2 and at a Greater Extent for More Experienced Examiners



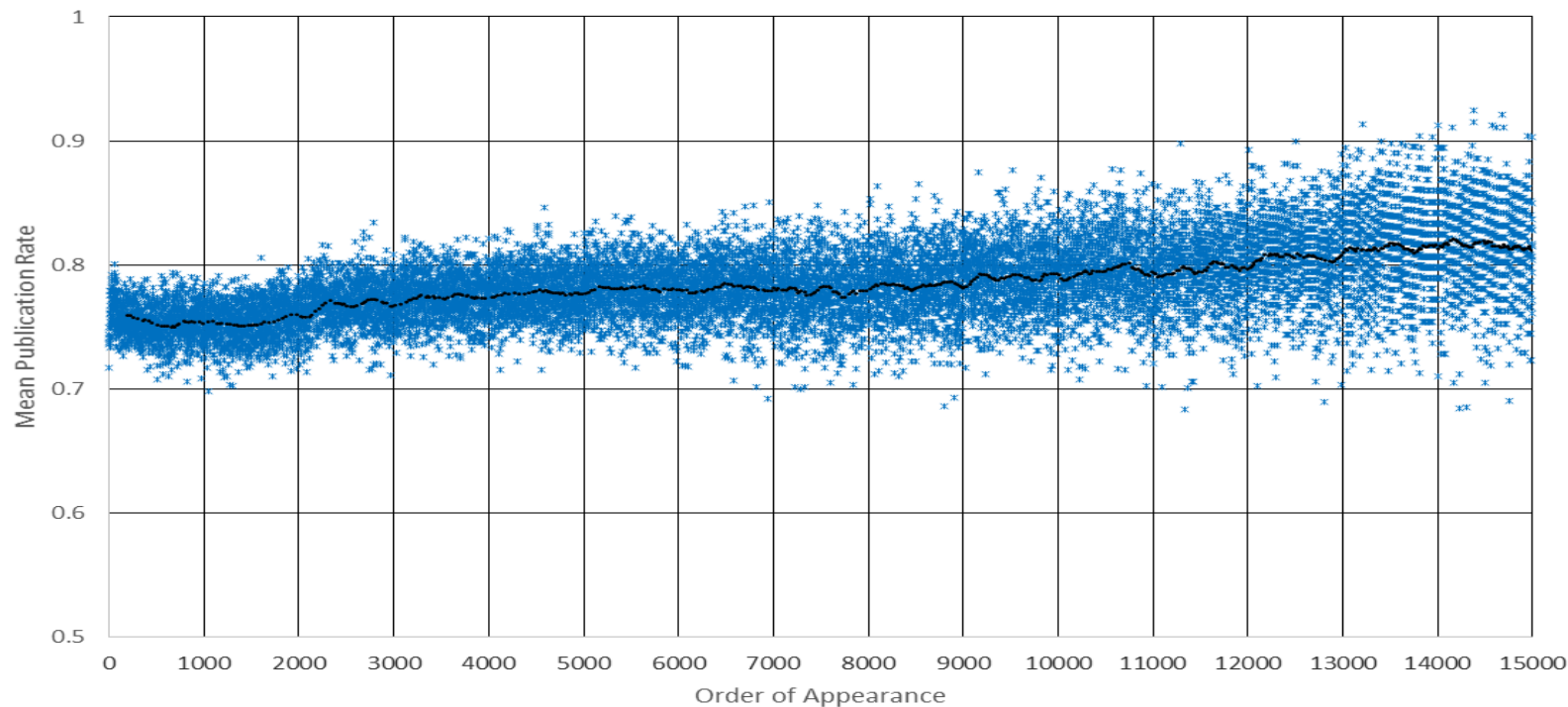
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