



MATHESON
& ASSOCIATES PLLC
ATTORNEYS AT LAW



TRADEMARK BASICS FOR SMALL BUSINESS

JULY 19, 2022

OUTLINE - TRADEMARKS

- Introduction
- Trademark Basics
 - What are trademarks
 - How does registration help
- Trademark Process
- Elements of Trademark Infringement
- Trademark Disputes

TRADEMARK BASICS – WHY?

- Enforcement – shifts the burden of proof
- To sue/win for infringement:

- Registered

- Allege infringement
- Show that you are the registered owner of the mark
- Show damages suffered

Bottom line:

It's much easier to enforce your trademark rights if your mark is registered.

- Unregistered

- Allege infringement
- Prove that you used the mark first
- Prove that you used the mark exclusively for some period of time
- Prove that you have used the mark in their geographic area
- Show that you are the rightful owner of the mark
- Show damages suffered

TRADEMARK BASICS

- You you can't register
 - Geographic place
 - Obscenity
 - Gesture
 - Immoral, deceptive, or scandalous
 - Disparaging or falsely suggested connection
 - Flag/coat of arms
 - Living individual or deceased president
 - Descriptive/generic
 - Deceptively misdescriptive

“My daddy is a movie actor; sometimes he plays the good guy, and sometimes he plays the lawyer”
- Malcolm Ford talking about his father,
Harrison Ford

- Trademarks
 - Protect brand, and source of goods/services
- Patents
 - Protect things/inventions
- Copyrights
 - Protect “works” like music, books, etc.

TRADEMARK BASICS - RIGHTS

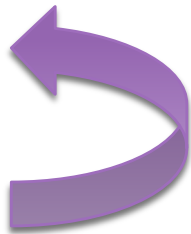
- Federal Registration
 - What most people think about when they say “trademark.”
 - Federal, nationwide protection of a mark
=> ®
- State Registration
 - Through the state
 - Easier to get, but the protection only reaches to the state line
- “Common Law”
 - Rights come from exclusive use of the mark for a period of time

- Trademark Rights come from
 - Exclusive
 - Use
 - In Commerce
 - Goods/Services
 - Period of Time
 - Geographic Area

TRADEMARK REGISTRATION PROCESS

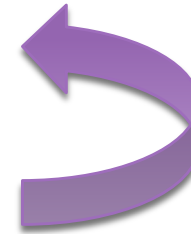
Standard Application

- Search, clearance, and opinion
- Application
- Initial Review
 - Office Action
 - Response
 - Review
- Scheduled for Publication
- Published
- End of Opposition Period
- Scheduled for Registration
- Registered



Intent to use

- Search, clearance, and opinion
- Application
- Initial Review
 - Office Action
 - Response
 - Review
- Scheduled for Publication
- Published
- End of Opposition Period
- Scheduled for Allowance
- Allowed



Extension
Statement of Use

HOW CLOSE IS TOO CLOSE? TEXT

OR

Sparkly Dry Cleaners

Sparkle Laundromat

Rockford Co

Rockford Company

Enigma Services

Enigmatic Services

Caution Construction

Achtung Construction

Evil Plant Nursery

Devil Weed Nursery

Deadman Restaurant

Undertaker Restaurant

Strike Bar

Strikeout Bar

HOW CLOSE IS TOO CLOSE? IMAGE



ELEMENTS OF CLAIM

1. Mark deserves protection/rights
 2. You used the mark first
 3. You used the mark exclusively in the area
 4. You are the rightful owner of the mark rights
 5. Other Party is using a mark
 6. Other mark is the same or too similar to yours
 7. Other mark is used without your permission
 8. You were “damaged” as a result
-
- Registration addresses #s 1, 2, 3, & 4.

PRESUMPTION OF REGISTRATION

1. Mark deserves protection/rights
2. You used the mark first
3. You used the mark exclusively in the area
4. You are the rightful owner of the mark rights
5. Other Party is using a mark
6. Other mark is the same or too similar to yours
7. Other mark is used without your permission
8. You were “damaged” as a result

- If registered #s 1-4 are presumed
 - You only have to prove #s 5-8

Classic Dispute Process	Cost
Cease & Desist Letter w/ Demand	\$
Opportunity to Respond / Cease / Negotiate	\$
Negotiate	\$
[Posturing and Yelling by attorneys]	\$
Second Demand Letter	\$
[More Posturing and Yelling by attorneys]	\$\$
Lawsuit Filed (typically in Federal Court if USPTO reg)	\$\$
Answer	\$\$\$
Discovery	\$\$\$
Settlement Talks	\$
Trial	\$\$\$\$
Judgment	\$
Collection / Enforcement	\$\$\$

SOFT RESOLUTIONS - TIPS

- Avoid the lawyers and business people
 - But document, document, document
- Get talking
 - Focus on what you care about not “what’s yours”
 - Don’t dig in
- Be careful what you say to whom
 - Avoid email or Social Media
- But, don’t be bullied

IT'S ABOUT BALANCE

- Time (yours)
- Time (theirs)
- Time (in the market)
- Brand depth
- Brand breadth
- Brand strength
- Money (yours)
- Money (theirs)
- Reputation
- Integrity
- Inventory
- Snark factor

Find a Solution That is

- Easy for them to say “yes”
- Saves face
- Low effort to implement
- Takes the high road
- Develops relationships – instead of burning bridges

TRADEMARK ISSUES

- NC Secretary of State
 - Registration for business name \neq trademark registration
- TTB, ABC, and COLA
 - Approval \neq ok to use
- Registration / Related classes
 - Construction v Professional Services



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