

LOCKING DOWN THE LOGO:

How District Trademarks Empower Your Community One T-Shirt at a Time

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Agenda



What is a Trademark



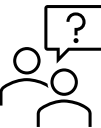
Types of Trademarks



Trademark Registration



Infringement



Controlling Your Trademarks

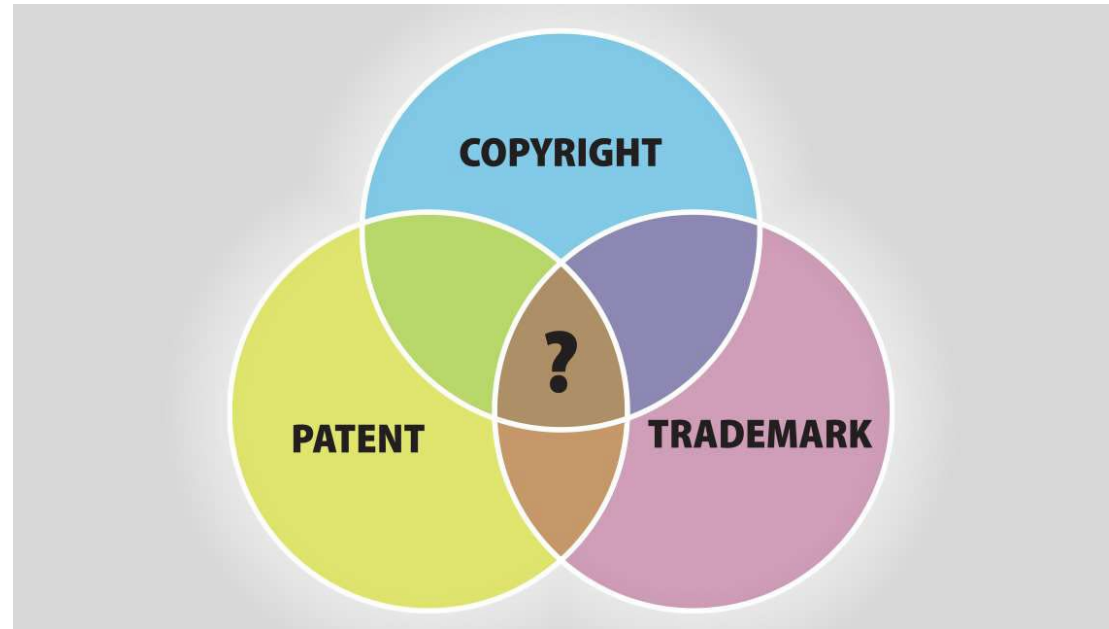
What is a Trademark?



- Trademarks are available in 2 forms:
 1. Trademark: A trademark is a word, phrase, logo, sound, color, smell, device, product, packaging, or design that functions to identify the source of the **goods** on which the trademark is affixed.
 2. Service Mark: A service mark is a word, name, symbol, or device (or any combination thereof) that services to identify and distinguish **services** from those of another person or firm.
- Trademarks fall under the umbrella term of Intellectual Property, which grant owners certain exclusive rights to a variety of intangible assets.

Distinguishing Trademarks from other Intellectual Property

- Intellectual Property may be identified as a (1) copyright, (2) patent, or (3) trademark.
- Trademarks, unlike copyrights or patents, protect “brand identifiers” like brand names, logos, and symbols used in commerce to distinguish goods or services, rather than creative works (copyrights) or inventions (patents).



What's In It For My District?

- Trademarks, or a lack of trademarks, can have large impacts on a school district's:
 - Branding
 - Community Pride
 - Potential Revenue
 - Controlled Use
- Things to Ponder:
 - Competitors
 - Private Schools
 - Charter Schools
 - Private Companies



Branding

- Trademarks help school districts establish and protect their brand identity.
- A distinctive logo, mascot, or slogan creates a recognizable and consistent image that fosters school spirit and loyalty.
- By securing a trademark, a school district ensures that its brand is associated with its educational mission, values, and reputation, preventing confusion by setting itself aside from other entities.



Community Pride



- A strong, trademarked brand can instill a sense of pride among students, alumni, and local residents.
- Recognizable symbols, such as a mascot or motto, help unify the community and reinforce school traditions.
- Trademarks prevent unauthorized use of these symbols, ensuring they remain a source of pride and are not diluted by external, unrelated uses.

Potential Revenue

- Trademarks allow school districts to generate revenue through licensing and merchandising.
- By selling apparel, accessories, and other branded products, schools can raise funds for programs, facilities, and scholarships.
- Controlling the commercial use of their trademark helps school districts capitalize on their brand's popularity while preventing others from profiting off their identity without permission.



