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ATTORNEYS AT LAW

Legal Briefing

Save the Date:

Hart King Fall Legal Briefing on Friday, 11/06 at 9:00 a.m.

Doubletree Club Hotel
7 Hutton Centre Drive, Santa Ana, CA 92707

Congratulations!

Hart King would like to congratulate two of their own; **Christopher Elliott** and **Kimberly Wind** on their recognition in being selected to California Asphalt Pavement Association Committee Boards.

Christopher Elliott is now on the Legislative Committee Board as a member. Kimberly Wind is now on the Contractors Committee Board as a member.

Client Feedback

"Kimberly Wind from Hart King is a valuable part of my professional network of advisors in construction law, business consulting, and client issues. She was a valuable asset in our team with her expertise and her thoughtful and understanding of the process and diligence to helping craft and collaborate amicable solutions to all parties regarding a construction project with a large Los Angeles area developer.

– Jim Legaux, Vice President, Venture Pacific Insurance Services

Regarding our relationship with the firm Hart King, Country Club Mobile Home Estates could not be more pleased! Hart King is always very prompt, well prepared, insightful, understanding of our position, and, of course, extremely professional. We could not ask for more from this firm.

– Richard Muirhead, Owner Country Club Mobile Home Estates

How To Select A Strong Trademark

by David Christopher Baker

Not all words or names can be protected as trademarks. For example, no one business can claim exclusive rights in generic terms because every business owner in the same industry needs to be able to use them to identify their own goods or services. Thus, no one owns the words "*computer*," "*automobile*," or "*candy*" as a protectable, standalone trademark because these are simply generic words for a particular type of goods.

In fact, there is actually a scale for types of trademarks and the levels of protection they can obtain through registration with the U.S. Patent and Trademark Office (the "USPTO") ranging from "generic" (generic terms are not subject to trademark protection) to "fanciful or coined". Made-up terms are afforded the greatest scope of protection. The range of potential trademarks, from weak to strong, includes:

1. Generic terms (e.g., "cars," "candy," and "computers") are not subject to trademark protection. A generic trademark cannot be protected as a trademark because it describes a category of product or service.

2. Descriptive terms (e.g., "Bed & Breakfast Registry," "Oatnut," and "UrbanHouzing") are protectable as a trademark, but only after acquiring "secondary meaning" in the marketplace. A descriptive trademark merely describes some portion of the goods or services to be sold under the mark.

3. Suggestive terms (e.g, "Citibank" and "Greyhound") are more protectable. A suggestive trademark is so named because it suggests a quality or characteristic of goods and services; such a trademark might also be called allusive.

4. Arbitrary terms (e.g., "Apple," "Starbucks," and "Dr. Pepper") are subject to a greater scope of protection than suggestive marks. An arbitrary trademark has a common meaning, but the meaning is unrelated to the goods or services offered for sale under the mark.

5. Fanciful or coined terms (e.g., "*Xerox*," "*Exxon*," and "*Kleenex*") are given the greatest protection. A fanciful trademark is made-up, invented for the sole purpose of functioning as a trademark.

With this spectrum in mind, there are several simple rules to follow in selecting words for use in a new trademark.

- Do select words that are fanciful or simply made-up.
- Don't use words that are purely descriptive.
- Do select animal and plant names.
- Don't use surnames unless already associated with goods.
- Do select marks that cannot be confused with other existing marks.
- Don't select marks that use generic words.
- Do select marks that are memorable.
- Don't use acronyms or numerals.
- Do use the trademark properly and consistently.

And, once you have selected it, protect your valuable trademark by registering it, policing it, enforcing it, and, for goodness sake, using it properly and consistently. Careful selection of an appropriate trademark BEFORE it is used in commerce can save considerable time, effort, money and even frustration later on.

David Christopher Baker is a partner with Hart King and can be reached at dbaker@hartkinglaw.com or (714) 619-7078.

Upcoming Industry Events

WMA 2015 Convention & Expo
Monday, 10/12 - Thursday, 10/15
Peppermill Resort Spa and Casino
Reno, Nevada

John Pentecost will be speaking as part of the "**Legal Management Advice**" panel on **October 13th at 9:00 a.m.**

Bill Dahlin also will be co-presenting on the topic of "**How to Diffuse a Violent or Difficult Encounter**" on **October 13th at 3:00 p.m.**

Come check out both speakers for some great information.

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Important Information for All Employers Sponsoring a 401k Plan

These are highlights of a May 2015 case decided by the U.S. Supreme Court that will be of immediate interest to employers and sponsors of company 401k Plans.

In *Tibble v. Edison International, et al.*, 135 S. Ct. 1823; 191 L. Ed. 2d 795, 2015 U.S. LEXIS 3171, the Supreme Court decided:

As a 401k Trustee, an employer has a continuing fiduciary duty to monitor all of its 401k investment options and periodically remove or replace "imprudent" or "overpriced" investment options that are offered to its employees.

There is a duty by the employer not only to monitor the investment options that are initially made available in their 401k Plan, but also to monitor the on-going costs and appropriateness of each of those investment vehicles within the 401k Plan as long as those investments are offered to their employees.

As a Trustee, the employer must systematically consider all of the (401k) investments at regular intervals to ensure appropriateness for the employees. The scope of the employer's duty of due diligence in this regard is very broadly defined by ERISA and subject to multiple interpretations.

The result of *Tibble* is that an employer may be liable to an employee for economic losses incurred by that employee for offering an investment option within its 401k Plan that is ultimately deemed to be "too costly" or "imprudent". This fiduciary liability could potentially continue for up to six years after the employee exits the Plan or the 401k Plan is terminated.

Questions :
Contact James Moorhouse at (714) 432-8700, ext. 339 or *jmoorhouse@hartkinglaw.com*.

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