



TRADEMARK HACKS FOR CANNABIS ENTREPRENEURS

EVERYTHING YOU NEED TO KNOW BEFORE FILING
YOUR TRADEMARK WITH THE USPTO

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ABOUT MARIO SIMONYAN

Mario Simonyan is the founding attorney of ESQgo - a boutique intellectual property law firm located in Burbank, California which focuses exclusively on e-commerce brands. Prior to founding ESQgo, he built and sold two seven-figure e-commerce brands.

Due to his business background and trademark expertise, Mario is regularly featured in numerous news outlets, a sought-after Expert Witness for trademark litigation, and a designated trademark attorney to over 5,000 e-commerce sellers.





TRADEMARK FUNDAMENTALS

A. WHAT ARE TRADEMARKS?

Trademarks are typically words, phrases, symbols, and/or designs that are used as source identifiers for particular products. Service marks are the same as trademarks, except that they are used as source identifiers for particular services. However, both trademarks and service marks are commonly referred to simply as “trademarks” or “marks.”

For a purported mark to be protectable under United States trademark law, and thus enforceable against another’s adoption of a confusingly similar mark, the mark must be “distinctive” and “lawful in commerce.”

B. DISTINCTIVENESS REQUIREMENT FOR TRADEMARK PROTECTION?

A distinctive mark is one that identifies the source of a product or service in the consumer’s mind. The level of distinctiveness or “strength” of a mark is determined by where it falls upon a spectrum (commonly referred to as the spectrum of distinctiveness). The spectrum includes the following five categories:

- **Generic:** The mark is a common product or service name. For example, KNIFE for a knife product. Or LAWYER for legal services. These types of marks are not protectable or registrable with the USPTO.





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- **Descriptive:** The mark describes a product or service, or a characteristic of the product or service. For example, LONG LASTING BATTERY for a battery. Or SPEEDY for a delivery service. These types of marks are not protectable and only registrable with a showing of "acquired distinctiveness."
- **Suggestive:** The mark suggests an attribute of a product or service without solely describing it. The consumer must exercise imagination to determine the nature of the product or service. For example, NO TEARS for a garlic peeler. Or ACOS BULLY for a software that helps optimize Amazon PPC. These types of marks are generally protectable and registrable, although they are weak marks.
- **Arbitrary:** The mark is a real word but one that is used in a way that is not connected to its common meaning. For example, TESLA for automobiles; or APPLE for phones and computers. These types of marks are almost always protectable and registrable. Trademark law considers these marks as strong.
- **Fanciful:** The mark is a made up word or phrase. For example, CISCO for networking equipment or ESQgo for legal services. These types of marks are most protectable and registrable. Trademark law considers these as very strong.

See detailed explanation [here](#).





C. LAWFUL USE IN COMMERCE REQUIREMENT FOR TRADEMARK PROTECTION

Under U.S. trademark law (Lanham Act), the United States Patent and Trademark Office (USPTO) allow only for the federal registration of trademarks used lawfully in commerce.

The Lanham Act defines “commerce” as “all commerce which may lawfully be regulated by Congress.” The Federal Court explained that this “is a way of preventing the government from having to extend the benefits of trademark protection to a seller who violates the government's laws.” See *Dessert Beauty, Inc. v. Fox*, 617 F. Supp. 2d 185, 190 (S.D.N.Y. 2007).

Since federal law, the Controlled Substances Act (CSA), prohibits the manufacture, distribution, possession, and sale of marijuana, heroin, cocaine, and other substances; Congress does not regulate such commerce and therefore would NOT qualify for trademark protection. This requirement has been the major obstacle for cannabis-related brands seeking trademark registration and protection.

Fortunately, the CSA is not the only law in the land. The Agriculture Improvement Act of 2018 - more commonly referred to as the “Farm Bill” was signed into law by President Trump in December, 2018 and went into effect on January 1, 2019. The Farm Bill removed hemp from the CSA thereby paving the way for the wholly legal cultivation, possession, sale and distribution of the hemp plant. Furthermore, allowing for such businesses to seek federal trademark protection.





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The Farm Bill defines hemp as the “plant cannabis sativa L. and any part of the plant with a delta-9 THC concentration of not more than 0.3 percent by dry weight.”

D. RAMIFICATIONS OF THE FARM BILL TO THE HEMP AND CBD INDUSTRIES

The passage of the Farm Bill provides greater regulatory consistencies and opportunities for businesses that deal in hemp and hemp-derived products, such as CBD. A prominent figure in the industry, [Hemp Business Journal](#) projects that by the year 2022, the U.S. hemp market will expand to \$1.9 billion in retail sales.

A portion of the rapid expansion of the U.S. hemp market is attributed to CBD producers which have turned to using hemp as their primary source for CBD, instead of marijuana. However, it is critical that such brands offering CBD (food and beverages) familiarize themselves with the health and food regulations of the Food and Drug Administration (FDA) because The Farm Bill preserved the FDA's authority to regulate products containing cannabis or cannabis-derived compounds under the Food, Drug, and Cosmetic Act (FDCA).