Controlled Use



- A trademark gives schools district legal control over how its brand is used.
- This ensures that the school's name, logo, and other identifiers are not misrepresented or used in ways that conflict with its values.
- Trademarks also provide a legal basis for taking action against unauthorized or misleading uses, protecting the integrity of the school district's image.

Government Trademarks/Licensing

- Medical University of South Carolina (MUSC)
 - Utilizes trademarks to protect things like mission, vision, and value statements; MUSC logos (Health, Children's Health, etc.); insignia on marketing materials; etc.
- The United States Postal Service
 - The USPS owns the rights to several stamp images and logos, which distinguishes the USPS from its competitors by providing for recognizable visuals.
- The United States Marine Corps
 - Widely known for their trademarked slogan: "The Few. The Proud. The Marines."
 - Relies on trademarks to not only protect their slogan, but also as a method of ensuring that third parties properly obtain approval before selling Marine Corps products donning this slogan.



Registered Trademarks

State Registration

- Process: File an application within the state's trademark office.
- Scope of Protection: Provides rights within the registering state.
- Benefits: Offers public notice of ownership and can serve as evidence in legal disputes.

Federal Registration

- Process: File an application with the United States Patent and Trademark Office.
- Scope of Protection: Grants nationwide rights, regardless of the geographic area of use.
- Benefits: Provides a legal presumption of ownership, the exclusive right to market nationwide, and the ability to bring action in federal court.

Identifying the Symbols



Registered trademark symbol - The most coveted trademark symbol. It provides notice that your trademark is **registered in a given country** for goods/services sold under that name or logo. This tells consumers your mark is trusted, and cautions competitors not to use your name. This symbol may be used **only after trademark registration**.

TM

Unregistered trademark - The unregistered trademark symbol is used by entities selling **goods/services** under a given name. This serves as notice to the public that you are considering claiming your trademark rights. This symbol may be used **before, during, or without registration**.

SM

Service mark symbol - An uncommon symbol, the service mark symbol tells the public that you are seeking to protect the **services** sold under your trademark. This mark may be used without registration. This symbol may be used **before, during, or without registration**.

Common Law Trademarks

- Establishment: Rights are automatically acquired through the actual use of a trademark in commerce.
- Scope of Protection: Limited to geographic area where the trademark is actually used.
- Legal Standing: Enforceable in state courts; however, proving ownership and the extent of rights can be challenging due to the lack of formal registration.



Common Law vs. State/Federal Trademarks

Common Law Trademarks

- Protection only in geographic areas where the mark is actively used.
- The burden is on the owner to prove priority of use and reputation.

State/Federal Trademarks

- State/Nationwide enforcement rights.
- Listed in the State/USPTO database, putting the public on notice.
- Typically easier to stop infringers via court action, customs enforcement, or cease and desist letters.

South Carolina Trademark Registration

- Registration Process
 - Applicants must file the “Application for Registration of a Trademark or Service Mark” with the South Carolina Secretary of State.
 - The application fee is \$15, which is substantially lower than federal registration fees.
- Benefits of State Registration
 - Provides constructive notice of ownership within South Carolina.
 - Essentially, this affords a method of saying that anyone who uses your mark in South Carolina should be aware of its existence (thus, making the party aware of the trademark’s improper use) through its official registration.
 - Enhances the ability to enforce trademark rights under state law.
 - Serves as a deterrent against potential infringers within the state.

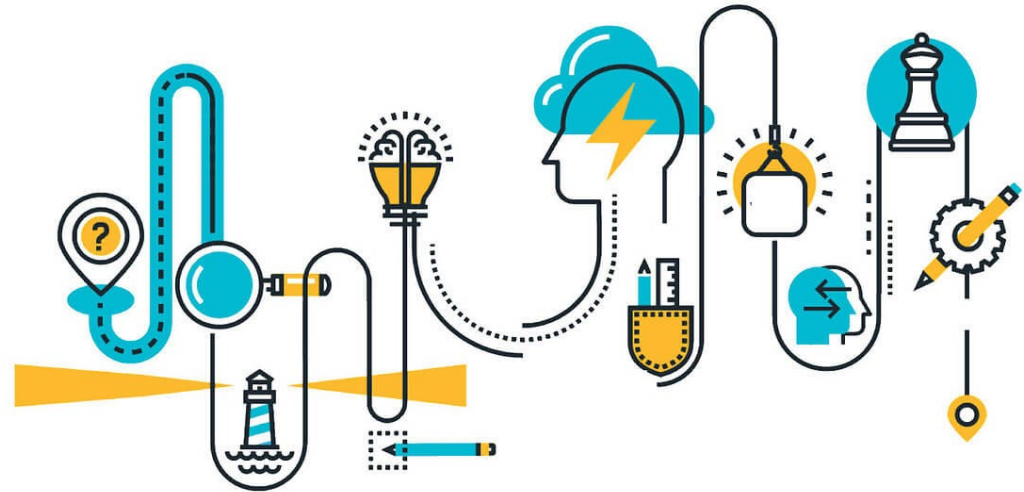
The United States Patent and Trademark Office (USPTO)



