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THE TRADEMARK APPLICATION PROCESS



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THE TRADEMARK PROCESS, APPLICATION, BASICS, AND FAQ

Information on the Process and Costs Involved in the Preparation, Filing, and Prosecution of a Trademark Application

At Paparella & Associates we are committed to educating our clients on the details and expenses involved in the trademark process. To assist you, we have created this introduction to the process. The trademark process can be complicated, however, and as such, this primer is not meant to be construed as legal advice, nor is it all-inclusive. It is being provided solely for informative purposes.

I. SUMMARY

The trademark process involves legal matters, governmental entities and fees, and Intellectual Property (IP). Hence, the procedures can be complex, making it difficult to navigate through the process. Moreover, it can be expensive. In general, the entire trademark process lasts between 1 and 2 years (or more), and you will invest between \$1,000 and \$5,000 (USD) over that period of time. If you are not prepared for these expenditures, you should rethink your decision to proceed with trademark registration. Regardless, always consult an experienced intellectual property attorney for advice before proceeding with any IP matter.

II. WHAT IS A TRADEMARK

After obtaining the costs involved, the single most frequently asked question is: What is a trademark?

A trademark is a word, symbol, or phrase used to identify a particular product and distinguish it from the products of another. However, under certain circumstances, trademark protection can extend beyond words, symbols and phrases, to include other aspects of a product such as its color or packaging. Essentially, trademarks make it easier for consumers to (quickly) identify the source of goods and/or services, and are used to help prevent consumer confusion.

If you have further questions about the particulars and characteristics of a trademark, please continue reading within this section (II). Otherwise, if you are interested in the search process, please proceed to section III.

Types of Trademarks:

There are three procedures available for trademark protection: through (previously established) common law; state registration; and federal (USPTO) registration. The federal (USPTO) system is discussed in this document.

There are two main types of trademarks: 1) a trademark; and 2) a service mark.

- A trademark is mark used to describe goods (i.e., articles, devices, or other physical or tangible wares); whereas,
- A service mark is used to describe a service or an activity.

Additionally, it is common practice, when describing trademarks and service marks, to describe them both under the general heading of a “trademark.” That is to say, the word “trademark” is used interchangeably for trademarks and service marks. This is the case herein.

Trademark Categories:

In order to serve as a trademark, a mark must be distinctive. This means that it must be capable of identifying the source of the particular goods and/or services in question. To this end, trademarks are grouped into five basic categories: (1) fanciful; (2) arbitrary; (3) suggestive; (4) descriptive; and (5) generic. The legal protection afforded a particular trademark will depend upon the category associated with the mark. Correspondingly, the costs to prosecute a trademark application also, generally, depend on the mark’s category.

- A fanciful mark is made-up or invented, for the sole purpose of functioning as a trademark. Kodak® and Exxon® are examples of fanciful marks.

As a rule of thumb, the less significant the relationship a mark has with the goods or services it distinguishes, the more protection it is typically afforded. Hence, fanciful marks are ideal from a legal standpoint. Of course, from a marketing standpoint, they do not initially represent anything to the consumer. Consequently, you must fully develop the goodwill associated with the product. Correspondingly however, after this goodwill has been achieved, the amount of protection you are afforded is maximized (e.g., a high degree of protection is afforded to a fanciful mark).

- An arbitrary mark has a common meaning, but the meaning is unrelated to the goods or services offered. For example, Apple® computers.

Ignoring marketing considerations, fanciful and arbitrary marks are clearly the preferred categories for a mark. They are easier to adopt than suggestive or descriptive marks (described below), and they are, typically, easier to protect once adopted.

