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Kane on Trademark Law
A Practitioner’s Guide
Sixth Edition
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In this release, Siegrun D. Kane updates the text and provides her expert analysis and practical insights regarding a wide range of crucial topics. Highlights of this release include:

Disparaging marks (and immoral or scandalous marks): On June 19, 2017, in Matal v. Tam, the Supreme Court found the disparagement provision in section 2(a) of the Lanham Act to be an unconstitutional restriction on free speech: The USPTO’s refusal to register a disparaging mark involves forbidden viewpoint discrimination. In affirming the Federal Circuit’s decision regarding The Slants mark (for a rock band), the Court assured that the Redskins mark (for the Washington, D.C. pro football team) would not be cancelled. Tam did not consider section 2(a)’s prohibition against the registration of “immoral” and “scandalous” marks. But the matter is being litigated and seems likely to reach the Supreme Court. See new §§ 19:4.5[C]–[C][6].

Genericide: Use of “google” as a verb to mean “search the Internet” as opposed to adjective use did not automatically constitute generic use. In Elliott v. Google, Inc., the Ninth Circuit said that plaintiff “failed to present sufficient evidence to support a jury finding that the relevant public primarily understands the word ‘google’ as a generic name for internet search engines, and not as a mark identifying the Google search engine in particular.” See § 2:2.1, at note 27.1.

Top-level domain names as trademarks: In Booking.com v. Matal, a Virginia federal district court concluded that a TLD generally has source-identifying significance and that a mark comprised of a generic term and a TLD is usually a descriptive mark eligible for protection upon a showing of secondary meaning. The court relied on a survey showing 74.8% of respondents considered BOOKING.COM a trademark rather than a generic term. See § 2:5.3, at note 86.3.

Inherently distinctive trade dress: A Texas federal district court found inherent distinctiveness in a “Texas Outhouse” sign on a portable toilet (Texas Outhouse, Inc. v. Fresh Can, LLC). See § 3:2.2[F], at note 91.1. The marks are illustrated in Appendix 18, illustration 53.
**Phantom marks:** Phantom marks consist of words, letters, numbers, or other components subject to change. The “phantom” element may be represented by blanks, dots, dashes, underlining, or designations such as “XXX.” Such marks will not be registered. For example, in *In re Construction Research & Technology GmbH*, the TTAB refused registration of the marks “NP - - -” and “SL - - -” for sealant compounds for joints on grounds they are phantom marks. At least 1,000 possible permutations could be used, and the public could not predict what marks would be covered by any resulting registrations. See § 6:5.2, at note 145.1.

** Appealing a TTAB decision—attorneys’ fees:** In *NantKWest*, a split Federal Circuit panel held that a party appealing a TTAB decision must pay the Board’s reasonable attorneys’ fees, as encompassed within the statutory language “all expenses of the proceeding,” regardless of the outcome. The Federal Circuit has taken the case en banc, and a decision that NantKWest does not owe the fees will set up a conflict with the Fourth Circuit that could take the issue to the Supreme Court. See § 6:6.1[B], at note 213.7.

**Revival of abandoned application; request for reinstatement of registration:** Under new regulations, petitions to the commissioner may be filed to revive an abandoned application or request to reinstate a trademark registration. The petition or request must be filed within two months of the date of the notice of abandonment or within six months of the date the PTO records show the registration was abandoned, cancelled, or expired. See § 6:6.2, at note 222.1.

**Reverse confusion:** The Ninth Circuit notes that reverse confusion can be alleged by itself or in addition to forward confusion. When reverse confusion is compatible with the theory of infringement alleged in the complaint, plaintiff need not specifically plead reverse confusion (*Marketquest Group, Inc. v. BIC Corp*). See § 8:2, at note 142.1.

**Damages—defendant’s profits:** The Ninth Circuit in *Stone Creek, Inc. v. Omnia Italian Design, Inc.* reaffirmed its position that willfulness is required to award profits in trademark cases, pointing out that this approach is consistent with equitable principles. Disgorgement is generally used to deter culpable behavior and deterrence would not be necessary and would not work for an innocent infringer. See § 17:3.1, at note 61.1.

**Marks for marijuana products:** In *In re PharmaCann LLC*, the TTAB affirmed the refusals to register *PharmaCann* and *PharmaCannis* for “retail store services featuring medical marijuana” and for “dispensing of pharmaceuticals featuring medical marijuana.” The Board found applicant lacked a bona fide intent to use the marks in commerce because the services are prohibited by federal statute and cannot be in lawful use. See § 17:4.2, at note 177.

**Survey evidence:** Because it did not reflect marketplace conditions, survey evidence of actual confusion was entitled to little weight in *Isle of Capri Casinos, Inc. v. Flynt*, involving the marks *LADY LUCK CASINO* and *LUCKY LADY CASINO*. According to the California federal district court, unlike parties selling products side-by-side in a store, “the parties competed in a service industry across great distances. . . . Even those consumers who might encounter both marks in close proximity to one another on the internet would still encounter dissimilar marketing and promotional webpages.” See § 16:6.1[F], at note 75.1.

**Likelihood of confusion in the PTO—the fame factor versus the strength factor:** The courts and the Trademark Trial and Appeal Board take different approaches as to whether the factor of “fame” or the factor of “strength” of the mark should be considered in assessing the likelihood of confusion. Professor McCarthy sides with the thirteen circuit courts that rely on the strength factor. See § 19:2.2[B], at note 18.1.

The Table of Authorities and the Index have also been updated.
FILING INSTRUCTIONS

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