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Twitter's Recent Rebrand: A Guide to Keeping Your Trademark Rights Alive

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It has been hard to miss the headlines about Twitter's recent rebrand to "X," from the dozens of articles questioning why Twitter would ditch its name and well-known blue bird logo to the drama surrounding the large-flashing "X" sign installed at – and then removed from – Twitter's headquarters in San Francisco. But now the question arises: What happens to Twitter's trademarks? After all, trademark rights are based on *use*. If X Corp. is no longer using the old Twitter trademarks, can someone else come along and start a new company called "Twitter"? And does X Corp. have any ability to prevent this from happening?

These same questions come up every time a company rebrands, drops a product or service line, or decides to part ways with a legacy brand name. If the business stops using a particular trademark, it can be found to have "abandoned" the trademark. Once a trademark is abandoned, it enters the public domain and anyone can use and register the same or a similar trademark. In some instances, the new user of the mark might be a former employee of the original trademark owner who decides to start a new venture using the same or a similar name. Other times, it may be an unfamiliar newcomer who simply wants to utilize the goodwill associated with the now-abandoned mark.

For example, in 2015, a company called Innovative Technology launched the VICTROLA brand of record players and audio equipment. This company had no relation to the well-known Victrola record player brand that had been discontinued years earlier but saw an opportunity in taking advantage of the goodwill associated with this abandoned trademark. Despite a brief legal battle with Radio Corporation of America (the previous owner of the VICTROLA trademark), Innovative Technology apparently worked out a deal to continue using the mark.

These previously abandoned, newly revived trademarks are commonly referred to as "zombie trademarks" because they have been "brought back from the dead." This can be frustrating for the original trademark owner, who feels like the newcomer is taking advantage of their hard work in developing the brand. However, if the original trademark owner has truly abandoned the trademark, they may have limited legal options. Twitter's recent rebrand to "X" presents an important opportunity to revisit what it means to abandon a trademark and how companies can take steps to maintain their marks and the valuable goodwill they represent.

When Has a Trademark Been "Abandoned"?

Whether a mark has been abandoned may be clear-cut in some instances, but in many cases, it requires a complex factual inquiry. Under 15 U.S.C. § 1127, a trademark is deemed "abandoned" if "its use has been discontinued with intent not to resume such use." The intent not to resume can be inferred from the circumstances, and nonuse for three consecutive years is *prima facie* evidence of abandonment.

The party raising the challenge that a mark has been abandoned for non-use has the burden of proof. The precise burden, however, varies depending on whether the matter is before the Trademark Trial and Appeal Board (TTAB) or a federal district court. While a majority of courts have required a challenger to prove abandonment by "clear and convincing evidence," *see, e.g., Pado, Inc. v. SG Trademark Holding Co. LLC*, 527 F. Supp. 3d 332, 341 (E.D.N.Y. 2021), the Federal Circuit has taken the minority view such that in proceedings before the TTAB, the challenger's burden to prove abandonment is the "preponderance of the evidence"

standard. *Cerveceria Centroamericana, S.A. v. Cerveceria India, Inc.*, 892 F.2d 1021, 13 U.S.P.Q.2d 1307 (Fed. Cir. 1989). As a result, it is easier to cancel or oppose a registration on the ground of abandonment before the TTAB than to assert abandonment in a federal court infringement suit.

Courts have found that "even limited use can be sufficient to avoid a finding that use of a mark has been 'discontinued'." *Tiger Lily Ventures Ltd. v. Barclays Capital, Inc.*, 35 F.4th 1352, 1360 (Fed. Cir. 2022). With that said, courts have found that certain activities do not even qualify as the "limited use" necessary to avoid abandonment. For example, merely maintaining a website displaying the mark is likely insufficient to establish ongoing use in commerce, if that website is not a point-of-sale location. Further, repairing previously sold trademarked goods is generally considered "incidental use" not sufficient to preserve trademark rights. In addition, neither "challenging infringing uses" nor "sporadic licensing" constitute use sufficient to avoid abandonment. See *Stetson v. Howard D. Wolf & Assocs.*, 955 F.3d 847, 851 (2d Cir. 1992).

