

Wine Law and the Commerce Clause

Accompanied by a Wine Tasting: Pinot Noir vs. Merlot. Was Sideways Wrong?

George Mason Inn of Court

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GEORGE MASON AMERICAN INN OF COURT**

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Accompanied by a Wine Tasting: Pinot Noir vs. Merlot. Was Sideways Wrong?

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- I. Introduction: *Cary Greenberg (7:30 pm - 7:35 pm)*
- II. What is a Trademark: *Katherine McCormack (7:35 pm - 7:40 pm)*
Panel Discussion (7:40 pm – 7:50 pm)
- III. Strong vs. Weak Trademarks: *Adam Aft (7:50 pm – 7:55 pm)*
Panel Discussion (7:55 pm – 8:05)
- IV. Enforcement/Damages: *John Woodward (8:05 pm – 8:10 pm)*
Panel Discussion (8:10 pm – 8:20 pm)
- V. Conclusion: *Panel Discussion (8:20 pm – 8:30 pm)*

1. What is a trademark?

- 1.1. Lanham Act: a trademark is a designation used “to identify and distinguish” the goods of a person from those of another.¹
- 1.2. Many things can be trademarks including a design, a product shape, a number, a slogan, or even a smell or sound.² What is important is that the trademark identifies and distinguishes one company’s products from another’s.³ A trademark designates the source of goods or services. In order to receive protection, a trademark must be (1) distinctive rather than descriptive or generic; (2) affixed to a product that is sold in the marketplace; and (3) registered with the U.S. Patent and Trademark Office. Unregistered trademarks are protected under common-law only, and distinguished with the mark “TM.”⁴
- 1.3. Use is crucial for establishing trademark rights and continued use is necessary to preserve trademark rights.⁵ As long as they are being used in commerce, trademarks can be renewed forever.⁶
- 1.4. Trademarks are symbols of quality and of good will, assuring customers that they will get what they expect and enabling trademark owners to reap the benefits associated with producing a desirable product.⁷ Trademarks may also be instruments that create customer good will.⁸
- 1.5. The basic policy behind trademarks is to prevent customer confusion; however, the importance of protecting the trademark owner’s property right cannot be ignored.⁹
- 1.6. Trademarks perform important economic functions by promoting quality production and by reducing customers’ costs in making purchasing decision, thereby leading to greater efficiency.¹⁰
- 1.7. Unlike copyrights and patents, trademarks “have no existence independent of the article, service or business in connection with which the mark is used”.¹¹

¹ McCarthy on Trademarks and Unfair Competition, Fourth Edition, § 3:1

² Kane, Trademark Law § 1:1

³ Kane, Trademark Law § 1:1

⁴ Black’s Law Dictionary (8th ed. 2004), trademark

⁵ Kane, Trademark Law § 1:1

⁶ United States Patent and Trademark Office, trademark (<http://www.uspto.gov/main/glossary/index.html#t>)

⁷ Kane, Trademark Law § 1:2

⁸ McCarthy on Trademarks and Unfair Competition, Fourth Edition, § 2:15

⁹ McCarthy on Trademarks and Unfair Competition, Fourth Edition, § 2:1

¹⁰ McCarthy on Trademarks and Unfair Competition, Fourth Edition, § 2:3

¹¹ McCarthy on Trademarks and Unfair Competition, Fourth Edition, § 2:15

1.8. According to McCarthy on Trademarks and Unfair Competition, a trademark performs four general functions

- (1) To identify one seller's goods and distinguish them from goods sold by others;
- (2) To signify that all goods bearing the trademark come from or are controlled by a single, albeit anonymous, source;
- (3) To signify that all goods bearing the trademark are of an equal level of quality; and
- (4) As a prime instrument in advertising and selling the goods.¹²

2. **Comparison with Other Types of Intellectual Property**

Patents, trademarks, and copyrights are three different types of intellectual property protection, all of which serve different purposes.

¹² McCarthy on Trademarks and Unfair Competition, Fourth Edition, § 3:2

The following chart depicts the simplified relationship between patents, trademarks, and copyrights:

Type of Protection	Functional Patent	Design Patent	Copyright	Trademark
What is Protected?	Functional features of process, machine, manufactured item or composition of matter.	Ornamental designs for article of manufacture	Works fixed in tangible medium of expression. e.g., literary, musical, pictorial and motion picture works.	Words, names, symbols, devices, sounds, smells, trade dress, or product shape.
Criteria for Protection	New and “non-obvious”	New and “non-obvious”	Originality and Creativity	Used to identify and distinguish goods or services
How obtain Rights?	Granted only by Federal Gov’t. (U.S. Patent & Trademark Office)	Granted only by Federal Gov’t. (U.S. Patent & Trademark Office)	Federal rights automatic upon creation. To maximize rights: Publication with notice and Registration of claim with Register of Copyrights.	Common Law: Adoption & Use (Sometimes secondary meaning required) Federal or State Registration: Application and compliance with statutes.
Life Time?	20 years from date of application (if maintenance fees paid, 3½, 7½ and 11½ years after the Grant)	14 years from date of Federal Grant	Post-1/1/78 works: Life of author plus 70 years.	Common Law: As long as properly used as a mark. Federal Reg.: 10 years (If formalities complied with) Renewable for 10-year periods.
Test of Infringement?	Making, using or selling in U.S. devices embodying the claimed invention?	Designs look alike to eye of ordinary observer?	Substantial portion copied? Similarity?	Likelihood of confusion, mistake or deception?

2.1. Patent

2.1.1. A patent is a property right granted by the Government of the United States of America to an inventor “to exclude others from making, using, offering for sale, or selling the invention throughout the United States or importing the invention into the United States” for a limited time in exchange for public disclosure of the invention when the patent is granted.¹³

2.2. Copyright

2.2.1. A copyright is the right to copy; specifically, a property right in an original work of authorship (including literary, musical, dramatic, choreographic, pictorial, graphic, sculptural, and architectural works; motion pictures and other audiovisual works; and sound recordings) fixed in any tangible medium of expression, giving the holder the exclusive right to reproduce, adapt, distribute, perform, and display the work.¹⁴

The Library of Congress registers copyrights which last for the life of the author plus 70 years.¹⁵

2.3. Trade dress

2.3.1. Trade dress refers to a product’s design, product packaging, color, or other distinguishing nonfunctional element of appearance.¹⁶ It is somewhat of a mix between a trademark and a design patent.

