THE BENEFITS OF OWNING A FEDERAL TRADEMARK REGISTRATION

The name of your golf course, your brand or trademark, is more important today than it has ever been. As products and services are quickly commoditized, and empowered consumers are flooded with information, customer experience has become the new method of differentiation. Customers expect a consistent and compelling experience. Preserving the integrity of your brand is necessary to providing and maintaining that consistency. The most important way to preserve your brand and control your image is through trademark law.

The primary methods for trademark protection are: (a) common law, (i.e., unregistered) trademark rights through use of a trademark in the marketplace, (b) state trademark registration, and (c) federal trademark registration. Trademark protection under common law is narrower in its geographic scope and requires more proof in a court. State trademark registration provides some benefits, but is limited to the state in which you have registered your mark.

Federal registration, on the other hand, provides several benefits that will be discussed and contrasted below. Although it is not necessary to register your mark in order to assert trademark rights, relying solely on the common law rights can be more difficult and more expensive. The top three shortcomings of common law trademark rights are:

1. Common law rights require proof of prior and continuous use.
   The trademark owner asserting these rights must prove that he/she was first to use the mark and that this use has been continuous. Meeting this standard is not only costly; it can require extensive research for old documentation or knowledgeable witnesses.

2. Common law rights are restricted to the geographic area where the mark was previously and continuously used.
   If golf lessons are sold under the name EXTREME SWINGS in the Waco, Texas area only, then common law trademark rights to that name exist only in Waco. If another golf shop later begins to market a different golf experience package in California under the same name (assuming they had no knowledge of the Extreme Swings company), then there would likely be no trademark infringement. This is because the owner of a common law trademark only has rights in the particular geographic area where the unregistered trademark has been used, advertised and is recognized—and thus, the owner probably cannot stop others in remote geographic areas from later adopting the same trademark.

3. The available remedies are limited under common law.
   When an infringement of an unregistered trademark occurs, the owner's remedies will likely be limited. For example the owner may not be able to recover its attorneys' fees incurred in protecting the mark.
Federal trademark registration is the most effective way to protect a company's name or logo, which is often a company's most valuable asset. Federal registration has several advantages over common law trademark rights, including that federal registration:

1. Provides greater protection
   After registration, the trademark owner is granted exclusive nationwide ownership of the mark, which provides official notice to others that a trademark is already taken. A company later adopting a confusingly similar trademark cannot claim ignorance of the mark or claim that their mark was created "in good faith." Note, however, that a federal registration does not cut-off existing common law rights prior to the date of the application. Therefore, it is important for brand-owners to consider filing for a federal trademark as early as possible.

2. Deters others from using your trademark
   By registering a trademark you obtain the right to use the ® symbol when the mark is used for the goods and services listed in the registration, putting competitors on notice that you are serious about protecting your rights. Your registration can also be more easily found by others in a trademark availability search, thereby preventing problems before they even begin by discouraging others from using confusingly similar marks in the first place.

3. Affords legal presumptions and additional remedies
   Registering a trademark grants the trademark owner the right to sue in federal court where the trademark owner will receive the presumption of being the valid owner of the trademark. The owner of a registered trademark may also receive, depending on the circumstances, a significant monetary award from an infringer. A court may award attorneys' fees, the infringer's profits, costs, and up to triple the presumed damages suffered in order to compensate the trademark owner.

4. Carries benefits beyond trademark protection
   Once a trademark has been properly registered, the United States Patent and Trademark Office (USPTO) will refuse registration to any later-filed trademarks that it deems confusingly similar to the registered trademark. A trademark owner thus enlists the power of the Government in helping to discourage other confusingly similar uses.

Registration also provides significant protection online. For example, registering a trademark increases the likelihood of success in filing of a dispute resolution policy for an infringing Internet domain name and many social media platforms will request registration information when investigating trademark disputes under their own policies.

Should you need any assistance in registering for a trademark, monitoring a third party’s use of your trademark or assistance, creating a demand letter, or any other issue please email Jared
Williams at jwilliams@ngcoa.org or call 843-709-2238 for further assistance.