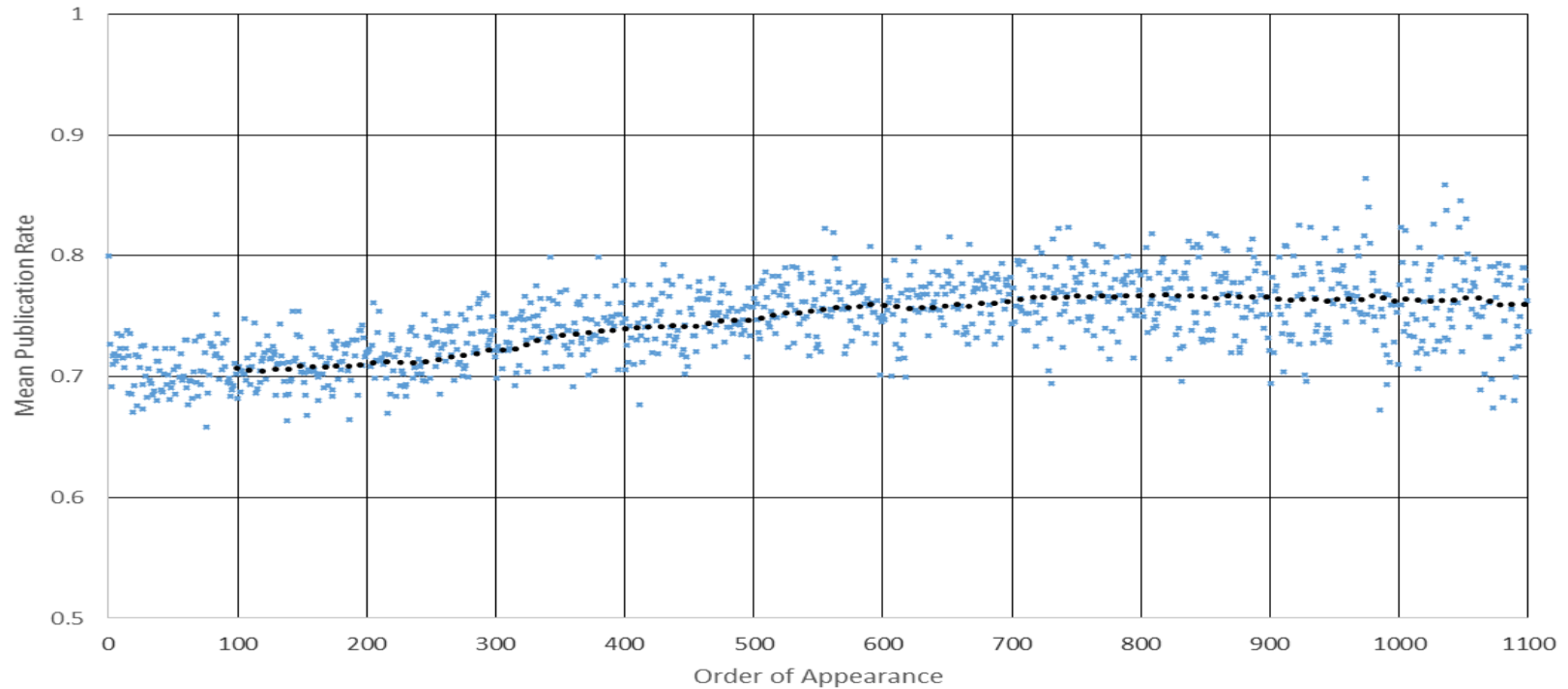
Applications Before More Experienced Examiners Have Higher Publication Rates

