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NEAL & MCDEVITT® Attorneys Honored

Neal & McDevitt, LLC congratulates members Kevin J. McDevitt on his selection as an Illinois Leading Lawyer in Intellectual Property Law for 2010 and Richard B. Biagi on his selection to Illinois Super Lawyers Rising Stars for 2010, in Intellectual Property Law.



Please join us in congratulating Kevin and Rick on their well-deserved accomplishments.

Federal Circuit Clarifies the USPTO's Analysis of Website Specimens

In December 2009, the Court of Appeals for the Federal Circuit reversed a TTAB ruling on a website specimen of use in *In re Michael Sones*, 590 F.3d 1282, 93 U.S.P.Q. 2d 1118 (Fed. Cir. 2009) (precedential). The Board affirmed an Examiner's refusal to accept Sones' Statement of Use filed in connection with his application for the mark ONE NATION UNDER GOD, for use with charity bracelets, because the submitted specimen, a website printout, did not include a picture of the goods.

The specimens consisted of two web pages that featured the mark and ordering information, but no image of the bracelets. In affirming the refusal, the Board applied the *Lands' End* test, enumerated in T.M.E.P. § 904.03(h), which requires that a display (1) includes a picture of the relevant goods; (2) shows the mark sufficiently near the picture of the goods to associate the mark with the goods; and (3) includes the information necessary to order the goods. *Lands' End Inc. v. Manbeck*, 797 F. Supp. 511, 24 U.S.P.Q. 2d 1314 (E.D. Va. 1992). Because the website specimen did not feature a picture of the goods, it was refused.

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Website Specimens (cont'd)

On appeal, the Federal Circuit panel stated that “[w]e do not interpret *Lands’ End* or the law of trademarks to require that specimens of use from the Internet must always have pictures.” The panel stated that the bright-line rule had no basis in trademark law or policy, and that no similar rule applies to specimens for brick-and-mortar stores. Thus, the panel stated that while a picture of the goods should be a factor for consideration, it is not a prerequisite for a website specimen. Instead, the test is whether the specimen “in some way evince[s] that the mark is ‘associated’ with the goods and serves as an indicator of source.” Under *In re Sones*, a website specimen should no longer be refused *per se* if it fails to meet the old conjunctive *Lands’ End* test. Instead, the presence or absence of those factors should be weighed to determine whether the specimen properly creates a sufficient association.

The Federal Circuit appears to have struck down the TTAB’s bright-line test for website displays. The logic behind the Federal Circuit’s position in *In re Sones* should also apply to non-website specimens. For instance, a point of sale display that features a picture of the goods and the applied-for mark, but not expansive ordering information, should not automatically be rejected as a matter of course. In light of *In re Sones*, any alleged deficiency in a specimen should be considered in light of the specimen as a whole, and the key determination remains whether the specimen evidences an association between the mark and the goods. Applicants that receive specimen rejections with the USPTO should ensure that the examining attorney considers their submitted specimen in light of this new precedent.



IP Headlines

- **EBAY ESCAPES CONTRIBUTORY INFRINGEMENT LIABILITY:** In *Tiffany Inc. v. eBay Inc.*, No. 08-cv-3947 (2d Cir. Apr. 1, 2010), the Second Circuit affirmed the district court's rulings that eBay was not liable for direct or contributory infringement based on sales of counterfeit Tiffany items. The court was persuaded that eBay's counterfeit prevention measures, including a notice and take down provision, were commendable and eBay did not have the requisite level of knowledge to warrant the imposition of contributory liability for its poster's counterfeit sales.
- **FTC IMPLEMENTS BLOGGER GUIDELINES:** The FTC recently released new Guides Concerning the Use of Endorsements and Testimonials in Advertising. The Guides, which took effect on December 1, 2009, now require bloggers to disclose if they are a paid endorser. Bloggers who have a "material connection" to an advertiser must prominently disclose that fact. Moreover, an advertiser that pays a sponsored blogger must affirmatively monitor the blogger's postings to ensure that there are no false or misleading facts or the advertiser risks liability for the blogger's statements.
- **N.D. OF ILLINOIS WEIGHS IN ON KEYWORD ADVERTISING:** In *Morningware v. Hearthware Home Prods., Inc.*, No. 09 C 4348, Slip. Op. (N.D. Ill. Nov. 16, 2009), the court denied defendant Hearthware's motion to dismiss the plaintiff Morningware's unfair competition claim. Hearthware had purchased Morningware's trademarks via the Google AdWords program, which resulted in Hearthware's sponsored link being displayed after a user searched for Morningware. The district court found that this activity could constitute "use in commerce," but did not make a final determination. This appears to be the Seventh Circuit's first authority on whether the purchase of keywords constitutes use in commerce.
- **"MILKAHOLIC" REFERENCE IN AD RESULTS IN CLAIM BY LINDSAY LOHAN:** While celebrities often bring viable claims for violations of their "right of publicity," a recent case brought by Lindsay Lohan in opposition to an E*Trade commercial during the 2010 Super Bowl® seems unlikely to survive a motion to dismiss. In *Lohan v. E*Trade Securities LLC*, Civ. No. 10-004579 (N.Y. Sup. Ct.), Lohan claims that a fictional baby character named Lindsay, who has an affinity for milk, is based on her persona and character. Lohan seeks \$100 million in damages.



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About NEAL & McDEVITT®

NEAL & McDEVITT, LLC, is a Chicago-area based intellectual property, marketing and information technology law firm specializing in all aspects of trademark, copyright, unfair competition, marketing, advertising, promotions, IT and Internet law. NEAL & McDEVITT's goal is to effectively provide our clients with experienced, comprehensive and decisive legal counsel.

We represent clients from across a broad spectrum of fields, ranging from individuals and start-up companies to some of the world's largest corporations.

By becoming an integral part of our clients' legal and marketing teams, NEAL & McDEVITT provides unparalleled personal attention and service, enabling our clients to reach their business and legal goals.

The combined expertise of NEAL & McDEVITT, and our ability to collaborate with your team, builds a personal partnership. We ensure that your worldwide intellectual property rights are well protected and your advertising and promotions efforts meet the standards and regulations of an ever-changing legal landscape.

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