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WHAT'S NEXT? FOLLOWING IP BUSINESS TRENDS

Including:

Automated Trade Secret
Asset Management

IPR Arbitration

Co-Branding



Pg. 46

26 A Patent Perspective on Autonomous Vehicles

An overview of recent patenting activity in the field of autonomous vehicles highlights trends in areas such as transportation as a service, rider security, and vehicle behavior.

By Bruce Rubinger and Benedikt Biechele

30 Machines of Ordinary Skill in the Art: How Inventive Machines Will Change Obviousness

Artificial intelligence (AI) in R&D should raise the bar to patentability by changing the skilled person to a person using AI, and eventually to just an AI.

By Ryan Abbott

34 Keep an Eye on the Issue of Sovereign Immunity When Licensing State University-Based Patent Rights in Light of *Ericsson Inc. v. Regents of the University of Minnesota*

Closer collaboration between companies and university research has given rise to particular IP challenges in the context of M&A and financing deals involving such companies.

By Kandace Watson and Shane Killeen

37 Consolation Prize: *Barcroft Media* and the Case for a Copyright Small Claims Court

The cost of litigating a copyright infringement claim can far exceed the likely damage award. One solution is to establish a copyright small claims court.

By Walter G. Lehmann

42 Employee or Independent Contractor? It Depends on Why You're Asking

Examine the different tests used in classifying a worker as an employee or independent contractor for California wage order purposes versus for purposes of the Copyright Act.

By Azita Iskandar

46 Co-Branding: The Pros, the Cons, and the Uncertainty

When lawyers represent a brand partner in a co-branding situation, they must help the client understand the legal and nonlegal implications for the best outcome.

By Kimra Major-Morris and Dineen Pashoukos Wasylik

52 What's in a [Business] Name? Trademark Fair Use in Today's Digital Climate

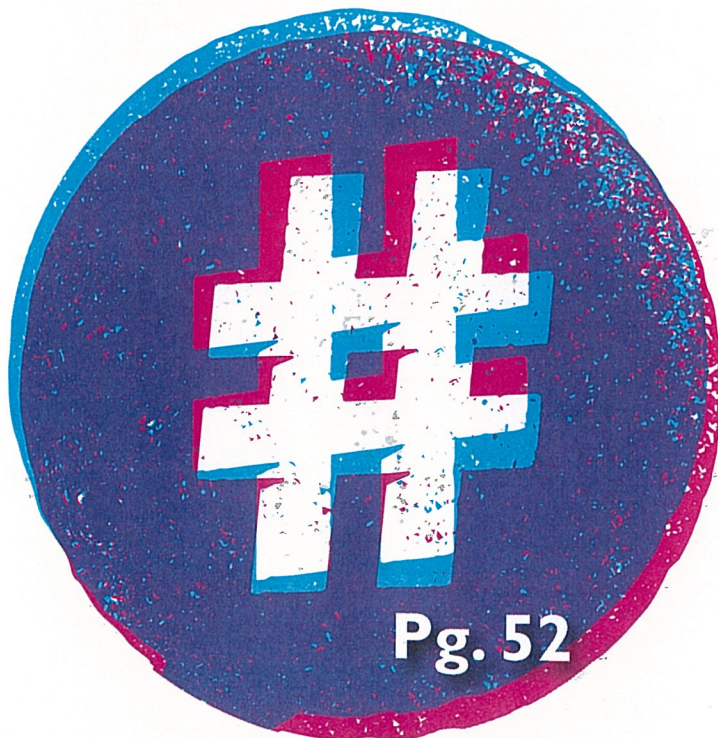
Trademark fair use isn't an exact science. From selecting a business name to licensing to descriptive trademark use, explore common business concerns and how to navigate them creatively.

By Allison S. Lovelady

56 Clearing Trademarks: Back to Basics with Practical Tips and Tricks

Trademark clearance is more of an art than a science. Consider these strategies for avoiding potential pitfalls surrounding use and registration of a trademark.

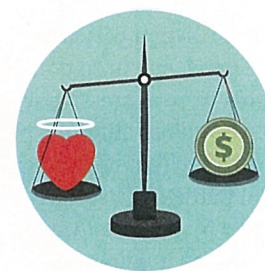
By Amy A. Abeloff



CLEARING TRADEMARKS

Back to Basics with Practical Tips and Tricks

By Amy A. Abeloff



Clearance is one of the touchstones of trademark portfolio management. Conducting even a simple search of the trademark register and common law use online can save clients a lot of time, money, and headache. Sometimes the cost of clearance (be it attorney fees for running initial clearance, ordering third-party investigations on relevant use references, or vendor searches) or a client's attachment to a particular brand name deters them from completing clearance. The temptation to "simply file" or start using a mark materializes with a host of unintended consequences, not the least of which is receipt of a demand letter from a prior registrant or user, or even service of a complaint.

