

Cannabis Trademark Strategy in Jeopardy

By Gregory F. Wesner

7/15/2016

The Trademark Trial and Appeal Board of the U.S. Trademark Office (TTAB) just rejected a popular strategy for protecting cannabis-related marks at the federal level. Many forward-thinking cannabis businesses have applied to register marks for non-cannabis articles that they offer for sale alongside cannabis-containing products: they seek registration for non-cannabis products, and rely on a halo effect to provide protection for the mark when used on cannabis.

That's out the window now. On July 14, the TTAB ruled in *In re Morgan Brown*¹ that if a mark is used in association with cannabis products, the fact that it is also used in association with non-cannabis products will not protect the mark from refusal. The TTAB's ruling summary states as follows:

Because the evidence that Applicant's mark is being used in connection with sales of a specific substance (marijuana) that falls within both the services identification and the prohibitions of the CSA is un rebutted, we find that Applicant's retail store services include sales of a good that is illegal under federal law, and therefore encompasses a use that is unlawful.

The facts of the case were egregious. The applicant, Morgan Brown, sought to register the mark HERBAL ACCESS for "retail store services featuring herbs," in International Class 35. The specimen of use of the mark (i.e., how it is presented to customers), which was submitted with the application, did Mr. Brown no favors. He submitted photos of the mark as displayed on what was clearly a pot shop, with a big green cross on the door and a website specimen displaying the following text:

Your Access Is Granted!

Call or stop by today and find out why people consider our marijuana to be the best of the best!

Now Come Check Us Out!

If the TTAB needed an excuse to reject the mark, Mr. Brown gave them one. And, unfortunately, the wording of the decision clearly goes beyond the extreme situation Mr. Brown presented.

¹*In re Morgan Brown*, No. 86362968 (TTAB July 14, 2016).

Lane Powell is analyzing this case for possible alternative registration strategies, but the options seem pretty narrow on our reading of the decision. It may still make sense to apply to register for non-cannabis products until cannabis becomes federally legal. In light of this case, we strongly recommend that cannabis businesses register their marks in every state where they do business and cannabis use is allowed.

The industry is pushing into new territory. We will continue to update you as these cases come in and our thinking evolves.



Gregory F. Wesner focuses his practice on patent, trademark, and other intellectual property litigation and related counseling. He can be reached at wesnerg@lanepowell.com or 206.223.7272.

1.800.426.5801

lanepowell.com

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