E. 2018 FARM BILL - IMPORTANT TAKEAWAYS

The important takeaways from the 2018 Farm Bill relating to hemp and CBD brands are the following:





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- The 2018 Farm Bill defines hemp as the plant *Cannabis sativa* L. and any part of the plant with a delta-9 THC concentration of not more than 0.3 percent by dry weight.
- Definition is consistent with the definition of “industrial hemp” in the 2014 version of the Farm Bill, which had limited pilot program regarding research into industrial hemp.
- The 2018 Farm Bill removes hemp from the Controlled Substances Act (CSA), paving the way for the wholly legal cultivation, possession, sale and distribution of the hemp plant. Therefore, CBD products from hemp plants (with a delta-9 THC concentration of not more than 0.3 percent by dry weight) are no longer illegal under the CSA.

F. FARM BILL VS. FDA

In an August 2019 speech, an FDA representative spoke at the “National Industrial Hemp Council 2019 Hemp Business Summit” and made some important remarks regarding the role of the FDA related to the Farm Bill.

While the entire speech can be found [here](#); below are some important remarks related to this subject:

“ There's a lot going on these days in the world of hemp, including at the U.S. Food and Drug Administration (FDA). We've seen an explosion of interest in hemp and hemp-derived products, as well as some important changes to the legal landscape. And increasingly, we've been hearing from a broad range of stakeholders who are eager to better understand where FDA fits into all of this, how our authorities apply to hemp and hemp products, and what the future has in store.





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As an agency, we're trying to be as transparent and informative as possible on these issues, and to resolve open questions quickly, efficiently, but also thoughtfully. So I appreciate this opportunity to talk with you about what we've been up to, what our current thinking is, and where we may be headed.

As many of you are keenly aware, things changed considerably for hemp in December of last year, with the passage of the Agriculture Improvement Act of 2018 – or, as we often call it, the “Farm Bill.”

Up until that time, virtually all cannabis (which includes cannabinoids derived from cannabis) was considered a Schedule I controlled substance under the federal Controlled Substances Act, or the CSA. That's the most restrictive schedule, and it means significant limitations on research and use, which are generally enforced by the Drug Enforcement Administration, or DEA.

The Farm Bill changed how cannabis is treated under the CSA. Among other things, this law removed a category of cannabis known as hemp from the CSA's definition of marijuana, which means that hemp (as distinct from marijuana) is no longer an illegal controlled substance under federal law.

The Farm Bill defines hemp as cannabis and derivatives of cannabis with extremely low concentrations of the psychoactive compound delta-9-tetrahydrocannabinol, or THC – no more than 0.3 percent on a dry weight basis. So cannabis plants and derivatives with higher THC content remain controlled substances at the federal level, but cannabis plants and derivatives with THC contents below the legal threshold, that meet the definition of hemp, are no longer controlled substances under the CSA.





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So what did the Farm Bill change at FDA? In a certain sense, the answer is not much. In the Farm Bill, Congress explicitly preserved FDA's authorities to regulate products containing cannabis or cannabis-derived compounds, regardless of whether they are classified as marijuana or hemp. These authorities include our responsibilities under the federal Food, Drug, and Cosmetic Act and the Public Health Service Act.

In preserving these authorities, Congress recognized FDA's important public health role with respect to all the products it regulates. This allows the FDA to continue enforcing the law to protect patients and the public while also providing potential regulatory pathways for products containing cannabis and cannabis-derived compounds.

In another sense, the Farm Bill has had a very significant impact on FDA. The Farm Bill removed significant restrictions under the CSA on the growth, production, distribution, and use of hemp and hemp products. This has contributed to the recent explosion of interest in such products, including one hemp derivative in particular – a cannabinoid known as cannabidiol, or CBD. And the Farm Bill, by preserving FDA's authorities while removing other restrictions, made FDA much more practically relevant to many stakeholders. ”





