

The Pros and Cons of Using and Registering a Family Name with Wines

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Introduction

For many businesses, and particularly for wineries and vineyards, there is a strong temptation to use one's surname to identify the business. Outside the context of wineries, for example, strong brands based on surnames include WRIGLEY®, HILTON®, and McDONALDS®. The relative distinctiveness of one's surname may dictate how strong a mark may be to identify a particular owner's goods. In the wine industry, this issue is especially relevant.

There are two separate but related issues to consider when using a family name as a brand. First, the owner must determine whether the surname is available for use in the industry—the fact that a person has their own personal surname does not mean the name is available for use as a trademark. Second, if the owner wishes, she can seek registration of the family name as a trademark. While there are many advantages to obtaining a registration, there are also limitations to receiving trademark protection for a family name.

Using a Family Name to Identify the Winery

As with any trademark, a surname may be used as a brand or trademark if (1) it serves to identify and distinguish the source of that person's goods and services; and (2) the use of that surname is not likely to infringe a prior user's mark. For instance, a hypothetical winery owned named Harold Kraft would incur substantial risk in calling his business "Kraft Winery," based on the prior rights in the mark KRAFT® for arguably related goods, namely cheese.

More directly, a winery owner named Amy Schaeffer may not use the name "Schaeffer Wines" if another "Schaeffer" wines is already in the marketplace. Even a slightly different spelling or pronunciation, such as "Shaffer," would not necessarily be safe. If the prior user owns a federal trademark registration for the surname, that registration gives the prior user nationwide priority over a later user. If, for instance, the earlier "Schaeffer" winery was solely a Michigan winery with no federal trademark protection, a later "Schaeffer" winery could arguably use the mark for a winery in California. There are obvious risks in using the family name in this scenario, and an owner should consult her legal counsel before proceeding.

To determine if one's name is available for use to identify a winery or vineyard, the owner can enlist the assistance of a trademark attorney to run a comprehensive, nationwide search. Although it is more risky, an owner herself could search the Internet and other wine-related resources to determine if a family name is already in use. While this process is not as comprehensive as an attorney investigation and would not serve to fully clear the mark for use, this tactic may be a desirable course of action for a small owner just starting out and looking to save on costs.

Once an owner determines that a surname is "clear," she can begin use of the name as a trademark even without registration. Trademark rights accrue once use in commerce begins, thus a later user could potentially be prevented from using the family name even without a registration.

The same process should be used by the winery owner when developing product names and labels. For example, the owner of "Hillbarber Winery" may want to create a series of wines under the label "Harvest Moon." She would need to investigate whether any prior wineries are using the label "Harvest Moon" on a wine. If the label is already in use, the owner should consider an alternative name. In addition to searching the Internet, a search of the Tax and Trade Bureau's (TTB) COLA records is necessary to ensure the name, or a similar one, is not already in use on a label. It bears noting, however, that the TTB does not assess potential confusion with another's label, but only rejects a label if there is an exact match for a prior label. Similarly, a winery owner's acquisition of a label does not necessarily mean the mark is clear for use. Acquisition of a label has no bearing on the trademark rights of a prior user.

Seeking Federal Trademark Registration of a Family Name

Once a family name is cleared for use, an owner may want to pursue a federal registration. The benefits to having a federally registered mark are many, including having nationwide priority and the ability to enjoin another party's use of a similar name in federal court under the federal trademark laws. The term of federal trademark protection is ten years, thus there are costs incurred for renewal of the registration if the mark is continually in use.

However, even if an owner's name is cleared for use, it may not be protectable as a trademark. The federal trademark statute, called the Lanham Act, provides that a mark that is "primarily merely a surname" is not registrable, absent a showing of acquired distinctiveness. 15 U.S.C. § 1052(e)(4).

There are two legal concepts here bear further analysis. The test of whether a surname is "primarily merely a surname" depends entirely on the mark's primary significance to the purchasing public. This is essentially a factual determination, whereby the U.S. Patent and Trademark Office (PTO) considers whether the surname has primary significance to the average consumer as a surname versus some independent meaning. A number of factors are considered in determining whether a family name is "primarily merely" a surname:

- The relative rarity of the surname;
- Whether the surname identifies the actual applicant of the trademark;
- Whether the surname has any recognized meaning other than as a surname;
- Whether the surname has the look and feel of a surname; and
- Whether the mark sought to be registered is stylized enough to create a separate commercial impression from the surname itself.