On the other hand, case law regarding the type of conduct that *does not* constitute abandonment provides a useful guide for businesses seeking to maintain their trademark rights. For example, in *Tiger Lily Ventures*, although Barclays allowed the registration for the LEHMAN BROTHERS trademarks to lapse, the Federal Circuit found that it had not abandoned the trademarks because Barclays had continuously used the mark in connection with managing the former Lehman Brothers' assets for the benefit of the creditors of Lehman Brothers in the context of the ongoing bankruptcy proceedings, and also in connection with offering legacy LEHMAN BROTHERS trademark research materials and that Lehman Brothers – under the license from Barclays – also continued to use the mark in its signage, web addresses, correspondence, or corporate filings. In another instance, the TTAB found that the CHICLETS trademark for chewing gum had not been abandoned when one member of the registrant's corporate family ceased use of the mark in the United States, but within sixteen months, another member of the same corporate family relaunched the gum brand. *Retrobrands USA LLC v. Intercontinental Great Brands LLC*, Cancellation No. 92066647 (TTAB May 29, 2020). Similarly, the TTAB found that AT&T had standing to challenge a newcomer's attempt to register the CINGULAR trademark because even though AT&T had largely phased out the CINGULAR brand, it still had a wholly-owned subsidiary named New Cingular Wireless PCS, LLC that used CINGULAR as part of its trade name and conducted significant business under that trade name, such as entering into thousands of FCC wireless licenses, leases, and antenna structure applications. *AT&T Mobility LLC v. Dormitus Brands LLC*, Trademark Opp. No. 91218108 (TTAB Feb. 10, 2020).

Perhaps the gray area between use and nonuse of a trademark is best demonstrated by the matter of *Sprint Communications, Inc. v. Calabrese*, Case No. 18-60788 (S.D. Fla.). The *Sprint* case involved the question of whether Sprint had abandoned certain NEXTEL trademarks. At summary judgment, Sprint asserted that it still actively used the NEXTEL trademarks because the term "NEXTEL® inspired" could be seen in the fine print on the back of certain boxes and on certain user guides that it marketed to businesses and government agencies. Sprint also claimed that it used the NEXTEL mark at certain trade shows and during customer sales presentations. The court found the issue was too close to resolve on summary judgment and allowed the case to go to a jury. The jury found that Sprint had *not* abandoned its NEXTEL mark and awarded Sprint \$2 million in statutory damages, among other damages. The defendants' appeal is currently pending before the Eleventh Circuit.

What Does This Mean for Former Twitter, Now "X"?

Since Twitter announced its rebrand to "X," it has made several changes and significantly reduced its use of the TWITTER trademarks. Its "About" page on Twitter.com shows a large "X" logo and discusses "X Corp.," virtually every reference to "Twitter" on Twitter.com has now been changed to "X," the mobile app now appears as "X" in the Apple and Google app stores, the bird logo has been replaced on its website and mobile app with a new "X" logo, and of course, Twitter attempted to replace the sign at its headquarters with a large flashing "X".

Currently, X Corp. is still using the website Twitter.com (X.com redirects users to Twitter.com), but other continuing uses of "Twitter" are harder to find. There are a handful of case studies referring to "Twitter" on X Corp.'s web pages relating to its advertising services. And there appears to be a hard-to-find, password-protected website selling Twitter-branded merchandise. However, given X Corp.'s limited use of the TWITTER trademarks, it is not surprising that a number of persons have already filed intent-to-use applications for the mark TWITTER in connection with a wide range of goods and services, eager to trade on the goodwill of the TWITTER mark in the event X Corp. fully abandons it.

