

Brand Creation: why you should use a trademark attorney

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Part 1 - Establishing the field of play

To the uninitiated, the task of finding a suitable name for a new product or service, or the name for a new company, is largely perceived as a creative process. In practice, it is vital that the process starts with establishing a strategy for how the name will be used to communicate the brand values to consumers and deciding how it will sit within any existing brand architecture. Only when this has been defined and understood can some form of creative or brainstorming exercise be undertaken to generate a word bank of possible names. This list of names is then evaluated against the strategy and gradually narrowed down until a final candidate has been selected.

Many people are aware of the importance of legally clearing a name for use and taking steps to establish legal ownership of that name. But it is also disappointingly common, particularly amongst those who are less familiar with the naming process (and occasionally amongst those who should know better) that the legal process is introduced far too late into the process. A company may have invested time, money and resources into researching names, and fallen in love with a particular name which ticks all the boxes from a branding perspective, only to find that the name is owned by someone else. Or that it is unregistrable as a trademark and potentially difficult or costly to enforce.

So when should a trademark attorney get involved? Obviously, as a trademark attorney myself, I would say as early as possible. However, to those who are suspicious of involving an attorney in what is perceived as a “creative” process, this might be seen as self-serving. Indeed, some seem to believe that attorneys actually stifle the creative process: “Once an attorney has sifted through your list of names, all you’ll be left with are the dull, boring, lifeless names that just don’t fit our branding model...” Etc etc. In certain circumstances, such a scenario may be unavoidable - all the “good” names are already taken. But with the right approach, an understanding of the brand strategy by all participants, and close collaboration between the branding and legal elements, you can use your trademark attorney to enhance, rather than stifle, the naming process and help you achieve your branding goals.

At the initial, strategic stage of the naming process, attorneys can help brief the branding team of the potential legal pitfalls. In so doing, the naming team will have a sufficient understanding of the relevant aspects of trademark law so that they understand the relative legal and commercial benefits and downsides associated with certain types or categories of names. To do this properly, the trademark attorney does need to fully understand the client’s strategy for the new name so that he or she can anticipate legal issues from the off, and tailor the advice specifically for the brief. For example, your attorney needs to properly understand the life-cycle and proposed uses of the product or service which is to be named and the budget available for the brand roll-out so that any legal input can be appropriately balanced between advising on a client’s “freedom to operate” under a name, and the ability to enforce the rights and protect against misuse by competitors and infringers down the line.

Of course, I would certainly not suggest that such legal knowledge or information is used as a "filter" in a free-form brainstorming workshop. But it would definitely be applicable where a more formalised approach is taken or when sorting and sifting the names that have been generated as part of a brainstorming exercise. In either case, a structured approach to the evaluation of names generated during the creative process will ensure that any shortlist of names fits with the brief and the strategic objectives for the brand. Including appropriate legal criteria as part of this evaluative process and allocating the right weighting to such criteria will also help avoid disappointment later on in the process - a good trademark attorney should be able to assist you with generating these criteria.

In part 2, we will take a look at the specific elements which make up a good trademark, as well as the key trademark-related issues which are (or should be) an essential part of any brand naming exercise.

Part 2 - Brand names as trademarks: essential information

The thing is with brand naming is that whether you have taken six months, six weeks or just six hours to come up with a list of possible names for your new product or service, the amount of time invested in the exercise does not always directly correlate with the quality or strengths of the output. For sure, with the right planning and a well thought-out and implemented brand strategy, you are more likely than not to find a name which is the right fit for your business objectives. But there is no guarantee your name will "work". Nor that it will avoid ridicule from the media or the public once it has been launched, as several brands have witnessed before. And that first name, on the first flip chart, in the first naming group session, may well turn out to be the name which finally launches your brand into the stratosphere.

But maybe that's the attraction. It's the unpredictability that makes the whole process interesting and enjoyable. Contrast this with the somewhat dryer and more prescriptive process of legally approving and cutting down that precious list of names and you can understand why the trademark attorney's role is greeted with far less enthusiasm, and occasional scepticism.

But remember: trademark attorneys have read the trademark textbooks and case files so that you don't have to. What you do need to know are the "what fors" and "whys" of an attorney's role so that you're in a better position to ask the demanding questions. And so that you can ensure *your* attorney is doing his or her job right and can add value to your naming process. Hopefully some of what follows might assist you in achieving this.

From a trademark attorney's perspective, whilst there are several issues to consider when advising on the selection of a brand name, there are two overriding elements which must be taken into account: Distinctiveness and Availability for Use. Let's look at each of them in turn.

Distinctiveness

For a name to function as a trademark it has to be capable of uniquely identifying your goods or services and distinguishing them from those of your competitors. It has to be distinctive rather than merely descriptive.

For a brand name, this usually means one of two things. It can either be a made-up name (like KODAK) which carries no meaning to the consumer other than when used in the context of your goods and services. Or the brand name can be an existing word, but where the ordinary meaning or contextual use of the word bears no relationship to your goods or services (like APPLE for computers). There is also a third category of trademark, that may be bordering on the purely descriptive but which has acquired its distinctiveness through extensive use, so that consumers have come to identify that word with the products or services in question. However, this category of trademark does not of course arise in the case of entirely new brand names.