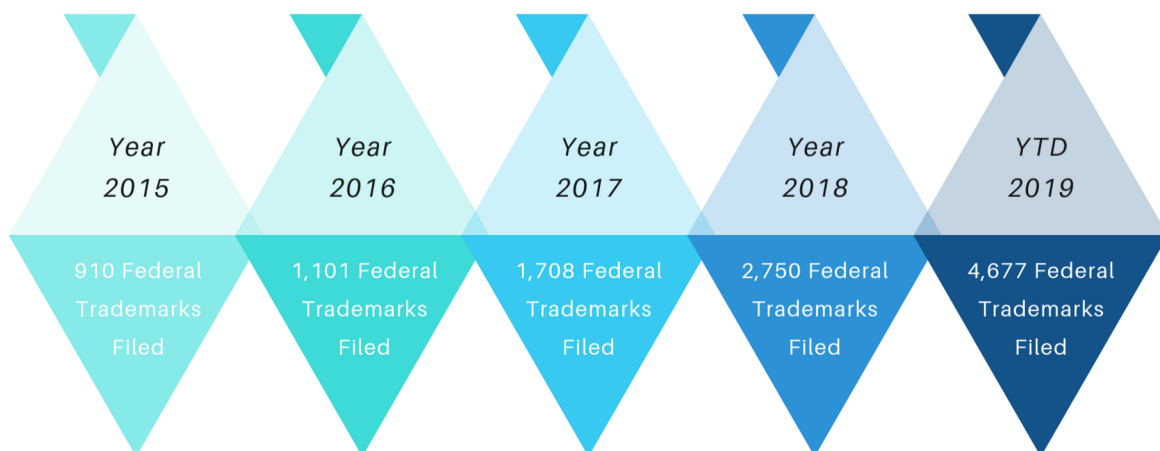
TRADEMARK FUNDAMENTALS

G. BRIEF DEFINITION OF CBD AND THC

Cannabidiol (CBD) and tetrahydrocannabinol (THC) are both components that occur naturally in the Cannabis Sativa plant. CBD is non-psychoactive; THC is psychoactive. CBD can be extracted from hemp plants or cannabis plants, both of which fall under the scientific definition of Cannabis Sativa.

USPTO Trademark Filings Related To CBD, HEMP, Cannabis, or Marijuana

Years 2015 - 2019





H. REGISTERING A FEDERAL TRADEMARK FOR HEMP AND CBD RELATED GOODS AND SERVICES

The USPTO has a designated team of examiners assigned to reviewing trademark applications which may implicate the CSA. The examiners are specifically trained to process applications for hemp, CBD, marijuana, and other cannabis-related goods and services. Currently, there is a backlog and delay for such trademark applications; however, the USPTO has notified the public about possibly expanding the team to decrease the backlog and unnecessary delays.

The designated team of USPTO examiners are trained to identify cannabis-related trademark applications which implicate the CSA by:

- Reviewing the identification of the goods/services,
- Inspecting the specimen(s) submitted by applicant,
- Visiting applicant's website and social media accounts, and
- Issuing requests for information.

If your brand is providing goods or services related to hemp and CBD, the goal is to not implicate the CSA, and try to stay clear of the FDA regulations. Below are a few examples of how some brands have obtained a federal trademark by explicitly including the definition from the Farm Bill (delta-9 THC concentration of not more than 0.3% on a dry weight basis), or a similar variation in their goods and services identification.





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CHICAGO CANNABIS COMPANY

- US Trademark Registration No.: 5859046
- G/S Identification: IC 35: Retail store services featuring hemp-derived products, namely, non-medicated cosmetic skin care products in the nature of topical herbal extracts containing CBD derived from cannabis with a delta-9 THC concentration of not more than 0.3% on a dry weight basis, and clothing.

SAN LUIS VALLEY HEMP COMPANY

- US Trademark Registration No.: 5836446
- G/S Identification: IC 3: Body and beauty care cosmetics; Lip balm; Skin cream; Skin lotion; all of the foregoing containing CBD oil derived from cannabis with a delta-9 THC concentration of not more than 0.3% on a dry weight basis.

TERP'S CANDY

- US Trademark Registration No.: 5858069
- G/S Identification: IC 5: Herbal supplements; Natural dietary supplements; none of the foregoing containing cannabis, CBD, or cannabis derivatives.

CANNABAR

- US Trademark Registration No.: 5694472
- G/S Identification: IC 29: Healthy snacks, namely, food bars comprised primarily of nuts, fruits, and hemp; none of the foregoing containing CBD.

LOVEBUD

- US Trademark Registration No.: 5652508
- G/S Identification: IC 5: Medicated skin care preparations; Medicated cosmetics; Medicated lip balm; Medicated moisturizers; all of the foregoing containing only hemp seed oil and excluding marijuana extracts and CBD.





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The aforementioned applications were successfully registered because none of them implicate the CSA since their identified goods fall into the definition of federally legal hemp. Moreover, brands that are merely providing marijuana-related services would not implicate the CSA because the CSA does not prohibit services such as counseling services, entertainment services, or public advocacy of marijuana. For example, consider these following cannabis-related trademarks successfully registered with the USPTO.

MEDMEN

- US Trademark Registration No.: 5612033
- G/S Identification: IC 041: On-line journals, namely, blogs featuring social and medical benefits of cannabis.

WILDSEED

- US Trademark Registration No.: 5612033
- G/S Identification: IC 35: Providing consumer information and related news in the fields of marijuana and cannabis and medicinal and therapeutic marijuana and cannabis-infused products.
- G/S Identification: IC 44: Providing online information, news, and commentary in the field of health, wellness, health benefits of medical cannabis, and nutrition; Providing a website featuring information about health, wellness, and nutrition.

