

PRACTICE FOCUS

DOCUMENTING BONA FIDE INTENT TO USE A MARK

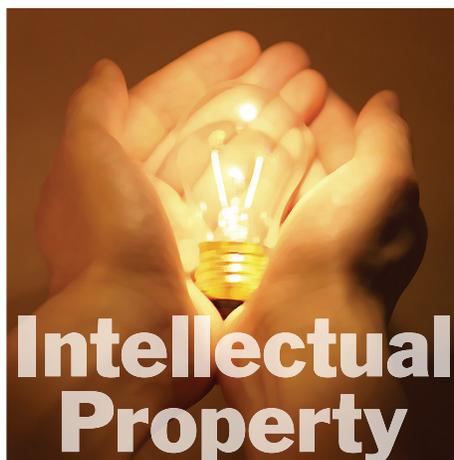
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Under the Trademark Act of 1946 as amended, a company need not actually be using a mark to apply for a trademark. It can base an application on a bona fide intent to use the mark in commerce. This is called an intent-to-use (ITU) application. While a suit to enforce the mark still requires the trademark holder to demonstrate actual use of the mark, the ITU application will preserve the applicant's right of priority to the mark, based on the filing date of the ITU application. A general counsel can take steps to arm his company with the necessary proof of bona fide intent, increasing the odds of prevailing over a later trademark challenge.

A number of benefits accrue when a GC's company preserves priority to a good trademark via an ITU application. For example, a company developing new products or rebranding existing products can establish priority to a mark before the products enter the marketplace. Businesses often make significant investments in selecting or designing a new mark. If a third party uses the same mark first, that investment could be jeopardized.

The ITU application isn't a one-shot deal. The filer can preserve its ITU rights for up to three years without actually using the mark in commerce by filing periodic extension requests with a declaration of continued bona fide intent to use.

The requirements for showing a bona fide intent to use a trademark apply to U.S. companies filing ITU applications under Trademark Act §1(b) and to non-U.S. companies filing applications in the United States 1. under Trademark Act §44 based upon foreign applications and 2. under Trademark Act §66 based upon international applications under the Madrid Protocol. The Madrid Protocol is a treaty that permits an entity to use a single international trademark application in one country for registration in other designated member countries. All such filings require a formal declaration of bona fide intent to use the mark in commerce in the United States



for all of the goods and services identified in the U.S. trademark application.

The Trademark Manual of Examining Procedure instructs Trademark Office examiners to accept a form bona fide intent-to-use declaration signed by the applicant. However, in proceedings contesting rights to a mark, federal courts and the Trademark Trial and Appeal Board (TTAB) have held that a bona fide intent to use a mark requires more than merely subjective good-faith intent to use the mark. It requires showing subjective intent and objective corroboration of the intent as of the time the application was filed.

The TTAB in *Honda Motor Co. v. Winkelmann* (2009) stated that such intent must exist at the time of filing and must continue until the mark is used.

General counsel need to think about objective facts and evidence that will prove the bona fide nature of an ITU application. In *SmithKline Beecham Corp. v. Omnisource DDS, LLC*, (2010), the TTAB confirmed that efforts to file an application alone were not this type of evidence. Instead, "[I]t is evidence in the form of real life facts and by actions of the applicant."

Therefore, in addition to the standard declaration of a bona fide intent to use the mark, the well-prepared applicant should have contemporaneous and post-filing documents

proving the steps taken toward actual use of the intended mark for the intended goods. For example, gather documents showing product or service research or development, market research, manufacturing activities, promotional activities, steps to obtain required governmental approval and licensing efforts to prove the bona fide intent.

Specific kinds of documents helpful for this purpose could include internal memoranda, letters, e-mails, business meeting minutes (specifically identifying the trademark and the goods), labels, tags, packaging, artwork (or the commissioning thereof), invoices or purchase orders, market research, marketing plans, product development plans, letters to suppliers, application for government approval, license negotiations, travel vouchers related to the intended use, records of expenditures related to the preparation for use, press releases, Internet site reservations and Internet postings.

The corroborating documents should show the mark and the goods identified in the ITU application (or in the application based upon foreign or international rights). They also should be directed to use of the mark in the United States for the intended goods. Use in another country is not relevant evidence of intended use of the mark in the United States.

Documenting the intent to use in this manner is how the GC puts flesh on the bonafides of the intent to use the mark and enables himself to defend against others who might contest it.

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