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“ [THE SUPREME COURT’S DECISION] CLEARS A PATH FOR THE OWNERS OF OTHER ‘GENERIC.COM’ BRANDS TO REGISTER THEIR MARKS IF THEY CAN DEMONSTRATE THAT CONSUMERS PERCEIVE THE TERM AS A TRADEMARK. BUT THIS DECISION DOES NOT MEAN THAT ALL SUCH MARKS ARE REGISTRABLE. ”

Booking.com Opens the Door to Registering “Generic.com” Marks – But Uncertainty Remains

By *Thad Chaloeintiarana*

On June 30, 2020, the U.S. Supreme Court held the service mark BOOKING.COM is not generic, and therefore is registrable for online hotel-reservation services. This clears a path for the owners of other “Generic.com” brands to register their marks if they can demonstrate that consumers perceive the term as a trademark. But this does not mean that all such marks are now registrable. Indeed, the ability to register such brands remains murky because it is unclear what quantum of evidence must be put forward to persuade the USPTO that consumers recognize these terms as protectable brands.

Applicant’s substantial evidence that BOOKING.COM was not generic was rejected by PTO.

When Booking.com applied to register BOOKING.COM, the United States Patent and Trademark Office (“PTO”) Examining Attorney refused registration on the statutory ground that it was a generic term for online hotel-reservation services. In response, Booking.com submitted evidence of consumer perception of the mark, including the huge number of transactions and customers served through the BOOKING.COM website, its extensive scope of advertising, unique visitors to its web site, unsolicited media attention, industry awards, news articles about the BOOKING.COM service, the absence of any dictionary definitions for “booking.com”, and numerous other “Generic.com” marks that the USPTO has accepted for registration. Notwithstanding this evidence, the PTO and, on first appeal, the Trademark Trial and Appeal Board (the “Board”) refused registration on genericness grounds.

Booking.com’s consumer survey evidence persuaded the District Court that BOOKING.COM was not generic.

Booking.com appealed the case to the U.S. District Court for the Eastern District of Virginia. There, Booking.com introduced new evidence: a *Teflon*-style¹ consumer survey showing that 74.8% of respondents identified BOOKING.COM as a brand name, rather than as a generic term for hotel reservation websites. The District Court found that the survey constituted strong evidence that the public does not understand BOOKING.COM to identify a generic type of service, and the Court therefore reversed the Board’s ruling.

The PTO then appealed to the Fourth Circuit Court of Appeals only the District Court’s finding that BOOKING.COM was not generic; it did not contest the validity of the survey or its methodology. The Fourth Circuit affirmed the District Court’s ruling that BOOKING.COM was not generic, rejecting the PTO’s contention that the combination of “.com” with a generic term like “booking” is “necessarily generic.” *Booking.com B.V. v. Matal*, 915 F.3d 171, 184 (4th Cir. 2019).



1. The *Teflon* survey methodology derives from *E.I. Du Pont de Nemours & Co. v. Yoshida International, Inc.* 393 F.Supp. 502 (E.D.N.Y. 1975) and was used to show that TEFLON was not a generic term. It begins with a mini-test to determine if the survey respondent understands the difference between a brand name and common (generic) name. Respondents who pass the mini-test are then shown a series of brands (including the test term) and common names. Generally speaking, if more than half of the respondents recognize the test term as a brand, the results of the survey will support a finding that consumers recognize the test term as a brand, rather than a common or generic name.

The Supreme Court ruled that consumer perception governs whether a “Generic.com” mark is registrable and rejected a per se rule that all such marks are generic.