Trade dress is the overall appearance and image in the marketplace of a product or a commercial enterprise. Trade dress typically comprises packaging and labeling. If a trade dress is distinctive and nonfunctional, it may be protected under trademark law.¹⁷

2.3.2. Black’s Law Dictionary states that “ ‘The “trade dress” of a product is essentially its total image and overall appearance.’ It ‘involves the total image of a product and may include features such as size, shape, color or color combinations, texture, graphics, or even particular sales techniques.’ “ (citing *Two Pesos, Inc. v. Taco Cabana, Inc.*, 505 U.S. 763, 765 n.1, 112 S.Ct. 2753, 2755 n.1 (1992)).¹⁸

¹³ United States Patent and Trademark Office, patent (<http://www.uspto.gov/main/glossary/index.html#p>)

¹⁴ Black’s Law Dictionary (8th ed. 2004), copyright

¹⁵ United States Patent and Trademark Office, copyrights (<http://www.uspto.gov/main/glossary/index.html#c>)

¹⁶ United States Patent and Trademark Office, trade dress(<http://www.uspto.gov/main/glossary/index.html#t>)

¹⁷ Black’s Law Dictionary (8th ed. 2004), trade dress

¹⁸ Black’s Law Dictionary (8th ed. 2004), trade dress

3. Geographic Indicators

- 3.1. A geographic indicator is a trademark that uses a geographic name to indicate where the goods are grown or manufactured. This type of mark is protected at common law, and can be registered only on proof that it has acquired distinctiveness over time. Also termed *geographically descriptive mark*.¹⁹
- 3.2. Since geographically descriptive terms are not inherently distinctive, they can be protected as trademarks only upon proof that through usage, they have become distinctive. Such an acquisition of distinctiveness is referred to as “secondary meaning.”²⁰
- 3.3. Anyone who wants to use an American geographical place name on wine must comply with both the Lanham Act and the regulations laid down by the Treasury Department pursuant to the Federal Alcohol Administration Act.²¹ According to the federal regulations laid down by the Treasury Department, an American appellation of origin is (i) The United States; (ii) a State; (iii) two or no more than three States which are contiguous; (iv) a county (which must be identified by the word “county” in the same size of type, and in letters as conspicuous as the name of the county); (v) two or no more than three counties in the same States; or (vi) a viticulture area.²²
- 3.4. A “viticultural area” is a delimited grape growing region distinguishable by geographical features, the boundaries of which have been recognized and defined by the Alcohol and Tobacco Tax and Trade Bureau (TTB).²³
- 3.5. In order for an American wine to receive an appellation of origin, no less than 75% of the volume of the wine must be derived from grapes (or other agricultural commodity) grown in the labeled appellation of origin, among other requirements.²⁴
- 3.6. The law is unclear of what result should occur when trademark conflicts with viticulture areas. In one case, the plaintiff used the mark “Leelanau Cellars” a few years prior to Leelanau becoming a federally recognized viticulture area.²⁵ The plaintiff sued the defendant for using “Chateau de Leelanau” as his mark on wines from the Leelanau

¹⁹ Black’s Law Dictionary (8th ed. 2004), geographically descriptive trademark

²⁰ McCarthy on Trademarks and Unfair Competition, Fourth Edition, § 14:1.

²¹ McCarthy on Trademarks and Unfair Competition, Fourth Edition, § 14:19.50

²² 27 C.F.R. § 4.25(a)(1)

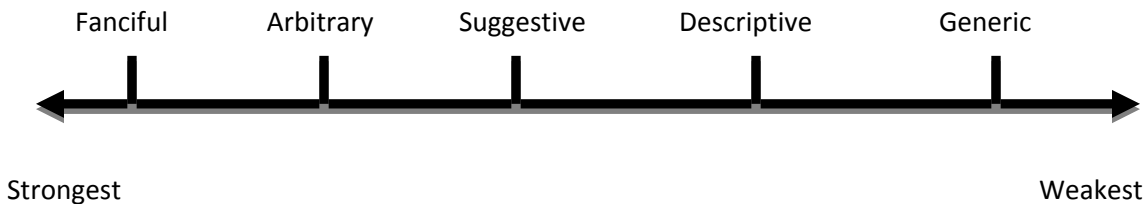
²³ McCarthy on Trademarks and Unfair Competition, Fourth Edition, § 14:19.50

²⁴ Alcohol and Tobacco Tax and Trade Bureau (<http://www.ttb.gov/appellation/index.shtml>)

²⁵ McCarthy on Trademarks and Unfair Competition, Fourth Edition, § 14:19.50 (Referencing *Leelanau Wine Cellars, Ltd. v. Black & Red, Inc.*, 502 F.3d 504, 84 U.S.P.Q.2d 1225 (6th Cir. 2007)).

viticulture region.²⁶ The Sixth Circuit found that there was no likelihood of confusion since consumers would be more likely to think of the Leelanau viticulture area than Leelanau Cellars wine when seeing wine marked as “Chateau de Leelanau”.²⁷

4. Levels of Strength of Marks



4.1. Fanciful marks. “Fanciful” marks consist of “coined” words that have been invented or selected for the sole purpose of functioning as a trademark.²⁸ Such marks comprise words that are either totally unknown in the language or are completely out of common usage at the time, as with obsolete or scientific terms.

4.2. Arbitrary marks. An “arbitrary” mark is a word that is part of the English language and used as a mark, but has no descriptive connotation with the product identified by the mark. Even a “common” word such as “apple” can be used as an arbitrary and inherently strong trademark on a product such as personal computers.²⁹

4.3. Suggestive marks. A distinction developed in the law whereby a mark which merely suggested some quality or ingredient of goods was labeled as “suggestive,” distinguishing it from descriptive marks. Once determined to be suggestive and nondescriptive, a mark is entitled to the same protection accorded arbitrary and fanciful marks. That is, a suggestive mark is protected without any necessity for proving secondary meaning.³⁰

4.4. Descriptive marks. A “descriptive” term is one that directly and immediately conveys some knowledge of the characteristics of a product or service.³¹ A descriptive mark

²⁶ McCarthy on Trademarks and Unfair Competition, Fourth Edition, § 14:19.50 (Referencing *Leelanau Wine Cellars, Ltd. v. Black & Red, Inc.*, 502 F.3d 504, 84 U.S.P.Q.2d 1225 (6th Cir. 2007)).

²⁷ McCarthy on Trademarks and Unfair Competition, Fourth Edition, § 14:19.50 (Referencing *Leelanau Wine Cellars, Ltd. v. Black & Red, Inc.*, 502 F.3d 504, 84 U.S.P.Q.2d 1225 (6th Cir. 2007)).

²⁸ Citing *Tisch Hotels, Inc. v. America Inn, Inc.*, 350 F.2d 609 (7th Cir. 1965).

²⁹ McCarthy on Trademarks and Unfair Competition, Fourth Edition, § 11:11.

³⁰ McCarthy on Trademarks and Unfair Competition, Fourth Edition, § 11:62 (citations omitted).

³¹ McCarthy on Trademarks and Unfair Competition, Fourth Edition, § 11:16 (citing *In re MBNA America Bank, N.A.*, 340 F.3d 1328 (Fed. Cir. 2003), *reh’g* and *reh’g en banc* denied, (Jan. 12, 2004)).

cannot be protected as a trademark until it has been used and marketed sufficiently to have acquired “secondary meaning,” or distinctiveness, in the eyes of the consumer.

4.5. Generic terms. A “generic term” is the name of a product or service itself—what it is—is the very antithesis of a mark.³² A generic name of a product can never function as a trademark.³³

Strength	<u>Fanciful</u>	<u>Arbitrary</u>	<u>Suggestive</u>	<u>Descriptive</u>	<u>Generic</u>
Definition	Coined words invented for the sole purpose of using in a trademark.	A word in use on common language but for a different purpose than it is used for the mark.	A word used to merely suggest quality or contents of a good as opposed to describing the good.	A word used to describe the quality or contents of a good.	Common word that does not provide any way for a consumer to distinguish the mark.

