

Legal Road Map® Podcast – Season 2 – Episode 21 Transcript

The pitfalls of filing a trademark yourself and how a lawyer can help

[00:00:06] Welcome to Season Two of the Legal Road Map® podcast the legal podcast for creative and online entrepreneurs. I'm your host lawyer autumn with this season I'm featuring case studies of successful entrepreneurs. You'll hear about how they've grown their businesses and the legal lessons they've learned. Plus I'll be sharing how you can grow your business to the next level helping you navigate issues like book deals licensing and certification programs. Copyright and trademark copycats and collaborations and partnerships.

[00:00:39] Hi everybody. I am so glad you're here today. We are going to be talking about whether you should try to file a trademark application on your own or through LegalZoom or what the difference is between trying to go about it that way versus working with a lawyer one-on-one.

[00:00:55] Go check out the show notes for this episode and every episode on my website at www.awbfirm.com/podcast and the number of the episode. This is Episode 21 so it's www.awbfirm.com/podcast21. You'll find transcripts, shownotes, everything delving in deeper to this episode, on the website so definitely check that out after you finish.

[00:01:17] Now let's dive in more trademark talk. So the first thing before we get into the meat of this topic is I'm going to presume that you have at least a basic understanding of how trademarks work, what they protect and the basics of the application process. If you don't know these things, go back to season 1 and listen to episodes five and six. They are going to dive deep into those topics and they will kind of form the basis of what you need to know to listen to this episode. Because we're going to get a little bit deeper in this one. So my standard disclaimer that I'll include on this episode: this is information; it is not legal advice. I am a lawyer. I'm licensed in Tennessee but I'm not your lawyer unless you hire me and we decide to work together one-on-one. So everything I'm talking about today is based on U.S. trademark law. I'm going to be talking about federal trademarks today, not state trademarks. So definitely, if you have questions for your own business or your own services please consult with your own attorney, whether it's me or someone else because this is definitely an area where there are a lot of gray areas and you want to get the best advice you can for your particular situation.

[00:02:22] OK, now we're really going to dive in. The first thing to think about with how you register a trademark, whether you try to do it on your own, you use a service like LegalZoom or you work one-on-one with a lawyer. These are different ends of the same spectrum. So can you register a trademark yourself? Certainly. You can go to the USPTO website, the U.S. Patent and Trademark Office, it's USPTO.gov. There's an online form that you fill out. There also paper forms, but it's more expensive to do it that way so most people use the online form now and it's a lot easier. And you certainly can fill in the blanks and file the registration application all on your own. There is no requirement that you use a lawyer or that you use LegalZoom. But I'm going to talk about today the differences between trying to do it on your own using a service with, like LegalZoom, or working with a lawyer. And why--just some pros and cons. It's your decision. There is no right answer for every situation. There are certainly some some people who could file a trademark application on their own and get through the process with no problem. And then there are other businesses that definitely, it makes the most sense for them to work one-on-one with

an attorney. So I just want to give you information to think about so you can make the best decision for you and your business.

