

Publications

Intellectual Property Alert: Supreme Court Decision Sheds Light on Examination of .COM Trademark Applications

Related Professionals

Maureen E. Kelly

Related Services

Intellectual Property

Trademarks

CLIENT ALERT | 7.1.2020

On June 30, 2020 the United States Supreme Court ruled in *Patent and Trademark Office v. Booking.com B.V.* that the travel website company Booking.com could register a trademark in its name BOOKING.COM. The central inquiry was whether the entire mark, which is comprised of the otherwise generic terms BOOKING and .COM, is generic or distinctive enough to function as trademark under the Lanham Act.

“Generic.com” Marks Are Not Necessarily Generic

The Court did not accept the Patent and Trademark Office’s position that when a generic term (BOOKING) is combined with a generic internet domain (.COM), the combination is always generic. Instead, it considered the individual mark’s meaning to consumers. Justice Ginsburg, writing for the majority, stated “[t]hat bedrock principle of the Lanham Act is incompatible with an unyielding legal rule that entirely disregards consumer perception.” Such marks must be examined on a case-by-case basis for registration eligibility.

Background

Under the Lanham Act, generic and merely descriptive terms are generally not considered eligible for registration on the Principal trademark register. This prohibition is borne of a concern that no trademark owner should be able to monopolize a term other parties need in order to describe their products. For example, the Court noted that WINE, a generic term, is by itself incapable of functioning as a trademark. An exception to this rule is that descriptive marks “which have achieved significance in the minds of the public” to identify an applicant’s goods or services can be eligible for trademark registration if they have “acquired distinctiveness” in the minds of consumers. However, no generic term can acquire distinctiveness.

Discussion

A bulk of the discussion centered on the question of whether taking two generic terms – BOOKING + .COM – and putting them together, could yield anything other than a new generic term. The Court concluded that the composite mark was not necessarily generic. It is a bedrock trademark principle that a mark must be considered as a whole for its quality, and not broken into isolated parts in an analysis of capability to serve as a trademark. Generic terms are a “genus”, or category name, of a group of goods or services. BOOKING.COM, the Court noted, does not name a category of goods or services. One cannot imagine a real conversation in which Person A asks Person B “where did you buy that booking.com?” in the same way one would ask where someone bought his or her plane tickets or shoes. The Court noted previous examples of “generic.com” marks which had achieved some level of registration in the Trademark Office including ART.COM and DATING.COM. Since marks in this category are, as the Court held, neither per se generic nor descriptive, they must still be examined by the Patent and Trademark Office on a case-by-case basis.

The Court declined to equate this case with the ruling in *Rubber Glove Mfg. Co. v. Goodyear Rubber Co.*, 128 U. S. 598 (1888). In that case, the Court found that adding the word COMPANY to an otherwise unregistrable mark did not render the compound mark registrable. .COM marks are different from COMPANY marks because the .COM element conveys to consumers that the mark is associated with one particular website and is therefore exclusive. This exclusivity is absent from names like “Wine, Inc.” or “The Wine Company”.

The Court rejected the Patent and Trademark Office’s contention that granting registration to the BOOKING.COM marks would secure an unfair monopoly by preventing others in the travel industry from using the term “booking” or adopting domains such as ebooking.com or hotel-booking.com. Certainly, BOOKING.COM is a weaker mark than fanciful marks like KODAK or arbitrary marks like APPLE for computers because of its descriptive nature, but, as the Court stated, “[t]rademark law hems in the scope of such marks short of denying trademark protection altogether”. This means that BOOKING.COM’s scope of protection against junior marks will be narrower than that of a stronger, less descriptive mark. And Booking.com would not be able to stop all third party uses of the term “booking”, only BOOKING.COM exactly.

The four BOOKING.COM marks at issue were all deemed descriptive and, because the applicant was able to prove that the marks had acquired distinctiveness in the minds of consumers, the Court found that the marks should be granted federal registrations.

Practice Tip

It may be now more tempting to seek registration of a “generic.com” mark. However, this ruling does not open the door for registration of any such mark. This ruling only applies in a limited set of circumstances, where, like BOOKING.COM, a mark is relatively well-known. Marks deemed to have a generic meaning to consumers will still not be eligible for federal registration. Whether a “generic.com” mark is itself generic will still be considered on a case-by-case basis by individual trademark examiners at the Patent and Trademark Office. Because of the subjective nature of trademark examination, it is notoriously difficult to predict whether any one mark will achieve registration status without a fight. Furthermore, in a lawsuit, it is likely that expensive survey evidence or other strong evidence of distinctiveness will be needed to prove

the “generic.com” mark has “acquired distinctiveness” beyond its innately generic elements.

So it is still best practice to select strong, distinctive marks when choosing and vetting new brand names. Not only will their source-identifying power be stronger, but their scope of protection will be broader. A strong mark has the added value of less time and money spent arguing that a mark has the required level of distinctiveness in the trademark prosecution process.

If you are using your website URL as your primary house brand, consider speaking with a Vorys attorney about your options to apply for trademark protection if you have not already done so.