GREEN CARE NETWORK

- US Trademark Registration No.: 5500384
- G/S Identification: IC 35: Providing a website featuring consumer information in the field of medical marijuana including locations of dispensaries, doctors, growers, -





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contractors, processors, trimmers, labs, packaging and transport; Providing an online business directory featuring information in the field of medical marijuana including locations of dispensaries, doctors, growers, contractors, processors, trimmers, labs, packaging and transport.

- G/S Identification: IC 039: Providing a website and web site links to geographic information and map images in the field of medical marijuana dispensary businesses via interactive computer networks.
- G/S Identification: IC 041: Online journals, namely, blog featuring information related to medical marijuana

PERFECT MARIJUANA

- US Trademark Registration No.: 3933069
- G/S Identification: IC 044: Counseling services in the fields of health, herbalism, and lifestyle wellness.

DUDE WHERE'S MY POT

- US Trademark Registration No.: 5731323
- G/S Identification: IC 041: Entertainment services in the nature of providing an on-line non-downloadable marijuana-themed computer game.

THE KING OF POT

- US Trademark Registration No.: 5481211
- G/S Identification: IC 035: Public advocacy to promote awareness and understanding of the benefits of industrial hemp, medical marijuana, and recreational marijuana; business consultation services in the field of industrial hemp, medical marijuana, and recreational marijuana.





BENEFITS OF A USPTO TRADEMARK

In the United States, the general rule is that you have common law rights in the trademark for goods and services for which you use that mark. In other words, if you start using the brand name "CRUSH" for your CBD cookies, you can prevent others from using that mark (CRUSH) on or in connection with the same or similar goods. For example, you should be able to prevent a competitor from using your mark, CRUSH, on their CBD brownies because you have established common law rights by using your mark before your competitor.

So why should you care if the USPTO (federal government) refuses to register your trademark?

First, your common law rights are limited to the geographic area in which your mark was actually used or to the area which you might naturally expand. However, a federal trademark registration grants rights throughout the United States. Therefore, the brand owner of CRUSH with only common law rights can find himself faced with the herculean task of establishing and re-establishing its common law rights in new states. In contrast, a USPTO trademark establishes your rights throughout the country.

Second, a registered federal trademark provides the brand owner with remedies and resources not available to those with solely common law rights. For example, the federal anti-counterfeiting statutes permit the recovery of treble (triple) damages, statutory damages, attorney's fees, and even the assistance of the law enforcement (U.S. Customs and Border Patrol) to confiscate counterfeits and prosecuting pirates. Moreover, only federal trademark owners are allowed to file federal anti-counterfeit lawsuits against counterfeiters of your product.





BENEFITS OF A USPTO TRADEMARK

Third, a registered federal trademark carries the evidentiary presumption of ownership. In other words, the federal trademark registrant is presumed to be the true owner of the trademark, which could reduce the cost of litigation since a brand owner would otherwise expend significant capital in establishing their ownership of their common law mark.

Fourth, a federal trademark may cause potential infringers to take your demand letters more seriously; partly due to the fact that it carries awards of statutory damages up to \$2,000,000. While these are not the only advantages of federal registration, they are among the most significant.



TRADEMARK PROCESS

Unlike patents and copyrights, a registered USPTO trademark does not expire. Essentially, the trademark created and developed today can be passed-down to your children, your grandchildren, and so on - assuming it is continuously being used and proper documentation is filed with the USPTO. Therefore, it is critical that a trademark be initially filed correctly.

A. STEP 1: TRADEMARK CLEARANCE

We like to consider this step the "x-ray before the surgery". A trademark clearance is an investigation conducted by a trademark attorney which checks for any potential issues or obstacles with your use of the brand name (trademark). The trademark attorney will review and consider the implications of:





TRADEMARK PROCESS

- Existing trademarks,
- Common law or unregistered trademarks,
- Expired trademarks,
- Pending trademark applications, and
- Abandoned trademark applications.

The goal of this trademark clearance is to evaluate two main concerns. First, whether any prior USPTO applications or registrations are “confusingly similar” to the mark at issue resulting in a rejection of the trademark application by the USPTO. Secondly, whether the mark at issue is conceptually strong or weak (generic, descriptive, suggestive, arbitrary, or fanciful).

A proper trademark clearance will assess and quantify the risk of registering a trademark with the USPTO prior to submitting the trademark application, thereby saving the brand time and money.

Depending on the complexity of the trademark, the trademark clearance will usually take 3-5 days for a law firm to complete.

B. STEP 2: FILING A TRADEMARK APPLICATION

Once a trademark clearance has been conducted resulting in a lower risk of registration analysis, the second step is to prepare the USPTO trademark application for filing. This step includes the following:

- **Application Form:** Whether the application should be filed on the Principal Registry, Supplemental Registry, or Certification or Collective Mark.





