

**Keyword(s): trademark, genericness, primary significance, dot-com**

**General: A generic term in combination with a “.com” is not generic, *per se*. The term may not be generic if its generic components, once combined, act as a source-identifier.**

*United States Patent and Trademark Office et al. v. Booking.com B.V.*

591 U. S. \_\_\_\_ (2020) Supreme Court of the United States

No. 2019-1946

Decided: June 30, 2020

## I. Facts

This appeal arises from a ruling by the U.S. Patent and Trademark Office’s (PTO) Trademark Trial and Appeals Board (hereinafter, “the Board”). Respondent Booking.com, an enterprise that maintains a travel-reservation website by the same name, sought to register the mark “Booking.com.” Concluding that “Booking.com” is a generic name for online hotel-reservation services, the PTO refused registration.

A generic name—the name of a class of products or services—is ineligible for federal trademark registration. In its refusal of Booking.com’s trademark registration, the Board maintained that “booking” is generic for hotel-reservation services. “Booking.com” must also be generic, the PTO maintained, under a *per se* rule that the combination of a generic word and “.com” is generic.

Booking.com is a digital travel company that provides hotel reservations and other services under the brand “Booking.com,” which is also the domain name of its website. Booking.com filed applications to register four marks in connection with travel-related services, each with different visual features but all containing the term “Booking.com.”

“Booking,” the Board observed, means making travel reservations, and “.com” signifies a commercial website. The Board then ruled that “customers would understand the term BOOKING.COM primarily to refer to an online reservation service for travel, tours, and lodgings.” Alternatively, the Board held that even if “Booking.com” is descriptive, not generic, it is unregistrable because it lacks secondary meaning.

Booking.com sought review in the U. S. District Court for the Eastern District of Virginia. Relying on Booking.com’s new evidence of consumer perception, the District Court concluded that “Booking.com”—unlike “booking”—is not generic. The “consuming public,” the court found, “primarily understands that BOOKING.COM does not refer to a genus, rather it is descriptive of services involving ‘booking’ available at that domain name.” *Booking.com B.V. v. Matal*, 278 F. Supp. 3d 891, 918 (2017). Having determined that “Booking.com” is descriptive, the District Court additionally found that the term has acquired secondary meaning as to hotel-reservation services. For those services, the District Court therefore concluded, Booking.com’s marks meet the distinctiveness requirement for registration.

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The PTO appealed only the District Court’s determination that “Booking.com” is not generic. Finding no error in the District Court’s assessment of how consumers perceive the term “Booking.com,” the Court of Appeals for the Fourth Circuit rejected the PTO’s contention that the combination of “.com” with a generic term like “booking” “is necessarily generic.” 915 F. 3d 171, 184 (2019).

## II. Issue

- Did the Fourth Circuit err in holding that there is “a nearly *per se* rule against trademark protection for a ‘generic.com’ term[?]”

## III. Discussion

Yes. A trademark distinguishes one producer’s goods or services from another’s. Guarding a trademark against use by others, the Court has explained, “secure[s] to the owner of the mark the goodwill” of her business and “protect[s] the ability of consumers to distinguish among competing producers.” *Park ’N Fly, Inc. v. Dollar Park & Fly, Inc.*, 469 U. S. 189, 198 (1985). The Lanham Act provides federal statutory protection for trademarks and establishes a system of federal trademark registration.

To be eligible for registration, the mark must be one “by which the goods of the applicant may be distinguished from the goods of others.” §1052. Distinctiveness is often expressed on an increasing scale: Word marks “may be (1) generic; (2) descriptive; (3) suggestive; (4) arbitrary; or (5) fanciful.” *Two Pesos, Inc. v. Taco Cabana, Inc.*, 505 U. S. 763, 768 (1992). The more distinctive the mark, the more readily it qualifies for the principal register. The most distinctive marks—those that are “‘arbitrary’ (‘Camel’ cigarettes), ‘fanciful’ (‘Kodak’ film), or ‘suggestive’ (‘Tide’ laundry detergent)” —may be placed on the principal register because they are “inherently distinctive.” *Wal-Mart Stores, Inc. v. Samara Brothers, Inc.*, 529 U. S. 205, 210–211 (2000). “Descriptive” terms, in contrast, are not eligible for the principal register based on their inherent qualities alone. E.g., *Park ’N Fly, Inc. v. Dollar Park & Fly, Inc.*, 718 F. 2d 327, 331 (CA91983) (“Park ’N Fly” airport parking is descriptive), *rev’d* on other grounds, 469 U. S. 189 (1985).

