



What Is In A Name? Sometimes, a Claim

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September 14, 2017

What is a Trademark?



- A trademark is any word, product name, symbol or “device” that identifies the goods or services upon which the trademark is used as emanating from a particular source.



The Lanham Act

- The Lanham Act , a/k/a the Trademark Act, provides for:
 - The registration of trademarks
 - Allows for a private cause of action for unfair competition through misleading advertising or labeling

The FDCA

- The Food Drug and Cosmetics Act (“FDCA”)
 - Provides a statutory regime to protect the health and safety of the public
 - Does not allow for private causes of actions by the public or competitors
 - Prohibits the misbranding of foods and drinks



Product Names

- Product names and other material on packaging often make or imply claims about a product's attributes.



Trademark Clearance

- Product names are often under “cleared” by trademark counsel, who check to see if a name is available for use and/or registration vis-à-vis third parties and the United States Patent and Trademark Office.

Trademark Clearance

- Generally focuses on issues like inherent distinctiveness and likelihood of confusion.
- Does not usually encompass regulatory issues and often looks at falsity issues differently than the FDA.
- May overlook “false” or “misleading” language and claims.



Product Attributes

- Product names that make or suggest claims about a product's attributes may evoke a competitor action under the Lanham Act or enforcement from the FDA.



Will a Name Stand Up to a Challenge?

- Neither a competent trademark clearance opinion nor ownership of a trademark registration necessarily provides a defense against competitor or regulatory challenges that the product name is false or misleading.

Trademark Registration

- A trademark registration is the government's grant of an exclusive right to use a particular word or symbol to identify one's products or services as they flow through commerce.

“Inherently Distinctive”

- Whether a trademark, i.e., the product name, is descriptive or misdescriptive is not relevant to registration, so long as the trademark is shown to be inherently distinctive or has a secondary meaning in the mind of the public.

“False” or “Misdescriptive”

- A trademark registration provides little shield against regulatory challenges or private enforcement actions claiming that the product name is false or misdescriptive.



Lanham Act Prohibitions

- Section 2 (e) of the Lanham Act prohibits the registration of any trademark that is:
 - Descriptive
 - Deceptively misdescriptive
 - Geographically descriptive
 - Geographically deceptively misdescriptive

Secondary Meaning

- But Section 2(f) of the Lanham Act allows for registration of such marks if the owner can show that the mark has obtained secondary meaning (has become distinctive of the owners goods or services in the eyes of the consuming public)

Proof of Secondary Meaning

- Advertising expenses
- Revenues
- Length of use

Section 343 of the FDCA

- According to Section 343 of the FDCA, a food shall be deemed misbranded if:
 - (a) its labeling is false or misleading in any material respect;
 - (g) if it purports to be or is represented as a food for which a definition and standard of identity has been prescribed by regulations as provided by section 341 of this title, unless (1) it conforms to such definition and standard, and (2) its label bears the name of the food specified in the definition and standard.

FDA Regulatory Actions

- The FDA may take regulatory action against the product name (trademark), if it believes that the trademark misbrands the product:

FDA Regulatory Action

– JUST MAYO

- Hampton Creek, Inc. obtained a trademark registration for JUST MAYO covering “vegetable-based spreads” in Class 29 and “egg- and dairy-free mayonnaise; salad dressing” in Class 30.
- FDA took action in the form of a Warning Letter that issued on August 12, 2015 (8 days after the registration issued).

FDA Regulatory Action

- According to the FDA, JUST MAYO is misbranded within the meaning of Section 403(a)(1) of the FDCA act, in that the product purports to be standardized food mayonnaise due to misleading name and imagery used on the label, but it does not qualify as standardized food mayonnaise.
- “Additionally, the use of the term ‘Just’ together with ‘Mayo’ reinforces the impression that the products are real mayonnaise by suggesting that they are ‘all mayonnaise’ or ‘nothing but’ mayonnaise.”

FDA Regulatory Action

- Hampton Creek settled with the FDA and changed the label to clarify that JUST MAYO does not contain eggs. Also made a change to define “Just” as “guided by reason, justice or fairness” – reframed the product as “moral mayo,” not “only mayo.”