5. How a Mark Becomes Generic

5.1. Statutory Test: 15 U.S.C. § 1064: The primary significance of the registered mark to the relevant public rather than purchaser motivation shall be the test for determining whether the registered mark has become the generic name of goods or services on or in connection with which it has been used.

5.2. Examples of former marks found to have become generic:³⁴ Aspirin,³⁵ Body Soap,³⁶ Call Forwarding,³⁷ Dry Ice,³⁸ E-Ticket,³⁹ First Aid,⁴⁰ Light Beer,⁴¹ Polo,⁴² Shredded Wheat,⁴³ Super Glue,⁴⁴ Thermos,⁴⁵ Trampoline,⁴⁶ and Yo-Yo.⁴⁷

³² Citing Roux Laboratories, Inc. v. Clairol, Inc., 427 F.2d 823 (C.C.P.A. 1970); Otokoyama Co. Ltd. v. Wine of Japan Import, Inc., 175 F.3d 266 (2d Cir. 1999); Filipino Yellow Pages, Inc. v. Asian Journal Publications, Inc., 198 F.3d 1143 (9th Cir. 1999). Goodyear’s India Rubber Glove Mfg. Co. v. Goodyear Rubber Co., 128 U.S. 598 (1888); Holzapfel’s Compositions Co. v. Rahtjen’s American Composition Co., 183 U.S. 1 (1901). Folsom & Teply, “A Comparative View of the Law of Trademarked Generic Words,” 6 HASTINGS INT’L & COMP. L. REV. 1 (1982); Comment, “Primary Significance: Proving the Consumer’s Perception,” 14 SETON HALL L. REV. 315 (1984).

³³ Restatement Third, Unfair Competition § 15, comment a (1995) (“Generic designations are not subject to appropriation as trademarks at common law and are ineligible for registration under state and federal trademark statutes.”).

³⁴ Examples excerpted from McCarthy on Trademarks and Unfair Competition, Fourth Edition, § 12:18.

³⁵ Bayer Co. v. United Drug Co., 272 F. 505 (D.N.Y. 1921).

³⁶ In re Cosmetic Factory, Inc., 208 U.S.P.Q. 443 (T.T.A.B. 1980).

³⁷ BellSouth Corp. v. Planum Technology Corp., 14 U.S.P.Q.2d 1555 (T.T.A.B. 1988).

³⁸ Dry Ice Corp. v. Louisiana Dry Ice Corp., 54 F.2d 882 (5th Cir. 1931).

³⁹ Continental Airlines Inc. v. United Air Lines Inc., 53 U.S.P.Q.2d 1385 (T.T.A.B. 2000).

⁴⁰ In re National Patent Dev. Corp., 1 U.S.P.Q.2d 1921 (T.T.A.B. 1986).

⁴¹ Miller Brewing Co. v. G. Heileman Brewing Co., 561 F.2d 75 (7th Cir. 1977).

⁴² Target Brands Inc. v. Shaun N.G. Hughes, 85 U.S.P.Q.2d 1676 (T.T.A.B. 2007).

⁴³ Kellogg Co. v. National Biscuit Co., 305 U.S. 111 (1938).

⁴⁴ Loctite Corp. v. National Starch & Chemical Corp., 516 F. Supp. 190 (S.D.N.Y. 1981).

5.3. Examples of marks held not-generic:⁴⁸ Beer Nuts,⁴⁹ Cognac,⁵⁰ Coke,⁵¹ First Bank,⁵² Softsoap,⁵³ and Teflon.⁵⁴

5.4. Advice for preventing a mark from becoming generic.

5.4.1. Do not use the mark as the name of the product itself.⁵⁵

5.4.2. Do not use the mark as a proper noun.⁵⁶

5.4.3. Do not use the mark as a verb.⁵⁷

5.4.4. Identify the mark with a trademark notice symbol TM or ® whenever it is used.⁵⁸

5.4.5. Create a generic term for a product (if it is a new product and does not already have a generic term).⁵⁹

6. **Proper Use of Trademarks:**⁶⁰ See Appendix below, Kenneth E. Liu, *Proper Use of Trademarks* (2009).

7. **What is Trademark Infringement?**

7.1. In essence, trademark infringement is the commercial use or imitation of a registered mark by another in connection with related goods or services that causes or is likely to cause confusion among actual or potential customers of the trademark owner's goods or services as to the origins of those goods.⁶¹

7.1.1. Although an action for trademark infringement can be brought under state law, the majority of trademark infringement suits arise out of violations of the Lanham Trademark Act of 1946.⁶²

7.1.2. To prevail on an action for trademark infringement the plaintiff must show:

- 1) the mark is valid and legally protectable;
- 2) the plaintiff owns the mark;

⁴⁵ King-Seeley Thermos Co. v. Aladdin Industries, Inc., 321 F.2d 577 (2d Cir. 1963).

⁴⁶ Nissen Trampoline Co. v. American Trampoline Co., 193 F. Supp. 745 (S.D. Iowa 1961).

⁴⁷ Donald F. Duncan, Inc. v. Royal Tops Mfg. Co., 343 F.2d 655 (7th Cir. 1965).

⁴⁸ Examples excerpted from McCarthy on Trademarks and Unfair Competition, Fourth Edition, § 12:19.

⁴⁹ Beer Nuts, Inc. v. Clover Club Foods Co., 711 F.2d 934 (10th Cir. 1983).

⁵⁰ Institut National Des Appellations d'Origine v. Brown-Forman Corp., 47 U.S.P.Q.2d 1875 (T.T.A.B. 1998).

⁵¹ Coca-Cola Co. v. Overland, Inc., 692 F.2d 1250 (9th Cir. 1982).

⁵² First Sav. Bank, F.S.B. v. First Bank System, Inc., 101 F.3d 645, n.11 (10th Cir. 1996).

⁵³ In re Minnetonka, Inc., 3 U.S.P.Q.2d 1711 (T.T.A.B. 1987).

⁵⁴ E. I. Du Pont de Nemours & Co. v. Yoshida International, Inc., 393 F. Supp. 502 (E.D.N.Y. 1975).

⁵⁵ McCarthy on Trademarks and Unfair Competition, Fourth Edition, § 12:27.

⁵⁶ McCarthy on Trademarks and Unfair Competition, Fourth Edition, § 12:28.

⁵⁷ *Id.*

⁵⁸ McCarthy on Trademarks and Unfair Competition, Fourth Edition, § 12:26.

⁵⁹ McCarthy on Trademarks and Unfair Competition, Fourth Edition, § 12:27.

⁶⁰ Information from Kenneth E. Liu, *Proper Use of Trademarks* (2009).

⁶¹ See *KP Permanent Make-Up, Inc. v. Lasting Impression I, Inc.*, 543 U.S. 111 (2004); Restatement (Third) of Unfair Competition § 20 (1995).

⁶² 15 U.S.C. § 1051, et seq.

