



Can California Chrome THREE-PEAT? Its Owners Sure Hope So

May 20, 2014

By [Paul A. Borovay](#), Associate

California Chrome, the horse that won both the Kentucky Derby and the Preakness Stakes over the last three weeks, has the opportunity to be the first Triple Crown winner in 36 years if it wins the Belmont Stakes on June 7. While California Chrome flirts with history next month, its owners are securing its rights in the horse's name to capitalize on its (potential) legacy.¹

As ESPN.com reported this morning,² Steven and Carolyn Coburn and Perry and Denise Martin, who make up the horse's ownership entity of Dumb Ass Partners, filed for the trademark CALIFORNIA CHROME, Ser. No. 86/281,678, for "[a]thletic apparel, namely, shirts, pants, jackets, footwear, hats and caps, athletic uniforms." According to the article, California Chrome's owners hope to cash in on licensing deals that are likely dependent on California Chrome winning at the Belmont Stakes.

California Chrome's owners will not be the only ones this spring hoping to cash in on an outcome dependent trademark. Pat Riley, the owner of the trademark THREEPEAT, Reg. No. 4,051,757, hopes to capitalize on the mark once again if the [Miami Heat](#) manage to repeat as NBA champions for a third straight year.³ Riley first applied for the THREE-PEAT mark in 1988, Reg. No. 1,552,980, when his [Los Angeles Lakers](#) were on the cusp of winning three consecutive NBA championships only to be swept by the [Detroit Pistons](#) in the championship series.

¹ ESPN.com reports that the horse was bred for \$10,500 and has now won \$3.45 million on the track. See http://espn.go.com/horse-racing/triplecrown2014/story/_/id/10957336/california-chrome-owners-file-trademark-horse-name

² *Id.*

³ As reported on this blog only July 25, 2012, there is some debate as to whether Riley or ex-Los Angeles Lake Byron Scott coined the term THREE-PEAT. Nevertheless, Riley owns the rights to the mark. See <http://blog.pattishall.com/2012/07/25/who-owns-a-trademark-jeremy-lin-wins-linsanity-as-anthony-davis-fights-for-his-unibrow/>



PATTISHALL
McAULIFFE
NEWBURY
HILLIARD &

GERALDSON LLP • 200 South Wacker Drive, Suite 2900 • Chicago, IL 60606-5896 • T (312) 554-8000 • F (312) 554-8015 • www.pattishall.com

These materials have been prepared by Pattishall, McAuliffe, Newbury, Hilliard & Geraldson LLP for general informational purposes only. They are not legal advice. They are not intended to create, and their receipt by you does not create, an attorney-client relationship.

While he was unable to exploit the mark in the 1980s, Riley has monetized it several times since then. For example, Riley reported earned over \$300,000 in licensing revenue when the [Chicago Bulls](#) won three consecutive championships (twice) in the 1990s.⁴ Meanwhile, the [New York Yankees](#) and Los Angeles Lakers have also won three consecutive championships each, adding even more licensing revenue to Riley's coffers.

Interestingly, Riley's first registration for THREE-PEAT, the '980 Registration discussed above, was cancelled in 2008 because he failed to file an acceptable declaration under Section 8 of the Trademark Act. Additionally, an individual filed a petition to cancel the '980 Registration in 2001, arguing that the mark did not serve as a trademark and had become generic.⁵ Holding that the petitioner failed to show that the mark did not function as a trademark or that the mark was generic, the Trademark Trial and Appeal Board ("TTAB") noted that a type of athletic accomplishment in itself (i.e., winning three consecutive championships) did not necessarily indicate that the term "conveys any meaning, let alone a generic meaning, about [Riley's] goods." Pet. Cancel, p. 9. Additionally, the TTAB stated that the placement of Riley's THREE-PEAT mark on t-shirts was consistent with how trademarks are generally used as a source identifier. *Id.* Last, the TTAB said that as long as Riley controls the nature and quality of his licensees' goods, "the mark does not have to indicate a single physical source of the goods, but may also indicate a single, i.e., consistent, source of quality, regardless of the actual physical source or producer of the goods." *Id.* at 10.

While Riley's most recent THREEPEAT mark, Reg. No. 4,051.757, was filed in 2010 under Section 2(f), there remains the question whether the mark has now become generic for the feat of winning three consecutive championships. While the petition to cancel the mark was unsuccessful in 2001, a mark can become generic over time. With more teams winning consecutive championships, and with more individuals invariably using the mark in a descriptive or generic manner for winning three consecutive championships, time will tell whether someone will contest the marks validity in the future and what will be the ultimate result.

With that said, Riley's ability to monetize a mark that only has value when a series of exceptional events occurs in the future proves that patience really can pay off. While it may look like California Chrome's owners' gaze is affixed on the finish line on June 7, their foresight to file a trademark application last week demonstrates that their vision for both California Chrome and CALIFORNIA CHROME really starts when the race is over.

* * *

[Paul A. Borovay](#) is an associate with [Pattishall, McAuliffe, Newbury, Hilliard & Geraldson LLP](#), a [leading intellectual property law firm](#) based in Chicago, Illinois. Pattishall McAuliffe represents both plaintiffs and defendants in [trademark](#), [copyright](#), and [unfair competition trials and appeals](#), and advises its clients on a broad range of domestic and international intellectual property matters, including [brand protection](#), [Internet](#), and [e-commerce](#) issues. Paul's practice focuses on litigation in [trademark](#), [media](#), [online gaming](#) and [entertainment](#), [advertising](#), as well as [trademark prosecution](#) and [counseling](#).

⁴ http://espn.go.com/nba/story/_/id/9360787/miami-heat-owner-pat-riley-had-foresight-patent-three-peat-not-three-heat-espn-magazine

⁵ Christopher Wade, Pet. Cancel No. 21,869, 2001 WL 1028372 (Trademark Tr. & App. Bd. Sept. 6, 2001).