Supreme Court Holds "Booking.com" Can Be Registered as a Trademark

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In the first case in U.S. Supreme Court history argued by telephone, the Court this morning ruled 8-1 in favor of Booking.com, N.V. ("Booking.com")—one of the world's leading digital travel companies—holding that it could register as a trademark its eponymous domain name BOOKING.COM. The Court's decision, written by Justice Ginsburg, rejected the U.S. Patent and Trademark Office's ("USPTO") proposed *per se* rule that a generic term, when combined with the .com top level domain, must automatically be deemed generic and is therefore ineligible for trademark protection. Rather, the Court held, whether a term is generic or is a protectable trademark must be determined by reference to consumers' perception. Here, because survey and other evidence showed that consumers perceive BOOKING.COM as a brand name, not a generic term, the Court concluded that Booking.com was entitled to its registration. We were honored to represent Booking.com as co-counsel before the Supreme Court in this historic case.

The long battle to register the BOOKING.COM trademark began in 2012, when Booking.com filed applications to register its domain name as a trademark. The USPTO refused to grant the registration on the ground that "booking" is generic for a website at which one can book reservations, and that adding a top level domain for a web address (.com) to that word does not change the generic nature of the combination. After the Trademark Trial and Appeal Board affirmed the denial, the company appealed to the federal district court in Virginia, which ruled that Booking.com was entitled to a registration because the combined term, BOOKING.COM is not a generic reference for all online reservation websites. The Court of Appeals for the Fourth affirmed, but the government sought Supreme Court review. To the surprise of many in the trademark community, the Supreme Court granted certiorari to decide "whether the addition by an online business of a generic top-level domain ('.com') to an otherwise generic term can create a protectable trademark."

Before the Supreme Court, Debevoise and co-counsel argued that a compound trademark like BOOKING.COM must be considered as whole, and may not be analyzed by separating the term into its constituent parts. We also argued that such a mark is not *per se* generic simply because it is comprised of two arguably generic elements (in this

case "booking" and ".com"). Rather, the correct legal test is how consumers perceive the entire, compound term (which is an argument we similarly made, and won, before the Federal Circuit in the case related to the registrability of the trademark PRETZEL CRISPS). We also argued that, if the Supreme Court accepted the USPTO's position, registrations for trademarks comprised of arguably generic elements—including domain names like Weather.com, Wine.com, Law.com, and Hotels.com, as well as other marks like Home Depot, Salesforce, TV Guide, Pizza Hut, and The Container Store—could be threatened.

The Court agreed, explaining that whether BOOKING.com is generic "turns on whether that term, taken as a whole, signifies to consumers the class of online hotel-reservation services." Because consumers do not perceive the term in that manner—as the lower court found based on the evidence presented—it is not a generic term, and that resolves the case. The Court explained that the USPTO's proposed *per se* rule finds no support in trademark law or policy, and noted that even the USPTO's past practice does not embrace such a rule, pointing to examples of registered trademarks such as ART.COM for online retail stores offering art, and DATING.COM for dating services. (Indeed, we had listed these, and many other similar trademarks, in the appendix to our Supreme Court brief.) The Court recognized that adoption of the USPTO's proposed rule would have "open[ed] the door to cancellation of scores of currently registered marks."

The Court expressly rejected the USPTO's reliance on a 132-year-old case involving the trademark Goodyear Rubber Co., in which the Supreme Court held that adding "Company" to a generic term (*i.e.*, "Generic Company") is generic as a matter of law. The USPTO argued that "generic.com" terms are similar to "Generic Company" terms because adding .com conveys no additional meaning that would distinguish one provider's services from another's. But the Court (over Justice Breyer's dissent) rejected that premise as "faulty," explaining that a "generic.com" term might also convey a source-identifying characteristic, namely an association with a particular website. The Court found the USPTO's reliance on the *Goodyear* case to be flawed for the additional reason that the *per se* holding in *Goodyear* is incompatible with the "bedrock principle of the Lanham Act" that a term's meaning to consumers determines whether or not the term is generic. Although the consumer perception evidence may yield different results in different cases involving "generic.com" terms, that does not justify the adoption of a *per se* rule, as Justice Sotomayor explained in a concurring opinion.

The Court also dismissed the USPTO's concern that trademark protection for BOOKING.COM would hinder competitors from using the term "booking" or adopting domain names like "ebooking.com" or "hotel-booking.com" because other principles of trademark law will serve as a backstop. In particular, the test for trademark infringement (*i.e.*, whether there is a likelihood of confusion) will result in weaker marks and marks that use common elements (such as hotels that use the word "grand")

less likely to trigger infringement liability. And for those marks that do cause confusion, there is the statutory defense of fair use that permits use of common descriptive words for their common descriptive purposes.

The decision is a significant victory for brand owners, including those whose marks would have been at risk of cancellation if the USPTO's *per se* rule was adopted. It affirms that the consumer is king when it comes to brand names, and underscores the importance of consumer perception evidence for those seeking to register arguably generic or descriptive terms as trademarks.

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Please do not hesitate to contact us with any questions.

NEW YORK

David H. Bernstein
dhbernstein@debevoise.com

Jyotin Hamid
jhamid@debevoise.com

Megan K. Bannigan
mkbannigan@debevoise.com

Jared I. Kagan
jikagan@debevoise.com