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Law Alert

To: Firm Clients and Contacts

From: Niesar & Vestal LLP

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Re: **Failure to Document Evidence of Intent to Use a Trademark May be Fatal to Application**

The Trademark Trial & Appeal Board (the "TTAB") recently sustained an opposition to the registration of a mark (MOSKONIS) because the applicant failed to provide documentary evidence which showed that at the time of filing it had a bona fide intent to use such mark.

Significance

Suppose you came up with a name you would like to use in connection with a product or service and would like to reserve it for future use. You might think that by simply filing a so-called "intent-to-use" application you have reserved the name for your future use. However, the MOSKONIS decision by the United States Patent and Trademark Office's (the "PTO") TTAB demonstrates that this is not the case.

Background

An applicant may file a trademark application with the PTO under what is called an "intent-to-use" basis when such applicant has not yet actually used the mark in commerce, but intends to use it in the future. In order to file on an "intent-to-use" basis, the applicant is required to have a bona fide intent to use the mark in commerce, meaning that the applicant possesses more than a mere idea, but is not quite yet ready to market the good or service in commerce.

TTAB's Decision

In the case, Spirits BV v S.S. Tarris Zeytin Ve Zeytinyagi Tarim Satis Kooperatifen Birtigi, 99UPSPQ2D 1545 (TTAB 2011) the applicant (here, "Taris") had filed an intent-to-use trademark application to register the mark MOSKONIS for use with various products including alcoholic beverages. Spirits International, owner of the mark MOSKOVSKAYA for Vodka, filed an opposition to Taris' application and alleged: 1) that the marks in issue were confusingly similar; and 2) that Taris did not, at the time of filing, have a bona fide intent to use the mark.

In response to discovery requests, Taris admitted it had no documentary evidence, or material of any sort to support its claim that, at the time of filing its application, it had a bona fide intent to use the mark MOSKONIS. Given this lack of documentary evidence the TTAB sustained Spirit International's opposition and, in so doing, observed:

> As detailed above, applicant has supplied no documentary evidence regarding its intent to use its mark on any alcoholic beverages, and has affirmatively stated that no such documents exist. Opposer's submission of these responses is sufficient for opposer to satisfy its initial burden of proving that applicant did not and does not have an intention to use its applied-for mark on or in connection with alcoholic beverages... The burden thus shifts to applicant to come forward with evidence which would adequately explain or outweigh the failure to provide such documentary evidence. As previously noted, applicant submitted no evidence whatsoever, nor did it file a brief. Therefore, applicant has failed to rebut the opposer's evidence, and the opposition on the ground that applicant lacks a bona fide intent to use its mark on all of the goods identified in the opposed classes of its application is sustained.

What Should I Do?

Given the TTAB's decision, an applicant who files an intent-to-use application should take affirmative steps to document its actual intent to use the mark in the future. While the TTAB did not articulate the quantum or nature of documentary evidence necessary to show intended use, we believe that a combination of some of the following should be sufficient:

(a) Trademark Search Report on the proposed mark;

(b) Registration of domain names;

(c) Business plans for the product or services to be marketed using the mark;

(d) Patent applications, should this apply, or at least evidence that the applicant considered patentability, including consulting an attorney;

(e) Applications for governmental approvals, for example, approvals of wine labels by Alcohol and Tobacco Tax and Trade Bureau;

(f) Documents such as inter-office memoranda, emails, or correspondence relating to the anticipated launch of the product or service for which the proposed trademark is intended;

(g) Documents showing steps to develop the product or service, including, for example, renderings of the product, descriptions of the service, and pricing reports, all referencing or making use of the proposed mark;

(h) Correspondence and other documents relating to future advertising and promotion of the product or service;

(i) Documents showing that the applicant has the capacity to manufacture and sell the trademarked product or perform the trademarked service. Capacity, in our view, goes beyond the capacity of the applicant itself. For example, if the applicant has developed a name for a wine, but is neither a vineyard nor a wine producer, it should have some evidence on file that it has investigated or actually contacted third party manufacturers.

Obviously, the sufficiency of the evidence you may have at your disposal to rebut a claim that you had no bona fide intent to use the mark in question at the time of filing must be evaluated on a case by case basis. However, one can conclude from the TTAB's decision that, in addition to simply filing an intent-to-use application to secure rights to a mark, one should actively document and maintain evidence of applicant's activities leading to the actual use of the mark in commerce.

If you have any questions relating to this Law Alert or other trademark or copyright issues, please contact a member of Niesar & Vestal's intellectual property or business group.