

Editor's Introduction to the 2026-2027 Edition

This book covers the basics of trademark law to help manage day-to-day legal issues where special trademark counsel is not necessary. It covers topics such as how to register a trademark, rules on trademarks in bankruptcy, tax, and antitrust law, and whether general comprehensive commercial insurance will cover the cost of defense for suits related to trademark or advertising problems. The publication also addresses trademark selection, registration, maintenance and infringement, trade dress, false advertising, federal trademark dilution, trademarks on the Internet, trademark licenses and assignments, international aspects of trademarks, and trademark enforcement.

Case Law Highlights of the 2026-2027 Edition

- *Advance Local Media LLC v. Cohere Inc.*,¹ where the U.S. District Court for the Southern District of New York denied a motion to dismiss trademark infringement and false designation of origin (under 15 U.S.C.A. § § 1114(1) and 1125(a)(1)(A)) holding that the plaintiffs, who were media publishers, had sufficiently pleaded that defendant had used plaintiffs' trademarks in commerce (including displaying the plaintiffs' actual publications as part of an AI-driven, online article retrieval service) to divert customers from plaintiffs' publications to defendant's AI generated summaries. trademark infringement and false designation of origin in violation of the Lanham Act. See § 12:4.
- *Lehrman v. Lovo Inc.*, a case in which voice actors sued over the commercial use of AI-generated clones of their voices. The court held that the Lanham Act false association claim failed because the plaintiffs did not adequately plead that their voices had secondary meaning or served as source identifiers rather than merely providing services. See § 13:4.
- AI and Deepfakes. The wide impact of AI is further reflected in Taylor Swift's company, TAS Rights Management, reportedly filed trademark applications on April 24, 2026, for her voice and image of her performing on stage in order to protect her voice and likeness from AI gener-

¹ *Advance Loc. Media LLC v. Cohere Inc.*, No. 25-CV-1305 (CM), 2025 WL 3171892, (S.D.N.Y. Nov. 13, 2025).

ated products using her voice and image without TAS Rights Management's prior authorization.²See § 10:10.

Other Highlights

- **Fourth Circuit Reexamines Dawn Donut in the Internet Era.** In *Westmont Living, Inc. v. Retirement Unlimited, Inc.*, 132 F.4th 288 (4th Cir. 2025), the court recognized that the rise of the Internet, e-commerce, and increased consumer mobility has diminished the importance of geographic separation in trademark disputes. The decision revisits the Dawn Donut doctrine, which traditionally limited injunctive relief where the parties operated in distinct geographic markets absent an intent by the senior user to enter the junior user's market. See § 9:2.
- **Section 1117(a) Profit Award Is Limited to Named Defendant.** See *Dewberry Grp., Inc. v. Dewberry Eng'rs Inc.*, 604 U.S. 321, 145 S. Ct. 681, 221 L. Ed. 2d 156 (2025). The U.S. Supreme Court held that only the profits of named defendant can be recovered under Section 1117(a) of Lanham Act. Affiliated entities that are not named defendants are not liable. See § 12:9.
- **Zone of Natural Expansion Cannot Be Used Offensively.** *Dollar Financial Group, Inc. v. Brittex Financial, Inc.*, 132 F.4th 1363 (Fed. Cir. 2025). The natural zone of expansion cannot be used offensively to establish registration rights. It is only properly used to prevent registration of a mark that infringes a registered mark. See § 2:12.
- **First Amendment and Trademarks.** When the U.S. Supreme Court held that Section 2(a) of the Lanham Act's immoral or scandalous clause, as applied, violated the First Amendment Speech Clause, it let loose the "hounds of litigation." See *In re Brunetti*, 151 F.4th 1367, 1372 (Fed. Cir. 2025) (criticizing Trademark Trial and Appeal Board for not developing coherent policy on failure to function for commonplace words. The U.S. Supreme Court in *Brunetti* stated: We conclude the Board failed to provide sufficient precision in its rationale for why some commonplace words can serve as a mark, but others, such as F[***], cannot (*In re Brunetti*, 151 F.4th 1367, 1380 (Fed. Cir. 2025)). While USPTO needed a comprehensive standard on treating commonly used terms, the problem caused by the court decision is that it did not provide guidance on appropriate standard but merely stated that USPTO needed to do so.

² Taylor Swift files to trademark her voice, likeness to ward off AI deepfakes, by Brad Brooks, Reuters.com, April 27, 2026, view at URL: <https://www.reuters.com/legal/litigation/taylor-swift-files-trademark-her-voice-likeness-ward-off-ai-deepfakes-2026-04-27/>

