

NAMES & TRADEMARKS

- What is a trademark?
- It can be a logo, word, design identified with a product or service.



What is the purpose of a trademark?

- To enable the owners of the mark to use it exclusively for their products or services or to license others to use it.
- To protect the trademark owners' business interests as symbolized by their trademark.
- To protect the public against confusion by identifying the source of a product (as opposed to other sources).

When is there an infringement of a trademark?

When a mark is adopted that is sufficiently similar to someone else's mark so as to cause possibly confusion among the public.

There are 4 types of marks

- 1. Generic names:
pertain to an entire group or class of things (generally not protected)
computer; is generic; *Apple computer* is not;
Cola is generic; *Coca-Cola* is not;
corn flakes is generic.

- 2. Descriptive names:
describe the intended purpose, function, use or characteristic of the goods (generally not protected)
Gold Medal (flour), *Blue Ribbon (beer)*, *Tasty Bread*, *Yellow Pages*
- But subsequent secondary meaning will be protected (where public no longer associates the words with the literal meaning).
Holiday Inn, *Whole Foods*, *Save-on Drugs*

- **3. Suggestive names:**
not merely descriptive but somewhat fanciful and imaginative (strongly protected)
- *Greyhound (bus), Tide (laundry soap)*

- 4. **Fanciful and arbitrary names:**
(strongest protected of all marks)
- **Fanciful:** (made up names)
Kodak (photography equipment), Clorox (bleach), Cutex (fingernail products), Sanka (coffee); Xerox (copier)
- **Arbitrary** (no connection to the product)
Camel (cigarettes), Apple (computer); Shell (gasoline); Black & White (scotch)

What happens when a fanciful name starts becoming generic?

Xerox, Kleenex, Band-Aid, Q-Tip, Cellophane, Escalator, Aspirin, google

McDonald's Corporation v. Quality Inns, International, Inc.

- Quality Inns planned to open 300 new inns in the next 3 years, to be called *McSleep Inns*
- McDonald's threatened to sue for trademark infringement; they had previously successfully sued *McBagel* (a NY deli)
- Quality Inn's response: theirs was a nonfood product (there were to be no restaurants in the hotels)
- McDonald's response: Name recognition (the prefix *Mc* is associated by the public with McDonald's)

Issue: *Has Mc- become a generic prefix?*

- Historically *Mc-* is a *patronymic prefix*:
McCarthy, McDougal, McKinley, McDonald
- McDonalds asserted it was creating a "*Mc-language*" for its own products"(94 citations).
- *McMuffin, McWaffle, McGriddle, McSkillet, McFries, McShake*

Quality Inns calls on Roger Shuy (a linguist)

- *Mc-* is commonly used in the press and advertising with common words (94 citations) :
- *McArt, McBook, McFashion, McMagazine, McNews, McOil Change, McOffice Supply*

Quality Inn's argument: The prefix *Mc-* has become generic connoting:

- Basic
- Convenient
- Inexpensive
- Standardized

- California Law Review: "McLaw: Lawyering for the masses (about easily accessible and inexpensive basic legal services).
- "Forbes magazine: "McArt" (about mass-marketing art stores that are open 7 days a week).
- Erma Bombeck, syndicated columnist: "McStory on the paper's front page" (about the preoccupation of the media with certain stories e.g. the octoplets)

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McDonald's argument

By virtue of extensive advertising and sales effort and expense and maintenance of the highest standards of quality and service by McDonald's, "McDonald's" and its "Mc" formative marks have come to be so distinctive and well recognized that the vast majority of consumers upon seeing the marks identify them with McDonald's.

How was the case decided?

- Quality Inns' argument that the hotel business was not in competition with the restaurant business did not prevail.
- Nor was the judge swayed by the extensive use of the prefix *Mc-* in the public media.

The judge ruled:

1. The prefix *Mc-* had **not** become generic.
2. The marks were not fanciful and entitled to protection.
3. There was a showing of likelihood of confusion.
4. The holder of *Mc-* was entitled to protect its mark in the area of lodging.

So what did Quality Inns do?

They had to find a new name.

SLEEP INN



SLEEP INN

"McCurry wins row with McDonald's"<http://news.bbc.co.uk/1/hi/world/asia-pacific/8243270.stm>

The American fast-food giant McDonald's has lost an eight-year legal battle to prevent a Malaysian restaurant calling itself McCurry. McDonald's argued that the use of the "Mc" prefix infringed its trademark. But the Federal Court in Kuala Lumpur ruled that there was no evidence to show McCurry was trying to pass itself off as part of the McDonald's empire. The owner of McCurry insists its "Mc" prefix is an abbreviation for Malaysian Chicken Curry.

McDonald's, which has more than 180 outlets in Malaysia, first sued the McCurry restaurant in 2001. McDonald's has more than 180 outlets in Malaysia. A High Court ruled in favour of the international chain in 2006, but then McCurry took the case to the Court of Appeal, which overturned the ruling. McDonald's then went down its final legal avenue, taking the case to the Federal Court. But chief judge Arifin Zakaria said on Tuesday that the three-member panel had unanimously dismissed the application. "We feel great that this eight-year legal battle is finally over," McCurry owner P Suppiah told reporters. "We can now go ahead with whatever we plan to do such as opening new branches," he said. McCurry opened for business in Kuala Lumpur in 1999, and serves Indian dishes, including fish head curry and breads including tandoori naan. Lawyers for McDonald's told the Associated Press news agency that the company accepted the judgement.
