

Client Advisory

WHEN DOES IT MAKE SENSE TO REGISTER TRADEMARKS AND COPYRIGHTED MATERIAL?

Determining whether and when to file for national registration of trademarks and copyrights should be a strategic decision which weighs the goals of the business and maximizes the use of scarce resources. Registering a national trademark can run into an expense of several thousand dollars. Filing for federal registration of copyrighted material is less expensive in terms of dollars, but can be an administrative headache. Failure to make these filings can be costly or meaningless, depending on a number of factors. Is it imperative that all brand names, slogans and creative/artistic material intended for use or actually being used by a business should be registered, with their attendant expense? The practical answer is not necessarily all of them. The reasons for that answer, and the guidelines for determining when to incur the expense, follow.

TRADEMARKS

A *trademark* is a brand name or logo, or both, that is used to identify the maker of a product or service. Trademarks are not required to be registered in order to be protectable. However, unregistered protection is usually quite limited, and the most protection obtainable for a new brand name or logo conceived by a company is a federal trademark registration. But since the essence of trademark law is the avoidance of confusion between products or services in the marketplace, brand names of one company that may be confused with brand names of other companies for similar products or services are not only not protectable; they can also spawn lawsuits by what are called “senior users.”

Trademark searches are the most comprehensive ways available to ascertain whether a name that may be confusingly similar to a name of choice for similar products or services is already in use. Searching is only the beginning of the expense involved in determining whether a mark may be used and protected, and the moment a name has been decided upon is the moment that business and marketing personnel should make a decision regarding incurring the expense involved in the increased protection afforded by national registration. If a federal trademark registration is not feasible for expense or other strategic reasons, you might want to consider a state trademark registration, which is considerably less expensive.



COPYRIGHTS

A *copyright* is a government-granted monopoly for creative works that are non-utilitarian, such as written works, artwork, motion pictures, original software programs, plays, music, photographs, sculpture and similar material. The material must be original and it must be non-utilitarian; if it is useful, then it may fall under patent laws, and depending on whether the artistic elements may be considered separately from the useful elements, it may be possible to have both patent and copyright protection. Company names are normally not copyrightable. Copyright protection generally lasts for the life of the author plus 70 years, or for a corporation, 95 years from the date of publication or 120 years from the date of creation, whichever is shorter.

The creation of packaging designs, sales brochures, original software programs, copy for instruction and other manuals, use of pictures, preparation of training and other films for internal use, explanatory videotapes that may accompany products, celebrity endorsement photos and copy, advertising jingles and other original artistic material including websites, should always be examined after creation to determine whether to register a copyright claim. As is true with trademarks, registration is not required for legal protection of copyrightable works, since the moment an eligible work is created, it is protected by copyright, without any further action. However, a number of important additional rights accrue through federal registration. Again, at the time of creation of eligible original artistic works, the business and marketing personnel should make a decision as to whether to incur the expense of registration (although registration is absolutely required in order to bring a lawsuit against an infringer).

CONSIDERATIONS

With the above as background, following are some of the items to consider before making a decision to spend money seeking official registration of a name or a work:

- How long will the name or work be in use? If for only a short time, after which it will be discarded, the additional expense of registration may not be necessary.
- Is it important that others not copy the particular work? For some works, such as instructions on playing videotape or assembling a toy, it may not matter that the simple instructions are copied. For other works where the content is important, such as use of pictures, appealing ad copy or an advertising jingle, copying by a competitor could be very damaging. If so, those works should be registered.



- Does the new product, service name or logo identify the company in an important way, such as a logo that is identifiable as a substitute for the company name, or a name that also appears in the company title? (The Playboy Rabbit Head Symbol and the NBC Peacock both serve as alternate identifiable symbols of the corporations.) If so, further expense for investigation regarding prior use by others and eventual registration is warranted. It is also possible for a logo to be registered as a trademark and separately registered in the Copyright Office, depending on its artistic content. Conversely, use of a name or symbol on a temporary basis should not warrant further expense for registration.
- Will this product be the first in what may be a line of products using the same basic name? (“Brand X Ink” today, but perhaps the addition of “Brand X Toner” or “Brand X Paper” in the future). If so, the earlier official registration is sought, the stronger the rights that build up become. If the product is a one-shot promotion, it may not be worth the expense of registration.
- Is the new product name by itself generic (“Cassette” for a cassette; “Beer” for beer) or descriptive (“Instruction video” for an instruction video; “Nail Polish” for nail polish)? If so, that portion of the new name will not be registerable, and so no further expense is warranted. (Marketing personnel may, however, be able to do some creative thinking to come up with a protectable variation on the unprotectable elements, since suggestive names may be protectable.)
- Is the new name or creative material worth the expense of litigation at some later date, either to prosecute an infringer or defend against a claim of infringement? If so, registration should be sought, and a search should be made before product promotion and branding expense is incurred, again to attempt to insure that money is not wasted because of a valid claim by a senior user who demands the name be changed.

The above items constitute an abbreviated checklist of the considerations a business should undertake when determining whether to invest in federal registration for trademarks and copyrights. While it may seem administratively easier to simply register everything or nothing, significant business goals may be undermined if an appropriate registration strategy is not applied.

If you would like further assistance in developing a trademark and copyright registration strategy, please contact Loletta Darden at (312) 207-2415, John Hines at (312) 207-3876, E. Leonard Rubin at (312) 207-6464, George Vinyard at (312) 207-6406, or Angela Washelesky at (312) 207-3854.

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