

The Name Game

# Policing Your Trademarks

By Deborah A. Hampton

*Deborah A. Hampton, Trademark Manager for Limited Brands/Victoria's Secret, is a scheduled speaker in the Corporate Law track at NALA's annual convention in Kansas City, MO. Her presentation will be on "Implementing Effective Policing and Enforcement Initiatives to Protect Trademarks."*

I showered with LOVE SPELL™ body wash, washed my face with NOXZEMA® facial cleansing cream and brushed my teeth with CREST® toothpaste. I put on a little OBSESSION® perfume and, OIL OF OLAY® moisturizing lotion, CHAPSTICK® lip balm and corrected my MAYBELLINE® cosmetics with KLEENEX® tissue and Q-TIPS® cotton swabs. I changed into my JONES NEW YORK® casual clothing and headed downstairs to start the BRAUN® coffeemaker for a cup of MAXWELL HOUSE® coffee and made breakfast. I made some THOMAS'® English muffins, BROWN 'N SERVE™ sausage patties, OSCAR MAYER® bacon and AUNT JEMIMA® pancakes with MRS. BUTTERWORTH® maple syrup. I sat down at my Dell DIMENSION® personal computer and started typing this article.

A trademark is any name, symbol, slogan, logo or combination of these used to identify the source and ownership of a product.

Trademarks can also be smells, sounds, and product designs such as the Coca-Cola® bottle. The primary function and purpose of a

trademark is to distinguish the goods and services of one manufacturer or seller from the goods and services sold by others.

A trademark has a dual role; it benefits the trademark owner as well as the

consumer. An owner who takes pride in his product needs the trademark to ensure that satisfied consumers become repeat buyers. The trademark stands as a symbol of the origin and the quality of the product. The consumer needs the trademark to help remember what he or she bought before with satisfaction.

Once a trademark has been adopted and used by its owner, it must be used correctly throughout its lifetime to remain a trademark. An enormous amount of time and money is spent clearing a mark for use and registration, then the owner is faced

with the most difficult aspect of trademark ownership: policing the mark. If policed properly, the rights to a trademark can last forever, the only intellectual property afforded this right.

To protect the proprietary rights to a trademark, it must be used properly both internally within the business and externally in the public. The owner must also enforce its rights against infringement by third parties. If a trademark is not used correctly, it can become generic and lost to the public domain open to use by all—effectively, the owner loses proprietary rights to the mark.

Generic terms designate a type of product or service, without calling to mind any specific business owner or supplier. There are many common terms used every day by the public and business owners that were once trademarks because the owners of these marks did not follow the rules to sufficiently police their trademarks. Examples of marks that have been lost to the public domain include “escalator,” “kerosene,” “shredded wheat,” “cellophane,” “aspirin,” and “elevator.”

Usually, legal personnel and/or outside counsel prepare a set of trademark guidelines to be used internally by employees and externally by licensees, distributors and advertising agencies. The guidelines often are incorporated into branding manuals or may function as stand alone documents and are usually located on corporate intranet and Internet sites. The guidelines or rules themselves are surprisingly basic:

- Always make a trademark typographically distinctive from the surrounding text. This may be accomplished by adding an initial cap, using a bold or italic font or all caps.
- A trademark should always be used as a proper adjective modifying the common name of a product. A mark should not be used as a noun or verb.
- Whenever possible, use a generic term

or descriptor following the trademark (*e.g.*, Kleenex<sup>®</sup> facial tissue).

- Never pluralize a trademark unless the trademark itself was adopted as a pluralized brand.
- Never use the trademark as part of an acronym.
- Never use the trademark in the possessive.
- Never hyphenate a trademark or break it at the end of a line.
- Always use the appropriate trademark superscript. The <sup>®</sup> symbol should only be used if the trademark is registered. The <sup>™</sup> and <sup>SM</sup> symbols should be used to identify unregistered trademarks and service marks.
- Whenever possible, a footnote should be included identifying the owner.

Guidelines usually include a list of all of the owner’s registered and unregistered trademarks along with appropriate generic terms, and they may be updated monthly, quarterly, bi-annually, or annually.

Now that you know what the basic trademark guidelines are, you can see that misuse is fairly common in the mass media, and is faced by owners all the time. Most writers, especially in newspaper and magazine articles, often have word counts to adhere to when writing. They have to catch the reader’s attention quickly.

Trademarks are part of our daily lives and they are designed to be short and catchy to be remembered. One way to tell if a trademark has been used correctly when preparing a document is to delete the trademarks in a sentence. If the sentence no longer makes any sense, then the trademark has not been used correctly.

