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TRADEMARK INQUIRY 2007

I. What is a Trademark?

A trademark is a designation, such as a word, slogan, or symbol used to identify and distinguish goods or services. When referring to services, such marks are often called service marks. On the other hand, a corporate name (also known as a trade name) is simply the name of a business as registered with the Secretary of State at the time of incorporation. Such registration does not provide any trademark/service mark rights whatsoever. Similarly, registration of a domain name does not necessarily provide any trademark rights.

In the United States, unlike many foreign countries, trademark rights may stem from use of the mark, even without registration. However, federal registration provides a number of evidentiary and substantive advantages, including constructive notice of your ownership, nationwide rights based on your filing date, certain statutory remedies and priority rights under certain conventions for foreign filing.

II. Qualification for Federal/State Registration

To qualify for federal registration, the mark must meet the following requirements:

- (a) The mark cannot resemble a mark already in use, and thereby cause confusion among consumers.
- (b) The mark must also be distinctive as applied to the products or services and cannot merely describe the products or services, cannot be primarily geographically descriptive or primarily merely a surname.
- (c) The mark must be actually in use on the goods or services and must have been used in interstate commerce (use-based application) or the applicant must have a bona fide intent to use the mark (intent-to-use application) followed by actual

use prior to registration. Use in interstate commerce includes, for example, shipping the product with a label bearing the mark or by offering the services in more than one state.

A State of Florida registration may be obtained if the mark meets the requirements set forth in paragraphs (a) and (b) and the mark is in use within Florida. You may also reserve a mark in Florida prior to use. However, if federal registration can be secured, there is usually no advantage to also seeking a state registration.

The rights afforded an owner of a U.S. trademark are territorial in nature. That is, they are valid only in the United States and do not extend to foreign countries. Therefore, in order to secure intellectual property protection outside the United States, generally, you must register a trademark on a country-by-country basis. In addition to the initial filing, there are also costs for clearing a mark by conducting a preliminary search and costs for prosecution of the application in the foreign trademark office. Once examination is complete, if the application is allowed, registration fees are also required as well as renewal fees. Quotes for specific countries are available upon request.

III. Trademark Search

A trademark search for your mark is advisable to determine whether the mark conflicts with an existing mark. The U.S. Patent & Trademark Office will reject an application to register your mark if consumers are likely to confuse your mark with a mark already registered. A search is therefore recommended to avoid infringement of prior marks, to avoid the expense of application fees when rejection appears likely, and to avoid spending advertising resources on a mark which you may ultimately be forced to cease using based on a third party's prior rights.

For a preliminary on-line screening search of the Federal Trademark Office records, including registered and pending marks, to determine whether another mark exists, which is *identical* to your proposed mark, we generally charge a flat fee of \$250 per mark. This is a very useful screening tool, especially if you have a number of proposed marks.

If the preliminary screening search does not uncover any conflicting marks, you may wish to consider commissioning a more comprehensive search, including federal and state registered marks and many common-law sources (e.g., trade journals, phone directories, product registers, Internet domain name registers) to determine if any prior users exist who may have superior rights based on common-law. The comprehensive search also includes variations of your mark, such as spelling and phonetic equivalents, which are not included in our on-line screening search.

We generally charge \$725 per mark to commission such a comprehensive search and provide you with the research report generated by the search organization. If you wish us to review the report and provide you with a legal opinion regarding the registrability of your mark, an additional charge of \$400 - \$800 will be incurred. Graphic design searches can also be conducted. Please contact us for current costs related thereto.

IV. Estimated Fees and Costs

We estimate that our initial charges for preparing and filing an application for federal trademark registration will be about \$450 per mark not including the \$325 government filing fee per class of goods or services. We request an advance retainer of \$1000 prior to filing an application for federal registration to cover these initial costs. If the Trademark Examiner raises any points or rejections in an Office Action requiring a response, additional charges of about \$250 - \$1500 will be involved at that time, depending on complexity.

Subsequent prosecution of the application, including reviewing and transmitting communications from the Trademark Office to you, will be billed when the services are rendered. Typical prosecution charges, apart from Office Action responses, range from about \$250-\$500. Additional costs and fees for an intent-to-

use application include filing the necessary specimens in a statement of use, which are generally not more than \$400 for one class of goods/services, if timely filed. Extensions of time for filing statements of use are \$300 for each 6-month extension.

The time period for registration usually takes from eight months to over a year provided no objections or rejections are raised by the Examining Attorney and the necessary specimens of use are timely filed. Fees for maintaining a registration are due at the 5th year after registration and renewal applications must be filed every 10 years.

The cost for preparing and filing an application for registration in Florida is approximately \$300 not including the \$87.50 government-filing fee. The processing time is generally one to two weeks provided no rejections are issued.

It would be wise for you to keep a record of when and how the mark was first used and to keep samples of its use. Also, we recommend that the "TM" symbol be placed near the mark. This is the preferred method of indicating a claim of common-law rights in an unregistered mark. You cannot use the ® symbol until federal registration is granted for the mark.

We hope this anticipates and answers most of your questions. If you wish to schedule an appointment, our office charges an initial consultation fee of \$250.

For more information, please contact:

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