

Supreme Court Upholds Trademark Registration for Generic Term Combined with Top-Level Domain

The Supreme Court recently determined that a generic term combined with a top-level domain designation can be protected as a trademark. Hotel booking website Booking.com B.V. sought to register its “Booking.com” domain name as a trademark. The Patent and Trademark Office (“PTO”) refused registration, taking the position that a generic terms such as “booking” combined with a top-level domain such as “.com” is necessarily generic and unregistrable. On judicial review, however, the District Court determined that “Booking.com” was not generic, even though “booking” standing alone would be. The District Court further found that the mark had acquired secondary meaning based on survey evidence that had not been before the PTO that 74.8% of participants identified the mark as a brand name, and ordered the PTO to register the mark. The PTO appealed only the holding that the mark was not generic, conceding that the survey evidence was sufficient to establish secondary meaning, and the Fourth Circuit affirmed the District Court’s ruling.

The Supreme Court affirmed, holding that a generic term followed by a top-level domain is not automatically generic. The Court instructed that the proper analysis is whether the proposed mark, taken as a whole, signifies to the relevant class of consumers a class of goods or services as opposed to signify a particular company, rejecting the PTO’s bright-line rule. Justice Ginsburg, writing for the 8-1 Court, stated that consumers do not refer to the class of hotel booking service providers as “booking.com” companies, which means that the mark is not generic. Justice Ginsburg further noted that the

PTO had not previously followed their proposed bright-line rule, pointing to the registration of "ART.COM" on the principal register and "DATING.COM" on the supplemental register.

The PTO analogized this situation to the addition of "Company," Corporation" or the like to a generic name, which has long been held unregistrable; Justice Ginsburg, however, noted that, as there can only be a single entity using a particular domain name at a time, the addition of the top-level domain necessarily points to a single specific entity rather than a generic class of goods or services. She was quick to state that this does not mean that a generic term combined with a top-level domain is automatically non-generic, but instead depends on whether consumers perceive the term as naming a class of goods or services or as capable of distinguishing among members of the class. In making this determination, courts and the PTO can look to consumer surveys, dictionaries, usage by both consumers and competitors, or any other source of evidence bearing on consumer perception.

The Court also discounted the PTO's concern that the registrant of a "generic.com" mark would seek to preclude others from using the generic term or similar terms in domain names, such as "ebooking.com" or "hotel-booking.com." The Court noted that this concern exists with respect to any descriptive mark, and that the weakness of the mark would preclude findings of customer confusion.

While the majority asserts that the addition of a top-level domain to an otherwise generic mark does not automatically make the combination non-generic, it is difficult to imagine a circumstance where such a domain name would fail to pass the test set forth in the opinion. As Justice Breyer asserts in his dissent, there will never be instances in which consumers literally refer to a class of goods as "goods.com," "goods.com" will not appear in dictionaries, and there will

always be but a single owner of a “goods.com” domain name. He also notes that survey evidence could result in generic terms being associated with a single source where the source has enjoyed a period of exclusivity in the marketplace or has spent significant money and effort in securing such public identification, and that such an association has never before allowed for registration of a generic term. Justice Breyer further considers the risk of anticompetitive harm through allowance of such a mark. As he notes, why would a firm want to register a domain name, which it already has exclusive use of, as a trademark unless it wished to extend its area of exclusivity to preclude the use of similar domain names? He points to the owner of “ADVERTISING.COM” having obtained a preliminary injunction against a competitor’s use of “ADVERTISE.COM” (later overturned when the Ninth Circuit determined that “advertising.com” was generic for on-line advertising) as an example of this type of harm. This concern did not, however, carry the day.

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