# Fall 2015

## First Assignment

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<tr>
<th>Name</th>
<th>Prof. Robert Talbot</th>
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<td>Course</td>
<td>Internet and IP Justice Clinic (IIP)</td>
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### Required Text/Reading

- The TM Manual is available on TWEN. You should refer to this Manual, as well as the USPTO Trademark Manual of Examining Procedure (TMEP) found here [http://tmep.uspto.gov/RDMS/detail/manual/TMEP/current/d1e2.xml](http://tmep.uspto.gov/RDMS/detail/manual/TMEP/current/d1e2.xml), when working on cases and completing assignments. You will find the answer to any TM questions in the TMEP, so you should be familiar with accessing it and searching through it when you have a question. The TM Manual is a very mini version of the TMEP. You will be required to refer to the TM Manual when completing your First Assignment Worksheet.

- Practical Law is a great resource that has many different types of agreement templates. For access to Practical Law Company materials go to Westlaw Next and click on the Practical Law Company link on the main page. You will be given reading assignments in Practical Law throughout the semester.

--Go to Chilling Effect website [www.chillingeffects.org](http://www.chillingeffects.org). Read home page and FAQ's about Chilling Effects and University of San Francisco blog topics. Review this website before the first day of class on Wednesday, August 26, 2015.

--ENTREPRENEURIAL VENTURES LEGAL SERVICES PROJECT Readings (see attached) - IIP is crucial to EVLS and we have many requests from startups for IP help. In the EVLS Readings, read as much as you can to be familiar with legal aspects of startups. Required before the first class are sections #1 ‘Choosing the Right Entity’ and #2 ‘Selecting a Name’.

### 1st Assignment

- First Assignment Worksheet
  You MUST complete the First Assignment Worksheet by no later than **Monday, August 31 by 11:59 pm**. This Worksheet will take quite some time to complete and you should allocate about 6 hours to completing the assignment. You must do the Worksheet in order from top to bottom, or else you will miss certain steps. **If you do not complete the full assignment by the due date you will not receive credit for the course.** We suggest that you complete at least half before the first day of class. And please do not rush through this assignment, as this will lay a foundation for all cases this semester. **If you have any questions about the assignment, you must contact Prof. Jessica Fajfar at jlfajfar@usfca.edu BEFORE the due date.** No extensions will be granted.

- Plan a Blog Topic
  1. Go to [www.internetjustice.org](http://www.internetjustice.org) for examples of selected blogs by former students. We are looking for something current and interesting, i.e., a
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<th><strong>Note to Students</strong></th>
<th>Please contact the Clinics office at 415-422-6752 if you have questions or email Prof. Jessica Fajfar at <a href="mailto:jlfajfar@usfca.edu">jlfajfar@usfca.edu</a>.</th>
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hot topic relating to internet and/or intellectual property law. There are daily articles published which can inspire your blog topic. Select a topic you think is interesting as it will potentially be turned into a short class presentation and published on our webpage. Your topic should be narrow enough to adequately be covered in approximately two paragraphs. We are serious about the length-- you should not be writing a law review article, just a very simple and short blog.

2. Email your blog topic to the Clinic lawclinic@usfca.edu for approval by no later than September 9, 2015.

3. Once approved, you will be asked to create a short topic outline and email that to the Clinic. More instructions will be provided in class.
OVERVIEW

“A rose by any other name would smell as sweet.” William Shakespeare (“Smell as sweet, yes. But, on Valentine’s Day would a rose by another name be as costly as a “rose.” Anonymous 15th century trademark lawyer)

In order to develop a business, whose product is goods or services or both, the business needs a word, phrase, symbol or design (or a combination thereof) to represent and identify the business product. This representation will become the “trademark” to let people know the source of the goods or services and which will distinguish the goods or services from those of others. Also important to the emerging business, is the ability to keep others from using its trademark. The trademark chosen ultimately embodies the promise of what will be delivered or experienced regarding your company’s goods including any positive good will from advertising, recommendations, or good results associated with the business’ trademark. The trademark becomes a valuable asset----maybe ultimately, the most valuable asset of a business.

In this overview, the word “mark” will be used interchangeably with the word “trademark.” “Goods” generally mean an actual physical product or electronic software; “services” an activity performed. (For example, a retail store that sells goods is a retail store service and may also be the seller of goods (clothes) under the same trademark. Also, when the word “client” is used, it will mean someone who is seeking the Clinic’s help, someone who the Clinic is supplying with information or someone who is actually being represented.

Once the business has chosen a mark to represent its business and products, it becomes most important to make sure that there will be continued rights to use the mark and that no one else will be able to use that mark in a way that causes confusion or diverts business or might be harmful to the business or product. The most important means to do this is by registering the mark on the federal Principal Register of the USPTO. Registration will provide the right to exclusive use of the mark plus a bundle of other rights, including public notice of your claim of ownership and nationwide priority the right to use the federal registration symbol®, the ability to bring an action concerning the trademark in federal court, prima facie evidence of validity of the mark, prima facie evidence of continued use, and, after 5 years, incontestable status (although there are still a few defenses to incontestable marks, such as the mark has become generic, abandoned, or is functional or deceptive).

The process necessary for registering a chosen mark is called trademark prosecution. The total time for the process can be from almost a year to several years.

This Handbook is intended to be a starting point for you to take the Clinic’s client from an initial interview through the client’s goal of registration of the mark represented by a valid “certificate of registration” of the client’s trademark on the “principal registry” of the USPTO

Here, now, is an overview, are some of the steps for trademark prosecution that our Clinic should follow:
1. Interview. Determine:
   a. The name or symbol (or other identifier) the client wants to trademark.
   b. Details of what the client’s business is all about----and what possible business expansion does the client foresee. You cannot just apply for a trademark and become “owner” of the word or symbol in the abstract. To apply for a mark, you need to describe the goods and/or services that the mark will be associated with and knowing the client’s business plans is a must.
   c. Whether the client has already been using the mark or only intends to use it in the future.

2. Research possible conflicts with existing trademarks
   a. Next, the desired marks need to be researched to find if there are similar marks that are already in use that might create a “likelihood of confusion” as to the source.
      i. The most important step is to see if there are any similar trademarks that have been previously federally registered in the Principal or Supplemental Register and if so, what goods or services the mark has been registered to protect. You can research registered or pending marks on the USPTO website using the TESS system. You will want to see if similar marks exist on related products or for related services.
      ii. You will also need to research if the mark is in use and not registered with the USPTO. Such prior use could give the user “common law” rights in the trademark and prevent your client from registering a trademark.
         1. Use search engines, such as Yahoo, Google and Bing, to search for similar marks.
         2. There are also professional trademark search firms that perform comprehensive searches that check to see if there are prior uses of the mark your client desires.

3. Research Trademark rules that might apply.
   a. You also will need to research whether or not the desired trademark violates any general rules of trademark law such as the rule against generic or functional marks.
   b. Some of the common reasons an application will be rejected are:
      i. The mark is likely to cause confusion with a mark already registered or on a prior application.
      ii. The mark is descriptive of the goods/services, and the client needs to show secondary meaning through acquired distinctiveness.
      iii. The mark is a geographic name or a surname or ornamental as applied to the goods.

4. Fill out Application.
   a. Once you have checked to see if there are similar marks, a trademark application needs to be filled out and filed with the USPTO. Remember, once you have submitted an application you have started a legal proceeding and documents you submit will become public records.
b. Applications are available on the USPTO website through the trademark electronic application system (TEAS). Two forms are available for the initial application—a TEAS “plus” application requires that the applicant uses an pre-approved description using the ID Manual of acceptable descriptions of goods and services and the filing fee for such is $50 less than a regular TEAS application. This system allows you to fill out and file an application on line. Use this online system to file other responses or correspondence necessary between the applicant and the USPTO.

c. On the application you will need to depict the mark that you are hoping to register. It’s called “a clear drawing of the mark”, but usually it’s not really what you think of as a “drawing”. In most cases the depiction will be straightforward and a “standard character mark” will be used if there is no design element. But, if the mark is a design or symbol, the depiction can be somewhat complicated and requires a “stylized or special form”.

d. The depiction of the mark is extremely important as it is what will appear in the USPTO search records and the Official Gazette (see below) and on the final registration certificate.

e. Also, in the application, it is critical to accurately identify your goods and services. List only the goods and services with which you are actually using the mark or have a bona fide intent to use the mark.

   i. The USPTO has a listing of acceptable goods and services in the “Trademark Manual of Acceptable Identifications of Goods and Services (ID Manual) See, “Tips on How to Identify your goods and Services”

   ii. Choose the classification for your product/service and spell out the details with specificity enough to identify the nature of the goods and/or services.

   iii. If there is no ID that accurately reflects your goods and services, there is a “free form text” option to explain the goods and services in your own terms.

   iv. Rules can be found at the USPTO Initial Application Forms section.

   v. If later, you want to add additional goods and services, you must file a new application to cover those; however, you may always narrow the description without penalty.

f. In the application you must specify the proper “basis” for filing----either that the mark is being used in commerce or that there is an intent to use the mark in commerce in the future.

g. You will be able to file the application online through the Trademark Electronic Application System (TEAS)

h. Someone will need to monitor what is happening with the application using the USPTO’S Trademark Status and Document Retrieval system to make sure important dates are not missed.

   i. Ultimately, if the application is rejected, the applicant does not receive the filing cost back.

5. USPTO Reviews Application

   a. Once you have submitted the application, the USPTO first checks to see if the basic minimum information is in the application and may assign a pseudo name for the
purposes of search, for example, if the mark is NKED for a lingerie store, the examiner may issue the pseudo name NAKED.

b. After that an examining attorney from the USPTO will be assigned to review and examine the application approximately three months after the initial filing.

c. The review is for the examiner to determine whether the application for a mark complies with all applicable rules and statutes.

d. Ordinarily, the most important issue in the review will be whether or not there is or will be a likelihood of confusion as to the source of the goods if the mark is registered.
   i. The examiner will search the USPTO records to see if there is a likelihood of confusion with an existing registered or pending mark and whether the proposed mark violates any of trademark laws prohibitions.
   ii. Both the similarity of the marks and the relationship between goods/services in the application are considered by the examiner when determining whether the mark is conflicting.

e. Other questions will focus on whether the mark violates any of the trademark rules e.g.
   i. Is the mark merely descriptive
   ii. Is the mark primarily geographically descriptive or misdescriptive of the goods
   iii. Is the mark primarily merely a surname
   iv. Is the mark ornamental rather than an indication of the source
   v. Is the mark immoral or scandalous
   vi. Is the mark deceptive
   vii. Is the mark functional
   viii. Is the mark generic

6. Office Action
   a. If for any reason, the examiner from the USPTO decides the proposed trademark should not be granted, the examiner will issue an initial refusal (an Office action) explaining why the TM was refused.
   b. The Office Action requires the Applicant to respond to the concerns the examiner has raised within 6 months.
   c. These concerns could be about many issues. For instance, the examiner could find that there is a likelihood of confusion with another registered mark, the description of goods/services is not accurate, the mark was not filed in the appropriate class, or the specimen of use does not match the specimen of the mark.

7. After the response to the office action.
   a. If the response is unsuccessful the examiner may issue a final refusal and reject the application or make a final suggestion of how the application may be saved. A final refusal may be appealed ex parte to the Trademark Trial and Appeal Board (TTAB).
   b. If you have dealt successfully with the issues raised by the USPTO examiner, the mark is then approved for publication.
   c. The publication is in the Official Gazette—a weekly publication of the USPTO.

8. Opposition Proceeding
a. After publication, any other trademark owners can challenge the registration of the mark by filing an Opposition Proceeding.
b. The opposition or a request to extend the time to oppose must be filed 30 days from the publication date.
c. Once an Opposition proceeding is filed, that filing begins a case before the Trademark Trial and Appeal Board to determine both the validity of the grounds for the opposition and the ability of the applicant to register the mark.
d. If no third-party opposes the registration of the mark during the opposition period or the opposition is ultimately decided in the applicant's (your) favor the mark will ultimately be registered. At this time your client has all of the rights that go with a registered trademark.

