

INTA SEATTLE – What You May Have Missed in the Emerald City

May 31, 2018 – The TMCA

by Evan Everist



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- Evan Everist

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- Trademark, Copyright + Advertising
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If you didn't make it to the 2018 Annual Meeting of the International Trademark Association in Seattle, or if you were there but were out enjoying the spectacular weather or spending time with colleagues and friends, the Dorsey trademark team is here to provide a brief overview of some interesting seminars we attended and tidbits scooped up during the Meeting:

Federal Registrations for Cannabis: In a lively debate, panelists Shabnam Malek (an attorney in the cannabis industry) and Robert A. Mikos (a professor at Vanderbilt Law School) discussed whether the U.S. Patent and Trademark Office should grant federal trademark registrations for cannabis brands. The PTO's current position is that federal registrations may not be granted for substances or activities illegal under federal law because they cannot be used lawfully in commerce. In favor of federal registration,

Malek contended that the wording “lawful use in commerce” in the federal trademark law is at least ambiguous and that, under the Administrative Procedures Act, the PTO should exercise its power to interpret the wording to encompass use that is lawful under state law, namely, the sale of cannabis. She also contends that consumers face serious risks if the same brand is operating in multiple states with different products. For example, a product with a smaller dosage sold in one state could be sold under the same name in another state with a higher dosage, thereby subjecting consumers to potentially dangerous, or at least different, effects than anticipated. Malek countered that the federal law is not ambiguous and clearly prohibits registration of cannabis while the current state-based system offers enough protection for brands and consumers. Brands may obtain state trademark registrations where cannabis is legal and labelling requirements in states ensure that consumers understand what is in the product they are purchasing. Additionally, he worried that granting cannabis registrations would open the door to registrations for other types of federally illegal drugs, such as meth. After a final poll of the room, it was clear that most in the audience favored granting federal registrations for cannabis. This debate will most certainly continue as more and more states allow the sale of cannabis for medical and recreational purposes and the global market for cannabis, which is expected to hit \$57 billion by 2027 according to [Forbes](#), continues to boom. The TMCA has written on [this topic](#) and will continue to follow developments in this industry.

Product Placement: While product placement is often thought of as a static one-time and one-brand opportunity (think Reese’s Pieces in *E.T.*), panelists discussed the ways in which technology has paved the way for new and exciting opportunities. Using retroactive product placement, it is now possible to seamlessly insert new products into already-existing content. For example, an older movie poster in the show “How I Met Your Mother” can be digitally altered so that reruns now feature a poster for a 2018 release. A show or movie can feature different types of cars in otherwise identical scenes in different markets. Social media influencers also remain a top priority for many consumer-facing brands. Panelists cited statistics estimating that each \$1 spent on social media marketing yields approximately \$6 in revenue. And nearly 60% of YouTube subscribers watch an influencer video before making purchases. The TMCA has posted numerous times on developments in the landscape of [influencer advertising](#).

Food For Thought: In a seminar featuring in-house counsel from Amazon, Walmart, General Mills, Restaurant Brands International, and Jelly Belly, some of the largest players in the food industry discussed the challenges of food branding. One theme for all companies was ensuring consistency of branding across many platforms, especially mobile devices. Companies need to ensure that branding translates to the smaller screens many consumers are now using to interface with their brands. In connection with this consistency, the companies discussed the concept of website trade dress and the extent to which the look of a company’s site is entitled to trademark protection. The short answer: the more distinctive and consistent the better. Another point of concern expressed both by panelists and attendees is their interaction with third-party delivery platforms (e., GrubHub, DoorDash, etc.) and food boxes (i.e., Blue Apron, Plated, etc.) and to what extent these platforms may use a company’s trademark. Regardless of fair

use considerations, most panelists agreed that, at a minimum, contractual control is a crucial component to ensure brand owners have some way to control or limit the way delivery companies use their marks. This enables companies to retain control over their brands and also ensures that consumers understand the relationship between the parties so that they can appropriately assign expectations (and blame, if necessary).

Morality Clauses: In several seminars, panelists reiterated the importance of brand owners including morality clauses in agreements with licensees or promoters. This facilitates a swift exit should a brand wish to sever ties after an embarrassing, illegal, or scandalous action turning public opinion against the licensee or promoter. With increased scrutiny now facing brands that support individuals or companies falling out of public favor, it is important to have this type of contractual ripcord.

The Slants: Rock Stars of the Trademark World and Beyond: Dorsey was proud to present at its reception the talented and U.S. Supreme Court precedent-establishing band The Slants – if you missed their performance, check out their [website](#).

We look forward to seeing what happens at next year's Annual Meeting in Boston (May 18 – 22, 2019) – see you then!