Trademarks

Class 9

Loss of Trademark Rights - §1064(3)

- <u>Loss of Rights Due to Genericism</u>
  - Aspirin
  - Escalator
  - Yo-Yo
  - Thermos
  - Phillips-head
  - Zipper

- →A trademark holder's effort to prevent the genericism of his mark is **NOT** relevant.
- Whether a mark has become generic or not is a question of FACT (not of law)
- Genericism is an affirmative defense – a defendant who is accused of trademark infringement should plead that the mark in question is, or has become, generic.

Loss of Rights Due to Abandonment

- The trademark holder's efforts can't prevent genericism, BUT that does not mean that the trademark holder should sit around and do nothing.
  - Can't rescue a mark from becoming generic; *however,*
  - Failure to use a mark can result in abandonment

Loss of Rights Due to Abandonment

- Abandonment = when a mark's use has been discontinued with the intent to not resume the use.
  - Intent to not resume use can be inferred from circumstances
  - Non-use of a mark for 3 consecutive years is prima facie evidence of abandonment
  - "Use" of a mark means the bona fide use in the ordinary course of trade (and not made merely to reserve a right in the mark)
- Whether a mark has been abandoned or not is a question of fact. Look at the totality of the circumstances.
  - Abandonment, like genericism, is an affirmative defense.

Loss of Rights Due to Naked Licensing or Failure to Police

- Naked Licensing = when a trademark holder licenses the use of his mark without maintaining any control over how the mark is used.
- The licensor of a registered trademark is required to prevent the licensee from using the mark in a misleading way. *If the licensor does not take this precaution, he risks the cancellation of his trademark.*
- A licensor who fails to police the use of his mark by unauthorized users may face a court ruling of abandonment.

Infringement & Likelihood of Confusion

- §1114 – cannot use a reproduction, counterfeit, copy, or imitation of a registered mark when *"such use is likely to cause confusion, or to cause mistake, or to deceive."*
  - Infringer need not actually be aware of the registered mark
  - Registration imputes knowledge of the mark's existence on all second-comers ("you should have known")
  - Use of the mark does not have to be on the same goods/services
  - Could have been independent creation of the mark (no actual copying/unfair competition involved)

Infringement & Likelihood of Confusion

How do you determine if a mark is likely to cause confusion?

- Look at the 8 Polaroid factors:
  1. The strength of the mark
  2. The degree of similarity between the 2 marks
  3. The proximity of the products/services
  4. The likelihood that the prior owner will bridge the gap
  5. Actual confusion
  6. The defendant's good faith in adopting its own mark
  7. The quality of the defendant's product
  8. The sophistication of the buyers (the consumers)
- The first 3 of these factors are considered to be the most important.
  - Ex: "Wackola Eats" and "Wackola Treats"

Infringement & Likelihood of Confusion

- Polaroid Corp. v. Polaroid Elects. Corp., 287 F.2d 492 (2nd Cir. 1961)

- Reverse Confusion
  - Junior user, after market saturation, becomes more prominent than senior user.

Trademark Dilution

- When a mark is diminished in strength
- When a mark is 'tarnished'
- Blurring a mark's product identification

- In order for a dilution claim to be successful,
  - Plaintiff's mark must be strong enough, famous enough, distinct enough, etc. such that it's capable of dilution, AND
  - The blurring or tarnishment that takes place must be as a result of defendant's use