

Making Your Mark: And Keeping It

Tips for Protecting Your Resort's Trademark.

By Lewis Gould and Christiane Schuman



Trademarks, no matter what the business, are valuable intellectual property assets. This article provides tips in dealing with four trademark issues every ski resort is likely to face, including: How to determine whether your trademark is actually a trademark; using the right symbol with your trademark; fair and not-so fair uses of your trademark; and trademark rights as they relate to domain names and websites.

What Is Protectable as a Trademark?

A trademark is a symbolic representation of the goodwill its owner puts into their particular goods and services. It's an indicator of source to consumers and represents the reputation behind the trademark owner. It's essential for the symbol you claim as your mark to be so unique that it's capable of distinguishing your goods or services from the goods and services of others. ♦

What Isn't Protectable as a Trademark?

Some symbols or words are not capable of functioning as trademarks because they are the generic term for a particular good or service, or they are descriptive of the goods or services they cover. For example, a ski equipment manufacturer today would not likely be able to register “parabolic” as a trademark for its parabolic-shaped skis. Parabolic was at one time a registered trademark but has since been canceled. Parabolic has been considered a descriptive term of a feature of the skis (their shape) and may even be considered a generic term for the skis, as the industry has adopted the term parabolic to mean skis that are skinnier in the waist, with the tips and tails being considerably thicker. Imagine if one equipment manufacturer claimed exclusive rights to the use of parabolic in connection with skis: This would unfairly prevent other manufacturers of parabolic skis from naming or describing their goods.

Ski Area Rights in a Trademark

Trademark rights in the U.S. are based on use, not on registration. To illustrate, if your ski area has been using a particular mark since 1985 in connection with a particular good or service, and another ski area goes out and obtains a registration for the same or similar mark in 2006, you have priority rights to that mark as the senior user.

For the very same reason, rights in a trademark may last forever or may die a lonely death, due to what is known as “abandonment.” In order to maintain the rights in your mark, the mark must be used in connection with the relevant goods and/or services consistently and continuously. If use stops for a significant period of time, the mark may be deemed abandoned, and the rights in and to the mark lost.

The continuous use requirement may prevent your ski area from claiming trademark rights in the name of a one-time event or exhibition. However, if it is an annual event or exhibition, the use requirement could be met and the name of the event would function as a trade or service mark.

The Right Symbol: Which One to Use and Which One You Are Allowed to Use

It is a common misconception that the question of whether to “mark” a trademark as “trademark” (™) or “registered” (®) is a matter of a marketing and advertising department's preference: This is not the case.

Any word or symbol that is being used as a trademark to identify the source of the goods or services offered under it is entitled to be marked ™. This includes marks that are federally registered. The ™ notice acts as a “no trespassing” sign, putting others on notice that the owner is claiming property rights in and to that mark.

Use of the ® is reserved exclusively for trade and service marks that are federally registered. This symbol puts the world on notice that the owner claims rights in that mark and that the mark has been recognized and registered with the United States Patent and Trademark Office (USPTO). It is unlawful to use the ® with your mark if it has not been registered.

There is no government penalty for not using the ® in connection with your registered mark, but failure to mark your ski area's registered mark as such may come back to haunt you. If you choose not to display the notice of registration with your mark, and you later sue another party for trademark infringement, your ski area will not be entitled to the same amount of monetary damages as it would if the trademark was marked “®.” An “infringer” may not use the mark owner's failure to display the notice of registration as a defense, but the damages awarded to the aggrieved trademark owner could be substantially lessened.

The bottom line is, for any trademark your ski area considers proprietary—whether or not there is intent to register it—the best practice is to put the world on notice of your ski area's rights by marking it with a ™. If your ski area's mark has been registered with the USPTO, it should unwaveringly be marked as such, with an ® or other statutorily prescribed notice such as “Reg. U.S. Pat. & TM. Off.” or “Registered in U.S. Patent and Trademark Office.”

Fair and Not-so-Fair Uses of Your Trademark

You may see your trademark displayed somewhere and be uncertain whether or not this display constitutes infringement. Instincts are a valuable tool in this respect and often the very basic rule of “no harm, no foul” will hold true. If your trademark is being displayed in a way that does not seem to pose any threat to the goodwill or reputation of your business, or take business away from you, then the use just might be “fair.”

Fair “use” of another's trademark is actually a misnomer, since “use” of another's trademark is considered fair when it does not actually amount to “use” under trademark law. For example, if the trademark is used as an individual's name or as a descriptive term to describe the goods or services of such party

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or their geographic origin, this may not be considered “use” of the mark in a trademark sense.

