

TRADEMARKS--THE KEY TO PRESERVING THE GOODWILL OF YOUR BUSINESS

A trademark is any word, name, symbol, figure, picture, letter, form, logo, slogan, device, or combination of these that you use to identify your goods and distinguish them from competing goods. A service mark identifies and distinguishes services, while a trade name identifies and distinguishes a business name. Because the same rules govern trademarks, service marks, and trade names, this article will refer to all three as trademarks or marks.

Why are trademarks important?

Goodwill--the value of the new work and referrals generated from existing clients--is crucial to the survival and growth of almost every business. If you use a trademark to identify your business, your services, or your products, your trademark may be the key to promoting and preserving your goodwill. Once you have a valid trademark, no one else may use it to sell similar goods or services within your market area. If your trademark becomes extremely well known, you may be able to prevent anyone else from using it anywhere or for any purpose. Indeed, a trademark may be your most important business asset.

How do I acquire a trademark?

You acquire a trademark simply by using it. However, because trademarks may be quite valuable, you should take great care in selecting one. Before you begin using your trademark, make sure that no one else can infringe on it. Make sure also that your proposed trademark will not infringe on someone else's trademark.

What is trademark infringement?

Trademark infringement occurs when trademarks used by different businesses are so similar that potential customers might mistakenly believe that the goods or services of one business are provided by another business. Infringement can occur even if the two trademarks are not identical or even if the two businesses are not competitors. The use of similar packaging or the similar appearances of business establishments can also constitute trademark infringement (for example, no business besides McDonald's could use the "golden arches").

Infringement can occur even if no customer was actually confused. The mere likelihood of confusion can constitute infringement. If you use a trademark that infringes on another, you may be liable for damages, including the profits you earned while using the trademark.

How can I prevent infringement on my trademark?

A trademark gives you at least a partial monopoly on the right to use the words or symbols that comprise the mark. Consequently, certain limitations apply to the types of words and symbols you can use in an enforceable trademark.

For example, your trademark should not contain only words or symbols that are already in common use. Aspirin, for example, is a word in common use. A triangle is an example of a common symbol.

In addition, your trademark should not contain only words or symbols that are overly descriptive of your goods or services. Overly descriptive words include ingredients, generic characteristics, and misspelled words that sound the same as the generic name for your product. For example, if you sell pizza under the trademark "Peetza," you may be unable to prevent other pizza sellers from using that trademark. "Peetza" is overly descriptive because it sounds the same as the product's generic name. A different result might occur if you were selling software named "Peetza" because the mark does not sound the same as the product's generic name.

To best protect against infringement, your trademark should be arbitrary and fanciful (such as the gasoline company EXXON). The next best protection comes from suggestive trademarks (such as Cortaid, a cortisone creme). You can further protect against infringement by displaying your trademark with a logo, distinctive typeface, or unique style.

How can I avoid infringing on someone else's trademark?

You can determine whether your proposed trademark might infringe on an existing one by conducting a trademark search. You are best assured of a proper search when you hire an attorney experienced in conducting such searches. If your budget only permits a lesser degree of assurance, personnel at the Harold Washington Library (in downtown Chicago) can help you conduct a search for a nominal cost.

Should I register my trademark?

You acquire the exclusive right to use your trademark simply by using it. Registration of your trademark will not give you any additional rights against infringement.

However, registration may prevent someone else's unintentional infringement of your trademark. If your mark is registered, other business owners can locate it through a trademark search and will presumably refrain from using it. If someone does infringe on your trademark, registration may enable you to more easily prove that you were the prior user.

How do I register my trademark?

After you have used your trademark within Illinois, you may register by written application with the Illinois Secretary of State (ISS). After you have used your trademark in another state (or if you intend to do so within six months), you may register it with the United States Patent and Trademark Office (PTO).

The ISS and the PTO will register your trademark only after they are satisfied that it will not infringe on an already registered mark. To best assure acceptance of your trademark, you should hire an experienced attorney to prepare and file your application. If budgetary restraints prevent you from hiring an attorney, you can obtain registration forms and explanatory information from the ISS and the Harold Washington Library.

What should I do if someone infringes on my trademark?

As soon as you are aware of an infringement, you should demand that the infringer stop. Your demand may be taken more seriously if it comes from your attorney. If you knowingly fail to prevent infringement on your trademark, you may be deemed to have abandoned it. Once you abandon your trademark, someone else may claim the exclusive right to use it, or it may pass into common usage. This happened with the term aspirin. It once was a trademark, but it became a common generic word after its owner failed to prevent infringement. What a headache!