Mean Publication Rate of Applications by Their Order of Appearance Before Examiners, 1990-2014



Applications Before More Experienced Examiners Have Higher Publication Rates – Class 25

Mean Publication Rate of Applications by Their Order of Appearance Before Examiners, Class 25, 1990-2014



Forthcoming Work

- Comparing examination post-despecialization by examiners with specialized experience in a class vs. those without
- Refusals, overcoming refusals, and non-refusals for words adjudged to be immoral or scandalous (*Brunetti*)
- Characteristics of trademark applications of Chinese origin

COMPANY LAWYER

I DID A TRADE-MARK SEARCH ON ALL OF THE EXCELLENT PRODUCT NAMES YOU SUGGESTED.



E-mail: SCOTTADAMS@AOL.COM

EVERY ONE OF THEM IS TAKEN.



SO I DID A SEARCH ON THE NAMES THAT WEREN'T SO GREAT.



© 2007 Scott Adams, Inc./Dist. by UFS, Inc.

THOSE ARE TAKEN TOO.



THEN I CHECKED ON THE NAMES iCRUD, iPUKE, EATDIRT-ANDDIE, AND DEFECTIVEPRODUCT.



ALL TAKEN.



SO OUR NEW PRODUCT NAME WILL BE A COMBINATION OF GRUNTS AND SHRIEKS.



www.dilbert.com
4-15-97

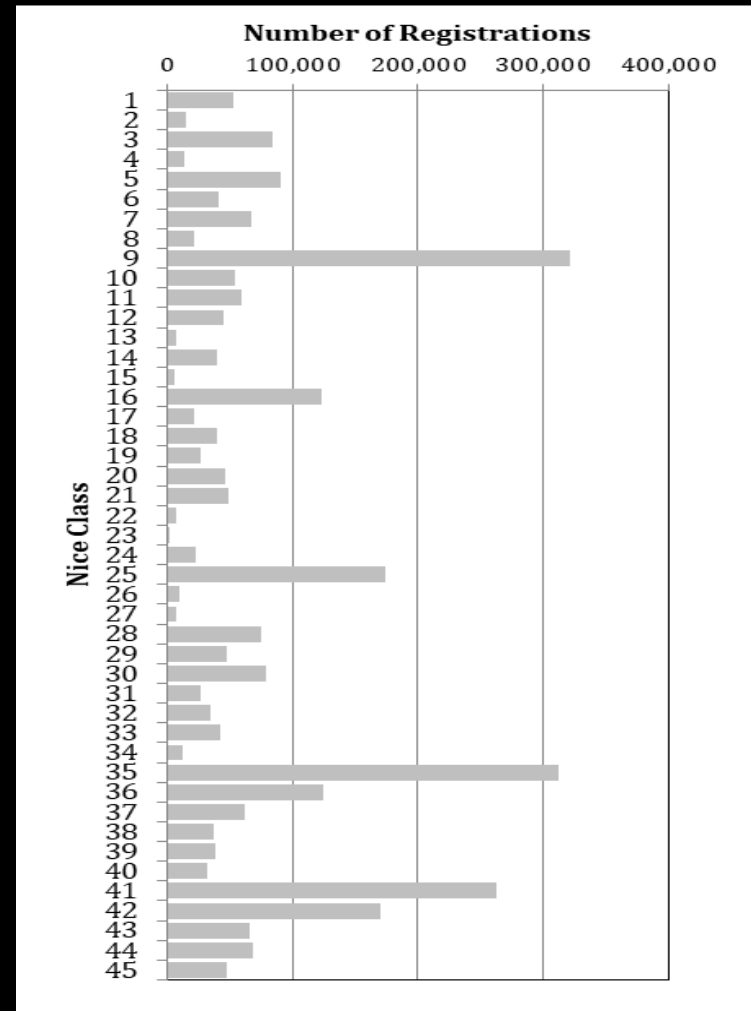
LIKE THIS?
GRRRR-
EEY-
YAAA?



THAT ONE IS TAKEN. OURS SOUNDS MORE LIKE A MONKEY PASSING A KIDNEY STONE.