- The USPTO is the federal agency responsible for examining and registering trademarks at the national level.
- Benefits of Federal Registration
 - Nationwide protection and recognition of the trademark.
 - Listing in the USPTO's online database, providing public notice of the registrant's claim of ownership.
 - Ability to record the trademark with U.S. Customs and Border Protection to prevent the importation of infringing goods.

Federal Registration Process

1. Pre-Filing Steps
 - Conduct a Search: Check the USPTO database to ensure the trademark is not already registered.
 - Determine a Filing Basis: File based on current use or intent to use in commerce.
2. Application Filing
 - Submit via TEAS (USPTO website)
 - Key Info Needed: Owner details, goods/services description, and a specimen (if in use)
 - Fees: \$250-350 per class of goods/services
3. USPTO Review and Approval
4. If there is no opposition, the trademark is registered.



Costs for Obtaining Federal Trademarks

Total Federal Trademark Registration Costs

- USPTO Filing Fees
 - Per Class of Goods/Services: \$350
- Attorney Fees
 - Trademark Search: \$400
 - Application Preparation and Filing: \$950
- Total Estimated Cost: Approximately \$1,600

Legal Representation Before the USPTO

- Who Can Practice?
 - Attorneys: Any individual who is an attorney, as defined by the law, may represent others before the USPTO in trademark and other non-patent matters without applying for registration or recognition.
 - If you hire an attorney, it should be one who is experienced and can provide “competent representation” as established in SCRPC 1.1.
 - Non-Attorneys: Generally not recognized in practice before the USPTO in trademark matters, with limited exceptions.
- State Registration
 - Attorneys must be active members in good standing of the bar of the highest court of a U.S. state, territory, or the District of Columbia to practice before the USPTO.



ABLE South Carolina

- In 2018, ABLE South Carolina filed a trademark infringement suit against the South Carolina Treasurer's Office, alleging the Treasurer's Office program entitled Palmetto ABLE Savings Program constituted the unauthorized use of ABLE South Carolina's registered state trademark.
- The case ended with a mutually agreed settlement, favoring ABLE South Carolina's trademark.
- This case demonstrates the importance of protecting registered trademarks at the state level and emphasizes that state agencies may also be held accountable for infringement.

able
SOUTH CAROLINA


PalmettoABLE®
Savings Program

Sundance Botanicals, LLC v. Power of Elderberries, LLC.

- Two companies were feuding over whether the other was infringing on their trademark rights by using similar names for elderberry products (Elderpower and Power of Elderberries) being sold in South Carolina.
- Because of Power of Elderberries's existing common law trademark and continuous presence in South Carolina, the court ruled in their favor.
- This case underscores the importance of establishing and documenting the use of a trademark within a specific geographic area to assert common law rights.

Licensing

- Licensing: A legal agreement allowing another party to use a trademark in exchange for fees and royalties while retaining ownership.
 - Often used for merchandise, partnerships, and sponsorships to generate revenue.
- Key Components of a License Agreement
 - Scope of Use: Defines how, where, and on what products the trademark can be used.
 - Quality Control: Ensures licensed products maintain the school's reputation.
 - Royalties and Fees: Schools may charge a percentage of sales or a flat fee.
 - Duration and Termination: Sets time limits and grounds for ending the agreement.



Benefits and Risks of Licensing

Benefits

- Revenue Generation: Funds programs through sales of branded merchandise.
- Brand Control: Prevents unauthorized or inappropriate use of trademark.
- Community Engagement: Strengthens school spirit with official gear and partnerships

Risk

- Trademark Dilution: Poor-quality licensed products can harm the school's image.
- Unauthorized Use: Schools must monitor and enforce agreements to prevent infringement.
- State and Federal Compliance: Licensing must comply with state law (e.g., S.C. trademark statutes) and federal regulations under the Lanham Act.