Availability for Use

This is a fundamental issue. Has your new name already been used or registered by another party for the same or similar goods or services as yours? If so, your use of the same mark is most likely to be infringing that other party's legal rights which could end you up in court and having to pay damages. At best, you are very likely to have to entirely re-brand your product and service, with all the costs, potential loss of business and dents in your reputation that may ensue.

A trademark attorney will conduct searches of the relevant trademark registers to find out whether your new trademark is available for use. Also, in the case of common law countries such as the US and UK where unregistered rights to trademarks can arise through use, additional searches will be conducted to establish whether there has been any use of the trademark. All such searches will not only look at identical marks but will also review any *similar* marks - using a trademark which is confusingly similar to an existing trademark could also be infringing that earlier brand owner's rights.

Given this background, what should you be expecting your trademark attorney to be doing to assist with the naming process? This will be examined in more detail in Part 3.

Part 3 - The Attorney's Role

In part 2 we looked at the main factors to take into account when looking at protecting your new brand name as a trademark. We now look at the main issues your trademark attorney should be involved with to assist you on your journey to creating a new brand name ready for launch.

(i) An attorney should advise on the distinctiveness of each of the names on your short-list, particularly in terms of whether such words would be registrable in the countries where you plan to use the name.

In this context, a knowledge of trademark laws and procedures in a wide range of countries would be advantageous or at least some experience of dealing with trademark

protection programmes in multiple territories. If your attorney has been involved from an early stage (see Part 1 of this article) you may already have been briefed on the distinctiveness issue and will have steered your naming process away from words that are descriptive of your goods or services.

An attorney's advice also needs to take account of your marketing objectives - there may be circumstances where you may intentionally be seeking a name which is descriptive. Or you may be looking to coin a new term for your industry which you can take "ownership" of, rather than trying to establish a specific brand name as such. A good example of this would be IBM's "e-business" name. Whatever your reasons for selecting a more descriptive name, the attorney should nevertheless brief you on the potential difficulties (and higher costs) of policing the use of such a name or being able to enforce your rights against others. It is also particularly important that all relevant stakeholders in your organisation are aware of these additional issues and potential risks, not least your legal department whose budget may end up being the one used during any ensuing litigation!

(ii) An attorney will conduct searches to be able to advise on which names are available for use and registration.

To keep costs down, initial searches should be limited to checking whether there are any existing identical marks. This will knock-out any obvious problematic names at any early stage. Consideration will also need to be given to the proposed, or likely future markets for the goods and services to be sold under the new name as it will be necessary to conduct searches in all countries involved. Initial identical searches may be limited to key markets but these will need to be extended at a later stage when considering your short list of names.

Once the initial identical search phase has been completed, a more detailed search and analysis of both identical and confusingly similar names will then be conducted on your short list of possible names. This risk analysis is a critical part of the attorney's work. A good attorney needs to be able to take a realistic and commercial approach when advising clients on the extent to which a mark is available for use. Clients are usually not particularly interested in a purely legal analysis of risk and there will invariably be many situations where a similar mark is already in existence and the clients needs to know whether the mark poses a legal threat to the use of his own name. There are not usually any black and white solutions to such situations but a good attorney should be prepared to commit to an opinion on the issue and to be able to make similar comparative assessments of other marks in the list which face similar issues. The attorney should also provide details of the options available for overcoming any obstacles and, where relevant, advice on strategies for mitigating such risks.

(iii) Trade mark filing strategies.

A trademark attorney will be able to advise you on the most cost-effective filing programme for registering your selected brand name in the countries of interest. And based on the expected life-cycle of your product or service and your brand protection budget, the attorney should also advise on the level of trademark or other protection that is required, or whether or not a trademark registration is necessary at all.

Aside from individual national registrations, other forms of trademark registration are available. For example, the European Community Trademark offers a single registration which covers the entire European Union at substantially lower cost than individual national registrations. Similarly, under the International trademark system governed by the “Madrid Protocol”, trademark applications can be filed in participating countries based on a “home” application or registration, again at lower cost than individual national applications. There are additional benefits and some disadvantages to all these filing systems but your attorney should be able to advise you on which method, or combination of methods, is best suited to your individual circumstances.

(iv) Other considerations.

Even before your final brand name has been selected, it may be prudent to file trademark applications for some, or all, of the names in your final shortlist, especially if the finalisation process is likely to be a protracted affair. This will help ensure that someone else does not file an application for one of the names in the interim - either coincidentally, or otherwise. Once you have filed such trademark applications in one country, it is then possible to file subsequent applications for one or more of the the same marks in an extensive list of other countries within a period of 6 months, whilst retaining the priority filing date of your initial application - as if they had all been filed on the same day. This not only buys you some time in reaching a decision on your final brand name but also means your filing costs can be spread out over a 6 month period.

For new product names, you should also discuss with your attorney whether the geographical scope of your trademark protection needs to be extended beyond the countries where the product may be sold. For example, in countries which have a reputation for counterfeiting of products in your particular industry, or in the countries where the product may be manufactured, but not sold. The latter is especially important not just as protection against an errant manufacturer registering the mark himself, but also to ensure continuity of manufacturing in that country - in many countries, the manufacture of a product under a trademark solely for export is considered as “use” of the trademark in that country and the ability to secure the rights of use in that country through trademark registration is therefore equally as important to those countries where the product is actually sold.

If you would like more information about the issues raised in this article. Please call +44 1932 827334 or send an email to the author at info@montana-ip.com.