Elite Personnel, Inc. v. Elite Personnel Services, Inc.: Issues of Registration and Suggestion in Trademark Law

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ELITE PERSONNEL, INC. V. ELITE PERSONNEL SERVICES, INC.: ISSUES OF REGISTRATION AND SUGGESTION IN TRADEMARK LAW

INTRODUCTION

Consumers shopping for groceries or other goods usually find that similar items have been manufactured by several companies. How do shoppers differentiate between the several types of laundry detergent offered? What guides them in choosing a can of dog food? By what means can a manufacturer ensure that its brand of peanut butter will sell instead of another?

Trademarks provide some of the information that helps to guide consumers in their purchases. A trademark is a “word, name, symbol, or device, or any combination thereof . . . used by a person . . . to identify and distinguish his or her goods, including a unique product, from those manufactured or sold by others and to indicate the source of the goods.” A trademark that properly performs these functions is a valuable property indeed.

Some trademarks, on the other hand, may confuse the public and waste advertising funds. A business may spend valuable time and money in establishing a term as a trademark, only to discover in court that the term does not serve the function of a trademark or that the mark places competitors at an unfair disadvantage.

This situation arose in Elite Personnel, Inc. v. Elite Personnel Services, Inc., a Georgia action in which the defendant corporation, the first user of the trade name “Elite Personnel,” learned that its name was not a protectable interest. The Georgia Supreme Court held that, although the plaintiff corporation had not reserved and incorporated under the name “Elite Personnel Services, Inc.” until six months after the defendant had begun operating under “Elite Personnel, Inc.,” the defendant could not claim exclusive


551
use of the name because it had failed to register its mark, which also contained unregistrable descriptive terms. As a result, the court held that the defendant, the first user of the name, could use the name for corporate purposes only, but not for trade or business.

The decision hinged on two areas of trademark law in which unclear rules and standards may confuse and trap the unwary practitioner: the standards and laws governing the protection of trademarks and trade names in Georgia and the distinction between suggestive and descriptive trademarks. Unfortunately, Elite left confusion in these two areas. The Elite decision raises the issue whether registration is always a prerequisite to protection under Georgia trademark and trade name law. Further, the decision provides no clear guidelines to help courts and businesses distinguish terms that may be protected and used exclusively by one business from terms that cannot or should not be protected at all.

Knowledge and awareness of trademark law can protect valuable interests and prevent confusion. Toward that end, Section One of this Comment provides a brief overview of the functions and sources of federal and Georgia trademark law. Section Two discusses federal trademark protection, including trademark registration and classifications, focusing particularly upon the distinction between suggestive and descriptive marks. Finally, Section Three outlines several possible methods of trademark, service mark, and trade name protection available in Georgia and examines the Elite decision in light of Georgia's statutes and case law and federal trademark standards.

I. FUNCTIONS AND SOURCES OF TRADEMARK PROTECTION

Trademarks satisfy many objectives of the commercial market. Among other functions, they enable consumers to identify quickly and easily the goods they wish to buy. Quick identification of specific goods may save time and money for consumers and may create a more competitive market. Some argue that trademarks are "the essence of competition," enabling consumers to distinguish between competing products and encouraging producers to

5. Id. at 192, 378 S.E.2d at 118.
6. Id. at 194, 378 S.E.2d at 119.
7. Legislative History, supra note 1.
8. Id.
maintain quality and reap the benefits of a good reputation. These trademark objectives are protected by several means at both the federal and state levels.

Federal protection of trademarks and several other types of marks emanates from several laws, including the Lanham Act and federal common law. Georgia’s protection of trademarks and other marks also flows from several sources, including the Uniform Deceptive Trade Practices Act (U.D.T.P.A.); the Georgia Fair Business Practices Act (F.B.P.A.); the state trademark, service mark, and trade name statutes, which include the antidilution statute; the fictitious name statutes; and common law.

Justice Frankfurter stated the reasons for trademark protection in Mishawaka Rubber and Woolen Manufacturing Co. v. S.S. Kresge Co.:
The protection of trade-marks is the law's recognition of the psychological function of symbols. If it is true that we live by symbols, it is no less true that we purchase goods by them. A trade-mark is a merchandising short-cut which induces a purchaser to select what he wants, or what he has been led to believe he wants. The owner of a mark exploits this human propensity by making every effort to ... convey through the mark ... the desirability of the commodity upon which it appears. [Then] the trade-mark owner has something of value. If another poaches upon the commercial magnetism of the symbol he has created, the owner can obtain legal redress.18

Thus, the labels consumers seek when roaming the aisles in the supermarkets have significance beyond product identification. When consumers recognize a mark as identifying a particular brand of goods or services, the mark is a valuable symbol, and its owner may be entitled to legal protection.19

To obtain legal redress, the owner of an allegedly infringed mark must first show that the mark is entitled to protection under one of several theories of trademark law.20 Entitlement may follow registration of the mark under guidelines and requirements codified in state or federal law. The Lanham Act21 and the Georgia trademark statutes22 each delineate certain categories of marks that are ineligible for registration. These categories have been augmented and refined by judicial interpretations of federal and state trademark laws.23

21. 15 U.S.C. § 1052(a)–(f) (1988). A business may not register with the Patent and Trademark Office (P.T.O.) a mark that contains the following: immoral or scandalous material; the flag or other insignia of the United States or any other political division; the name, portrait, signature, or other identification of a nonconsenting, living person; the portrait of a deceased United States president whose wife, if living, has not consented; or elements of a mark previously registered in the United States by another party. Id.
22. O.C.G.A. § 10-1-441(1)–(5) (1989). "A trademark shall be entitled to registration unless it consists of ... immoral, deceptive, or scandalous matter; or ... matter which may disparage or falsely suggest a connection with persons, living or dead;" consists of the flag or other insignia of a governmental body; consists of the name of a nonconsenting, living individual; is merely descriptive or deceptively misdescriptive of goods; is a surname; consists of a mark that so closely resembles a mark previously registered or used in the state that it causes confusion; or consists of a mark that is so similar to a mark registered in the United States Patent Office that it is likely to cause confusion. Id.
As a result, only certain marks are deemed distinctive and eligible for initial registration, which provides immediate protection; other marks are not eligible for registration unless they have acquired secondary meaning.\textsuperscript{24} A distinctive mark is capable of clearly identifying and distinguishing the goods or services of the trademark owner; consumers recognize the mark as symbolizing the manufacturer or seller of the goods.\textsuperscript{25} Secondary meaning indicates that a trademark has ceased to be merely descriptive of the qualities of the product to which it is attached, has come to identify the source of the product, and has, therefore, become distinctive.\textsuperscript{26}

1976 (The Lanham Act and cases list categories, but a term may be registrable when applied to one product and not to another; also, the meaning of a term may change with time.) and Baker Realty Co. v. Baker, 228 Ga. 766, 769—70, 187 S.E.2d 850, 852 (1972) (U.D.T.P.A. authorized injunction against using family name previously appropriated by another if, under all circumstances, confusion would result).

Federal case law and statutes permit protection of a wide variety of marks. For example, slogans, combinations of words used to identify products, may also be registered if the applicant proves to the P.T.O. that the words serve the purpose of a trademark. Roux Laboratories, Inc. v. Clairol, Inc., 427 F.2d 823, 829 (C.C.P.A. 1970) ("Only her hairdresser knows for sure" was registrable). Colors are not generally registrable as trademarks, because too few colors exist to permit one user to register a color and appropriate it for exclusive use. Colors may be registered, however, if they acquire secondary meaning. Campbell Soup Co. v. Armour & Co., 175 F.2d 795, 798 (3d Cir.) (Red and white bands on soup cans were not registrable.), \textit{cert. denied}, 338 U.S. 847 (1949). \textit{See also, In re Owens-Corning Fiberglass Corp., 774 F.2d 1116, 1127 (Fed. Cir. 1985) (Because the color pink had acquired secondary meaning as the color of insulation, registration was not barred.); Southwestern Bell Tel. Co. v. Nationwide Indep. Directory Serv., Inc., 371 F. Supp. 900, 911 (W.D. Ark. 1974) (The color yellow, in combination with the plaintiff's logo and the words "Yellow Pages," identified the sources of the plaintiff's advertising pages.).

