

Intellectual Property Law Alert

The Supreme Court Affirms *USPTO v. Booking.com*: A Company May Obtain Federal Trademark Registration for Internet Domain Names

*Supreme Court rejects PTO per se rule
against “.com” marks*

The Supreme Court considered the question of whether the United States Patent and Trademark Office (“PTO”) should be able to apply a nearly per se rule against the registration of domain name in the form of a generic term plus “.com” as trademarks. Rejecting the adoption of bright-line rules, the Supreme Court instead focused on the policy underpinning trademarks generally. The Supreme Court considered whether the proposed mark “Booking.com” or more broadly a “generic.com” mark is capable of serving as a source identifier. That is, do consumers associate the “generic.com” mark with the source of specific goods/service or not? If they do, the mark may be registered even if it uses only a generic term coupled with “.com.”

The case came before the Supreme Court after Booking.com was refused registration by the PTO after it concluded “Booking.com” is a generic term and therefore not eligible for protection. Booking.com then brought suit in District Court where it introduced evidence tending to show that consumers

Contact

Matthew “Chip” De Preter
312.755.3153
cdepreter@agdglaw.com

Christopher W. Niro
312.755.3161
cniro@agdglaw.com

William L. Niro
312.755.3188
wniro@agdglaw.com

Kristina D. Diesner
312.755.3133
kdiesner@agdglaw.com

Alan S. Wernick
312.755.3172
awernick@agdglaw.com

330 N. Wabash Ave.
Suite 1700
Chicago, IL 60611
T: 312.828.9600
F: 312.828.9635
www.agdglaw.com



do not view “Booking.com” as just a class of websites offering booking services. The District Court agreed with Booking.com and determined that the term “Booking.com” is not itself generic, but instead descriptive, and therefore it is subject to the same inquiry as any descriptive mark. It further found that Booking.com had sufficiently shown that consumers did identify Booking.com with the Booking.com such that it was entitled to registration.

In reaching the Supreme Court, the PTO sought review only on the determination that “Booking.com” was not generic. The crux of the PTO’s argument was that the law states generic terms are not entitled to trademark protection and all generic words with or without “.com” remain generic. Thus, the only issue before the Court was whether a generic word like “booking” could achieve trademark status *solely* though the addition of “.com”. According to the Supreme Court, the answer is yes.

To reach its decision, the Supreme Court applied four principals: 1) a generic term is one that names a class of goods, not a particular feature of the class; 2) a compound term must be viewed as a whole, not separate terms in isolation; 3) the relevant meaning of a term is its meaning to consumers; and 4) trademark eligibility focuses on a mark’s capacity to distinguish goods in commerce.

Before the Supreme Court, the PTO did not dispute that consumers did not view or use the phrase “Booking.com” to merely refer to any type of generic reservation website. Thus, there was no dispute before the Supreme Court that “Booking.com” was not generic. For that reason, the Supreme Court determined that case should be resolved in Booking.com’s favor. But the Court delved deeper. It rejected the application of per se rule against “.com” marks. Instead, it held that the focus must remain on the meaning of the applied for mark to consumers. If the combination of generic terms yields no additional meaning to consumers, the resultant proposed mark is generic and not registerable. But if the opposite is true, and the resultant combination does provide additional meaning to consumers who understand that the combination refers to a specific source of goods or services, then the mark may be registered despite the fact that it may be comprised solely of generic terms such as “booking” and “.com.”

As a point of interest, during the proceedings Booking.com admitted that “Booking.com” would be a “weak” mark, that similarly worded marks were unlikely to infringe, and that its registration would not prevent competitors from using the word “booking.” So why would Booking.com or any company in a similar situation go through with the expense of registering such a mark? The answer is likely Booking.com’s access to statutory damages and protections against counterfeits. For example, there are a number of laws against misusing another’s domain name, such as by including a domain name link of another party that redirects to the malefactor’s website (a common phishing scam). By securing “Booking.com” as a federal trademark, any such use would not only allow Booking.com to pursue those state law claims, but also give Booking access to federal statutory damages for counterfeit use of the mark.

Overall, the decision is one that companies should be seriously examining with their trademark counsel. That is particularly true if the company applied for a “.com” mark previously and was rejected. It should be remembered that use of a mark is what provides rights; the registration is only a recognition of those accrued rights. Thus, even if an application for registration was rejected, that does not mean that the company did not or does not have trademark rights that it could now seek to protect through application for federal trademark registration.

[CLICK HERE](#) for the Opinion.

If you have any questions about this Alert, please contact the author listed below or the [Aronberg Goldgehn attorney](#) with whom you normally consult.

[Chip De Preter](#)

cdepreter@agdgllaw.com

312.755.3153