Active Trademark Registrations at the U.S. PTO by Nice Class in 2017

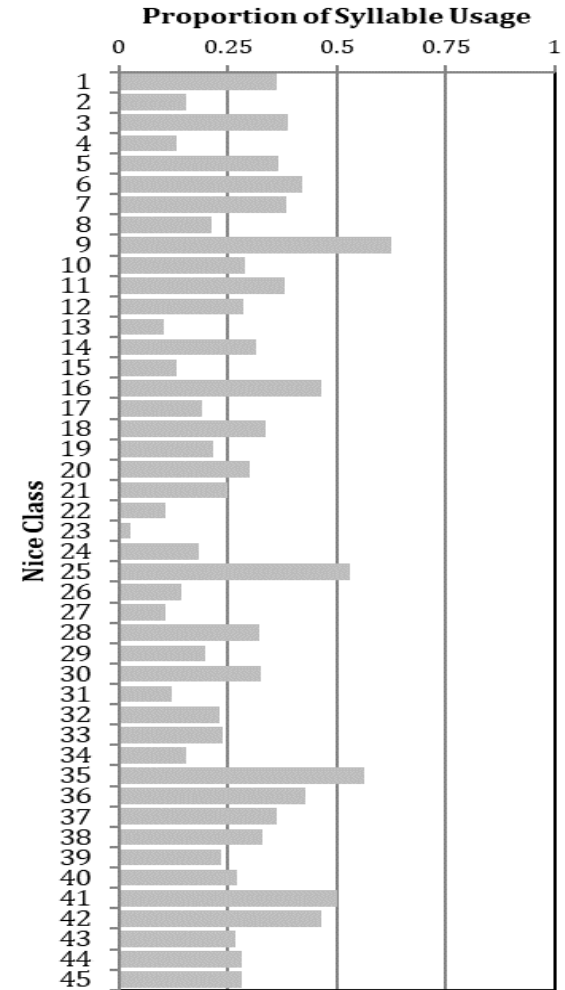
- Class 5 (pharmaceuticals)
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- Class 41 (entertainment services)
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Proportion of All Syllable Usage Consisting of Syllables Registered as Single-Word Marks in 2016 by Nice Class:

Identical Matches

- Class 9 (electronics, computer goods)
- Class 16 (printed matter goods)
- Class 35 (business administration services)
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Trademark Protection in Europe: Options and Strategies

João Negrão
Director of the International Co-operation and Legal Affairs
Department, EUIPO and
Gordon Humphreys
Chairperson of the 5th Board of Appeal, EUIPO

Scenario

Tonein company, a Silicon Valley start-up, founded in 2016

- USPTO application in Dec. 2018 for word mark 'TONEIN'
- Cl. 9 voice recognition software for self-drive cars and semi-automated vehicles
- Current geographical areas of interest: EU, Mexico and China
- What TM protection options are there?



1. Direct Route - EUTM

- **EUIPO** administers EUTMs and Registered Community Designs (RCDs) for EU-28 (**512 million citizens**).
- 1 filing; 1 fee
- **Costs (on-line):**
 - ✓ EUR 850 (USD 973) one class of G&S
 - ✓ EUR 50 (USD 57) second class
 - ✓ EUR 150 third class
 - ✓ Renewal: EUR 850 (USD 973)
- More info: <https://euipo.europa.eu/ohimportal/en/fees-payable-direct-to-euipo>
- **Validity: 10 years**



1. Direct Route - EUTM

Salient features:



by: https://i.pinimg.com/464x/ef/8d/ef8d71b2a2f5033ed1984c055b1d8a97d07e03421fac10449117c57a0b490bb_960.png
Free For Commercial Use / No Attribution Required (<https://creativecommons.org/publicdomain/zero/1.0/>)
Photo Attribution by PhotosForWork.com

- No use requirement at time of EUTM application
- Must use EUTM within 5 years or face possibility of third party cancellation actions
- Wider specifications accepted, provided they are clear and precise.
- *Ex parte* AG examination (23 languages) and third party opposition and cancellation proceedings (not *ex officio*).

1. Direct Route - EUTM

Salient features (cont'd):

- 20% of EUTM applications are opposed so check availability of TM – e.g. use TMVIEW (data from 62 jurisdictions, in 35 languages and free)
- Decisions of EUIPO can be appealed to:
 - ✓ EUIPO Boards of Appeal
 - ✓ General Court of the EU (Luxembourg)
 - ✓ Court of Justice of the EU (Luxembourg) but only on a point of law



2. Madrid Protocol

Generalities




- International Registrations (IRs) administered by WIPO (Geneva) under the Madrid Protocol
- 103 signatory countries and regional organizations (incl. EU, Mexico and China)
- USPTO can be used to forward the IR application if:
 - Applicant has a place of business in the US;
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 - IR application is for the same sign and G&S (or narrower)



2. Madrid Protocol

Process

- Originating office (here USPTO) checks and certifies identity of sign/G&S (USD 100/Class via TEAS) 
- Brief formal check at WIPO of application before:
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 - ✓ Notifying designated territories that protection is sought
- TM offices of each territory designated have 18 months to examine the protection request (applying their own trademark norms).
- If no refusal to grant protection is made within that period => protection automatically granted.