At the lowest end of the distinctiveness scale is “the *generic* name for the goods or services.” §§1127, 1064(3), 1065(4) (emphasis added). The name of the good itself (e.g., “wine”) is incapable of “distinguish[ing] [one producer’s goods] from the goods of others” and is therefore ineligible for registration. §1052; see §1091(a). Indeed, generic terms are ordinarily ineligible for protection as trademarks at all.

The parties did not dispute the following principles: First, “a ‘generic’ term names a ‘class’ of goods or services, rather than any particular feature or exemplification of the class.” Second, “for a compound term, the distinctiveness inquiry trains on the term’s meaning as a whole, not its parts in isolation.” Third, the relevant meaning of a term is its meaning to consumers, and “[e]ligibility for registration . . . turns on the mark’s capacity to ‘distinguish[h]’ goods ‘in commerce.’”

Under these principles, “whether “Booking.com” is generic turns on whether that term, taken as a whole, signifies to consumers the class of online hotel-reservation services.” The Fourth

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Circuit held that “booking.com” was not generic based on Booking.com’s consumer evidence. The PTO did not dispute this holding. Therefore, the term is not generic.

The PTO’s own past practice did not reflect the *per se* rule. See, e.g., Trademark Registration No.3,601,346 (“ART.COM” on principal register for, inter alia, “[o]nline retail store services” offering “art prints, original art, [and] art reproductions”); Trademark Registration No. 2,580,467 (“DATING.COM” on supplemental register for “dating services”). Adoption of the PTO’s rule would place existing registrations at risk of cancellation. The Court found no trademark law or policy that would support this approach.

In its argument for the *per se* rule, the PTO misapplied *Goodyear’s India Rubber Glove Mfg. Co. v. Goodyear Rubber Co.*, 128 U. S. 598 (1888), which held that a generic corporate designation added to a generic term does not confer trademark eligibility. In that case, the Court held that “Goodyear Rubber Company” was not “capable of exclusive appropriation.” *Id.*, at 602. Standing alone, the term “Goodyear Rubber” could not serve as a trademark because it referred, in those days, to “well-known classes of goods produced by the process known as Goodyear’s invention.” *Ibid.* According to the PTO, “Generic.com,” is like “Generic Company” and is therefore ineligible for trademark protection. According to the PTO, adding “.com” to a generic term—like adding “Company”—“conveys no additional meaning that would distinguish [one provider’s] services from those of other providers.”

The Court rejected this reasoning as faulty, because a “generic.com” term might also convey to consumers a source-identifying characteristic: an association with a particular website associated with a specific proprietor. The Court clarified that rejection of the PTO’s *per se* rule did not create a rule automatically classifying “generic.com” terms as nongeneric. Indeed, the distinctiveness of the mark depends of consumer perception.

In response to Justice Breyer’s dissent, the Court addresses the PTO’s concern that trademark protection for a term like “Booking.com” would hinder competitors by exclude or inhibit competitors from having undue control over the terms like “booking” or adopting domain names like “ebooking.com” or “hotel-booking.com.” According to the Court, control over marks having similar language is a concern with any descriptive mark. Trademark law attends to this concern by maintaining a “likelihood of confusion” requirement for infringement. In assessing the likelihood of confusion, courts consider the mark’s distinctiveness: “The weaker a mark, the fewer are the junior uses that will trigger a likelihood of consumer confusion.” See §§1114(1), 1125(a)(1)(A). When a mark incorporates generic or highly descriptive components, consumers are less likely to think that other uses of the common element emanate from the mark’s owner.

“Booking.com” is a “weak” mark. The mark is descriptive, making it “harder . . . to show a likelihood of confusion” required to show infringement. Further, because its mark is one of many “similarly worded marks,” close variations aren’t likely to infringe and federal registration of “Booking.com” would not prevent competitors from using the word “booking” to describe their own services. Thus, it is within the scope of trademark law and policy to grant Booking.com a descriptive mark for its domain name, as it will not create unfair advantages for Booking.com, and will allow them federal protection typically granted to descriptive marks.

#### **IV. Conclusion**

The Court affirmed the judgment of the Fourth Circuit regarding the eligibility of “Booking.com” for trademark registration. The Court held that the combination of generic term with “.com” does not, as a rule, yield a generic composite. Justice Breyer dissented on the grounds that registered trademarks in a “generic.com” format provided trademark holders with unfair competitive benefits associated with the generic term.