FDA Regulatory Action

— BETTER'N PEANUT BUTTER



- Wonder has a trademark registration for BETTER'N PEANUT BUTTER covering “peanut butter” in Class 29.
- FDA took action in the form of a Warning Letter that issued in July of 2015 (more than 15 years after the registration issued).
- According to the FDA, BETTER'N PEANUT BUTTER is misbranded because it purports to be and is represented as peanut spread and peanut butter, but does not meet the description to qualify as peanut butter.



Competitor Lanham Act Actions

- A competitor may file an action under Section 43(a) of the Lanham Act if it believes that the product name effectively misbrands the product and may cause the competitor to suffer competitive injury:

Competitor Lanham Act Actions

– Del Monte's GELATIN SNACKS

(Kraft General Foods v. Del Monte Corp., 28 U.S.P.Q. 2d 1457 (S.D.N.Y. 1993))

- Del Monte's new "gelatin" product was made from seaweed, not gelatin.
- Kraft General Foods made Jell-O, a gelatin-based product.
- The court found the product name misdescriptive and quickly enjoined Del Monte's sale of GELATIN SNACKS.

Competitor Lanham Act Actions

– BREATH ASSURE

- Trademark registration for “chewing gum” in Class 30 that was registered in 1999, after a five year ad campaign.
- In 2000, the Third Circuit found that the name plus the ad campaign rendered the product deceptive.
- There was no sound basis for assurance that the product will freshen, or destroy odors in, one’s breath.
- There was inadequate support for such a claim.

Competitor Lanham Act Actions



Breath Assure Ad

POM Wonderful LLC v. Coca-Cola

- *POM Wonderful LLC v. Coca-Cola* (134 S.Ct. 2228 (2014))
 - The Lanham Act and the FDCA have co-existed since 1946 and
 - §43(a) of the Lanham Act neither forbids nor limits challenging words or labels that are regulated by the FDCA

POM Wonderful LLC v. Coca-Cola

- A competitor's Lanham Act cause of action for mislabeled food or drink
- The FDCA and the Lanham Act complement each other in the federal regulation of misleading food and beverage labels
- Competitors have an “on the ground” perspective
- Private causes of action are permitted under the Lanham Act



Simultaneous Regulatory and Private Actions

- Regulatory action by the FDA and private cause of action may be pursued at the same time.
 - Unilever filed (but then dropped) a lawsuit regarding JUST MAYO



Regulatory Review and Risk Assessment

- Product names need more than trademark and trade dress clearance – they need regulatory review and risk assessment. Failure to look at claims issues at the early stages of product development and branding can be costly.

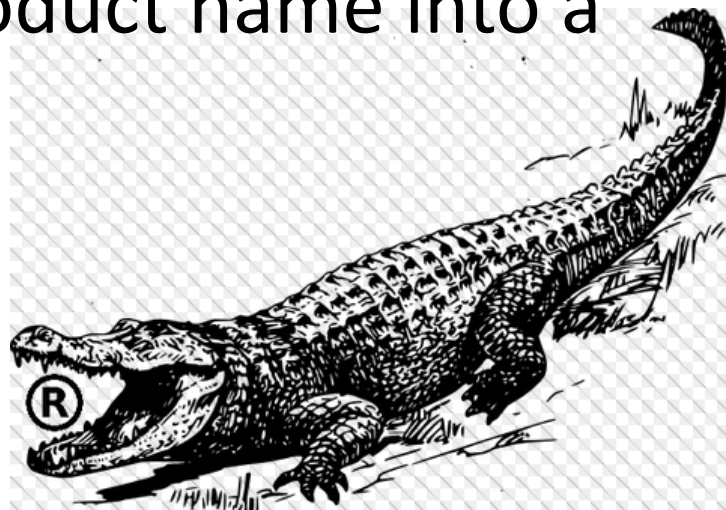
Best Practices

- Have clearance counsel consider regulatory and other claims issues at the clearance stage.
 - If your trademark counsel does not have this expertise, consider new trademark counsel, or involve regulatory counsel at the clearance stage.



Best Practices

- Consider a secondary review when marketing materials are being crafted. Copy and related materials can push a product name into a claim space.