Licensing Opportunities

- Booster Clubs and Parent Organizations
 - License trademarks (logos, mascots, slogans) for fundraising merchandise.
 - Allows clubs to sell apparel, accessories, or promotional gear.
- Private Companies and Local Businesses
 - Exclusive agreements with vendors for school-branded products (e.g., sportswear, stationery, etc.)
 - Revenue sharing models could support district expenditures.
- Event Sponsorships and Naming Rights
 - Corporate sponsorship for athletic events, stadiums, or facilities.
 - Licensed use of trademarks on event promotions, banners, and advertisements.

Infringement



- Infringement occurs when a party uses a trademark that is identical or confusingly similar to a registered trademark without permission.
- Key Legal Test: Likelihood of Confusion
- Courts look to the following factors to determine likelihood of confusion:
 1. Strength of the trademark being infringed;
 2. Similarity of the two trademarks;
 3. If no direct competition exists, likelihood that the prior owner will expand into the second user's market;
 4. Actual confusion;
 5. Quality of the second user's product;
 6. Degree of care likely to be used by purchasers; and
 7. Intent of the second user to pass off the trademark owner as the source of the goods or as the sponsor of the goods.

Infringement: A Local Case Study

- The University of South Carolina (UofSC) and the University of Southern California (USC) disputed over the interlocking “SC” logo used by both schools.
- In 2002, UofSC sought federal registration of its interlocking “SC” logo, but USC opposed, citing its prior registration and use of a similar interlocking “SC” design.
- USC ultimately retained exclusive rights to the interlocking “SC” logo, and UofSC adapted its logo to read “UofSC”.
- Recently, UofSC announced its intent to revert to “USC” for academic purposes, while maintaining the distinct athletic logo to avoid further confusion.



Enforcement Options for Infringement

- Cease and Desist.
- Abandon the challenged trademark.
 - Tends to be costly.
- Negotiate peaceful coexistence.
 - Emphasize distinguishing characteristics.
 - Allow use where there is little geographic overlap between the trademark owner and the subsequent “user”.
- Negotiate a license.
 - Provides for eased tension for a period of time.
- Deny similarities exist and claim the public is not confused by the trademark.
 - Risky.



Control of Use – Cease and Desist



- First step in enforcement when unauthorized use is detected.
- Often used for infringing merchandize, unauthorized school logos, or misleading affiliations.
- Effectiveness depends on the registration.
 - A federal registered mark typically has stronger legal backing than a common law mark.

Control of Use – Licensing

- As previously mentioned, licensing agreements allow schools to maintain control by generating revenue.
- Quality control clauses ensure trademarks are used in a way that upholds the school's reputation.
- Schools can revoke licenses if its terms are violated through contractual enforcement.



Public Domain vs. Fair Use – What’s the Difference?

Public Domain

- A trademark enters the public domain if it becomes generic (e.g., “door”).
- Once generic, rights are lost permanently.

Faire Use

- Does NOT mean free use.
- Nominative Fair Use: Using a mark to refer to the entity itself (e.g., a news article mentioning a school name).
- Descriptive Fair Use: Using a trademark in its normal dictionary meaning (e.g., using “wildcats” to describe actual wildcats and not a school mascot).

Key Takeaways on Trademark Control

- Monitoring is essential.
 - Schools must actively enforce their trademarks to avoid losing their rights.
- Licensing and cease and desist letters are primary enforcement tools.
- Common law trademarks require more effort to enforce than federal or state registered trademarks (it is possible to enforce them, though).
- Public Domain = Lost Rights
- Fair Use = Limited Exception (not free use!)

Enforcement: Case Studies

Chapman High School, Kansas

- Chapman was decimated by a hurricane, which made national news.
- Because of the attention on Chapman, Notre Dame University officials noticed that Chapman was using Notre Dame's mascot.
- Instead of licensing back the mascot to Chapman, Notre Dame utilized their trademark rights, requiring the school to stop using their mascot.



Southeast High School of Brandenton, Florida

- Southeast was using Florida State University's mascot and spear logo.
- The schools had a cooperative relationship for years until the College Licensing Corporation required Southeast to change the colors of their mascot and pay a licensing fee for the use of FSU's trademarked mascot and logo.



Enforcement: Case Studies

Lake Mary's High School

- Lake Mary's mascot was a ram, and they chose to use the Dodge Ram logo as a model for a painting in the center of their gym's floor.
- Because of this appropriation of a trademarked logo, the estimated cost of replacing the gym floor was \$15,000.

Lessons Learned

- Ensure your schools are not drawing too much inspiration, or using direct copies of, existing trademarks.
- The result of this appropriation may come in the form of litigation, incurred expenses, or pricy fixes for the use of existing trademarks.

QUESTIONS?

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