[00:03:33] The first thing to think about is before you file that registration application. The first step in registering a trademark is really not with the US Patent & Trademark Office at all. It is conducting a thorough trademark search. And so if you are doing this registration process on your own you may skip that step. A lot of people skip that step but it is absolutely crucial. And this is because if there is another trademark out there, either registered or unregistered--it does not have to be registered with the trademark office--it could cause a problem that could either get your application denied or could result in you maybe not having all the rights you think you do with a registration. Or you could end up having an infringement lawsuit filed against you. Sometimes filing a trademark registration application will put someone else on notice that you're using a trademark and they would have had no clue if you had not done that. So doing the search to see what else is out there, both registered with the U.S. Patent and Trademark Office or with your state, and unregistered or what we call common law trademarks. These are state law trademark rights. Again if you don't know what I'm talking about go listen to episodes five and six of Season One. But these common law trademarks and other registered trademarks can definitely cause a problem for you and your business. So before I even think about filing an application when I work with clients or my law firm works with clients, we do a really thorough search. We do a Google search, we search their state's Secretary of State website to see if there are other businesses that are using the same name and we search the USPTO database and there is certainly an even deeper search that you can do than what we usually do. And depending on the type of company there are services that I will work with for an additional fee to perform that really, really deep dive search. Depending on the kind of business that you're in, that might make sense. But depending on the results of that search then we can make a decision of whether to move forward with filing an application. It's not a black and white answer. So if you use LegalZoom or if you're doing it on your own you're either--my guess is you're not doing a search at all--or if you're working with LegalZoom, you can pay them to do a search and they will send you a report which is probably similar to the report that I send my clients. I have a search tool that I use that produces a report and it's probably 50 to 75 pages and it's got all kinds of results. And if I were just to send that to a client and say, "What do you think?" I think most of them would be totally overwhelmed. They don't know what the results mean. It's just a list of a bunch of words and you've got to figure out "is this really a problem for my business or not?" And that honestly is a judgment call. And so if you're working with a service like LegalZoom there's not a person on the other side unless you keep paying extra fees to get to a lawyer. There's no person to help you make that judgment call. And if you're working on your own, then you're on your own to try and figure out whether these other marks are a problem. And the reason this is such an important issue is because in the U.S., trademark rights are based on what we call priority and priority is based on first use. So it's different in other countries but in the U.S., the first person to use a trademark in their business has all the rights. It's like they won the race. It's a race system. And so they will have common law rights even before they start doing any kind of the registration process. They have priority rights. And so when you are thinking about registering your trademark you want to make sure there's not somebody out there who's going to have priority rights over you because that can be a big problem. But it's not just exact matches of the same trademark that you want to register. Let's say (I've used the example before) I wanted to register "Iris Legal." So I'm going to want to not just search for "Iris Legal", I'm going to want to search for plurals and I'm going to search for different spellings and I'm going to want to search for similar words like maybe "Iris Lawyers" or "Iris Law." So it's not just enough to do an exact word search because under trademark law you are going to have rights to the exact

trademark that you're using in your business and other similar marks because the goal is to prevent your customers from being confused if they see a similar business out there operating. So if I was operating Iris Legal and there's another one called Iris Law, would my clients be confused if they saw an advertisement...is that Autumn's firm or is that somebody else's firm? So you can't just do a literal search and expect to get all the answers. The way you do the search is important and then interpreting those search results is really important. And again, it is a judgment call. There's no black and white line of "this is too close and that's not too close." It's a judgment call looking at all the facts and circumstances.

[00:08:12] The other thing to think about with a search is what kinds of goods or services, products or services, is the other company using? Like let's say a search does bring up something that we think might be too close in that Iris Legal and Iris Law example. Well if one of them is not actually providing legal services--maybe it's doing something totally different. Maybe it's a law school, not a law firm. Those are different kinds of things. A law school doesn't really compete with a law firm. So, again, that's something where we would maybe need to dig a little deeper and say, "OK what are they actually doing with this trademark?" And we would want to look at the categories that they've registered it in with the USPTO. All of this requires a little bit more digging and it requires some expertise and knowledge to know what is a problem and what's not a problem. And that all comes from experience. You're going to have a hard time, if this is the first trademark that you have ever searched for, knowing how to interpret these search results. So this just gives you an idea of some of the kinds of things that can come up and why having a lawyer on your side can be really helpful as you're doing that search and trying to decide is it even worth spending the money the time the energy of filing a trademark application? Or is there another trademark out there that's either registered or unregistered that is going to cause you problems and it's probably better just to sit back and not register your trademark or you may even need to think about rebranding. And that is a conversation that I do have with my clients sometimes when we do the search and we have to do a risk evaluation if something pops up. You know, how big is the company that owns this conflicting trademark? Is it someone that's litigation-happy? We might research have they filed lawsuits against other people or have they filed trademark opposition proceedings? There's a way to research that in the USPTO database. But these are all things that you might not think of if you're doing this on your own and LegalZoom will certainly not do any of this for you.