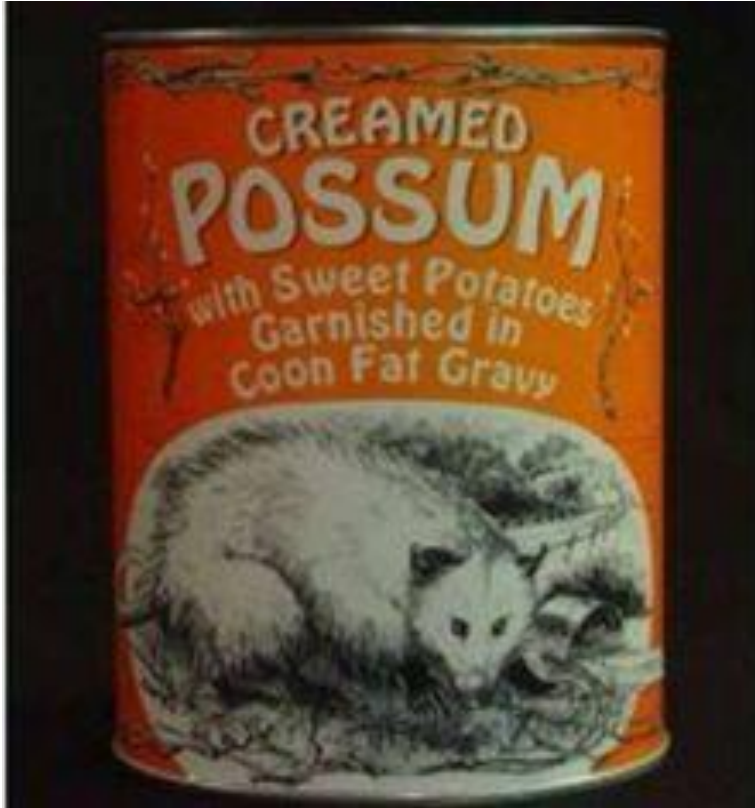
Don't Let the Name be to Blame for a Lame Class Claim

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September 14, 2017

What's In a Name?



Would creamed possum
by any other name be
any less nasty?

Areas of special compliance concern

- Changing a trademark or trade name is trickier than changing advertising.
- Over time, production methods, ingredients, other product features may change and render trademark a class action target.

FDCA Regulated Products

- Trade names can run afoul of all misbranding provisions:
- 21 USC §343(a) – misbranded food
- 21 USC §352(a) - misbranded drugs and devices
- 21 USC §362(a) – misbranded cosmetics

Margarine the contains cream and lard

Brougham v. Blanton Mfg. Co., 249 U.S. 495 (1919)

Department of Agriculture, under the Meat Inspection Law, and not the Interior Department (USPTO), determines whether a trade name is false or deceptive.



An OTC medication named to suggest lasting relief



- *Novartis Consumer Health v. J&J-Merck Consumer Pharm.* 290 F.3d 578 (3rd Cir. 2002) (“night time strength” both literally false, and misleading as shown by survey.”)

A cosmetic product for infants and children

“No more tears,” “baby shampoo” and like names for children's bath products were allegedly deceptive where products contained potential carcinogens to which children would be at heightened risk.

Herrington v. J&J Consumer Companies, 2010 WL 3448531 (N.D. Cal.)



Exemplar Legal Standards

- **Cal. B&PC §17200 (UCL)**: Prohibits any “unlawful, unfair or fraudulent business act or practice, and unfair, deceptive, untrue or misleading advertising.”
- **Civ. Code §1750 (CLRA)**: Prohibits specific practices including
- Misrepresenting source, sponsorship, approval or certification of goods
- Deceptive statements/designations of origin
- Representing that goods have characteristics, ingredients, benefits, quantities they do not
- Misrepresenting goods are of particular standard, quality, grade

Trademarks matter at class certification

Common issue: Were all class members exposed to misrepresentation?

Mazza v. American Honda, 666 F.3d 581 (9th Cir. 2012)

Just How Deceptive Is “Deceptive”?