3) the defendant is using the mark or a similar mark in such a way that creates a likelihood of confusion among consumers concerning the origin of the goods.⁶³

7.2. In deciding whether consumers are likely to be confused, courts will typically look to a number of factors, including:

- 1) the strength of the mark;
- 2) the proximity of the goods in commerce;
- 3) the similarity of the marks;
- 4) evidence of actual confusion amongst consumers;
- 5) the similarity of marketing channels used;
- 6) the degree of caution exercised by the typical purchaser;
- 7) the defendant's intent.⁶⁴

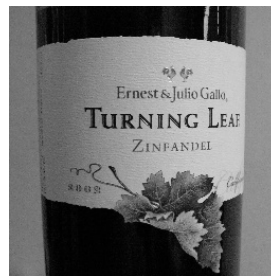
No one factor is necessarily controlling and in general infringement is evaluated on a case by case basis based upon the totality of circumstances.

Case Study:

Kendall-Jackson Winery, Ltd., v. E. & J. Gallo Winery, dba Turning Leaf Vineyards, 150 F.3d 1042 (9th Cir. 1998).

Kendal-Jackson:

During the 1980s and early 1990s Kendall-Jackson built significant brand recognition and gained market share in the “fighting varietals” market segment. This moderately priced niche was popular among wine enthusiasts who came to recognize the Kendall-Jackson Vintner’s Reserve brand as offering quality wines at an affordable price.



E. & J. Gallo Winery dba Turning Leaf Vineyards:

Known primarily for lower priced “jug-wines,” E. & J. Gallo was the largest wine producer in the world when it introduced a line of premium wines under the Turning Leaf label in 1995. Targeting the “fighting varietals” market segment, Gallo released low and middle priced chardonnays and merlots that were similar in appearance and quality to Kendall-Jackson’s Vintner’s Reserve wines.

⁶³ Restatement (First) of Torts § 717 (1938).

⁶⁴ *Synergistic Intern., LLC. v. Korman*, 470 F.3d 162 (4th Cir. 2006); *Polaroid Corp. v. Polarad Electronics Corp.*, 287 F.2d 492 (2d Cir.1961).

	Kendall-Jackson	Turning Leaf (Gallo)
Mark	<ul style="list-style-type: none"> • Downward-pointing grape leaf mark in various shades of fall colors • Off-white label 	<ul style="list-style-type: none"> • Downward-pointing grape leaf mark with various shades of fall colors, folded and turned at an angle • Off-white label
Dress	<ul style="list-style-type: none"> • Brown or burgundy neck label with gold lines on the top and bottom • Burgundy-style for Chardonnay • Bordeaux-style for Merlot • Rounded flange • Visible cork with printed leaves 	<ul style="list-style-type: none"> • Brown or burgundy neck label with gold lines on the top and bottom • Burgundy-style for Chardonnay • Bordeaux-style for Merlot • Rounded flange • Visible cork with printed leaves

Litigation:

Kendall-Jackson sued alleging that Gallo used a grape-leaf design and otherwise imitated the Vintner’s Reserve trade dress in order to “pass off” Turning Leaf wines as those popularized by Kendall-Jackson. The district court found for Gallo, holding that the grape-leaf design was not sufficiently distinctive to be protectable because consumers would not associate a fall-colored leaf as a symbol for Kendall-Jackson without the name of the winery displayed on the label. The appellate court agreed stating that the design was merely suggestive of how wine is made generally and added that grape leaves are commonly used by other wine bottlers to decorate their bottles. Thus Kendall-Jackson’s grape-leaf design had become a generic symbol and was not protectable as a trademark. Kendall-Jackson also lost its trade dress claim after the court found that the

similar cork, flange, and neck label features were functional rather than distinctive features.⁶⁵

8. Guarding Against Trademark Infringement

8.1. Registration confers significant protections including:

- 1) constructive notice to the public of the registrant's claim of ownership of the mark;
- 2) a legal presumption of the registrant's ownership of the mark and the registrant's exclusive right to use the mark nationwide in connection with the goods or services listed in the registration;
- 3) the ability to bring an action concerning the mark in federal court;
- 4) the ability to file the registration with the U.S. Customs Service to prevent importation of infringing foreign goods.⁶⁶

8.1.1. Trademark registrations remains in place for ten years and may be renewed for periods of ten years.⁶⁷

Affidavits of use for trademarks must be filed between the fifth and sixth year following registration.⁶⁸

Affidavits of use must show: 1) the mark is in use in commerce or; 2) the nonuse of the mark is due to special circumstances which excuse the nonuse and is not due to any intention to abandon the mark.⁶⁹

8.2. Using the trademark in commerce in a consistent and continuous way enhances the mark's distinctiveness, increases consumer recognition, and may discourage the use of a similar or identical mark by others. Maintaining continuous use is especially important to prevent an individual from asserting that you have abandoned your trademark rights. Nonuse for three consecutive years is prima facie evidence of abandonment.⁷⁰

8.3. Monitoring for the use or registration of similar or identical marks is important to preserving trademark rights. Basic precautions can be both simple and inexpensive.

⁶⁵ *Kendall-Jackson Winery, Ltd. v. E. & J. Gallo Winery, dba Turning Leaf Vineyards*, 150 F.3d 1042 (9th Cir. 1998).

⁶⁶ 15 U.S.C.A. § 1072; United States Patent and Trademark Office, 'Should I Register My Mark?' (<http://www.uspto.gov/trademarks/basics/register.jsp>)

⁶⁷ 15 U.S.C.A. § 1058(a)-(b).

⁶⁸ 15 U.S.C.A. § 1058(a)-(c).

⁶⁹ 15 U.S.C.A. § 1058(b).

⁷⁰ Am. J. Juris. Trademark § 23.

Trademark owners can use internet search engines such as Google, Yahoo, or MSN to see whether another is using their mark or a similar mark, trade name, or internet domain. Employees, family, or friends can also assist the trademark-holder by looking out for the use of similar or identical marks in commerce. A trademark-holder can search in the free Federal trademarks database of the U.S. Patent and Trademark Office online for similar trademarks and monitor for the registration of similar marks. A trademark-holder may also enlist the services of a professional trademark watch service to monitor for the use or registration of similar marks.

- 8.4. Trademark owners should respond trademark infringements. Failure to enforce your trademark may allow competitors to argue that your mark is not entitled to protection and bolster claims that you have abandoned your mark. In cases of identical use by another failure to act may result in the loss of your ability to object to others using your name in the future.
- 8.5. To defend a trademark the holder can: 1) Object to the registration of similar or identical marks; 2) send “cease and desist” letters to individuals using similar or identical marks; 3) sue to obtain relief in state or federal court.

9. Remedies Under The Lanham Act

- 9.1. Injunctive relief is commonly sought to prevent future use of the confusing mark.⁷¹ The court may also order the destruction or removal from the market of products bearing the infringing mark.
- 9.2. Plaintiffs may sue to recover monetary damages including 1) defendant’s profits from the infringing use; 2) actual losses sustained by the plaintiff; and 3) court costs.⁷² In calculating the appropriate damages the court may consider: 1) whether the defendant had the intent to confuse or deceive; 2) whether sales have been diverted; 3) the adequacy of other remedies; 4) any unreasonable delay by the plaintiff in asserting his rights; 5) the public’s interest in making the misconduct unprofitable; and whether it is a case of “passing off” the infringers goods.⁷³
 - 9.2.1. An important limitation on the recovery of monetary damages is that the registrant must have used the symbol ® adjacent to the mark or the infringer must have actually known of the plaintiff’s registration to recover actual damages.⁷⁴ Additionally the plaintiff must prove the fact and amount of harm and at least one instance of consumer confusion.⁷⁵ Actual harm may include compensation for lost

⁷¹ 15 U.S.C.A. § 1117.

