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Associations and Trademarks

by Mark Alcorn

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Trademarks are an important part of the association world. Association names themselves are trademarks. Association program names and even marketing phrases can be trademarks. These trademarks embody the association's brand and identity. These trademarks can be extremely valuable, and are worthy of careful attention and protection.

The article summarizes some of the basics about trademarks that every association needs to know. Trademark law is a legal specialty, involving a vast range of specialized legal issues and knowledge. I am not a trademark specialist, and this article should not be regarded as legal advice or substitute for the advice of counsel.

Trademark Basics: The United States Patent and Trademark Office

One of the most valuable tools you can use in working with trademarks is the United States Patent and Trademark Office website, located at www.uspto.gov. It contains basic information about:

- Basic trademark law presented in a simple and straightforward format
- Tools to search trademarks it also includes forms that can be filled out and submitted online
- Tools to submit trademark applications directly with the USPTO

Aside from the online resources, I have found the USPTO staff to be helpful and reasonable. They understand that most applicants are not trademark experts, and they are willing to help by suggesting wording for trademark descriptions, filing categories, and other matters.

More Basics About Trademarks

One key point to remember about trademarks is that a trademark need not be registered to be a trademark. So, I can call my business "Alcorn Associates" and that name will be my trademark even though I have not registered the name with the USPTO or California Secretary of State (Yes, trademarks can be registered with the USPTO and most states). If I do not register the trademark with the USPTO and most states). If I do not register the trademark with the USPTO or Secretary of State, I can use a small "TM" in conjunction with the name to give notice to the public that I am claiming the mark as a trademark. If I register the trademark with the USPTO, I can use an R with a circle around it to give notice that the mark has been registered.

The advantages of registering a trademark are substantial. First, it helps verify your right to use the trademark. It can help prove that you were using a trademark first. It allows for statutory damages for infringement on the trademark. This is a major point, as damages that result from trademark infringement are very difficult and expensive to quantify; if the mark is registered the holder need not prove damages. Finally, registration of the trademark makes it much easier to secure the cooperation of both purposeful and inadvertent infringers. This is important to associations, as it is not uncommon for non-members to falsely claim association membership, endorsement or certification.

It is important to bear in mind that not every name or logo can be protected from use by third parties. In order to be protected, the mark must be distinctive. For example, a soft drink maker would not be able to trademark the name "cola" because the word is not distinctive. On the other hand, the trademark "Coca Cola" was allowed to be trademarked because it was/is distinctive. Interesting issues arise when a trademarked name is so commonly used that it becomes generic. For example, one might generically refer to a cola as a "Coke." Careful efforts by the trademark holder can usually prevent a trademark from becoming generic; this is the reason that restaurant servers ask patrons if Pepsi is okay when the patron orders a Coke. The servers are not doing that because they care about your tastes; they do it because the trademark holders have forced them to do so.

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The requirement of distinctiveness is frequently a stumbling block for associations. The problem is that most association names are “merely descriptive” rather than distinctive. For example, the California Association of Widget Makers trademark simply describes an association of widget makers from California. Fortunately, a name is generally deemed to have become distinctive based on five years of continuous use of the name in commerce. Thus, if an association has been using its name exclusively (no one else is using the same name) in commerce for more than five years, the mark is usually deemed distinctive. Brand new associations oftentimes use the TM mark in conjunction with their names. Of course, logos are usually distinctive by design, so logos are rarely deemed merely descriptive.

Yet another facet of trademark law is that trademarks are granted based on the market category in which the trademark will be used. In fact, sometimes the same trademark can be registered in different product categories. For example, a software company might register the word “Infinity” as a trademark for a computer software consulting company. A second company could register the word “Infinity” as a brand name for an automobile.

Finally, trademarks can be words (depicted in a typed format), or designs. For example, one could register the name “California Association of Widget Makers” as words, as well as a distinctive design of the letters “CAWM”, as well as the entire name in a distinctive font. This would entail filing three trademark applications. Some organizations have numerous trademarks filed in different categories aimed at helping ensure that they can defend their brand. For example, check “ADA” or “American Dental Association” on the USPTO site search page. ADA has filed an impressive array of trademarks to protect its valuable name and logo.

What Should Associations Trademark?

Most associations do not thoroughly consider the various words and/or designs (trademarks) it uses to identify its products or identity. They almost always consider registering their name and logo. Additionally, associations should consider registering the name of its trade show, the names of key programs, its publications, its certification designations, and similar words or symbols as trademarks. Just about any distinctive identifying mark used in commerce can be registered.

Applying for a Trademark

There is no requirement to use an attorney to apply for a trademark, but there are many reasons to do so. Among other things, an experienced attorney will be able to file the trademark much more efficiently than most executives, and the technical descriptions and filing categories used are more likely to provide the protection you need when an infringement occurs. If you have the time, however, nothing prevents you from filing the application yourself. To apply, use the link provided earlier in this article. The filing fee is either \$275 or \$325, depending on the options you choose, but I recommend the \$325 option. The \$275 option is intended for frequent filers, and those with extensive experience in trademark law. Attorneys fees for filing trademarks range from about \$1,000 to \$2,000, in addition to filing fees. If there are technical glitches with the filing, as sometimes happens, fees can be higher. Trademark litigation is, of course, incredibly expensive and out of reach of most associations.

Maintaining a Trademark

Most people do not realize that a trademark must be maintained. Rights in a federally-registered trademark can last indefinitely if the owner continues to use the mark on or in connection with the goods and/or services in the registration and files all necessary documentation in the USPTO at the appropriate times. In general, the owner of a registration must periodically file proof of continuing use of the mark, and an application for renewal. The dates for filing these documents require careful calendaring. If you fail to file within the required filing period and a grace period, the trademark is cancelled without notice. You will receive no reminders or warnings of any kind from the USPTO.

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Filings are required between the 5th and 6th year after registration, and again between the 9th and 10th years, and once every 10 years thereafter. Again, these dates should be placed on the organization's master calendar.

Conclusion

Trademarks are an important asset to any business or association. Association professionals should focus on protecting the interests and assets of the association by monitoring and protecting its trademarks. The reputation and brand of the association may depend on it.

About the Author

Mark Alcorn founded Alcorn Associates Law Offices in 1997 and is also a principal in Alcorn Associates Management Consulting. Mark is an experienced attorney and management consultant specializing in the non-profit association community. As part of the law practice, he counsels numerous associations and for-profit firms on business, tax, antitrust, management and related matters. As part of the management consulting practice he conducts visioning and strategic planning.

You can find out more about Mark here:

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