

## The Differences Between Company Names and Trademarks

Trademarks are different from corporate names and trade names. Corporate names and trade names are proper nouns that identify a company or a business. Trademarks are adjectives that identify a company's products or services. The same words can function as both a trade name and a trademark, depending upon the context in which they are used. For example, Coca Cola is a trade name when used to identify Coca Cola the organization. However, when it is used with a product name, e.g. Coca Cola soft drink, it is used as an adjective and thereby functions as a trademark identifying the source of that product.

How trademarks and corporate names are cleared for use and are registered differ significantly, and great care should be undertaken to ensure you have secured proper rights in both of these very valuable assets.

### Company Names

When a new business venture is established, the name given to the entity is typically registered with the Office of the Secretary of State, or other government agency, within the state in which the entity is located— physically and for tax purposes. The chosen name is generally accepted by the state agency unless the register already contains a registration for the same name for another company. In general, the agency does not analyze whether a proposed name is similar to a previously registered name prior to registering it as a business name. The agency typically looks only for exact matches within the states registry (and differences in names can be as minor as the use of Corp. versus Inc.). In some cases a state may even allow companies with the same name to register in the state.

### Clearing Company Names and Trade Names for Use and Registration

One common misconception is that registration of a company name with a state agency can be considered a “green light” to use that name in the marketing and promotion of any products or services within that state or elsewhere. However, because the state agency does not compare the name for similarities with other company names or product or service names, a company must also consider whether the name is likely to infringe the trademark rights of another. In other words, registering a company name with a state agency provides no guarantee that you will be able to actually use that name for your business or its products or services.

Thus, before adopting a word, phrase, symbol or other indicia (product shape, color, smell, etc.) to identify a business, a product, or a service, it is very important to clear the name for use and registration. Trademark clearance includes an analysis of trademarks registered with the U. S. Patent & Trademark Office (USPTO), the trademark registries in each of the 50 states, and the trademark registries in any countries outside of the U.S. in which products or services bearing the proposed mark will be sold. Because trademark rights in the U.S. are acquired

through use, the trademark clearance process also includes a search of trademarks in use in the United States that may not be registered.

A trademark clearance search considers whether the proposed name would be likely to cause confusion with a prior registered, applied-for, or used trademark. The analysis compares the trademarks, the products and services with which they are used, and how they are sold. Only by undertaking this analysis can a company have confidence that it is free to operate its business and offer products and services under a particular name.

## Registering a Trademark

Once a trademark is cleared for use and registration, federal registration can be sought with the U.S. Patent and Trademark Office. Federal trademark registration provides the following benefits:

- Public notice of your claim of ownership of the mark;
- A legal presumption of your ownership of the mark and your exclusive right to use the mark nationwide on or in connection with the goods/services listed in the registration;
- The ability to bring an action concerning the mark in federal court;
- The use of the U.S. registration as a basis to obtain registration in foreign countries;
- The ability to record the U.S. registration with the U.S. Customs and Border Protection (CBP) Service to prevent importation of infringing foreign goods;
- The right to use the federal registration symbol ®; and
- Listing in the United States Patent and Trademark Office's online databases.

For more information, please visit [www.skgf.com/trademark](http://www.skgf.com/trademark) or contact:

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