[00:10:06] So the search is absolutely critical. The other thing to think about and this is another area that LegalZoom will not help you with is there are certain trademarks that just cannot be registered. If they're generic, if they are too descriptive, there may be limitations on how you can register them and what kind of rights you can have in them. Again if you don't know what "generic" or "descriptive" I'm talking about, I go over all of this in Episode 6 really in depth. There's a spectrum of how protectable your trademark is and at one end are really, really protectable fanciful kind of trademarks. These are made up words. And at the other end are trademarks that cannot be protected under U.S. law because they just describe the thing that you're doing. Think of a service or a business called, like, Chattanooga Pizza Shop. That just A, it has a place name which is not going to be protectable and B, it just says the thing that you're selling. Or the thing you're doing--it's a pizza shop. So the Trademark Office is not going to register that because all you're doing is saying what you are selling. And they don't want to prevent you from or prevent another company from being able to say what they're doing. They don't want you to stop every other pizza shop in town from using the words "pizza shop" because that just describes what they're doing. This is, again, an evaluation that has to be done of your trademark, of

the strength of your trademark legally. And if you are doing the application on your own, you're just typing in the words. No one is going to tell you "Don't waste your money on that application fee. You can't register that trademark." Or when you type the words into LegalZoom, they're not going to give you any advice about whether it's worth going through this process. So that's another judgment call. It's another evaluation that is going to be based on experience and the law and the rules and regulations in this area that is not easy to do if you are not familiar with how all of these rules and regulations work. So first thing to think about is the search. The second thing to think about is is your trademark even registrable?

[00:12:03] And the reason we do all of this evaluation before we even think about filing the application is because it's an expensive and time-consuming process. Even if you file on your own, the application fees start at \$225 per class or category of products and services. You can only register your trademark with the products or services that you're actually using it with or plan to use it within the near future. And those fees can add up really quickly if you're doing two or three different things, you know, multiply that by \$225 and you can get to \$1000 or \$3000 or \$5000 in filing fees really easily. So it is a big investment and it's something that I don't want my clients to do unless I think we've got a pretty good shot at actually getting it registered. So if they came to me with one of these generic or descriptive trademarks, you know, that's a conversation that we would have before they spend the money on filing fees and on my time and their time and energy. It also is a fair amount of work even if you're filling out the application yourself to fill it out correctly. It's a lot of steps. You're probably looking at at least an investment of an hour or two of your time and then gathering the supporting evidence that you have to show that you're actually using your trademark. Then there will be--it's a long process. There are many, many steps. You may have to respond to inquiries from the USPTO, which I'll talk about more in a minute, but it is not as simple as filling in a couple of blanks and shooting it off. It is a complex process, so even if you're doing this on your own I want you to think of it as an investment in your business. And so, even if you're not spending legal fees, you are investing your time and certainly the application fees. So on the front end, you should know, is there a conflicting mark out there that could cause a problem with your application or could alert another company that you're using this trademark that maybe you would have been under their radar before? Or are you trying to register a trademark that's probably not registrable? Those are two really important threshold issues that you should be considering and that are tough to figure out on your own or with LegalZoom.

[00:14:03] The next thing that is kind of a threshold issue--this is more when we get into drafting the application. Like I mentioned before, you have to choose which categories or classes of goods or services you're going to file your trademark registration with. They're all numbered and they're not necessarily intuitive so you have to do a bit of research to figure out "OK, I'm selling t-shirts, which class is that? And I'm selling bags, which class is that in? And I'm selling online consulting services, which class is that in?" Things that you might think are in the same class are not always. I learned recently when I was doing research for a client that holiday ornaments are grouped not altogether. Like, you think about Christmas tree ornaments. They're actually in different classes depending on the material that they're made of. So glass is in one category and certain metals are in other different categories. I had a client who wanted to register a trademark with holiday ornaments and it was going to--for all the things she wanted to do it was going to be, like, six classes. So that's something that may have been tricky for her to figure out on her own. But I was able to look into that and we were able to do it a different way that minimized her filing fees while still giving her the protection that she needed for the products that she's really wanting to protect her trademark with.