⁷² *Id.*

⁷³ *Synergistic Intern., LLC. v. Korman*, 470 F.3d 162 (4th Cir. 2006).

⁷⁴ 15 U.S.C.A. § 1111.

⁷⁵ *Lindy Pen Co., Inc. v. Bic Pen Corp.*, 982 F.2d 1400 (9th Cir. 1993); *Resorts Intern., Inc. v. Greate Bay Hotel and Casino, Inc.*, 830 F. Supp. 826 (D.N.J. 1992).

sales, sales at lower prices, harm to market reputation, or expenditures to correct or mitigate customer confusion.⁷⁶

9.3. Enhanced damages and attorneys' fees may be awarded in certain circumstances where the infringement is malicious, fraudulent, or willful. For instance, statutory damages of up to U.S. \$1,000,000 or treble damages may be awarded where the infringement is willful or involves the use of a "counterfeit" or the virtual duplicate of a registered mark.⁷⁷

10. Appendix: The attached Appendix includes:

- 10.1. United States Patent and Trademark Office regarding Geographical Indications Used on Wines and Spirits.
- 10.2. Kenneth E. Liu, *Proper Use of Trademarks* (2009).
- 10.3. International Trademark Association, *Geographical Indications*.
- 10.4. International Trademark Association, *Trademark Infringements and Statutory Redress (U.S.)*.

⁷⁶ Restatement (Third) of Unfair Competition § 36(2) (1995).

⁷⁷ 15 U.S.C.A. § 1117.

1210.08 Geographical Indications Used on Wines and Spirits

Section 2(a) of the Trademark Act, 15 U.S.C. §1052(a), prohibits the registration of a designation that consists of or comprises “a geographical indication which, when used on or in connection with wines or spirits, identifies a place other than the origin of the goods and is first used on or in connection with wines or spirits by the applicant on or after [January 1, 1996].” This provision was added by the Uruguay Round Agreements Act, implementing the Trade-Related Intellectual Property (“TRIPs”) portions of the General Agreement on Tariffs and Trade (“GATT”). This provision does not apply to geographic indications that were first used in commerce on or in connection with wines or spirits prior to January 1, 1996.

The term “spirits” refers to “a strong distilled alcoholic liquor” (*e.g.*, gin, rum, vodka, whiskey, brandy). *Random House Webster’s Unabridged Dictionary* 1839 (2nd ed. 1998). This provision does not apply to designations used on or in connection with beer, nor does it apply to goods that are not wines or spirits, but are partially composed of wines or spirits (*e.g.*, wine vinegar; wine sauces; wine jelly; rum balls; bourbon chicken).

This provision of §2(a) applies if the applicant’s identification of goods: (1) specifically includes wines or spirits; or (2) describes the goods using broad terms that could include wines or spirits (*e.g.*, alcoholic beverages).

Section 2(a) is an absolute bar to the registration of these geographical designations on either the Principal Register or the Supplemental Register. Neither a disclaimer of the geographical designation nor a claim that it has acquired distinctiveness under §2(f) can obviate a §2(a) refusal if the mark consists of or comprises a geographical indication that identifies a place other than the origin of the wines or spirits.

See [TMEP §1210.08\(a\)](#) regarding geographical indications used on wines and spirits that do not originate in the named place, [TMEP §1210.08\(b\)](#) regarding geographical indications used on wines and spirits that originate in the named place, and [TMEP §1210.08\(c\)](#) regarding geographical indications that are generic for wines and spirits.

1210.08(a) Geographical Indications Used on Wines and Spirits That Do Not Originate in the Named Place

In implementing the TRIPs Agreement through the Uruguay Round Agreements Act (“URAA”), Pub. L. 103-465, 103 Stat. 4809, Congress approved a Statement of Administrative Action (“SAA”) which provides, in part, that:

“Geographical indications” are defined in TRIPs Article 22.1 as “indications which identify a good as originating in the territory of a Member, or a region or locality in that territory, where a given quality, reputation or other characteristic of the good is essentially attributable to its geographical origin.” The Administration expects that this definition will be applied in the context of trademark registration and that a “geographical indication” as used in this provision

will be interpreted to comprise only those areas which have a reputation for being associated with the specific goods at issue. *Obscure areas or those that do not have a reputation or other characteristics generally associated with wines or spirits should not be prohibited from registration* (emphasis added).

Statement of Administrative Action, Agreement on Trade-Related Aspects of Intellectual Property Rights, H. Doc. 103-316, Vol. 1, 103rd Cong., 2d Sess. 1000, 1994 WL 761796, §B.1.e (Sept. 27, 1994). 19 U.S.C. §§3511(a)(2) and 3512(d).

A designation is considered a *geographical indication* under §2(a) if it identifies the applicant's wines or spirits as originating in a territory known for a given quality, reputation, or other characteristic associated with wines or spirits. A mark for wines or spirits that includes a geographical indication is unregistrable if: (1) purchasers would erroneously believe that the goods originate in the relevant geographic location; and (2) the quality, reputation, or characteristic associated with wines or spirits from that location would materially affect the purchaser's decision to buy the goods.

To establish a *prima facie* case for refusal to register a mark under the "wines and spirits" provision of §2(a), the following is required:

- (1) The primary significance of the relevant term or design is geographic, *e.g.*, a place name, abbreviation, nickname, or symbol; or an outline or map of a geographic area (*see* [TMEP §§1210.02\(a\)](#) and [1210.02\(b\)](#) *et seq.*);
- (2) Purchasers would be likely to think that the goods originate in the geographic place identified in the mark, *i.e.*, purchasers would make a goods/place association (*see* [TMEP §§1210.04](#) *et seq.*);
- (3) The goods do not originate in the place identified in the mark (*see* [TMEP §1210.03](#));
- (4) A purchaser's erroneous belief as to the geographic origin of the goods would materially affect the purchaser's decision to buy the goods (*see* [TMEP §§1210.05\(b\)](#) *et seq.*); and
- (5) The mark was first used in commerce by the applicant on or after January 1, 1996.

Section 2(a) is an absolute bar to the registration of false geographical indications used on wines or spirits on either the Principal Register or the Supplemental Register. Neither a disclaimer of the geographic term or design nor a claim that it has acquired distinctiveness under §2(f) of the Trademark Act, 15 U.S.C. §1052(f), can obviate a §2(a) refusal if the mark consists of or includes a geographical indication that identifies a place other than the true origin of the wines or spirits.