- A suggestive mark is a mark that suggests a characteristic of the underlying goods and/or services. For example, Coppertone® is suggestive of suntan lotion, but does not specifically describe the underlying product (i.e., a subtle leap of imagination is needed to associate the word with the underlying product and/or service). Many marketing professionals prefer suggestive marks over fanciful and arbitrary marks because the former helps associate the products and/or services in the mind of the consumer. Hence, the marketing and advertising costs can be reduced while building brand awareness. Suggestive marks are in the middle range of the amount of protection afforded (i.e., more protection than a descriptive mark, but less than a fanciful or arbitrary mark).
- A descriptive mark describes the goods or services of the underlying product or service and it tells us something about the product. For example, Jiffy Lube® and Frosted Mini-Wheats® are examples of descriptive marks.

Unlike arbitrary or suggestive marks, descriptive marks are not “inherently distinctive” and are able to be registered only if they have acquired a “secondary meaning.” Secondary meaning is when the public associates the mark with a particular source, rather than the underlying product. For example, the mark Frosted Mini-Wheats® has acquired a secondary meaning because the

public associates the mark with a particular source (provider) and not with cereal in general. In determining if a mark has acquired a secondary meaning, the following factors can be utilized: (1) the investment made in advertising; (2) the volume of sales; (3) the length of time the mark has been used; and (4) consumer surveys.

Descriptive marks are subject to this additional scrutiny because the mark can be useful for describing the underlying product and because giving the exclusive right to use the term to a particular manufacturer could confer an unfair advantage.

- Finally, a generic mark is a mark that is a common (generic) term for the product or service. For example, the term "water" is a generic term for drinking water (H₂O). Generic marks are not entitled to protection under trademark law.

Once obtained, a trademark must be actively protected (guarded) against improper usage. Otherwise, under certain circumstances, trademarks can lose some or all of the protection otherwise afforded to the mark. Further, a successful mark that is not protected (enforced) can become generic over time. For example, kerosene and aspirin were once trademarks that have, through the lack of proper use and/or enforcement, lost protection and are now generic (e.g. everyone can use them without restriction).

III. TRADEMARK SEARCH AND REPORT

Before we prepare and file a trademark application, we usually recommend that a search be conducted. A search helps us to determine whether or not the mark is registerable and, if so, the amount of protection you may receive from registration. Additionally, although not a primary purpose, an initial observation relating to infringement may also be developed. In the majority of cases we have found that a trademark search permits you to make a more informed decision as to whether or not to apply for a trademark.

Costs of a Patent Search:

The costs associated with a trademark search will depend on the comprehensiveness of the search. Searching packages are divided into three main categories: 1) the knockout or preliminary search; 2) the intermediate search; and 3) the premier or comprehensive search.

- **Preliminary Search**

The preliminary search utilizes the Federal (USPTO) database (only) and looks for other marks that are exactly the same or very similar to the mark in question.

In general, Paparella & Associates can conduct the search and review the findings for as little as **\$250 (USD)**. This figure includes the search and review fee. The search and review usually takes about a week to conduct. However, this can be expedited. Additionally, if you are comfortable with search engines (i.e. Google, Yahoo, MSN), you can perform some of the initial searches (yourself) by going to www.PLAW.us and clicking on the trademark search link within the [Resources](#) section.

- **Intermediate Search**

The intermediate search reviews the Federal (USPTO) database, in conjunction with all of the 50 state databases, and looks for marks that are the same as or similar to the mark in question.

In general, Paparella & Associates can conduct, review, and briefly report our search findings for as little as **\$500 to \$750 (USD)**. This figure includes the search fee, review fee, and a brief report. It usually takes from 1 to 2 weeks to conduct, review, and report on this search. However, this can be expedited.

- **Comprehensive Search**

The comprehensive search reviews the Federal (USPTO) databases, all 50 state databases, and over 3,000,000 common law databases, looking for marks that are the same as or similar to the proposed mark. This search is recommended if an initial observation relating to infringement is desired. Hence, this is the search we recommend if a substantial marketing effort will be involved.

In general, Paparella & Associates can conduct, review, and report on our search findings for approximately **\$1500 (USD)**. This figure includes the search fee, the review fee, and the report. It usually takes 2 to 3 weeks to conduct, review, and report on this search. Again, this can be expedited if required.