If X Corp. intends to maintain its rights in its TWITTER trademarks and fend off these hungry newcomers, it must continue some minimum level of use to prevent the trademarks from abandoning. The same considerations relevant to X Corp. are critical for any company considering phasing out a trademark, whether due to a rebrand, a merger or an acquisition that results in the elimination of a legacy brand, or a decision to drop a product or service line.

Given the fact-intensive nature of an abandonment analysis, it is difficult to draw a bright-line rule as to how much use is "enough" to prevent abandonment. The cases discussed above, however, provide some useful guiding principles for businesses to consider:

1. **"Token" use or "sporadic" use of a mark is likely insufficient.** There must be more than a few isolated sales under the mark, and simply displaying the mark on a bare-bones landing page is likely to be inadequate to demonstrate ongoing use. If the mark is displayed on a website *and* there is still a way to purchase goods or services on the website, that might be enough. It is a very close call whether X Corp.'s continued use of Twitter.com is sufficient, and if it transitions to exclusively using X.com, it will need to use the TWITTER trademarks in some other way to maintain rights.
2. **If you temporarily cease using a mark, but intend to reconvene use in the future, make a record of those plans.** A mark is only abandoned if there is no intent to resume use in the future. However, after-the-fact testimony that the business planned to resume use may be viewed as self-serving and may not defeat other proof of abandonment, particularly if the period of nonuse is more than three years. Any business, including X Corp., with contemporaneous documentary evidence demonstrating its intent to resume the use of the trademark is more likely to overcome an abandonment challenge.
3. **Maintain your trademark registrations.** While a trademark registration will not save a business that has truly abandoned use of a mark, a certificate of registration is *prima facie* evidence of the registration and continued use of the mark. It also prevents and deters others from obtaining registrations for similar marks in connection with similar goods and services. Although there may be a business incentive to cut costs and allow a low-priority trademark registration to lapse, if the business is still using the trademark, it may be advantageous to maintain the registrations for it. X Corp. has already transferred the TWITTER trademarks into the name of its new company, which is a good first step. In order to maintain those registrations, it will need to submit evidence of continued use of the TWITTER trademarks when they are due for renewal.
4. **Uses on packaging, at trade shows, in catalogs, at other point-of-sale locations, or on documents associated with the goods or their sale, even if limited, is probably sufficient use to avoid abandonment.** In general, courts seem to be receptive to uses of the marks on shipping labels and packing slips and on packaging for goods. Likewise, using the mark at trade shows, in a catalog, or in some other manner where there is a means for purchasing the goods or services, goes beyond mere advertising and evidences ongoing use. Certainly, the more prominent the use of the mark, the more likely a court is to find ongoing use and the more likely a business will be able to

obtain an early favorable ruling. More limited use of the mark may ultimately suffice but may result in a close factual question incapable of resolution at summary judgment or earlier. X Corp. is still engaging in limited use of the TWITTER trademarks on its web page for advertising services and on an e-commerce site for merchandise. These uses, coupled with the ongoing use of Twitter.com, may be enough to avoid abandonment, at least for certain categories of goods and services.

5. **Continued use of a trademark on related items may avoid abandonment, even if a registrant discontinues use on a certain product or service.** Several courts to have considered the issue have found that an incumbent trademark owner has not ceased use and abandoned a mark where it has continued using the mark on different but related goods or services. The type of related use found sufficient includes an assortment of cookies instead of one particular type of cookie, a different mattress than that originally sold under the mark, or a budget-type paint instead of a premium-priced paint. In the case of X Corp., if it goes from selling Twitter-branded t-shirts and notepads to Twitter-branded sweatshirts and laptop bags, it very likely has continued use with respect to a wider range of promotional merchandise. Whether X Corp.'s use of the TWITTER trademarks in connection with its advertising and marketing services saves its trademarks in other categories, such as software and online social networking services, is a closer call.

If you have any questions or would like to learn more about how to protect your company's trademarks during a rebrand or other transitional period, please contact [Nicole Riccio](#) or any member of Baker Donelson's [Trademark and Branding Team](#).

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