Shapes, like colors, must acquire secondary meaning before they may be registered under the Lanham Act. \textit{See, e.g., Tas-T-Nut Co. v. Variety Nut & Date Co., 245 F.2d 3, 6 (6th Cir. 1957) (Shape in the design of a label was protected because it had been adopted to identify and individualize the product and because secondary meaning was shown.); In re Haig and Haig, Ltd., 118 U.S.P.Q. (B.N.A.) 229 (Dec. Comm'r Pat. 1958) (Pinched shape of whiskey bottle was registrable because it had acquired secondary meaning, identifying the source of the product.).

Trade dress, the total image of a product, including packaging, labeling, color, and texture, can also be protected under trademark law. Ambrit, Inc. v. Kraft, Inc., 812 F.2d 1531, 1535 (11th Cir. 1986) (Ice cream bar wrapper of silver, blue, and white pebbled foil with a picture of a polar bear was suggestive and warranted moderate protection.), \textit{cert. denied}, 481 U.S. 1041 (1987). Actions for infringement of trade dress are based on the Lanham Act, \S 43(a), 15 U.S.C. \S 1125(a) (1988). \textit{Amerit}, 812 F.2d at 1539.

24. \textit{Abercrombie & Fitch}, 537 F.2d at 10.


26. \textit{Id.} ("Park'N Fly" was no longer merely descriptive of airport parking lot services and was distinctive of the owner's services in commerce; Union Carbide Corp. v. Ever-Ready, Inc., 531 F.2d 366, 380 (7th Cir.) ("Ever-Ready" was a valid trademark because it
Contests over marks that are neither obviously registrable nor clearly unregistrable are frequently litigated. One difficult distinction in judicial interpretations of trademark law is drawn between suggestive marks, such as "Goliath" large diameter pencils, which may be registered, and descriptive marks, such as "Lotsa Suds" dishwashing liquid, which are not eligible for registration unless secondary meaning is established. Suggestive trademarks suggest, but do not describe, the attributes of a product and force the consumer to use imagination to identify the product with the mark. Descriptive marks, on the other hand, directly convey an idea of the characteristics, ingredients, or qualities of the product.

Classification of a mark as suggestive or descriptive is significant in its effect, because descriptive marks do not immediately receive protection under trademark laws without first acquiring secondary meaning. Thus, a manufacturer could invest substantial sums of money in advertisement and promotion of a line of products, only to have a court decide that the trademark attached to the product is descriptive and therefore ineligible for protection against infringing use by competing manufacturers. The distinction between these two categories of marks can dramatically affect the ability of producers of goods and services to establish and build good will. Unfortunately, courts have struggled for decades

had ceased to be descriptive of batteries and now connoted, in the perception of the public, the source of batteries.), cert denied, 429 U.S. 830 (1976).

A mark can acquire secondary meaning by several means, including use in commerce for five years. 15 U.S.C. § 1052(f) (1977). In determining whether a term has acquired secondary meaning, a court will consider several factors, including the "amount and volume of advertising, volume of sales, length and manner of use, direct consumer testimony, and consumer surveys." Union Carbide, 531 F.2d at 380.


29. Union Carbide, 531 F.2d at 379 ("The line between descriptive and suggestive marks is 'scarcely pikestaff plain'.").

30. Hasbro, Inc. v. Lanard Toys, Ltd., 858 F.2d 70, 74 (2d Cir. 1988) ("GUNG-HO" trademark was suggestive of the toy company's line of military action figures and registrable.).

31. General Mills, Inc. v. Kellogg Co., 824 F.2d 622, 625 (8th Cir. 1987) ("Apple Raisin Crisp" was descriptive of ingredients of cereal and unregistrable.).

32. 15 U.S.C. § 1052(e) (1988) ("No trademark ... shall be refused registration ... unless it ... [c]onsists of a mark which, (1) when applied to the goods of the applicant is merely descriptive ... of them ... ").

33. G. Heileman Brewing Co. v. Anheuser-Busch, Inc., 873 F.2d 985, 997 (7th Cir. 1989) (Trademark consisting of the initials "L.A." was descriptive of low alcohol quality of beer). Even descriptive terms may not be used in a manner which would confuse or mislead consumers, however. 15 U.S.C. § 1125(a) (1988).
and have yet to agree upon a definition that provides guidance and clearly delineates the difference between suggestive and descriptive marks.\textsuperscript{34}

To understand the importance of trademark registration requirements and classifications, a reader must have at least a basic knowledge of the Lanham Act\textsuperscript{35} and the judicial refinements that constitute trademark law. The following sections briefly discuss federal registration, focusing on the classifications and tests various courts have used to distinguish between suggestive and descriptive marks.

II. FEDERAL TRADEMARK PROTECTION

Trademark laws protect such intangible assets as reputation and good will and also protect consumers from confusion and deception.\textsuperscript{36} Under the Lanham Act, registration is prima facie evidence of trademark validity, ownership, and exclusive right to use.\textsuperscript{37} The owner of a registered mark has several remedies when the mark is infringed and also receives valuable benefits.\textsuperscript{38}

\textsuperscript{34} See, e.g., Security Center, Ltd. v. First Nat'l Sec. Centers, 750 F.2d 1295, 1298 (5th Cir. 1985) ("Trademark cases often involve line drawing in areas that are inherently 'fuzzy.'"); Abercrombie & Fitch Co. v. Hunting World, Inc., 537 F.2d 4, 10 (2d Cir. 1976) ("Having created the category, the courts have had great difficulty in defining it."); Q-Tips, Inc. v. Johnson & Johnson, 206 F.2d 144, 146 (3d Cir.) ([it is] a matter of judgment as to what side of the line the question mark falls upon."); cert. denied, 346 U.S. 887 (1953); Orange Crush v. California Crushed Fruit Co., 297 F. 892, 893 (D.C. Cir. 1924) ("The difficulty is not so much in the statement of the rule as in its application to the facts of a particular case."); Le Blume Import Co. v. Coty, 223 F. 344, 351 (2d Cir. 1922) ("The line of demarcation may not be easy to draw, but it exists."); Franklin Knitting Mills, Inc. v. Fashionit Sweater Mills, Inc., 297 F. 247, 248 (S.D.N.Y. 1923) ("It is quite impossible to get any rule out of the cases beyond this: That the validity of the mark ends where the suggestion ends and description begins."); aff'd, 4 F.2d 1018 (1925).

\textsuperscript{35} Trademark Act of 1946 (Lanham Act) §§ 1–46, 15 U.S.C. §§ 1057—1127 (1988). A complete analysis of all aspects of federal trademark protection is beyond the scope of this article. For detailed information, please consult any of several treatises on trademark law, including GILSON, TRADEMARK PROTECTION AND PRACTICE (1990); J. HAWES, TRADEMARK REGISTRATION PRACTICE (1987); and J. McCARTHY, TRADEMARKS AND UNFAIR COMPETITION (2d ed. 1984 & Supp.).

\textsuperscript{36} General Mills, Inc. v. Kellogg Co., 824 F.2d 622, 625 (8th Cir. 1987).


\textsuperscript{38} Among other remedies, the owner of a registered mark may seek an injunction against those who innocently infringe upon the use of the trademark. 15 U.S.C. § 1114 (1988). The owner may also be entitled to recover damages for any losses the infringement causes and to seek an accounting of any profits a willful infringer gains. 16 U.S.C. § 1117(2) (1988). In addition, the court may order the destruction of all labels, prints, packages, or other articles bearing the "registered mark or any reproduction, counterfeit, copy, or colorable imitation thereof, and all plates, molds, matrices, and other means of making the same." 15 U.S.C. § 1118 (1988).
but many of these benefits are available only to those whose marks are eligible for such protection. Section 43(a) of the Lanham Act, which applies to any person “who believes that he or she is likely to be damaged” by another person’s use in commerce of a term that is likely to cause confusion or mistake regarding the origin or sponsorship of goods, may also offer some protection to owners of unregistered marks.

39. Amstar Corp. v. Domino’s Pizza, Inc., 615 F.2d 252, 259 (5th Cir.) (Trademark of sugar manufacturer was not infringed by pizza delivery company, since the mark was already used by numerous other producers of diverse products.), cert. denied, 449 U.S. 899 (1980). “[T]he strength and distinctiveness of plaintiff’s mark is a vital consideration in determining the scope of protection it should be accorded.” 615 F.2d at 659.