In an 8-1 decision authored by Justice Ginsburg, the Supreme Court affirmed the Fourth Circuit’s ruling that BOOKING.COM was not generic.² The Court rejected the PTO’s proposed rule that all “Generic.com” terms are *per se* generic. It stated that “[w]hether any given “generic.com” term is generic ... depends on whether consumers in fact perceive that term as the name of a class, or, instead, as a term capable of distinguishing among members of the class”. 591 U.S. ____ (2020). The Court provided some general guidance as to the types of evidence that is probative of consumer perception of a “Generic.com” mark, explaining that “[e]vidence informing that inquiry can include not only customer surveys, but also dictionaries, usage by consumers and competitors, and any other source of evidence bearing on how consumers perceive a term’s meaning.” *Id.* at Ftn. 6.

The Court held that whether “Booking.com” is generic “turns on whether that term, taken as a whole, signifies to consumers the class of online hotel-reservation services.” *Id.* at [7]. It noted that the record did not reflect that consumers understood other such services, such as those offered by Travelocity – to be a “Booking.com”, nor did the record reflect consumers searching for their favorite “Booking.com” provider. *Id.*

In her concurring opinion, Justice Sotomayor agreed that there is, and should be, no *per se* rule against trademark protection for a “Generic.com” term. She warned, however, that consumer survey evidence “may be an unreliable indicator of genericness” due to flaws in survey design or weaknesses inherent in consumer surveys generally. *Id.* She did not read the Court’s opinion to suggest “that surveys are the be-all and end-all” and endorsed the Court’s view that other types of evidence may also show whether a mark is generic or descriptive.

In his dissenting opinion, Justice Breyer expressed similar concerns about the reliability of consumer surveys to determine whether a mark is generic or descriptive. He argued that a survey may erroneously show consumer recognition arising out of the producer’s period of exclusivity in the marketplace or its investment of money and effort securing the public’s recognition, neither of which alone is sufficient to negate the generic nature of a particular term.

In light of the Booking.com decision, what do I need to show to register my “Generic.com” mark with the PTO?

After *Booking.com*, the PTO is no longer permitted to bar all “Generic.com” marks from registration on the ground that they are per se generic. However, this does not mean that all “Generic.com” marks are registrable. Indeed, on October 28, 2020, the PTO issued Examination Guide 3-20 entitled “Generic.com Terms after USPTO v. Booking.com”, explaining that examining attorneys must “continue to assess on a case-by-case basis whether, based on the evidence of record, consumers would perceive a generic.com germ as the name of a class of goods and/or services...” The Examination Guide suggests that, even in the absence of evidence showing generic use of the generic.com term in its entirety, a genericness refusal “may be appropriate if the evidence of record otherwise establishes that the combination of generic elements of the proposed mark yields no additional meaning to consumers capable of distinguishing the goods and services.” (citation omitted).



[THE EXAMINATION GUIDE] DOES NOT, HOWEVER, SHED MUCH LIGHT ON THE QUANTUM OF EVIDENCE THAT AN APPLICANT MUST PRODUCE TO OVERCOME A GENERICNESS REFUSAL FOR A GENERIC.COM MARK. ”



It therefore appears likely that the PTO will continue to initially reject most applications to register “Generic.com” marks, and will carefully scrutinize the evidence that applicants submit to demonstrate public recognition of the terms as non-generic. Because the applicant’s evidence in *Booking.com* was very strong, the bar may be high for new applicants to persuade the PTO that their own Generic.com marks are not generic.

The Examination Guide makes clear that five years’ use or reliance on a prior registration for the same term, standing alone, “will usually be insufficient” to support a claim of acquired distinctiveness of a Generic.com mark. It does not, however, shed much light on the quantum of evidence that an applicant must produce to overcome a genericness refusal for a Generic.com mark. Most applicants will be able to muster some evidence similar to (although perhaps not as robust as) the evidence presented by *Booking.com*, such as evidence of their advertising expenditures under the mark; sales revenues under the mark; numbers of transactions; numbers of unique visitors to their web site; advertising and marketing campaigns; unsolicited media coverage identifying the mark as a brand; dictionary definitions; and usage by customers and competitors.³ It is not clear, however, if such evidence alone can ever be enough to persuade the PTO that a “Generic.com” mark is not generic—indeed, it was not enough for *Booking.com* to prevail at the application stage prior to the Supreme Court’s ruling in *Booking.com*.