In re Benthin Mgmt. GmbH, 37 U.S.P.Q.2d 1332, 1333-34 (T.T.A.B. 1995). Of the factors listed above, the one most often used as a basis for rejection of an applied-for trademark is the first factor, which considers how rare the name is. In issuing a preliminary rejection, the PTO Examiner will often attach telephone directory results or Internet search results as evidence of the commonality of a particular name. For instance, the proposed mark "Smith Wines" would certainly be rejected for registration, while a mark such as "Biagi Vineyards" may stand a better chance of being accepted. Also, if the surname identifies the actual applicant, this factor weighs against registration.

The PTO also considers whether the surname has a recognized meaning other than as a surname, which is helpful for surnames that have an independent meaning. For example, a person named Michael Flowers would have a strong argument that the proposed mark "Flowers Vintners" is not primarily merely a surname because of the independent meaning of the term "flowers." Similarly, whether the mark has the "look and feel" of a surname is a factual determination. The PTO has found that the name Pirelli, even though it was relatively rare, was primarily merely a surname, while the name Hackler was accepted for registration. Compare In re Industrie Pirelli Societa per Azioni, 9 U.S.P.Q.2d 1564, 1566 (T.T.A.B. 1988), with In re United Distillers plc, 56 U.S.P.Q.2d 1220 (T.T.A.B. 2000).

In addition to the factors listed above, the PTO provides guidance on commonly seen alterations that do not, in fact, diminish the surname's primary significance:

- Additional terms such as "Mr.," "Dr.," and "Lady";
- The addition of an initial ("D. Smith Wines");
- The use of plural possessive form ("Neal's Vineyards");
- The addition of descriptive wording ("Wells Farm and Vineyards").

An additional tactic that more often than not leads to a rejection is the inclusion of the word "Family" in the name of the winery. For example, a vineyard named "Savage Family Vintners" might be more likely to be rejected than if it were branded "Savage Vintners."

The second legal concept of interest in the context of registering a surname is "acquired distinctiveness." Even if a winery's name would be considered primarily merely a surname, it can become registrable with proof of acquired distinctiveness, or a "secondary meaning." Essentially, this means that a descriptive term, such as a surname, can acquire a specific significance to the consuming public through usage of the mark. For example, marks that have become associated with wines and not merely a surname include MONDAVI and SCHAEFER'S. A winery owner can show acquired distinctiveness through various means:

- By claiming ownership of a prior federal registration for the same mark on the same or related goods. For example, if the owner previously obtained a trademark registration for "Westnedge Wineries" in word form only, a later application for a stylized version of the same name can be obtained by submitting a claim of ownership of the prior registration.
- By submitting a verified statement from the mark owner that "the mark has become distinctive of the applicant's goods or services by reason of substantially exclusive and continuous use in commerce by the applicant for the *five years* before the date when the claim of distinctiveness is made." The five-year timeframe is *prima facie* evidence that a mark has acquired distinctiveness, but an owner can submit evidence prior to five years (see below.)
- By submitting actual evidence of acquired distinctiveness, such as sales figures, advertising expenditures, and affidavits from actual customers. This evidence may be submitted in advance of the five-year timeframe described above.

15 U.S.C. § 1052(f). If an owner adopts a family name with primarily merely surname significance and no proof of acquired distinctiveness, the owner can seek registration of the mark on the Supplemental Register. While this registration does not offer the same benefits as a registration on the Principal Register, the owner still has ability to enforce its rights in the family name in federal court under federal trademark law. The owner does not, however, have nationwide priority that accompanies registration on the Principal Register.

Summary

The use of a family name for a winery or vineyard may be a source of pride for the owner, but the owner must keep in mind the trademark repercussions of the use of the surname. Here are some practical tips that owners should keep in mind:

- Before using a family name, conduct a thorough review via the Internet and the TTB website of other potential users of the same or similar mark. Just because it is your name does not necessarily mean you can use it as your brand. If there are other users with potentially confusingly similar names, consider an alternative name.
- If your use of the family name has already begun, consider consulting with a trademark attorney to ensure that your mark is not infringing on another party's rights, and also to determine if you could pursue registration of the surname.
- Assuming the family name is protectable as a trademark, consider obtaining federal registration in order to obtain key benefits such as nationwide priority of use and the ability to enforce your rights in federal court.
- Don't overlook the surname in favor of your sub-brands. Even if your wine labels have separate brand names, consider that the surname may serve as a brand for the winery itself and may warrant its own protection.
- Finally, consider obtaining federal trademark protection for the name of a product line or label if it is going to be used for a relatively long period of time, such as ten years or more.