

6 KEY TAKEAWAYS

What Every Franchise Lawyer Should Know About Trademark and Unfair Competition Surveys

[Chris Bussert](#) recently presented at the [47th Annual ABA Forum on Franchising](#) in Phoenix on the use of trademark and unfair competition surveys.

Key takeaways from his presentation are the following:

1

A key issue that permeates almost every aspect of trademark and unfair competition cases is how the relevant consuming public perceives a particular designation. For example, in assessing whether a particular designation initially qualifies for protection as a trademark or is instead a generic or descriptive term or otherwise fails to serve as a source indicator of goods or services, what consumers perceive the designation at issue to be largely controls the analysis.

2

Consumer perception is also of seminal importance in assessing the issue of likelihood of confusion in trademark and unfair competition matters (i.e., whether the relevant consuming public believes that the trademark owner and the alleged infringer's marks and/or respective goods and services are confusingly similar).

3

Survey evidence has become recognized as some of the most persuasive evidence available on the subject of consumer perception. Where a party introduces the results of a well-conducted survey, which yields results meeting the threshold recognized as statistically significant by courts, the party's likelihood of success at trial often increases exponentially. And in some cases where the results of such a survey are exchanged by the parties early on, the dispute may quickly evaporate and a settlement may be reached which will allow the parties to move on and devote their efforts to growing their business rather than spending millions of dollars and years in litigation.

4

Although the use of survey evidence in trademark and unfair competition matters has been endorsed by numerous courts over the years, courts have honed in on evidence of flaws in the methodology used in and the administration of surveys. Some courts have gone further, starting with the U.S. Supreme Court, and questioned the overall probative value of survey evidence in the analysis of certain trademark and unfair competition issues.

5

Parties who seek to rely on survey evidence to prove up one facet of their trademark or unfair competition case need to be cognizant how courts in the circuit in which they are litigating (or plan to litigate) perceive survey evidence and take that into account in how their surveys are constructed and administered.

6

Despite occasional criticisms, survey evidence continues to play an important role in the outcome of a wide variety of trademark and unfair competition issues. Although a properly conducted survey can often make the difference in prevailing on the issue at hand, a poorly conducted survey can totally undermine a party's claims in trademark and unfair competition litigation. Trademark owners and their counsel, therefore, would be wise to engage seasoned survey professionals who can ensure that a survey is designed and administered in a manner to yield both positive and admissible results.