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Losing The Race To Trademark Sports Catchphrases

Law360, New York (April 25, 2012, 1:21 PM ET) -- Baltimore Ravens linebacker Terrell Suggs may be fast on the field. But it's too bad he wasn't faster to the U.S. Patent and Trademark Office.

During the telecast of a game between Suggs' Ravens and the Pittsburgh Steelers on Nov. 6, 2011, Suggs referred to his alma mater, Arizona State University, as "Ball So Hard University." This phrase immediately caught on, and three days later Suggs appeared at a press conference wearing a T-shirt with "Ball So Hard University" printed on the front. The only problem was that Suggs didn't create or sell the shirt himself; he bought it from someone on the Internet.

When Suggs filed a number of trademark applications for "Ball So Hard University" less than a week later on Nov. 17, someone had already beaten him to the USPTO. Now Suggs is engaged in a legal fight to determine who owns prior rights to the trademark "Ball So Hard University."

Of course Suggs's situation is not unique. Right around the time Suggs was proudly proclaiming his allegiance to his alma mater, a pair of fans in St. Louis were engaged in their own race to the USPTO to register the mark "Rally Squirrel." This term was adopted by fans of the St. Louis Cardinals when a squirrel scurried across the field at Busch Stadium first in game three of the 2011 National League Championship Series and then again in game four. Now, as with Suggs, two opportunistic fans are stuck in a legal dispute about which one of them has prior trademark rights.

And who can forget the case of Pat Riley, Hall of Fame NBA coach, and his trademark for the term "three-peat." Pat Riley will probably be the first to tell you that he didn't coin the term "three-peat." However, he was the first one to file a trademark application for "three-peat" with the USPTO in 1989, at a time when the Lakers team he was coaching was attempting to win its third consecutive NBA championship. Even though Riley's Lakers did not accomplish this feat that year, the Chicago Bulls did so four years later in 1993. Because of his foresight, Riley was able to collect royalties from sports apparel makers who wished to use the "three-peat" mark in connection with the Bulls' success.

So what are athletes, opportunistic fans, coaches and others to take from these examples?

The short answer is: In order to establish prior trademark rights to a term or catchphrase for which there has not yet been any valid trademark use, it is important to contact trademark counsel as soon as possible and to file a trademark application for that term or catchphrase with the USPTO.

In the U.S., there are essentially two ways in which one may establish priority in a trademark. The first is to start using the mark in connection with certain goods and services. To do this, a trademark owner must use a particular word or slogan as a source indicator — i.e., to denote the origin of the goods or services with which the mark is used, even if that origin is unknown.

An example would be to use the mark on the labels of goods like T-shirts, baseball caps or other articles of clothing. In this situation, one creates what are called “common law” rights to a mark. Such rights are fully enforceable against others as of the date the mark was first used and in the geographic region in which the mark was used, regardless of whether the mark is ever registered with the USPTO.

The problem with this approach as it relates to popular terms or catchphrases, however, is that such terms or catchphrases are typically uttered and catch on before use of the mark can commence. That is why the second way to establish trademark priority may be preferred.

The second way to establish trademark priority is to file an “intent to use” (“ITU”) application with the USPTO under Section 1(b) of the Lanham Act governing trademarks. To do this, one need not actually use the mark with the goods and services identified in the application yet — a mere “bona fide” intent to use the mark for such goods or services in the future will suffice. Eventually, use of the mark along the lines mentioned above “in commerce” (i.e., between state lines or between a state and a foreign country) is a prerequisite for registration of a federal trademark. However, once an ITU application proceeds to registration, the trademark owner will own rights to the trademark dating back to the filing date of the application, regardless of when such use began.

It may be the case that one simply cannot file a trademark application soon enough after the spontaneous debut of a soon-to-be-popular term or catchphrase in order to establish priority. In such cases, an athlete, fan or coach may need to rely on more sophisticated legal maneuvers in an attempt to obtain rights to a mark. For example, when a pair of fans tried to register "Tebowing" with the USPTO before NFL quarterback Tim Tebow could get his own applications for "Tebowing" on file, Tebow’s counsel sent the USPTO a letter of protest on Tebow’s behalf. Those fans’ applications have now been preliminarily rejected by the USPTO on the ground that they falsely suggest a connection to Tim Tebow under Section 2(a) of the Lanham Act, among other reasons.

Another possible yet risky option — especially if a particular mark or phrase does not call to mind a particular individual, as appears to be the case with "Tebowing" — is to simply commence use of the mark before the owner of an earlier-filed ITU application can establish use or is able to perfect the application.

Generally speaking, when a registrant sues for infringement of a registered mark, monetary remedies cannot be recovered for acts which took place after the application was filed but before the mark was actually used. See, e.g., Reliable Tire Distrib. Inc. v. Kelly Springfield Tire Co., 592 F. Supp. 127, 136 (E.D. Pa. 1984) (holding that the plaintiff could not recover damages because “[a] registrant cannot recover damages or lost profits prior to the date of registration of the mark.” (citations omitted)). It is worth noting that Nike has been offering shirts bearing the word “Linsanity” since March 2012, even though Jeremy Lin was the third person to file an application for "Linsanity" for apparel.

Athletes are used to being the fastest ones on the field, court, ice or pitch. The one area in which history has shown they have not been fast enough, however, is to the USPTO. If and until this changes, this is one contest they could find themselves losing.

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