



July 6, 2020

The United States Supreme Court Rules Generic Trademarks Terms with a .com Suffix Eligible for Registration

In an 8-1 decision, written by Justice Ruth Bader Ginsburg, the United States Supreme Court rejected the bright-line rule of the United States Patent and Trademark Office (“USPTO”) that the addition of a top level domain such as “.COM” to an otherwise generic word yields a generic composite that is incapable of being registered and protected as a trademark. In *Patent and Trademark Office v. Booking.com B.V.*, 591 U.S. ____ (2020), the Court held that BOOKING.COM is not per se generic just because the term “booking” is generic, and therefore BOOKING.COM is capable of being registered as a distinctive trademark if consumers perceive it as such.

A word is generic when it is the name of the class of products or services it identifies. For example, “automobile” is generic for cars, and “booking” is generic for hotel reservation (i.e., booking) services. Generic words cannot be protected as trademarks. The USPTO refused registration of BOOKING.COM, reasoning that the mere addition of .COM to a generic word cannot take the composite out of the generic category and therefore the composite is unprotectable and unregistrable. The Court, following a recently developed pattern of rejecting rigid, “black and white” rules, rejected the USPTO’s rule and found that BOOKING.COM may be capable of having trademark significance and may be registrable at the USPTO because the term has been shown to have source-identifying significance beyond the generic character of its components.

Distinctiveness of a Trademark

A trademark (or service mark) is a word, phrase, symbol, design, or other device that identifies and distinguishes the source of the goods or services of one party from those of others. Although trademark registration is not a prerequisite to protection, registration provides the owner with valuable benefits. For a mark to be registered, the mark must be distinctive with respect to the owner’s goods or services. The more distinctive (and the less descriptive) a mark is for the relevant goods or services, the broader protection it will be afforded against others’ uses of similar marks, a principle that tends to run counter to the thinking of many entrepreneurs who want their trademarks to describe their products or services.

Conceptual distinctiveness of wording as applied to goods or services is often thought of in terms of an increasing continuum from “(1) generic; (2) descriptive; (3) suggestive; (4) arbitrary; or (5) fanciful.” *Two Pesos, Inc. v. Taco Cabana, Inc.*, 505 U.S. 763, 768 (1992). At one end of the continuum are designations that are suggestive, arbitrary, or fanciful; they are “inherently” distinctive and qualify for trademark registration without any additional showing of distinctiveness (of course, these marks still need to meet other threshold criteria such as not likely to cause confusion with a prior registered mark). A descriptive designation may become distinctive but only after it is so widely used that consumers come to associate the mark exclusively with the owner’s products or services, and even then the owner must live with others’ descriptive uses of similar wording. At the opposite end of the continuum are generic designations; they are categorically incapable of having trademark significance, no matter how widely such terms are used and no matter how much proof of distinctiveness a purported owner marshals.

Inherently Distinctive Marks

A fanciful mark is a combination of letters or symbols that do not signify anything other than the product or service to which the mark has been assigned. For example, EXXON or KODAK, which signify only the products sold under those marks.

An arbitrary mark is recognizable wording used for products or services that are completely different than would ordinarily be associated with that wording—as if the trademark were arbitrarily assigned. For example, CAMEL for cigarettes, or APPLE for computers. These words have meaning, but not in the context of the products sold under these marks.

A suggestive mark is wording that requires some thought or imagination to connect the wording with a product or service. For example, ROACH MOTEL insect traps, or TIDE laundry detergent. These terms relate to (or are “suggestive” of) the products or services or aspects of them, but they are still somewhat unique or clever and consumers must do some thinking about the relationship of the marks’ meanings to the respective products or services.

Descriptive and Generic Wording

A descriptive mark describes something about the goods or services it identifies. A descriptive mark is only eligible for registration if it has “acquired distinctiveness” or accrued “secondary meaning” in the eyes of consumers such that the meaning of the wording has come not only to describe something about a product or service, but also to signify and distinguish the source of the product or service. For example, the USPTO has accepted evidence that FROOT LOOPS for circle-shaped, fruit-flavored cereal has become distinctive and means in consumers’ minds that cereal bearing that mark comes from a single source. A descriptive designation cannot be protected as a trademark until after a significant investment is made to gain the requisite consumer perception, and there is risk that during the investment period intervening users of the same or similar designation could undermine prior users’ ability eventually to claim exclusive rights. Microsoft invested heavily in the term “Windows” and successfully established (in the face of USPTO resistance) that term as a Microsoft-sourced computer operating system instead of being a mere description of rectangular regions on a computer screen.

Generic wording categorically cannot be deemed to identify and distinguish an exclusive source of any goods or services because everyone must be able to use generic terms to refer to the products or services they identify. Everyone must be able to call wine “wine,” apples “apples,” and booking services “booking services.”

Until the *Booking.com* ruling by the Court, the USPTO had generally deemed designations consisting of generic wording combined with a non-source-identifying generic top-level domain (gTLD) as generic and without trademark or service mark significance. Now, the Court has clarified that such “generic.com” designations may in fact be protectable trademarks, but only if the public perceives them as such. That is, the relevant meaning of “generic.com” terms is the *meaning to consumers*, and such terms, including Booking.com, may indeed have the capacity to distinguish a purported trademark owner’s goods and services from those of others.

How the *Booking.com* Ruling Affects Trademark Owners

The Court placed in jeopardy all of the USPTO’s unbending rules, even the seemingly self-evident rule that an admittedly generic term such as “booking,” when combined with another admittedly generic top level domain, such as .com, .org, or .us, can yield a sum greater than its parts and present a potentially registrable mark—IF the composite can be shown to have been associated in the minds of consumers with a specific source of goods/services rather than simply signifying such goods/services in general.

Nothing in the Court’s decision undermines the traditional wisdom that, at least from a trademark rights standpoint, it is best to adopt a conceptually distinctive mark that is inherently registrable. Adopting and attempting to gain trademark rights in arguably descriptive or generic wording (i.e., wording that is not inherently distinctive and registrable) is costly and uncertain. For example, while the Court said Booking.com is not per se generic just because booking is generic, it did not say Booking.com will be afforded trademark protection, at least not without a significant showing that Booking.com takes on additional trademark meaning in the eyes of consumers, a showing that may require the purported trademark owner to invest more yet.

The *Booking.com* decision also necessitates some change to traditional trademark adoption and clearance processes. Specifically, until now, it has been considered fairly safe to adopt trademarks that play upon even well-known generic.com trademarks because such terms were widely believed to be unprotectable. Now that the Court has held otherwise, trademark owners and their counsel can no longer overlook generic.com trademarks and must weigh them into the trademark clearance analysis. Although trademarks such as Booking.com will presumptively be granted a narrow scope of protection because of their inherent weakness, the scope of such protection will be determined on a case-by-case basis, and trademark owners will be well served to retain experienced trademark counsel to help them navigate this new landscape.

Additional Information

Kutak Rock’s Intellectual Property Group is comprised of attorneys who have extensive experience in counseling clients on trademark issues, including evaluating whether a mark can and should be adopted and registered. If you would like assistance evaluating and handling these and other related matters, please contact one of the authors or any member of our [Intellectual Property Practice Group](#).

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