## **Trademark Law**

# Trademark Law Third Edition

#### Robert C. Lind

Paul E. Treusch Professor of Law SouthwestemUniversity School of Law

> Carolina Academic Press Durham, North Carolina

Copyright © 2006 by Robert C. Lind All Rights Reserved.

ISBN 1-59460-193-3 ISSN 1542-9288 LCCN 2002206050

CAROLINA ACADEMIC PRESS 700 Kent Street
Durham, North Carolina 27701
Telephone (919) 489-7486
Fax (919) 493-5668
E-mail: cap@cap-press.com
www.cap-press.com

Printed in the United States of America.



### **Contents**

[.	PURPOSES OF TRADEMARK PROTECTION.					
	A.	Pre	ven	tion of Deception in the Marketplace.	3	
	В.	Pro	otec	tion of the Mark's Informational Value.	3	
	C.	Ba	ses f	for Trademark Protection.	4	
II.	PR	ERI	EQU	JISITES FOR TRADEMARK PROTECTION.	5	
	A.	Sta	ite (	Common Law.	5	
		1.	Inc	dicia of source of origin.	5	
		2.	Af	fixation requirement	9	
		3.	Us	e in trade.	10	
		4.	Di	stin ctiveness.	13	
			a.	Inherently distinctive marks.	13	
			b.	Descriptive terms are not immediately protectable.	16	
			c.	Secondary meaning.	34	
			d.	Generic terms.	40	
			e.	Deceptive terms.	47	
		5.	A	funct i onal mark is not protectable.	47	
			a.	The policy of favoring free competition.	47	
			b.	Definition of "functional":	48	
			c.	Mechanical functionality.	49	
			d.	Aesthetic functionality.	52	

#### viii CONTENTS

			e. The Lanham Act requires of nonfunctionality.	55
	В.	Fee	deral Law.	55
		1.	Use in Interstate Commerce.	55
		2.	Procedural matters.	57
		3.	Federal Substantive Rights.	57
III.	SU	BJE	CT MATTER PROTECTED BY TRADEMARK.	58
	A.	Tyj	pes of Marks.	58
	В.	Wo	ord Marks.	58
	C.	De	sign Marks.	59
	D.	Tra	nde Dress.	59
	E.	Sou	und Marks.	62
	F.	Fra	grance Marks.	62
IV.	VO	WNI	ERSHIP OF TRADEMARK.	63
	A.	Pri	ority of Use.	63
	B.	Co	n current Use.	64
	C.	De	termination of Ownership.	66
V.	FE	DEF	RAL TRADEMARK REGISTRATION.	68
	A.	Th	ereare Four Categories of Marks.	68
		1.	Trademarks.	68
		2.	Service marks.	69
		3.	Certification marks.	70
		4.	Collective marks.	72
	В.		e Application Process for Registration on the Principal gister.	73
		1.	Application based on actual use.	73
		2.	Intent to use ["ITU"] application.	76
	C.	Sta	tutoryBars to Registration.	81

#### CONTENTS ix 1. Section 2(a) bars to registration. 81 a. Absolute bar. 81 b. Immoral or scandalous matter. 81 c. Matter which may disparage. 83 d. Deceptive matter. 85 e. False connection with persons, institutions, beliefs or national symbols. 86 f. Misleading geographical indications used on wines or spirits. 87 2. Flag or insignia of any nation, state or municipality. 87 3. Name, port rait or signature identifying any living individual. 87 4. Mark likely to cause confusion. 88 5. Descriptive or deceptively misdescriptive marks. 90 6. Geographically descriptive marks. 90 7. Geographically deceptively misdescriptive marks. 91 91 8. Surname. 9. Functional marks. 92 D. Opposition Proceedings. 92 E. The Appeal Process. 93 F. Presumptions Arising From Registration on the Principal Register. 94 G. Cancellation Proceedings. 95 H. Maintaining the Registration. 96 1. Section 8 Affidavit of Use. 96 2. Incontestability. 96