[00:15:15] So even with something as simple as "How are you using the trademark? What classes do you need to register in?" There can be some strategy there. And the reason this is really important is when you--say you file your application, there's no check at the beginning to make sure that you're in the right categories. The USPTO attorney will look at your application, they'll look at which categories you chose and then they'll look at how you're actually using your mark. They'll look at your evidence that you submit to show that you're using your trademark with these things, with these products or services and they'll make sure there's a match. They'll make sure--"OK you said you're selling glass ornaments. Are you actually selling any of those?" Or "you said you're selling consulting services. Let's see. Are you actually offering those?" They will do that check. And if you mess up the class or the category that you chose for your services, you cannot always fix that. You can subtract classes--let's say you're in the wrong class and they tell you that your services don't actually fit in that class. You can subtract it but you cannot, at that point, add the correct class. You have to go all the way back to the beginning and file a new application if you need to add a class. So that can be a very expensive mistake and it can be, as I'm going to talk about as we get further into this process, it can be a mistake that if you have to go back and file a new application, there may be someone who came in and filed a trademark application in the interim, in that processing period, and they can actually cut you off at the knees. And now they have priority rights with the trademark office with their application. So you could actually lose rights. It's not just about losing the filing fee and having to go back and do it again. It's also about potentially losing the ability to register your trademark. So if this is something that's really important to your business, it can be really crucial that you do it the right way the first time because you may not get another chance to do it again.

[00:17:06] The other thing to think about when you're selecting your class or categories of products and services with your application...this is something that I always will go back and revisit the search results when I'm filing the application, when I'm drafting the application, because sometimes a conflicting trademark will come up during the search, but it only is an issue with one class. Like, let's say my client wants to do live events, retreats, online coaching, t-shirts and coffee mugs. That's a really frequent combination. And maybe a trademark came up and it was an issue for t-shirts but not for coffee mugs or consulting services. So I'm going to want to make sure when I'm choosing my categories that I'm referencing those search results to make sure that I'm registering in the categories that aren't going to have an issue. It's all intertwined. All of these issues come back up at different points in the process. And again, if you're doing this on your own or you're doing this with LegalZoom, no one is helping you make those evaluations and make sure that you're giving your application the best chance to go forward and actually become a trademark certificate from the get go.

[00:18:09] The next part of the application process that can be really tricky is when you describe your products or services. And this seems so simple, like, you just say what you're doing, right? You say "I do online retreats" or "I sell coffee mugs" or "I sell bracelets." But again, this can also be affected by your search results. So you may decide, yes, I want to register in this category but I saw something in the search results that means I'm going to just be really careful with how I describe my services. Like maybe, I saw a word in a description that if I avoid that word in my description, I think we'll be OK. It looks like we're similar. I don't think we're really similar. If I can just describe my services in a way that it doesn't look similar then we'll be fine. But if I'm sloppy or if I'm too general, then the trademark attorney might think that we're too similar and they might deny my application.

[00:19:01] That's one thing that the examining attorney does, and this is really helpful for trademark owners. They will do a search and they will make sure that you are not too close to any existing registered trademarks. So if there is an existing registered trademark that comes up in your search you want to be really sure that if that examining attorney pulls up that trademark that when they look at yours they're going to compare the goods and services, because if you're doing different things it's not a problem. It's only if you're doing similar things and it could possibly confuse your customers, like I talked about at the outset. You're going to want to make sure that it looks like nobody's customers are going to be confused because you're doing totally different things. So crafting that description of your products or services can be trickier than it appears at first blush.

[00:19:45] I'm just going to mention here, there is an online resource and this is what the trademark attorneys use. It's called the Trademark Manual of Examining Procedure. This is basically their rule book. It incorporates the rules and regulations and the trademark laws. And it basically tells them how to do their job. What to look for when they're examining applications. So this is a really--this is a resource that I rely on all the time because of course, I want to play by the rule book. I want to give the trademark examiner a trademark application that is going to have a really great chance of just flying through their process because it's going to check all their boxes. It's not going to give them any problems. This is a resource you can look at. This is a resource that LegalZoom is not going to help you with. And if you are not an attorney, I will say, I mean it's written for lawyers. So it could be helpful to you but it is not really meant for laypeople, so it can be a little difficult to get through all the the legalese and complicated concepts and drill down to what you would need to know if you're trying to figure out "is this thing OK or is it not OK.