The purpose of policing is to extend the life of a trademark. The longer that a trademark is used, the more its value increases and

the more vulnerable it becomes to “genericide.” In the United States, trademark rights stem from actual use of the mark in commerce and include putting the public on notice that you, the business owner, have adopted a particular mark.

Our trademark law imposes a policing duty on every trademark owner. The owner must take reasonable efforts to protect the mark. However, the law does not define what is reasonable. That is left to the owner, but courts typically look at the trademark owner’s use of its mark and the owner’s policing efforts to protect the mark. It is up to the owner to decide what is “reasonable” to adequately protect the trademark.

The key to a successful policing program is internal buy-in and support. It must start at the top and filter down. It is not just the responsibility of law personnel and creative groups such as marketing. To be successful, everyone must take ownership and responsibility. If you get buy-in from all levels, implementing and sustaining a program will be much easier to maintain.

Policing requires monitoring internal use by employees and external misuse and infringement of the mark by others. Internally, you must provide guidance on trademark use to employees. Consistent misuse by employees internally can migrate to unhealthy behavior and misuse externally to affect how your marks are perceived.

Consistent proper use by employees sets the tone for external use by third parties and the public. When employees are properly educated, proper trademark use will become a regular occurrence.

Internal policing involves communicating correct use, monitoring such use, and setting up procedures between the advertising, marketing, communications, and business units, and with the legal team to review collateral material such as advertising, labeling, packaging, and visual media prior to



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release to the public. Yearly or twice-yearly seminars and trademark guidelines are also tools needed to properly protect trademarks.

Finally, the legal group should have a procedure in place to review these materials prior to release. The key is to ensure that documents are reviewed in a timely manner so that changes can be implemented quickly.

Historically, the relationship between the legal organization and these groups has been an adversarial one. This comes from the perception that “legal” slows down or restrains the creative process. It is our responsibility to make sure that we are responsive to these groups so that we have input before information is released.

It is the responsibility of all employees of the trademark owner to police marks. Everyone benefits by extending the life of the mark. Some companies have created incentive programs to reward employees for notifying legal about the misuse of a mark or a potential infringement. It is especially important for owners of consumer goods to police their marks.

Encourage employees to be on the lookout for anything that can potentially damage or weaken your marks. Educate employees to be aware as they go about their daily lives to memorize the brands and associated products so that they may be aware of potential misuse as they peruse the aisles of the local stores.

This is often how trademark owners are made aware of potential problems. If the item

is one of nominal monetary value, the employee can purchase the item and forward onto to the legal department for further investigation.

There are various tools available to externally police trademarks, including “watching” and clipping services, reviewing official gazettes, and private investigators. Your legal team is responsible for reviewing these materials.

Remember that the strength of a

trademark lies in its ability to uniquely identify the source of a product or service. Third parties must not be allowed to use your trademark in any manner they choose. Use by the owners, licensees, and distributors must also be monitored to ensure that proper trademark guidelines are being observed as prescribed by the license and distribution agreements.

One of the most important aspects of any policing program is the use of a watch service. A watch service alleviates the burden of reviewing trademark gazettes and some advertising from around the world. Virtually every country in the world publishes trademarks that have been allowed, or in some countries, registered in a publication called the “Official Gazette.”

A watching service reviews the gazettes and reports all published trademarks that are similar or identical to the “watched mark.” Many times, the watching service will indicate what action is available and the deadline for the action.

You supply the watch service with the trademarks you want watched, and the

service provides you with notices of similar and identical marks that have published. You then have a set period of time to take action. Under the laws of the various countries,

parties who believe they will be damaged by the registration of a similar or identical trademark published in a gazette has the opportunity to bring an opposition, or in those cases where a trademark is registered prior to publication, bring a cancellation proceeding.

Watch services can be customized to meet the needs of a particular business. A watch may cover one country, several, or the entire computerized world. Most

trademark owners watch their house marks globally in all classes and their secondary marks only in the countries in which products are actively marketed and sold.

These services are particularly valued in civil law countries, where trademark rights are secured through registration, rather than use. Too often, a trademark owner seeking to expand its business abroad, discovers that its most important mark has already been registered by a local.

The local may be a pirate attempting to extort money from the rightful owner. The rightful owner may

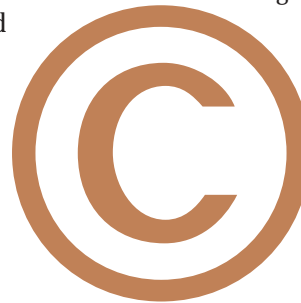
have to sue the local or attempt to buy back the rights to the mark. If the owner does not submit to this extortion, another mark may have to be chosen, or a lawsuit may be in the offing.

