Supreme Court Holds "Generic.com" Marks are Not Per Se Generic

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In an 8-1 decision issued Tuesday, the Supreme Court declined to adopt the per se rule urged by the U.S. Patent and Trademark Office (USPTO) that when a generic term is combined with a domain name like ".com," the resulting combination is necessarily generic and therefore ineligible for registration.

In *United States Patent and Trademark Office et. al v. Booking.com B.V.*, the well-known Booking.com sought judicial review of the USPTO's refusal to register several marks including "Booking.com" in connection with hotel reservation services. The USPTO concluded that because "booking" means making travel reservations, and ".com" signifies a commercial website, the term "Booking.com" is generic for the services at issue. Relying on Booking.com's evidence of consumer perception, the U.S. District Court for the Eastern District of Virginia found that the term was in fact not generic. The District Court instead found that "Booking.com" is descriptive – but not generic – and had acquired secondary meaning as to hotel reservation services. On appeal, the USPTO disputed the District Court's decision that the term is not generic. The Court of Appeals for the Fourth Circuit affirmed, and the Supreme Court granted cert.

In arguing that every "generic.com" term is generic, the USPTO likened the analysis to the principle that adding a corporate designation such as "company" or "Inc." to an otherwise generic term does not confer trademark eligibility. The Supreme Court found this premise faulty, noting that a "generic.com" term might also convey an association with a particular website, as only one entity can occupy a domain name at a time. The Supreme Court also noted that such a rule would be inconsistent with the USPTO's own past practice, which has allowed registration of "ART.COM" for art prints on the Principal Register and "DATING.COM" for dating services on the Supplemental Register.

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Rather than a bright-line rule, the Supreme Court held that "whether any given 'generic.com' term is generic depends on whether consumers in fact perceive that term as the name of a class or, instead, as a term capable of distinguishing among members of the class." Consumer surveys, dictionaries and usage by consumers or competitors can all be used to inform that question. In response to the USPTO's concern that "generic.com" registrations would hinder competitors from using generic terms to describe their goods and services, the Court stated that existing trademark law adequately addresses that concern.

This decision does not mean that businesses should start selecting more descriptive and generic terms as brand names. The enforceability of such marks is limited. For example, Booking.com cannot now start forcing competitors to stop using the word "booking" in their promotion. The more certain route to a strong enforceable trademark remains to select a highly distinctive term in the first place.

But for businesses that own domain names of the "generic.com" format such as "Booking.com," this decision means federal registration and its benefits of nationwide priority and presumption of exclusive trademark rights might be available. To get the mark on the Trademark Office's Principal Register, they would need to prove that the public recognizes the domain name as a trademark, which typically requires many years' use, extraordinary sales volume and substantial advertising. But since "generic.com" terms are now deemed merely descriptive rather than generic, registration on the Supplemental Register should be readily available. Descriptive trademarks will likely remain more difficult to register absent secondary meaning.

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