United States

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1. Legal framework

National

The key statute governing federal trademark law in the United States is the Trademark Act of 1946 (15 United States Code Sections 1051-1127), known as the Lanham Act. The Lanham Act provides the framework for the registration of marks and also creates a federal cause of action for infringement of both registered and unregistered marks. Its provisions on the registration of marks include procedures for opposing trademark applications and cancelling trademark registrations by initiating proceedings with the Trademark Trial and Appeal Board of the US Patent and Trademark Office (USPTO).

The Lanham Act was expanded in 1996 to create a cause of action for dilution, or "the lessening of the capacity of a famous mark to identify and distinguish goods or services", even in the absence of a likelihood of confusion, mistake or deception. Section 1125(c) provides a non-exhaustive list of factors to be considered in determining whether a mark is famous. In 1999 Congress added provisions to the Lanham Act to address infringement in the area of internet domain names. Sections 1125(d) and 1129, which deal with cybersquatting, create liability for registering, trafficking or using another's mark in a domain name with the bad-faith intent to profit from the mark.

Other relevant US federal statutes include the Trademark Counterfeiting Act of 1984, which imposes criminal penalties for intentionally trafficking in counterfeit goods, and the Anti-counterfeiting and Consumer Protection Act of 1996, which adds fines and facilitates procedures in prosecuting counterfeiters.

International

The requirements of several international treaties are incorporated into the Lanham Act. Section 1126 sets forth a number of provisions based on the Paris Convention for the Protection of Industrial Property, which the United States joined long before the Lanham Act became law. In keeping with the North American Free Trade Agreement of 1993, the Lanham Act does not allow the registration of primarily geographically deceptively misdescriptive marks, even with a showing of secondary meaning. The General Agreements on Tariffs and Trade were implemented in 1994 by amending the Lanham Act to:

- preclude registration of geographical indications for wine or liquor that identify a place other than the origin of the goods and that were first used after January 1 1996; and
- require three years of non-use of a mark to obtain a statutory presumption of abandonment.

Finally, the Madrid Protocol, which facilitates the registration of a mark in multiple nations throughout the world, was implemented in 2003 by adding Sections 1141 to 1141n to the Lanham Act.

2. Unregistered marks

Protection

Trademark rights in the United States are acquired through use and do not depend on registration. Infringement of unregistered marks may violate the common law or statutes of individual states, and infringement of unregistered marks that have been used in interstate commerce also violates the federal Lanham Act.

The principal difference between registered and unregistered marks under US trademark law is that unregistered marks do not enjoy the following benefits of federal registration:

- presumption of the validity of the registered mark, of the registrant's ownership of the mark and of the registrant's exclusive right to use the registered mark in commerce on or in connection with the goods or services specified in the registration certificate;
- federal jurisdiction for infringement actions based on the registered mark, regardless of the amount in dispute;
- availability of profits, damages and costs in federal litigation, including in some cases treble damages and attorneys' fees;
- possibility of becoming 'incontestable' as conclusive evidence of the registrant's exclusive right to use the mark;
- constructive notice of claim of ownership, eliminating any defence of good-faith adoption and use made after the date of registration;
- nationwide priority based on 'constructive use' date, as of filing an application for registration on the Principal Register; and
- ability to prevent the import into the United States of articles bearing an infringing mark.

Use requirements

Trademark rights are established in the United States by using a word, phrase, symbol or combination thereof in connection with goods or services in commerce to indicate the origin of the goods or services. There is no simple test for measuring the amount of use necessary to establish rights in an unregistered mark. The inquiry is based on principles of unfair competition, and focuses on the perceptions of the relevant consumers of the trademark owner's goods or services. The amount of use required to establish rights in an unregistered mark is the amount of use that would create in the minds of consumers an association between the goods or services and the source of those goods or services. There is no difference between the amount of use necessary to obtain rights in a registered mark and the amount of use necessary to obtain rights in an unregistered mark.