40. Trademark Act of 1946 (Lanham Act) § 43(a), 15 U.S.C. § 1125(a) (1988). The full text of this section reads as follows:

   (a) Any person who, on or in connection with any goods or services, or any container for goods, uses in commerce any word, term, name, symbol, or device, or any combination thereof, or any false designation of origin, false or misleading description of fact, or false or misleading representation of fact, which—

   (1) is likely to cause confusion, or to cause mistake, or to deceive as to the affiliation, connection, or association of such person with another person, or as to the origin, sponsorship, or approval of his or her goods, services, or commercial activities by another person, or

   (2) in commercial advertising or promotion, misrepresents the nature, characteristics, qualities, or geographic origin of his or her or another person's goods, services, or commercial activities, shall be liable in a civil action by any person who believes that he or she is or is likely to be damaged by such act.

   (b) Any goods marked or labeled in contravention of the provisions of this section shall not be imported into the United States or admitted to entry at any customhouse of the United States. The owner, importer, or consignee of goods refused entry at any customhouse under this section may have any recourse by protest or appeal that is given under the customs revenue laws or may have the remedy given by this chapter in cases involving goods refused entry or seized.

Id. This section has been interpreted as creating a remedy against unfair competition for commercial plaintiffs, but not for private consumers. See Berni v. Int'l Gourmet Restaurants of Am., Inc., 838 F.2d 642, 648 (2d Cir. 1988). “To prevail under section 1125(a) [§ 43(a) of the Lanham Act], a plaintiff must demonstrate (1) that it is the prior owner of the trademark,” and (2) that the defendant adopted an identical or confusingly similar mark that is likely to cause such consumer confusion about the source of the goods “that a consumer is likely to believe that defendant’s goods or services are being sold with the consent or authorization of the plaintiff, or that the defendant is affiliated with the plaintiff.” Ocean Bio-Chem v. Turner Network Television, 741 F. Supp. 1546, 1553 (S.D. Fla. 1990). Even under § 43(a), a plaintiff must first show that its mark is distinctive and, therefore, strong. Id. at 1554. For further information about the 1988 amendments to § 43(a) of the Lanham Act and the role of the amended statute in the law of unfair competition, see S. REP. NO. 515, 100th Cong., 2d Sess. 40, reprinted in 1988 U.S. CODE CONG. & ADMIN. NEWS 5577, 5603. See also 2 J. McCarthy, TRADEMARKS AND UNFAIR COMPETITION § 27 (1973 and Supp. 1989).
Along with several other types of marks and terms that cannot be registered, the Lanham Act prohibits registration of marks that merely describe goods. Merely descriptive trademarks, such as "light beer," describe "a characteristic or ingredient of an article." Before acquiring secondary meaning, descriptive marks are not eligible for initial registration on the principal register, which provides the type of comprehensive protection most trademark owners need and desire for their identifying symbols and for the good will of their products in the marketplace.

Fortunately, not every trademark applicant must expose a valuable mark to the scrutiny of competitors while attempting to build consumer awareness and create secondary meaning for the mark. An applicant who chooses to identify goods with one of several types of inherently distinctive, nondescriptive marks will probably find that the mark is eligible for immediate registration on the principal register. Then, after five years, the Patent and Trademark Office (P.T.O.) could find the mark incontestable.

43. Miller Brewing Co. v. G. Heileman Brewing Co., 561 F.2d 75, 79 (7th Cir. 1977) (Because "light" is a common descriptive term applied to beer, Miller could not register and gain the exclusive right to use the word to the exclusion of all of its competitors.), cert. denied, 434 U.S. 1025 (1978).

Before it acquires secondary meaning, the mark lacks federal protection, although the applicant may gain some protection by placing the mark on the supplemental register, which permits registration of some types of marks that are not eligible for registration on the principal register. 15 U.S.C. § 1091 (1988). Marks consisting of immoral or scandalous material; flags or other government insignia; names or portraits of living, nonconsenting persons; or material that too closely resembles a previously registered trademark may not be registered on the supplemental register. Id.
A. Classification of Marks

The question of trademark validity often arises in cases in which a junior (later) user of a mark either defends against an infringement suit by the first user of the mark, or challenges the first user's attempt to register or to acquire rights in the mark by other means. Infringement is evidenced by "likelihood of confusion," a likelihood that the consuming public will be confused about the source of the goods the conflicting marks identify. The court will usually consider several factors in deciding whether confusion is likely, including, among others, the following: the strength or weakness of the marks; similarities of appearance, sound, or meaning; the type of goods to which each of the marks is attached; methods of marketing; evidence of actual confusion; and the intention of the defendant.

47. 15 U.S.C. § 1114 (1988). Infringement is the "use in commerce of any reproduction, counterfeit, copy, or colorable imitation of a registered mark in connection with the sale ... distribution, or advertising of any goods or services ... which is likely to cause confusion, or to cause mistake, or to deceive...." Id.

48. 15 U.S.C. § 1064 (1988). Any person who believes he is or will be damaged by registration of a mark may file a petition to cancel registration of the mark within five years from the date of the registration of the mark, or at any time if the mark is abandoned, was registered fraudulently, or becomes the generic name for the goods it identifies. Id.


50. J.B. Williams Co., Inc. v. Le Conte Cosmetics, Inc., 523 F.2d 187, 191 (9th Cir. 1975), cert. denied, 424 U.S. 913 (1976). Plaintiff J.B. Williams Co. had been producing "Conti" soaps for 50 years. Id. at 190. Le Conte Cosmetics had marketed "Le Conte" cosmetics and hair products for nine years. Id. The court applied the factors and found that the plaintiff's mark was strong, with a meaning of its own. Id. at 191. The defendant's mark, on the other hand, looked like the plaintiff's mark, and the products of the two companies were so similar that they were "likely to be connected in the mind of a prospective purchaser." Id. at 192-93. Based on this analysis, the court found that a likelihood of confusion existed between the two marks and that the defendant had infringed the plaintiff's trademark. Id. at 193.

A tentative draft of the RESTATEMENT (THIRD) OF THE LAW OF UNFAIR COMPETITION lists the following factors as being among those that may be important in proving the likelihood of confusion:

Proof of Likelihood of Confusion — Market Factors

Whether an actor's use of a designation is likely to cause confusion with the use of a trademark, trade name, collective mark, or certification mark by another ... is determined by a consideration of all the circumstances of the marketing of the respective goods or services or the operation of the respective business. In making that determination the following market factors, among others, may be important:

(a) the degree of resemblance between the respective designations, including a comparison of

(i) the overall impression created by the designations as they are used in
Categorizing the trademark according to its strength or weakness in distinguishing a product or the source of a product is the court's first step toward determining whether the mark is entitled to trademark law protection.\textsuperscript{51} The strength of the mark is also one factor courts use to determine the scope of protection accorded, since strong marks receive broader protection than weak marks.\textsuperscript{52}

A court analyzing a mark to determine likelihood of confusion normally views the mark in its entirety, since "[i]t is the overall impression that counts."\textsuperscript{53} Doubts about whether a mark is descriptive or suggestive are to be "resolved in favor of the applicant."\textsuperscript{54} "Likelihood of confusion" may be a question of law or of fact, depending upon the circumstances of each case.\textsuperscript{55}

marketing the respective goods or services or in identifying the respective businesses;
(ii) the pronunciation of the designations;
(iii) the translation of foreign words contained in the designations;
(iv) the verbal translation of pictures, illustrations, or designs contained in the designations;
(v) the suggestions, connotations, or meanings of the designations;
(b) the similarity of the marketing methods and channels of distribution used for the respective goods or services;
(c) the characteristics of the prospective purchasers of the goods or services and the degree of care they are likely to exercise in making purchasing decisions;
(d) the degree of distinctiveness of the other's designation;
(e) when the goods, services, or business of the actor differ in kind from those of the other, the likelihood that the actor's prospective purchasers would expect a party in the position of the other to expand its marketing or sponsorship into the product, service, or business market of the actor;
(f) when the actor and the other sell their goods or services or carry on their businesses in different geographic markets, the extent to which the other's designation is identified with the other in the actor's geographic market.

