

This article presents general guidelines for Georgia nonprofit organizations as of the date written and should not be construed as legal advice. Always consult an attorney to address your particular situation.

Nonprofit Brand Protection Options: Common Law Trademarks, State Registration & Federal Registration

Many nonprofit organizations seek to protect their key brands with trademarks. This article will provide guidance in choosing *how* to best protect them through trademark. For instance, depending on the reach of your organization and your budget, a "common law" unregistered trademark may be sufficient or you may want a registered state or federal trademark. This article will outline the three different trademark protection options that your nonprofit organization can receive and the pros and cons of each option.

What is a Trademark?

A trademark is a unique word, symbol, logo, design, or a combination of these things used to identify the source of your goods or services and distinguish that source from others. A trademark is most commonly used with a business name. See our article on <u>Trademarks</u> for more details. For this article, we will discuss a hypothetical organization protecting its name, "Alpha Helpers of Georgia," as a trademark.

Common Law Trademarks

Common law trademarks are also known as unregistered trademarks. Instead of needing a registration, your nonprofit organization automatically owns a common law trademark, and receives certain exclusive rights, as soon as it starts publicly using it related to activities like soliciting donations or providing goods or services to the public. But without a registration, common law trademark rights are limited to the particular geographic area in which your organization operates.

Once a common law trademark has been established through use, your organization can start using the [™] symbol with the trademark to put others on notice that you consider the applicable word, logo, or phrase a trademark. A good practice is to use the [™] on the first or most prominent use on your website or materials, so the overall content does not become cluttered with trademark symbols. For example, if your organization has a website, you may choose to use the [™] symbol in the website heading, but not in subsequent text.

Cheap and easy, common law trademarks require no registration process, no examination process, and no fees. They can last as long as they are used. Like any trademark, registered or not, you must protect your trademark rights, by not allowing others to use your trademark or confusingly similar trademarks in your area, to keep them exclusive to your organization.

In our example, Alpha Helpers of Georgia™ gains common law trademark rights automatically by using this name. Before selecting that name, they first ran a quick internet search of "Alpha Helpers of Georgia" and found no other groups using that name. It notifies others that it considers the phrase a trademark by placing the symbol beside its name. The name should be protected as exclusive within their existing geographical area for so long as they continue to use and protect the name. However, if

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Alpha Helpers of Georgia uses the name only in Rome and another organization uses the same name for a similar organization in Brunswick, Rome's Alpha Helpers of Georgia might not be able to stop the Brunswick organization. Alpha Helpers of Georgia periodically conducts internet searches of its name to confirm that they are the only organization, in the areas they operate, to use that name.

Georgia – State Trademarks

The Office of the Georgia Secretary of State registers trademarks used within the state. For only \$15, registering with the Office of the Georgia Secretary of State creates additional rights, which extend throughout Georgia, that a common law trademark does not receive. For example, a state registration provides public notice to others, including prospective trademark applicants, that you already use a trademark. The registration itself can be used as evidence that a trademark exists if another organization infringes on your trademark. In the same way as common law trademarks, you can use the ™ symbol with state trademarks.

Unlike a common law trademark, a state trademark goes through an examination process before the application is approved. In Georgia, this process consists of a simple comparison with existing Georgia state trademark registrations (it does not include a comparison with existing common law, other state trademarks, or any federal trademarks). This examination simply prevents duplicate state trademarks from being registered. Prior to applying for a registration, you may also wish to search the Office of the Georgia Secretary of State database to make sure the same trademark that your organization hopes to use is not already registered.

A Georgia trademark application takes roughly 21 days to process, and it can be accomplished without the assistance of an attorney. Your Georgia trademark must be renewed after ten years. Continuing our example, if Alpha Helpers of Georgia™ registered its name in Georgia, they should have exclusive rights in the name across Georgia in their field or trademark class. Like with a common law trademark, Alpha Helpers of Georgia periodically searches for other organizations using their trademark. Using the earlier scenario of the Brunswick organization using the same name, they should let the Brunswick organization know they hold the Georgia trademark. Alpha Helpers of Georgia might be able to stop the Brunswick organization from using its name, if they are similar uses.