Requirement for First Use On or After January 1, 1996

For all applications filed under §1(b), §44, or §66(a) of the Trademark Act, 15 U.S.C. §1051(b), §1126, or §1141f(a), or for applications filed under §1(a) of the Trademark Act, 15 U.S.C. §1051(a), where the application fails to indicate the applicant's date of first use of the mark in commerce, the examining attorney should presume that the applicant's first use of the mark in commerce is or will be on or after January 1, 1996, unless the application record indicates otherwise.

If the examining attorney determines that a mark featuring a false geographical indication was in use *prior* to January 1, 1996, the examining attorney should refuse registration because the mark is primarily geographically deceptively misdescriptive under §2(e)(3) of the Trademark Act, 15 U.S.C. §1053(e)(3), and deceptive under §2(a). See [TMEP §1210.05\(a\)](#).

1210.08(b) Geographical Indications Used on Wines and Spirits That Originate in the Named Place

If the wines or spirits originate in the identified place, and the primary significance of the mark is a generally known geographic location, the examining attorney should presume the requisite goods/place association, and refuse the mark under §2(e)(2) as geographically descriptive, or require disclaimer of the geographic term, as appropriate. See [TMEP §§1210.01\(a\)](#) and [1210.06\(a\)](#).

Sometimes a geographic term is used to certify the geographic origin of wines or spirits. If the proposed mark is used to certify the goods, the applicant may convert the application to one for a certification mark of regional origin under §4 of the Trademark Act, 15 U.S.C. §1054. See [TMEP §1306.06\(g\)\(vi\)](#) regarding amendment to a different type of mark, and [TMEP §§1210.09](#) and [1306.02](#) *et seq.* regarding geographic certification marks.

1210.08(c) Geographical Indications That Are Generic for Wines and Spirits

When a geographic term or design in the mark is generic for a type of wine or spirit, the examining attorney must refuse registration under §2(e)(1) on the Principal Register or §23 on the Supplemental Register, as appropriate, because the term or design is generic. See [TMEP §1209.02](#). Or, if appropriate, the examining attorney must require a disclaimer of the generic term or design. See [TMEP §§1213](#) *et seq.* regarding disclaimer.

A geographic term or design is considered generic if United States consumers view it as designating the genus of the goods, rather than their geographic origin. See [TMEP §§1209.01\(c\)](#) *et seq.* If a geographic term or design is used in connection with wines or spirits, the examining attorney may submit a search request to the Trademark Law Library to determine whether there is evidence indicating that the term or design is generic for the applicant's goods.

1210.09 Geographic Certification Marks

Under certain circumstances, the name of the place from which goods or services originate may function as a certification mark. When geographic terms are used to certify regional origin (*e.g.*, "Idaho" used to certify that potatoes are grown in Idaho), registration of certification marks

should not be refused and, in applications to register composite certification marks, disclaimers of these geographic terms should *not* be required on the ground of geographical descriptiveness. See [TMEP §§1306.02](#) *et seq.* concerning procedures for registration of certification marks that certify regional origin.

When a geographical term used in a composite certification mark is not used to certify regional origin (*e.g.*, “California” used to certify that fruit is organically grown), appropriate refusals pursuant to §§2(e)(2), 2(e)(3) or 2(a) should be made.

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Proper Use of Trademarks

Your company has created a brilliant new trademark to identify its products or services. Now how do you use that trademark? Proper trademark use is important for protecting your organization's rights in the mark. Failure to use a mark properly can result in a weakening, and possibly even in a complete loss, of your rights in the mark. Below are guidelines for proper use of registered and unregistered trademarks.

1. The mark should appear prominently by itself. A trademark should be clearly visible by itself on all products, publications, websites, and other items on which it is used. It should appear prominently in a manner that stands out from surrounding text. For instance, on a printed publication, the mark should not merely appear in small print on the bottom of the document, or combined with the organization's address, but should be prominently placed somewhere on the front of the document. The mark should also be printed in a different manner from surrounding text, *e.g.*, in **bold**, ALL CAPS, a distinctive *font*, or in a different color.¹ At a minimum, a mark should at least be used with initial capital letters. Use of a mark in all lowercase letters suggests that it is a generic term rather than a trademark.

2. The mark should identify a product or service. A trademark should be used in a manner that clearly identifies a product or service. If it identifies a *product* (such as printed publications, CDs, DVDs, etc.), the mark should appear prominently on the front of the item and/or on its packaging. If it identifies a *service* (such as consulting or charitable services), it should appear prominently on brochures, advertisements, or a website in conjunction with a description of the specific services identified by the mark.

¹ The name of your organization (trade name) can also serve as a trademark, but you should keep the distinction in mind when using it as a name or as a trademark. When the name is used as a trademark, it should be used according to the guidelines in this memo. When it is used solely as a trade name, it need not be used according to these guidelines. For instance, when printing the name of your organization on a newsletter, it can appear in small print on the inside table of contents page or the back with an address. But this does not constitute trademark use. To use the name as a trademark to identify the newsletter, the mark must appear prominently on the front cover so it is clearly visible as identifying the newsletter, perhaps above or below the title of the newsletter. Of course, the title of the newsletter itself can also separately be a trademark.

3. The mark should be used consistently in one format. A trademark should not be altered nor be used in different formats or versions. If the mark is a word, do not combine it with other words or abbreviate it, and do not alter the spelling or other features of the word. For instance, if the mark is registered in the singular, it should not be used in the plural. If the mark is a design, it should always be printed with the same shapes, features, colors, and placement of the same elements. Do not combine it with other elements or move the elements of the design.

Inconsistent use can dilute the strength of the trademark. Also, if a mark is “materially altered,” the altered mark would likely constitute a new and separate mark. If the altered use supplants the original use, it could result in the loss of rights in the original mark (this is especially true if the mark has been federally registered). What constitutes a material alteration is not always easy to define, so it is a good idea to consult with an experienced trademark attorney prior to making modifications to a mark.

4. The mark should be used as an adjective, not as a noun or in a generic sense. When a trademark is used in a sentence, it should be used as an adjective (*i.e.*, as a “brand” name). Unless a mark is also an organizational name, the mark should generally *not* be used as a noun. Use of a mark as a noun subjects it to a claim that the mark does not actually serve a trademark function and is generic, thus depriving the owner of trademark rights. For example:

Improper use: “We sell Kleenex at our store.”

Proper use: “We sell *Kleenex*[®] tissues at our store.”

2. Identify the mark with proper notices. The proper trademark notice symbol designating ownership should be used when a mark appears in print or in any other media, including websites.

Unregistered *trademarks* (*i.e.*, marks used for products) should be tagged with the “TM” symbol (TM). Unregistered *service marks* (*i.e.*, marks used for services) can be tagged with the “SM” symbol (SM). The TM and SM symbols should also be placed on trademarks and service marks: (1) while an application for registration of the mark is still pending, and (2) when used in conjunction with products or services for which the mark is not registered. Use of the “TM” and “SM” symbols merely indicate the owner’s claim to a trademark; use of the symbol alone does not mean the term is a valid trademark.

Trademarks and service marks that have been *registered* with the U.S. Patent & Trademark Office (“PTO”) for use with certain goods and services should be tagged with the encircled “R” symbol (®) to indicate that the mark is federally registered *as to those specifically protected goods or services*. Thus, if

a mark is registered for Class 16 “publications,” the ® symbol should be placed with the mark when used on publications.

