

GIORDANO, HALLERAN & CIESLA

A PROFESSIONAL CORPORATION

ATTORNEYS AT LAW

PLEASE RESPOND TO:

U.S. POSTAL SERVICE ADDRESS:

POST OFFICE BOX 190

MIDDLETOWN, NEW JERSEY 07748

OR:

HAND DELIVERY AND OVERNIGHT SERVICE ADDRESS:

125 HALF MILE ROAD

RED BANK, NEW JERSEY 07701

(732) 741-3900

FAX: (732) 224-6599

www.ghclaw.com

June 2003

Is Your Company Properly Using Its Trademarks?

Your company has spent a significant amount of time, effort and resources to create your trademarks. Perhaps you have also undertaken steps to federally register your marks. Once you have obtained federal registration, your Company must properly use the trademarks or risk loss of trademark rights. Proper trademark usage is crucial to preserving the integrity and value of your Company's trademarks.

Proper Trademark Usage

There are some fundamental rules you can follow when using your trademarks on the product, in print materials and in advertising to preserve the mark's integrity. A failure to follow these basic rules could result in the loss of trademark rights.

1. Use Your Trademarks as Adjectives

If a trademark is not used as an adjective, it runs the risk of becoming the generic term for the product, and hence becoming available for all to use. Examples of trademarks that were "lost" by virtue of misuse by the owner of the trademark abound in our common parlance: aspirin, escalator, cellophane, and linoleum. In short, misuse can destroy a company's investment in its trademark.

The most important rule about proper trademark usage is always to use a trademark as an adjective, followed by a generic term, as in the following examples:

NIKE® Running Shoes

EXXON® Gasoline

CLOROX® Bleach

HILTON® Hotels

GATORADE® Sports Drink

If, for aesthetic reasons, you are unwilling to consistently use your trademark as an adjective, at a minimum it should be used that way the first time the term appears in the text. In addition, if this minimal approach is taken, we recommend placing the following statement at the end of each promotional piece:

“XYZ is a [registered] trademark of ABC Corporation.”

(Add the term “registered” when appropriate.)

2. Do Not Use Trademarks As Verbs

Recent history shows how using a trademark as a verb jeopardizes its trademark status. For example, references to “xeroxing” documents rather than “making copies on a Xerox® copier” have jeopardized the trademark status of the Xerox term. Similarly, the owners of the ROLLERBLADE® mark have spearheaded a campaign to stop the public from using ROLLERBLADE as a generic noun or a verb (ROLLERBLADING) and to substitute instead the generic term “in-line skates” and “in-line skating.” A lower court found the mark WINDSURFER® to be generic and not a protectable trademark, in part because the trademark owner used the mark in the verb form – windsurfing – to describe the sport of sailboarding.

3. Trademarks Should Not Be Pluralized

Trademarks are not nouns, therefore, they should not be pluralized. Instead, the generic noun that follows the trademark should be in the plural form. For example:

Order two SNAPPLE® iced teas, not two Snapples.

Similarly, trademarks that end in a plural “s” should not have the pluralizing “s” removed to singularize the mark. For example,

Refer to a BAGGIES® plastic bag or BAGGIES® plastic bags, but not to a BAGGIE bag.

4. Trademarks Should Not Be Used in the Possessive Form.

Trademarks should never be used in the possessive form, unless the trademark itself is possessive, such as LEVIS® jeans and CHICO'S® clothing.

5. Emphasize It!

To give additional emphasis to the trademark character of your mark, we recommend that the trademark be either completely capitalized or used in quotes with initial caps. Other alternatives for distinguishing your trademarks include italics, boldface, a different font or a different color.

We also recommend using the trademark symbols that indicate the status of the mark at least once, and preferably every time, the mark is used. For a federally registered trademark, that symbol is “®” or “Reg. U.S. Pat. & TM. Off.” For marks that are not registered, use the “TM” symbol for trademarks or “SM” for service marks. These designations should appear immediately after the mark in the “foot-note” position, e.g. Hilton® Hotels.

GIORDANO, HALLERAN & CIESLA

A PROFESSIONAL CORPORATION

ATTORNEYS AT LAW

125 Half Mile Road, Red Bank, NJ 07701 • (732) 741-3900

441 East State St., Trenton, NJ 08608 • (609) 695-3900

www.ghclaw.com

Stop Improper Use of Your Trademark

If your trademark is used improperly in the media or by others, you should make an effort to stop this use by correcting the error in a letter to the publisher to make them aware of the error and to document your efforts to protect the integrity of your mark on a continuous basis.

The attorneys in Giordano, Halleran & Ciesla's Intellectual Property group have the knowledge and experience to address all types of trademark issues, including trademark selection and availability searching, prosecuting federal, state and international trademark applications, maintenance and policing of your existing trademarks, counseling regarding proper trademark usage, and infringement issues. For further information regarding your company's trademark or other intellectual property needs, please contact Tara L. Benson or Kurt E. Anderson,

GIORDANO, HALLERAN & CIESLA

A PROFESSIONAL CORPORATION

ATTORNEYS AT LAW

125 Half Mile Road, Red Bank, NJ 07701 • (732) 741-3900

441 East State St., Trenton, NJ 08608 • (609) 695-3900

www.ghclaw.com