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May 01, 2024

### Is Your Trademark Notice an Advertising Claim?



In an unusual decision<sup>[1]</sup> this month, the National Advertising Division of BBB National Programs (NAD) recommended that Planting Hope Brands (PHB), a plant-based food and beverage company, discontinue its use of the registered trademark symbol or ® on the packaging and advertising for its product RIGHTRICE, a plant-derived flour-based kernel.

In the [Fast-Track SWIFT challenge](#) before the NAD, Riviana Foods, Inc., argued that PHB's use of the trademark symbol was misleading because PHB no longer possessed a registration for the mark RIGHTRICE. While PHB previously had a registration for the mark, its registration was canceled by the U.S. Patent & Trademark Office (USPTO) in a default judgment proceeding after PHB failed to respond to a petition for cancellation filed by the USA Rice Federation.

While PHB had filed a motion to set aside the default judgment, the motion remained pending at the time of the NAD's decision. Accordingly, the NAD recommended that PHB's use of the registered trademark symbol for RIGHTRICE be discontinued until there is a final determination reinstating PHB's registration.

Under the Lanham Act, while notice of trademark registration is not required as a condition of trademark protection, a trademark holder's failure to use the trademark registration symbol or other notice might limit its right to obtain monetary damages or profits for infringement that occurred before the infringer had actual notice of the trademark registration. Improper notice of the trademark registration symbol, such as through use of the ® before registration is obtained is considered to be "fraud" by the USPTO.<sup>[2]</sup>

This appears to be the first time that the NAD has explicitly recognized that an advertiser's use of a trademark symbol can itself constitute a claim.

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<sup>[1]</sup> Planting Hope Brands, LLC (RIGHTRICE ), Report #7308, *NAD/CARU Case Reports* (March 2024).

[\[2\]](#) TMEP §906.04 ("Improper use of the federal registration symbol ® that is deliberate and intends to deceive or mislead the public or the USPTO is fraud.").

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