CARLTON FIELDS

A Guide to Secondary Meaning Surveys

February 06, 2012

A Guide To Secondary Meaning Surveys Law360, New York (February 01, 2012, 12:11 PM ET) -- When people see the word “iPod,” the overwhelming majority of them associate this word with one company. What about more descriptive words like “Vision Center” or “First Bank”? Are these names immediately associated with one particular company? The answer is less certain, but vital for anyone seeking to preclude others from using these descriptive words. The most effective method for accomplishing this goal is through trademark protection, which will likely require the establishment of secondary meaning. Secondary meaning occurs when consumers associate these words with a single source. The best way to measure consumers’ mental associations is through secondary meaning surveys. This article will discuss the importance of secondary meaning surveys and how to construct, defend and attack them. **Why Secondary Meaning Surveys Are Important** Descriptive marks, like "Bank of America" for banking services, are only protectable and capable of obtaining a federal trademark registration after the mark has acquired secondary meaning.[1] There are a variety of factors used to determine secondary meaning, like how long the mark has been used, the amount of sales generated by products bearing the mark, the amount spent on advertising and promoting the mark, and survey evidence. Secondary meaning surveys are very important in trademark litigation, especially when a party has the financial means to conduct one, because courts may infer a lack of secondary meaning when one is not conducted. These types of surveys are also very expensive and time-consuming. Thus, it is imperative that the survey be conducted timely and properly. **Constructing a Secondary Meaning Survey** There are numerous decisions that must be made prior to conducting a secondary meaning survey; each discussed in more detail below. *Selecting an Expert* This is one of the most important decisions that will need to be made because the expert will be the primary decision-maker for what procedures are used in conducting the survey. While attorneys should assist the expert by describing the legal issues involved in the case, they should not design or conduct the survey. In selecting an expert, it is important that the expert have the right educational background, namely, a graduate degree in psychology, sociology, marketing, communication sciences and/or statistics. It is equally important that the expert have vast experience in being deposed and significant trial experience. Finally, it is important to know

exactly how many of the expert's surveys (including any surveys the expert was only tangentially involved with) have and have not been admitted into evidence and if the expert or the expert's firm was ever rebuked by a judge or a third party. *Selecting the Type of Survey* Generally speaking, there are two primary types of secondary meaning surveys: telephone surveys and mall intercept surveys. The mall intercept survey is the method most endorsed by the courts. Moreover, with the increased usage of caller ID, the effectiveness of telephone surveys has diminished significantly, which has resulted in the increase of Internet surveys. Few courts have addressed Internet surveys, and most have generally found them unreliable because they fail to accurately reflect actual marketplace conditions and/or fail to sample the appropriate universe. However, due to their cost-effectiveness and the increasing number of people shopping on the Internet, it is likely that Internet surveys will eventually replace telephone surveys. *Timing* For litigation purposes, the person or entity seeking to establish secondary meaning should conduct the survey at or around the time the alleged infringer is discovered. At the very least it should be conducted around the time the trademark suit is filed. The survey proponent should not use a survey that was conducted in previous litigation or taken significantly before discovering the alleged infringer. *Selecting the Proper Universe and Sample Size* The survey universe is the segment of the population whose state of mind is relevant to the case and may be defined by geography, age, sex, and/or buying habits. For example, the proper universe for light bulbs is the entire general population because almost everyone purchases light bulbs.[2] On the other hand, conducting a mall intercept survey near Sears or Kmart seeking individuals "fairly likely" to buy watches costing over $2,500 is an over-inclusive universe because the individuals should have been more definitive with their desire to buy such an expensive watch and the location of the survey should have been near stores that sold expensive watches.[3] The universe should extend beyond the specific culture the product may target. To the extent the product targets a specified age range, the universe should also include the individual that will ultimately purchase the product. Ideally, the universe will include past purchasers, potential purchasers, anyone that may influence the purchasing decision, intended purchasers, alleged infringer's customers and the survey proponent's customers. Once the universe is selected, the expert must determine how many people will be surveyed and where the survey should be conducted. There is no bright-line test for what constitutes the appropriate sample size. However, the sample size should reflect the type of relief the survey proponent is seeking. To the extent the survey proponent wants a countrywide injunction, the sample should be taken from the entire country. *Question Format and Verification of Results* After establishing several preliminary questions to determine whether the consumer is part of the universe, the most frequently used and court approved question to establish secondary meaning is:

- Do you associate [insert alleged trademark] with one, or more than one, company?[4]

Follow-up questions are generally permitted and a common follow-up question is:

- What is that company's name?

It is very important to verify the results of the survey, which is accomplished by contacting the