- The class rep must show that:
- “[A] significant portion of the general consuming public or of targeted customers, acting reasonably under the circumstances, could be misled.”
- *Lavie v Procter & Gamble*, 105 Cal. App. 4th 496, 508 (2003)
- “The law focuses on the reasonable consumer *who is a member of the target population.*”
- *In re Vioxx Class Cases*, 180 Cal. App. 4th 116, 130 (2009)

The “reasonable consumer” - class action style

Don't assume

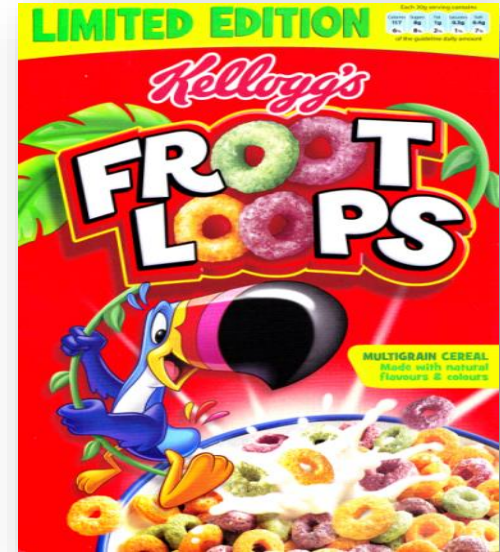
- Common sense
- That Plaintiff sees anything except the alleged misrepresentation
- Prior experience with the product

Do assume

- That plaintiff is gullible
- That plaintiff will purport to have drawn the less plausible of competing inferences

Some Trademarks that No Reasonable Person Could Believe

A fruit that is always in season



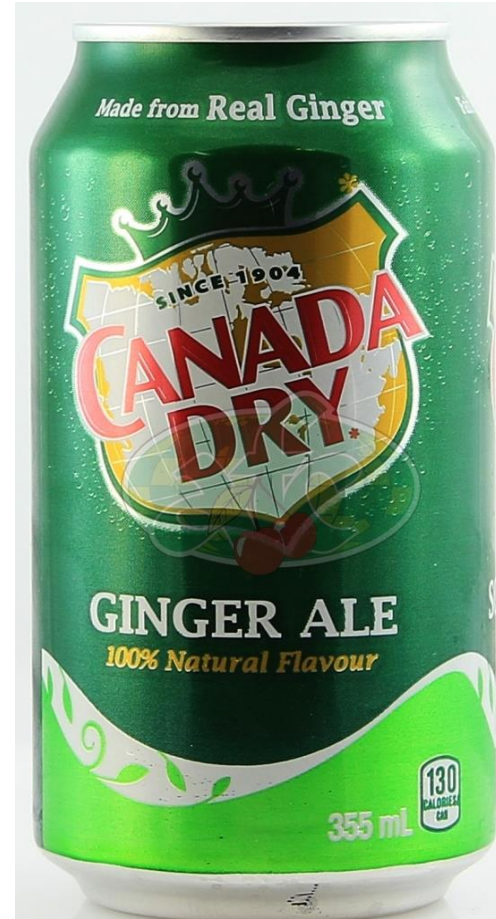
“Froot” should be a clue

TRADEMARKS THAT SUGGEST AN INGREDIENT

What's alleged to be wrong with this?

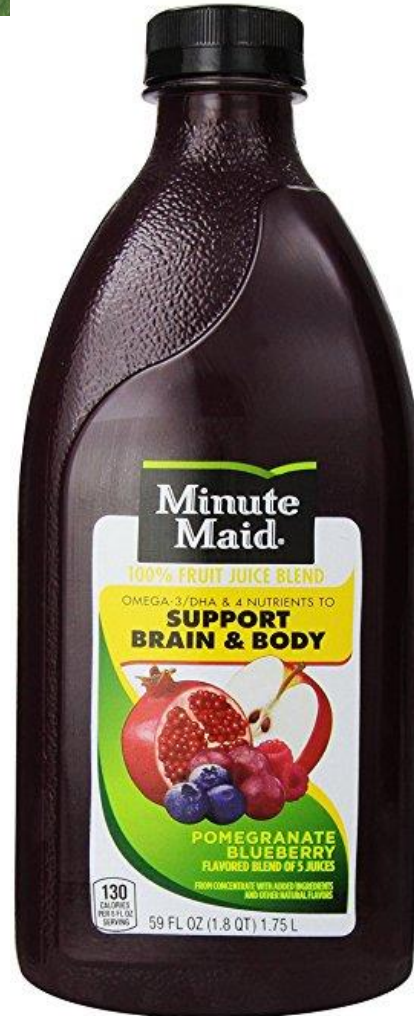
Alleged not to contain ginger.