If trademarks are closely monitored, this appalling situation may be avoided. Pursuing the leads that watch notices provide can be costly, but trademark watching is invaluable in protecting proprietary rights.

Once a trademark owner determines that an unauthorized party is using the trademark or attempting to register it, it is necessary to consider action against such use. Depending upon the jurisdiction, such action may take the form of infringement proceedings, an action for unfair competition, or, in common law countries, an action for “passing-off,” which is a type of unfair competition.

Although most foreign countries have trademark laws that provide for injunctive relief and monetary damages in the case of trademark infringement, such laws are usually not as extensive as those in the United States. The rights accorded a trademark registration may be far narrower than in the United States.

The reality is that an owner often simply will not take serious action against a third party because of the expense. Expensive and time consuming litigation is not to be entered into lightly, so owners



will develop criteria to justify policing actions. The owner decides what is and is not acceptable and acts accordingly.

This is not to say that potential infringements will be ignored. Just that the owner may contact the infringer and put them on notice that continued use of the trademark will result in more serious action. Often this is enough to get the infringer to stop. The trademark owner will continue to monitor the infringer to ensure that nothing more serious occurs.

Registration which has consumed significant time and money to secure is worthless if you fail to police your mark. The fact that your mark is not available for registration does not preclude a third party from using it. You



must be prepared to defend your registration, otherwise your mark may become diluted in the marketplace, or another party may register your mark for a good or service where you had planned to expand.

Should a situation occur requiring defense of proprietary rights to the mark, you do not want your own behavior and work practices to be used against you. This often happens to trademark owners during litigation. Your own use and activities can come back to haunt you. If the mark has not been used correctly, it could be a death sentence for the mark and you could lose your rights to the mark. Use it wisely, carefully, and cherish it so it will be yours forever.

An excellent resource for information on this subject is the International

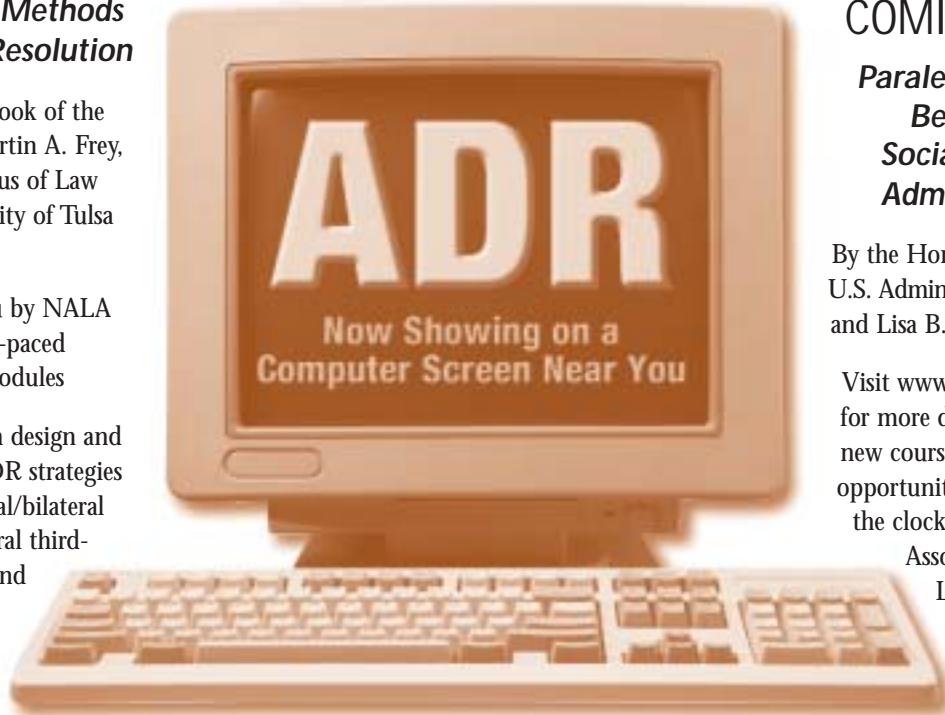
Trademark Association at [www.inta.org](http://www.inta.org)

Deborah Hampton has been a paralegal focusing on intellectual property matters since 1983. She has worked at law firms and several corporate giants such as Jordache Enterprises, ATT, and Lucent Technologies. She has a Bachelor's degree in Political Science, and is a member of the International Trademark Association.



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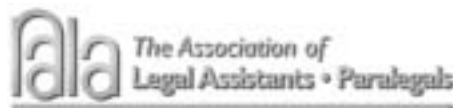


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