Recent Trademark Developments in the United States of America

PIERCE LAW

FRANKLIN PIERCE LAW CENTER

Prof. William O. Hennessey – ASIPI Miami 2008

Recent Developments

❖ **Recent Legislation:**
  ❖ **Enforcement**
  ❖ **Dilution**
❖ **Protecting Famous marks**
❖ **TMs on the Internet**

PIERCE LAW
FRANKLIN PIERCE LAW CENTER

(PRO-IP) Act of 2008

❖ **Treble damages and attorney's fees for intentional counterfeiting**

❖ **Statutory damages increased to $100,000**

(PRO-IP) Act of 2008

❖ **Criminal Liability for Trafficking in Counterfeit Goods and Services extended to include Exportation**

(PRO-IP) Act of 2008

❖ **Forfeiture of any property used in the making or trafficking of counterfeit goods**

(PRO-IP) Act of 2008

❖ **Criminal Provisions**

❖ **Maximum sentence for counterfeit goods causing death extended to life imprisonment**

(PRO-IP) Act of 2008

❖ **Establishes IP ("Czar") Enforcement Coordinator in the Executive Office of the President [IPEC]**

❖ **Also establishes Inter-Agency IP Enforcement Committee**

(PRO-IP) Act of 2008

❖ **IPEC replaces National IP Law Enforcement Coordination Council (NIPLECC)**

❖ **Gives IP Enforcement "Highest Priority" for DOJ**

❖Intellectual Property Enforcement Act of 2008 S. 3464 (introduced 10 September 2008)

IP Enforcement Act 2008

❖ **Requires "action plan" and sanctions against any country on Special 301 Priority Watch List**

International Developments

❖ **U.S. Negotiations on Anti-Counterfeiting Trade Agt (ACTA)**

❖ **U.S. Ratification of Singapore Treaty**

ACTA

❖ **Proposed by US Trade Rep in October 2007**

❖ **Australia, Canada, the EU, Japan, Korea, Mexico, Morocco, New Zealand, Singapore, Switzerland and the United States**

ACTA

❖ **Not connected with either WIPO or WTO**

❖ **The main objective of ACTA is to deal with large-scale counterfeiting and piracy activities, which often can involve criminal elements and pose a threat to public health and safety.**

Singapore Treaty

- ❖ **8 ratifications – 2 more needed**
- ❖ **U.S. ratified Oct. 1, 2008**
- ❖ **Five Latin American signatories (Costa Rica, DR, Haiti, Mexico, Uruguay)**

❖ **Trademark Dilution Revision Act TDRA (2006), amending Federal Trademark Dilution Act of 1995**

Legislative Developments

❖ **Trademark Dilution Revision Act TDRA (2006), amending Federal Trademark Dilution Act of 1995**

Trademark Dilution Revision Act

❖ **Congressional response to SCT decision in Victoria's Secret v. Moseley (2005)**

❖ **no longer need to show actual injury through dilution**

❖ **recognizes both blurring and tarnishment**

Legislative Developments TDRA

- ❖ **The owner of a famous mark**
- ❖ **which is distinctive**
- ❖ **is entitled to an injunction**
- ❖ **against another who uses a mark**
- ❖ **likely to cause dilution**
- ❖ **without need to show confusion, competition, or actual economic injury**

Trademark Dilution Revision Act Non-exclusive "Fame"Factors

❖ **Duration, extent and geographic reach of advertising and publicity of the mark**

❖ **amount, volume, and geographic extent of sales of goods and services**

❖ **extent of actual recognition of the mark**

❖ **when the mark was registered**

Trademark Dilution Revision Act Non-exclusive Blurring Factors

❖ Similarity between mark and the famous mark

❖ degree of inherent *or acquired* distinctiveness of the famous mark [uniqueness?]

❖ extent the owner of the famous mark is engaged in exclusive use

❖ degree of recognition of the famous mark

❖ intent of second user to associate with the famous mark

❖ any actual association between the marks

Trademark Dilution Revision Act Uses Excluded from Liability

- ❖ "Fair use"in comparative advertising
- ❖ "Fair use"in identifying and parodying, criticizing or commenting on the famous mark owner or the goods and services of the famous mark owner
- ❖ All forms of news reporting and commentary
- ❖ Any non-commercial use of the mark
- ❖ Cases- Victoria's Secret wins (2008) because of tarnishment

Trademark Dilution Revision Act
Subsequent cases - Fame

- ❖ "Niche fame" is insufficient; the mark must be "widely recognized by general consuming public of the U.S."
- ❖ Adidas √
- ❖ Ironman x
- ❖ Nissan √ registrations, ads, recognition
- ❖ Componentone x niche fame
- ❖ Bosch x niche fame
- ❖ Pepsi √ "unquestionably famous"

❖ **LEVI pocket stitch √ (blurring)**

❖ **CENTURY 21 v. CENTURY INSURANCE x (no blurring)**

❖ **NISSAN v. nissan.com (Computers) x (no association = no blurring)**

❖ **Louis Vuitton v. "Chewy Vuiton" ("satire" of LVMH on dog toys – no tarnishment) – is a parody**

❖ **NIKE v. NIKEPAL √ (blurring)**

Trademark Dilution Revision Act Foreign Marks not Protected

❖ **Under TDRA, the mark must be "widely recognized by general consuming public of the U.S."**

Protection of Foreign "Well-known Marks" in the U.S.

- ❖ **General Principle of Territoriality**
- ❖ **In re Person's (Fed. Cir. 1990) – no protection for foreign marks in the United States unless there is "goodwill" in the U.S. or prior U.S. registration.**
  - ❖ **U.S. party that knew of Japanese trademark for sports apparel can adopt and register the mark in "good faith" in the U.S. as long as there is no knowledge that foreign trademark owner intends to expand into U.S. market**

"Famous mark" exception in infringement proceedings

❖ Int'l Bancorp v. SBM (4th Cir. 2003) Is the foreign mark used in "foreign trade of the U.S."?

❖ Grupo Gigante v. Dallos (9th Cir. 2004) Does the foreign mark have secondary meaning in the relevant U.S. market and does a substantial percentage of consumers there familiar with it?

❖ ITC v. Punchgini (2d. Cir. 2007) and (N.Y. 2007) No "famous mark exception" – just claim for unfair competition- Plaintiff found to have abandoned its mark in New York.

❖ **Cybersquatting Lanham Act Section 43(c)**

"A person shall be liable in a civil action by the owner of a mark… if…that person

(i) has a bad faith intent to profit from that mark… and (ii) registers, traffics in, or uses a domain name that

     (I) is identical or confusingly similar to a distinctive mark; or

     (II) is identical or confusingly similar to or dilutive of a mark that was famous at the time of registration of the domain name

Muchas Gracias!