\textbf{Restatement (Third) of the Law of Unfair Competition} § 21 (Tent. Draft No. 2 (1990)).
51. \textit{J.B. Williams Co.}, 523 F.2d at 192.
52. Id.
54. \textit{In re Rank Organization, Ltd.}, 222 U.S.P.Q. (B.N.A.) 324, 326 (T.T.A.B. 1984) ("LASER" was not descriptive of the applicant's speakers, despite the fact that the manufacturer used laser technology in the manufacture and testing of the products.).

To the extent that the conclusion of the trial court is based solely upon disputed findings of fact, the appellate court must follow the conclusion of the trial court unless it finds the underlying facts to be clearly erroneous ....
B. The Spectrum

Courts use several terms to label the levels of distinctiveness, or strength, of trademarks. These labels, including fanciful, arbitrary, suggestive, descriptive, and generic, are best understood if considered in the form of a spectrum that arranges the terms in order of strength. At one end of this spectrum are labels for the strongest, most distinctive marks: fanciful and arbitrary. These are followed by the somewhat less distinctive suggestive marks, then by the weaker descriptive marks. At the weakest end are the unregistrable and unprotectable generic terms.

Arbitrary and fanciful marks are so distinctive that the P.T.O. may grant initial registration, meaning that the applicant need not show the public identification of the mark required to prove secondary meaning. A fanciful mark, such as “L’Origan” perfume, is created solely to identify the product to which it is attached. An arbitrary mark, such as “Americana” hotels, uses common words or symbols in an uncommon manner.

Suggestive marks are weaker and less distinctive than fanciful or arbitrary marks, yet the owner is still entitled to initial registration on the principal register and to all the benefits attached thereto. A suggestive mark, such as “GUNG-HO” toy soldiers, does not describe the product, yet brings to mind an

However, if the facts are not in dispute, the appellate court is “in as good a position as the trial judge to determine the probability of confusion.”

*Id.*

58. *Id.* at 10.
59. *Id.*
60. *Id.* at 9.
61. *Id.* at 11.
62. *Id.*
63. Le Blume Import Co. v. Coty, 293 F. 344, 358 (2nd Cir. 1923) (“L’Origan” was not in common or general use, had no meaning to the general public, other than as a name for Coty’s perfume, and was entitled to trademark protection.).
64. Tisch Hotels, Inc. v. Americana Inn, Inc., 350 F.2d 609, 611 (7th Cir. 1965) (“Americana” was an arbitrary mark when applied to hotel services. *See also* Little Caesar Enter. v. Pizza Caesar, Inc., 834 F.2d 568, 571 (6th Cir. 1987) (“Names of historical personages are generally considered to be arbitrary.”); Mobil Oil Corp. v. Pegasus Petroleum Corp., 818 F.2d 254, 257 (2d Cir. 1987) (Figure of a flying horse was an arbitrary mark.).
attribute or quality of the product, forcing the consumer to use imagination to identify the product with the mark.\textsuperscript{66} Descriptive terms are weaker than suggestive marks\textsuperscript{67} and are not registrable unless the applicant proves that the mark has acquired secondary meaning.\textsuperscript{68} A descriptive mark, such as “Chick-Fri” chicken coating,\textsuperscript{69} “identifies a significant characteristic of the article,”\textsuperscript{70} using terms competitors would be likely to require in describing their products.\textsuperscript{71} Generic terms are the weakest product designations, causing consumers to think only of “the genus of which the particular product is a species.”\textsuperscript{72} Some generic terms, such as “Bundt” cake\textsuperscript{73} are not distinctive or have lost distinctiveness because they consist of words or symbols that commonly designate a product’s type, instead of connoting its source.\textsuperscript{74} Also, a mark such as “escalator,” which was distinctive when originally registered, may become a generic term if it receives such wide public use that it comes to be known as the name for all brands and types of the article to which it is attached.\textsuperscript{75} Generic terms cannot be registered as trademarks because registration would grant the applicant a monopoly on the use of a product name common to the public vocabulary and would prevent competitors from using a common name to refer to similar products.\textsuperscript{76}

\textsuperscript{66} Hasbro, Inc. v. Lanard Toys, Ltd., 858 F.2d 70, 74 (2d Cir. 1988) (“GUNG-HO” was a suggestive name for the toy figures of tough, aggressive Marines.). See also University of Ga. Athletic Ass’n v. Laitre, 756 F.2d 1535 (11th Cir. 1985) (“Bulldog” is suggestive of athletic teams.); Citibank v. Citibanc Group, Inc., 724 F.2d 1540 (11th Cir. 1984) (“Citibank” is suggestive of bank services.); Q-Tips, Inc. v. Johnson & Johnson, 206 F.2d 144 (8d Cir.) (“Q-Tips” is suggestive of cotton-tipped swabs.), cert. denied, 346 U.S. 867 (1953).

\textsuperscript{67} Abercrombie & Fitch, 537 F.2d at 11.

\textsuperscript{68} Id. at 10.

\textsuperscript{69} Zatarains, Inc. v. Oak Grove Smokehouse, Inc., 698 F.2d 786, 797 (5th Cir. 1983) (“Chick-Fri” was descriptive of a coating for frying chicken.).

\textsuperscript{70} Abercrombie & Fitch, 537 F.2d at 10 n.11.


\textsuperscript{72} Abercrombie & Fitch, 537 F.2d at 9.

\textsuperscript{73} In re Northland Aluminum Prods., Inc., 221 U.S.P.Q. (B.N.A.) 1110 (T.T.A.B. 1984).


\textsuperscript{75} Haughton Elevator Co. v. Seeberger, 85 U.S.P.Q. (B.N.A.) 80 (1950) (“Escalator,” originally fanciful or suggestive, was held generic.). See also Donald F. Duncan, Inc. v. Royal Tops Mfg., Co., 343 F.2d 655 (7th Cir. 1965) (“Yo-Yo” was a generic term for return tops.); Bayer Co. v. United Drug Co., 272 F. 505 (2d Cir. 1921) (Aspirin, formerly a fanciful term for acetylsalicylic acid, had become generic.).

\textsuperscript{76} Abercrombie & Fitch, 537 F.2d at 11. (“[A]pplied to specific types of clothing, ‘safari’ has become a generic term.”).
C. Suggestiveness v. Descriptiveness: The Thin Line

In *Elite Personnel, Inc. v. Elite Personnel Services, Inc.*[^77^] the Georgia Supreme Court held that the mark “Elite Personnel” was descriptive and unregistrable, not suggestive. This distinction is often difficult for courts to draw. Indeed, courts faced with the necessity of deciding whether a trademark is suggestive and registrable or descriptive and unregistrable, without secondary meaning, have frequently expressed frustration at the lack of clear guidelines.[^78^] As expressed by the Trademark Trial and Appeal Board (T.T.A.B.), “it has often been held that there is a thin line of demarcation between a suggestive term and a merely descriptive term and it is often quite difficult to make a determination between the permissible scope of suggestiveness and the impermissible descriptive connotation of a term.”[^79^]

Some of the difficulty in distinguishing suggestive marks from descriptive marks may stem from the fact that the category of suggestive marks was judicially created to permit registration of marks that were neither descriptive nor truly fanciful or arbitrary.[^80^] Courts created this intermediate category because applicants may not immediately register descriptive marks.[^81^] Much is at stake for many of the applicants whose trademark registrations are challenged or refused.[^82^]

From the time the courts created the category, however, they have had difficulty in delineating its boundaries.[^83^] This difficulty might have been anticipated in the “exotic and esoteric realm of


[^78^]: See supra notes 29 and 34 and accompanying text.


[^80^]: *Abercrombie & Fitch* 537 F.2d at 10 (The court attempted to decide whether “safari,” which had been used to identify the plaintiff’s goods for over thirty years, was suggestive, descriptive, or, worse yet, generic.).

[^81^]: *Id.* at 11.

