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SPECIAL WHITE PAPER: Three Ways Trademark Registration Websites Rip You Off

Not a law firm

A lot of trademark registration web sites are run by “services” that are not law firms. In fact, you will see several of these services at the top of a Google search, because these services invest so heavily in Google ad word campaigns. Fortunately, the unauthorized practice of law is a crime (as would be the unlicensed practice of most professions, like medicine or dentistry), so these websites usually make it pretty clear that they are not actually law firms. Their fees are usually low; often around a hundred dollars or so, for filing a trademark application. But think about all the things that they can’t legally do for you.

- They can’t do a search for a proposed mark and then give you legal opinion of registrability from the results.
- They can’t represent you before the Trademark Office in the all- important argument of objections and rejections of an application.
- They can’t represent you in essential legal services surrounding your mark: Licensing or sales of the mark, legally asserting your mark against infringers, and defending you from other’s often spurious claims of trademark infringement.

When problems come up with your application, which they frequently do a year or more down the road from your filing, you are going to be on your own in dealing with them. You will likely then have to find a trademark lawyer to help, and it may be too late to fix many problems. All the time, money and good-will that you have invested in your mark is at stake. If you really want to go it alone, just go to uspto.gov and follow the step-by-step do-it-yourself trademark application. At least then you won’t be paying for legal help that you’re not getting!

Inadequate, or no, search

Some of the worst rip-offs, in our opinion, center around the issue of trademark searching. Some sites, even some run by law firms, will advertise a low-cost, “basic, or “economy” package that does not include a search. Many trademark applicants do not understand the many different reasons that proposed marks can be refused by the trademark office. Marks can be refused registration not only because they are *exactly* the same as an already-registered federal mark; but also because they *resemble* a federally registered mark. They can even be refused, and frequently are refused, just because they sound like an existing registration.

There are millions of millions of marks, both registered and in common law use, and even though you may think you know your market, it is impossible for anyone to know all the marks that may impact the registration of your mark.

In a way, inadequate searching is worse than no search at all, because the applicant thinks that he or she has received clearance to use a certain mark. Here's where a lot of internet trademark registration sites get tricky. They advertise "knockout," "exact match federal," "federal conflict," or some other similar description of their services. Here's how they work. The United States Patent and Trademark Office runs a free online trademark search page that is open to all. Try an experiment for yourself. Go to: <http://www.uspto.gov/trademark> . Under "Trademark Tools & Links" click on "TESS – Search Trademark Database." Limited searches often use this same, or a similar, database. Click on "Basic Word Mark Search (New User)."

If you enter a proposed word mark in the box "Search Term," while keeping all the other fields in the default values provided, in seconds you will get a list of all registered marks, past and present, that contain your search term. But try this: if you enter the search term "nike shoes" (capitalization doesn't matter), the search engine is going to tell you that there are no trademark office records for that search! Do you think the Trademark Office would allow you to register that mark? Never. The search engine did not find any records because the search term wasn't an "exact match" of any registered mark. A "knockout" or "exact conflict" search may not be absolutely worthless, but it is the next thing to it. Maybe even worse than useless, because it can fool you into thinking that the mark you want to register has no competition.

There are many other ways to perform inadequate trademark searches. State registrations need to be searched, as these will not show up in the federal database. Marks need to be searched for "sound-alike" marks that are impossible to search without a sophisticated computer program. Marks need to be searched for slight variations like plurals and spelling variants. The world today turns around the internet. If a search doesn't compare a proposed mark with a comprehensive database of internet domains (website addresses); it's not an adequate search.

Inadequate trademark searching is a pet peeve of thetrademarkfirm.com, because we deal with the aftermath of these inadequate searches. A year or more after application, when their trademark application has been refused registration, applicants come to us to try to fix the problems. Oftentimes, we have to tell people that the problems could have been avoided by a proper trademark search in the beginning. This is a hard pill to swallow after spending all the time and money needed to launch a business and build a brand under a trademark. In the worst case, we have to advise business owners to stop and entirely change the name of their company or their goods/services, because they are likely infringing on another's mark. Don't be a victim of inadequate trademark searches.

Failure to disclose other costs

Many trademark websites obscure, at best, the additional costs that are generally connected with trademark applications, often implying that the one-time fee they charge for a registration filing is the last cost the applicant will bear. This is rarely the case. Many, if not most, new trademarks are filed

on an “intent-to-use” basis (see “What is intent to use?” at <http://thetrademarkfirm.com/fag/>). These applications, after approval, will all need to have a “Statement of Use” filed, along with a government fee paid, before the application will become registered. If a business cannot get its approved mark into actual use in commerce (there is a technical legal definition of such “use”) within six months of approval, it will pay additional extension fees. (see “What is a Request for an Extension to file a Statement of Use?” at <http://thetrademarkfirm.com/fag/>) Companies that offer goods and services in more than one class, will have to pay additional government fees.

The initial up-front cost of filing an application is most often not the final cost in the process of registering a trademark. Know what you are getting, and what you are not, before you deal with a trademark registration firm. You can see a detailed description of our fees and services at <http://thetrademarkfirm.com/fees/>, and can always get a detailed explanation of cost, in advance, by calling us toll-free at 1-844-MYMARK1 (1-844-696-2751).