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- **Parody and Fair Use/First Amendment.** *Trader Joe's Co. v. Trader Joe's United*, 150 F.4th 1040 (9th Cir. 2025); *Yugo Labs v. Ripps*, 144 F.4th 1137 (9th Cir. 2025). Held that fair use and First Amendment Defense fail for parodies when the infringed mark is used as a source identifier (regardless of any commentary). Applying *Jack Daniel's Properties, Inc. v. VIP Products LLC*, 599 U.S. 140 (2023).
- **Generic Terms.** Recent court decisions about generic trademark law terms include:
 - *Bullshine Distillery LLC v. Sazerac Brands, LLC*, 130 F.4th 1025 (Fed. Cir. 2025).
 - *Deckers Outdoor Corp. v. Last Brand, Inc.*, No. 23-CV-04850-AMO, 2025 WL 2822682, (N.D. Cal. Oct. 2, 2025)(showing the importance of sufficient evidence on generic nature of trade dress – UGG's footwear case). See § 3:5.
- **Co-Owners of Registered Mark.** Lanham Act does not permit trademark infringement claims between co-owners of the registered mark. Any claims between co-owners has to rest in other legal theories. *Reed v. Marshall*, 142 F.4th 338 (5th Cir.) (July 2, 2025).
- **USPTO Developments.** In August 2025, the USPTO terminated approximately 52,000 trademark applications submitted by a Chinese filing firm after finding widespread misconduct, including the misuse of U.S. attorneys' credentials and signatures, unauthorized signing of documents, submission of fraudulent specimens of use, and misuse of USPTO.gov accounts. See § 6:29.

Supplemental 2026 Policy Developments—Not Included in the Book Update

- Artificial Intelligence (AI) continues to present a challenge to traditional laws and regulatory regimes in several areas, including trademark law. For trademark law, AI presents novel issues in terms of generation of trademarks, proof of ownership, protection of trademarks and infringement damages. AI uses massive amounts of works and data from third parties (data sets) to train the AI program, which is necessary for the AI program to function and generate products and services. AI firms are facing numerous lawsuits based primarily on copyright infringement claims but also including trademark infringement claims.
- In 2025, the USPTO released an AI Strategy outlining a framework for fostering responsible and inclusive AI innovation, strengthening the agency's AI capabilities, promoting responsible AI use, developing workforce expertise, and collaborating with government, international, and public stakeholders. The initiative builds on

the USPTO's AI and Emerging Technology Partnership, launched in 2022, which has engaged thousands of stakeholders on AI, biotechnology, and intellectual property policy issues.

- **Consolidated AI Cases.** While the core complaint in many AI lawsuits is based on copyright infringement claims, the complaints often include trademark dilution and unfair competition claims under the Lanham Act (5 U.S.C.A. §§ 1051 et seq.). On April 3, 2025, the United States Judicial Panel on Multidistrict Litigation consolidated 12 lawsuits for AI-related copyright infringement cases against AI firms OpenAI and Microsoft Corp. Consolidated cases will be heard in U.S. District Court for Southern District of New York. The consolidated cases are:

Northern District of California:

- *Tremblay, et al. v. OpenAI, Inc., et al.*, C.A. No. 3:23-03223
- *Silverman, et al. v. OpenAI, Inc., et al.*, C.A. No. 3:23-03416
- *Chabon, et al. v. OpenAI, inc., et al.*, C.A. No. 3:23-04625
- *Millette v. OpenAI, Inc., et al.*, C.A. No. 5:24-04710

Southern District of California:

- *Millette v. OpenAI, Inc., et al.*, C.A. No. 5:24-04710 Southern District of New York, MDL No. 3143
- *Authors Guild, et al. v. OpenAI, Inc., et al.*, C.A. No. 1:23-08292
- *Alter, et al. v. OpenAI, Inc., et al.*, C.A. No. 1:23-10211
- *The New York Times Company v. Microsoft Corporation, et al.*, C.A. No. 1 :23-11195
- *Basbanes, et al. v. Microsoft Corporation, et al.*, C.A. No. 1 :24-00084
- *Raw Story Media, Inc., et al. v. OpenAI, Inc., et al.*, C.A. No. 1:24-01514
- *The Intercept Media, Inc. v. OpenAI, Inc., et al.*, C.A. No. 1:24-01515
- *Daily News LP, et al. v. Microsoft Corporation, et al.*, C.A. No. 1 :24-03285
- *The Center for Investigative Reporting, Inc. v. OpenAI, Inc., et al.*, C.A. No. 1 :24-04872

The consolidated cases involve the same core claims: Class plaintiffs are authors and copyright holders of fiction and non-fiction books who assert claims on their own behalf and on behalf of a proposed class of other similarly situated authors. (Id. ¶¶ 2, 14.) In broad strokes, the Consolidated Class Action Complaint alleges that OpenAI and Microsoft infringed plaintiffs' copyrights in their books by downloading and reproducing plaintiffs' works, by using those reproduced works to train OpenAI's artificial intel-

ligence (AI) large language models (LLMs), and by creating infringing works in the outputs of OpenAI's LLM products, including ChatGPT. (Id. ¶¶ 2, 5–7, 13.).³ The trademark claims are based on federal and state trademark dilution.