In order to obtain protection for an unregistered mark under the Lanham Act, the mark must have been used in interstate or foreign commerce. The Lanham Act defines 'use in commerce' as "the *bona fide* use of a mark in the ordinary course of trade, and not made merely to reserve a right in a mark". The act further provides that, with respect to goods, "a mark shall be deemed to be in use in commerce…when (A) it is placed in any manner on the goods or their containers or the displays associated therewith or on the tags or labels affixed thereto, or if the nature of the goods makes such placement impracticable, then on documents associated with the goods or their sale, and (B) the goods are sold or transported in commerce". With respect to services, a mark is considered to be in use in commerce "when it is used or displayed in the sale or advertising of services and the services are rendered in commerce".

3. Registered marks

Ownership

Any individual or legal entity can apply for and own a mark. Marks can also be jointly owned by one or more parties.

Scope of protection

A mark can consist of anything that can be used to identify or distinguish goods or services: a word, design, picture, slogan, colour, shape, scent or sound. With respect to colours, shapes, scents and sounds, in order to become protected, these types of marks must have established secondary meaning in the marketplace. Such marks are not viewed as inherently distinctive; therefore, protection is based on a showing that the mark has become distinctive by virtue of use and promotion over a number of years. Generic terms can never function as trademarks.

4. Procedures

Examination

When an application is filed with the USPTO, it is first reviewed to determine whether all of the formalities have been observed – namely:

- payment of the filing fee for at least one class;
- a clear drawing of the mark;
- the applicant's name and address; and
- a listing of the goods and services to be covered by the mark.

After this review, the application is forwarded to an examining attorney for review on substantive and procedural grounds. At this juncture, the application can be rejected on the basis of one or more of the following grounds:

- Procedural – failure to claim ownership of other registrations containing the same mark; illegible or incorrect drawing; or failure to provide complete information about the applicant.
- Substantive – mark is merely descriptive; geographically descriptive; misdescriptive; merely a surname; confusingly similar to a prior registration or pending application; deceptive; immoral; comprised of a flag or coat of arms of the United States or any state, municipality or foreign nation; or comprised of the name, likeness or signature of a living individual, if that individual has not granted written consent, or of a deceased US president during the lifetime of the surviving spouse, unless the spouse has granted written consent.

If there are no objections – or if the objections are overcome by argument, disclaimer of descriptive content or consent from a third party – the application will be accepted for publication.

Opposition

Once a mark has been examined and found acceptable by the USPTO, it is published for opposition. Parties then have 30 days either to oppose or to extend time to oppose registration of the mark. An opposition can be based on the following grounds:

- The mark infringes one's own registered or unregistered mark; or
- The mark is not capable of registration because it is a merely descriptive or generic term.

Oppositions are filed with the Trademark Trial and Appeal Board. Once an opposition is filed, the applicant has 40 days to reply. After reply, a six-month period begins in which the parties conduct discovery, consisting of written interrogatories, requests for production, requests for admission and discovery depositions. Following discovery, the parties enter into a 75-day testimony period, during which each party develops testimony through testimonial depositions. Once the testimony period ends, each party submits a brief arguing the merits of its case, and the Trademark Trial and Appeal Board issues a ruling either granting or denying the opposition. Either party may appeal the decision to the Court of Appeals for the Federal Circuit or to a federal district court.

Registration

A trademark application may be filed based on one or more of the following grounds:

- Use – the mark is in current commercial use for the stated goods and/or services. Such use covers either interstate or foreign commerce. Use merely within a single state is not sufficient unless there are substantial effects on interstate commerce – for example, in-state hotel services may substantially affect interstate commerce if they are generally provided to out-of-state visitors.
- Intent to use – the mark is not yet in use but the applicant has a *bona fide* intention to use the mark for the stated goods and/or services.

- Foreign application – the application is filed within six months of filing in a foreign jurisdiction that is a member of the Paris Convention and the applicant states that it has a *bona fide* intent to use the mark in the United States.
- Foreign registration – the mark is based on a registration in a foreign jurisdiction and the applicant states that it has a *bona fide* intent to use the mark in the United States.

Assuming that no opposition is filed following publication of a mark, the mark will be registered under the following conditions:
- Use-based application – registration will issue within three to four months of the end of the publication period.
- Intent to use-based application – subsequent to publication, the USPTO will issue a notice of allowance stating that the applicant has three years from the date of such notice to use the mark in connection with the goods and/or services listed in the application. Once the applicant has submitted a statement of use stating the date of first use in interstate or foreign commerce, together with a specimen evidencing such use, a registration certificate should issue within three to four months. The applicant will be required to submit extension requests every six months for a three-year period in order to maintain the application.
- Foreign applications and registrations – with these types of application the applicant need only submit evidence of the foreign registration; use in the United States is not required.