surveyed individuals to confirm that said individuals participated in the survey. It is not necessary to verify the answers. It is also imperative that the expert provide clear and unambiguous instructions to the survey takers, describing how the questions should be asked, the mark displayed, the results recorded and the verification handled. The expert must ensure that the instructions are carefully followed. *Interpreting the Results* All surveys will have a “confidence level” or “sampling error.” The most common confidence level is 95 percent, which means that the survey was run correctly 95 percent of the time. Sampling error is the range of accuracy given to the results. For example, a survey conducted with a 5-percent sampling error means that a 35-percent finding of secondary meaning indicates that the actual percentage is between 30 percent and 40 percent. Sampling errors are indirectly proportionate to the sample size. The expert will combine the confidence level with the sampling error to produce the final survey results. As for what percentage is necessary to establish secondary meaning, there is no uniformity in what courts will consider. Twenty-five percent appears to be the minimum threshold for most courts. *Pretest and Pilot Test* A pretest tests the questionnaire for clarity and a pilot test assesses the survey procedures. Combined, these tests are essentially a trial run of the survey and allow the expert to see how the questions are interpreted and make any necessary changes to the survey format and method for collecting the results. These tests also allow the survey proponent to see preliminary results and decide whether it is worth going forward with a full-scale survey. It is very important that these tests be done before engaging in the final survey. *Preapproval of the Survey Design* While preapproval of the survey design is rarely used, the option exists for the parties to agree to the survey design and/or seek court approval prior to the survey being conducted. This saves a tremendous amount of time and expense but is rather risky as the party receiving unfavorable results has very little to attack. **Defending a Secondary Meaning Survey** It is important to remember that the survey proponent has the burden of proving that the survey is proper. In order to properly defend a secondary meaning survey, first and foremost, the expert’s testimony and the report detailing the survey must be admitted into evidence. The admissibility of expert testimony will be evaluated using the following nonexclusive factors:

1. whether the expert’s theory or technique can be (and has been) tested;
2. whether the theory or technique has been subjected to peer review and publication;
3. the known or potential rate of error of the particular scientific theory or technique; and
4. whether the technique is generally accepted in the scientific community.[5]

The "Manual for Complex Litigation" provides the following seven factors to consider in determining whether the survey was conducted according to accepted principles of survey research:

1. the population was properly chosen and defined;
2. the sample chosen was representative of that population;
3. the data gathered were accurately reported;

4. the data was analyzed in accordance with accepted statistical principles;

5. whether the questions asked were clear and not leading;

6. whether the survey was conducted by qualified persons following proper interview procedures; and

7. whether the process was conducted so as to ensure objectivity (e.g., determine if the survey was conducted in anticipation of litigation and by persons connected with the parties or counsel or by persons aware of its purpose in the litigation).[6]

Following these guidelines will provide the best chance at having the expert's testimony and survey admitted into evidence. There are generally three main arguments survey proponents use to defend a secondary meaning survey. First, show that the alleged flaws in the survey are equally present in the opponent's survey. After all, what's good for the goose is good for the gander. Second, take an early deposition of the opponent's survey expert. This will determine all of the alleged deficiencies in the proponent's survey and provide time to rerun the survey to correct or at least address the opponent's expert's concerns. Once this occurs and a supplemental survey is disclosed, the opponent's expert will have little left to challenge. Lastly, a survey proponent should consider arguing that any alleged deficiencies in the survey should go toward the weight given to the survey, not its admissibility. This is the majority opinion held by most courts throughout the country. After all, no survey is perfect. **Attacking a Secondary Meaning Survey** It is common to employ a two-prong attack: Attack the expert and attack the survey. The expert will disclose his or her curriculum vitae, and it should be carefully scrutinized. All cases listed in the CV should be researched, and all available reports should be collected. Scour the Internet for anything related to the expert or the expert's firm. Research what methodologies were previously used by the expert in other surveys and to the extent they differ, address the differences during the expert's deposition and if helpful, argue to the court. Similarly, any surveys that were not admitted by the expert or the expert's firm are very important to mention. With respect to the survey, the following are common deficiencies found in surveys and, if present, could result in the inadmissibility of the survey or the court providing little weight to the survey:

1. questioning consumers directly after they have seen the product in the store as it provides an advantage to the alleged trademark owner;

2. asking a question irrelevant to the issues in the case;

3. showing a misrepresented picture or image of the mark at issue;

4. including incomplete or inconclusive responses in the final survey results;

5. changing the consumer responses or failing to verify the responses;

6. heavy involvement by the attorney in creating the questions and/or assisting in conducting the survey;

7. expert was not present when the survey was conducted or verified;
8. expert did not review all of the survey responses;
9. survey conducted years after the litigation began;
10. percentage of respondents identifying the product is insufficient; and
11. any changes made from the pretest/pilot to the initial survey and then any changes made in supplemental surveys.

In sum, the expert should be interrogated on why a certain method was chosen, whether the method is generally accepted, what other options were available, and the pros and cons of the method chosen versus the others available. It may also be appropriate to ask what, if anything, the expert would change about the survey and if money was not an issue, what changes would the expert have been made to the survey. **Conclusion** When a descriptive trademark is being litigated, it is imperative to conduct a secondary meaning survey. While no survey is perfect, failing to perform one may result in the loss of trademark rights. While there are many ways to defend and attack the expert and the survey, at the end of the day, any alleged issues with the survey will likely go to the weight afforded to it, not its admissibility.

---

[1] Secondary meaning may also be referred to as acquired distinctiveness and most trademark practitioners use these terms interchangeably. [2] Union Carbide Corp. v. Ever-Ready Inc., 531 F.2d 266 (7th Cir. 1976). [3] Cartier Inc. v. Four Star Jewelry Creations Inc., 348 F.Supp.2d 217, 229-231 (S.D.N.Y. 2004). [4] Careful consideration should be made in determining the best way to display the mark to the consumer to reduce any bias or leading the respondent to a particular answer. [5] Daubert v. Merrell Dow Pharm. Inc., 509 U.S. 579, 593-94 (1993). [6] Manual for Complex Litigation § 11.493 at 103 (Federal Judicial Center 4th ed. 2004). *The opinions expressed are those of the author and do not necessarily reflect the views of the firm, its clients, or Portfolio Media, publisher of Law360. This article is for general information purposes and is not intended to be and should not be taken as legal advice.*

Authored By

Gail Podolsky

Related Practices

Telecommunications
Intellectual Property

Related Industries

Telecommunications