100

100

3. Renewal.

I. Supplemental Register.

#### x CONTENTS

VI. LC	LOSS OF TRADEMARK PROTECTION.					
A.	Dis	Discontinued Use.				
В.	Assignment in Gross.					
C.	Licensing in Gross.					
D.	Fa	ilureto Police.	106			
E. Genericism.						
VII. ENFORCEMENT OF TRADEMARK RIGHTS.						
A.	A. Trademark Infringement Action For Direct Infringement.					
	1.	The elements needed to prove trademark infringement.	107			
	2.	Procedural considerations.	107			
		a. Subject matter jurisdict i on.	107			
	b. Personal jurisdiction.					
	c. Venue.					
		d. Standing to sue.	114			
		e. Possible defendants.	114			
		f. Right to trial by jury.	115			
	3.	Defendant's use of the mark in connection with any goods or services.	115			
	4.	Defendant's use of the mark in commerce.	115			
	5.	Distinctiveness of the mark.	116			
	6.	Ownership of the mark.	117			
	7.	Likelihood of confusion.	117			
		a. Introduction	117			
		b. Likelihood of confusion factors.	118			
		c. Secondary confusion.	146			
		d. Reverse confusion.	147			

#### CONTENTS xi

		e.	Question of fact/issue of law.	149
	8.	De	fenses.	149
		a.	Valid license.	149
		b.	Statute of limitations.	150
		c.	Acquiescence.	151
		d.	Laches.	152
		e.	Unclean hands.	156
		f.	Fraud in the procurement of registration or main nance of the trademark.	t e- 156
		g.	State immunity.	158
		h.	Fair use.	158
		i.	First sale doctrine.	165
		j.	If the mark is incontestable.	167
		k.	First Amendment.	168
		1.	Preemption of state laws.	172
В.	Inc	direc	et Infringement Action.	173
	1.	Int	roduction.	173
	2.	Co	ntributoryinfringement.	173
	3.	Vic	carious infringement.	174
VIII. R	EM	EDI	IES.	174
A.	Ex	Par	te Seizure.	174
В.	In	jun	ctive Relief.	174
C.	Mo	onet	tary Relief.	178
	1.	Int	roduction.	178
	2.	Us	e of a Notice of Registration.	179
	3.	De	fendant's profits.	179
	4.	A	ctual damages.	181

#### xii CONTENTS

		5.	Prejudgment interest.	182
		6.	Corrective advertising.	182
		7.	Monetary relief in counterfeiting cases.	182
		8.	Punitive damages.	183
		9.	Attomey fees.	183
		10	. Costs.	187
	D.	De	estruction of Infringing Goods.	188
	E.	Ju	dicial Cancellation of the Mark.	188
	F.	Cr	iminal Penalties for Trademark Counterfeiting.	188
IX.	FE	DEI	RAL UNFAIR COMPETITION UNDER § 43(a).	189
	A.	Fal	lse Designation of Origin.	189
		1.	Infringement of unregisteredmark	189
		2.	False endorsement claims.	189
		3.	False attribution claims.	190
		4.	Mutilation claims.	192
	В.	Fal	lse Advertising and Commercial Misrepresentation.	192
		1.	False and misleading statements of purported fact.	192
		2.	In connection with goods or services.	196
		3.	Interstate commerce.	196
		4.	Commercial advertising or promotion.	196
		5.	Plaint iff must prove damage.	197
		6.	Consumers have no standing to sue for false advertising.	197
		7.	State and local governments are immunity	198
X.	DI	LUT	TION ACTIONS.	198
	A.	Sta	te Anti-Dilution Statutes.	198
	R	Fed	deral Dilution Action	202

	1. Introduction.	202
	2. Elements.	202
	3. Statutorydefenses.	210
	4. Remedies.	211
	5. State dilution statutes are not preempted.	211
	6. Retroactivity.	211
XI. AN	TTI-CYBERSQUATTING.	211
A.	Federal protection.	211
В.	State protection.	226
XII. IC	ANN DISPUTE RESOLUTION.	227
A.	Introduction.	227
В.	UniformDispute Resolution Policy ("UDRP").	227
C.	ACPA and ICANN.	227
XIII. R	IGHT OF PUBLICITY.	227
Α.	Distinction between right of publicity and appropriation.	227
В.	Cause of action for right of publicity.	228
C.	Elements of the action for right of publicity.	228
D.	Defenses.	236
E.	Remedies.	253
F.	Descendibility.	255
G.	Duration.	255
H.	Licensing.	256
APPEN	NDIX A. TABLE OF CASES	257
APPEN	NDIX B. TABLE OF STATUTES	301

CONTENTS xiii