[^82^]: See, e.g., Union Carbide Corp. v. Ever-Ready, Inc., 531 F.2d 366, 371 (7th Cir.), *cert. denied*, 429 U.S. 830 (1976). The plaintiff had used “Eveready” to identify its line of batteries, flashlightcs, and bulbs since 1901 and had accumulated years of good will. *Id.* at 370. The defendant challenged the distinctiveness of the mark after the plaintiff sought to enjoin the defendant’s use of “Ever-Ready.” *Id.* at 371. The court found it unnecessary to decide whether the mark was suggestive or descriptive, because evidence in the record indicated that the mark had acquired secondary meaning. *Id.* at 380. See also Douglas Laboratories Corp. v. Copper Tan, Inc., 210 F.2d 453, 456 (2d Cir.), *cert. denied*, 347 U.S. 968 (1954). The plaintiff’s use of the mark “Coppertone” to identify suntan lotion was suggestive or fanciful, and the mark was valid. The plaintiff was permitted to enjoin the defendant’s infringing use of “Copper Tan.” *Id.*

[^83^]: *Abercrombie & Fitch* 537 F.2d at 10.
trademark law," where much can depend upon the perceived meaning of a word, phrase, or symbol.

D. Setting Standards

Despite the courts' frustrated attempts to draw the line between suggestiveness and descriptiveness, some tests and standards have emerged to aid them in making the distinction. One commonly used standard measures the degree of imagination a consumer must exercise to connect the mark with the goods. Under this test, the Court of Appeals for the Second Circuit held that "Coppertone" was a suggestive trademark because consumers had to use a bit of imagination to link the mark with a suntanning product.

A second test investigates "whether competitors would be likely to need the terms used in the trademark in describing their products." If the term is so closely and directly related to a product or service that purveyors of similar goods or services would need the term to describe their own goods, the term is descriptive, not suggestive. For example, the Court of Appeals for the Fifth Circuit held that "'vision' is virtually indispensable to the optical goods industry." Closely related to this second analytical approach is the test of third-party use, which examines the extent to which "others offering a similar service or product" have already used a term.

A fourth test directs courts to look to the incongruity of the term or mark as it relates to the product or service. A term

85. Douglas Laboratories, 210 F.2d at 455. See also Zatarains, Inc. v. Oak Grove Smokehouse, Inc., 698 F.2d 786, 792-93 (5th Cir. 1983) ("Fish-Fri" was so closely connected with the merchandise to which it was attached that no consumer would need to exercise imagination to "deduce that 'Fish-Fri' is used to fry fish."); Railroad Salvage of Connecticut v. Railroad Salvage, 561 F. Supp. 1014, 1021 (D.R.I. 1983) ("Railroad Salvage" was suggestive of plaintiff's business of selling liquidated inventories of goods not merchantable through more common channels).
86. Douglas Laboratories, 210 F.2d at 455.
89. Id.
90. Id. at 117 ("Vision Center" was already being used nationwide by many optical stores.)
91. General Shoe Corp. v. Rosen, 111 F.2d 95, 98 (4th Cir.), rev'd and remanded, 112 F.2d 561 (1940).
that consumers would not normally expect to find attached to a product will often be held suggestive. In General Shoe Corporation v. Rosen, the court found that "friendly," when applied to shoes, was so incongruous that it constituted a suggestive, valid trademark. Again, this test relates to the amount of mental work a consumer must undertake to associate product and mark.

A fifth standard examines the manner in which prospective consumers of the applicant's goods or services understand the term. If this class of consumers is aware that the term describes a quality of the goods or services, the mark may be found descriptive or even generic. Using this test, one court found "Firstier" descriptive of a plaintiff's banking services. The court noted that experts in banking would be the only parties to know that banks may be ranked in tiers, but that such experts would constitute the average consumers of the bank's services.

In Security Center, Ltd. v. First National Security Centers, the Court of Appeals for the Fifth Circuit examined two factors, imaginativeness and actual or likely use of the mark, to determine whether "security center" was descriptive when applied to the plaintiff's private storage vault business. First, the court assessed the amount of imagination consumers had to exert to "cull some indication from the mark about the qualities, characteristics, effect, purpose, or ingredients of the product or service."

The court looked at "security center" directly, as consumers would, without attempting to add any additional interpretations or ambiguities. Within the "natural environment in which the consumer would meet with the phrase," the court found that the term would mean "a center where security is afforded one's property." Although the term did not describe all activities of the business, it did describe the essence, giving an unknowing

92. Id.
93. 111 F.2d 95 (4th Cir. 1940).
94. In re Omaha Nat'l Corp., 819 F.2d 1117 (Fed. Cir. 1987).
95. Id.
96. Id. at 1119.
97. Id.
98. 750 F.2d 1295, 1298 (5th Cir. 1985).
100. Id. at 1299.
101. Id.
102. Id.
103. Id.
consumer an idea of the "function, quality or components of the business." 104

This inquiry was not dispositive, however, because the court next investigated competitors' actual use or possible future use of the mark. 105 As a matter of policy, the court wished to determine whether protecting the mark, which would exclude the term from "the language freely available for commercial use," would interfere with competition among other businesses providing the same service. 106 Because the words "security" and "center" were used either together or separately by forty-five of the ninety-six competing businesses, the court found that granting one business a monopoly on the use of the words would "disserve the public." 107 Through this analysis, the court found the term descriptive, not suggestive, and the plaintiff business, which had first begun to use the term five years before the decision, was required to share the words with its late-coming competitors. 108

Finally, several courts 109 have combined all or most of these tests to determine whether a given mark is suggestive or descriptive. In Zatarains, Inc. v. Oak Grove Smokehouse, Inc., 110 the Fifth Circuit first looked to the dictionary meaning of the term "Fish-Fri" and found that the term, when spelled properly,

104. Id.
105. Id. at 1300.
106. Id.
107. Id.
108. See also No Nonsense Fashions, Inc. v. Consolidated Foods Corp., 226 U.S.P.Q. (B.N.A.) 502 (T.T.A.B. 1985). The T.T.A.B. considered whether "Sheer Elegance" was descriptive or suggestive of the pantyhose it identified. Id. at 503. Instead of analyzing the mark to determine suggestiveness, the board used three factors to eliminate descriptiveness. The board inquired whether the mark, used to identify pantyhose, performed any of the following functions: "gave consumers an immediate idea of the ingredients, qualities or characteristics" of the product; indicated the source of the pantyhose; or deprived competitors of the opportunity to accurately describe their own goods. Id. at 507.

The board found that "Sheer Elegance" created a double entendre, making the term suggestive rather than descriptive, indicated the source of the pantyhose, rather than merely lauding their "elegant" quality, and preserved for competitors the right to use "sheer" or "elegance" separately to describe their products. Id. at 507—08.


110. 698 F.2d 786, 792—93 (5th Cir. 1983).
described the "preparation and consumption of fried fish." Next, the court determined that the descriptive quality of the mark permitted consumers to connect the mark with the function of the product without using imagination. In addition, some competitors were already using the mark, and others would likely need to use the term in the future.

Based on these findings, the court held that "Fish-Fri" was descriptive and that, under the doctrine of fair use, other businesses marketing similar products could use the term if consumers were not confused. Fortunately for Zatarains, the court did find that the mark had acquired secondary meaning in New Orleans and could be protected in that city, where the product was sold.

As illustrated by the foregoing materials, courts are not without means to distinguish between suggestive and descriptive trademarks. The distinction involves a subjective analysis of consumers' perception of words or symbols, however, and the decisions on how a mark should be categorized are often

111. Zatarains, Inc. v. Oak Grove Smokehouse, Inc., 698 F.2d at 792.
112. Id. at 793.
113. Id.
114. Id.
115. Id. at 795–96. The following nonexclusive list illustrates marks that various courts have found suggestive:
"Charred Keg" whiskey
"Chicken of the Sea" tuna
"Curv" permanent wave solution
"Cyclone" wire fence
"Handi Wipes" dusting cloths
"Minitmix" biscuit mix
"Q-Tips" wooden sticks with cotton on ends
"Resonite" clarinet
"7-Eleven" food stores
"Zip" saws

The terms below are among those courts have found descriptive:
"Bufferin" buffered aspirin
"Dyanshine" shoe polish
"Ebonite" rubber bowling balls
"Fineline" mechanical pencils
"5 minute" glue that sets in five minutes
"Joy" perfume
"Joy" detergent
"Neva-wet" water repellent treatment
"PocketBook" paper back books
"Raisin-Bran" cereal made with raisins and bran

Id. at § 11:8.
inconsistent. The thin line between suggestive and descriptive marks often causes judges to rely on “spontaneity and intuition, rather than objectivity and deduction.” As expressed by one court, the classification system is helpful, because it gives form to an amorphous subject, but the purchasing public ultimately determines trademark strength. A mark that tells the consumer that the goods on the shelf were sent there by a trusted, reliable seller is a strong, distinctive mark.

