

Don't Let Your Client Be a Trademark Bully

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Congratulations! You navigated the United States Patent and Trademark Office (“USPTO”) and have successfully obtained a federal trademark registration for your client’s name or logo. Now, your client owns that name or logo, and whenever someone else uses it, under any circumstances, and with any goods or services, your client can force them to stop. Right? Wrong.

One of the most common misunderstandings about federally registered trademarks is that once registration is obtained the registrant “owns” the word, logo, slogan, etc. outright to the exclusion of the rest of the world. The prevailing opinion among trademark holders, and even many trademark practitioners, is that the registration of a trademark grants the holder a monopoly over that word, phrase, design, or symbol. However, the reality is that a federal trademark registration, while very valuable, is much more limited.

The paramount purpose of trademark law in the United States is to assist consumers in identifying the source of goods or services. For example, when a consumer walks into a grocery store and sees a red can with white script lettering that says Coca-Cola®, that consumer knows where that product came from, and can rely on the mark holder’s reputation regarding the quality of the goods inside that can. Stemming from and related to the goal of identifying source is the equally important goal of preventing consumer confusion in the marketplace. This means that a trademark owner can prevent competitors from using the owner’s mark, or a similar mark, to deceive consumers and pass their own, usually inferior, goods or services off as the genuine goods or services. In other words, U.S. trademark law is designed wholly to protect consumers – not trademark holders. Thus, although registration of a mark is commonly referred to as trademark “ownership,” it is a bit of a misnomer. The holder does not actually “own” the mark. Rather, registration grants a trademark holder only the right to use the law to prevent others from using a similar mark in a way that deceives the public. Thus, another trademark holder may use a similar mark, or may even use the exact same mark, for unrelated goods or services, and this type of coexistence is not only completely acceptable, but common.

Unfortunately, in recent years it has become common practice for large, well-funded trademark holders to use their registrations to prevent all others from using their mark, or anything similar to it, in any context, or in connection with any goods or services. These trademark holders are trademark bullies. The USPTO defines a trademark bully as “a trademark owner that uses its trademark rights to harass and intimidate another business beyond what the law might be reasonably interpreted to allow.”¹

In recent years trademark bullying has become more prevalent, with large companies suing smaller companies or individuals for any use of a name or design that is similar to

¹ See, http://www.uspto.gov/trademarks/litigation_study.jsp.

their mark – regardless of the goods and services to which their mark is limited. These companies count on smaller mark holders’ inability, financial or otherwise, to defend themselves even though they have a valid defense. More often than not, unfortunately, these bullies succeed.

Trademark bullying cases are found in all areas of the marketplace. For instance, Monster Cable, who owns the “MONSTER CABLE” mark for various audio and visual cables, is a notorious trademark bully. The company has threatened and/or sued a variety of companies that use the word “Monster” in their brand, including the TV show Monster Garage, a clothing store called MonsterVintage, Disney for the movie Monsters, Inc., the makers of Monster Energy drink, the Chicago Bears for having the nickname “Monsters of the Midway,” the Boston Red Sox for offering “Monster seats” on top of their “Green Monster” wall, Monster Mini Golf, and the makers of Monster Deer Block, a salt lick designed to attract wild deer. In another example, the band Twisted Sister, who owns its name for “entertainment services,” recently threatened to sue a small Kansas coffee shop named Twisted Sisters. Even though the small café has no relation to the Twisted Sister heavy metal band, and thus consumer confusion is highly unlikely, rather than fight the band, the shop has agreed to change its name.

A recent instance of trademark bullying that has garnered national news attention occurred right here in Marin. Academy award-winning filmmaker Francis Ford Coppola filed suit in Federal Court in April of 2012 against owners of the Novato restaurant Tavola Italian Kitchen. Coppola holds a registration for the mark “A TAVOLA,” which is a common phrase in Italian meaning “to the table.” The mark is registered for restaurant and bar services. Coppola claims that he uses the phrase in connection with his restaurant, Rustic, in Geyserville to promote the restaurant’s family style dinners.