TRADEMARK PROCESS

- **Application Type:** TEAS Regular, TEAS RF (Reduced Fee), or TEAS Plus.
- **Owner:** Specify the correct individual or legal entity which should claim ownership of the mark.
- **Identifying Mark:** Whether the mark should be filed as a Standard Character, Special Form (stylized or design), or sound/color mark.
- **Filing Basis:** Whether an "intent-to-use" or "use-in-commerce" application will be filed.
- **Goods and Services Description:** Attempting to provide the brand with broad protections while ensuring the USPTO will not reject such a description.
- **International Class:** Identifying proper International Class(es) for the goods and services of the mark. See full list of International Classes [here](#).
- **Additional Statements:** Such as, disclaimers, translations, ownership of prior registration(s), meaning or significance, claim of acquired distinctiveness, living individuals, and other statements.
- **Dates:** Identifying the proper "First Use" and "First Use in Commerce" dates for the mark.
- **Specimen:** Preparing appropriate specimen(s) for submission.





TRADEMARK PROCESS

Once a trademark application is filed with the USPTO, it takes approximately three months for the USPTO to examine the application and determine if additional information is required. Assuming no issues with the application arise, the trademark will register with the USPTO in approximately 6-9 months. Once a mark is registered, the brand may legally begin to use the ® symbol.

*The symbol ™ may be used at any time. This symbol does not require any applications or registrations - it is simply meant to place the public on notice of your "ownership claim" to such a mark.



TIMING CONSIDERATIONS

A. WHEN SHOULD A TRADEMARK APPLICATION BE FILED

Most of the hemp related businesses do not usually consider federal trademark protection, until they have invested significant sums creating a notable brand and accumulated significant revenues.

While brands can apply for a federal trademark at any time, it is highly encouraged that brands, specifically hemp related brands, consider trademark registration before committing to a brand name and investing in advertising and inventory.





TIMING CONSIDERATIONS

Initiating a trademark application with the USPTO as a foundation of your business, brand owners avoid the significant risk of having to entirely re-brand in the event that your mark/brand is “confusingly similar” to an existing trademark. The USPTO provides brand owners the right to “reserve” their brand name (mark) prior to ever using it via an “intent to use” application or a Section 1(b) filing basis.

One of the main benefits of filing an intent-to-use basis with the USPTO is reserving the mark which: a) provides public notice to others, and b) prevents competitors from registering a similar trademark.

However, registering a trademark after conception of the brand and business is also a viable option via a Section 1(a) or “actual use” application with the USPTO. Nevertheless, with this approach, a comprehensive trademark clearance is highly recommended.



BEYOND HEMP & CBD: HACKS FOR REGISTERING YOUR MARIJUANA TRADEMARKS

The shifting landscape of federal regulations related to marijuana creates unwarranted complexities with obtaining a USPTO trademark; therefore, the following should be considered when preparing your trademark application.





BEYOND HEMP & CBD: HACKS FOR REGISTERING YOUR MARIJUANA TRADEMARKS

A. CAREFULLY DRAFTING THE DESCRIPTION OF YOUR TRADEMARK'S GOODS AND SERVICES

While the USPTO has issued trademarks for goods and services narrowly related to marijuana, the general rule is... the closer the description is to the sale or distribution of marijuana, the more likely the USPTO will reject the application. Here are a few examples of marijuana-related trademarks the USPTO has rejected:

- HERBAL ACCESS & Design mark in connection with "retail store services featuring herbs" was rejected on the ground that the mark was being used in connection with the illegal sale of a substance (marijuana) in violation of the CSA. See *In re Brown*, 119 U.S.P.Q.2d 1350, 1351 (T.T.A.B. July 14, 2016).
- POWERED BY JUJU and JUJU JOINTS for smokeless marijuana vaporizers were rejected by the USPTO on the ground that the identified goods are illegal under the CSA and therefore use of the marks in commerce is unlawful. The applicant maintained that it does business only in states where marijuana is legal, and those jurisdictions comply with the Cole Memo. The USPTO, however, ruled that the CSA controls. See *In re JJ206, LLC*, 120 U.S.P.Q.2d 1568, 1569-70 (T.T.A.B. Oct. 27, 2016).





BEYOND HEMP & CBD: HACKS FOR REGISTERING YOUR MARIJUANA TRADEMARKS

- PARIS OG KUSH INDICA and HARDCORE OG KUSH INDICA were rejected because the USPTO found the marks to be deceptively misdescriptive of "medicinal herbs." The applicant stated that his or her goods "are not marijuana" and "are not derivative of marijuana in any way." However, PARIS OG, OG KUSH, HARDCORE OG, and INDICA are all descriptive of strains of marijuana. See *In re Sharnazyan*, 2016 TTAB LEXIS 416, at *4-5 (T.T.A.B. Aug. 30, 2016).