To illustrate, take the hypothetical example of the wildly popular Rocky Mountain hot spot of Marketme Mountain. Marketme Mountain owns the trademark “Marketme Mountain” in connection with ski resorts and ski resort services. If a real estate agent wants to advertise a property by stating it is “near to Marketme Mountain” or that it is “in the Marketme Mountain area,” the agent will be allowed to do so. Provided, however, the agent’s use of the Marketme Mountain trademark falls within the following guidelines:

- The realtor may use the name of the mountain if the geographic area or real estate services in question are not readily identifiable without use of the mark;
- Only so much of the Marketme Mountain mark is used as is reasonably necessary to identify the area or the service. For example, it may be considered “more than is reasonably necessary” if the realtor uses not only the Marketme Mountain mark but also uses Marketme Mountain’s unique and proprietary ski design. A determination of what is “more than reasonably necessary” must be made on a case-by-case basis; and

- The realtor must not do anything that suggests sponsorship, endorsement, or affiliation with the owner of the Marketme Mountain trademark.

Another example of where use of the Marketme Mountain mark may be considered fair is in the context of parody or editorial comment. This might arise if your ski area is the subject of a particular cartoon or editorial. Or, more commonly, this might arise where someone has registered a domain name comprised of the name of your ski area and a derogatory word.

For example, if someone registers the domain name www.marketmesucks.com and the connected website posts social commentary with respect to the resort’s policies, this may be considered fair use. For this reason, businesses have started proactively registering domain names that incorporate their own name and “sucks.”

Unfair Trademark Use

In every ski season, you are inevitably going to see new ski equipment or clothing with the name or trademark of a well-known ski area splashed all over it. It may be that these goods are being offered under license from the trademark owner. However, if the use of the trademark is not authorized and is

Ski-related Trademarks

Boardercross

Huck (clothing and footwear)

Demo (ski racks)

Super G (ski goggles)

Telemark (clothing)

Tahoe (tarpaulins)

Alpine (cough syrup)

Alpine Rescue (toys)

Mountain Sports Learning Center

(ski lessons - registered by
Sugar Bowl, but abandoned 1997)

Ski Bar (discotheque)

Ullr (ski racks)

Moon Boot (after-ski boots)

Ski more. Pay less. (ski lift ticket sales)

Yoga (ski suits)

Hofbrauhaus (ski bindings)

Coffee (ski boots)

Math Can Take You Places (ski boots)

likely to mislead consumers, this may constitute trademark infringement and should be addressed. This is true whether the trademark is registered or not.

The basis of trademark law lies in promoting competition while protecting consumers. If the name of your ski area is displayed on a ski jacket, a consumer is likely to think that your mountain sponsors or endorses that type of jacket and may purchase the jacket on this basis alone. The consumer might associate your name with quality and assumes that your name on the jacket is a sign of quality. Thus, "policing" your ski area's mark, or actively enforcing your ski area's rights in the mark, is essential to maintaining those rights. If you are aware of infringement, you should consult an attorney.

Domain Names and Internet Websites

In today's technology-efficient world, visitors to your ski area are no doubt learning about your ski area via the internet. Most ski areas today have a web page with information about everything from reservations to hospitality to current ski conditions. Someone who is planning a trip to your area is likely to anticipate reaching your website by typing in the name of your ski area, preceded by a "www" and followed by a "dot com." Our fictitious example for

this article is the wildly popular Rocky Mountain resort and town of Marketme Mountain.

What happens if you missed the gondola and did not get a domain name registration for the name of your ski area before someone else—typically a cybersquatter—did? It is important to note that domain name registrations are issued on a first-come, first-served basis. More importantly, there is no requirement that a potential registrant show his rights in the domain name before being issued the registration. In other words, Joe Schmo, a cybersquatter from Nassau, Bahamas, can go out and register www.marketme.com or www.marketmemountain.com as long as these names are available. The only thing that could stop him is prior registration of the domain names by another.

As businesses and individuals are growing more proactive and registering domain names in connection with their names and trademarks, cybersquatters are also getting more and more savvy about the methods they use to squat. One example of this is “typo-squatting.” In the case of typosquatting, the cybersquatter may register www.markettme.com or www.marktme.com, knowing chances are good that people looking for “Marketme” on the web may accidentally type in two “t’s” or miss an “e” when attempting to type Marketme in the browser.

There is no requirement that a party with interest “stock-pile” all possible variants of its name into domain names. Nor is the failure to register a name variant domain name a defense to cybersquatting. However, cybersquatting should still be seen as a threat to your business. In many cases, the cybersquatter will post links to a competitor’s site, or, in some cases, post negative and disparaging material.

It is a good practice to play around with your name every once in a while and see what variants you can come up with that other parties have registered as domain names. You might be surprised at how many you find. If you find websites that are of particular concern, you should consult an attorney and immediately put the questionable domain name registrant on notice of your rights.

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Christiane Schuman is an associate in the Intellectual Property Practice Group of Duane Morris LLP. Scheduled as an Arrival Day Program to the NSAA National Convention, Duane Morris LLP will host a panel discussion titled “Trademark and Intellectual Property: Protecting Your Company’s Assets.” More session details can be found in the brochure enclosed in this issue of the NSAA Journal. ■