It is much more expensive, however, to retain an expert to prepare and submit a defensible *Teflon*-style consumer survey, and it is not clear whether the PTO will require such evidence to overcome a genericness refusal for some or all Generic.com marks at the application stage. Moreover, any such survey evidence will be subject to careful scrutiny by the PTO. The Examination Guide states that “an applicant submitting a survey must carefully frame its questions and provide a report, typically from a survey expert, documenting the procedural aspects of the survey and statistical accuracy of the results. Information regarding how the survey was conducted, the questionnaire itself, the universe of consumers surveyed, the number of participants surveyed, and the geographic scope of the survey should be submitted along with such a report.”

It will likely take a few years, and probably a few *ex parte* appeals of PTO refusals to register Generic.com marks, before we have a better sense of the quantum of evidence necessary to successfully register a Generic.com mark with the PTO. In the meantime, applicants that seek registration of Generic.com marks with the PTO need to be prepared to muster as much evidence as possible to demonstrate that consumers perceive their marks as brands, rather than generic terms. ■

2. As a matter of disclosure, Phil Barendolts, Jacquie Prom and I filed a [brief](#) in the Supreme Court on behalf of a Coalition of .Com Brand Owners as *Amici Curiae* in Support of *Booking.com*. Justice Ginsburg cited our brief in support of her majority opinion.

3. Bearing in mind that this evidence becomes a matter of public record when submitted in support of a trademark application.

APPOINTMENTS

■ Ashly Boesche

The Illinois Intellectual Property Alliance has appointed Ashly to its Board of Directors, and also as Co-Chair of the Membership Committee.

■ Thad Chaloehtiarana



Thad was elected Vice-Chair of the American Bar Association (“ABA”) Section of Intellectual Property Law (“IPL Section”), for 2020-2021, at the ABA Annual Meeting.

■ Robert Sacoff



Bob was a U.S. Delegate to the 2020 AIPPI World Congress, October 5-14, which debated and adopted normative Resolutions on Trademark Descriptiveness, Artificial Intelligence Patents, Data and Database Protection, and Standing to Litigate.

Bob has also been reappointed as the ABA IPL Section Liaison to AIPPI for 2020-2021.

■ Belinda Scrimenti

Belinda has been elected to a second term for 2020-21 as the Co-Chair of the DC Bar IP Community (f/k/a Section).

PUBLICATIONS

■ Seth Appel



Seth’s case note, “The Eleventh Amendment’s Revenge: States Cannot be Sued for Copyright Infringement Due to Sovereign Immunity,” was published in the July edition of AIPPI e-News.

PRESENTATIONS

■ Ashly Boesche



Ashly was the featured speaker on a recent podcast addressing copyright compliance for K-12 and higher education institutions in the wake of new Title IX regulation – the mandate to post all materials used to train Title IX personnel on a school’s website. The podcast was presented by Franczek PC and can be viewed here: <https://www.titleixinsights.com>.

Ashly also spoke on “Trademark Licensing” during the Practising Law Institute’s Understanding the Intellectual Property License 2020 Webcast on October 22.

■ Jonathan Jennings



Jonathan will be a panelist on “Copyright Law” at the UIC John Marshall Law School’s 64th Annual Intellectual Property Law Conference on November 13.

■ Thad Chaloehtiarana

Thad will be a speaker on “Past, Present, Future: The Impacts of COVID-19 and the Election” at the Automotive Aftermarket Suppliers Association’s Aftermarket IP Forum on November 19.

firm NOTEWORTHY

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David Hilliard and **Robert Newbury** have been recognized in the fields of Litigation – Intellectual Property Law, and Trademark Law in Illinois. **Janet Marvel** has been recognized in the field of Trademark Law.



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