

**By: MaryJo Kishel, Esq.\***

If you are like most business owners, the protection of your brand name is very important to you. However, many business owners make the mistake of assuming that they own the exclusive rights to their brand without taking the requisite steps to establish such exclusivity. For that reason, business owners should take the time to better understand what brand name protections are available under the applicable law and how to obtain them. This article describes the available brand name protections and suggests the ways that business owners should consider and ultimately utilize some or all of such protections.

### **Fictitious Name Registration Affords No Protection**

A common misconception among members of the business community is that the registration of a trade name, also known as a fictitious name, with the Pennsylvania Department of State, confers some exclusivity with regard to the use of such name. Consequently, business owners are often surprised to discover that the registration of a fictitious name in Pennsylvania bestows no exclusive rights with regard thereto. Rather, registration of such names is required under Pennsylvania law, and a business owner may not institute suit under a trade name unless and until it has registered such name pursuant to an application for a fictitious name registration.

### **Formation of a Company Conveys Little Protection to its Name**

If, after a business owner registers a trade name, another company is formed under that same name, the formation will not stop the party that registered that name as a trade name from continuing to use such name. Such formation will, however, prevent any company from subsequently registering such name as a trade name as well as forming under the same name. Nevertheless, companies may form under, and register as trade names, names that are only distinguishable by slight variations among them. Accordingly, neither the formation of a company under a particular name, nor the registration of a trade name, affords much protection against the use of similar names by third parties.

### **Federal Trademark Registration Affords Significant Protections**

Unlike the slim protections afforded to entity names and trade names, the United States Lanham Act affords extensive protection to intellectual property comprised of trademarks or service marks from infringement by third parties.

### **What are Trademarks and Service Marks?**

A trademark is one or more words, symbols, or a combination thereof, which represents one or more products.

A service mark is one or more words, symbols, or a combination thereof, which represents one or more services. Whether a business name is also being used as a mark may not seem readily apparent, although such distinction is critical in determining whether it is afforded the protections extended to marks under the law.

### **How Does One Obtain Federal Trademark or Service Mark Rights?**

Once a business obtains federal rights in a mark, such business becomes the exclusive owner of such mark except in certain respects as to prior users thereof, and may bar others from using such mark as well as any confusingly similar mark thereafter. By using a mark in interstate commerce on or in close proximity to a product and/or in marketing material to advertise a service, the owner of such mark obtains federal rights therein.

### **What Protections Are Obtained by Federally Registering a Mark?**

The law affords certain additional protections to those who register a mark with the United States Patent and Trademark Office. Such protections include:

1. the right to use the registered trademark symbol ®;
2. the right to file a trademark infringement suit in federal court and obtain monetary remedies, including infringer's profits, damages, costs, and, in some cases, trouble damages and attorney's fees;
3. the registration will act as a bar to the registration of another confusingly similar mark; and
4. the registration may serve as a basis for an international trademark application;
5. a statutory presumption that:
  1. the mark is valid;
  2. the registrant is the owner of the mark; and
  3. the registrant has the exclusive rights to use the registered mark;
6. the registration is proof that the mark has acquired secondary meaning;
7. the registration serves as constructive notice of a claim of ownership, eliminating any justification or defense of a good faith adoption and use of a mark by a third party after the registration date;
8. the registrant is entitled to national priority based upon the filing date of the registration; and
9. the registration becomes incontestable after five years on the register, creating conclusive evidence of the registrant's exclusive right to use the mark, subject to certain statutory defenses.

### **How Do I Obtain Such Rights?**

In order to be afforded rights under the Lanham Act, a mark must be in use in commerce. The Lanham Act defines “commerce” as any commerce that may lawfully be regulated by Congress, and “use in commerce” as the bona fide use of a mark in the ordinary course of trade and not made merely to reserve a right in a mark. Generally, use in commerce requires interstate use or use between the United States and a foreign country.

### **Can I Register My Mark With the State?**

The Commonwealth of Pennsylvania also extends certain protections by permitting filing of trademarks and service marks at the state level for those who are providing products and/or services under such marks only within Pennsylvania. Even before marks have been registered, however, one should place the symbols TM (for trademarks) and SM (for service marks) next to one’s marks in each instance in which such marks are used. The use of such notations puts third parties on notice that one is claiming trademark or service mark rights in one’s marks, thereby providing a potential deterrent to infringement and possible negation of an innocent infringer defense in the event of litigation against an infringer.

### **Should I Consult with an Attorney?**

Because of the significant protections afforded by registrations of intellectual property such as trademarks and service marks, one should consult with an attorney to determine whether a name, symbol, design or combination thereof, is or are being used as a mark, whether or not the foregoing may also be used as a business name. If it is determined that a mark is being, or is intended to be used, then one should consider availing oneself of the rights and protections afforded by a state or federal registration, as applicable. Our firm has extensive experience with trademark and service mark registrations, and will be happy to answer any questions you may have in that regard, and assist with the registration process.

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