This article offers guidance on how to conduct trademark clearance, tips and tricks for searching the U.S. trademark register, things to consider in the event of a conflict (from a practical and ethical angle), and overall suggestions on how to effectively counsel clients through the trademark clearance process.



Hypothetical Trademark Search

It has been a while since you have cleared a trademark (or perhaps you have never cleared a trademark). You've been asked to see if SKYLAR for "candles" is available for use and registration in the United States. Your first instinct is to search using an Internet search engine. Five minutes later, after not finding anything for SKYLAR for candles, you report that it is available for use and registration and are asked to file a use-based

trademark application for SKYLAR for candles. After being given all of the necessary details to do so, you file.

Fast forward five months and you have been issued an office action against the SKYLAR application on the basis of a likelihood of confusion with SKYLER for "candles." You review the office action and find that another company owns a trademark very similar to the trademark you advised appeared available to use. You have also received a letter from the owner of the SKYLER trademark, demanding that your client immediately cease use of the SKYLAR mark for candles and expressly abandon the application you helped file. Now you have an upset client, who has already poured \$1 million into marketing, branding, and product creation for its SKYLAR line of candles.

While the above hypothetical is not meant to be reminiscent of a law school exam question, nor is it meant to educate about trademark office actions and other aspects of portfolio management, it does seek to paint a picture of potential pitfalls that could have been avoided with a few fairly simple steps in the form of trademark clearance.



How Do I Clear a Trademark?

Trademark clearance is more of an art than a science. There are many ways to do it and none of them are gospel per se. The first step in conducting trademark clearance is performing an initial search. An initial search involves a brief review of the trademark register (Trademark Electronic Search System (TESS), tess2.uspto.

gov) and a common law search, which may be conducted on search engine websites such as Google or Yahoo. Some searches are more straightforward than others. The SKYLAR for candles example is straightforward. A more nuanced example may involve use of a descriptive or commonly used mark for multiple goods and services. Still another more involved example may be for a mark to be used in connection with regulated goods, such as alcohol or pharmaceuticals, as these types of goods require additional and different searching. The search process is the same, but the types and numbers of things you search vary.

When you go to the TESS website, you are presented with three different searching options. Again, there is no one right way to search, but I like to search using the third option, the “Free Form” option. This allows you to search using “field codes,” which appear on the TESS home page as well. You can use Boolean operators, such as * and \$, to narrow results or better find exactly what you are looking for. For example:

- A search for “(skyl\$[bi]” will uncover marks that contain “skyl” in consecutive order, followed by any number of consonants and vowels between the *l* and *r* in the name; and
- A search for “sky*[bi]” will uncover marks that contain letters before and/or after the word “sky.”

Taking the SKYLAR for candles example (but assume there is not actually a SKYLAR out there for candles or related items), you click on the “Free Form” link. You are directed to a new page that contains a white “Search Term” box where you are prompted to add text. You type in “skylar” and 136 records populate. That’s a lot! You can certainly cull this list by refining the search further. Two easy ways to refine the list are by:

- Adding “[bi]” to the end of “skylar” so that it reads as follows: “skylar[bi]”; and
- Adding “and live[ld]” after the “skylar[bi]” language so that the search term box reads: “skylar[bi] and live[ld].”

Adding “[bi]” reduces the number of references from 136 to 46. Magic! Adding “and live[ld]” further reduces the list of references to 32. Eureka!

So what in the world do “[bi]” and “live[ld]” mean? “[bi]” refers to “Basic Index,” which allows for searching and retrieval of marks from the register that feature the word placed before the left bracket. “live[ld]” cues searching of active or “live” registrations and applications. Usually “dead” or inactive filings are irrelevant for search purposes.

Nevertheless, you still have 32 records to comb through. Is there any other way you can reduce your list? Yes, in fact, you may further reduce the number of references by specifying the goods and/or services with which the mark will be used, among other things. A preferred way to cull by goods and/or services is by searching by classification. Goods and services are “classified” for trademark registration purposes into 45 different classes. You can figure out in which class a particular good or service is classified by searching for that good or service in the “Trademark ID Manual,” available at <https://idm-tmng.uspto.gov/id-master-list-public.html>.

To cue a specific class, you would add “and 003[ic]” to the search string above: “skylar[bi] and live[ld] and 003[ic]”

because Class 3 is the class that includes candles. “[ic]” stands for “international class.” Once you click “Submit Query,” the search populates *two* results.

The question then becomes: now what? You see two references, both containing a different spelling of “SKYLAR” for goods that are in the same class as candles, but are not candles. You research a bit more to see how the marks are actually used, if at all. You note them as potential issues, but now you should determine whether there were any other uses of SKYLAR for candles or products like those listed in the filings you found on TESS. You hadn’t thought to look further, so you go to the Google web page and type in “skylar” and “candles” in the search bar. Sure enough, you find some very relevant references and supplement your report with them before sharing these findings with your client.