[00:20:46] The next part of the process that again, at first blush, seems really simple but can be deceptively tricky, is submitting the evidence showing that you are using the trademark in your business. This is called a specimen. And the rule in the U.S. is that you can only register trademarks when you're actually using the trademark in your business. So there are two application types. The first is "In Use." The second is "Intent to Use." So even if you're not using a trademark in your business quite yet but you know you're going to in the near future you can file what's called an Intent to Use application that will kind of hold your place in line. It will make sure no one sneaks in and tries to register the same trademark for their business, but you can only get so far in the application process before you have to show your evidence of use. You cannot get a certificate without showing your evidence of use. It does give you some time, like if you're still doing research and development, but you have a really great brand name and you don't want anyone else to take it. That's a great option, but you have to show that evidence either when you file the application or with an Intent to Use application, you file it later in the process, but you still have to file it. So you're always going to have to show this evidence of use in your business. And again it seems really simple--"Well, I can just take a screenshot of my website. My logo is up there. That's enough, right?" It's not always enough. And this is probably the area that I spend the most time with my clients when we're preparing a trademark application, to make sure that we're submitting as much evidence showing the use in the right way as possible. There are all kinds of rules about what is acceptable use and what is not acceptable use and it's different for every kind of product. So there's not--I can't give you an overall, like, if you do this one thing then you'll be fine. It's different for different types of products and services. And so this is an area where I actually have a fair number of clients, who do try to register a trademark on their own or they use LegalZoom and then they get an office action, which is the USPTO attorney saying they did something wrong. And it gives them a chance to fix it, but if you don't really know what you did wrong

in the first place it can be hard to fix it. And so these specimen issues, these issues with the evidence of use, is a really common problem. You know, I have some people who will submit a screenshot of their website but it doesn't actually show them selling the thing or they'll submit a picture of a t-shirt or a picture of a coffee mug or a brochure from an event or a set of PowerPoint slides from an event. And for different scenarios those are not going to work. And so having someone who can help you make sure that you submit the right evidence the first time, this is something that can generally be fixed as long as you are actually using the trademark in your business but it can be really frustrating. I had one pro bono client that I worked with that they had tried on two different occasions to fix it themselves and they were just at the absolute wit's end. They didn't know what they were doing wrong or how to fix it. And we were able to come in and they actually had all the evidence and their files. They didn't have to create anything new, they just needed to know what the right thing was that was going to get it through the process. So having the correct specimen is really really crucial.

[00:23:57] After you file the application process--so these are kind of some of the tricky points that can come up during the application process--I hope I've gotten your wheels turning to see that this is not just a quick fill-in-the-blank and you're on your way. There's a lot of strategy and thoughtfulness that is required to make sure that your trademark application has a good chance of success. After you file your application you're going to wait for a couple months and then the USPTO attorney will pick it up and take a look at it and check it against all of the rules and requirements that are in our laws and our rules and regulations. They're going to use that Trademark Manual of Examining Procedure to make sure that you've done everything the right way. If you don't, and there's a fairly good chance that you didn't, you may get an office action and frankly office actions are not always bad. I get them on my applications frequently because I try to kind of push the limits. And there are some issues, like I don't want to include a certain disclaimer in an application unless I absolutely have to, so I won't include at the beginning. But then if the examining attorney says I have to then that's fine, I'll do it at that point. So there can be, again, some strategy involved in that. So you know, just because you get an office action doesn't mean that your attorney did anything wrong. There can be some strategy involved in that as well. But oftentimes office actions are, they are things that you did wrong or mistakes that you've made, or the biggest things that come up are they found a competing trademark that's already registered or that's pending that was applied for before you filed your application. And so that is going to be a denial. You are not going to be allowed to register a similar mark for similar goods and services and you can try to get around that but it's very, very difficult. And there are a couple levels of appeal but you're going to be spending a fair amount of time, energy, and money when you start to get into those levels and the success rate is very low. So when you get a denial because it's too similar to an already registered or pending trademark, that is very very difficult to overcome.