9. Post Registration
   a. The mark holder is responsible for enforcing their rights and bringing a legal action to stop an infringing mark.
   b. At the end of 5 years the mark will be incontestable upon filing a declaration of incontestability under section 15 of the Lanham Act. Basically, that means no party opposing the client’s mark can bring up reasons that the mark shouldn’t have been granted in the first place.
   c. Even after the 5 years, there still may be issues, such as has the mark become generic, is functional, or has been abandoned, that can be raised by a 3rd party if there is an action involving the mark.
   d. After your client receives the mark, the client (or attorney) will need to police and protect the mark. In addition, in order for the mark not to be cancelled:
      i. Between the 5th and 6th year following registration a “Declaration of Use” under Section 8 of the Lanham Act must be filed. Best to file a Combined Declaration of Use & Incontestability under Sections 8 & 15 of the Lanham Act.
      ii. Between the 9th and 10th year after registration a combined “Declaration of Use and Application for Renewal” under Sections 8 and 9 of the Lanham Act must be filed and every 10 years thereafter.
   e. Give client instructions for policing and protecting its trademarks.
Initial Client Interview and Information Needed before Filing the Initial TM Application

a. Prepare for the Call
   a. Read Chapter 1400 of the TMEP and familiarize yourself with the classes of goods/services
   b. Read about the client’s products/services online before the call if possible
   c. Look up information in the USPTO online database if possible
      1. See section on Trademark Clearance

b. Issue: Filing an initial application to register the mark
   a. Focus on trademark clearance
      1. Has client used the mark in commerce—exact date & where?
      2. If not, when does client plan on using the mark in commerce?
      3. Has client conducted its own clearance? Explain.
      4. Any backup names?
      5. Professional search? (approx. $650 per mark for a US search)
   b. Explain filing fees
      1. $275-325 per mark for each class for initial filing
   c. Determine number of classes necessary
      1. Discuss goods and services
      2. Determine most important class/es in which to file
         a. Client may not want to file in all possible classes right away
         b. See section on Classes and Descriptions
   d. Discuss description of goods/services
         a. See section on Classes and Descriptions
      2. If the ID Manual does not have accurate descriptions, customize your own description
         a. Be sure to craft a description similar to those found in the ID Manual
      3. Have client sign off on description on later call
   e. Discuss other substantive issues that may come up during prosecution
      1. See section on Trademark Rules that May Apply
   f. Information you will need before filing an initial federal trademark application
      1. Name of Owner
         a. If Partnership, need citizenship of each Partner
         b. If a registered business, need to specify state in which the business is registered
      2. Address of Owner
      3. Specimen of the Mark if in stylized form saved as a jpeg
         a. Need correct number of pixels
            i. If you file electronically, the initial application will automatically alert you if the pixels are not correct
         b. Download InfraView (free software) to adjust pixels
         c. You may decide to claim color as a feature of the mark
            i. If you claim color as a feature of the mark, then you should submit a color specimen and include the colors in the description of the specimen
ii. If you do not want to claim color as a feature of a mark, then submit a black and white specimen of the mark.

4. Description of the specimen of the mark
   a. E.g., “the mark consists of a rose with the words “Smell Good Poets” in a stylized font next to the rose”

5. Exact date of first use (if already used in commerce)

6. Specimen of Use in Commerce (if already used in commerce under Lanham Act section 1(a))
   a. Applicant must file a specimen of use, which shows the mark as used on the goods/services in commerce
   b. Use specimen must match the specimen of mark, you cannot change the specimen of the mark once filed!
   c. Read Chapter 900 sections 904.03 and 904.04 of the Trademark Manual of Examining Procedure (“TMEP”) for information about acceptable use specimens

7. Description of Goods/Services
   a. See section on Classification and Descriptions

8. Correspondent information
   a. If no attorney of record, client must choose a reliable person to be the correspondent
   b. May choose to correspond via snail mail or email

   g. Intent-to-Use applications (Lanham Act section 1(b))
   1. If the Applicant has not used the mark in commerce yet, it can still file an application for a trademark, but only if it has a good faith intention to use the mark in commerce within 6 months of the date of filing
      a. Applicant must submit a statement of use (which includes a specimen of use) within 6 months of the Notice of Allowance (see section on Subsequent Procedures)
      b. Can request extensions to file a statement of use in 6 month intervals for a total of 3 years, with the filing of the appropriate fee (currently $150 per class per 6 month extension)

II. Issue: Applicant has received an office action
   a. Advise Applicant that you must first review the office action before going forward with the call
   b. Pull up office action and prosecution history of marks
      --See section on Responding to Office Actions
TRADEMARK CLEARANCE

I. Likelihood of Confusion Standard

a. Marks may not be registered on the federal register if there exists a likelihood of confusion between applicant’s mark and another mark that is being used in commerce.

b. The test of whether there is a likelihood of confusion between two marks is a balancing test that weighs relevant factors. Courts have used a variety of factors, originally derived from the Restatement of Torts and have adopted several similar tests; for example, the 2d Circuit uses the eight factor Polaroid test; and the 9th Circuit uses the Sleekcraft factors.

c. The factors can be summarized as follows. NOTE: This is not an exhaustive list and any relevant factors may be considered:
   i. Degree of similarity between the marks (“sight, sound, and meaning” test)
   ii. Degree of similarity between the goods/services
   iii. Similarity of the marketing methods and channels of distribution
   iv. Characteristics of the prospective purchasers and the degree of care they exercise
   v. Evidence of actual confusion
   vi. Intent of junior user
   vii. Likelihood of expansion of the product lines
   viii. Strength of the mark

d. Degree of similarity between the marks, Sight, Sound, Meaning Test--examples
   i. Held confusingly similar based on similar meaning
      1. Weed Eater (weed trimmer) v. Leaf Eater (leaf vacuum)
      2. Pledge (furniture wax) v. Promise (furniture wax)
   ii. Not held confusingly similar based on similar meaning
      1. Dawn (doughnuts) v. Daylight (donuts)
      2. Film Fun (magazine) v. Movie Humor (magazine)
      3. Holiday Inn (motels and campgrounds) v. Holiday Out (trailer parks)
   iii. Held confusingly similar in part based on sound
      1. Coca Cola v. Cleo Cola
      2. Dell (publishing) v. Bell (publishing)
   iv. Held not confusingly similar with respect to sound
      1. Coca Cola v. Polar Cola
      2. Glide (dental floss) v. Easy Slide (dental floss)

II. Searching for potential conflicting marks

a. Searching the USPTO records using its Trademark Electronic Search System (TESS)
   i. Go to www.uspto.gov, trademarks, trademark search, word and design mark search (structured)
   ii. The structured search allows you to choose 2 different fields in which to search
1. Ex. if your client wants to use the mark HAPPY for a perfume, a potential search can be “Happy” for the field “non-punctuated mark” and “Perfume” for the field “goods and services”
2. You should also broaden your search to the specific class in which the goods/services fall; Ex. insert “Happy” for the field “non-punctuated mark” and “003” for the field “international class.”
3. It is important to browse for goods/services that are close to perfume, for example, if an owner has the registered mark “Happy” for cosmetics, then you probably want to advise your client that Happy for perfume is too close, as cosmetics can naturally expand into the perfume business. This doctrine is called the “natural zone of expansion.” A registrant has the right to protect its mark against goods that are not listed in the registration, but are within “the natural zone of expansion.” The way an examiner can claim that a good is within the natural zone of expansion is usually by citing third party registrations that include both the Applicant’s goods and the goods that the examiner is claiming to be within the natural zone of expansion.
4. Make sure to search for alternative spellings, such as Happee or Happi. The best way to do this is to search in Westlaw or Lexis, which allows you to put expanders in the search such as “!hap!” (see below for how to search using those databases.)
5. Make sure to search for words with similar meanings, such as “Happiness.”
6. Make sure your search is thorough. Do not rush through this process, as it is a very important step in order for you to be able to advise the client on whether it should go forward with use of the mark. If you clear a mark and the client starts to manufacture hardware, and then is sued down the line, it will not only increase attorneys’ fees but it can also lead to recalling shipped products bearing the name and rebranding, both of which are costly.

b. Searching using Westlaw or Lexis
   i. Westlaw has a great trademark search features that allows you to search many databases, including the TESS, state databases, and international databases. It also has helpful common law search databases. The reason Westlaw can be more accurate than searching on TESS is because if allows for the use of expanders and connectors, which allows for broader and more accurate searches.
   ii. Go to Westlaw (preferably Westlaw and not Westlaw Next) and click on the “add a tab” button in the top right hand corner. Add the tab “Trademarks.” You will then see “Trademark Databases” at the top of the Trademark tab. Click on whichever database in which you want to search; ex. “All Trademarks” and search using expanders in both the front and back, ex. !hap!, this will then pull
all trademarks with the letters “hap” somewhere within the mark. This may be
too broad of a search, so you can always narrow, ex., “happ!”

iii. Lexis has a similar trademark search database. Go to the “add/edit subtabs”
button at the top near the left hand side and choose the “Trademark Law” tab.
Then use the databases under “Find Trademark Registrations and Filings.”

C. Common Law Searches

i. In the US, even a company who has not registered a trademark, but has been
using a valid trademark in commerce still has trademark rights, although such
rights are limited to the geographic area that the owner has sold the
goods/services. These are known as common law marks. Although the
trademark examiner usually does not do its own common law search (although
there are exceptions), you must to a common law search to ensure that another
company is not using a similar trademark, as that company can claim priority in
the mark and come after your client for trademark infringement. Common law
searches can be a pain and it is impossible to conduct a truly exhaustive
common law search.

ii. Use Google, yahoo, and bing search engines to search for similar marks. For
example, you can search “Happy Perfume” in the search box. You should try
different searches and browse at least the first 10 pages of search results.

iii. Use the Westlaw and Lexis common law search databases (although most of
them are not included in the law school subscription, but some, such as “news”
are included.)

iv. Hire a professional search company. A typical US search for one mark runs
about $650. Always let your client know that this is an option and that your
common law search is not exhaustive.

v. Tell the client to conduct its own common law search, as the client usually has
more knowledge about the goods/services and companies in its industry on
which it should focus. Or else ask the client for a list of competitors, so you can
browse their sites and search for potential conflicting marks.

d. Searching for conflicting designs

i. You must first find the correct design designation in order to properly search for
designs in TESS, Westlaw, and Lexis. Go to the Design Search Code Manual,
which can be found by going to www.uspto.gov--Trademarks--Manual, Guides,
& Official Gazette-- Design Search Code Manual (which is all the way at the
bottom of the page).

ii. Look through the Table of Categories and click on the ones that sound most like
the design at issue. For example, if you are registering a flower design to use in
connection with perfume, you should go to 05 (Plants)—05.05(Flowers) and
then choose the design code that is most similar to the design at issue. It is
common to have more than one design code for the same design.
iii. Then go to the structured search database in TESS and search by inserting the specific design code, e.g., “05.05.01,” for the field “Design Code,” and insert “perfume” for the field “Goods and Services.”

iv. You can also search designs by inserting a word that describes the design, for example, “flower” for the field “Design Description.”

v. You should conduct a variety of searches in order to ensure accuracy.

vi. Conducting a common law search for design marks can be tricky. Discuss this with the Applicant and decide whether it is worth hiring a professional search company to conduct a common law web design search. The cost of only a common law design search is about $430.00. The cost of a federal design search (i.e. searching the USPTO database only) is about $600 for one class, $850 for two classes, and $1,100 for 3 classes.

e. Organizing your search results

i. Make sure to keep track of your searches and flag the marks that you believe present the highest degree of conflict. You can be more liberal in the beginning with which marks you flag, and then narrow the list as you do more sleuthing and discuss with the client.

ii. Also, make sure you note the company who owns the mark, as bigger companies are more likely to monitor the federal register and enforce its trademark rights.

iii. Prepare to write you client a clearance (or no clearance) letter, which explains the risks and predicts potential office actions that may arise.

1. See TEMPLATES section for a sample clearance letter
TRADEMARK RULES THAT MAY APPLY

I. Levels of Trademarks.
   a. In order to be eligible for registration on the Principal Register, a proposed trademark must be “distinctive.” Marks can either be inherently distinctive, capable of acquiring distinctiveness or never capable for acquiring distinctiveness. In deciding the question of distinctiveness, the trademark examiner will look at whether the proposed trademark falls into one of the following five categories:
      i. Fanciful—a completely made up word (words that have a meaning in a foreign language do not count as “fanciful marks”)
         1. Fanciful marks are referred to the strongest of all marks, as their novelty creates a substantial impact on the buyer
         2. Ex. Clorox, Xerox
         3. NO SECONDARY MEANING NEEDED
         a. Secondary meaning shows that the mark has some meaning to the public beyond merely describing the goods/services. In other words, if the primary significance of the mark in the consuming public’s mind has become the source of the goods or services, rather than the describing the product itself, it has acquired secondary meaning.
         b. See Responding to Office Actions section for an explanation on how to show secondary meaning.
      ii. Arbitrary—a mark that has no relation to the goods/services with which it is used in connection; i.e., ordinary meaning of the word as applied to the goods/services is completely arbitrary
         1. Ex. Apple Computers; OMEGA watches
         2. NO SECONDARY MEANING NEEDED
      iii. Suggestive—the mark suggests the goods/services; middle ground between arbitrary and descriptive marks; impossible to define in the abstract
         1. Requires imagination, thought or perception to reach a conclusion as to the nature, quality, ingredients of the goods/services v. descriptive terms which immediately tells you something about the goods/services
            a. Incongruity is a strong indication that the mark is suggestive rather than descriptive; e.g., SNO-RAKE for a snow removal hand tool
         2. Examples of marks that have been held to be suggestive:
            a. Speedi Bake for frozen dough
            b. NoBurst for liquid anti-freeze
            c. Dri-Foot for anti-perspirant deodorant for the feet
         3. NO SECONDARY MEANING REQUIRED
      iv. Descriptive—the mark describes an ingredient, quality, characteristic, function, feature, purpose, or use of the specified goods or services; MUST HAVE
“ACQUIRED DISTINCTIVENESS” IN ORDER TO HAVE TRADEMARK RIGHTS (BY SHOWING THE MARK HAS SECONDARY MEANING)