Failure to appropriately place notices in conjunction with registered marks could undermine the ability to recover profits and other monetary damages from an infringer who lacks actual notice of the trademark registration (and also reduces the leverage for obtaining compliance without litigation).

Although there is no prescribed placement of the ™, ℠, or ® symbols, they are generally placed above the upper right-hand shoulder of a mark (*e.g.*, Kleenex®).

Although the proper trademark symbol need not appear on every individual instance a mark is used within a document, it should be used sufficiently so that a reader of the document is clearly placed on notice of your organization’s claim to ownership of the mark. Generally, this means the symbol should be placed on each prominent use of the mark within a document, *e.g.*, in titles, headings, captions, credits, etc., as well as with the first instance in which the mark is used in the main body of the text.

Generally, the trademark symbols should be used on all materials that will be seen by the public, including websites, brochures, newsletters, advertisements, reports, etc.

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International Trademark Association

Geographical Indications

1. What is a Geographical Indication?

A Geographical Indication (GI) is a sign used on a product to denote its origin where a specific quality, characteristic or reputation of the product is essentially attributable to that origin. BORDEAUX is a GI for wine originating from the region of Bordeaux in the South of France, where it has been produced since the 8th century. Similarly, TEQUILA is a GI for liquor originating from the town of Tequila located in the state of Jalisco, Mexico where the liquor has been produced for over 200 years. Other examples of GIs include:

- CHAMPAGNE
- DARJEELING TEA
- JAMAICA BLUE MOUNTAIN COFFEE

2. How are Geographical Indications protected?

Historically, there has been no uniform approach to the protection of GIs. Countries have adopted various legal principles and statutes to ensure the domestic protection of GIs. Some countries have enacted specific *sui generis* legislation to protect GIs, some afford protection under existing laws governing trademarks and others use a combination of both. GIs are also protected through unfair competition laws, consumer protection laws and laws protecting trade names or marks from passing off and other false and misleading trade practices.

An international framework for the protection of GIs has evolved over time beginning with the Paris Convention for the Protection of Industrial Property (1883) where a special form of GI, the Appellation of Origin, was afforded international protection. Most recently, the Agreement on Trade-related Aspects of Intellectual Property Rights (TRIPS) of the World Trade Organization (WTO) internationalized the protection of GIs by promoting a standard definition of GIs and prescribing certain minimum standards by which they must be legally protected throughout WTO Member States.

A number of countries have entered into various bilateral, multilateral and international arrangements to bolster the protection of their GIs in foreign territories.

The following international agreements contain elements of protection for GIs:

- Paris Convention for the Protection of Industrial Property (1883)
- Madrid Agreement for the Repression of False or Deceptive Indications of Source on Goods (1891)
- GATT Agreement (1947)
- Lisbon Agreement for the Protection of Appellations of Origin and their International Registration (1958)
- TRIPS Agreement (1995)
- Regional (e.g., EU 1992)

The following are some regional and multilateral agreements governing the protection of certain GIs:

- Agreement between the European Community and the United Mexican States on the mutual recognition and protection of designations for spirit drinks, OJ L 152, 11/06/1997 pp. 16-26
- Agreement between the European Communities and Australia on trade in wine, OJ L 86, 31 March 1994
- France-Ecuador Agreement for the Protection of CHAMPAGNE (1959)
- Inter-American Convention on Protection of Marks (1929)
- Central American Convention for the Protection of Industrial Property (1968)
- Andean Community Common Regime for Industrial Property Decision 486
- Council Regulation (EC) No 509/2006 on agricultural products and foodstuffs as traditional specialities guaranteed; Council Regulation (EC) No 510/2006 on the protection of geographical indications and designations of origin for agricultural products and foodstuffs, OJ L 93, 31.3.2006]
- Economic Partnership Agreement (EPA) between CARIFORUM and the EC, December 2007

3. What are the main components of GI protection?

Under Article 22 of TRIPS, Members are required to provide remedies against the following activities:

- false and misleading use of a GI, i.e., use in the designation or presentation of a good that indicates or suggests that the good originates in a particular place that is not the true place of origin and so misleads the public as to the true geographic origin of the good
- use which amounts to unfair competition or passing off

Wines and spirits are afforded additional protection. Under Article 23 of TRIPS Members are also required to provide remedies against:

- the use of GI's for wines and spirits that do not actually originate in the place indicated by the GI even where the true place of origin is indicated and even where used in conjunction with "kind" "style" "imitation" for example "IMITATION CHAMPAGNE made in THAILAND"

4. What is the relationship between GIs, Indications of Source and Appellations of Origin?

GIs are an offshoot of Indications of Source and Appellations of Origin which were first accorded international recognition in the Paris Convention. Indications of Source simply denote the geographical place of origin of a product. For example, "made in Jamaica." There need not be any definable characteristic of the product that derives from its place of origin. Article 10 of the Paris Convention provides for the prohibition from, or seizure on, importation of all goods that bear a false indication of the source of the goods or the identity of the producer, manufacturer or merchant—this protection being predicated on national protection for such indications. Based on Article 10 of the Paris Convention, the Madrid Agreement for the Repression of False or Deceptive Indications of Source (1891) sets out the cases and manner in which seizure may be requested and effected and prohibits use of all indications that deceive the public as to the source of the goods.

Appellations of Origin are the actual names of the geographical places of origin of products, e.g., “U.S.A.”, but go further than Indications of Source in that they denote a genuine qualitative link between the product and the place of origin. The Lisbon Agreement defines an Appellation of Origin as “the geographical name of a country, region, or locality, which serves to designate a product originating therein, the quality and characteristics of which are due exclusively or essentially to the geographical environment, including natural and human factors.” This Agreement facilitates the international protection of appellations of origin by offering the possibility of obtaining protection in the Contracting Parties to the Lisbon Agreement through a single registration.

5. Is there a difference between a GI and an Appellation of Origin?

The TRIPS Agreement in Article 22 defines GIs as “indications which identify a good as originating in the territory of a Member, or a region or locality in that territory, where a given quality, reputation or other characteristic of the good is essentially attributable to its geographical origin.” A geographical name can therefore operate as a GI once a given quality, reputation or other characteristic of the product using the name is essentially attributable to the geographical origin.

An appellation of origin is a special kind of geographical indication. A GI is only considered an appellation of origin where both the quality and reputation or other characteristic of the product in question are due exclusively or essentially to the geographical environment. Further, whereas appellations of origin refer only to geographical names, such as BORDEAUX, CHAMPAGNE and TEQUILA, symbols such as the Eiffel Tower in Paris or the Matterhorn in Switzerland could function as GIs. Hence, not all GIs are Appellations of Origin.

6. What is the relationship between GIs and Trademarks?

GIs are, in some circles, considered to be part of the trademark family. Both GIs and trademarks are signs that serve the function of denoting the source and oftentimes the quality of a product distinguishing them from similar products on the market. Both forms of protection seek to exclude unauthorized persons from using the sign and provide remedies and sanctions against unauthorized users. Both GIs and trademarks also can become generic through misuse, nonuse or overuse by the public.