B. REGISTERING OUTSIDE THE GATES OF CSA

If your brand is selling goods or offering services that clearly violate the CSA, it is very likely that it is also providing goods or services that fall outside the restrictions of the CSA. Therefore, one viable strategy is to secure a trademark registration for those peripheral goods and services, thereby possibly preventing others from infringing your brand's mark even in connection with CSA-prohibited goods and services.

For example, if your brand intends to open a marijuana dispensary under the mark CRUSH, it may also offer in connection with that dispensary online informational ebooks regarding the benefits of marijuana, or the medical justifications for the legalization of marijuana. In such a circumstance, the brand could apply to register the CRUSH mark at least for such online or written marijuana-based ebooks - which would not violate the CSA.





BEYOND HEMP & CBD: HACKS FOR REGISTERING YOUR MARIJUANA TRADEMARKS

Likewise, if your brand intends to make and sell marijuana-infused cookies, perhaps it will also make and sell under the same brand - cookies, or other baked goods, without marijuana as an ingredient since the making and selling of cookies without marijuana as an ingredient would not violate the CSA. (Please note: making and selling cookies or other baked goods with hemp as an ingredient may not violate the CSA - due to the Farm Bill - it may run afoul of the FDA.)

While this strategy is not a perfect solution, it grants the brand a federal trademark for "regular cookies" in the hopes that when federal laws and regulations for "marijuana cookies" are relaxed, the brand could simply expand their trademark to cover "marijuana-infused cookies".

C. BUYING TIME

While some states legally allow the cultivation and sale of marijuana and marijuana-infused products, the federal government has failed to legalize marijuana. However, with the quickly changing landscape of federal laws related to marijuana, a brand may wish to make the bet that within the next couple of years, marijuana will no longer be regulated by the CSA; thereby making marijuana federally legal.

As we discussed above, Brands may file a 1(b) trademark application ("intent to use") for marijuana-related goods or services. The "intent to use" application will provide a brand approximately 36 months (three-years) to show the USPTO that they are using their goods or services in lawful commerce - in our case, marijuana-related goods or services. Hopefully, by that time marijuana will no longer be regulated under the CSA.





BEYOND HEMP & CBD: HACKS FOR REGISTERING YOUR MARIJUANA TRADEMARKS

For example, the owner of a marijuana cafe who files a federal trademark application for the mark CRUSH CAFE for “lawful marijuana cafe services” in December, 2019 would keep the trademark application alive long enough via timely-filed 6-month extensions, and hope that by December, 2022 (three years after filing) marijuana will no longer be categorized as a “substance” under the CSA thereby making it federally legal, and eligible for trademark registration and protection.

Under this strategy, the brand CRUSH CAFE would argue that the services listed in the trademark application are undoubtedly, by their terms, lawful and therefore immune from the USPTO examiner's refusal and that the USPTO must allow the applicant the full 36 months from the Notice of Allowance to make use of the mark for the applied-for services [“lawful marijuana cafe services”].

This strategy was utilized by the trademark attorneys for Trans-High Corporation - the owners of the magazine HIGH TIMES. In May 2014, they filed a trademark application for CANNABIS CUP for “Bakery goods and dessert items, namely, cakes, cookies, pastries and brownies for retail and wholesale distribution and consumption on or off the premises” in Class 30, “Plant seeds, Dried flowers; Natural plants and flowers” in Class 31 and “Wholesale and Retail store services featuring bakery goods and dessert items, namely, cakes, cookies, pastries and brownies, plant seeds, dried flowers; natural plants and flowers” in Class 35.

Upon examination by the USPTO, they connected the dots between the mark (CANNABIS CUP), and the goods and services (i.e., plants, seeds, and baked goods); and rejected the application as covering unlawful goods and services - violation of the CSA.





BEYOND HEMP & CBD: HACKS FOR REGISTERING YOUR MARIJUANA TRADEMARKS

The trademark attorneys for CANNABIS CUP then amended the description of the goods and services to include the word “lawful” (“lawful plant seeds, dried flowers”). However, the USPTO was not convinced and they issued a second rejection, specifically asking whether the goods and services would include or contain marijuana or any other controlled substances and whether they would be lawful under the CSA. The USPTO also objected to the addition of “lawful” in their description of goods and services, raising the question whether the goods and services would be lawful under just state law, or under both state and federal law.

Responding to the second USPTO rejection, CANNABIS CUP stated that it intends to sell both bakery goods containing marijuana and bakery goods not containing marijuana and that it intends that all of its goods and services will be lawful pursuant to the CSA at the time it files its statement of use and submits evidence of use. It also amended the descriptions of goods and services to list out those that would contain or pertain to marijuana, and those that would not, and to clarify that such applied-for goods and services would be lawful under both state and federal law.

Following this response by CANNABIS CUP, the USPTO issued a third rejection stating “if the items or activities with which a mark is intended to be used are prohibited by law, then actual lawful use in commerce will not be possible and there can be no bona fide intent to lawfully use the mark in commerce.”