1. Requires consideration of the context in which the mark is used and how an average consumer perceives the mark
2. Has to only describe one quality of the goods/services
4. Common themes:
   a. Visual representations of the goods themselves
   b. Foreign Equivalents: if the term conveys a descriptive term in English, it is descriptive despite the fact it is in a foreign language
   c. Acronyms: cannot be considered descriptive unless the wording it stands for is merely descriptive of the goods/services, and the acronym or initialism is readily understood by relevant purchasers to be “substantially synonymous” with the merely descriptive wording it represents.
      i. ADT for digital technology that imitates Automatic Double Tracking
   d. Phonetic Equivalents: slight misspelling does not turn a descriptive word into a non-descriptive mark
      i. URBANHOUZING held descriptive for real estate services
   e. Laudatory terms/SLOGANS merely informational in nature/common laudatory phrases or statements that would ordinarily be used in business or in the particular trade or industry, are descriptive or generic
      i. THE ULTIMATE BIKE RACK held descriptive
      ii. BEST BEER IN AMERICA held so highly descriptive that it is incapable of acquiring distinctiveness (thus generic)
   f. Telephone numerals + descriptive term does not render a mark non-descriptive
      i. 369 CASH for mortgage brokering services held merely descriptive, but later acquired secondary meaning
   g. Term describes a function or purpose of goods/services
      i. BREADSPRED held merely descriptive of jelly
      ii. BURGER held merely descriptive of grilling utensils
   h. Terms that identify source of product/services
      i. PSYCHOLOGY PRESS held merely descriptive of books in the field of psychology
i. Retail services—term features goods that are typically sold
   i. PENCILS held merely descriptive for an office supply store
   ii. TIRES TIRES TIRES merely descriptive (or generic) for a tire store
j. Geographic terms are descriptive if the marks describe where the goods/services originate; such marks are referred to as “primarily geographically descriptive” marks
k. Surnames are merely descriptive if such mark is seen by the consuming public to represent “primarily merely a surname”
l. Single colors are per se not inherently distinctive (but capable of obtaining secondary meaning)
m. Product design is per se not inherently distinctive (but capable of obtaining secondary meaning)

5. Descriptive Terms must have acquired secondary meaning in order to register on the Principal Register, but descriptive terms may be placed on the Supplemental Register
   a. See section on How to Respond to Office Actions
v. Generic—terms that the relevant purchasing public understands primarily as the common or class name for the goods or services
   1. Two part test:
      a. What is the genus of the goods/services; and
      b. Does the relevant public understand the designation primarily to refer to that genus of goods or services?
      c. Ex. Chair is a genus for chairs and use of “CHAIR” as a trademark for the sale of chairs is not possible
   2. It is not necessary to show that the relevant public uses the term to refer to the genus. The correct inquiry is whether the relevant public would understand the term to be generic.
3. GENERIC TERMS ARE NEVER REGISTRABLE—GENERIC TERMS ARE INCAPABLE OF ACQUIRING DISTINCTIVENESS
4. NOTE, sometimes cases will use the following language to refer to “generic” terms: a mark is “so highly descriptive that it is incapable of acting as a trademark.” Use of this phrase should be avoided and the terminology “generic name for the goods or services” must be used in generic refusals so as not to cause confusion.
5. Plant varietals terms used in plant patents are prima facie proof that such name is generic for the plant varietal
6. TLDs generally serve no source-indicating function, thus their addition to an otherwise unregistrable mark typically cannot render it registrable
   a. HOTELS.COM held generic for hotel services
b. LAWYERS.COM held generic for database for sharing legal news and information

7. Addition of “e” in beginning of word does not transform generic term
   a. E-TICKET generic for computerized reservation and ticketing of transportation services
   b. ESERVER generic for computer network access products

8. Other example of terms held to be generic:
   a. LENS for retail contact lens services
   b. SCREENWIPE held generic as applied to cloths for cleaning computer and T.V. screens
   c. RUSSIANART generic for dealership services in the field of fine Russian art, antiques, furniture, and jewelry

9. Example of marks held not generic
   a. STEELBUILDING.COM not generic for “computerized on line retail services in the field of pre-engineered metal buildings and roofing systems
   b. THE CHILDREN’S OUTLET (“OUTLET” disclaimed), while merely descriptive of applicant’s “retail children’s clothing store services,” held capable of functioning as a mark, with evidence submitted by applicant sufficient to establish acquired distinctiveness

10. Can disclaim portions of a mark that is generic, while maintaining a trademark in the whole term
   a. Ex. APPLE COMPUTERS, disclaim the term “COMPUTERS” except as used in connection with Apple
   b. BLUSH YOGURT SHOP, disclaim “YOGURT SHOP” except as used in connection with BLUSH

II. Other Trademark Rules that May Prevent Registration:
   a. Deceptive Terms—terms that mislead a consumer into thinking a certain product is in a good/service or into believing that a certain good/service comes from a certain geographic location, on which the consumer relies when considering purchasing the goods/services—are NEVER Registrable
      i. “Primarily Geographically Deceptively Misdescriptive” and “Geographically Deceptive marks” have collapsed into a single test as of December 8, 1993 and are not registrable.
         1. Ex. NEWPORT VESSELS for boats that do not originate from Newport
      ii. Deceptively Misdescriptive marks are never registrable
         1. Ex. COCAINE for an energy drink
      iii. See section X on How to Respond to Office Actions
   b. Immoral and Scandalous marks—a substantial portion of the general public would consider the mark to be scandalous in the context of contemporary attitudes and the relevant marketplace are NEVER REGISTRABLE
i. Examples of immoral and scandalous matter:
   1. DICK HEADS positioned directly underneath caricature of a human head composed primarily of graphic and readily recognizable representation of male genitalia, as it would be considered offensive by a substantial portion of the public
   2. 1-800-JACK-OFF and JACK OFF scandalous, where all dictionary definitions of “jack-off” were considered vulgar

ii. Examples of marks held not to be immoral and scandalous
   1. OLD GLORY CONDOM CORP and design comprising the representation of a condom decorated with stars and stripes in a manner to suggest the American flag
   2. WEEK-END SEX for magazines not scandalous

iii. See section X on How to Respond to Office Actions

c. FUNCTIONAL MARKS are marks that contain a functional feature and are NEVER REGISTRABLE;
   i. If the component at issue was once subject to a design or utility patent, then such component is most likely functional and not trademarkable
   ii. Colors may serve as a function if such color gives a competitive advantage
   iii. Examples—
       1. Circular portion of a beach towel in the shape of a circle held to be functional, as it allows the sunbather to rotate without having to change the position of the towel
       2. Embroidery in toilet paper held to be functional as it improved quality and was once subject to a utility patent

iv. See section on How to Respond to Office Actions

d. Authors/Performers names
   i. May only be registered if the name is used on a series of written or recorded works and the application contains sufficient evidence that the name identifies the source of the series and not merely the writer of the written works or name of the performing artist.

e. Name, portrait or signature of a living individual or of a deceased President with a widow
   i. Can register only if you obtain written consent of the individual or widow of a deceased President
   ii. Doesn’t have to be full name, i.e., if part of the name is recognizable to the public as pertaining to a certain person, then consent is needed

f. Merely Ornamental; if the subject matter is merely a decorative feature and does not identify and distinguish the applicant’s goods, does not function as a trademark; NEED TO ESTABLISH THAT THE MARK HAS ACQUIRED DISTINCTIVENESS/SECONDARY MEANING
   i. Common examples
       1. A smiley face design on a t-shirt
2. Peace symbol
3. Phrase “Have a Nice Day”
   ii. Can register on Supplemental Register is it is capable of obtaining secondary meaning
   iii. See section X on How to Respond to Office Actions

g. Matter That May Disparage, Falsely Suggest a Connection, or Bring into Contempt or Disrepute
   i. Can NEVER register a designation that consists of or comprises matter which, with regard to persons, institutions, beliefs, or national symbols, does any of the following:
      1. disparages them;
      2. falsely suggests a connection with them;
      3. brings them into contempt; or
      4. brings them into disrepute
   h. Flags, Coat of Arms or other Insignia of the United States
      i. Can NEVER register marks that consist of or comprise (whether consisting solely of, or having incorporated in them) or is a simulation thereof, the flag, coat of arms, or other insignia of the United States, of any state or municipality, or of any foreign nation.
      ii. When determining whether a mark is a simulation of a flag or other government insignia, consider the color, additional words, & additional matter that makes the mark as a whole different from the typical government insignia
      iii. Example held not to be a simulation of the American flag

iv. Example held a simulation of the American flag
I) Classification and Descriptions of Goods and Services

a. Go to Chapter 1400 of the TMEP re classification of goods/services

1. Review international classes for goods/services
   i. There are 45 international classes, each identified by a no. 1-45.
   ii. By reviewing the beginning portion of Chapter 1400, which lists classes, you will get a sense of all possible classes

b. Go to the Trademark ID, which is an ID manual of pre-approved descriptions and can be found on the USPTO website at http://tess2.uspto.gov/netahtml/tidm.html

1. Search by goods/services of your client
   i. E.g., if your client is selling eye glasses, put in “glasses” in search box
   ii. Your search will yield the following results: in class 009 children eye glasses; eye glasses; magnifying glasses; glasses for sports; eye glass cases. As well as many other irrelevant results such as glass cleaners in class 003, and glass wool for insulation in class 017.

2. Review approved descriptions that come closest to the correct goods/services and identify proper class
   i. Based on your results, it will be clear that your client needs to file in class 009
   ii. You may choose more than one description for any particular class; e.g., your client’s description may consist of the following: eye glasses; eye glass cases; magnifying glasses. You will only have to pay one filing fee for each class, no matter how many goods/services are included in that one particular class.

3. Many times Goods/Services can fall into more than one category
   i. For example, Facebook has been registered in at least 12 different categories.
      a. Facebook filed its “LIKE” logo in the following categories: 009 for downloadable software/API; 035 for advertising/business marketing services; 036 financial processing services/e-funds transfers; 038 for telecommunications services/computer databases in the field of social networking; 041 for online databases in the field of social networking; 045 for social networking and dating services
      b. As you can see, there are very similar services in completely different classes.
   ii. Discuss a budget with your client and decide how to move forward. You want to file in the most important classes first.
      a. For example, if your client only wanted to file the LIKE logo in two classes to start with, you may want to choose the class that would include the most important aspect of the business. In this case, social networking database is very important and can be filed in either class 041, 038 or 045. There is no absolute right or wrong answer; it is most important that the description captures the important services/goods.
      b. If your client sells downloadable software (including mobile applications), you must file in class 009.
c. Finalize description of goods/services
   1. Make sure description is accurate
      i. Start off with accurate, broad description—you can never expand scope of description (although you can always narrow later); do not make the description overly broad, as you will have to submit a specimen of use that proves such use.
         a. Example: “fresh fruit” is an accurate, broad description for CUTIES tangerines; however, the examiner may issue an office action stating that it is too vague and request definiteness, such as “fresh fruit, namely, tangerines, oranges and mandarins.”
      ii. Strategically craft the description (if accurate), to further distinguish the goods/services from close marks:
         a. For example, if your client is considering the following description: Online business management services relating to marketing, sales, personnel recruiting information, financial information, and personal contact information, that allows users to securely share such information.
         b. Then you may amend to following the description to overcome an office action re a company that performs management services: online business networking services relating to personnel recruiting information, financial information, and personal contact information which allows users to securely share such information.

d. General Guidelines for Acceptable Goods/Services
   1. Adhere to the ID Manual; customize when necessary, but in as near similar format to the ID Manual as possible;
   2. Must be specific, definite, clear, accurate, and concise;
   3. Do not be vague or indefinite; for example, the general term “clothing” is vague and overly broad and should be clarified for accuracy: “clothing, namely, hats, caps, sweaters, and jeans” is an acceptable identification of goods
   4. NEVER use the terms “including,” “comprising,” “such as,” “and the like,” “and similar goods,” “products,” “concepts,” “like services” and other indefinite terms and phrases; these are almost always unacceptable.
   5. The terms “namely,” “consisting of,” “particularly,” and “in particular” are definite and are preferred to set forth an identification that requires greater particularity.
   6. Commas should be used to separate items within a particular category of goods or services. When the items are preceded by the word “namely,” a comma should always be used before and after that term.
      i. Clothes, namely, t-shirts, pants, tank tops, blouses, and sweatshirts.
   7. Semicolons should be used to separate distinct categories of goods or services within a single class.
      i. For example, “apples; oranges; peaches; citrus fruit, namely, oranges, mandarins, and tangerines”
   8. Language used should be understandable to the average person and should not require an in-depth knowledge of the relevant field

e. Fees
1. If the description is taken directly from the ID Manual and has not been altered, then you have the opportunity to file a TEAS (Trademark Electronic Application System) PLUS application, which has a discounted filing fee of $275/class;
   i. Use descriptions from the ID Manual when possible
2. If the description is customized, then you have to file a regular TEAS application and the filing fee is $325/class
   i. Do not hesitate to customize if the ID Manual does not have an accurate description for the Applicant’s goods/services.