Unfortunately, your client is disappointed. Your client was looking forward to launching its candle line under the SKYLAR brand and now believes that dream is no longer a potential reality. Wanting to please your client, you try to figure out ways for the brand to still proceed. You suggest that the client authorize a full search to see if it is at all weak in the marketplace, but caution that the results might not be better.

In another scenario, your client may be pleased to know that you caught a potential issue and it was able to stop production before too much time and money was expended. There are many facts that affect the clearance process, so keeping in mind where the client is at with a mark and avoiding pitfalls is always important.



Full Search Stage

This portion is straightforward. You order a more robust search from a vendor (prices for which vary, but in my experience cost about \$800–\$1,000 without expedition), you review the results, and you decide whether, in your opinion, a mark is available for use and/or registration. This article will not discuss this topic in detail, but we mention it in passing as it is a prudent step to take in the overall clearance process.

In our example, you order a full search and it does not reveal the broad coexistence you were hoping it would. You go back to your client and advise that use and/or registration is likely not available without being met with some sort of challenge. Of course your client is disappointed, but the client understands and advises that it will come up with some alternative names to search soon.



Ethical Considerations

As you review the full search report, you come across one registration in particular that could pose some risk to your client’s use and registration of SKYLAR. You review the record for this third-party registration and notice that the owner sounds familiar. You come to find out that your firm represents this entity in non-trade-mark-related matters. *What should you do?* First, you should

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raise the potential conflict internally. If deemed necessary, your employer may obtain a waiver from both clients. If no waiver is granted, then you will need to advise your client of the conflict and not opine on the particular reference.



Practical Tips of Clearance Counseling

In sum, trademark clearance is a great way to ensure you are effectively conducting due diligence before advising your client as to the risk it may face in using and seeking to register a trademark. Below is a take-away of the steps to take when advising clients on trademark clearance and additional considerations to bear in mind:

- Always recommend clearing a mark. Ultimately it is a business decision whether a client conducts clearance, but as a counselor, you should always recommend it as it is a preemptive step in avoiding potential pitfalls, such as litigation.
- Always provide a (conservative) cost estimate for (1) initially clearing a mark; and (2) ordering, reviewing, and advising on the results of a full search.
- Don't always try to cull the register list to a few references. At the initial stage, you might want to limit the references you review to between 50 and 100. Remember, an initial search is exactly that: initial. It is not the be-all-end-all search (that's the full search!).

- Play around with field codes. Many of them are helpful, such as “[gs]” to search by language in the goods and services identifications, “[at]” to search by listed attorney of record, and “[de]” to search by terms in the description of the mark, which is especially helpful in pinpointing certain design elements contained within a logo.
- Design marks are harder to search. You should familiarize yourself with the “Design Search Code Manual,” a link to which appears below the “Free Form” link on the TESS home page. When you click on the link to the manual, you will be directed to a page that includes a “Keyword Search.” Upon clicking that link, you will be taken to a page that will allow you to search by design item (e.g., “dog,” “hand,” “smile”) and then obtain a special “code” for it. For example, you want to search for logos containing images of dogs for coffee shops. The design code for “dogs” is 03.01.08. You jot down those numbers and go back to the “Free Form” search bar. Take out the periods and input “030108[dc] and coffee[gs] and live[ld].” Note: you will not be able to view images unless you go toward the top of the page and click “Image List.” See what you find.
- Don't hesitate in reporting what you think might be a conflicting mark or an ethical conflict. You, your employer, and your client will be thankful that you did! ■

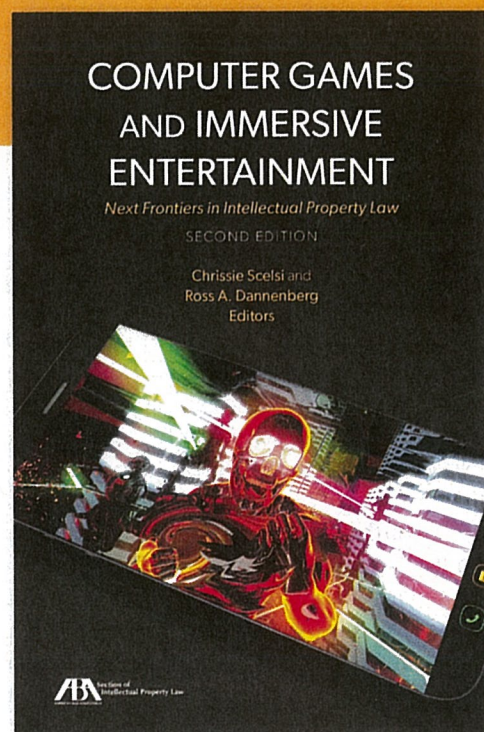
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