When Coppola’s application was filed, he was asked by the USPTO to provide an English translation of the phrase “a tavola.” This is the common practice of the USPTO with regard to all foreign words. Coppola, or more likely, his lawyers, submitted the following: “[t]he English translation of “TAVOLA” (in Portuguese) in the mark is a piece of furniture having a smooth flat top that is usually supported by one or more vertical legs, a piece of furniture with tableware for a meal laid out on it, and a company of people assembled at a table for a meal or game.” This convoluted definition is not an accurate translation, and the wording has no real meaning in Portuguese. Indeed, the Internet website for Coppola’s Rustic Italian restaurant states: “Meaning “to the table,” a tavola (pronounced “a TAH-voh-lah”) is a casual dining experience . . .”

Furthermore, a quick Internet search of the wording “a tavola” makes clear that this is a common phrase used in the restaurant industry, specifically in connection with Italian food. The first five search results in Google® for “a tavola” are: (1) A Tavola Pizza in Cincinnati; (2) A Tavola, an Italian restaurant in Chicago; (3) A Tavola, an Italian restaurant in New York; (4) A Tavola, an Italian restaurant near Boston; and (5) A Tavola Together, a website devoted to Italian cooking. Lawyers for the owners of the Novato restaurant argued that if the USPTO had received an accurate definition from Coppola when asked, the USPTO would have recognized that the wording is widely used, and

indeed generic, in connection with Italian food, and would not have granted the trademark registration. I agree. It is a well-established tenet of trademark law that when similar marks permeate the marketplace it creates a “crowded field,” and each member of the crowd is relatively weak in its ability to prevent use by others in the crowd.²

Nevertheless, Coppola – with all of his money and power behind him – pursued the Novato restaurateurs. Coppola’s attorneys argued that despite the fact that there were many other uses of the phrase “a tavola” in the restaurant industry, the geographic proximity of Novato to Geyserville was likely to confuse consumers, who would think that the Novato restaurant was owned or sponsored by Coppola.

It is true that Coppola’s mark is for restaurant services, and the Novato restaurant is, obviously, a restaurant. Dissimilar to many trademark bullying cases, the “Tavola” case involved a mark owner suing another user for the same type of services. However, the problem of trademark bullying is illustrated by this case. If the purpose of trademark registration is to prevent consumer confusion, the only question that matters should be “is the public likely to be confused?” With the extensive use of the wording “a tavola” in the Italian restaurant industry, it seems highly unlikely. Instead, the wording “a tavola” appears to be generically used by many in the industry, and is not associated with any particular person or entity. Therefore, consumers are not likely to be confused as to the source of the restaurant services, and, upon seeing the Tavola Italian Kitchen in Novato, are not likely to assume it is connected with Coppola’s Rustic restaurant. This case is an example of a trademark owner using its trademark rights to harass a smaller business beyond what the law would reasonably allow – a classic case of trademark bullying.

The lawsuit recently settled out of court, and the terms of settlement are not public record. Hopefully the Novato restaurant will survive; although, my guess is that if it is permitted to stay open, it will be under a different name. Perhaps by the time this article is printed we’ll know the answer.

It is important to counsel your clients not just on the benefits of trademark registration, but also on the limitations of their trademarks. While federal registration gives the holder the valuable exclusive right to use the mark in connection with the goods or services covered by the registration, it does *not* give the owner the right to prevent all others from using the same or a similar mark in connection with unrelated goods or services. Furthermore, trademark registrations are not grants of monopolies over common words or phrases, and should not be viewed as such. Registration of a federal trademark does not give the owner the right to prevent others from using the mark in connection with anything not covered by the registration if it is not likely to confuse or deceive consumers. Don’t let your client be a trademark bully, and don’t enable them in their

² E.g., *Abercrombie & Fitch Co. v. Moose Creek, Inc.*, 486 F.3d 629, 634 f.1 (9th Cir. Cal. 2007) (citing *Miss World (UK) Ltd. v. Mrs. Am. Pageants, Inc.*, 856 F.2d 1445, 1449 (9th Cir. 1988), abrogation in part on other grounds recognized by *Eclipse Assocs. Ltd. v. Data Gen. Corp.*, 894 F.2d 1114, 1116 n.1 (9th Cir. 1990)); *One Indus., LLC v. Jim O’Neal Distrib.*, 578 F.3d 1154, 1164 (9th Cir. Cal. 2009).

bullying. If you are tasked by your client to write and send bullying cease and desist letters, you would be prudent to gently remind them of the limits of their mark.

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