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SMOKE SIGNALS FROM SPECIMEN OF USE SUPPORT REGISTRATION REFUSAL FOR “HERB” SALES DESCRIBED IN APPLICATION

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In a precedential opinion, the Trademark Trial and Appeal Board (“TTAB,” an administrative arm of the U.S. Patent and Trademark Office) affirmed the trademark examiner’s refusal to register HERBAL ACCESS for retail store services featuring “herbs.” Although the application did not mention marijuana as one of the “herbs” being sold, applicant Morgan Brown’s specimen of use and web site home page contained enough evidence for the examiner to determine that he was indeed selling the federally banned substance. *In re Morgan Brown*, Ser. No. 86/362,968 (TTAB July 14, 2016).

Brown does business in the State of Washington, where state law permits adults to possess one ounce of usable marijuana, 16 ounces of marijuana-infused product in solid form, and 72 ounces of marijuana-infused product in liquid form. However, federal law still bans under the Controlled Substances Act (“CSA”) the sale and use of marijuana and “paraphernalia” primarily intended or designed for use in ingesting or inhaling it.

As long interpreted by the TTAB, the Lanham Act governing trademarks requires “lawful” use of the mark in commerce. A mark therefore cannot be registered for goods or services that are illegal under federal law, even if sale of the product or service is lawful under state law. However, a trademark examiner usually will not refuse registration based on unlawful use in commerce unless (1) a court or federal agency responsible for overseeing the applicant’s activity relevant to the application has found the applicant violated the relevant statute or regulation, or (2) the application-relevant activities involve a *per se*

violation of federal law. For example, a TTAB judge found it “unthinkable” to register a mark for use on heroin.

There were no findings of criminal activity against Brown, so the examiner relied instead on a *per se* violation of the CSA by Brown, involving the identification of services in the application, and proven by evidence outside the application that Brown’s retail store sells marijuana. The evidence was Brown’s specimen of use, featuring two photos of his store. The first photo showed a green cross (symbol of the organized medical marijuana industry) prominently displayed on a window, and the second photo showed a close-up of the shop door with the words HERBAL ACCESS next to the window. In addition, Brown’s home page at herbalaccess.com contained a picture of a marijuana plant with superimposed text inviting customers to “Call or stop by today and find out why people consider our marijuana to be the best of the best!” The web page also included a map showing the location of Brown’s store and the words “Marijuana For The Masses.” That evidence convinced the examiner that Brown was providing marijuana to customers of his store, a *per se* violation of the CSA, so the examiner refused registration of the mark.

On appeal to the TTAB, Brown argued that there is nothing illegal about the sale of “herbs” under the CSA. However, he agreed that he “may also sell marijuana,” which is “admittedly illegal under the CSA.” He contended that there was no evidence of actual use of the trademark in connection with the sale of marijuana, but that the use was in connection with the legal herbs sold in his store.

The TTAB concluded that the recitation of services in the application covers the services that Brown is actually engaged in, in violation of the CSA. The TTAB observed that the fact that the description also covers lawful use of the mark on legal herbs is not enough to permit registration of the mark. That interpretation is consistent with assessing the scope of the identification of goods and services in other contexts, such as whether a mark is descriptive. As the resulting registration is presumed to include all types of specific goods and services falling within the identification, the TTAB concluded that the examiner is permitted to consider evidence of how the applicant is actually using the mark to determine whether the mark is descriptive of any particular goods or services that fall into the identification. Thus, it was proper for the examiner to look at Brown’s specimen of use and web site to determine that the “herbs” in his description of services included marijuana, and to consider objective evidence that marijuana is an “herb.”

The TTAB further noted that an applicant cannot evade a refusal to register by using generalized language that avoids the specific good or service that is the subject of the refusal. In this case, the generalized language “herbs” cannot hide the fact that marijuana is an herb and Brown sells marijuana. Brown’s use of HERBAL ACCESS in connection with selling a specific substance falling into the identification “herbs” and the CSA is an unlawful use. The examiner was correct to refuse registration of the mark.

As the TTAB observed, it is not unusual for an examiner to request advertising or other materials outside the application to determine whether a mark is merely descriptive of the goods or services identified in the application. Refusal to provide such materials can result in abandonment of the application. It appears that the TTAB is approving similar requests to determine if an applicant is engaging in illegal activities in connection with use of the mark.

The TTAB ducked the issues of (1) whether a mark for a product that is lawful under federal law but is banned under state law should be refused registration and (2) whether an unlawful use that federal authorities do not prosecute is sufficiently lawful to permit registration of the mark.

Not widely known is that the USPTO has a “design code” for marijuana plants (05.13.09), used to administratively classify elements of trademarks containing designs. There is no legal impediment to

including a picture of a marijuana plant in a registered trademark as long as the mark is not used in connection with the unlawful use or sale of marijuana, and there are a number of registrations for such marks. There is also no impediment to registering marks for goods or services covering the exercise of the right to free speech under the U.S. Constitution, such as providing an online directory information service featuring information regarding medical marijuana creating an on-line community for registered users of marijuana to engage in social networking.

Marks for goods or services connected to sale or use of marijuana have also been refused by the USPTO under the statutory provision barring scandalous, deceptive, immoral, or disparaging marks. That provision was recently held unconstitutional by a federal appeals court in the context of disparagement and may reach the U.S. Supreme Court in the near future.

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