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ALERT

Supreme Court Ruling Paves the Way for Potential Registration of "GENERIC.COM" Trademarks

On June 30, 2020, the U.S. Supreme Court held in *U.S. Patent & Trademark Office v. Booking.com B.V.* that a generic term could be eligible for federal trademark protection when combined with a website domain (i.e. "GENERIC.COM") if the "GENERIC.COM" mark as a whole acts as a source identifier to consumers. In other words, a generic term that could not otherwise register for federal trademark protection, may be transformed into a protectable descriptive term when combined with ".com". This holding rejects the longstanding United States Patent and Trademark Office ("USPTO") policy of denying registration to marks combining a generic term with a website domain.

Background on Trademark Protection

In order to be eligible for trademark protection, a mark must be distinctive. Generic terms alone cannot be distinctive and protected as trademarks because they merely identify categories of goods or services. On the other hand, descriptive terms that refer to attributes of goods or services, although not necessarily distinctive, may be eligible for trademark protection if they have acquired secondary meaning such that consumers identify the term with the source of the goods or services. This distinction under trademark law places great significance on whether a word or symbol is deemed "generic" or "descriptive."

USPTO v. Booking.com B.V.

In 2011 and 2012, the USPTO rejected four trademark applications for "BOOKING.COM" filed by the hotel booking company, Booking.com. The USPTO determined that the marks were not eligible for federal trademark protection because they were generic, or alternatively, descriptive but lacking secondary meaning. The Trademark Trial and Appeal Board affirmed the decision holding that "BOOKING.COM" is a generic term for these types of hotel reservation services.

In 2017, Booking.com appealed to the U.S. District Court for the Eastern District of Virginia, which held that, while "booking" is a generic term for these types of services, "BOOKING.COM" is a descriptive mark. The district court further held that the mark had acquired secondary meaning and could be protected under trademark law because consumers identified "BOOKING.COM" as a brand name.

On appeal, the U.S. Circuit Court for the Fourth Circuit affirmed the district court's ruling, holding that a "GENERIC.COM" mark may indicate the source of the goods or services to the public and is therefore not automatically ineligible for trademark protection. The U.S. Supreme Court granted certiorari on November 8, 2019.

The Supreme Court held that a "GENERIC.COM" mark is protectable when the mark signifies a specific brand to consumers as opposed to an entire class of goods or services. In doing so, the Court (i) rejected the USPTO's bright line rule that adding ".COM" to an otherwise generic mark could never create a non-generic mark and (ii) emphasized that the mark must be considered as a whole in determining whether it is sufficiently distinctive to qualify for trademark protection. In this case, the Court determined that, although the word "booking" was a generic term for the services provided, "BOOKING.COM" had acquired secondary meaning to consumers so as to

identify a specific provider of hotel reservation services.

Potential Impact and Significance

This decision significantly expands the availability of trademark protection to domain names with generic terms that would have otherwise not qualified for trademark protection. However, this ruling does not signify that all generic marks are now protectable as trademarks. Rather, such generic terms, when combined with a website domain, can potentially become protected trademarks if they have acquired secondary meaning such that consumers see the mark, taken as a whole, as a source identifier rather than as merely a description of a service or product.

Businesses that have built a ".com" brand will face considerable challenges in evidencing an acquired secondary meaning. This will be a particular struggle for smaller businesses that may not be able to afford the level of advertising necessary for consumers to widely recognize their marks as source indicators. Without this level of brand awareness, it is unlikely that such a mark would qualify for registration on the USPTO Principal Register of trademarks. However, if registration of a mark on the Principal Register does not initially succeed because of a failure to establish a secondary meaning, a business should also consider recording the mark on the Supplemental Register. Although the Supplemental Register does not provide many of the benefits and protections of the Principal Register, it does, among other things, provide the mark holder with the right to use the ® registration notice.

We will continue to monitor any significant developments on this issue. Please feel free to reach out to us if you have any questions or would like further clarification on this ruling or the availability of trademark protection.

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