WilhelmGilliéron AVOCATS

Auteur: Wilhelm Avocats | Le : 1 July 2020

Choosing a trademark: how to choose well?

What is a trademark?

Many entrepreneurs still believe that any distinctive sign they use in business life should be understood as a "trademark". However, this is not the case, and not every sign you use in business life is a "trademark" in the legal sense.

The legal framework makes a distinction between the corporate name, i.e., the name of your company as registered in the commercial register, the so-called "enseigne", which can be defined as the name of your business premises, and finally the trademark, i.e., the name under which you will sell your products or services as registered in the trademark register. Each of these signs is subject to a different legal regime.

To be qualified as a trademark, the sign you use to identify your products or services must be registered with the competent authorities, i.e. the <u>Federal Institute of Intellectual Property</u> as far as Switzerland is concerned.

Too many entrepreneurs still think that they own a trademark without having registered it. This can have unfortunate consequences. Once registered, a trademark provides you with a protective title that you can use throughout Switzerland, even if you only operate locally. This exclusive right then allows you to act against anyone who uses an identical or similar sign for products or services that are identical or similar to your own and that are likely to cause confusion. While this registration is valid for ten years, it can be renewed an indefinite number of times for successive periods of ten years; in other words, the protection afforded to you by your trademark can be virtually eternal. Conversely, if your trademark is not registered, anyone is in principle entitled to imitate your sign, without you being able to do much, subject to special circumstances that may allow the Federal Law against Unfair Competition to come into play.

Distinctive character requirement

This being said, you have to comply with some specific requirements when you choose a trademark. Not every sign can be registered as a trademark. Thus, when you register the sign under which you distribute your goods or services as a trademark, the Federal Institute of Intellectual Property will ensure that your sign is truly distinctive and does not fall under what is called an "absolute ground for refusal". As such, it is not possible to register a sign that is descriptive of your products or services, or that is misleading. For example, wishing to register a sign called "goldwatch" as a trademark for watchmaking products does not come into play, as long as the term is descriptive of your product, or even misleading if the watch in question is not made of gold. In other words, the more fanciful your sign is, the more easily it will be accepted for registration.

Google referencing and fancy character - a tough choice

At this stage, however, an important question arises. How important is the Internet to you? Is it an important or even the only channel for distributing your products or services (pure player), or is it just an auxiliary one? If your online business is important to you, then the choice of your domain name will be of prime importance. If the Internet is important to you, then being well placed in Google's search results will be decisive. For Google's algorithm, the more the content of your website, including the domain name you choose, is descriptive of your business, the better your SEO will be. In other words, from an optimization (SEO) perspective, any agency will advise you to have a domain name that is as descriptive as possible, a requirement that contradicts those laid down by the Federal Trademark Law to enable you to obtain a trademark and be protected as such.

In this case, it is therefore important to choose a domain name that is as close to your activities as possible, while being aware that any third party can then choose a domain name that is very close, since no one can – except in special cases – claim to have a monopoly on a descriptive name. It will nevertheless be important to double the registration of this domain name by a trademark, fancy this one, to define not your activity, but your products or services themselves sold through your site. If necessary, it may be useful to register the corresponding domain names, but to redirect them to your main site, whose domain name will be descriptive.

Availability of the sign

In any case, it is important that you make sure that the sign you wish to register as a trademark is available before filing (freedom to operate). It would be unfortunate to register a sign that may infringe a trademark previously registered by a third party. To do so, a fairly simple due diligence can be carried out free of charge online at <u>www.swissreg.ch</u>; when the trademark you wish to register is of a strategically important nature for your company, it may be important to carry out a more detailed examination, for a fee, through professional suppliers.

In the digital age, simply ensuring the availability of the trademark you wish to register is not enough. It would indeed be regrettable to register a trademark only to find out later that you cannot hold corresponding domain names or social network accounts such as Facebook or Instagram on which you had relied.

Before proceeding with such a registration, you should therefore make sure that the domain name(s) you wish to hold under the various TLDs that interest you are available, as well as any related social network accounts, for example on Facebook and Instagram.

We have extensive experience in portfolio management and strategic advice on these matters. If you would like to know more or would like our support in strategically managing your existing portfolio or launching a new range of products or services, please let us know and we will be happy to help you achieve your objectives by defining your brand portfolio in a way that is both cost effective and efficient.

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