In their last response on May 2, 2016, the attorneys for CANNABIS CUP pulled off something of a trademark-miracle. In their response, they reframed the issue and stated:





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The Examining Attorney explains [his] refusal by positing that 'applicant does not have a bona fide intent to lawfully use the applied-for mark in commerce.' This statement is simply untrue. By the very terms of the goods and services descriptions set forth above, Applicant's intent is to make use of the CANNABIS CUP mark in connection with goods and services 'lawful under both state and federal law.' Applicant concedes that the goods and services for which it seeks registration do not, at the moment, exist. This is because the goods and services for which Applicant seeks registration are lawful under state law but the current treatment of marijuana under the Controlled Substance Act makes them unlawful under federal law at this moment. Just as applicants who are developing new technologies, ones that do not yet exist, are granted Notices of Allowance and given the opportunity to perfect their registrations if they can bring their products to market during the allowance period, so too should Applicant be given the opportunity to stake its claim to this mark. If the subject goods and services come to exist within the Allowance period, Applicant could then be granted a registration. But if those goods and services do not come to exist, then Applicant would suffer the loss of its investment in the application when it lapses.

When the examining attorney writes 'for purposes of this refusal, the goods must be lawful under federal law as of this date' he is presumably making reference to the goods which are the subject of this application. That being the case, Applicant respectfully points out that the goods for which it is applying are, on their face and by definition, lawful (though non-existent) as of this date in that the very descriptions include the language 'lawful under both state and federal law.' The only question is whether such goods and services will come to exist in time for Applicant to file its Statement of Use and Specimen.





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The examining attorney observes that applicant's expectation that the goods and services for which it is applying will exist within the timeframe for an allegation of use 'does not make this application registrable.' To the extent he means, such expectations do not make the application registrable today, Applicant agrees. The mark is not registrable today, and will not be registrable until Applicant can file a Statement of Use and submit a specimen. Applicant simply wants to be given the same opportunity to do so that other applicants seeking registration for currently nonexisting goods or services are given.

When the examining attorney writes 'Applicant cannot have a bona fide intent to use a mark on unlawful goods,' Applicant respectfully points out that it is not seeking a registration covering unlawful goods. As the descriptions of goods and services unequivocally state, the application is for goods and services 'lawful under both state and federal law.'

When the examining attorney writes that the 'the applied-for mark as used in connection with such goods and/or services cannot be in lawful use in commerce' Applicant would agree to the extent we are discussing what is lawful today, but would respectfully disagree to the extent we are talking about the state of the law within the allowance period.

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BEYOND HEMP & CBD: HACKS FOR REGISTERING YOUR MARIJUANA TRADEMARKS

Several weeks after this response, the USPTO conceded and issued a Notice of Allowance thereby allowing the trademark for CANNABIS CUP to proceed.

While CANNABIS CUP holds several registered trademarks with the USPTO, the specific application mentioned above did not come to fruition since their 36-month time frame for filing actual use of the trademark with the marijuana-related goods and services expired on August 20, 2019 since marijuana remains defined as a "substance" under the CSA. Nevertheless, this trademark application has paved the way for other marijuana-based brands to follow in their steps - hoping that the next 36-months will be different.

Lastly, while your brand's trademark application may have the same faith as the aforementioned applicant's, it may still serve a purpose - having a pending trademark application with the USPTO may act as a deterrent for other brands to stay clear of using such a mark



ALTERNATIVES TO FEDERAL REGISTRATION

Unlike trademarks, federal registrations for a copyright does not require an identification of goods and services. Therefore, a federal copyright protection can provide an alternative route to protecting your cannabis-related logo or stylized-mark. Copyrights are registered with the U.S. Copyright Office - not the USPTO. While a copyright does not extend protection to a word or phrase, such as a brand name; it does extend protection to original works of art - which can include your brand's creative logo or stylized-mark.





ALTERNATIVES TO FEDERAL REGISTRATION

Copyright protection exists from the moment a work is created; however, U.S. Copyright law requires that the copyright be registered with the Copyright Office for you to be eligible to recover statutory damages, attorney's fees, and actually bring an infringement action. Another alternative to a federal trademark, is obtaining a State trademark. If a brand operates in one or more of those states in which marijuana and marijuana-related goods and services are legalized, then the State probably will grant trademark registrations. While state trademark registration fees are significantly more inexpensive, one of the shortcomings of the state registration system is the inability to file "intent to use" trademark applications. In other words, a brand is required to use the mark in commerce before applying for a trademark.

For your convenience, we have included the URLs for each state's website to file a trademark.

