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IP CASE OF THE WEEK

Federal Circuit Takes a Bite Out of Apple's Trademark Application

***Bertini v. Apple Inc.*, 63 F.4th 1373 (Fed. Cir. 2023)**

By: Reid Huefner & Ariel Katz | April 27, 2023

On April 4, 2023, in a case of first impression, the Federal Circuit reversed the Trademark Trial and Appeal Board (TTAB) and held that a trademark applicant cannot use the priority date of a prior application when the goods and services are not listed in the prior application. Bertini—a professional jazz musician who has been using the mark APPLE JAZZ in connection with festivals and concerts and distributing music since the 1990s—claimed priority of use in the APPLE mark. Apple likewise claimed priority, though, based on its 2007 purchase of the APPLE mark from The Beatles, whose use dated back to the 1960s, and based on Apple's alleged ability to "tack" its own use of the mark back to the 1960s. The Court disagreed with Apple and reemphasized and clarified the narrow nature of the tacking doctrine.

In trademark law, tacking allows trademark owners, in limited circumstances, to "clothe a new mark with the priority position of an older mark." In practice, this allows brands to modernize their trademarks in response to changing marketplaces without worrying they will lose all trademark rights they previously established. However, the marks must create the same commercial impression in the minds of consumers, cannot be substantially altered, and must be for substantially identical goods and services. For example, the trademark "American Security Bank" could be tacked onto the company's prior use of "American Security" since the marks were used for the same services and a consumer would understand the two marks identify the same source.

With that background in mind, the Court noted this case raises a question of first impression: whether a trademark applicant can establish priority for every good or service in its application merely because it had priority through tacking in a subset of goods or services listed in its application. The Court held a trademark applicant could not establish priority that way. Specifically, Apple had priority of use in only "gramophone records featuring music" and "audio compact discs featuring music"—the classes of goods for which The Beatles' APPLE mark was registered. The Court explained, however, that this partial overlap in use does not give Apple the ability to tack those earlier limited rights to a broader, new APPLE trademark application. Because Bertini had priority of use in the APPLE mark for live musical performance, Apple could not tack its APPLE MUSIC mark for live performances onto its APPLE mark for gramophone records. The Court found the appropriate standard for tacking is whether the new and old goods or services are "substantially identical" and noted that no reasonable person would find live musical performances and gramophone records substantially identical.

This case demonstrates the narrow application of tacking not only applies to the similarity of marks but also extends to the underlying mark registration classes. Before attempting to tack onto an older mark, be sure first to consider whether the marks are being used for "substantially identical" goods or services.