

Sooner or later, most brand owners must evaluate the pros and cons of trademark consent agreements. As the applicant seeking a third party's consent or vice versa, these agreements are part of the trademark landscape. While short and simple, they may have lasting impact and rights owners are wise to keep a few critical points in mind.

Form of the consent agreement

A consent agreement is an agreement in which one party consents to the registration of a mark by the other, or in which each party consents to the registration of an identical or similar mark by the other. TMEP 1207.01(d)(viii). The proper form of a consent agreement varies by country. In the United States, trademark examiners give consent agreements that do not detail why there will not be a likelihood of confusion less weight than those that do. Consent agreements may be signed by both parties or only by the registrant, depending on whether the agreement contains obligations/representations related to both parties. Consent agreements must be signed by individuals with legal authority to bind the respective parties, and they are not required to be signed under penalty of perjury.

2(d) considerations

Before consenting, the parties should consider any collateral effects. For example, the agreement will likely surface in any subsequent litigation involving the marks at issue or related marks. Registrants must understand that if they draw a line in the sand approving one party's mark, third parties will undoubtedly expect the same treatment. Thus, proper language conditioning consent on the goods/services/marks at issue is critical. Likewise, a registrant's ability to prevent third parties from using similar marks is necessarily diminished if the registrant needed another party's consent to obtain its registration in the first place. Despite these constraints, in some instances it still makes to proceed with registration and use of the mark at issue while other times the applicant may be better off pursuing a different mark entirely.

Underlying coexistence agreement

Parties typically negotiate a trademark coexistence agreement along with the consent agreement. While the consent agreement is primarily limited to the actual consent itself, the coexistence agreement fleshes out any specific details regarding the parties use of their respective marks. It is where the rubber hits the road. The consent agreement is often an exhibit to the coexistence agreement, allowing the coexistence agreement to be confidential and the consent agreement to be filed at the USPTO.

Worldwide considerations

Unless the product campaign is limited to specific countries, the parties should consider how and when they will navigate consent issues in other jurisdictions. In some cases it makes sense to handle all such issues up front. If so, it is best to include a provision in the underlying coexistence agreement stating the parties will work together in good faith to submit necessary documents in other countries. Other times either party may want to save the additional country discussion for a different day, and the coexistence agreement should be explicitly limited to the country at issue.