

What's in a name?

International Trademark Association (INTA)'s Enforcement Committee – General Enforcement Matters Subcommittee:

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When owners of small to medium-sized enterprises (SMEs) prepare to launch their business, one of the steps on their check list is registering their business or trade name. This is considered a good move in order to distinguish the business in commerce and for it to be recognisable to your customer base. For many entrepreneurs, finding the right name is a task coloured by traditional considerations, family expectations, beliefs, superstitions and other rational - or less rational - factors. Many business owners do not actually consider the legal implications of the choice of a name, but there are some important legal factors which you should be aware of.

Differences between trade names and trade marks

A trade name identifies a company or business; it is the name of your business entity. A trade mark commercially identifies a source of products and services; it indicates the origin of your products and services. A trade mark can be a word, a design, a logo, a symbol, or a slogan, and it can even be a colour, a sound or a shape.

Trade names can be trade marks and vice versa but they are not automatically interchangeable – instead, their usage will determine whether they are names or marks. The placement and size, together with the surrounding context, all influence whether the use qualifies as that of a trade mark and/or a trade name. Often, a trade mark is prominently displayed, apart from other text, so as to stand out. Meanwhile, a trade name may not stand out, and may even be accompanied by the company address or other contact information.



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Registration process

Trade marks and trade names can both be registered, but on different registries.

Trade marks are typically registered with trade mark registries, mostly operated by national trade mark offices. European countries, as well as the European Union Intellectual Property Office (EUIPO), conduct a substantive examination¹ of any trade mark application and some offices check the registers for prior trade mark registrations and applications that a new application could conflict with. In some countries, the owner of a prior trade mark registration or application of a possibly confusingly similar mark is notified by the relevant office and then has the chance to oppose the new trade mark filing. In addition, most European countries recognise trade mark rights even without registration – these rights can be created and acquired by way of continued factual use of a trade mark in the marketplace and the extent of these rights depends on the legal provisions within that jurisdiction.

Trade names or business identifiers are usually registered with a local authority in charge of commercial and/or corporate matters – often in Europe this will be the local company or commercial register. Unlike in the case of trade mark applications, most of the time the company register will not examine the business/trade name application for conflicts with prior registrations – in some countries there may be a check against identical trade

name registrations on the same register, but rarely is there a review of registers for a different geographic region or in national or local trade mark registers.

Conflicting rights

As a consequence of the lack in substantive examination of a trade name application, the fact that a business/trade name was successfully registered does not necessarily mean it is clear of conflicts with existing trade marks or other rights in the market. If a third party owns a prior right, which means it was adopted or registered before you started using your business name, and this prior right is identical or similar to your chosen name, there may be a conflict and your name might be considered as infringing. For the same reason, a trade name registration does not guarantee that you are able to stop others from using the same or similar names in commerce. A trade name can infringe a trade mark and a trade mark can infringe a trade name – so prior clearance of the availability of a trade name is critical.

Clearance

Once you have selected and adopted a name by using it in the marketplace, the risk of conflict is a threat to the investment you have made in your business. One option to reduce the risk of conflicts when registering your trade name and preparing to use it in

¹ The substantive examination is conducted to assess whether the application meets the criteria for registration (e.g. distinctiveness).

commerce is to conduct a clearance search to determine the availability of the name that you have selected. In order to assess the risk of use and to try to avoid potential conflicts, it is highly recommended that you conduct a broad clearance search before you register or adopt a name for use with your business, whether it be a trade name, trade mark or even a domain name. Ensure that your clearance search covers existing trade names, trade marks, and other uses – whether registered, filed/pending, or unregistered – to determine what other rights exist in the marketplace. Remember that conflicts can arise with “similar” names, not just “identical” terms.

It is possible to conduct some initial searching on your own. For example, the EUIPO has a [freely accessible database](#) which allows at least preliminary searches in the European and national trade mark registers that you can do yourself.

Most searches are not completely fool proof and interpreting the search results can require a detailed understanding of the law.

For example, a change in punctuation, stylization or spelling of your name in relation to an existing name may avoid conflicts in some circumstances, but not in others. Also, in some circumstances, it may be possible that you could use a name identical to an existing name, depending on the degree to which the goods/services of your company are unrelated to the owner of the identical name. Making these determinations is fact specific and typically requires a professional legal analysis.

Professional assistance

Based on the subtleties and complexities within the law, consulting with a trade mark professional or intellectual property (IP) lawyer is highly recommended. They will be able to help you with a clearance search and will explain the results and risks and consequences to you.

For more information and free resources about trade marks, visit www.inta.org/SME.

About INTA

The International Trademark Association (INTA) is the global association of trade mark owners and professionals dedicated to supporting trade marks and related IP rights in order to protect consumers and to promote fair and effective commerce.

Members include more than 7,000 trade mark owners, professionals, and academics from more than 190 countries, who benefit from the Association’s global trade mark resources, policy development, education and training, and international network.

Founded in 1878, INTA is headquartered in New York City, with offices in Brussels, Shanghai, Singapore, and Washington, D.C., and representatives in Geneva and New Delhi.