III. GEORGIA TRADEMARK, SERVICE MARK, AND TRADE NAME PROTECTION

Trademarks, service marks, and trade names are protected in Georgia through registration under federal and state law. Georgia common law also protects some trademarks and trade names. Several forms of statutory protection are available. First, the Georgia trademark statute permits registration of marks under certain conditions and lists classes of goods that trademarks and service marks may identify. A certificate of trademark registration, issued by the Secretary of State, is evidence of registration in Georgia.

Georgia statutory trademark registration is effective for ten years and is assignable “with the good will of the business in...
which the trademark or service mark is used." The state may cancel registered trademarks that are abandoned, were granted improperly or fraudulently, or are deemed likely to cause confusion with a trademark or service mark previously registered under federal law.

The standard for determining infringement under Georgia law is likelihood of confusion, the same test used under federal law. While federal trademark registration offers national protection against infringement, Georgia trademark registration provides protection against infringement that impacts the state. State trademark claims are not preempted by federal trademark claims, and a plaintiff may assert both state and federal claims in a single action in federal court. If a plaintiff receives relief on a federal claim, however, the court will not grant additional relief on a state claim based on the same infringement.

State remedies against infringing use may include injunction barring the "manufacture, use, display, or sale of any counterfeits or imitations thereof," damages, and lost profits, or an accounting for lost profits, or both. The court may order seizure of counterfeit goods, either upon motion or by the trademark owner's ex parte application.

Trademarks, service marks, and trade names receive varying levels of protection under several other Georgia laws. The Georgia Uniform Deceptive Trade Practices Act (U.D.T.P.A.) prohibits trade practices that are likely to cause consumer confusion about the source, sponsorship, or affiliation of goods or services. A person "likely to be damaged" by such a deceptive act may obtain an injunction against the offending practice without proving either monetary damage or the offender's intent to deceive.

Also, consumers and competing businesses may receive protection under the Fair Business Practices Act (F.B.P.A.),\(^{139}\) which declares unlawful, and protects consumers and legitimate businesses from, a nonexclusive list of "unfair or deceptive acts or practices in the conduct of consumer transactions."\(^{140}\) These include "passing off goods or services as those of another"\(^{141}\) and "causing actual confusion or actual misunderstanding as to the source, sponsorship, approval, or certification of goods or services."\(^{142}\)

In addition, Georgia's antidilution statute\(^{143}\) protects against dilution or tarnishment of distinctive marks, "notwithstanding the absence of competition between the parties or of confusion as to the source of goods or services."\(^{144}\) Dilution of a trademark or trade name occurs if use of a mark by a subsequent user "lessen(s) the uniqueness of the prior user's mark with the possible future result that a strong mark may become a weak mark."\(^{145}\) Protection under this statute is contingent upon a finding that the name is entitled to protection because it is either distinctive or has acquired secondary meaning.\(^{146}\)

Finally, several statutes require users of fictitious business names to provide notice to other businesses by registering corporate names with the superior court of the county where the corporation transacts business, and other statutes permit corporations to reserve fictitious corporate names. Businesses using trade names that do not "disclose the individual ownership of the trade, business, or profession carried on under [the] name" must file a registration statement and affidavit revealing the names and addresses of the persons, firm, or partnership that owns the business.\(^{147}\) The statement must also reveal the nature of the business and the name used.\(^{148}\)

\(^{140}\) O.C.G.A. § 10-1-391(a) (1989).
\(^{143}\) O.C.G.A. § 10-1-451(b) (1989).
\(^{144}\) Id.
\(^{145}\) Id. Amstar Corp. v. Domino's Pizza, Inc., 615 F.2d 252, 265 (5th Cir. 1980).
\(^{148}\) Id. The statute requires persons, firms, or partnerships to file registration statements in the office of the clerk of the superior court of the county where the business is "chiefly carried on." Id. Domestic corporations using names other than their corporate
2-402, persons may also "apply to reserve the use of a corporate name" or of "a fictitious name for a foreign corporation whose corporate name is not available." 149

In addition to the noted forms of statutory protection, both statutory and common-law protection is available for trade names, service marks, and trademarks that have been adopted and used for a sufficient period and in such a pervasive manner that the name is closely identified with the business. 150

A. Elite Personnel, Inc. v. Elite Personnel Services, Inc.

In Elite Personnel, Inc. v. Elite Personnel Services, Inc., 151 the defendant, an agency that provided businesses with temporary personnel, began operations in 1987 as "Elite Personnel, Inc.," and sought neither federal nor state registration for its name. 152 The plaintiff, a similar business, incorporated under the name "Elite Personnel Services, Inc." in April 1988, three months before the defendant's July 1988 incorporation. 153

On learning of the defendant's business and name, the plaintiff sought an injunction under the U.D.T.P.A., 154 claiming that the defendant had caused a likelihood of confusion among consumers by incorporating and using "Elite Personnel," the same name under which the plaintiff had incorporated first. 155 The defendant, relying upon both its common-law right to protect its trade name

names must file in the county of their legal domicile. Id. Notice of filing is published "in the paper in which the sheriff's advertisements are printed once a week for two weeks." Id. Failure to register is a misdemeanor, and violators pay court costs. O.C.G.A. §§ 10-1-491 and -493 (1989).

149. O.C.G.A. § 14-2-402 (Supp. 1990). "If the Secretary of State finds that the corporate name applied for is available, he shall reserve the name for the applicant's use for a nonrenewable 90 day period." Id.

The Secretary of State becomes involved with fictitious or assumed names only . . . [if] a foreign corporation, planning to transact business in [the] state, discovers that its name is not available in [the] state . . . . The Code views the duties of the Secretary of State as primarily ministerial; if the name is distinguishable upon the records of the Secretary of State from other entities the names of which are on file, that is enough.


153. Id.


and upon the U.D.T.P.A., counterclaimed and sought to restrain the plaintiff's use of "Elite Personnel."\textsuperscript{156} The trial court granted the plaintiff's request for an injunction, finding that the defendant had failed to obtain the requisite statutory protection for the name.\textsuperscript{157} The trial court also found that the defendant could claim no common-law rights to the name because the terms were descriptive, had not acquired secondary meaning, and could not be exclusively appropriated.\textsuperscript{158}

The defendant appealed, claiming that the plaintiff could not exclusively appropriate a trade name composed of allegedly descriptive terms merely by incorporating under the name.\textsuperscript{159} The defendant also argued that the U.D.T.P.A. preserves common-law rights to trade names and that the defendant had acquired a protected common-law trade name through its use of the name for several months in commerce.\textsuperscript{160} The defendant also claimed that, even assuming for purposes of argument that "elite" was descriptive of personnel services, the term had acquired secondary meaning because the defendant had used "Elite Personnel" for six months before the plaintiff’s incorporation.\textsuperscript{161} Still, the defendant maintained that "Elite Personnel" was a "suggestive term entitled to common law trade protection even without secondary meaning."\textsuperscript{162}

The plaintiff argued that its reservation of "Elite Personnel" under Georgia corporate law\textsuperscript{163} gave it the exclusive right to use the name, contending that the legislature had intended to provide such exclusive protection to Georgia corporations.\textsuperscript{164} Without mentioning or considering Georgia's trademark, service mark, and trade name statutes,\textsuperscript{165} the plaintiff also asserted that, because O.C.G.A. section 10-1-492\textsuperscript{166} excludes corporations from the trademark registration requirements of O.C.G.A. section 10-1-490,\textsuperscript{167} corporations have no means to protect their names beyond

\textsuperscript{156} Id. at 4.
\textsuperscript{157} Elite Personnel, 259 Ga. at 192, 378 S.E.2d at 118.
\textsuperscript{158} Id.
\textsuperscript{159} Appellant's Brief, supra note 155, at 6—11.
\textsuperscript{160} Id.
\textsuperscript{161} Id. at 8—10.
\textsuperscript{162} Id.
\textsuperscript{165} O.C.G.A. §§ 10-1-440 to -453 (1989).
\textsuperscript{166} O.C.G.A. § 10-1-492 (1989).
\textsuperscript{167} O.C.G.A. § 10-1-490 (1989).
reserving names under the corporate law. Finally, the plaintiff argued that "'Elite Personnel' is a descriptive term and not entitled to common law trade name protection without acquiring secondary meaning."