f. Run the description past the client and get final approval
   1. Make sure approval of descriptions is in writing

g. File application under correct class and description
   1. You insert both class and description in the portion of the USPTO filing
RESPONDING TO OFFICE ACTIONS

I. Office Actions based on a Likelihood of Confusion (Lanham (Trademark) Act 2(d))
   a. Conduct Due Diligence--carefully review each of the marks prosecution history and application.
      i. Prosecution history may reveal admissions made on the record, such as limiting description of goods, statements that registrant does not intend to enter a specific market.
         1. Prosecution history can be obtained by pulling up the relevant application/registration on TESS (Trademark Electronic Search System) by going to www.uspto.gov--Trademarks--Trademark Search—Structured Search—Enter Serial No. or Trademark.
         2. Once you have pulled up the relevant/application go to TARR status and then click on Trademark Document Retrieval. This will allow you to see all records from the initial filing of the application through to registration.
      ii. The prosecution history may reveal that a registrant failed to file a renewal and thus the application may be abandoned.
          1. The first renewal must be filed between the 5th and 6th year; and every ten years, so that the next renewal is due between the 9th and 10th year, and thereafter between the 19th and 20th year, etc.
          2. If a renewal is not timely filed, the registrant still has a six month grace period during which they can pay a fee to renew within the six month grace period.
          3. If the registrant does not file a valid renewal within the grace period, then the registration is abandoned and the mark can no longer be cited against the Applicant.
      iii. The application will also reveal the owner of the mark
          1. If the owner is a Fortune 100 company, odds are that they are monitoring their mark and even if you do overcome the office action, the company may still oppose the mark during publication and/or sue the client in federal court.
          2. This is something to consider when determining whether to go forward with filing a response or letting the application abandon.
   b. Argue in response that the marks are not likely to be confused (See Conflicts with Existing Marks section for more details)
      i. Focus on the difference in the marks themselves, i.e., sight, sound and meaning differences.
      ii. Focus on the difference in the goods as described in the application
      iii. Use the 8 factor test to your advantage, i.e., focus on the factors that are in your favor (no need to address all factors unless relevant), e.g.,
          1. Distribution Channels are different (retail v. online)
          2. Good faith in adopting the mark
          3. Customers are sophisticated and thus would not be confused
   c. Make sure your response is responsive and effective
      i. Arguments that may not fly with the examiner include:
1. Arguing that the Applicant is using its mark in connection with a “house mark,” i.e., common mark in all products of an enterprise, and thus consumers cannot be confused
   a. E.g., if Dior creates a perfume and applies to register the mark “CANDY” for the perfume, it cannot argue that because CANDY is always used in connection with DIOR (e.g., CANDY by DIOR) it is not confusingly similar to the mark KANDI perfume by another company
   b. Examiners only consider the exact marks as they are seen in the applications and the exact descriptions
   c. Sometimes mentioning the fact that Applicant uses the mark in connection with a house mark can subliminally affect an examiner’s decision, but do not make this a focus of the argument
      i. Perhaps allude to it by adding a sentence in your response, such as “Further, the CANDY mark is always used in connection with DIOR and thus consumers will not confuse the products...”

2. Arguing that the mark cited against Applicant does not appear to be in use for certain goods/services listed in the description
   a. Examiners will not rely on such an argument and if you believe it is necessary to limit a description of another mark or cancel a registration of another mark based on non-use, you will have to go through the proper inter partes proceeding by officially filing a Petition to Cancel or Limit a registration
   d. Note: The examining attorney cannot officially refuse registration based on a conflicting mark in an earlier-filed application until the conflicting mark registers (although the examiner will still cite such an application). Therefore, when the examining attorney has examined the later-filed application and determined that, but for the conflict between the marks, it is in condition to be approved for publication or issue, or in condition for a final refusal, the examining attorney will suspend action on the later-filed application until the earlier-filed application matures into a registration or is abandoned.
      i. You do have the opportunity to respond to a likelihood of confusion claim based on an earlier-filed mark that has not yet registered.
         1. Decide whether it makes sense to make an early argument on the record—usually it is best to wait and see whether the argument is even necessary, as the earlier-filed mark may not ultimately register.
   e. See examples in TEMPLATE section.

II. Office Actions based on Descriptiveness (Lanham Act section 2(f)). There are a few different options to consider in this instance—see subsections a-e below.
   a. Argue that the mark is inherently distinctive, i.e., the mark is not descriptive
      i. If you only argue that the mark has acquired secondary meaning, it can be interpreted as a concession that the mark is not inherently distinctive. You should argue that the mark is inherently distinctive, but in the alternative, it has acquired secondary meaning.
      ii. NOTE: A claim of distinctiveness under Lanham Act 2§2(f) is normally not filed in a §1(b) intent-to-use application before the applicant files an allegation of use, because a claim of acquired distinctiveness, by definition, requires prior use.
b. In the alternative, argue that the mark has acquired distinctiveness. There are three types of evidence used to show that a mark has acquired distinctiveness:

   i. A claim of ownership of one or more prior registrations by Applicant on the Principal Register of the same mark for goods or services that are the same as or related to those named in the pending application.

   ii. A statement verified by the Applicant that the mark has become distinctive of the applicant’s goods or services by reason of substantially exclusive and continuous use in commerce by the applicant for the five years before the date when the claim of distinctiveness is made

       1. Such a statement may be enough to overcome an office action based on descriptiveness.

       2. Statement is as follows: “The mark has become distinctive of the goods and/or services through applicant’s substantially exclusive and continuous use in commerce for at least the five years immediately before the date of this statement.”

       3. There is an option in the TEAS that allows you to check the box to include such declaration.

   iii. Actual evidence of acquired distinctiveness

       1. Survey evidence, market research, and consumer reaction studies

       2. Substantial marketing and advertising efforts

       3. Pervasiveness online via mass social media accounts such as twitter and facebook

       4. Declarations from customers that the applicant’s mark is seen as a source rather than as a descriptive term

   c. Can claim acquired distinctiveness “in part”

       1. TASTY CHIPS, may claim that TASTY has acquired distinctiveness, but disclaim exclusive rights to CHIPS

d. Amend the application to the Supplemental Register

   i. Supplemental register exists for marks that are not inherently distinctive but are capable of acquiring distinctiveness

   ii. There may be disadvantages to registering on the Supplemental Register and many practitioners are opposed to the Supplemental Register, as it does not give the applicant any substantive rights:

       1. There is no prima facie proof of validity of the mark, and rather it is proof that the applicant must proffer evidence that the mark has acquired distinctiveness.

       2. Can constitute an admission that the mark is not inherently distinctive (although there is a split of authority of whether or not this does constitute an admission).

   iii. There are benefits to registering on the Supplemental Register, including:

       1. The mark will show up on a USPTO database search and thus may thwart other applicants from attempting to register a similar mark.

       2. Examiners may cite marks filed on the Supplemental Register against other applicants where the marks are potentially confusingly similar

       3. If the mark is allowed on the Supplemental Register, the applicant may use the ® symbol. This helps consumers see the mark as a brand.
e. Do not respond to the Office Action and let the application be abandoned.
   i. Continue use of the mark without a registration
   ii. Refile after five years of use
f. Do not file an application at all if you believe the mark is sufficiently descriptive that it will undoubtedly cause an office action to be issued based on descriptiveness with little chance of overcoming the refusal.
   i. Then there are no adverse arguments on the record stating that the mark is merely descriptive
   ii. File after 5 years of use
   iii. Advise client that choosing a more distinctive name may lead to stronger trademark rights
   iv. May be advisable to register on the Supplemental Register if mark most likely descriptive (especially slogans that the Applicant desires to use as a trademark)
g. Note: Some marks by their nature require a showing of secondary meaning:
   i. Single Colors
      1. T-Mobile Magenta
   ii. Product Design/Configuration
      1. Shape of a chocolate truffle
h. See Template section for examples

III. Office Actions based on Geographic Descriptiveness (Lanham Act 2(e))
   a. Marks that are deemed Geographically Descriptive may only be registered with a showing of secondary meaning.
   b. The test for determining whether a mark is geographically descriptive is:
      i. Primary significance of the mark is a generally known geographic location;
      ii. Goods/services do originate in the place identified in the mark; AND
      iii. Purchasers would be likely to believe that the goods or services originate in the geographic place identified in the mark
   c. Make an argument that counters the test above
      i. See Templates section for an example
   d. In addition to making the argument that the mark is not geographically descriptive, make an argument (to prevent the concession that the mark is geographically descriptive) that in the alternative it has acquired secondary meaning.
      i. See section II Office Actions based on Descriptiveness.
   e. Consider amending the application to the Supplemental Register
      i. See section II(c) above.

IV. Office Actions Requesting Disclaimers
   a. Many times the examiner will request that the applicant disclaim generic portions of a mark
      i. When portions of a mark are disclaimed, it means that no rights are being asserted in the disclaimed component standing alone, but rights are asserted in the composite
   b. It is ok to disclaim clearly generic portions of a mark
      i. For example, if the mark is SKY PERFUME, the examiner will most likely request that the applicant disclaims “PERFUME” except as used in the whole mark.
      ii. This is ok since other perfume companies may need to use the word PERFUME in their trademark; e.g., THE PERFUME CONNECTION
   c. In the event the examiner requests a disclaimer for a portion of the mark that you do not believe is generic, then applicant should file a response asserting that such portion
of the mark is not generic, and rather is inherently distinctive, or, in the alternative, has acquired secondary meaning.

i. For example, if Applicant filed a stylized design mark for DJ TECHTOOLS for a DJ blog about DJ technology and DJ technology as a product, and the examiner requested that the applicant disclaim DJ TECHTOOLS:
   1. Argue that DJ TECHTOOLS is inherently distinctive, or in the alternative has acquired secondary meaning based on use in commerce for more than 5 continuous years
   2. Disclaim “DJ” apart from the mark as shown.

V. Office Actions based on Geographic Deceptiveness under Lanham Act Section 2(e)(3)
   a. Marks that are deemed Primarily Geographically Deceptively Misdescriptive or Geographically Deceptive are never registrable
   b. The test for determining whether a mark is primarily geographically deceptively misdescriptive under §2(e)(3) is the same as the test for determining whether a mark is deceptive under §2(a). The tests were merged after the amendment of the Trademark Act by the NAFTA Implementation Act. This means that there is no difference between Primarily Geographically Deceptively Misdescriptive marks and Geographically Deceptive marks.
   c. In order to sustain a refusal based on geographic descriptiveness the examiner must show the following:
      i. Primary significance of the mark is a generally known geographic location;
      ii. Goods/services do not originate in the place identified in the mark;
      iii. Purchasers would be likely to believe that the goods or services originate in the geographic place identified in the mark; AND
      iv. The misrepresentation is a material factor in a significant portion of the relevant consumer’s decision to buy the goods or use the services
   d. Make arguments in the alternative
      i. See Templates section for an example

VI. Office Actions based on Deceptiveness under Lanham Act Section 2(a)
   a. Like Geographically Deceptive marks, Deceptive marks, in general, are never registrable.
   b. A deceptive mark can comprise any of the following:
      i. a single deceptive term;
      ii. a deceptive term embedded in a composite mark that includes additional non-deceptive wording and/or design elements;
      iii. a term or a portion of a term that alludes to a deceptive quality, characteristic, function, composition, or use of the goods/services;
      iv. the phonetic equivalent of a deceptive term.
   c. The test for determining whether a mark is deceptive is as follows:
      i. Is the term misdescriptive of the character, quality, function, composition or use of the goods/services?
      ii. If so, are prospective purchasers likely to believe that the misdescription actually describes the goods/services?
      iii. If so, is the misdescription likely to affect a significant portion of the relevant consumers’ decision to purchase?
   d. What is not considered to be deceptive:
      i. If the mark in its entirety would not be perceived as indicating that the goods contained that material or ingredient.
1. E.g., the mark COPY CALF was found not deceptive for wallets and material made to simulate leather, because it was an obvious play on the expression "copy cat" and suggested to purchasers that the goods were imitations of items made of calf skin.

ii. Other grammatical variations of a term may not necessarily be deceptive in relation to the relevant goods. For example, “silky” is defined, *inter alia*, as “resembling silk.” Thus, a mark containing the term SILKY would not be considered deceptive (but might be descriptive).

iii. Dictionary definitions should be carefully reviewed to determine the significance the term would have to prospective purchasers.

   1. E.g., although the term GOLD would be considered deceptive for jewelry not made of gold, the term GOLDEN would not be deceptive.

iv. Remember marks are not Deceptive under 2(a) if there is no material reliance on the deceptive material (see section VII below re Deceptively Misdescriptive marks)

e. Make arguments in response

   i. See Templates Section

VII. Office Actions based on Deceptively Misdescriptive marks under Lanham Act Section (2)(e)(1)

   a. Marks that are Deceptively Misdescriptive are not entitled to registration under Lanham Act (2)(e)(1) unless there is a showing of secondary meaning.

   b. The test for determining whether a mark is Deceptively Misdescriptive is the following:

      i. The matter sought to be registered misdescribes the goods

         1. E.g., Tater Dog, for hot dogs on a potato bread bun (but without a potato subpart); (TTAB reversed examiner’s final refusal)

      ii. Description conveyed by the mark is plausible, i.e., relevant consumers are likely to believe the misdescription

         1. Do this by demonstrating that consumers regularly encounter goods or services that contain the features or characteristics in the mark.