In closing, the current tension between state and federal laws regulating cannabis and the medical research being conducted about the benefits of cannabis and derivatives of cannabis are promising to the federal legalization of marijuana. However, currently there remains a vast amount of uncertainty in the legal arena of protecting the intellectual property of cannabis brands



LINKS TO STATE TRADEMARKS REGISTRATIONS

State	Website Address
Alabama	http://sos.alabama.gov/administrative-services/trademarks
Alaska	https://www.commerce.alaska.gov/web/cbpl/corporations/trademarkregistra...
Arizona	http://www.azsos.gov/business_services/tnt/
Arkansas	http://www.sos.arkansas.gov/BCS/Pages/default.aspx
California	http://www.sos.ca.gov/business/ts/ts.htm
Colorado	http://www.sos.state.co.us/pubs/business/forms_main.html#Trademarks
Connecticut	http://www.sots.ct.gov/sots/cwp/view.asp?a=3177&q=472426#trade
Delaware	http://corp.delaware.gov/trademark.shtml
District of Columbia	Use of a mark solely within the District of Columbia qualifies for federal registration. There is no D.C. trademark law. The District's trade name registry can be found at: http://dcra.dc.gov/service/register-trade-name
Florida	http://form.sunbiz.org/cor_t.html
Georgia	http://sos.ga.gov/index.php/corporations/trademarks__service_marks2
Hawaii	http://cca.hawaii.gov/breg/registration/trade/
Idaho	http://www.sos.idaho.gov/tmarks/tmindex.htm
Illinois	http://www.cyberdriveillinois.com/publications/business_services/trademark.html
Indiana	http://www.in.gov/apps/sos/trademarks/
Iowa	http://sos.iowa.gov/business/FormsAndFees.html#TradeServiceMarks
Kansas	http://www.kssos.org/resources/resources_faq_trademark.html
Kentucky	http://www.sos.ky.gov/bus/tmandsm/Pages/default.aspx
Louisiana	http://www.sos.la.gov/BusinessServices/FileBusinessDocuments/GetFormsAndFeeSchedule/Pages/default.aspx Application for Registration of Mark (PDF 42kb):

	http://www.sos.la.gov/businessservices/publisheddocuments/309tradenamet
Maine	http://www.maine.gov/sos/cec/corp/trademarks.html
Maryland	http://sos.maryland.gov/Pages/Trademarks/Trademarks.aspx
Massachusetts	http://www.sec.state.ma.us/cor/corpweb/cortmsm/tmsmfrm.htm
Michigan	http://michigan.gov/lara/0,4601,7-154-61343_35413_35431---,00.html
Minnesota	http://www.sos.state.mn.us/index.aspx?page=1093
Mississippi	http://www.sos.ms.gov/BusinessServices/Pages/Trademarks.aspx
Missouri	http://www.sos.mo.gov/business/trademark.asp
Montana	http://sos.mt.gov/business/Trademark/index.asp
Nebraska	http://www.sos.ne.gov/business/corp_serv/corp_form.html
Nevad	http://nvsos.gov/index.aspx?page=246
New Hampshire	http://sos.nh.gov/Corp_Div.aspx
New Jersey	http://www.state.nj.us/treasury/revenue/dcr/geninfo/corpman.shtml#TMSM
New Mexico	http://www.sos.state.nm.us/Business_Services/Trademark_FAQs.aspx
New York	http://www.nysl.nysed.gov/trademark.htm
North Carolina	http://www.secretary.state.nc.us/trademark/
North Dakota	http://sos.nd.gov/business/business-services/trademark-service-mark
Ohio	http://www.sos.state.oh.us/sos/Businesses/businessServices/Trademarks%20%20Service%20Marks.aspx
Oklahoma	https://www.sos.ok.gov/trademarks/default.aspx
Oregon	http://sos.oregon.gov/business/Pages/trademarks.aspx
Pennsylvania	http://www.dos.pa.gov/BusinessCharities/Business/Resources/Pages/Regist...
Rhode Island	http://sos.ri.gov/business/trademark/
South Carolina	http://www.scsos.com/Library_of_Forms_and_Fees#Trademarks
South Dakota	https://sdsos.gov/business-services/trademark-name-registration/trade-marks.aspx
Tennessee	http://tennessee.gov/sos/bus_svc/trademarks.htm

Texas	http://www.sos.state.tx.us/corp/trademark.shtml
Utah	http://corporations.utah.gov/business/tm.html
Vermont	https://www.sec.state.vt.us/corporationsbusiness-services/trademark-fil...
Virginia	http://www.scc.virginia.gov/srf/bus/tmsm_regis.aspx
Washington	http://www.sos.wa.gov/corps/Trademarks.aspx
West Virginia	http://www.sos.wv.gov/business-licensing/trademarkservicemarks/Pages/default.aspx
Wisconsin	http://www.wdfi.org/Apostilles_Notary_Public_and_Trademarks/defaultTrad
Wyoming	http://will.state.wy.us/trademarks/ Wyoming Trademark and Service Mark Law: http://legisweb.state.wy.us/statutes/statutes.aspx?file=titles/Title40/T40CH1.htm
Puerto Rico	https://prtmfiling.f1hst.com/(English and Spanish)



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