Although a search is not a prerequisite for filing a trademark application, we highly advise that one be conducted. In the majority of cases, we have found that a trademark search not only allows you to make a more informed decision as to whether or not to seek trademark protection, but it also helps in the prosecution of a subsequent trademark application.

In our opinion, a trademark application prepared in conjunction with, and utilizing the information obtained from a search, makes for a stronger application. A properly executed trademark search allows us to better address the issues that are likely to be brought up by the Examiner during the USPTO examination process. By analyzing the references (trademarks and trademark applications) that were disclosed during the search, the patent and trademark attorney can prepare an application that is easier to defend (i.e., more accurate) during the examination phase. Consequently, by having conducted a search, the costs associated with the prosecution of the application may also be reduced.

A more comprehensive trademark search will yield a more accurate analysis. Our “Comprehensive Search” provides this level of detail. However, not all businesses require this level of comprehensiveness, and some may desire a less detailed analysis. Our “Preliminary” and “Intermediate” search provide these.

Whether you desire a comprehensive or preliminary search, you must ensure that your search is: 1) conducted properly; and 2) provides an analysis and report of the results. With respect to the latter, only an attorney can render such an analysis and report.

With the advent of the World-Wide-Web and the proliferation of databases, there are now numerous organizations that offer “discounted” or “low-price” trademark searches. Nevertheless, there is simply no substitute for a trademark search that has been conducted by a qualified and experienced Intellectual Property (IP) attorney. Unless you are experienced in reviewing the results, simply being provided with a “stack of paperwork” will do little to answer your questions. An analysis by a reputable IP attorney is crucial to your ability to make a qualified decision, before you invest thousands of dollars.

After reviewing the search results, if you decide to proceed with a trademark application, the next step is to proceed with the preparation and filing of a trademark application (section IV), discussed in more detail below.

IV. TRADEMARK APPLICATION

A trademark application will be prepared, filed, and then subsequently examined by the USPTO. From the time the application is filed, this review can take from 6 months to 2 years (or more) and will end in the USPTO either allowing the registration of the mark, or denying the same. If registered, the trademark will have a term that expires, with certain exceptions and prerequisites, 10 years from the registration date.

Features of a Trademark Application:

- There are 34 classes (International Classes) for Goods in which each trademark must be categorized;
- There are 11 classes (International Classes) for Services in which each service mark must be categorized;
- Each class requires an additional governmental fee;
- There are two Registers that can be applied for:
 - The Main Register; or
 - The Supplemental Register.

Types of Trademark Applications:

There are two main types of trademark applications: 1) an Intent-to-use application; and 2) an In-use application.

- A trademark is filed under the Intent-To-Use standard if the mark has not yet been used, but there is a bona fide intention to use the mark;
- A trademark is filed under the in-use standard if the mark has been used in interstate commerce. An “in-use” application is filed along with specimens of the trademark as actually used.

In the U.S., in order for a mark to be federally registered, the mark must actually have been used in interstate commerce. Hence, an intent-to-use application will “reserve” your mark, but will not be registered unless and until the mark is actually used.

Costs of a Trademark Application:

The cost of preparing and filing a trademark application depends on the number of classes within which protection is desired. In general, Paparella & Associates can prepare and file a trademark application (single class) for approximately **\$750 (USD)**. This figure includes the governmental (USPTO) filing fee and all other fees and costs associated with the preparation and filing of the application with the USPTO. Notably, you may want to file in multiple classes for maximum coverage (protection).

Once your application is filed with the USPTO, your application has entered what we call the prosecution phase. The USPTO examines the applications received in chronological order. Considering the current USPTO backlog, it typically takes from 6 months to 2 years before the initial examination of your application. Additional costs will be incurred during this pendency, in order to keep you apprised of your rights and responsibilities as they become due. Once examination starts, the process can last 6 months to 2 years, with the USPTO reviewing your application at least once.