         2. Applicant’s own hang tags, labels, advertising, and product information may also provide evidence of the believability of the misdescription.

   c. The difference between Deceptive marks under 2(a) and Deceptively Misdescriptive marks under 2(e)(1) is:

      i. The examiner must show that consumers are *likely to rely* on the misrepresentation for the mark to be considered Deceptive, i.e., material reliance

         1. The examining attorney should consider all available information that shows the presence or absence, and the materiality, of reliance.

      ii. If there is no material reliance, then the mark will be deemed Deceptively Misdescriptive, and, thus, registrable with a showing of secondary meaning

         1. E.g., TITANIUM deceptively misdescriptive of recreational vehicles that do not contain titanium

   d. Argue the mark is not Deceptively Misdescriptive by making arguments in response to the test set forth in section b above, and, *in the alternative*, even if the mark is Deceptively Misdescriptive, it has acquired secondary meaning (acquired distinctiveness)

   e. See TEMPLATES Section

VIII. Office Actions based on Surname (2(e)(4))
a. Under §2(e)(4) of the Trademark Act, a mark that is primarily merely a surname is not registrable on the Principal Register absent a showing of acquired distinctiveness under §2(f).

b. The question of whether a term is primarily merely a surname depends on the primary, not the secondary, significance to the purchasing public. Five Factors to be considered:
   i. whether the surname is rare;
      1. fact that a surname is rare does not per se preclude a finding that a term is primarily merely a surname. Even a rare surname may be held primarily merely a surname if its primary significance to purchasers is that of a surname.
   ii. whether the term is the surname of anyone connected with the Applicant;
   iii. whether the term has any recognized meaning other than as a surname;
      1. Often a word will have a meaning or significance in addition to its significance as a surname--examining attorney must determine the primary meaning of the term to the public, i.e., GOLD.
   iv. whether it has the “look and feel” of a surname; and
      1. Some names, by their very nature, have only surname significance even though they are rare surnames, e.g., FAJFAR
   v. whether the stylization of lettering is distinctive enough to create a separate commercial impression

c. If there is additional matter besides the surname in the mark, question remains whether the mark sought to be registered as a whole would be perceived by the public primarily merely as a surname.

d. Any doubt of whether the public views the mark as primarily merely a surname should be resolved in favor of the Applicant

e. Argue in response that the mark is not primarily merely a surname
   i. If there is a readily recognized meaning of a term, apart from its surname significance, such that the primary significance of the term is not that of a surname, registration should be granted on the Principal Register without evidence of acquired distinctiveness.
   ii. TTAB held FIORE not primarily merely a surname where it is also the Italian translation of the English word “flower” and the non-surname meaning is not obscure
      iii. See TEMPLATES section

f. You may also argue in response, in the alternative, that the mark has acquired secondary meaning.
   i. See section II above for test of acquired distinctiveness under 2(f) of the Lanham Act

IX. Office Actions on the basis of Ornamentation

a. Matter that is merely a decorative feature does not identify and distinguish the applicant’s goods and, thus, does not function as a trademark. A decorative feature may include words, designs, slogans, or trade dress.

b. With regard to registrability, ornamental matter may be categorized along a continuum ranging from ornamental matter that is registrable on the Principal Register, to purely ornamental matter that is incapable of trademark significance and unregistrable under any circumstances, as follows:
   i. Ornamental matter that serves as an identifier of a “secondary source” is registrable on the Principal shirt (e.g., the designation “NEW YORK UNIVERSITY”)
can convey to the purchasing public the “secondary source” of the T-shirt (rather than the manufacturing source).

ii. Ornamental matter that is neither inherently distinctive nor a secondary source indicator may be registered on the Principal Register under §2(f), if the applicant establishes that the subject matter has acquired distinctiveness as a mark in relation to the goods.

iii. Ornamental matter that is neither inherently distinctive nor an indicator of secondary source, and has not acquired distinctiveness, but is capable of attaining trademark significance, may be registered on the Supplemental Register.

iv. Some matter has been determined to be purely ornamental and, thus, incapable of trademark significance and unregistrable on either the Principal Register or the Supplemental Register.
   1. E.g., peace symbol, “smiley face,” or the phrase “Have a Nice Day” on a T-Shirt

   c. Argue in response that the mark is inherently distinctive and not merely ornamentation
      i. See TEMPLATES

d. In the alternative, Applicant can amend to the Supplemental register, with the disclaimer that Applicant is not conceding that the mark is not inherently distinctive.
   i. See section II(e) above re Supplemental Register

X. Office Action with a basis of Functionality

   a. Marks that are deemed functional are never registrable; a feature is functional as a matter of law if it is “essential to the use or purpose of the article or if it affects the cost or quality of the article.”
      i. For example, circular shape of a beach towel was held to be functional, as it was essential to the use of the towel by allowing sun bathers to rotate without having to move the towel.

   b. The functionality doctrine is intended to encourage legitimate competition by maintaining a proper balance between trademark law and patent law

   c. A determination of functionality normally involves consideration of one or more of the following factors, commonly known as the “Morton-Norwich factors”:
      i. the existence of a utility patent that discloses the utilitarian advantages of the design sought to be registered;
         1. If the mark was or is subject to a patent, there is a heavy burden of showing that the feature is not functional;
         2. A design patent weighs against a finding of functionality, because design patents by definition protect only ornamental and nonfunctional features; however, ownership of a design patent can be outweighed by other evidence supporting the functionality determination.
      ii. advertising by the applicant that touts the utilitarian advantages of the design;
      iii. facts pertaining to the availability of alternative designs; and
         1. Alternative designs available in the industry can show there is no competitive need for the design, and, thus, does not favor a finding of functionality.
         2. If evidence indicates that the applicant’s configuration is the best or one of a few superior designs available, this favors a finding of functionality.
      iv. facts pertaining to whether the design results from a comparatively simple or inexpensive method of manufacture.
d. In the event the examiner issues an office action based on functionality, the applicant will most likely be requested to produce documents, such as advertising, marketing or explanatory material that is relevant to a functionality determination.

XI. Office Actions based on Immoral and Scandalous matter under Lanham Act 2(a)
   a. Immoral or Scandalous matter is never registerable.
   b. Although the words “immoral” and “scandalous” may have somewhat different connotations, case law has included immoral matter in the same category as scandalous matter.
   c. The meaning of scandalous shall be defined as the ordinary and common meaning imparted by a mark must be determined in the context of the current attitudes of the day.
      i. Look to dictionary: defined “scandalous” as, *inter alia*, shocking to the sense of propriety, offensive to the conscience or moral feelings or calling out for condemnation.
      ii. The statutory language “scandalous” has also been considered to encompass matter that is “vulgar,” defined as “lacking in taste, indelicate, morally crude.”
      iii. Applies only to marks that are scandalous, not the actual goods.
   d. Determination must be made in the context of the relevant marketplace for the description of goods/services, and must be ascertained from the standpoint of not necessarily a majority, but a substantial composite of the general public.
   e. Argue in response that the mark is not immoral and scandalous
      i. See TEMPLATES section

XII. Office Actions based on inappropriate Description of Goods
   a. Office actions based on inappropriate description of goods are very common. Usually the examiner will want clarification with respect to certain terms, especially technical terms.
      i. If the examiner’s proposed description is accurate, adopt such description
      ii. If the proposed description is not accurate, then attempt to amend the description of goods/services taking into account the examiner’s proposed description
         1. For example, if original description is “audio reverbs” and the examiner suggests “computer hardware for audio reverbs” when in fact that goods constitute software and not hardware, then amend as follows: “computer software for audio reverbs”
         2. Remember you cannot amend the goods/services to broaden the description, but can amend to clarify
      iii. Use TESS and click the appropriate box in order to amend the goods
         1. See example in TEMPLATES section

XIII. Office Actions based on inappropriate Specimen of Use
   a. If the specimen of use does not show the exact same mark as filed in your application it will be denied by the examiner.
   b. Appropriate specimens include
      i. Commercial packaging
      ii. Tags
      iii. Stamping of the mark on the goods (such as on fruit)
      iv. Displays associated with goods/services
      v. Catalogs
      vi. Websites
1. Website specimen should show how to order of good/service
   c. Inappropriate specimens include:
      i. Advertising material
      ii. A picture of the mark not used on goods/services
I. AFTER FILING INITIAL RESPONSE TO A NON-FINAL REFUSAL
   a. Unlike when filing an initial application, which may take about three months for it to even be assigned to an examiner, you can expect a response between a few days to a month after filing your initial response to an office action (of course with some exceptions).
   b. Examiner may issue a Final Refusal
      i. If the examiner issues a final refusal, then you have several choices:
         1. Respond by amending the application as the examiner requested
         2. Appeal the examiner’s final action (second refusal on the same grounds or a repeated requirement is considered a final action) to the Trademark Trial and Appeal Board by filing appeal within six months of the final action and paying appropriate filing fee ($100 per class)
            a. The applicant must file an appeal brief within 60 days of the date of the appeal
            b. Applicant’s brief may not exceed twenty-five double-spaced pages in length
            c. After the applicant’s brief has been filed, the Board will send a notice to the examining attorney. The examining attorney has sixty days from the date of the Board’s notice to file a responsive brief with the Board and send a copy to the applicant.
         3. Applicant may file a request for reconsideration before the deadline for filing an appeal to the Board.
            a. Filing a request for reconsideration does not extend the deadline for filing a notice of appeal with the TTAB.
            b. If an applicant files a request for reconsideration of a final action and wants to preserve the right to appeal if the request is unsuccessful, the applicant must file a notice of appeal before the expiration of the six-month period for response to the final action, or the application will be abandoned.
            c. Note: any document filed after final action that responds to the outstanding refusals or requirements is treated as a request for reconsideration, and does not extend the date of the final refusal (which starts the 6 month deadline to appeal to the TTAB).
   c. Examiner may suspend the application
      i. An examining attorney has the discretion to suspend an application “for good and sufficient cause.” More common suspension situations are:
         a. Initiation of a cancellation proceeding to cancel another registrant’s mark to overcome a likelihood of confusion action.
b. When there are conflicting marks in pending applications, action on the application with the later effective filing date will be suspended (if the application appears to be otherwise in condition for publication or for a final action) until the mark in the conflicting application with the earlier effective filing date is either registered or abandoned.

c. A proceeding relevant to the registrability of the mark is pending before a court or an inter partes proceeding is initiated in the TTAB.

d. If the 6 month grace period (see section has passed to file necessary renewals under section 8 & 9 of the Lanham Act, then the examiner may suspend the application pending the database being updated to show such registration is officially abandoned.

ii. The effect of having an application suspended is that all timing and requirements are stayed pending resolution of the outside matter (see section III(c) below).

d. Examining attorney may approve the mark for Publication.

i. If the mark is approved for publication, the USPTO will notify applicant with the exact dates the mark will appear in the Federal Gazette for public opposition.

1. Federal Gazette is published every Tuesday.

ii. Marks that are found to be registrable on the Supplemental Register are registered when printed in the Official Gazette. Marks registered on the Supplemental Register cannot be opposed, but are subject to cancellation.

iii. If you have filed under 1(b) (Intent to Use) then your mark will be published for opposition in the Official Gazette. In addition, when the mark registers (after a Statement of Use is filed) the registration will be printed in the Official Gazette on the date of issuance of the registration, but these marks will not be subject to opposition again.

1. Such marks can be subject to Cancellation proceedings (see Section III(d) below).

iv. An opposition must be filed within 30 days of the date of Publication unless a proper extension is filed. If the mark is opposed then the TTAB has jurisdiction over the opposition and the application is suspended pending the outcome of the opposition.

