

Trademark Considerations for Start-Ups



Benefits of a Strategic Approach

Trademarks Have Business Value

- ❖ Your BRAND = Your REPUTATION
- ❖ Your brand is the gateway to sales
- ❖ Trademarks are the tools for the legal protection of your brand
- ❖ Trademarks are also assets that can be bought, sold, licensed, and valued

The Process

- ❖ Select
- ❖ Search
- ❖ Register
- ❖ Use
- ❖ Maintain

Select

- ❖ A distinctive (unexpected, unusual or even random) mark is a strong mark, and a distinctive mark is easier, and less costly, to protect
- ❖ “Descriptive” or “Suggestive” marks tend to be popular because they usually say something about the product. But they are often harder and more costly to register from a legal perspective.
- ❖ Generic terms cannot be trademarks (e.g., Bread for a bread product)

Search

- ❖ Identify and avoid potential problems
- ❖ Avoid wasting money on a trademark you cannot protect
- ❖ File trademark applications strategically (craft description of goods/services that minimizes risk of conflict)
- ❖ A full search is best, but if the budget does not permit it, at least check out:
 - *www.uspto.gov – U.S. Registrations*
 - *Saegis searching (proprietary database)*
 - *Internet searching using Google, etc.*

Register

- ❖ In the U.S., rights can come from commercial use of a mark
- ❖ But, registration also confers rights, and provides valuable benefits:
 - Rights based on “intent to use”
 - Nationwide priority date (nationwide “constructive use”)
 - Presumption of validity
 - Discouraging potential infringers (they do searches too!)
 - Valuable in enforcement actions
 - Basis for foreign filing
 - State registrations also have value

Strategy Dictated by Business Concerns

- ❖ Trademark Strategy should be dictated by business goals
- ❖ Considerations:
 - Is your company name an important brand that should be protected?
 - Are product brands going to be the focus of your marketing efforts?
 - Is your logo going to be at the center of your marketing efforts?
 - Will you develop “a family of marks”?
- ❖ Focus on protecting your most important brands in key countries

Trademark Strategy continued

- ❖ If you've got a really creative brand that is going to open doors on its own, register early
- ❖ Once you have a marketing strategy, develop a corporate standards manual (aka "style guide") outlining how your brand must be used
- ❖ If you haven't sought protection earlier, once a marketing strategy is developed, implementing a trademark protection strategy should not be far behind

Trademark Strategy continued

- ❖ Even if you don't register right away, search!
- ❖ If you don't register, you should use the "TM" symbol (not the ®)
- ❖ Don't forget domain names (register those too)
- ❖ It can be costly to have to change names; will your customers be confused if you do?
- ❖ Research your brand early, and seek protection as soon as possible after that

See www.sunsteinlaw.com for more information

Contact Lisa Tittlemore, Chair, SUNSTEIN Trademark Group
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Thank You