When an Examiner reviews your application, s/he prepares a written report comprising his/her approval or rejections. This report is called an Office Action (OA) and must be responded to correctly or your application will be abandoned. As we receive these Office Actions, we will report them to you. If the Examiner has issued a rejection in the Office Action, a Response must be prepared. These responses must be comprised of well-reasoned legal arguments that seek to reach an agreement with the Examiner as to

why the mark is registerable. The Examiner may issue one or more of these Office Actions before deciding to allow or deny registration.

During this prosecution phase, you will be billed on an hourly basis. The costs associated with these activities are extremely difficult to estimate in advance. However, typical prosecution expenses tend to fall within a range of about \$500 for various miscellaneous communications and activities, and anywhere from \$500-\$2500 for each Office Action. Hence, it is typical to expect to invest an additional **\$1000 to \$5,000 (USD)** during this period of prosecution. Additionally, it is essential that you recognize that no one can guarantee that an application will eventually become registered.

If the trademark is successfully registered, you will obtain protection for your mark such that you should be able to enjoin anyone from adopting an infringing mark (in the United States). However, it may not be possible to stop competing marks adopted prior to your “use” of the mark, with a subsequent federal registration. This is because the owner of a competing mark may have previously-established common law rights. On the other hand, this owner may be enjoined from expanding into additional territories where their mark was not used. It is also worth noting that owners of common law or state marks, adopted before your mark was adopted, can oppose your registration. Thus, it is important to choose a mark wisely in order to avoid these conflicts.

If your application is allowed to register, you will incur additional fees (\$250) for ensuring that the application is issued in proper order. Additional governmental filings are also required to keep your trademark in force for the full (10 year) term. These fees are due between the 5th and 6th year after registration and, at the time of this writing, were (approximately) \$300; they have been increasing regularly. Your trademark will expire and require renewal 10 years after its registration.

V. FEE COMPARISON

If you are comparing the relative pricing structures of various organizations,...be careful. As with any comparison, make sure you are comparing the same services and fees. With respect to trademarks, you will want to know what costs are included in the quoted fee (e.g., USPTO fees, class fees, etc.). The policy of Paparella & Associates is to set forth an inclusive fee structure in order to apprise you of the “total” costs for the various steps involved. As such, the pricing structure set forth herein includes everything for preparing and filing an application with the USPTO (including all of the attorney time, payment of the USPTO fees, and all other items needed to prepare and file your application with the USPTO). Of course, these costs will vary on a case-by-case basis and these general guidelines are not to be taken as a quotation.

VI. EXPERIENCE

When seeking advice in intellectual property matters (patents, trademarks, copyrights, and trade secrets), you should first look to an Intellectual Property (IP) attorney, and more specifically, to a registered “patent attorney.” A Registered Patent Attorney is an attorney who has chosen to specialize in intellectual property law (i.e., trademark and patent law), and has taken and passed not only one or more State Bar exams, but also the Federal or Patent (USPTO) Bar. Further, not all attorneys can sit for the Patent Bar. In order to be allowed to take the Patent Bar exam, the attorney must have been scientifically trained. This training typically includes an engineering degree (e.g., B.S.Me.E.).

If you have any questions, please do not hesitate to contact our office.

Sincerely,
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Please note that the costs provided herein are cost “estimates” and are provided as a convenience only. There are numerous factors that go into the costs associated with all intellectual property and, as such, these costs are variable; your costs may be different than those listed. You should always talk with your patent attorney about the costs associated with your particular case. The costs provided herein are a base-costing structure for a trademark application for a single class (as of January 2009). Additional classes will incur additional fees.

