

US: TRADE MARKS

**Once generic,
always generic**

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In *Solid 21 v Hublot of America, et al*, the US District Court for the Central District of California issued a ruling holding that once a term has become generic, it is always generic and cannot be the subject of trade mark protection under any circumstances even if the purported owner can demonstrate secondary meaning in that term.

Solid 21 owned a US trade mark registration for the mark Red Gold covering a range of fine jewellery products made of a special alloying of gold with a distinct colour, which had become incontestable in 2009. Solid 21 filed a complaint alleging that the defendants' use of the term "Red Gold" in connection with gold watches constituted an infringement of Solid 21's trade mark rights. The defendants countered by filing a motion for summary judgment claiming that the term "Red Gold" was generic and, therefore, not entitled to trade mark protection.

The fact that a certificate of a registration had issued for the Red Gold mark meant that the mark was entitled to a presumption of validity. The burden of proving that a registered mark is generic rests on the defendant and the court noted that such burden is "heavy". In deciding the motion for summary judgment, the District Court applied the Ninth Circuit's "Who are you / what are you" test in determining whether a term is generic; namely, that a trade mark answers the "who are you" question and a generic term answers the "what are you" question.

The defendants were able to provide evidence demonstrating that the term "red gold" had been used generically for an extensive period of time before Solid 21 entered the market. Viewing such evidence in a light most favourable to Solid 21, the Court found that it was clear that the

term "red gold" relates to the type of product rather the source of the product and, consequently, falls on the "what-are-you side" of the Ninth Circuit's genericness test.

As to Solid 21's use of the term "Red Gold", the Court held that a generic term cannot become protectable "no matter how much money and effort the user of a generic term has poured into promoting the sale of merchandise and what success it has achieved in securing public identification". In short, the Court adhered to the rule that if a term is generic at the time it was adopted, it cannot become distinctive and, in turn, protectable, even if consumers associate the term with the plaintiff. Accordingly, the Court granted the motion for summary judgment declaring Solid 21's Red Gold mark invalid and ordered the cancellation of the certificate of registration which had issued therefor.

This case is instructive as it serves as a warning for entities interested in adopting a previously generic term as a brand name. Similarly, it serves as a caution that even an incontestable trade mark registration can be invalidated on a claim of genericness.