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## Five Reminders for Filing Trademarks in the U.S.



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**Introduction:** Overseas applicants filing trademark applications in the U.S. are often perplexed and sometimes frustrated with the American methods for trademark filing and prosecution. The U.S. trademark registration scheme is use-based, from which flows several considerations when filing here, not the least of which is preparing for the inevitable struggle with the examining attorney on specifications and confusion as to what constitutes a proper specimen showing use. We provide below five reminders that may be helpful when filing in America.

**1. Proving Use – the Trademark Office needs examples of the mark in use, not proof the actual good bearing the mark was sold.**

An applicant filing a use-based application in America must prove use of the mark before a registration will issue. The same is true for an intent-to-use application and five years after registration of a U.S. registration based on an overseas registration or five years after approval in the U.S. of a Madrid Protocol request for extension of protection here.

But what does “use” mean? We often have overseas clients send reams of invoice data showing that the good bearing the mark has been sold in the U.S. While invoices *may* constitute acceptable specimens for service marks, the same is never true for trademarks used in connection with goods. Rather, the Trademark Office simply wants to see use of the mark in connection with the good offered under the mark.

For goods this often means a label or hang tag (and better specimens for services tend to be brochures, advertising or websites explaining the service). The Declaration signed by the applicant that the specimen provided was used in a sale in commerce is all that is required to prove such use (the Trademark Office takes the applicant’s word).

That is not to say that such sales data would be meaningless during a later challenge for lack of use. Indeed, proof of sales would be necessary in later litigation. However, during the prosecution process such data is not helpful for proving “use”.

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## **2. U.S. specifications remain very specific.**

The U.S. trademark registration system is based on a theory of national rights exceeding that available under the common law. The price for such national coverage is a limited register of marks actually in use for the marks at issue. As such, the U.S. office practice has been to require applicants to narrowly identify the goods and services in their applications.

This, of course, is a different approach than many other jurisdictions that allow sweeping identifications of goods (or even class headings) and no proof of use unless challenged. These two systems collide when a U.S. application is based on an E.U. or European-based application with a much broader specification. The result is an inevitable office action requiring a narrowing of the specification.

There is no way to avoid this conflict. And for highly technical goods the back and forth with the examiner on this issue can be very frustrating to the client in Europe. While one option is to work with U.S. counsel pre-filing to sort out an acceptable specification, such an effort may cost just as much as simply filing and responding to the examiner's refusal.

## **3. Seeking consent should only carefully be considered in the U.S. as it is not easy to obtain.**

Another important issue that results due to the difference between the U.S. registration scheme and that in Europe is that consent is not a good option here. Seeking consent from a registrant in countries that still examine on relative grounds with an overly broad specification is often an easy answer. Lack of use provides abandonment grounds for a partial cancellation effort.

This is not often the case in the U.S. If an applicant does not have some kind of superior rights or other lever against a registrant with a blocking registration, seeking consent does nothing more than put the registrant on notice that a potential infringement is about to occur. And even if the owner of the blocking registration has no interest in attacking the applicant's mark the response is often a request for an unreasonable amount of money for the consent (i.e., "what's in it for me?").

That is not to say that consent may not be possible without a lever as we have on occasion obtained them for clients. But for the most part they are not as easily obtained in the U.S. as they are in other parts of the world and as such should be very carefully considered for resolving blocking reference issues at the Trademark Office.

## **4. Entity type and citizenship should always be sent along with filing instructions.**

One smaller issue that can be rather nettlesome is the entity type. All applications filed by juristic entities must identify the legal nature of their corporate form, legal entity, such as partnership, joint venture, corporation, or association as well as the U.S. state or foreign country in which the applicant is organized. For non-U.S. based companies this can be a struggle.

If the applicant is from the United Kingdom or another commonwealth country (e.g., Canada or Australia) the applicant may use the term "company" (or the abbreviation "co.") to identify the entity as a corporation. "Limited company" is also acceptable in commonwealth countries.

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The USPTO has also set forth some designations of entities that are also acceptable as a matter of course for various countries. For example, the following designations are acceptable for companies organized in the U.K.:

Co.	Commonwealth countries	<i>Company</i> . Acceptable to identify entities that are equivalent or analogous to United States corporations or associations.
Ltd.	Commonwealth countries; China	<i>Limited Company</i> . Indicates that a company is incorporated and that the owners have limited liability
PLC	UK & Ireland	<i>Public Limited Company</i> .

The same is true for an E.U. Company:

SE	European Union	<i>Societas Europae</i> . European Company. A Public Limited Company, equivalent to a corporation.
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And the USPTO has taken considerable efforts to identify numerous other corporate forms in countries such as Germany:

AG	Germany	<i>Aktiengesellschaft</i> . Joint Stock Company, equivalent to a corporation
e.V.	Germany	<i>Eingetragener Verein</i> . Non-profit society/association.
Einzelfirma	Germany/Swiss	<i>Einzelfirma</i> . Sole Proprietorship.
GbR	Germany	<i>Gesellschaft burgerlichen Rechts</i> . Partnership without a legal name.
GmbH & Co. KG	Germany	Like a KG, but the entity with unlimited liability is a GmbH instead of a person. (See the KG entry for more information).
GmbH	Germany	<i>Gesellschaft mit beschränkter Haftung</i> . Limited Liability Company.
KG	Germany	<i>Kommanditgesellschaft</i> . A limited partnership under a legal name whose entity survives even though the partners might change.
KGaA	Germany	<i>Kommanditgesellschaft auf Aktien</i> . A limited partnership with shares.
OHG	Germany	<i>Offene Handelsgesellschaft</i> . Partnership.
Stiftung	Germany/Swiss	<i>Stiftung</i> . Foundation having some attributes of a corporation.

As well as the Czech Republic:

A.S.	Czech Republic	<i>Akciova Spolecnost</i> . Joint Stock Company, equivalent to a corporation.
k.s.	Czech Republic	<i>Komanditni Spolecnost</i> . Limited partnership.
spol s.r.o.	Czech Republic	<i>Spolecnost S Rucenim Omezenym</i> . Limited Liability Company.
v.o.s.	Czech Republic	<i>Verejna Obchodni Spolecnost</i> . General partnership.

To speed any application along in the U.S. it is helpful for filing instructions to include accurate information as to the entity type and country of organization.

**5. U.S. applications based on a foreign registration require *bona fide* intent to use.**

Recent cases at the Trademark Office bear out the need for overseas applicants to have a *bona fide* intent to use the mark in the application for all the goods and services stated. Last year a German applicant failed to prove this intent when the only evidence he offered was European registrations and a German website for unrelated goods.

Bear in mind that unlike a challenge for lack of use which can be asserted (for the most part) only three years after the registration issues, a challenge for lack of intent can be asserted at any time. This can be a real trap for E.U. applicants who may prefer large European-style specifications. If priority is an issue such applications are in peril.

However, the good news is that lack of intent cases with respect to overseas applicants tend not to involve larger mark holders that can likely offer evidence of some marketing plans or business rationales to support filings in the U.S. Rather, these cases have often involved individuals or smaller companies with no response to the question of how exactly they intended to penetrate the U.S. market. In other words, proving intent is a low threshold that most legitimate businesses should be able to meet as long as they paid attention to their specifications.

## **Conclusion**

The little things always make life difficult. Hopefully the above reminders will help smooth the process for overseas applicants in the U.S.