

# Genericization of a Giant: Has the World's Most Valuable Brand Become Generic?

By Rami S. Yanni, Corporate Counsel

April 27, 2017

By some accounts, Google has now replaced Apple as the world's most valuable brand, with an estimated value of \$109.5 billion. Despite that, the registrant of hundreds of domain names containing the term "google" is seeking to have the Google trademark declared generic, arguing that the term is so commonly used as a verb — simply meaning to search the internet — that it can no longer function as a source indicator, i.e., a trademark. The case is now before the Ninth Circuit U.S. Court of Appeals, which heard oral arguments last month. The court's decision could wipe out billions of dollars for Google shareholders.

In 2012, Chris Gillespie registered 763 domain names containing the term "google" (e.g., googledisney.com, googlebarakobama.net, etc.). Gillespie said he registered the domains as an academic experiment to test a computer program he created to help prevent cyberpiracy, and that he chose "google" as the base term because it was "both a generic term and a very highly searched term." After Google filed a Uniform Domain Name Dispute Resolution Policy complaint to have Gillespie's domains transferred to Google, Gillespie petitioned the U.S. Trademark Trial and Appeal Board to cancel two GOOGLE trademark registrations. After Google prevailed on the complaint, Gillespie sued in federal district court asserting that the term "google" is a generic term used primarily as a verb.

The district court framed the issue as "whether ... a majority of the public who performs searches on the internet understands the mark to refer to the Google search engine as opposed to a descriptive term for search engines in general." The court granted summary judgment for Google, saying it is "contrary to both the letter and spirit of trademark law to strip a mark of legal protection solely because the mark — cultivated by diligent marketing, enforcement, and quality control — has become so strong and widespread that the public adopts the mark to describe that act of using the class of products or services to which the mark belongs." The court was likely guided by the secondary purpose of the federal Lanham Act—to incentivize brand owners to create high-quality brands by allowing them to accrue goodwill and value in their trademarks.

The court further held that verb use of a trademark "is not fundamentally incapable of identifying a producer or denoting source. A mark can be used as a verb in a discriminate sense so as to refer to an activity with a particular product or service," using Adobe Photoshop as an example, e.g., to "PHOTOSHOP" an image.

On appeal, Gillespie distinguishes between the use of the word as a noun and as a verb, emphasizing that the point of the case "is not whether google is a generic word for [a] search engine; it is whether google is a generic word for the act of searching on the internet." He argues the primary significance of a word is how that word is most often used, and that "if google is most often used by the public as a non-specific verb, then it is generic."

In addition, Gillespie argues that a verb cannot function as a source identifier and "therefore any use of a former mark as a verb is necessarily generic use," and that a "word can only perform a source-identifying function when it is used as an adjective, modifying the generic name of the thing in such a manner as to indicate its source." Gillespie presented survey evidence showing that 52 percent of people used "google" to simply mean to search the internet, while only 29 percent used the term to refer to a specific search engine--by contrast, Google's survey evidence showed nearly 94 percent of internet users recognize GOOGLE as a trademark. He pointed out that Google even encouraged use of

"google" as a verb, and that "there is no available efficient substitute generic word describing the action of searching on the internet, which is probative of genericness." Gillespie also pointed to former trademarks that have been deemed generic — escalator, aspirin, yo-yo — which "have only become so as a result of widespread use by the public."

According to McCarthy on Trademarks and Unfair Competition, "[b]uyers or users of a product may sometimes use a trademark in a generic sense in casual conversation even though when questioned, those persons are fully aware of the trademark significance of the term." Xerox and Kleenex may be the most prominent examples. Moreover, the Restatement (Third), Unfair Competition, says the use and understanding of a term "in the context of purchasing decisions" is what determines the primary significance of that term. Thus, one can use the word "google" as a verb while understanding that Google is a particular provider of search engine services, and while Xerox and Kleenex have been at risk of genericization for many years, both have managed to maintain their trademark status thanks, in part, to the diligent policing of those brands.

Google is purportedly used to conduct more than 3.5 billion internet searches per day. A fair question to pose is whether the court, whose judges no doubt use Google to conduct searches — perhaps even to conduct research for this case — can weigh the evidence in this case with complete impartiality. Gillespie argues that the district court improperly weighed Gillespie's evidence because it may have been "blinded by the prestige of Google Inc." However, current law seems to support the notion that consumers' verb usage of a famous trademark like Google does not necessarily transform it into a generic term so long as the brand owner actively polices its trademark.

Whether or not the Ninth Circuit is swayed by Google's status as the Goliath of internet search, if Google continues to diligently police its brand, consumers' ongoing use of "google" as a verb is not likely to threaten Google's status as the world's most valuable trademark.

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