Margaryan v. Dr. Pepper Snapple Group, Case No. 2:17-cv-5234
(S.D. CA)



Not just a Lanham claim

Saeidian v. The Coca-Cola Co.,
Case No. 2:09-cv-06309 (C.D. CA)



TRADEMARKS THAT CONVEY A PROCESS

An adjective that might make some things sound better



*Singleton v Fifth
Generation Inc.*, Case
No 5:15-cv-00474
(N.D.N.Y.)

“Simply” – The Processing Is Not So Simple

In re Simply Orange Marketing and Sales Practice Litig., MDL No. 2361, W.D. Mo.



TRADEMARKS THAT SUGGEST A SOURCE OR LOCATION

“Not one drop of spring water”

Patane et al. v. Nestle Waters North America, Inc., Case No. 3:17-cv-1381 (D. Conn.)



From Santa Fe? Or Fremont, CA?

*Chavez v. Blue Sky Natural
Beverages, Case No 6-cv-6609
(N.D. Cal.)*



TRADEMARKS THAT CONVEY A HEALTH BENEFIT

Low cal beverage?

*Cruz v. Anheuser Busch
Companies, LLC*, Appeal No. 15-
56021 (March 16, 2017 9th. Cir.)



Product Name Reinforces Product Claim



- *Rojas v. General Mills*, Case No. 3:12-cv-5099 (N.D.Cal.)

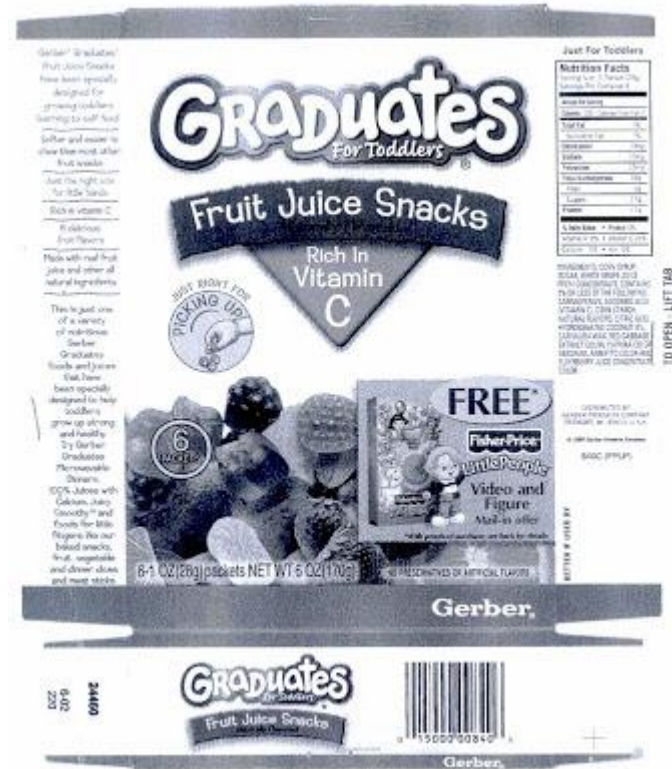
Snacks? Too Much Sugar, Not Enough Fruit

Atik v Welch Food Co., Case No. 1:15-cv-5405 (E.D. N.Y.)



Front Label Messages vs. Ingredient Panel

Williams v. Gerber, 552 F.3d 934
(9th Cir. 2008)



TRADE NAMES THAT SHOULDN'T FOOL THE TARGET AUDIENCE

Real product or a joke?

<http://www.fieldandstream.com/answers/hunting/small-game/butchering-cooking-rabbits-squirrels-and-other-small-game/does-opposum-m>

<http://www.kansascity.com/living/food-drink/article296195/Raccoon-ls-whats-for-dinner.html>



Questions?



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