II. AFTER PUBLICATION

a. Notice of Allowance is Issued for Intent-to-Use application

i. In an intent-to-use application, if the mark is not opposed during publication, then the examiner will issue a Notice of Allowance.

ii. Applicant must submit a Statement of Use within six months of the Notice of Allowance.
1. Applicant can request extensions to file a Statement of Use in 6 month increments with a filing fee of $150 each for up to 3 years.
   iii. If the examiner approves the Statement of Use, then the mark will be approved for registration and a nice, shiny certificate of registration will be mailed to correspondent of record.

b. Registration for 1(a) applications based on use in commerce
   i. If a third party does not oppose a mark filed under 1(a) (based on use), then the mark will register and a shiny certificate of registration will be mailed to correspondent of record.

c. Inter Partes proceeding may take place
   i. Oppositions

III. Post Registration
   a. The registrant is responsible for enforcing its rights and bringing a legal action to stop an infringing mark.
      i. Give client instructions for policing and protecting its trademarks.

b. At the end of 5 years the mark will be incontestable upon filing a Declaration of Incontestability under section 15 of the Lanham Act. Basically, that means no party opposing the client’s mark can bring up reasons that the mark shouldn’t have been granted in the first place.
   i. There are several exceptions to incontestability:
      1. Generic marks
      2. Functional marks
      3. Marks obtained by fraudulent statements
      4. Abandoned marks
      5. Immoral and Scandalous marks
      6. Prior rights, i.e., another company moves to cancel the mark based on its own prior rights in the mark
   ii. These arguments can be raised to overcome a claim of incontestability.

c. After the Applicant receives the registration, the Applicant (now registrant) must file renewals in order for the registration to remain valid.
   i. Between the 5th and 6th year following registration a “Declaration of Continued Use” under Section 8 of the Lanham Act must be filed. Best to file a Combined Declaration of Use & Incontestability under Sections 8 & 15 of the Lanham Act.
      1. There is a 6 month grace period if the registrant does not file by the 6 year anniversary of registration.
         a. $100 filing fee/class to file a renewal within the 6 month grace period
      2. If the renewal is not filed within the 6 month grace period, then the registration will be abandoned
   ii. Between the 9th and 10th year after registration a combined “Declaration of Use and Application for Renewal” under Sections 8 and 9 of the Lanham Act must be filed and every 10 years thereafter.
1. Same 6 month grace period applies to Section 9 & 10 renewals.

d. *Inter partes* proceedings may take place

i. Another party may always move to cancel the registrants mark after registration and for 5 years thereafter (until the mark obtains incontestable status) unless it moves to cancel on the grounds that are exceptions to incontestability.
TRADEMARK CLEARANCE AND OFFICE ACTIONS: REQUIRED ASSIGNMENT

A. KEEP IN MIND BEFORE SEARCHING:
   a. Purpose of trademark clearance is to lessen the risk of trademark disputes down the road and to advise the client of possible office actions (which are public record) that the trademark examiner may issue;
   b. The standard of trademark infringement is a likelihood of confusion that entails a non-exhaustive list of factors (usually about 8) considered by courts, which includes similarity of goods/services, similarity of marks, similarity of distribution channels, evidence of actual confusion, sophistication of buyers, intent in adopting the mark, etc.
   c. The USPTO heavily relies on the similarity of the marks AND similarity of the goods/services. The USPTO only considers the mark as filed and the goods/services as filed (and natural zone of expansion) in the likelihood of confusion analysis.
   d. Trademark clearance also entails informing the client of potential other office actions, such as mere descriptiveness. The first part of this Assignment specifically focuses on the risk of receiving an office action based on a likelihood of confusion. The second party focuses on other office actions.

B. BASIC SEARCH TOOLS.
   a. FIELD SEARCHING
   b. Fields—when you enter in a search term, you choose a field relevant to that specific search term.
      1. For example, in any given initial trademark application filing (all filings are done online through the Trademark Electronic Application System “TEAS”), there is a lot of information entered, such as the mark itself, the goods/services associated with the mark, the owner’s name and address, the date of first use, the attorney of record, etc.
      2. If you want to search for a certain mark, then you would naturally start to search by entering the mark or a portion thereof, for example, if you wanted to call your cat food River Cat Food, then you would want to look for marks that contain some version of the word River. But if you simply searched for River without putting in a field, then you may pull up irrelevant filings, such as filings where the owner’s last name is River or maybe the service is river cleaning. This is why you may need to further limit your search by including a field, for example, in this case we would limit our search to marks that contain the word River.
      3. The USPTO provides the Trademark Electronic Search System (“TESS”) as a tool for searching trademarks and TESS contains numerous different field options.
   4. Go to At USPTO website www.uspto.gov---Click Trademarks (top)
   5. Click “Search Trademark Database: TESS” (lower left)
   6. Click on the “here” link at the top upper right hand corner to enter TESS.
   7. Go to “Word and/or Design Mark Search: Structured”
   8. Please remember how to get here. You will be using this search engine a lot this semester.
9. Click on the arrow symbols next to the Field Box and see by how many fields you can restrict your search.

10. See the following link for information on the most popular fields:

11. For example, the BI (Basic Index) field is the most popular field to search by because it will pull up all applications or registrations where the search term is in the mark itself (both punctuated marks and non-punctuated marks) or in the pseudo mark information (see Exercise 2 below for information about pseudo marks).

12. Important other field is the “Goods & Services” that the mark is used in connection with, for example, bread, dance classes, mobile applications, etc. The “Coordinated Class” field will pull up all registrations/applications in the both international class you searched, and any related international classes that may be relevant.

13. Other important fields are serial or registration number and owner name.

c. Boolean and Truncation tools
   1. Truncation is the addition of a symbol before or after a root word to allow searching for variations containing the root word; Boolean is the search logic that allows combination of words or phrases in a single search
   2. Examples of Boolean searching is using “And” “or” “not” as an operator.
   3. Go back to the Structured Search on TESS and click on the arrows in the Operator box on the right hand side to see a list of all possible operators.
   4. Examples of truncation: Add * to the end of or beginning of the root word search: Heart*

5. Again, please refer to the following link for a quick guide on searching on TESS:

C. Exercise 1: Searching Too Broad
   a. DIRECTIONS FOR ALL EXERCISES: ON A SEPARATE PIECE OF PAPER, NOTE THE EXERCISE NUMBER AND ACCOMPANYING ANSWER, WHERE A QUESTION IS ASKED. YOU MUST DO THESE EXERCISES IN NUMERICAL ORDER. For example, for this Exercise One, you will only have an answer to subsection f(1), so on your separate piece of paper, you should note Exercise 1: F(1): [X] Number of Results
   b. Hypothetical mark---Pure Flex
      1. Client says it wants this as a trademark for its new extremely flexible eyeglass frames.
   c. Go back to the Structured Search on TESS (www.uspto.gov---Click Trademarks (top); Click Search Trademark Database: TESS (lower left); Go to “Word and/or Design Mark Search: Structured;” please remember this!)
   d. Insert Pure Flex in the first search box
   e. Do not use “Field” boxes or quotations
   f. Click on “submit query”
1. How many results do you get?
2. Note that each result is marked as either DEAD or LIVE. A trademark is LIVE if the mark is registered or if the mark is pending registration. A trademark is DEAD if the application never made it to registration and has been abandoned or cancelled or if the trademark was once registered but has since been cancelled for failure to file proper maintenance filings or because a third party cancelled the mark through an inter partes proceeding.
3. You will see that there are too many hits for you to realistically analyze, and truthfully you would be wasting time looking at all of them.
4. Reason: When you leave words separated you would get every application/registration on the TESS database that has either the word Pure or Flex anywhere within the application.
5. Your search is the equivalent of entering pure in the first box without a field, using the OR connector, and entering Flex in the second search box without a field.

D. Exercise 2: Using Quotations, Pseudo Marks, and Basic Index search
   a. Go back to “Word and/or Design Mark Search: Structured” search
   b. Enter the trademark you are interested in clearing by using quotations to see if there are any exact hits in the first box and leave the second box blank: “Pure Flex”
   c. Select in the first field box: BI (Basic Index)
   d. Click on “submit query”
   e. How many results to you get?
   f. In looking at the results, do all of the marks contain the exact mark “Pure Flex”?
   g. Remember that the BI search pulls up all applications/registrations on TESS that contain the search term in the mark OR in the pseudo mark information.
   h. These results contain the pseudo mark “Pure Flex.” The trademark examiner issues pseudo marks in order to help assist in searching. For example, if you file a mark that contains two words mashed together as one, the examiner will issue a pseudo mark that contains the two words separate. Or if the mark is misspelled or sounds similar, the examiner will issue a pseudo mark.
   i. Go back to the results and click on the third result.
   j. Click on the blue TSDR box (Trademark Search Document Retrieval) in the upper left hand corner. This is where you access all of the information about the mark, including goods/services, owner, attorney of record, etc.
   k. Click on the “Document” in the upper left hand corner. This is where you access the public record. Note, all filings and communications are public record (even phone communications may be summarized in writing and put in the record). This is something to keep in mind when determining whether or not to file a mark on the federal register.
   l. Click on the Document entitled Notice of Pseudo Mark and read the examiner’s explanation for issuing a Pseudo Mark. Copy and paste the examiner’s reasoning for issuing the Pseudo Mark for the answer to this section l.

E. Exercise 3: Determining Risk of Likelihood of Confusion Office Action
   a. Go back to the results list for the search completed in Exercise 3 above.
b. Review the results by clicking on each result and reviewing the description of goods/services to see if any of the goods/services are close to glasses or glasses frames. Write down which results you think, if any, would be considered a risk, i.e., a mark that may be considered likely to be confused with our mark. Remember, likelihood of confusion considers both similarity of the marks AND similarity of the services/goods.

c. The search we just completed, i.e., the exact mark, is a relatively narrow search you can conduct and should be conducted in the beginning of the search to confirm there is no identical mark for similar services, as that would constitute a likelihood of confusion and the mark would not be cleared for registration.

d. This is not the end of your search, however, as the likelihood of confusion analysis takes into account sight, sound and meaning of marks, so we need to further expand our search in order to search for different variations.

F. Exercise 4: Using Truncation: *
   1. When using the * to expand the root word, you should always use the BI search field. You can insert the * symbol either before or after the root word depending on the search you want.
   2. Put in Pur* in the first search box and BI in the field box; click AND for the operator; and put in Fle* in the second search box and BI in the field box.
   3. How many results do you get?
   4. With only considering the similarity in the marks in the results (and not goods/services, etc.), are there any other marks that may have potentially been problematic that were not pulled up on the prior searches? If so, which ones?

G. Exercise 5: Goods/Services Field and the Crowded Field Doctrine
   1. A new client wants to brand its t-shirt line Salty T-Shirts.
   2. Put in “salty t-shirts” inside quotations in the first search box and leave the second search box blank. How many results do you get?
   3. Now put in Salt* in the first search box and BI in the first field box. How many results do you get? This search pulls up all marks that contain the root word Salt.
   4. Now let’s try to narrow the search by using the “goods and services” field box. Put in Salt* in the first search box and BI in the first field box and choose AND as the connector and put in t-shirts in the second search box and choose Goods and Services as the field.
   5. How many results did you get? This search should have pulled up all filings for t-shirts that contain Salt as a root word in the mark. These results are suggesting a crowded field for t-shirt companies with some variation of Salt in its name.
   6. A crowded field means that the mark is very popular for a certain category of good/services and, thus, consumers are used to seeing that type of mark on similar goods/services and are not as confused between similar marks, so long as there is some small difference.

b. Exercise 6: Crowded Field Doctrine and Office Actions
   1. Let’s try to limit the above search a bit more to see how many t-shirt companies have filed for a mark that contain the full term Salty.
2. In the first term search term box insert Salty and choose BI in the field box, choose AND as the connector, insert t-shirts in the second search term box, and choose Goods and Services in the field box.

3. How many search results do you get? Which marks, if any, do you believe a trademark examiner may cite against in an office action based on a likelihood of confusion?

4. Click on the Salty Cotton serial no. 86608530 entry in the results.

5. Go to TSDR (upper-mid left hand corner), click on Documents and read the office action issued on May 12, 2014 by the examiner. What do you believe the main reason is for the examiner issuing the office action? Would you have issued this office action? Why were the other Salty marks not cited?

c. Exercise 7: Foreign Marks and Translations: Doctrine of Foreign Equivalents

1. Another client desires to file for the mark The Bread Tradition to be used in connection with various breads and pastries.

2. Let’s start with searching bread* in the first search box and leave the field box blank, choose AND as the connector and put tradition* in the second search box, and leave the field blank. How many results do you get?

3. Note: When you use the * tool, TESS will only pull up those results that contain the search term in the mark or in the translation of the mark (and not anywhere in the application, such as the goods/services, owner name, etc.). For example, if you search Tradition without a field, use And as the operator, and Bread in the second search term box without a field, you will get more results, because the results contain the search terms any where in the application, such as bread in the description of goods.

4. Click on the first result LA TRADITION DU PAIN serial number 86399791. Click on TSDR. What is the translation noted for this mark?

5. Review the results by clicking on each result and looking at the goods and services for each. In considering both the similarity of the marks AND the similarity of the goods/services, which marks in the results, if any, do you believe may be considered a likelihood of confusion? Do not consider whether the marks are Dead or Live.

d. Exercise 8: Complimentary Goods/Services and the Zone of Natural Expansion

1. Pull up the La Tradition du Pain mark serial number 86399791 by entering in the serial number in the first search box. Leave all of the other boxes and operator blank.

2. Click on TSDR and then click on Documents. Pull up the office action issued on October 8, 2014. Pay close attention to the section 2(d) argument.

3. Which mark did the examiner cite against that application? On what grounds?

4. This is an example of “complimentary goods/zone of natural expansion”

5. Did the examiner eventually accept the argument in favor of registration (hint-look at the public record)?

e. Exercise 9: Similarity of Marks: Similar Meanings

1. Client wants to brand its legal services technology platform that assists people with small claims complaints, and call it LegalRider.