[00:25:53] The next thing that I will often see with office actions is going to be the issue that I talked about at the outset, with a mark that is either descriptive or generic. So again, these are issues that can be avoided if you know on the front end. But there's really no way around them when you get to the office action point. Again, you can try and argue, you can submit evidence and legal arguments and sometimes that works. But frankly often it doesn't. If the examining attorney has kind of made up their mind, it's very difficult to get them to change it. So these are issues that, when you get to this point, there is no refund of your fees. There is no way to go back and fix it. You are just at the end of the road and you have the choice of either choosing a new trademark or trying a new application, maybe, for a different group of products or services or you know, changing something in your application to try again. But as I mentioned before, in that interim, you can lose really

valuable rights and you can lose the ability to register your trademark at all. So it is a big, big issue. The other thing with an office action is just that you don't have anybody to ask a question of if you get an office action and you've done this all on your own or through LegalZoom. You are trying to figure out, is this even something I can fix? Is this worth spending time and energy and money fighting or should I just give up? You just don't--you don't know how to take it, how to read it or how to fix it. This is really important because your application will be abandoned if you don't respond to an office action. So you have six months to respond to an office action, which is a nice amount of time and often in that time period, if it is something that can be fixed you have plenty of time to fix it. But if you don't respond, your application will be abandoned. It cannot be revived after a certain period of time. You do get a little bit of time to be able to fix it, but after that point, it is dead. It cannot be revived. You have to start over. So this is a big, big problem.

[00:27:48] All right. I don't want to end on a sad note so I'm going to end on a happy note, which is there are resources and people available to help if you, after listening to this, realize that the trademark that you're wanting to protect is important to your business; it's a really key part of your brand. It's worth doing right the first time. I want you to start thinking about expenses like working with a lawyer on your trademark registration as a business expense. It's a line item in your budget. It's just like hiring someone to help you with social media or fix your website or do your books. It is an investment in your business and doing it right the first time and making sure that you've got those rights locked down and you're building a brand that is strong, that you can monetize, that you can stick with for the long term, is just so crucial to building a business that's actually going to last and that's going to be profitable and sustainable. And it's going to allow you to build this life that you have been working on, that's why you quit your job or never had a job in the first place and started your own business. So this is not something you have to go through on your own. You can probably hear my bias. I'm not a big fan of LegalZoom. I think if you're going to pay several hundred dollars or whatever their fee is right now, I would rather you just save that and save up to work with a lawyer one-on-one who's really going to do it the right way. Who's not going to waste your money providing just basically a form that you fill out with a couple of questions to help guide you, but is not going to help you make those judgment calls and is not going to help make sure that you craft your application with the best chance for success.

[00:29:19] So I would love to help you with your trademark. If you have questions or if you are needing help and support with the registration process, whether that's from the very beginning doing a search and filing the application for you, or if maybe you've gotten an office action--I really love coming in at that point and seeing if I can just help right the ship and get that application to the finish line. We also didn't talk about today the opposition part of the trademark process. That's something I'm not going to go into. Go back and listen to Season 1, Episodes 5 and 6. They're going to go into that a little bit, but that's another stage in the process where, if you are on your own it's very very difficult to figure out how to navigate that. And that's another point where even if people have worked on their own or worked with LegalZoom, if you do get a trademark opposition, that's another point in the process where our firm loves to come in and help offer guidance and help you navigate that issue. So I'm going to sign off for today.

[00:30:13] Make sure that you listen to Episode 22 next week, next Tuesday. We are going to have an interview with Shawn Fink of Abundant Mama and she is talking about how she grew her business and what your business really needs legally as it grows. She has been slow and steady in her business growth, and so it was great to talk with her about the different priorities that she has worked on at different points in growing her business. So I

look forward to speaking with you guys again next week. Have a great rest of your week.

[00:30:49] Did you know that you could be making more money from your copyrights and trademarks? Intellectual property is probably the most valuable asset in your creative business, but most entrepreneurs don't know how to identify it and you can't monetize what you can't find. Download my free five-minute IP audit worksheet at awbfirm.com/podcast. You'll find out what parts of your brand, logo, images, website, courses, digital downloads or other content could be protected by intellectual property laws. And you'll create an inventory of your most valuable trademarks, copyrights, patents or trade secrets so you'll know what's worth protecting as you build a more profitable and sustainable business.

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