

Trademarks & Nonprofits: Assets Often Overlooked

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Nonprofit founders, leaders and board members typically become involved with a nonprofit organization because of their passion for the cause and purpose.

Because of this focus, they are **busy doing great things**, and they sometimes forget that their nonprofit should be run, in many ways, like a business with attention paid to profits, losses and assets.

As the nonprofit grows and becomes better recognized in their communities and sectors, a “brand” is developed – and most nonprofits don’t realize that their “brand” is one of their most valuable assets, especially when it comes to fundraising.

Donors, after all, are consumers.

Consumers use brand recognition to help facilitate decisions about which products or services to buy. Strong brand recognition can play a vital part in a nonprofit’s ability to bring in new donors while retaining existing supporters.

What does that mean?

Well, it’s important for nonprofits to consider brand protection as a critical part of their operational and fundraising strategy. This includes **protecting your trademarks**, including the registration and monitoring of third party use of your marks.

So what is a trademark?

A trademark is a word, phrase, symbol, and/or design that identifies and distinguishes the source of the goods of one party from those of another. For example, Susan G. Komen is a nonprofit organization that is incredibly successful in fundraising, and their logo is one that is widely recognized across the country as a registered federal trademark in multiple classes of goods and services.

What marks should a nonprofit consider registering?

Nonprofit managers should consider obtaining trademark protection for their **organizational name**

and logo, as well as for the **names of major charitable programs**, and any **unique taglines or logos** used within major, multi-year fundraising campaigns.

Additional Revenue Potential: Cause Related Marketing

Nonprofit trademarks are frequently licensed to others for fundraising purposes, most notably in the context of cause marketing promotions.

When a company wants to advertise that a portion of the purchase price from the sale of certain products or services will benefit a named charity, the charity must grant the company a trademark license in connection with the charitable sales promotion. Companies seeking charitable partners will frequently look for organizations that have strong brand recognition because such an alignment generally leads to stronger sales — a win-win for both parties.

Protecting Your Trademarks

In the United States, contrary to other parts of the world, trademark rights derive from first use of the mark in commerce (typically designated by use of the TM symbol). Thus, federal registration of a trademark is not necessary to claim rights to that mark. However, registration does provide additional benefits to an owner that are important when your nonprofit needs to enforce trademark rights against other users.

Registration benefits include providing the public with **notice of your claim** of ownership of the mark, a legal presumption of **nationwide ownership**, and the **exclusive right to use the mark** in connection with the specified goods or services claimed in the registration, along with the right to use the ® symbol.

Nonprofit organizations that are highly successful at fundraising understand that a strong brand and robust trademark protection is critical to that success. As your nonprofit organization grows, it's important to ensure that trademarks, one of your most valuable assets, aren't overlooked.

If your nonprofit would like to learn more about protecting the organization's marks, we invite you to reach out to schedule a [consultation](#) with one of our knowledgeable and passionate attorneys – who are here to help you change our world.