2. Start by searching for “legalrider” in the first search box without any field or connector.
3. Did you find any exact hits?
4. Now insert the following in the first search box without any field: *legal* and *ride*
   This will pull up all marks that have the root word legal and ride (either before, after, or somewhere in the middle of other text) in the mark or translation of the mark. How many results do you get?
5. Now let’s try to expand our search: reinsert *legal* in the first search box without any field, choose AND as the connector, and choose Goods and Services in the field box and put in: legal law. How many search results do you get? What do these results suggest?
6. Now let’s try to do a more focused search based on different meanings of words (remember to consider the sight, sound and meaning of the marks and similarity of goods/services). What search do you suggest? What is a synonym for legal?
7. In the first search box with the field blank insert: *law* and *rider*
8. How many results do you get? Look at the results and goods/services associated with each result. Do you believe any of these marks (without considering whether they are live or dead) would constitute a likelihood of confusion? If so, which ones?
9. Put in the following in the first search box with no field: court* and ride*
   (Note, the above search is the exact same as putting in court* in the first search box (no field), choosing AND as the connector, and putting in ride* in the second box (no field).) How many results do you get? Do you believe any of the results would constitute a likelihood of confusion?
10. Choose the result with serial number 86657497. Click on TSDR and then Documents. Click on the Suspension Letter issued on June 27, 2015.
11. Read the Suspension letter. You can see which mark was cited against the application by clicking the Next Page button in the upper right hand corner. All evidence that the examiner cites in the office action/suspension letter will be attached including information about the mark(s) cited in the office action/suspension letter.
12. Go back to the structured search page and search for the mark that was cited in the Suspension Letter by putting the serial number in the first search box. You can also choose Serial Number as the field, but because the serial number is usually so specific, you don’t necessarily have to choose a field, too. Leave the second row of boxes blank. What was the mark? What is the current status of that mark (click on TSDR and then click on Documents and see the last correspondence issued)?

Exercise 10: Designs and Descriptions of Marks
1. Now your client comes to you and desires to register a design logo that is a perfect green star with five points in connection with an electric car.
2. As background, for every initial application filing you have to choose whether to file for a standard character word mark, which is just the words without any stylization, or a stylized logo, which can be a stylized version of the words or a design logo or a variation of both stylized words and designs. It is always best to
do both a standard character mark for the word portion AND the stylized version of the logo (each a separate application). For the green star logo, since there is no word component, we will only have to do a stylized logo filing. If, for example, the company was called FULL-STAR and had a Green logo with the words FULL-STAR underneath, then you would advise your client to file for a standard character word mark for FULL-STAR and the logo that included that star and words. If the star was used on its own too, then it may be worth doing three different applications: the word mark, the entire logo with the star and words underneath, and just the star itself.

3. When you fill out an initial application for a stylized logo, you will have to describe what the logo/mark consists of. For example, I would describe this mark as follows: “The marks consists of a green star with five points.” The descriptions can get much more complicated for more complicated marks, but you will always have to describe the main features of the mark.

4. This leads us to the field box: description of mark. Go to the structured search page. Put in Star in the first search box and choose Description of Mark as the field. How many results do you get?

5. You should see a row of blue buttons near the top of the search results page. Click on Image List (third to last button). You can use that view to search through the logos faster. You will see that this search will pull up all marks that have some sort of star in the mark, either in the form of a design or word.


1. Let’s try searching in a different way. Go back to www.uspto.gov. Choose Trademarks and scroll down to “See More Trademark Resources” link and click on it. This is where you find any and all information you need to know about trademark filings.

2. Scroll down to the Guides, Manuals and Resources link. This is an important link and you will be using it a lot. So remember how to get there!

3. The first link you see is the Trademark Manual of Examining Procedure (“TMEP”). The TMEP has everything you need to know about the trademark filing, classes of goods/services, descriptions, specimens, office actions, assignments, post-registration procedures, etc. It is a great resource and you should become familiar with it and go there first when you have a question.

4. Scroll all the way down to Design Search Code Manual. Click on that link.

5. For any designs, the examiner will assign a design code to help search for similar marks. Review the Design Search Code Manual and find the proper design search code for a star. You should scroll through all of the stars to see which code would be most relevant. There may be more than one code that is relevant, which is fine. Remember, our mark is a single star with five points. Which design code do you believe is the MOST relevant?

6. Go back to the structured search page. Put in the most relevant design code in the first search box (including all 6 digits and periods), choose Design Code as the field and leave the second row of boxes blank. How many results do you get?
7. How many design codes do you believe are relevant? Just think, if there was a green star with four points for electric cars, would that be relevant? Or three points?

8. Now put in all of the design codes that you believe are relevant in the first search box with spaces in between (remember the spaces mean OR). How many results do you get?

h. **Exercise 12: Introduction to the ID Manual and Classes**

1. Let’s try to further narrow the search. Go back to structured search. Put in the **most** relevant design code in the first search box, choose Design Code as the field, choose AND as the connector, and put in Car in the second search box, and choose Goods and Services in the field box. How many results do you get?

2. Click on the first result. What are the services for?

3. Click on the next 10 results. How many of those 10 results have services/goods that you believe would be similar to our client’s goods? **(Do not take into account the mark, just the goods/services).** Write down the serial numbers.

4. As you will see, “car” in the Goods and Services field is pulling up marks that may not be exactly relevant, such as advertising services for cars or car seat toys.

5. Thus, it may be more helpful, in this case, to limit the search to the class of goods/services.

6. Go back to Guides, Manuals and Resources link (see Exercise 11). Scroll down and click on Acceptable Identification of Goods and Services Manual. (ID Manual). The ID Manual contains all descriptions that have already been pre-approved. The filing fee for using these pre-approved descriptions (TEAS Plus Application) is $50 less than customizing your own description. Most of the time, you can find a description that matches your clients’ goods/services in this ID Manual. Always go here first when drafting descriptions of the goods/services for your client.

7. Click on the ID Manual. Enter in Car in the search box. (Note, you will see other search tips below the search box, which can be helpful.)

8. On the results page, the first column is the result number (not important), the second column is the class number (important), the third column is the pre-approved description (important), and the other columns are not important and just note when the description was approved, etc.

9. Find which class Electric Cars fall into. What is the class?

10. Note, your client will be paying a filing fee for EACH CLASS. So it will be important for you to know how many classes we will need to file in, as that will determine the total filing fee. It is fine to include as many descriptions in the same one class and still pay the one filing fee, but once the description falls into another class, then there will be another filing fee assessed.

11. Note, **ONLY INTERNATIONAL CLASS NUMBERS** are relevant Classes 001 through 045. US Class numbers are no longer relevant so do not search by those classes.

12. Scroll down and take a look at all of the descriptions that contain Car. How many different classes contain a description with the word Car?
i. Exercise 13: Searching using Classes

1. Now let’s see if searching by class narrows the search a bit more. Go back to structured search. Put in the **most** relevant design code in the first search box, choose Design Code as the field, choose AND as the connector, and put in 012 in the second search box, and choose International Class in the field box. How many results do you get? Why do you believe you get more results using this search?

2. Note, when searching by class in TESS, you always use three digits, so class 1 would be 001 and class 45 would be 045.

3. Go back to the ID Manual search box (Go back to Guides, Manuals and Resources link, choose Acceptable Identification of Goods and Services Manual (ID Manual)). Put in 012 in the search box. How broad is class 012? What is an example of a good that falls into class 012 but yet would not be considered to be similar to cars in a likelihood of confusion analysis?

4. Do you think if a local bike dealer that only sold used bikes and a car dealer that sold new cars had the same logo, it would be considered to be a likelihood of confusion? Just give your initial thought and a sentence or two as to why.

j. Exercise 14: Searching Using Westlaw

1. Sometimes, the problem with TESS is that there are only two search boxes. At this point, our narrowed search that included the design search code and “car” in Goods and Services yielded about 300 something results, which is not too bad and you would be able to search through those marks no problem.

2. Another option that you have available is using the Westlaw Next trademark search database.

3. Sign into Westlaw Next.

4. On the first page, type into the search box “trademarks”

5. Westlaw should give you some suggestions, and you should click on “Federal Trademarks.” If you are searching for international trademarks or state trademarks, then you can choose “Trademarks” (which contains all trademarks, state, federal and international) or “State Trademarks” (which contains state trademarks).

6. Review the “Federal Trademarks” database and search options. You will see that you have many more search boxes.

7. Review the connectors and expanders on the right hand side. NOTE: they are different than the USPTO database. You can come up with creative searches by utilizing these terms and connectors.

8. NOTE: when you insert design codes, you do not put in the periods in Westlaw, but you do include the periods in the USPTO database searches.

9. Now let’s try to do a more focused Westlaw search. In the Design Category search insert all of the design codes that are relevant, note, I inserted the codes for 2 through 5 pointed single star (without the periods since we are using Westlaw): 010104 010103 010102 010101

10. Put in “car” in the Goods and Services Description search box
11. Put in 12 in the International Class search box (without the 0 since we are using Westlaw).

12. How many results do you get?

13. Now let’s narrow that same search a bit more: Enter the following into the Exclude Documents with These Terms search box: cancel! Abandon! Dead (these will exclude marks that are no longer pending).

14. How many results do you get?

15. Note, the examiner will not cite marks against your application that are abandoned, cancelled or dead. The examiner will only cite Pending or Registered Marks against your application. However, it is VERY important to note that looking though dead or abandoned marks can be helpful, for example, if there is a pattern showing certain marks are dead because the same office action is issued, then you would want to warn your client of such information. But sometimes it helps to limit the search to live marks if the search results are unwieldy.

16. Review the marks that you pulled up in the search. Which marks, if any, would you flag for your client? Do you think there is a chance that the examiner would issue a likelihood of confusion office action against our application for the green star for electric car based on these search results? Of all of the marks in the list, which in your opinion would be the highest risk mark?

k. Exercise 15: Descriptiveness Office Actions and Disclaimers
   1. A very popular office action is an action issued because the examiner believes that the mark is merely descriptive of the goods/services, or an ingredient, component or function thereof. Descriptiveness office actions can be very hard to overcome, so it is important to warn clients of this possibility so they are aware that an office action is possible and if such is issued, we may not be able to overcome such action.
   2. There are two different types of office actions that the examiner may issue with respect to descriptive marks:
      a. Only part of the mark is descriptive or generic, and the examiner requests that that portion of the mark be disclaimed, meaning that the registrant would not have exclusive right to use the disclaimed portion of the mark apart from the mark as a whole; or
      b. The examiner believes the entire mark is descriptive and requests evidence showing 1) that the mark is not merely descriptive; OR 2) that the mark has acquired distinctiveness.

3. Go to structured search and put in the following serial number: 86576808. (Note, you refer to the serial number if the mark is not yet registered and you refer to the registration number if the mark is registered.)

4. Go to TSDR and click on Documents. Pull up the Office Action issued on May 1, 2015. What does the examiner want the applicant to disclaim? What evidence does the examiner present to argue for such disclaimer? Do you believe this is fair?

l. Exercise 16: Descriptiveness Office Actions and Argument Mark is not Descriptive
1. Go to TESS and put in the following registration number: 4780869
2. Click on TSDR and then click on Documents.
3. Read the Office Action issued on November 29, 2014, with particular attention to the second issue relating to Disclaimers.
4. What does the Examiner want the Applicant to disclaim?
5. Now go back and look at all of the correspondence in the Documents tab. How did the Applicant respond to the office action? What was the Applicant’s argument?
6. Did the examiner accept the Applicant’s argument? How do you know?

m. Exercise 17: Descriptiveness Office Actions and Evidence of Acquired Distinctiveness
1. Go to structured search and put in the following registration number: 4706364
2. Go to TSDR and then click on Documents.
3. Read the Office Action issued on May 14, 2014 (there are duplicate copies, so click on either one). Read the Section 2(e)(1) Descriptiveness Refusal portion. What portion of the mark does the examiner think is descriptive?
4. Now go back to Documents and click on the Response to the Office Action filed on April 3, 2014. Does the Applicant argue that the mark is not descriptive or does the Applicant argue that the mark has acquired distinctiveness? What evidence does the Applicant submit?
5. Now go back to Documents and read the second office action issued on April 24, 2014. Does the examiner accept the Applicant’s argument? What does the examiner request?
6. Now go back to Documents and read the second Response to Office Action issued on October 21, 2014. What type of evidence does the Applicant submit? Does the examiner accept the argument?

n. Exercise 18: Descriptiveness Office Actions and the Supplemental Register
1. Go to structured search and enter in the following registration number.
2. Go to TSDR, click on Documents and read the office action issued on March 3, 2014. What does the examiner argue?
3. How does the Applicant respond to the examiner’s argument on May 29?
4. How does the examiner respond in the August 8 Office Action? Note, this second office action is final—usually the second office action with respect to the same issue is final. When the examiner marks the office action final, that means that the Applicant has 6 months to appeal to the Trademark Trial and Appeal Board (TTAB) for review. Before that time, however, the Applicant has an opportunity to submit a Request for Reconsideration to the examiner. The timing is essential, because you have to allow time for the examiner to respond to the Request for Consideration before the 6 months is up, so if the response is not in our favor, we don’t blow the 6 month deadline to appeal to the TTAB. Essentially, don’t wait until the last minute to respond to a Final Refusal.
5. What does the Applicant request in its Request for Reconsideration filed on October 1, 2014?

