

Part 4 Violations and Remedies

70-3a-401 Fraudulent registration.

- (1) A person is civilly liable to pay all damages resulting from a filing or registration under this chapter if:
 - (a) that person procures the filing or registration of any mark:
 - (i) for the person who procures the filing or registration; or
 - (ii) on behalf of another person; and
 - (b) the person who procures the filing or registration procures it by:
 - (i) knowingly making a false or fraudulent representation or declaration, orally or in writing; or
 - (ii) any other fraudulent means.
- (2) Damages sustained as a result of a filing or registration described in Subsection (1) may be recovered:
 - (a) by or on behalf of the person injured by the filing or registration; and
 - (b) in any court of competent jurisdiction.

Enacted by Chapter 318, 2002 General Session

70-3a-402 Infringement.

- (1) Subject to Section 70-3a-104 and Subsection (2), any person is liable in a civil action brought by the registrant for any and all of the remedies provided in Section 70-3a-404, if that person:
 - (a) uses a reproduction, counterfeit, copy, or colorable imitation of a mark registered under this chapter:
 - (i) without the consent of the registrant; and
 - (ii) in connection with the sale, distribution, offering for sale, or advertising of any goods or services on or in connection with which that use is likely to cause confusion, mistake, or to deceive as to the source of origin, nature, or quality of those goods or services; or
 - (b) reproduces, counterfeits, copies, or colorably imitates any mark and applies the reproduction, counterfeit, copy, or colorable imitation to labels, signs, prints, packages, wrappers, receptacles, or advertisements intended to be used upon or in connection with the sale or other distribution in this state of goods or services.
- (2) Under Subsection (1)(b), the registrant is not entitled to recover profits or damages unless the act described in Subsection (1)(b) has been committed with the intent:
 - (a) to cause confusion or mistake; or
 - (b) to deceive.
- (3) In a civil action for a violation of Section 70-3a-309:
 - (a) the plaintiff may recover court costs and reasonable attorney fees; and
 - (b) the plaintiff may elect, at any time before final judgment is entered by the district court, to recover, instead of actual damages and profits, an award of statutory damages in the amount of not less than \$1,000 and not more than \$100,000 per domain name, as the court considers just.
- (4) Statutory damages awarded under Subsection (3)(b) are presumed to be \$100,000 per domain name if there is a pattern and practice of infringements committed willfully for commercial gain.

Amended by Chapter 200, 2010 General Session

70-3a-403 Injury to business reputation -- Dilution.

- (1) Subject to the principles of equity and upon the terms the court considers reasonable, the owner of a mark that is famous in this state is entitled to:
 - (a) an injunction against another person's commercial use of a mark, if the use:
 - (i) begins after the mark has become famous; and
 - (ii) causes dilution of the distinctive quality of the mark; and
 - (b) obtain other relief as is provided in this section.
- (2) To determine if a mark is famous, a court may consider factors including:
 - (a) the degree of inherent or acquired distinctiveness of the mark in this state;
 - (b) the duration and extent of use of the mark in connection with the goods and services with which the mark is used;
 - (c) the duration and extent of advertising and publicity of the mark in this state;
 - (d) the geographical extent of the trading area in which the mark is used;
 - (e) the channels of trade for the goods or services with which the mark is used;
 - (f) the degree of recognition of the mark in the trading areas and channels of trade in this state that are used by:
 - (i) the mark's owner; and
 - (ii) the person against whom the injunction is sought;
 - (g) the nature and extent of use of the same or similar mark by third parties; and
 - (h) whether the mark is the subject of:
 - (i) a state registration in this state; or
 - (ii) a federal registration:
 - (A) under the Act of March 3, 1881, c. 138, 21 Stat. 502;
 - (B) under the Act of February 20, 1905, c. 592, 33 Stat. 724; or
 - (C) on the principal register.
- (3) In an action brought under this section, the owner of a famous mark is entitled only to injunctive relief in this state, unless the person against whom the injunctive relief is sought willfully intended to:
 - (a) trade on the owner's reputation; or
 - (b) cause dilution of the famous mark.
- (4) If willful intent is proven under Subsection (3)(a) or (b), in addition to injunctive relief, the owner is entitled to the remedies set forth in Section 70-3a-404, subject to:
 - (a) the discretion of the court; and
 - (b) the principles of equity.
- (5) The following are not actionable under this section:
 - (a) fair use of a famous mark by another person in comparative commercial advertising or promotion to identify the competing goods or services of the owner of the famous mark;
 - (b) noncommercial use of the mark; and
 - (c) all forms of news reporting and news commentary.

Enacted by Chapter 318, 2002 General Session

70-3a-404 Remedies.

- (1)
 - (a) An owner of a mark registered under this chapter may proceed by suit to enjoin the manufacture, use, display, or sale of any counterfeits or imitations of the mark.
 - (b) A court of competent jurisdiction may grant injunctions to restrain the manufacture, use, display, or sale as may be considered by the court just and reasonable.

- (2) A court may:
 - (a) require the defendants to pay the owner:
 - (i) all profits derived from the wrongful manufacture, use, display, or sale of a registered mark;
or
 - (ii) all damages suffered because of the wrongful manufacture, use, display, or sale of a registered mark;
 - (b) order that any counterfeits or imitations of a registered mark in the possession or under the control of any defendant in an action be delivered to the following to be destroyed:
 - (i) an officer of the court; or
 - (ii) the complainant; or
 - (c) take a combination of the actions described in Subsections (2)(a) and (b).
- (3) A court may enter judgment for the prevailing party:
 - (a) in an action where the court finds:
 - (i) the other party committed the wrongful act:
 - (A) with knowledge;
 - (B) in bad faith; or
 - (ii) as according to the circumstances of the case; and
 - (b) in an amount not to exceed:
 - (i) three times the profits and damages of the prevailing party; and
 - (ii) the reasonable attorneys fees of the prevailing party.
- (4) The enumeration of any right or remedy in this section does not affect a registrant's right to prosecute under any penal law of this state.

Enacted by Chapter 318, 2002 General Session

70-3a-405 Forum for actions regarding registration -- Service on out-of-state registrants.

- (1)
 - (a) An action to require the cancellation of a mark registered under this chapter shall be brought in a district court of this state.
 - (b) The division may not be made a party to an action filed under Subsection (1)(a), except that the division may intervene in an action filed under Subsection (1)(a).
- (2) In any action brought against a nonresident registrant, service may be effected upon the nonresident registrant in accordance with the procedures established for service upon nonresident corporations and business entities under Section 16-10a-1511.

Enacted by Chapter 318, 2002 General Session