

Supreme Court Holds That Adding “.com” To A Generic Term Can Create A Protectable Trademark

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U.S. Patent and Trademark Office v. Booking.com B.V., No. 19-46

Today, the Supreme Court held 8-1 that under the Lanham Act, the combination of an otherwise generic term and a top-level Internet domain (such as “.com”) can create a protectable mark if consumers recognize the mark as a brand name.

Background:

Under the Lanham Act, 15 U.S.C. § 1051 *et seq.*, generic terms may not be registered as trademarks, but terms that are “merely descriptive” of goods or services may be registered if the public has come to understand them as identifying the trademark owner’s goods or services. Booking.com, a hotel reservation website, applied to register the mark BOOKING.COM. The U.S. Patent and Trademark Office (PTO) determined that “booking” is the generic term for hotel reservation services and denied registration. Booking.com sought judicial review, and the district court overturned the denial. The court held that the mark was protectable because combining the generic term “booking” with the top-level domain name “.com” resulted in a descriptive term, and survey evidence showed that most consumers recognize BOOKING.COM as a brand name, not merely a product category. A divided Fourth Circuit panel affirmed.

Issue:

Whether the addition by an online business of a generic top-level domain (“.com”) to an otherwise generic term can create a protectable trademark under the Lanham Act.

Court's Holding:

Yes. The addition of “.com” to an otherwise generic term can create a protectable trademark where the evidence shows that consumers understand the combined term as identifying or distinguishing a particular supplier’s goods or services.

“Whether any given ‘generic.com’ term is generic . . . depends on whether consumers in fact perceive that term as the name of a class or, instead, as a term capable of distinguishing among members of the class.”

Justice Ginsburg, writing for the Court

Gibson Dunn submitted an *amicus* brief on behalf of Salesforce.com, Inc. et al. in support of respondent: *Booking.com B.V.*

What It Means:

- The Court grounded its decision in the “principle that consumer perception

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[Lucas C. Townsend](#)

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demarcates a term’s meaning.” Slip op. at 7 n.3. That principle applies even to marks that combine generic elements. The Court thus adopted an evidence-based approach consistent with the position advocated in Gibson Dunn’s *amicus* brief in this case.

- The Court rejected the PTO’s reliance on *Goodyear’s India Rubber Glove v. Goodyear Rubber Co.*, 128 U.S. 598 (1888), a pre-Lanham Act case in which the Supreme Court held that combining a generic term with a corporate designation such as “Company” or “Inc.” cannot create a protectable common-law trademark. Rather than interpret *Goodyear* as a bright-line rule, the Court said, “whether a term is generic depends on its meaning to consumers,” thereby relegating *Goodyear* to stand for the “more modest” principle that “[a] compound of generic elements is generic if the combination yields no additional meaning to consumers capable of distinguishing the goods or services.” Slip op. at 10.
- The Court also rejected the PTO’s argument that Booking.com’s position would grant it a monopoly on the use of the term “booking.” The Court reasoned that trademark law doctrines such as fair use will provide adequate protection against any potential anti-competitive effects of the ruling, and mark holders still must show a likelihood of consumer confusion to prevail on any trademark infringement claims against competitors.
- The Court’s decision eschews a bright-line rule that all “.com” marks are protectable, and makes clear that courts and the PTO must consider all relevant evidence in determining how consumers understand a particular term, including consumer surveys, dictionaries, and usage by consumers and competitors. The decision thus continues the Court’s recent trend against establishing bright-line rules in trademark law, as noted in our May 14, 2020 alert on the Court’s decision in *Lucky Brand Dungarees v. Marcel Fashions Group, Inc.*

The Court’s opinion is available [here](#).

Gibson Dunn’s lawyers are available to assist in addressing any questions you may have regarding developments at the Supreme Court. Please feel free to contact the following practice leaders:

Appellate and Constitutional Law Practice

Allyson N. Ho
+1 214.698.3233

aho@gibsondunn.com

Mark A. Perry
+1 202.887.3667

mperry@gibsondunn.com

Thomas G. Hungar
+1 202.887.3784

thungar@gibsondunn.com

Related Practice: Intellectual Property

Howard S. Hogan
+1 202.887.3640

hhogan@gibsondunn.com

Related Capabilities

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