B. The Registration Issue

The Georgia Supreme Court appeared to rule that the defendant's failure to register its trade name with the office of the clerk of the superior court of the county where it did business, as required by O.C.G.A. section 10-1-490, precluded protection of the name under the U.D.T.P.A. Also, the court seemed to hold that, because the defendant had not registered its trade name with the Secretary of State, it could claim no protection under O.C.G.A. section 10-1-451, and could not enjoin the use of "Elite Personnel" by the second company. The court also held that, although the defendant had operated under the name for six months before the plaintiff incorporated, that period was too short to cause consumers to associate the name exclusively with the defendant's business, as required to establish secondary meaning.

The opinion raises questions because it suggests that registration is always a prerequisite to trade name protection in Georgia. This suggestion runs counter to previous decisions. While the Georgia Supreme Court has previously held that "registration of ... a service mark or trademark is a prerequisite to relief under O.C.G.A. sections 10-1-450 and 10-1-451," the court has also indicated that the U.D.T.P.A. does not require

168. Appellee's Brief, supra note 164, at 3.
169. Id. at 7.
174. Id.
175. See, e.g., Diedrich v. Miller & Meier & Assoc., 254 Ga. 734, 736, 344 S.E.2d 308, 310—311 (1985) ("Georgia protects trade names by statute and by common law," and an injured party may recover damages); Giant Mart Corp. v. Giant Discount Foods, Inc., 247 Ga. 775, 279 S.E.2d 688 (1981) (Plaintiff's trade name was not registered, but because plaintiff had used the name for several years in the same location, the name constituted a protectable interest).
registration. The U.D.T.P.A. itself provides that its sections do not “affect unfair trade practices otherwise actionable at common law or under the statutes of this state” and offers injunctive relief to “[a] person likely to be damaged by a deceptive trade practice of another.”

In Giant Mart Corp. v. Giant Discount Foods and Diedrich v. Miller & Meier & Associates, the Georgia Supreme Court noted that trade names in Georgia are protected by both statutory law and common law. The Giant Mart court observed that the requirements for relief under the U.D.T.P.A. are less stringent than under other sections offering trademark and trade name protection, and that “all that is required is that the use of the name cause confusion to others using reasonable care.”

The Elite court first stated that “Elite Personnel” was descriptive of personnel services and “incapable of exclusive appropriation”; the court then upheld the injunction prohibiting the defendant from using the name and, in effect, allowed the plaintiff exclusive commercial use of the same descriptive terms. In addition, although the court stated that the defendant could not “claim the protection of the [U.D.T.P.A.]” because it had “failed to register its name as required by O.C.G.A. [section] 10-1-490,” neither of the two statutes, and no previous case law, mentions such a link between the U.D.T.P.A. and O.C.G.A. section 10-1-490.

Certain provisions do require businesses to register their marks to receive the protection available. For example, O.C.G.A. section 10-1-451(a) provides several remedies against infringement that

179. O.C.G.A. § 10-1-373(a) (1989). The full text of the section is as follows:
   (a) A person likely to be damaged by a deceptive trade practice of another may be granted an injunction against it under the principles of equity and on terms that the court considers reasonable. Proof of monetary damage, loss of profits, or intent to deceive is not required. Relief granted for the copying of an article shall be limited to the prevention of confusion or misunderstanding as to source.

Id.
184. Id.
are available to "[a]ny owner of a trademark or service mark \textit{registered} under [the statute]."\textsuperscript{186} As noted, the Georgia Supreme Court has agreed that a business must register its trademark to receive the benefit of these remedies.\textsuperscript{187}

On the other hand, the trademark antidilution statute, O.C.G.A. section 10-1-451(b),\textsuperscript{188} provides injunctive relief to "[e]very person [or] association . . . adopting and using a trademark, trade name, label, or form of advertisement." Further, the statute provides that courts shall grant injunctions to stop the later use of a distinctive mark if the use is likely to cause injury to business reputation or dilution of the distinctive quality of the mark.\textsuperscript{189}

This section, which provides remedies for any user of a \textit{distinctive} trademark or trade name or for any user of a trademark or trade name that has acquired secondary meaning,\textsuperscript{190} does not require registration, but employs instead the adoption and use requirements of common-law trade name cases.\textsuperscript{191} The Georgia Supreme Court has stated that this section "provides protection to unregistered as well as registered names which have been exclusively appropriated."\textsuperscript{192}

Another provision of the trademark statutes, O.C.G.A. section 10-1-452, expressly states that nothing in the statutes "shall adversely affect the rights or the enforcement of rights in trademarks or service marks acquired in good faith at any time

\textsuperscript{186} \textit{Id.} (emphasis added).
\textsuperscript{188} O.C.G.A. § 10-1-451(b) (1989). The full text of the antidilution statute is as follows: (b) Every person, association, or union of working men adopting and using a trademark, trade name, label, or form of advertisement may proceed by action; and all courts having jurisdiction thereof shall grant injunctions to enjoin subsequent use by another of the same or any similar trademark, trade name, label, or form of advertisement if there exists a likelihood of injury to business reputation or of dilution of the distinctive quality of the trademark, trade name, label, or form of advertisement of the prior user, notwithstanding the absence of competition between the parties or of confusion as to the source of goods or services, except that this Code section shall not deprive any party of any vested lawful rights acquired prior to March 4, 1955.
\textsuperscript{189} \textit{Id.}
\textsuperscript{190} \textit{Giant Mart Corp.}, 247 Ga. at 777, 279 S.E.2d. at 686.
\textsuperscript{191} O.C.G.A. § 10-1-451(b) (1989). \textit{See}, e.g., \textit{Womble v. Parker}, 208 Ga. 378, 379, 67 S.E.2d 133, 134 (1951) ("If the person first appropriating and using the name has a clear right to its use, its subsequent use by another, knowing of the right, is presumed by law to be fraudulent.").
\textsuperscript{192} \textit{Giant Mart Corp.}, 247 Ga. at 777, 279 S.E.2d. at 686.
at common law."

In Womble v. Parker, the Georgia Supreme Court held that "the provisions ... as to registration are permissive and not mandatory, and a compliance by one ... could not operate to deprive another of a trade name or trade-mark previously acquired, although not thus registered."

Neither of the parties in Elite argued whether registration is required for protection of a distinctive mark under the antidilution statute, O.C.G.A. section 10-1-451(b). Nor did the parties rely upon either the Fair Business Practices Act (F.B.P.A.) or upon section 43(a) of the Lanham Act, neither of which requires registration. The F.B.P.A. is intended "to protect consumers and legitimate business enterprises from unfair or deceptive practices." Section 43(a) of the Lanham Act, which requires that the disputed mark be distinctive, protects "any person who believes that he or she is likely to be damaged" by the use in commerce of terms likely to cause confusion.

Presentation of alternate theories of legal protection would have allowed the court to consider several options. If the court had found the defendant's mark distinctive, the court might have permitted the defendant corporation to enjoin the plaintiff's use of the same mark under one of the other theories of law.

These arguments, if presented, might have permitted the court to provide more guidance in its opinion; the Elite decision is probably correct, however. The trial court's injunction prevented an unregistered, though earlier, user from acquiring common-law rights in a registered corporate name. By upholding the injunction,

201. See, e.g., Gold Kist, Inc. v. Conagra, Inc., 708 F. Supp. 1291 (N.D. Ga. 1989). The plaintiff, owner of a registered trademark, sued the defendant under several theories, including: federal trademark infringement under 15 U.S.C. § 1114(1); "false designation of origin, false description, and false representation" under 15 U.S.C. § 1125(a), § 43(a) of the Lanham Act; deceptive trade practices under O.C.G.A. § 10-1-370 (the U.D.T.P.A.); unfair trade practices under O.C.G.A. § 10-1-390 (the F.B.P.A.); false advertising under O.C.G.A. § 10-1-421; and common law trademark infringement. Id. at 1296. In considering the plaintiff's § 43(a) claim, the court found that consumers were likely to be confused by the similarity between the plaintiff's "Medallion" trademark and the defendant's "Golden Medallion" trademark. Id. at 1303. This finding permitted "the court to conclude that [the plaintiff had] prevailed on the other counts of its complaint as well." Id.
the *Elite* court protects and encourages businesses that have followed statutory registration procedures. In turn, proper registration can provide notice to others who are starting businesses and seeking suitable names.