- **Nice Convention Update.** On October 1, 2025, the USPTO announced a final rule to: incorporate classification changes to the **Nice Classification** adopted by the contracting parties to the **Nice Agreement**, an international treaty recognized by over 90 countries. The Nice Classification simplifies and streamlines the drafting of goods and services in trademark filings for applicants around the world. This rule adds new goods to, or deletes existing goods from, eight class headings for Classes 1, 3, 5, 8, 9, 10, 26, and 29, to further define and identify the types of goods appropriate to the classes. These changes are included in the Nice Classification (13th ed., ver. 2026), which takes effect on January 1, 2026. These changes will also be available in the USPTO's ID Manual on January 1, 2026.⁴
- **AI Strategy and Regulatory Framework.** In January 2025, USPTO announced in a press release that it was developing:
[A] new Artificial Intelligence (AI) Strategy to guide the agency's efforts toward fulfilling the potential of AI within USPTO operations and across the intellectual property (IP) ecosystem. The Strategy offers a vision for how the USPTO can foster responsible and inclusive AI innovation, harness AI to support the agency's mission, and advance a positive future for AI to ensure that the country maintains its leadership in innovation. We have a responsibility to promote, empower, and protect innovation, said Derrick Brent, Acting Under Secretary of Commerce for Intellectual Property and Acting Director of the USPTO. Developing a strategy to unleash the power of AI while mitigating risks provides a framework to advance innovation and intellectual property. The strategy aims to achieve the USPTO's AI vision and mission through five focus areas which include:
 - Advance the development of IP policies that promote inclusive AI innovation and creativity.
 - Build best-in-class AI capabilities by investing in computational infrastructure, data resources, and business-driven product development.
 - Promote the responsible use of AI within the USPTO and across the broader innovation ecosystem.

³ *In re OpenAI, Inc. Copyright Infringement Litig.*, No. 23-CV-10211, 2025 WL 3003339, at *1 (S.D.N.Y. Oct. 27, 2025).

⁴ The USPTO will incorporate updates to the Nice Classification in 2026, USPTO Press Release, Oct. 1, 2025, view at URL: <https://www.uspto.gov/subscription-center/2025/uspto-will-incorporate-updates-nice-classification-2026>.

- Develop AI expertise within the USPTO's workforce.
- Collaborate with other U.S. government agencies, international partners, and the public on shared AI priorities

The USPTO and our sister agencies within the Department of Commerce, as well as the U.S. Copyright Office, are providing critical guidance and recommendations to advance AI-driven innovation and creativity. In 2022, the USPTO created the AI and Emerging Technology (ET) Part-nership, which has worked closely with the AI/ET community to gather public feedback through a series of sessions on topics related to AI and innovation, biotech, and intellectual property (IP) policy. Since its 2022 launch, more than 6,000 stakeholders have engaged with us on these critical issues. In addition, the USPTO collaborates across government to advance American leadership in AI by promoting innovation and competition as set forth in the Biden-Harris Administration's landmark October 2023 AI Executive Order.⁵

- **Further USPTO updates include:**
 - USPTO Fees increase took effect on January 18, 2025.
 - New Applications filed through Trademark Center. Effective as of January 2025, all new trademark applications must be filed through the Trademark Center and other filings with the USPTO are still made through TEAS (as of early 2026), except that, as of April 24, 2026, users can also use the Trademark Center portal for new features, including getting AI assistance to provide a mark description and color claim for design marks, changing owner address and correspondence information, changing attorney information, and more.⁶
 - As a result of new applications being filed through the Trademark Center portal, the following USPTO forms were retired as January 18, 2025:
 - TEAS Plus-TEAS Standard Application
 - Trademark-Servicemark Application, Supplemental Register
 - Collective Trademark/Servicemark Application, Principal Register
 - Collective Membership Mark Application, Principal Register

⁵ USPTO announces new Artificial Intelligence Strategy to empower responsible implementation of innovation AI Strategy outlines how the USPTO will address AI's impact across IP policy, agency operations, and the broader innovation ecosystem, USPTO Press Release25-02, January 14, 2025, view at URL: <https://www.uspto.gov/about-us/news-updates/uspto-announces-new-artificial-intelligence-strategy-empower-responsible>

⁶ New Features, USPTO Trademark Center, April 24, 2026, view at URL: <https://trademarkcenter.uspto.gov/features>

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- Certification Mark Application, Principal Register
- Time for Trademark Trial and Appeal Board processing time for opposition to application or to cancellation petition is changed from 40 days to 60 days.
- T.T.A.B. Center replaced Electronic System for Trademark Trials and Appeals (ESTTA) for petitions for cancellation of registration and notices of opposition to application.
- As of November 1, 2025, an email is no longer a security verification option for a filer's myUSPTO account. See URL: <https://www.uspto.gov/subscription-center/2025/secure-your-usptogov-account-today-0>

USPTO Online Resources for the Public/Filers.

- USPTO 2025 Decks. The USPTO issued two 2025 deck highlighting its efforts to detect trademark fraud by applicants, regulatory priorities⁷
- Trademark Fee Information. <https://www.uspto.gov/trademarks/fees-paymentinformation/summary-2025-trademark-fee-changes>
- Additional Fees for Trademark Applications. URL: <https://www.uspto.gov/trademarks/additional-fees-trademark-applications>.

⁷ View at URL: <https://www.uspto.gov/sites/default/files/documents/tm-uspto-hour-trademarks-april-2025.pdf> <https://www.uspto.gov/sites/default/files/documents/tm-uspto-hour-trademarks-june-2025.pdf>