2. Madrid Protocol

Pitfalls

- For first 5 years, IR depends on the validity of the basic application/registration.
- Consequences:
 - ✓ If the basic application is successfully attacked, the IR falls ('central attack')
 - ✓ Centrally attacked IRs can be transformed into national applications but at additional expense
- Be conscious of 'first to register' system of earlier rights in Europe and many other countries => avoid delay applying for IR :
 - ✓ Need proper clearance searches
 - ✓ Risk of TM squatters
- Unintended meaning of TM in language of target territory



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Costs

- Basic fee
 - ✓ CHF 635 (USD 645) or
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- Variable fees
 - ✓ Fee for each territory designated
 - ✓ Class fees
- More information: https://www.wipo.int/madrid/en/fees/ind_taxes.html



3. Individual Route

- In EU:
 - ✓ 26 individual applications (Benelux TM office combines Belgium, Netherlands and Luxembourg) or
 - ✓ In an IR, make individual designations of EU Member States rather than designating the EU *en bloc* or
 - ✓ Designate some MS in IR and extend later if needed



3. Individual Route

- **Advantages:**
 - ✓ Could claim priority from US applications (if requirements met)
 - ✓ Each filing is independent and must be attacked separately
- **Disadvantages**
 - ✓ Costs
 - ✓ Heavier admin.



Final Tips

- Clearance searches (TMVIEW, DSVIEW)
- Potential meanings of TM in target territories
- Weigh-up:
 - ✓ Admin. convenience
 - ✓ Cost savings of IR
 - ✓ Exposure to central attack
 - ✓ Confinement to same (or narrower) G&S as basic application



Final Tips

- Consider direct EUTM if 3 or more Member States targeted
- Use EUIPO's Harmonized Database (+ 70,000 terms) for G&S to expedite EUTM application



- Avail of accelerated EUTM application possibility
- Consider individual TM applications or national designations if due diligence reveals possible problems in any territory.



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Thank you

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by: bernt, https://i.pinimg.com/originals/1b/2a/50/1b2a5073ed1194e055b1d8a97d67ee3d21aac10449117c7a8b4ebbb_960.png
Free for Commercial Use / No Attribution Required (<https://creativecommons.org/publicdomain/zero/1.0/>)
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 - ✓ Designate some MS in IR and extend later if needed



3. Individual Route

- Advantages:
 - ✓ Could claim priority from US applications (if requirements met)
 - ✓ Each filing is independent and must be attacked separately
- Disadvantages
 - ✓ Costs
 - ✓ Heavier admin.



Final Tips

- Clearance searches (TMVIEW, DSVIEW)
- Potential meanings of TM in target territories
- Weigh-up:
 - ✓ Admin. convenience
 - ✓ Cost savings of IR
 - ✓ Exposure to central attack
 - ✓ Confinement to same (or narrower) G&S as basic application



Final Tips

- Consider direct EUTM if 3 or more Member States targeted
- Use EUIPO's Harmonized Database (+ 70,000 terms) for G&S to expedite EUTM application



- Avail of accelerated EUTM application possibility
- Consider individual TM applications or national designations if due diligence reveals possible problems in any territory.



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Thank you

McCarthy Institute Symposium 2019

NYU

Joe Ferretti, VP & Chief Counsel, Global Snacks Group &
Global Trademarks
PepsiCo, Inc.

PepsiCo Trademark Portfolio

55,000+ Trademarks Globally



Strong Global Brands



PepsiCo has 22 Brands that Each Generate \$1 Billion or More in Estimated Annual Retail Sales

Scenario #1:





Introducing
FLAT EARTH™
brand fruit & veggie crisps.

COME ON IN

FLAT EARTH™ crisps are a new brand of snacks that combine the nutrition of real fruits and vegetables with great taste. They're an IMPOSSIBLY GOOD™ snack you and your whole family will love! They're already in select locations of your favorite grocery store or one of those big retailers. Just look in the produce section or where other nutritious snacks are sold.



Deciding what Trademark Applications to file





Scenario #2:





pure
coconut water

Naked[®]



WITH OTHER NATURAL FLAVORS



NO SUGAR ADDED

90
CALORIES
PER CONTAINER

16.9 FL OZ (1.05PT) 500mL

