TRADE-MARK GENERICISM

By John McKeown

A recent decision of the US Trademark Trial and Appeal Board ("TTAB")[1] made interesting comments concerning whether the trade-mark applied for was generic.

The Facts

The Application

The applicant filed an application to register the trade-mark THUMBDRIVE in association with "portable digital electronic devices for recording, organizing, transferring, storing and reviewing text, data, image, audio and video files on portable digital devices". The application was based on acquired distinctiveness.

In the course of examination the examiner took the position that the mark was merely descriptive and not registrable. The applicant responded by filing evidence of acquired distinctiveness and the application was approved for publication. At the conclusion of the opposition period, without receiving any opposition, the examiner refused registration on the ground that the proposed mark was generic and not registrable. While the applicant took the position that this was procedurally inappropriate, it was required to appeal the decision to the TTAB.

The Appeal

The only issue on the appeal was whether the applicant's trade-mark was generic since the examiner accepted that sufficient evidence of acquired distinctiveness had been filed to justify a registration leaving aside the issue whether the mark was generic.

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[1]. *In re Trek 2000 Int'l Ltd.*, 2010 TTAB LEXIS 425, 97 U.S.P.Q.2d (BNA) 1106 (Trademark Trial & App. Bd. Nov. 30, 2010).

The evidence filed by the applicant showed that it had coined the term THUMBDRIVE in 2000 and had continually used it as a brand name since that time. Significant sales and advertising of the applicant's products had occurred. Typically the applicant used its trade-mark in association with a trade-mark notice consisting of the letters "TM". It had also taken steps to police the use of third parties of its mark. Finally, the applicant argued that the term "flash drive" was used as the generic designation of the goods in issue.

Generic Terms

The TTAB said that generic terms consisting of names that describe the genus of the goods being sold are incapable of indicating the source of the goods, are the antithesis of trade-marks and can never attain trade-mark status. If trade-mark protection was allowed for generic terms, even when they had become identified with a source, this would grant the owner of the mark a monopoly, since a competitor could not describe its goods as what they are.

However, to determine that a trade-mark is generic and force it into the public domain is a significant step. It penalizes the trade-mark owner for its success in making the trade-mark a household name and forces it to scramble to find a new trade-mark. Consumers who continue to associate the trade-mark with the owner's brand may be confused when they find competitors using that name. Typically, the decision finding a trade-mark to be generic is not made until the trade-mark has gone so far as to become the exclusive descriptor of the product and that sellers of competing brands cannot compete effectively without using the name to identify the product they are selling.

The TTAB, on reviewing the material before it, found that evidence of generic use was offset by the applicant's evidence that showed not only a significant amount of proper trade-mark use but also trade-mark recognition by third parties. Specifically the applicant coined the term and used it as a brand name in association with a new product. The applicant used the term "external storage device' as the name of the product. In addition the term "flash drive" was the commonly

used term to describe the product. Media outlets had also agreed not to use the mark in a generic manner. As a result, the TTAB could not conclude that members of the relevant public use or understand the trade-mark to refer to the genus of goods in issue. While the record created some doubt, the doubt was resolved in favour of the applicant.

The Canadian Position

The Trade-marks Act provides that a trade-mark is not registrable if it is clearly descriptive of the character or quality of the wares with which it is used. Like the US, evidence of acquired distinctiveness is sufficient to overcome the prohibition. The position taken by Canadian cases is similar to that adopted by US courts.

In the leading case, the Canadian trade-mark registration for the word "THERMOS" was sought to be expunged on the basis, among others, that it was generic. At the relevant date, this trade-mark had become a commonly used word descriptive of ordinary vacuum bottles. At the same time, an appreciable portion of the population in Canada knew and recognized "THERMOS" as a trade-mark and its trade-mark significance. To this portion of the public, the mark was distinctive of the vacuum bottles it was sold in association with. As a result the Court refused to expunge the trade-mark.

Comment

For a brand owner who is concerned that their mark could be attacked as generic, the key is to ensure that the trade-mark is used properly as a trade-mark. Typically this means using the mark as an adjective or adverb and not as a noun and in association with a trade-mark notice. For example, the Applicant should refer to its THUMBDRIVE® external storage devices. Evidence of trade-mark recognition by third parties through enforcement of rights or otherwise is also helpful.

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These comments are of a general nature and not intended to provide legal advice as individual situations will differ and should be discussed with a lawyer.