There are two registers: the Principal Register and the Supplemental Register. The latter is used for descriptive marks. In order to obtain registration on the Supplemental Register, the mark must be in use.

Cancellation/surrender

A registration can be cancelled either by action of a third party challenging the validity or use of the mark or by the mark owner. In a cancellation proceeding, the petitioner files a petition to cancel the registration with the Trademark Trial and Appeal Board. The process is then the same as for opposition proceedings. Should a registrant wish to cancel voluntarily its own registration, it need only file a request with the commissioner and submit the original registration certificate.

Revocation

A third party may petition to cancel (or revoke) a registration on the grounds that the registrant has abandoned the mark. Non-use for a period of three years raises a presumption of abandonment. The proceedings are the same as for cancellations. Should the registrant wish to contest the petition, it must submit evidence of current use of the mark or rebut the presumption of abandonment by providing an explanation for the non-use and establishing that there has been no intention not to resume use of the mark.

The USPTO may also automatically revoke the registration if the registrant does not submit a Section 8 affidavit of continued use between the fifth and sixth anniversary dates after registration, and renewal documents on each 10-year anniversary.

Invalidation

A registration can be cancelled at any time by an interested party if:
- the application was filed by the wrong party;
- the application was based on false statements of facts; or
- the mark has become generic.

5. Enforcement

Forums for litigating trademark disputes:

Trademark owners can enforce their rights by filing suit in federal or state courts. As noted above, federal registration of a mark establishes a presumption of the validity of the mark and of the owner's exclusive right to use the mark. Federal registration also confers federal jurisdiction, so that the registrant can sue in federal court regardless of the amount in dispute.

The owners of unregistered marks can sue based on state statutes, on state common law or on Section 43(a) of the Lanham Act (if the mark has been used in interstate commerce). The duration of a state or federal trademark action depends on the complexity of the issues involved and on the particular jurisdiction in which the action is litigated.

Disputes regarding trademark registration can also be litigated before the Trademark Trial and Appeal Board, in proceedings to cancel an existing registration or to oppose registration of a pending application. However, the board has jurisdiction over registration issues only, and cannot issue orders with respect to trademark use. A trademark owner seeking an injunction against another party's use of an infringing mark or damages resulting from such use must pursue relief from a state or federal court. Trademark Trial and Appeal Board proceedings take place almost entirely on paper, with parties seldom making oral arguments. A proceeding before the board can take several years from the filing of the complaint to the rendering of a decision.

Causes of action for trademark disputes: The principal causes of action related to trademarks at both the federal and state level are infringement and dilution. The standard for establishing trademark infringement is roughly the same under the Lanham Act and under state statutory and common law. Typically, the trademark owner must show that the use of an allegedly infringing mark is likely to cause confusion, mistake or deception as to the origin, sponsorship or approval of the infringer's goods and services. The standard for establishing trademark dilution can be quite different in federal or state court, as the Supreme Court has held that the Lanham Act requires a showing of actual dilution rather than a likelihood of dilution in order to prevail in a federal dilution action. As the dilution statutes of many states impose a lower burden on the trademark owner, trademark owners often raise dilution claims under state rather than federal law.

Causes of action for unfair competition are often closely intertwined with causes of action for trademark infringement and dilution. Section 43(a) of the Lanham Act provides a federal statutory counterpart for common law unfair competition under the laws of most states. Some states have unfair competition statutes in addition to trademark infringement and dilution statutes. These unfair competition statutes are often invoked in state infringement and dilution actions, particularly when the plaintiff alleges some sort of passing off.

Remedies: A variety of remedies are available for both trademark infringement and dilution under federal law. Injunctive relief is the standard remedy, but damages can also be awarded "subject to the principles of equity", in the form of the infringer's profits, the plaintiff's damages and the costs of the action. In exceptional cases, the court may award reasonable attorneys' fees to the prevailing party. The Lanham Act also provides for the destruction of infringing articles in certain cases. State statutes and common law typically provide for similar remedies, with injunctive relief generally more available than damages.