Unfortunately, the statutes and case law governing trademark and trade name registration and protection are complex and, at times, confusing. *Elite*, though it achieves a correct result, adds to the confusion by leaving the impression that registration is now a prerequisite for trademark and trade name protection in Georgia under statutes that have not required registration previously. As noted, the Georgia Supreme Court previously held that neither the U.D.T.P.A. nor the antidilution statute requires parties to register before they can receive trademark or trade name protection.\(^{202}\) If in *Elite* the Georgia Supreme Court has chosen to interpret the statutes as requiring registration for protection, the court should first overrule or distinguish the earlier cases that have held otherwise. The task of changing the law so dramatically would normally fall to the Georgia General Assembly. If that body chose not to include an explicit requirement for registration, perhaps it was because that was not their intent. In the meantime, practitionerers of trademark law in Georgia might serve clients best by recommending early federal and state registration of any mark.

C. Georgia Analysis of the Suggestive-Descriptive Distinction

In *Elite Personnel, Inc. v. Elite Personnel Services, Inc.*, the Georgia Supreme Court held that, even if the defendant had registered “Elite Personnel,” the name would have been “incapable of exclusive appropriation” because “elite” is descriptive of personnel services.\(^{203}\) Georgia courts recognize the same concepts of trademark strength and distinctiveness federal courts follow and deny protection to generic marks and to descriptive marks for which no secondary meaning has been acquired.\(^ {204}\) In addition to raising issues about the requirement for state trademark and trade name registration, the *Elite* court decided the issue whether

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202. See supra notes 177 and 192 and accompanying text.
204. See, e.g., Multiple Realty, Inc. v. Multiple Listing Serv., Inc., 220 Ga. 437, 139 S.E.2d 326 (1964) (“Multiple” was descriptive of plaintiff’s realty listing service, and plaintiff failed to produce evidence that the name had acquired secondary meaning.).
"elite" is a registrable, suggestive term or an unregistrable, descriptive term when applied to an employment agency.\textsuperscript{205}

The defendant argued that "Elite Personnel" was suggestive, and that "one hearing the name ... would have to make some inferences to determine that Appellant and Appellee are engaged in ... placing employees in employment positions."\textsuperscript{206} The Georgia Supreme Court did not agree and denied the defendant's attempts at exclusive appropriation of the name, stating that the term was descriptive, not suggestive, and that the trade name could not be registered without proof of secondary meaning.\textsuperscript{207}

Although earlier Georgia decisions had categorized terms as suggestive or descriptive,\textsuperscript{208} the Elite court supported its decision by relying mainly upon University of Georgia Athletic Association v. Laite,\textsuperscript{209} a 1985 opinion by the United States Court of Appeals for the Eleventh Circuit. In Laite, the bulldog emblem of the University of Georgia athletic teams was found suggestive and therefore was protected against a beer manufacturer's infringing use.\textsuperscript{210} The Laite court listed and defined the categories of trademark strength,\textsuperscript{211} finding "very little connection" between the attributes of bulldogs and athletic teams.\textsuperscript{212} The court defined a suggestive trademark as "subtly connot[ing] something" about the service or product.\textsuperscript{213} This definition is similar to the trademark imaginativeness test, which some federal courts have employed to measure the degree of imagination a consumer must exercise to make a connection between the mark and the product or service.\textsuperscript{214}

\textsuperscript{205} Elite, 259 Ga. at 193, 378 S.E.2d at 119.
\textsuperscript{206} Appellant's Brief, supra note 155, at 9.
\textsuperscript{207} Elite Personnel, Inc. v. Elite Personnel Serv., Inc., 259 Ga. at 193, 378 S.E.2d at 119.
\textsuperscript{208} See, e.g., Dolphin Homes Corp. v. Potomac Dev. Corp., 223 Ga. 455, 156 S.E.2d 45 (1967) ("Old," "national," and "east" were descriptive of a subdivision.); Multiple Realty, Inc. v. Multiple Listing Serv., Inc., 220 Ga. 437, 139 S.E.2d 326 (1964) ("Multiple" was descriptive of a realty listing service.); Citizens Jewelry Co. v. Savelle Jewelry Co. of Albany, Inc., 219 Ga. 409, 133 S.E.2d 858 (1963) ("Citizens" had acquired secondary meaning as name of plaintiff's jewelry business.); Fraser v. Singer, 211 Ga. 26, 83 S.E.2d 599 (1954) ("Casual" in "Casual Corner" was descriptive of ladies sportswear shop.);
\textsuperscript{209} 756 F.2d 1535 (11th Cir. 1985).
\textsuperscript{210} University of Georgia Athletic Ass'n v. Laite, 756 F.2d at 1541 ("Battlin' Bulldog Beer").
\textsuperscript{211} See supra notes 56—60 and accompanying text.
\textsuperscript{212} Laite, 756 F.2d at 1541 n.16.
\textsuperscript{213} Id. at 1540.
\textsuperscript{214} Security Center, Ltd. v. First Nat’l Security Centers, 750 F.2d 1295, 1299 (5th Cir. 1985).
Elite exemplifies the dilemma courts face when attempting to distinguish between suggestive and descriptive marks. Often, the tests the federal courts have formulated prove to be less than dispositive. A finding that “elite” is descriptive of the services a personnel agency provides would, under the standards some of the federal courts use, require that the term be so closely related to the goods or services provided as to be “indispensable” to the vocabulary of competitors.\textsuperscript{215} While the Georgia Supreme Court did find “elite” descriptive, one could also argue that the term would not be indispensable to others in the personnel business and that the term does not necessarily describe the nature of the services offered.

Nor is the term clearly suggestive. A dictionary\textsuperscript{216} defines “elite” as “the group ... selected or regarded as the finest, best, most distinguished.” One could question whether the use of this word requires a consumer of personnel services to use imagination to make the connection between “elite” and the services offered\textsuperscript{217} or whether the term is incongruous as applied to the services.\textsuperscript{218} As federal courts have noted in the past,\textsuperscript{219} line drawing is a difficult process in this inherently fuzzy area, for both the Georgia and federal judiciary.

CONCLUSION

The Elite decision emphasizes some of the complexities courts encounter under state and federal trademark law. First, the decision addresses the question whether registration is required for injunctive relief under the U.D.T.P.A. and appears to answer in the affirmative. This answer runs counter to past decisions, without specifically overruling any case. If Georgia businesses must register trademarks and trade names to receive state protection, the requirement should be clearly stated so that businesses may act appropriately to protect valuable interests.

Second, the Elite court addressed the suggestive-descriptive trademark issue and, with little explanation, held that “elite” is descriptive of personnel services. As previously illustrated, this

\begin{itemize}
  \item \textsuperscript{216} \textit{Webster's New Universal Unabridged Dictionary}, 588 (1983).
  \item \textsuperscript{217} \textit{Security Center, Ltd.}, 750 F.2d at 1299.
  \item \textsuperscript{218} General Shoe Corp. v. Rosen, 111 F.2d 95, 98, \textit{reh'g denied}, 112 F.2d 561 (1940).
  \item \textsuperscript{219} \textit{Security Center, Ltd.}, 750 F.2d at 1298.
\end{itemize}
distinction is difficult for courts to draw, and, as it seems to be in *Elite*, is often based upon a court's determination of public perception of the trademark.

Federal courts have developed several tests to aid in the distinction between suggestive and descriptive trademarks, yet the distinction remains unclear. Perhaps the distinction can never be clear because a court must consider not only the dictionary meaning, but must also determine the public perception of a word or symbol. The court must then analyze this meaning to determine how it relates to a product or service. Courts suffer an understandable difficulty when they must attempt to decide what a particular word or symbol means to that large, almost indefinable group known as consumers.

Decisions range from those in which the courts decided rather quickly that the public must use imagination to link a trademark with a product to those in which the courts employed lengthy analyses based on several tests. In the end, the decisions indicate that, even in the legal world, where accuracy and certainty are highly prized, an area still exists in which detached, scientific analyses do not always work. A court that must decide what a particular word or symbol means to a group of unknown people employs all the means at hand to guide the process. Still, the final decision must often rest on a spontaneous, honest reaction to what seems right.

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