



City of Long Beach

Working Together to Serve

Office of the City Attorney

DATE: February 27, 2015

To: Economic Development and Finance Committee

FROM: Amy R. Webber, Deputy City Attorney *ARW*

SUBJECT: Intellectual Property Rights in City Name

Question Presented: Can the City of Long Beach enjoin the use of its name by neighboring cities?

Answer: Unlikely.

Facts: Car dealers in neighboring cities have used "Long Beach" in their business names, even though they are not actually located within the City. The City Council has requested information regarding enforcement of its rights against these cities in order to ensure Long Beach derives the benefits of the commercial use of its name.

Discussion:

A. Trademark

Under federal trademark law (15 U.S.C. 1051 et seq.), trademarks protect words, names, sounds colors and symbols used in commerce to distinguish goods and services of one business from another. In order to obtain trademark protection, federal law requires registration of an exclusive name and logo with the U. S. Patent and Trademark Office. The city name "Long Beach" and its logo, are not currently registered with the USPTO.

The USPTO will not usually permit registration of a city or state name, as they are considered geographically descriptive. The theory is that other businesses in the area need to be able to use a geographic term to describe where their goods/services are from. The exception to this is where a geographic term identifies a quality of the source of the product, as with "Napa Valley wine" or "Washington apples." The USPTO calls this "secondary meaning" or "acquired distinctiveness." If a descriptive term has "secondary meaning" to consumers, the term has a source-identifying capacity and is protectable as a trademark.

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Moreover, where a term fairly describes where goods/service originate, such use may be considered a "fair use" of descriptive terms. Fair use in the United States is a defense to a claim of trademark infringement. This concept developed very early on in U.S. jurisprudence as courts recognized that trademark law should not be able to take words entirely out of the public domain.

Without trademark protection, cities are not likely to prevail in litigation against neighboring cities against the use of its name. While it is somewhat misleading to call a business "Long Beach BMW" when it is actually located in Signal Hill, the business would argue that it accurately identifies the general region. In addition, forcing neighboring businesses to replace "Long Beach" with "Signal Hill" would have the effect of publicizing Signal Hill. While the idea of one city taking economic advantage of another city's name seems unfair, trademark law does not appear to afford the city protection.¹

B. Unfair Business Practice

A similar analysis is used by state courts in determining if the use of a trade name constitutes an unfair business practice. Courts look to whether a business name has acquired a "secondary meaning" and the use of geographic names is generally considered "descriptive" by the courts. "Geographical ... words may not be exclusively appropriated for the purposes of a trade name ." (*California Western School of Law v. California Western University*, (1981)125 Cal. App. 3d 1002, 1008.) Absent some proof of fraud or intent to deceive, it is unlikely that an injunction would be issued on the facts described.

If you have additional questions, please let me know.

ARW:bg

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¹ A case that reflects the emotional impact of geographic names, *City of Anaheim v. Angels* (2008 Cal. App. Unpub. Lexis 10284) discussed the change of names by a baseball team, to the disadvantage of the city where the team actually played. The name change was upheld; the case, however, was decided on the terms of the team's lease with the city.