6. Ownership changes – legalization requirements

Documents evidencing ownership changes in registered or unregistered marks need not be legalized. All that is needed, with respect to registered marks, is a copy of the relevant document showing either the name change of the owner or assignment of the mark to a new person or entity.

7. Areas of overlap with related rights

In addition to trademark protection for a logo, picture, design, character, slogan, label, product packaging or product design, other forms of IP protection may be available. Specifically, copyright, patent rights or rights of publicity may also attach to some of these properties.

Copyright: Copyright protection extends to original works fixed in any tangible medium of expression. Copyrightable material can include literary works, musical works, sound recordings and pictorial, graphic and sculptural works. For example, an original drawing of a cartoon character used as trademark may also qualify as a pictorial or graphic work, and as such may be subject to copyright protection.

An advertising slogan or musical advertising jingle may qualify as a copyright-protected work if there is sufficient originality. Although copyright protection will generally not attach to single invented words, common wording, slang phrases or other clichés, it may attach to original combinations of words and to original musical compositions and sound recordings. Product labels may also qualify for copyright protection if they are sufficiently original and do not consist primarily of functional, textual information (eg, ingredient listings, use instructions or manufacture data). A product design or configuration that is primarily functional will not qualify for copyright protection, but a product design or configuration may be copyrightable if it contains original artistic and non-functional features that are physically or conceptually separable from its functional, utilitarian attributes.

Patent: Product and packaging configurations and designs may function as trademarks or trade dress, and may also qualify for patent protection. Patent protection extends to new and non-obvious machines, devices and designs if there is an element of novelty and a development beyond the prior art. Utility patents can protect new, non-obvious functional product configurations and shapes. Design patents can protect new, non-obvious ornamental product configurations that are industrial in nature, such as in kitchen appliances and consumer electronics. However, design patents are not applicable to purely artistic works such as drawings, sculptures and paintings.

Right of publicity: An individual's name and likeness may be used as a trademark for commercial goods and services, and may also be protectable by the right of publicity. This area of law is set forth by individual states within the United States and, as such, varies from state to state. In general, the right of publicity extends to a person's name, likeness and other closely associated aspects of that individual's persona, such as his or her voice. This right generally extends to all individuals, not just celebrities, and does not require that a person also use his or her name or likeness as a trademark.

8. Online issues

Registered and unregistered marks alike can be protected from various types of infringement on the Internet. Examples of online infringement include:

- registration or use of a domain name including another party's trademark;
- use of a trademark in hidden metatags or other codes; and
- use of key words and other advertising triggered by use of trademarks as internet search terms.

In each instance a trademark owner may have recourse against unauthorized use of the mark.

Domain name disputes may be resolved through an alternative dispute resolution process following rules under the Uniform Dispute Resolution Policy or through the use of trademark law in the courts. Under the federal Anti-cybersquatting Protection Act, in order to bring a successful claim in a domain name dispute, trademark owners must show three elements:

- The domain name at issue is confusingly similar to the complainant's trademark;
- The domain name holder has no right or legitimate interest in the name (eg, the domain name holder does not use the domain name generically, as part of its company name or as a trademark); and
- The domain name was registered and is being used in bad faith (eg, acquired for the purpose of selling to the trademark owner or its competitor, or registered to trade on the goodwill of the trademark owner by attracting traffic to the domain name holder's site).

Unauthorized use of a trademark in hidden metatags or other hidden codes, or as a key word to trigger a third-party advertisement, may be actionable if consumer confusion is likely to result. The legal theory often used in these cases is 'initial interest confusion', whereby an internet user is lured to an unauthorized trademark user's website and misled into considering purchasing that party's goods or services because of an initial mistaken impression of some affiliation with the trademark owner. Where a metatag, other hidden code or key word actually and legitimately leads to a site that compares or criticizes the goods under the mark, a valid fair use defence may exist.

It is unclear at this point to what extent a search engine provider may be liable for trademark infringement for its sale of certain trademarks as key words. However, at least one US court has indicated that search engine providers may be liable for selling key words comprised of trademarks if the triggered advertisement does not clearly identify its source or does not overtly compare the unauthorized user's products to those of the trademark owner.