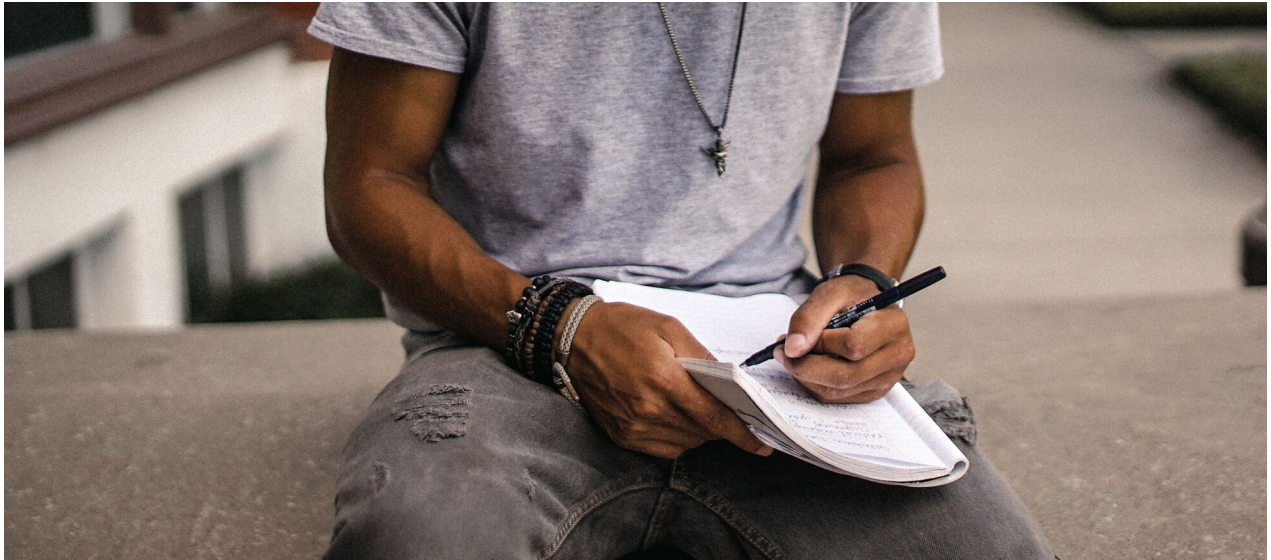


# GENIUS NOTES

SIMPLIFYING THE TRADEMARK PROCESS



## GEMS DROPPED

What it is.  
Why it's important.  
Steps involved.

## TRADEMARK CLEARANCE

Understanding the Most Important Step in the Trademark Process

If you are considering registering your brand name or logo as a federal trademark you should know that there are two important steps in the trademark process. The first step is the trademark clearance + the second is the trademark registration. Skipping the trademark clearance is risky. It can also be a very costly mistake. Why? Because pending trademark registrations can be opposed + registered trademarks can be cancelled.

A pending federal trademark can be opposed by any registered or unregistered trademark owner who believes that they, too, have a right to the trademark for which you're seeking ownership. The opposition proceeding can be very costly and continue on for years. • A registered federal trademark can be cancelled even after it's been approved by the United States Patent and Trademark Office (USPTO). Cancellations are initiated by registered or unregistered trademark owners who believe that they have a right to the name and that their right carries weight over yours. Or, they believe that your registration was wrongfully granted.



## WHAT IS A TRADEMARK CLEARANCE?

A trademark clearance is a full review of common law (unregistered) trademarks, pending federal trademark applications, abandoned federal trademark applications, expired federal trademarks + current federal trademarks

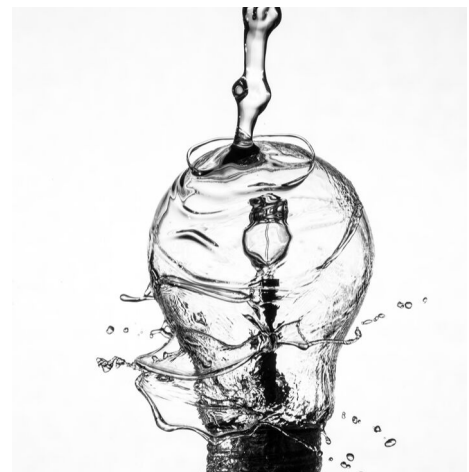
The goal of trademark clearance is three-fold. The first goal is to determine if there are any potential roadblocks to successfully registering your trademark with the USPTO. Next, the goal is to make sure that you're not infringing on anyone else's trademark. Overall, the goal is to reduce the risk of having your trademark opposed or cancelled after you've invested, financially + emotionally, in your brand and the process of growing it.

The trademark clearance process involves more than performing a public search on the USPTO TESS website, or search Google. It involves four steps.

### STEP ONE, INITIAL SEARCH.

Trademark infringement does not just exist when your brand name is copied word-for-word, or when there is an exact replica of your logo. It exists when under the law, two names or logos are so similar that there is a "likelihood of confusion". In other words, two potential buyers are likely to look at the two brand names or the two logos and reasonably assume that they come from the same company.

When a professional trademark clearance is done (also called a trademark search) the attorney or research firm uses several different search queries including phonetic variations and foreign translations to identify similar names (there's also a search process done for logos). They produce an extensive report which is then analyzed in the following steps.



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The trademark clearance process is a proactive step that identifies any potential issues up front, saving you time + money.



## STEP TWO, ATTORNEY REVIEW.

A trademark attorney reviews the search report results with two main objectives: to determine whether there is potentially trademark infringement and to determine the strength of your potential trademark in the market.

## STEP THREE, NAME ANALYSIS.

Next, the trademark attorney analyzes your proposed name to determine the strength of its use as a trademark. In plain terms, not every name — great or not — makes a strong trademark. In legal terms, the strongest trademarks are names that are fanciful or arbitrary. Suggestive names fall right in the middle, these names suggest to the public what service you offer or product you sell without telling the full story. Descriptive trademarks are a complete no-no. The attorney will analyze what category your mark falls into to determine whether it's likely to be successfully registered and whether it's a strong trademark that you will be able to defend in the future if others infringe on it. It's important to have a strong name that you can actually protect since you'll probably be promoting your company online.

## STEP FOUR, OPINION LETTER.

Lastly, the trademark attorney drafts an opinion letter that summarizes the analysis done in the prior steps. It documents that you've done your due diligence in hiring professionals to conduct a formal clearance for you. If you're seeking investors, they'll want to invest in well-vetted brands, rather than going into business opportunities where even the brand name or logo may be at stake. Likewise, if you want to sell down the road, it provides assurance to your buyer that you've done due diligence to legally own the brand while minimizing risk.

## IN A NUTSHELL.

Most immediately, this process will help you know whether you can proceed with a successful federal trademark registration or not. If your brand needs to be changed or modified, you should know before registering and continuing to invest in it. Alternatively, you'll have insight on what challenges may arise and a strategy for dealing with them — no one likes to face nasty surprises on the back end.