Federal Trademarks

Federal trademarks are trademarks that have been successfully registered with the United States Patents and Trademark Office ("USPTO"). These trademarks must meet specified criteria to receive a certificate of registration from the USPTO, such as sufficient use in commerce across state borders (i.e., your organization must have donors or other activities outside of Georgia). If accepted for registration, a federal trademark grants your organization certain rights that extend throughout the United States, and registration gives your organization the right to use the "circle" (®) symbol. Only federal trademarks can use the (®) symbol. Like with common law and state trademarks, a good practice is to use the (®) beside your trademark in the first or most prominent use on the website or materials.

While you don't need an attorney to complete the USPTO trademark application, it is a good idea to have an attorney counsel you through the application and examination process, and advise you about a final registration. The application process often takes about 6 months for an initial answer and nearly 12 -18 months to be registered, with additional delays possible. And it costs at least several hundred dollars per application, which are not refunded if your application is refused. During the application process, the USPTO will perform a complex examination of the federal trademark. For example, an

attorney with the USPTO will review the application to see if the application meets the minimum filing requirements and complies with all applicable trademark rules and statutes.

If the examining USPTO attorney refuses your application, you will receive an Office Action (a letter) explaining any substantive reason(s) for refusal with any technical or procedural deficiencies. Not all applications are accepted for registration, but most applications receive at least one Office Action, even if finally registered. An attorney can assist with responding to Office Actions and advising on your chances of success to obtain a registration.

With a successful registration, the USPTO has specific, periodic renewal and maintenance requirements that a federal trademark owner must abide by (<u>Maintenance Requirements</u>). If a federal trademark owner fails to timely file the appropriate maintenance documents and pay the applicable fees, the registration will be canceled or will prematurely expire.

Unique to federal trademarks, your organization can also file an "intent-to-use" trademark application to essentially hold your place for a future trademark registration. These special applications are not registrations, but they can prevent other organizations from registering a similar trademark before you can start using yours. Like regular USPTO applications, it is best to consult with an attorney for assistance.

Using our example again, our nonprofit applies for federal trademark protection for "Alpha Helpers" based on activities within and outside of Georgia. If they successfully register the trademark, they may be able to stop other similar organizations from using or registering the same or similar names anywhere in the United States, as long as they use and maintain their federal trademark registration and keep using the trademark.

Conclusion

When considering the best trademark protection for your organization, you have several options. Consider how much you want to spend and how important your trademark is to your nonprofit. Obtaining a state trademark in Georgia is a fantastic middle ground between a free, but unregistered, common law trademark and a more expensive and time-consuming, federal trademark registration.

Also match your trademark with your geographic use and needs. For example, if you want rights throughout Georgia but don't meet the requirements for a federal trademark, then a Georgia state trademark registration may be a smart choice for your organization.

Here are some additional details about each option:

	"Common law" or Unregistered Trademark	Georgia – State Trademark	<u>USPTO – Federal</u> <u>Trademark</u>
Registration costs:	No registration cost.	\$15 per class. (<u>Application info</u>)	Approximately \$250 per class. (<u>Fees</u>)
<u>Use</u> Requirement:	Requires use.	Requires use.	Registration requires use, but intent-to-use application available.

The examination process:	No examination.	Basic examination process.	Complex examination process.
How often these trademarks are searched:	No central database. Parties may see the use in online searches.	Infrequently searched by parties seeking a new trademark.	Frequently searched by parties seeking a new trademark.
How far these rights extend:	Rights can extend throughout the geographical area where it is used.	Rights can extend within Georgia.	Rights can extend within the US.
Applicable symbol:	тм	тм	®

Often nonprofit organizations select a mix of registrations and unregistered rights depending on the scope of the brand and its importance to the organization. For additional tips on branding, see Practical Tips on How to Conceive and Grow Your Brand.

If you would like to speak further about trademark options or branding strategy, please reach out to your PBPA attorney.