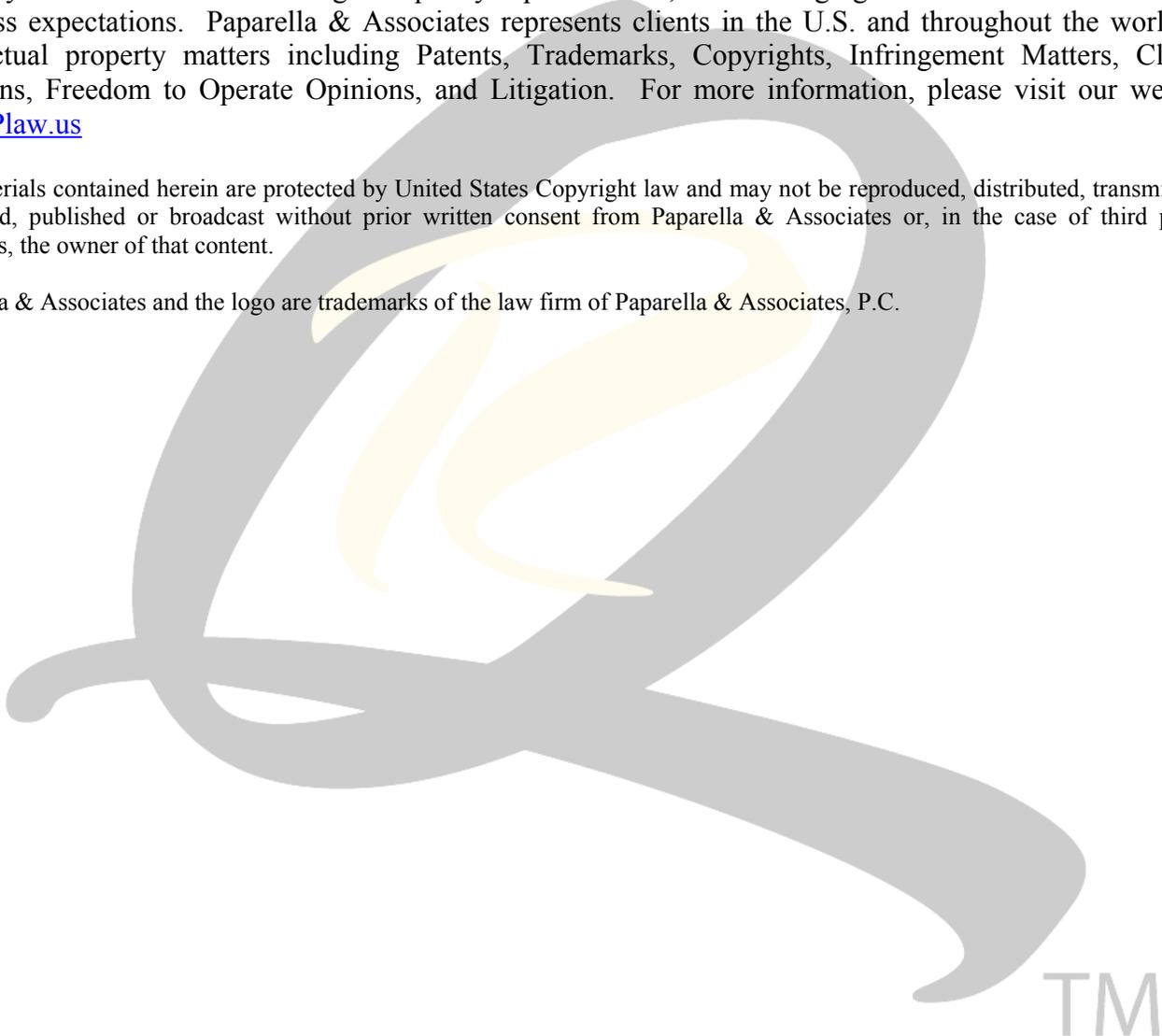
About Paparella & Associates:

Paparella & Associates is a law firm that specializes in Intellectual Property matters and specifically, Patents, Trademarks, & Copyrights. Serving the business community throughout the U.S., Paparella & Associates is uniquely situated to deliver the highest quality representation, while charging fees that are more in line with business expectations. Paparella & Associates represents clients in the U.S. and throughout the world in all intellectual property matters including Patents, Trademarks, Copyrights, Infringement Matters, Clearance Opinions, Freedom to Operate Opinions, and Litigation. For more information, please visit our website at www.Plaw.us

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