However, a notable difference is that whereas trademarks point consumers to the proprietor or enterprise that offers the product or services, GIs point consumers to the geographical area of the product’s origin and/or specific features of the product attributable to the origin. In other words, trademarks function to distinguish a specific product from similar products in the market place and to indicate a product’s trade origin whereas a GI essentially functions as an indication of the geographical origin of a product. Ordinary trademarks may be transferred and owned by several different proprietors without external restriction or regulation. However, under certain laws, a GI cannot be transferred by one proprietor in, for example, the USA to another in Italy as it is not the exclusive property of the producer or group of producers entitled to its use.

GIs have more in common with certification trademarks than with ordinary trademarks and, in fact, some countries, notably the United States of America, Canada and Australia, offer protection for GIs through the trademark system as certification marks. Canada also offers additional protection for GIs in respect of

wines and spirits under special provisions of its Trademarks Act. GIs can also be protected as collective marks, which are trade or service marks owned by associations for use by their members.

Similar to a GI, a certification mark certifies the nature or origin of the goods or services to which it has been applied. Certification marks serve to distinguish goods or services that are certified by an undertaking (in respect of origin, material, mode of manufacture or performance of services, quality, accuracy or other characteristics) from those that are not certified.

Like ordinary trademarks certification marks apply equally to goods and services and in that sense have broader commercial application than GIs, which, as defined by the TRIPS Agreement, only relates to goods.

For more information, see [Certification Marks](#).

7. How can GIs be protected as Certification Marks?

Although trademark laws usually exclude from registrability trademarks that consist exclusively of signs or indications that designate the geographical origin of the goods or services in question, certification marks may comprise a geographical name or indication. However, the proprietor of the certification mark is not usually able to prevent bona fide and honest uses of the GI by other persons who are entitled to use the GI for a particular product.

IDAHO POTATOES is a GI as it denotes a qualitative link between the potatoes and the place Idaho where they are grown. It is protected as a registered certification mark. So too is the design mark GROWN IN IDAHO that features a silhouette of the state of Idaho.

In India, DARJEELING is protected as a certification mark as well as through a system established by the Tea Act of 1953, which mandates the licensing of all tea dealers and the issuance of Certificates of Origin in respect of all legitimate exports of the tea. DARJEELING is also protected as a certification mark

JAMAICA BLUE MOUNTAIN COFFEE is a GI as it denotes a qualitative link between the coffee and the Blue Mountains in Jamaica where the coffee is grown. It is protected in Jamaica and the U.S. as a certification mark and in the EU as a protected designation of origin (PDO). Under EU Regulations, a PDO indicates that the quality and characteristics of the product bearing the designation are essentially or exclusively due to a particular geographical environment and the product is produced, processed or prepared in that area.

8. Does a Geographical Indication have to be registered to be protected?

The TRIPS Agreement does not specify any formalities as a condition for GI protection. Accordingly countries approach this issue differently. In some jurisdictions, nothing formal is required to acquire the right to use a GI and the right to prevent false or misleading uses of that GI can be exercised by any interested party. In other jurisdictions a GI must be registered in order to be protected. However, usually once the GI is registered all bona fide producers may use the GI in relation to the product in question provided certain standards are met.

9. Can GIs and Trademarks coexist?

In countries where protection is granted to GIs under a separate law from registered trademarks the question that often arises is whether identical or similar GIs and trademarks can be registered. Under certain laws, a GI can coexist with a registered trademark containing the GI that is being used or registered as long as the use is not false or misleading as to the true place of origin.

The TRIPS Agreement provides that, where the trademark identifies wines or spirits as being of the origin denoted by the GI when it is not the true place of origin, an application for registration of the mark may be refused or the registration of a mark may be revoked. Where, however, a trademark has been applied for or registered in good faith or rights in it have been acquired through bona fide use before the law protecting GIs comes into operation or before the GI is protected in its country of origin, neither registrability nor validity of a registered trademark shall be prejudiced by the GI protection. Further, the right to use the mark will not be prejudiced on the basis of it being identical with or similar to a GI.

In practice, GIs and trademarks coexist in the market place. Many products are double-branded by GIs and trademarks where several producers market one kind of product under specific standards and use their own distinct trademarks along with the GI or certification mark applicable to that product.

For information on INTA's position on the priority principle between trademarks and GIs, as well as GI Questionnaires and other information, see [Geographical Indications](#).

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Trademark Infringements and Statutory Redress (U.S.)

1. What is trademark infringement?

Trademark infringement is the commercial use of the same or similar mark by another with respect to related goods or services which is "likely to cause confusion" with respect to actual or potential customers of the trademark owner's goods or services. Many factors are considered in determining the existence of a "likelihood of confusion" including the similarity of the marks and their commercial connotation, the similarity or relationship of the respective goods or services, the commonality of trade channels, the sophistication of purchasers, the fame and strength of the trademark owner's mark, the number and nature of similar marks in use on similar goods or services, and the existence of actual confusion. No one factor is necessarily controlling and in general infringement is evaluated on a case by case basis based upon the totality of circumstances.

2. Must an infringer be a competitor?

No. The focus of trademark infringement analysis is on the confusion of actual or potential customers. Accordingly, an infringer's products or services need only be sufficiently related to the trademark owner's products or services so that use of similar marks would cause customer confusion.

3. How does trademark infringement differ from trademark dilution and unfair competition?

Generally, the existence of a likelihood of confusion is not required to establish either dilution or unfair competition. Dilution focuses primarily upon the strength of a trademark owner's rights and remedies are usually limited to injunctive relief. Although unfair competition may be based on trademark or trade dress infringement, unfair competition is a broader concept and may be based, among other things, upon false or misleading statements in marketing and advertising materials. However, in many cases of dilution and unfair competition, trademark infringement also exists.

4. How can one redress infringement?

In the United States, the federal trademark law called the Lanham Act authorizes suit to be brought for infringement of either registered or common law trademark rights. 15 U.S.C. Section 1114 and Section 1125(a), respectively. Remedies include injunctive relief to prohibit future infringement, the impoundment and destruction of goods bearing infringing trademarks, an infringer's profits, the trademark owner's actual damages and court costs. Attorney's fees may be awarded in exceptional cases. Where the infringement involves the use of a "counterfeit" or virtual duplicate of a registered mark, statutory damages of up to U.S. \$1,000,000 may be awarded along with the imposition of an award of reasonable attorney's fees unless the infringer proves extenuating circumstances. Alternatively, treble damages are available in cases involving counterfeit marks or where

infringement is willful. Most states in the United States also have their own trademark statutes. Hence, a trademark owner generally has the option of pursuing a trademark infringement action based on both state and federal law and in either state or federal court.

5. How does federal registration aid in redressing trademark infringement in the United States?

Through federal registration, the trademark owner acquires nationwide constructive usage of a mark as of the trademark application filing date. Such constructive rights serve as a basis for asserting infringement against subsequent users of the mark. A federal registration is prima facie evidence of ownership and the validity of the mark. An incontestable registration becomes conclusive evidence of those facts. Failure to use the registration symbol ® with a registered mark can substantially impair a trademark owner's ability to recover damages in an infringement action.

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