o. Exercise 19: Responding to other Office Actions
1. There are many different kinds of office actions that the examiner may submit. The most popular office actions that our Clinic sees time and time again are:
   a. Descriptiveness/Disclaimer Office Actions (OAs);
   b. Likelihood of Confusion OAs;
   c. OAs stating that the description of services/goods is inaccurate. We can always amend the description of goods/services SO LONG AS the description is NOT expanded in any way. It can be limited, but never expanded. But if we file in the wrong class, we could not fix that problem, and the whole application would be lost, so it is essential that we initially file in the correct class.
   d. Mere Ornamentation/Mark does not Function as a Trademark. This is popular if the mark is a design on product, for example, a t-shirt. For instance, if the client wanted to register a logo that was a picture of a purple sand dollar, and the logo was only found on the t-shirt and not on the tag, then the examiner would say that mark does not function as a brand because consumers see it has mere ornamentation or decoration. (We would fix this problem by telling our client to put the trademark on the actual tag of the product, where the consumers would perceive it as a brand.) Always ask yourself before you submit a specimen—will consumers see this mark as a brand designation?
   e. Specimen does not match the Drawing. Note, for every trademark application, we need to submit both a drawing of the mark by itself, AND, a specimen showing use in commerce. The drawing of the mark can NEVER be changed, so if your client decides to tweak their logo a bit after we filed, we would have to refile an entirely new application. The specimen has to show the mark being used in commerce. For goods, we have to submit a photo of the mark affixed in the actual goods or packaging. For services, we can show advertisements of the services or a web page showing the services being promoted. If the specimen we submit does not match the drawing exactly, then the examiner will refuse the specimen. For example, if we file the mark PLAY THE DIFFERENCE, but the specimen we submit always shows the mark PLAY THE DIFFERENCE! with the exclamation at the end, then the examiner would issue an office action stating that the specimen does not match the drawing. In that case, we would not be able to amend the drawing, so we would have to submit a new specimen showing the mark being used in commerce without the exclamation. This would put us in a predicament if the client always used the mark with the exclamation.

2. However, there are many more flavors of office actions and it is your job to be able to spot these potential actions before they are issued.

3. Read Responding to Office Actions in the TM Manual and pay close attention to the office actions noted below:
   a. Geographic Descriptiveness
   b. Geographic Deceptiveness
c. Deceptiveness
d. Deceptively Misdescriptive
e. Primarily Merely a Surname
f. Functional
g. Immoral and Scandalous
One of the problems for students with any clinical work is that a problem does not come to you in small, logical organized chunks of material as many of your substantive classes do. A client come into a Clinic with a problem and you have to have a pretty good picture of an entire area of the law to be effective. Working with a startup company is even more challenging than working in the average clinic and is probably different from any other work you have done in Law School. Each startup is in many ways unique. For example, the people setting things up—the founders—they themselves are very different from company to company. These founders have different amounts and sources of capital available, expertise, interests, goals and skills that they bring to the venture. Another example of great variation is the industry. Besides people differences, the various businesses themselves will require a different approach to succeed depending on the location, industry, costs and competition to name just a few of the variables.

Because of the range and scope of possible areas you will need to work with, a reading list to cover all of the legal and practical questions would be overwhelming, to say the least. This particular list is to make you aware of some problems and some basic solutions that come up when advising startup ventures about what it’s like to set up. When you have an actual case, you will have to research any problems you foresee from what you learn from your interviewing, and what you know from class and any other sources you have explored. The list of readings here is far from comprehensive, but a good start.

I have chosen readings that I hope will give you a basic understanding of many of the legal challenges that come in setting up a new company. I’ve given you parts of some CEB publications, materials from the Practical Law Company data base and Nolo books which are in the Clinic. These should be pretty good to introduce you to and give you answers for many of the real life problems you will be facing. But, on a particular topic you will probably need to go beyond the readings here.

The Nolo books are in the Clinic and the library. You will have access online to all the Practical Law Company information. How to get into the CEB publications online will be described below.

BOOK (AND OTHER) ABBREVIATIONS

A. Nolo, “How To Form Your Own California Corporation”, hereinafter “Nolo Corporation.”
B. Nolo, “Form Your Own Limited Liability Company, hereinafter “Nolo, LLC.”
E. CEB, Forming and Operating California Limited Liability Companies, hereinafter “CEB LLC’s.”
F. (Limited Liability Company will hereinafter be called “LLC”)

1. Choosing the Right Entity. An immediate question is choosing the right entity for the new venture. Even if a client or company says “This is what we want” that choice may not be in their best interests under all of their circumstances. As attorneys you should be discussing (or at least able to discuss) the various options before a decision is made about the choice of entity. Read the “Business Entity Comparison Tables” that highlight and compare general and specific legal
and tax traits of each type of business entity. These tables are in both Nolo, LLC and Nolo Corporation. A thorough discussion of the comparison of entities is in CEB LLC’s—Chapter 3—“Choosing Appropriate Business Entity.”

a. Here’s a reading (Not assigned but very helpful particularly if you haven’t had Corporations. In Nolo, Corporation there is a chapter on “What Corporations are All About”

b. Here’s another reading not assigned but helpful. Chapter 4 in Nolo’s Corporation, there is a chapter on Corporate taxation. For this chapter, I would at least look at headings and subheading so you are aware of the impact of taxes. As a Clinic we DO NOT give tax advice and if a tax issue comes up either refer or advise the client to get a tax advisor. But, the headings and subheading here will help you to become aware of the tax issues that startups might need to deal with.

2. Selecting a Name. Another immediate question is checking the availability and reserving a legal name for the business with the Secretary of State in California. This sounds simple but actually selecting a name that works and doesn’t create legal problems might be a crucial and complex choice, particularly if you want to trademark the name for the success of the venture and avoid trademarks that others have. CEB Business Entities, Section 3.15 lays out the simple steps to follow to own a business name. As an initial question—to see if a proposed name is already in use go to http://Kepler.sos.ca.gov/ IIP will spend a great deal of time with the trademark aspects of a name.

3. Dealing Early with Potential Problems. It is often easiest for your client to deal with business and relationship problems before they actually come up. A number of these potential problems can be handled in Founders Agreements, Shareholder (Stockholders) Agreements and Subscriber Agreements. Practical Law Company has a “Stockholders Agreement Checklist” and a “Stockholder’s Agreement Commentary” that point out many of the issues that might be decided before money and time are spent on a business. See also CEB, Corporations, at Section 2.6 and a checklist at Section 7.55

4. Limits on Transferability of Ownership. As part of your preliminary work, one of the most important issues to discuss with clients is limitations on transferability of ownership interests. This is a delicate topic at that start of a venture when the founders are enthusiastic about the business and about working together. But think about it. If any founder is able to easily transfer ownership, will other founders trying to create a new business want to be tied to a stranger. Remember, when a company is just starting founder have to depend upon, work with and relate to each other about important decisions. Generally small startups want serious limitations on transferability, both for personal reasons and for securities exemption reasons, as you will see below. Here are some materials to look at.

a. See CEB, Corporations—Buy-Sell Agreement. 1.167

b. CEB, Corporations, Sections 2.62 and 2.63. Here transferability is discussed in terms of the Articles of Incorporation. You will probably NOT want the transferability language in the actual Articles.

c. Also, If you do have a limiting buy-sell agreement, each share certificate must have an appropriate legend on it. There’s an example of a legend in Section 2.63—CEB, OCC) Here’s another example SHARES REPRESENTED BY THIS CERTIFICATE.. SUBJECT TO AN
OPTION...IN AGREEMENT BETWEEN COMPANY AND REGISTERED HOLDER....ANY TRANSFER...IS VOID WITHOUT PRIOR EXPRESS WRITTEN CONSENT OF COMPANY
d. See CEB, Corporations 7.48, and 7.49 Transfer restrictions plus drag along and tag along rights
e. CEB LLC’s, 9.66-9.73 Transfer of Interests;
f. A California limited offering exemption Legend is at 4.14 CEB, Corporations
5. “Securities Issues.” Ownership interests in the corporations, (and maybe the LLC), you are setting up are probably “securities.” Whether or not the sale of corporate stock or an LLC membership interest violates the federal or state securities laws, should be of critical concern for you and your clients. Here are some readings related to securities laws.
a. Corporate shares and sometimes LLC membership interests as securities. See CEB Corporations Sections 1.55; 4.2
b. Our clients will generally want to take advantage of the “private offering exemptions.” Here’s what this is about, and actions to advise so that the private offering exemption will apply.
a. For the federal exemption see CEB, Corporations—4.9—4.14
b. For the California exemption see CEB, Corporations 4.61;
c. Forms to help meet the requirements for these exemptions are in CEB Corporations 4.11-4.14. (Make sure the appropriate forms are signed by all those who are investing to show investment intent; investor knowledge, lack of advertising and other indications that meet the requirements for a small offering exemption.)
i. Also, make sure the correct LEGEND regarding securities is on all STOCK CERTIFICATES issued. Essentially the legend will say the securities are Not Registered and can’t be sold unless certain requirements are met. Here’s part of an example: SHARE REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER SECURITIES ACT F 1933...MAY NOT BE SOLD IN THE ABSENCE OF AN EFFECTIVE REGISTRATION...
6. LLC Operating Agreements. To make sure everyone is on the same page about important legal and procedural questions, “operating agreements” for LLC’s, though not legally required, should be drafted before filing for the LLC. These operating agreements spell out various choices that “members” of LLC’s have to make about details concerning running the venture. See CEB LLC’s, Chapter 10 up to section 10.70 for an annotated short form of operating agreement. Even though it’s a “short form”, it’s not all that short, the form will probably have most of the agreement that you will be using.
a. Even if you are setting up a corporation, this chapter will also make you aware of operating issues that you may want to handle explicitly in your corporate bylaws or shareholder agreement. (The way the chapter is written is a little confusing when it comes to numbers.
i. The CEB book section has a different number than the section of the model agreement discussed) For example 9.65 of the book will also indicate 8.1 of the actual short form of operating agreement. Hope that doesn’t confuse)
7. LLC and Corporate kits. You probably should advise you client to purchase a kit sometime after a name is secured and you are pretty sure they are going ahead. These kits have record books,
ownership certificates with appropriate legends, and other items that are extremely convenient and official looking. They are less than $100. Take a look in the ones we have in the Clinic.

8. **Filing and Setting up Your Business Entity.** The next readings are quick and convenient ways to actually set up corporations and LLC’s from the Nolo books. In some cases, it may be most of what you will need to get the entity going—-at least legally.
   a. In Nolo Corporation, see the chapter on 7 Steps to set up your corporation. This book is in the Clinic and the library (but there is no online access to the text though there may be to forms.) A more comprehensive look at how to set up is in the CEB Corporations, Chapter 2 “Formation” Even if you go strictly with Nolo, you should have a look at what CEB says here.
   b. In Nolo LLC’s, Chapters 4 and 5 describe how to set up an LLC. This book is in the Clinic and the library and is not specific to California. Online Nolo has a page or two with a short description of the steps to set up an LLC in California. CEB LLC’s has chapters on Operating Agreements, both a long a short form.
   c. Filing corporate documents with California Secretary of State. Online, go to Cal. Secretary of State Corporate Filing Tips
   d. Filing LLC documents with California Secretary of State. Online, go to Cal. Secretary of State Limited Liability Company Filing tips.

9. **Post Set Up** You should also give some advice to the entity, on what steps will probably need to be taken after the entity is created and basic ownership and management decisions are in place For a list of what to do after the initial tasks are complete see “Post incorporation checklist.” CEB Corporations Chapter 3
   a. Also, at CEB Corporations 3.31 is a model Memo to client about Corporate Operations

10. *Particularly for employment issues, see Labor Law and Personnel practices (on pages 3-50 to 3-55 of OCC Corporation Chapter 3)

11. Delaware. Basic Documents can be found at “Founders Workbench” and "Cooley Go" Check with Supervisor.
7.) The chapter titles will appear in the page's main frame. Click on a chapter title, such as "Annotated Long-Form Operating Agreement," to view the contents of that chapter.

OFF CAMPUS ACCESS:

All of the above steps are the same, but if you are not on the USF network when you click on the OnLAW link on the library home page (Step #3 above), you will be prompted to enter your USFConnect username and password in order to access OnLAW content off-campus.

When this prompt appears, simply enter the same USFConnect username and password that you use to access your USF email account. When you have entered this authentication information, you will be taken to the OnLAW home page (Step #4 above). All of the remaining steps are the same.

**Downloading Forms from CEB Publications**

Most forms contained in CEB publications are available in a digital form through OnLAW. To find and download forms simply follow the instructions below:

1. Go to OnLAW using the instructions for on campus or off campus access.

2. From the **Welcome to OnLAW** screen use the list of available publications to drill down to the publication you are interested in.

3. Scroll through the chapter headings in the far left hand column. Click on the **Table of Forms**.

4. Scroll through the Table of Forms for the publication and click on the blue hypertext link to open the appropriate form.

5. To open the form in your word processor, click on the appropriate icon: