

1 **REGISTRATION AND PROTECTION OF**
2 **TRADEMARKS AND SERVICE MARKS**

3 2002 GENERAL SESSION

4 STATE OF UTAH

5 **Sponsor: Lyle W. Hillyard**

6 **This act modifies the Trademarks and Trade Names title to recodify provisions relating to**
7 **the registration and protection of trademarks and service marks and to make technical**
8 **changes. The act addresses the statute's relationship to federal law and common law. The**
9 **act establishes the authority and responsibilities of the Division of Corporations and**
10 **Commercial Code. The act states the requirements for registration of marks. The act**
11 **provides for the assignment of, changes to, renewal of, and cancellation of marks. The act**
12 **provides for recording of other instruments that relate to marks. The act addresses**
13 **classification of goods and services. The act establishes liability for fraudulent registration,**
14 **infringement, and injury to business reputation. The act establishes remedies. The act**
15 **designates the forums for cancellation actions regarding registration and the requirements**
16 **for service on out-of-state registrants. The act addresses its application to pending litigation.**

17 This act enacts uncodified material.

18 This act affects sections of Utah Code Annotated 1953 as follows:

19 AMENDS:

20 **42-2-9**, as last amended by Chapter 267, Laws of Utah 1999

21 ENACTS:

22 **70-3a-101**, Utah Code Annotated 1953

23 **70-3a-102**, Utah Code Annotated 1953

24 **70-3a-103**, Utah Code Annotated 1953

25 **70-3a-104**, Utah Code Annotated 1953

26 **70-3a-201**, Utah Code Annotated 1953

27 **70-3a-202**, Utah Code Annotated 1953



- 28 **70-3a-203**, Utah Code Annotated 1953
- 29 **70-3a-301**, Utah Code Annotated 1953
- 30 **70-3a-302**, Utah Code Annotated 1953
- 31 **70-3a-303**, Utah Code Annotated 1953
- 32 **70-3a-304**, Utah Code Annotated 1953
- 33 **70-3a-305**, Utah Code Annotated 1953
- 34 **70-3a-306**, Utah Code Annotated 1953
- 35 **70-3a-307**, Utah Code Annotated 1953
- 36 **70-3a-308**, Utah Code Annotated 1953
- 37 **70-3a-401**, Utah Code Annotated 1953
- 38 **70-3a-402**, Utah Code Annotated 1953
- 39 **70-3a-403**, Utah Code Annotated 1953
- 40 **70-3a-404**, Utah Code Annotated 1953
- 41 **70-3a-405**, Utah Code Annotated 1953

42 **REPEALS:**

- 43 **70-3-1**, as last amended by Chapter 141, Laws of Utah 1993
- 44 **70-3-2**, as last amended by Chapter 241, Laws of Utah 1990
- 45 **70-3-3**, as last amended by Chapter 313, Laws of Utah 1994
- 46 **70-3-4**, as last amended by Chapter 66, Laws of Utah 1984
- 47 **70-3-5**, as last amended by Chapter 66, Laws of Utah 1984
- 48 **70-3-6**, as last amended by Chapter 313, Laws of Utah 1994
- 49 **70-3-7**, as last amended by Chapter 313, Laws of Utah 1994
- 50 **70-3-8**, as last amended by Chapter 156, Laws of Utah 1957
- 51 **70-3-9**, as last amended by Chapter 66, Laws of Utah 1984
- 52 **70-3-10**, as last amended by Chapter 66, Laws of Utah 1984
- 53 **70-3-11**, as last amended by Chapter 66, Laws of Utah 1984
- 54 **70-3-12**, as last amended by Chapter 66, Laws of Utah 1984
- 55 **70-3-13**, as last amended by Chapter 156, Laws of Utah 1957
- 56 **70-3-14**, as last amended by Chapter 156, Laws of Utah 1957
- 57 **70-3-15**, as last amended by Chapter 156, Laws of Utah 1957
- 58 **70-3-16**, as last amended by Chapter 66, Laws of Utah 1984

59 **70-3-17**, as last amended by Chapter 156, Laws of Utah 1957

60 *Be it enacted by the Legislature of the state of Utah:*

61 Section 1. Section **42-2-9** is amended to read:

62 **42-2-9. Corporate names, limited liability company names, and trademark, service**
63 **mark, and trade name rights not affected.**

64 (1) This chapter does not affect or apply to any corporation organized under the laws of
65 any state if it does business under its true corporate name.

66 (2) (a) This chapter does not affect the statutory or common law trademark, service mark,
67 or trade name rights granted by state or federal statute. [~~Neither a filing under this chapter, nor an~~
68 ~~approval by the Division of Corporations and Commercial Code pursuant to this chapter, nor the~~
69 ~~use of an assumed name shall, of itself,~~]

70 (b) An act listed in Subsection (2)(c) of itself does not authorize the use in this state of an
71 assumed name in violation of the rights of another as established under:

72 (i) this chapter[~~, the state law relating to trademarks (-);~~];

73 (ii) Title 70, Chapter [3];] 3a. Registration and Protection of Trademarks and Service
74 Marks Act;

75 (iii) the state law relating to names of corporations, partnerships, and other legal business
76 entities[~~;~~];

77 (iv) the federal [~~law relating to trademarks and service marks (-) Trademark Act of 1946~~
78 ~~15 U.S.C. Section 1051 et seq.];~~] or

79 (v) the common law, including rights in a trade name.

80 (c) Subsection (2)(b) applies to:

81 (i) a filing under this chapter;

82 (ii) an approval by the Division of Corporations and Commercial Code pursuant to this
83 chapter; or

84 (iii) the use of an assumed name.

85 (3) This chapter does not affect or apply to any limited liability company doing business
86 in this state under its true name.

87 Section 2. Section **70-3a-101** is enacted to read:

88 **CHAPTER 3a. REGISTRATION AND PROTECTION OF TRADEMARKS AND**
89 **SERVICE MARKS ACT**

Part 1. General Provisions

70-3a-101. Title.

This chapter is known as the "Registration and Protection of Trademarks and Service Marks Act."

Section 3. Section **70-3a-102** is enacted to read:

70-3a-102. Relation to federal law.

(1) This chapter shall be interpreted to provide for the registration and protection of trademarks and service marks in a manner substantially consistent with the federal system of trademark registration and protection under the Trademark Act of 1946, 15 U.S.C. Sec. 1051, et seq.

(2) In interpreting this chapter, a construction given the Trademark Act of 1946, 15 U.S.C. Sec. 1051, et seq., should be used as persuasive authority.

Section 4. Section **70-3a-103** is enacted to read:

70-3a-103. Definitions -- Use -- Service marks.

(1) As used in this chapter:

(a) "Abandoned mark" means a mark whose:

(i) use has been discontinued with no intent to resume use; or

(ii) significance as a mark has been lost due to any course of conduct of the owner, including acts of omission or commission.

(b) "Applicant" means:

(i) the person filing an application for registration of a mark under this chapter; and

(ii) a legal representative, successor, or assign of a person described in Subsection (1)(b)(i).

(c) "Dilution" means the lessening of the capacity of a famous mark to identify and distinguish goods or services, regardless of the presence or absence of:

(i) competition between the owner of the famous mark and another person; or

(ii) the likelihood of:

(A) confusion;

(B) mistake; or

(C) deception.

(d) "Division" means the Division of Corporations and Commercial Code within the

121 Department of Commerce.

122 (e) "Mark" means any trademark or service mark entitled to registration under this chapter
123 whether or not the trademark or service mark is registered.

124 (f) "Registrant" means:

125 (i) the person to whom the registration of a mark under this chapter is issued; and

126 (ii) a legal representative, successor, or assign of a person described in Subsection

127 (1)(h)(i).

128 (g) (i) If the conditions of Subsection (1)(g)(ii) are met, "service mark" means:

129 (A) a word, term, name, symbol, design, or device; or

130 (B) any combination of words, terms, names, symbols, designs, or devices.

131 (ii) The mark described in Subsection (1)(g)(i) is a service mark only if it is used by a
132 person:

133 (A) to identify and distinguish the services of one person from the services of others,
134 including a unique service; and

135 (B) to indicate the source of the services, even if that source is unknown.

136 (h) (i) If the conditions of Subsection (1)(h)(ii) are met, "trademark" means:

137 (A) a word, term, name, symbol, design, or device; or

138 (B) any combination of words, terms, names, symbols, designs, or devices.

139 (ii) The mark described in Subsection (1)(h)(i) is a trademark only if it is used by a
140 person:

141 (A) to identify and distinguish the goods of that person from those manufactured or sold
142 by others, including a unique product; and

143 (B) to indicate the source of the goods, even if that source is unknown.

144 (i) "Trade name" means any name used by a person to identify a business or vocation of
145 that person.

146 (j) "Use" means the bona fide use of a mark in the ordinary course of trade, and not made
147 merely to reserve a right in a mark.

148 (2) For the purposes of this chapter, a mark is considered to be in use:

149 (a) on goods:

150 (i) when the mark is placed:

151 (A) in any manner on the goods or other containers;

- 152 (B) in any manner on displays associated with the goods or other containers;
- 153 (C) on the tags or labels affixed to the goods or other containers; or
- 154 (D) if the nature of the goods makes the placements referred to in Subsections (2)(a)(i)(A)
- 155 through (C) impracticable, on documents associated with the goods or the sale of the goods; and
- 156 (ii) the goods are sold or transported in commerce in this state; and
- 157 (b) on services:
 - 158 (i) when it is used or displayed in the sale or advertising of services; and
 - 159 (ii) when the services are rendered in this state.
- 160 (3) For purposes of Subsection (1)(a):
 - 161 (a) intent not to resume may be inferred from circumstances; and
 - 162 (b) nonuse for two consecutive years is prima facie evidence of abandonment.
- 163 (4) Notwithstanding Subsection (1)(g), the following may be registered as service marks
- 164 notwithstanding that they may advertise the goods of the sponsor:
 - 165 (a) titles;
 - 166 (b) character names used by a person; and
 - 167 (c) other distinctive features of:
 - 168 (i) a radio program;
 - 169 (ii) a television program; or
 - 170 (iii) a program similar to a program described in Subsection (4)(c)(i) or (ii).

Section 5. Section **70-3a-104** is enacted to read:

70-3a-104. Common law rights.

This chapter does not adversely affect the rights or the enforcement of rights in marks acquired in good faith at any time at common law.

Section 6. Section **70-3a-201** is enacted to read:

Part 2. Division Powers and Duties

70-3a-201. Rulemaking authority of division.

In accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking Act, the division may by rule:

- 180 (1) pursuant to Subsection 70-3a-302(1), establish the filing requirements for an
- 181 application for a registration of a mark;
- 182 (2) pursuant to Subsection 70-3a-303(2), establish what information in addition to the

183 information contained in the application shall be submitted by an applicant for registration under
184 Section 70-3a-302;

185 (3) pursuant to Subsection 70-3a-303(3), establish the requirements for an applicant or
186 registrant to disclaim an unregistrable component of a mark that is otherwise registrable;

187 (4) pursuant to Subsection 70-3a-305, establish the filing requirements for an application
188 to renew a registration of a mark; and

189 (5) establish the filing requirements for a filing under Section 70-3a-306.

190 Section 7. Section **70-3a-202** is enacted to read:

191 **70-3a-202. Records.**

192 The division shall keep for public examination a record of:

193 (1) all marks registered or renewed under this chapter; and

194 (2) all documents recorded under Section 70-3a-306.

195 Section 8. Section **70-3a-203** is enacted to read:

196 **70-3a-203. Fees.**

197 (1) A regulatory fee, as defined in Section 63-38-3.2, shall be determined by the division
198 in accordance with Section 63-38-3.2.

199 (2) (a) For a fee authorized by this chapter that is not a regulatory fee, the division may
200 adopt a schedule of fees provided that each fee in the schedule of fees is:

201 (i) reasonable and fair; and

202 (ii) submitted to the Legislature as part of the Department of Commerce's annual
203 appropriations request.

204 (b) When a fee schedule described in Subsection (2)(a) is submitted as part of the annual
205 appropriations request, the Legislature, in a manner substantially similar to Section 63-38-3.2, may
206 for any fee in the fee schedule:

207 (i) approve the fee;

208 (ii) (A) increase or decrease the fee; and

209 (B) approve the fee as changed by the Legislature; or

210 (iii) reject the fee.

211 (c) A fee approved by the Legislature pursuant to this section shall be deposited in a
212 restricted account within the General Fund known as the Commerce Service Fund.

213 Section 9. Section **70-3a-301** is enacted to read:

Part 3. Registration**70-3a-301. Registrability.**

(1) A mark by which the goods or services of an applicant for registration may be distinguished from the goods or services of others may not be registered if it:

(a) consists of or comprises immoral, deceptive, or scandalous matter;

(b) consists of or comprises matter that may:

(i) disparage or falsely suggest a connection with:

(A) a person, living or dead;

(B) an institution;

(C) a belief; or

(D) a national symbol; or

(ii) bring an item listed in Subsection (1)(b)(i) into contempt or disrepute;

(c) consists of or comprises the flag or coat of arms or other insignia of:

(i) the United States;

(ii) any state;

(iii) any municipality;

(iv) any foreign nation; or

(v) any simulation of an item listed in Subsections (1)(c)(i) through (iv);

(d) consists of or comprises the name, signature, or portrait identifying a particular living individual, except by the individual's written consent;

(e) subject to Subsection (3), consists of a mark that:

(i) when used on or in connection with the goods or services of the applicant, is:

(A) merely descriptive of the goods or services;

(B) deceptively misdescriptive of the goods or services;

(C) primarily geographically descriptive of the goods or services; or

(D) primarily geographically deceptively misdescriptive of the goods or services; or

(ii) is primarily merely a surname;

(f) consists of or comprises a mark that:

(i) resembles:

(A) a mark registered in this state; or

(B) a mark or trade name previously used by another and not abandoned; and

245 (ii) is likely, when used on or in connection with the goods or services of the applicant,
246 to cause confusion, mistake, or to deceive; or

247 (g) without the written consent of the United States Olympic Committee, contains or
248 consists of:

249 (i) the symbol of the International Olympic Committee, consisting of five interlocking
250 rings;

251 (ii) the emblem of the United States Olympic Committee, consisting of an escutcheon
252 having a blue chief and vertically extending red and white bars on the base with five interlocking
253 rings displayed on the chief;

254 (iii) any trademark, trade name, sign, symbol, or insignia falsely representing association
255 with, or authorization by, the International Olympic Committee or the United States Olympic
256 Committee;

257 (iv) the words "Olympic," "Olympiad," "Citius Altius Fortius," or

258 (v) any combination or simulation of any item referenced in Subsections (1)(g)(i) through
259 (iv) that:

260 (A) causes confusion or mistake;

261 (B) deceives; or

262 (C) falsely suggests a connection with:

263 (I) the International Olympic Committee;

264 (II) the United States Olympic Committee; or

265 (III) any Olympic activity.

266 (2) (a) Any actual use of an item under Subsection (1)(g)(ii) or the words or any
267 combination of the words under Subsection (1)(g)(iv), for any lawful purpose prior to September
268 21, 1950, is not prohibited by this section and may be continued for the same purpose and for the
269 same goods or services.

270 (b) Any actual use of any other trademark, trade name, sign, symbol, or insignia under
271 Subsections (1)(g)(iii) and (iv) for any lawful purpose prior to September 21, 1950, is not
272 prohibited by this section and may be continued for the same purpose and for the same goods or
273 services.

274 (3) (a) Subsections (1)(e)(i)(A) through (1)(e)(i)(C) do not prevent the registration of a
275 mark used by the applicant that has become distinctive of the applicant's goods or services.

276 (b) For purposes of Subsection (3)(a), the division may accept as evidence that the mark
277 has become distinctive as used on or in connection with the applicant's goods or services, proof
278 of continuous use of the mark as a mark by the applicant in this state for the five years before the
279 date when the claim of distinctiveness is made.

280 Section 10. Section **70-3a-302** is enacted to read:

281 **70-3a-302. Application for registration.**

282 (1) (a) Subject to the limitations in this chapter, any person who uses a mark may file with
283 the division an application for registration of that mark.

284 (b) The registration described in Subsection (1)(a) shall be filed in accordance with rules:

285 (i) made by the division in accordance with Section 70-3a-201; and

286 (ii) that are consistent with this section.

287 (c) The application shall:

288 (i) state:

289 (A) the name and business address of the person applying for registration;

290 (B) if a corporation, the state of incorporation; and

291 (C) if a partnership:

292 (I) the state where the partnership is organized; and

293 (II) the names of the general partners, as specified by the division;

294 (ii) specify:

295 (A) the goods or services on or in connection with which the mark is used;

296 (B) the mode or manner in which the mark is used on or in connection with those goods
297 or services; and

298 (C) the class defined pursuant to Section 70-3a-308 in which those goods or services fall;

299 (iii) state:

300 (A) the date when the mark was first used anywhere;

301 (B) the date when the mark was first used in this state by the applicant or a predecessor
302 in interest;

303 (C) that the applicant is the owner of the mark;

304 (D) that the mark is in use; and

305 (E) that to the knowledge of the person verifying the application, no other person has
306 registered, either federally or in this state, or has the right to use that mark;

307 (I) in the mark's identical form; or
308 (II) in such near resemblance to the mark as to be likely, when applied to the goods or
309 services of the other person, to cause confusion, mistake, or to deceive;
310 (iv) be signed under penalty of perjury by:
311 (A) the applicant; or
312 (B) if the applicant is not an individual:
313 (I) an officer of the applicant; or
314 (II) a partner of a partnership;
315 (v) be filed with the division;
316 (vi) be accompanied by two specimens showing the mark as actually used; and
317 (vii) be accompanied by a regulatory fee as determined by the division in accordance with
318 Section 70-3a-203.

319 (d) In addition to the information required by Subsection (1)(c), the division may require
320 the applicant to provide:

321 (i) a statement as to whether an application to register the mark, or portions or a composite
322 of the mark, has been filed by the applicant or a predecessor in interest in the United States Patent
323 and Trademark Office; or

324 (ii) a drawing of the mark, complying with the requirements the division may specify.

325 (2) If the division requires the statement under Subsection (1)(d)(i), the applicant shall
326 provide full information with respect to any application filed with the United States Patent and
327 Trademark Office including:

328 (a) the filing date and serial number of the application;

329 (b) the status of the application; and

330 (c) if any application was finally refused registration or has otherwise not resulted in a
331 registration, the reasons for the refusal or lack of registration.

332 Section 11. Section **70-3a-303** is enacted to read:

333 **70-3a-303. Filing of applications.**

334 (1) The division may examine an application to determine whether the application
335 conforms with this chapter if:

336 (a) the application for registration is filed under Section 70-3a-302; and

337 (b) the regulatory fee required by Section 70-3a-203 is paid.

338 (2) If reasonably requested by the division or considered by the applicant to be advisable
339 to respond to any rejection or objection, the applicant:

340 (a) shall provide any additional information requested by rule by the division, including
341 a description of a design mark; and

342 (b) may make, or authorize the division to make, amendments to the application.

343 (3) (a) The division may require the applicant to disclaim an unregistrable component of
344 a mark otherwise registrable.

345 (b) An applicant may voluntarily disclaim a component of a mark for which the applicant
346 has filed a registration application.

347 (c) A disclaimer under this Subsection (3) may not prejudice or affect the applicant's or
348 registrant's rights:

349 (i) in the disclaimed matter:

350 (A) existing at the time of the disclaimer; or

351 (B) arising after the disclaimer; or

352 (ii) of registration on another application if the disclaimed matter is or has become
353 distinctive of the applicant's or registrant's goods or services.

354 (d) The division may make rules consistent with this Subsection (3) to establish the
355 requirements for an applicant to disclaim an unregistrable component of a mark that is otherwise
356 registrable.

357 (4) The division may:

358 (a) amend an application filed by the applicant if the applicant agrees in writing to the
359 amendment; or

360 (b) require the applicant to file a new application.

361 (5) (a) If the division determines that the applicant is not qualified to register a mark, the
362 division shall notify the applicant of:

363 (i) the refusal; and

364 (ii) the reasons for the refusal.

365 (b) The applicant shall have a reasonable period of time specified by the division, but not
366 more than 60 days from the date of the notice under this Subsection (5) to:

367 (i) reply to the refusal; or

368 (ii) amend the application for reexamination.

369 (c) The procedure described in Subsections (5)(a) and (b) may be repeated until:
370 (i) the division finally refuses registration of the mark; or
371 (ii) the applicant fails to reply or amend within the time period specified under Subsection
372 (5)(b).

373 (d) If the applicant fails to reply or to amend within the time period specified under
374 Subsection (5)(b), the application is considered abandoned.

375 (6) If the division finally refuses registration of the mark, the refusal shall:

376 (a) be in writing; and

377 (b) notify the applicant of the applicant's right to a review of the agency action in
378 accordance with Title 63, Chapter 46b, Administrative Procedures Act.

379 (7) (a) An applicant may file an action to compel registration by obtaining judicial review
380 of the final agency action in accordance with Title 63, Chapter 46b, Administrative Procedures
381 Act.

382 (b) The division is not liable for damages in an action to compel registration.

383 (c) An action to compel registration shall only be granted on proof that:

384 (i) all the statements in the application for registration are true; and

385 (ii) the mark is otherwise entitled to registration.

386 (8) (a) If more than one application is concurrently being processed by the division seeking
387 registration of the same or confusingly similar marks for the same or related goods or services, the
388 division shall grant priority to the applications in order of filing.

389 (b) If a prior-filed application is granted a registration, the division shall refuse an
390 application filed after the prior-filed application.

391 (c) An applicant refused under this Subsection (8) may bring an action for cancellation of
392 the registration upon grounds of prior or superior rights to the mark.

393 Section 12. Section **70-3a-304** is enacted to read:

394 **70-3a-304. Certification of registration.**

395 (1) If an applicant fully complies with this chapter, the division shall:

396 (a) certify the registration; and

397 (b) provide to the applicant documentation that the registration is certified.

398 (2) The documentation described in Subsection (1) shall:

399 (a) be affixed to the application of the applicant; or

400 (b) include the information that is required to be in an application under Subsections
401 70-3a-302(1)(c)(i) through (iii).

402 (3) The following are admissible in evidence as competent and sufficient proof of the
403 registration of the particular mark in any action or judicial proceeding in any court of this state:

404 (a) the documentation described in Subsection (1)(b) that is provided by the division; or

405 (b) a copy of the documentation described in Subsection (1)(b) if the copy is certified by
406 the division.

407 Section 13. Section **70-3a-305** is enacted to read:

408 **70-3a-305. Duration and renewal.**

409 (1) The registration of a mark under this chapter expires five years after the date the
410 division certifies the registration under Section 70-3a-304.

411 (2) A registration may be renewed for an additional five years from the date a registration
412 expires if the registrant:

413 (a) files an application with the division:

414 (i) at least six months before the expiration of the registration; and

415 (ii) in accordance with the requirements made by rule by the division:

416 (A) pursuant to Section 70-3a-201; and

417 (B) consistent with this section; and

418 (b) pays a renewal regulatory fee determined by the division in accordance with Section
419 70-3a-203.

420 (3) If a registrant complies with this section, the registrant may renew a mark at the
421 expiration of each five-year term.

422 (4) (a) A registration in effect before May 6, 2002:

423 (i) shall continue in full force and effect for the registration's unexpired term; and

424 (ii) may be renewed by:

425 (A) filing an application for renewal with the division:

426 (I) within six months before the expiration of the registration; and

427 (II) in accordance with rules made by the division pursuant to Section 70-3a-201; and

428 (B) paying the required renewal regulatory fee determined by the division in accordance
429 with Section 70-3a-203.

430 (b) If a registration in effect before May 6, 2002, is renewed in accordance with this

431 Subsection (4), the registration shall be renewed for a term of five years.

432 (5) Any application for renewal under this chapter, whether a registration made under this
433 chapter or a registration made under a prior Utah statute, shall include:

434 (a) a verified statement that the mark has been and is still in use; and

435 (b) (i) a specimen showing actual use of the mark on or in connection with the goods or
436 services; or

437 (ii) a verified statement that the mark has not changed.

438 Section 14. Section **70-3a-306** is enacted to read:

439 **70-3a-306. Assignments -- Changes of name -- Other instruments -- Security interests**
440 **-- Acknowledgments.**

441 (1) (a) A mark and the mark's registration under this chapter is assignable with:

442 (i) the good will of the business in which the mark is used; or

443 (ii) that part of the good will of the business connected with the use of and symbolized by
444 the mark.

445 (b) An assignment under this section:

446 (i) shall be:

447 (A) in writing; and

448 (B) properly executed; and

449 (ii) may be filed with the division by:

450 (A) filing a form provided by the division; and

451 (B) paying of a fee determined by the division in accordance with Section 70-3a-203.

452 (c) Upon the filing of an assignment, the division shall certify that the assignment has been
453 filed.

454 (d) An assignment of any registration under this chapter is void as against any subsequent
455 purchaser for valuable consideration without notice, unless the assignment is filed with the
456 division within:

457 (i) three months after the date of the assignment; or

458 (ii) prior to the subsequent purchase.

459 (2) Any registrant or applicant may change the name of the person or business to whom
460 the mark is issued or for whom an application is filed by:

461 (a) filing two copies of a certificate of change of name of the registrant or applicant with

462 the division; and

463 (b) paying of a fee determined by the division in accordance with Section 70-3a-203.

464 (3) (a) A person may file another instrument that relates to a mark registered or application
465 pending under this chapter:

466 (i) in the discretion of the division; and

467 (ii) if the instrument is:

468 (A) in writing; and

469 (B) properly executed.

470 (b) An instrument that may be filed under this Subsection (3) includes:

471 (i) a license;

472 (ii) a security interest; or

473 (iii) a mortgage.

474 (4) An acknowledgment by the assignor or person whose interest in a mark is adversely
475 effected by the instrument:

476 (a) is prima facie evidence of the execution of an assignment or other instrument; and

477 (b) when filed by the division, the filed acknowledgment is prima facie evidence of
478 execution of the assignment or other instrument.

479 Section 15. Section **70-3a-307** is enacted to read:

480 **70-3a-307. Cancellation.**

481 (1) The division shall cancel, in whole or in part:

482 (a) a registration of mark for which the division receives a voluntary request for the
483 registration's cancellation from:

484 (i) the registrant; or

485 (ii) the assignee of record;

486 (b) a registration of a mark:

487 (i) granted under this chapter; and

488 (ii) not renewed in accordance with the chapter;

489 (c) a registration of a mark for which a court of competent jurisdiction finds that:

490 (i) the registered mark has been abandoned;

491 (ii) the registrant is not the owner of the mark;

492 (iii) the registration was granted improperly;

- 493 (iv) the registration was obtained fraudulently;
494 (v) the mark is or has become the generic name for the goods or services, or a portion of
495 the goods or services, for which the mark has been registered; or
496 (vi) subject to Subsection (2), the mark is so similar, as to be likely to cause confusion,
497 mistake, or to deceive, to a mark:
498 (A) registered by another person in the United States Patent and Trademark Office prior
499 to the date of the filing of the application for registration by the registrant; and
500 (B) not abandoned; or
501 (d) when a court of competent jurisdiction orders cancellation of a registration on any
502 ground.
503 (2) Notwithstanding Subsection (1)(c)(vi), if the registrant proves the registrant is the
504 owner of a concurrent registration of a mark in the United States Patent and Trademark Office
505 covering an area including this state, the registration under this chapter may not be cancelled for
506 that particular area of the state.

507 Section 16. Section **70-3a-308** is enacted to read:

508 **70-3a-308. Classification.**

509 (1) (a) Except as provided in Subsection (1)(b), in administering this chapter, the division
510 shall for the purposes of classifying:

- 511 (i) goods, use the general classes of goods designated in 37 C.F.R. 6.1; and
512 (ii) services, use the general classes of services designated in 37 C.F.R. 6.1.

513 (b) If the United States Patent and Trademark Office does not use the classifications
514 described in Subsection (1)(a), to the extent practical, the classification of goods and services
515 under this section should conform to the classification adopted by the United States Patent and
516 Trademark Office.

517 (2) A single application for registration of a mark may include any or all goods upon
518 which, or services with which, the mark is actually being used if it indicates the appropriate one
519 or more classes of goods or services.

520 (3) When a single application includes goods or services that fall within multiple classes,
521 the division may require payment of a fee for each class.

522 Section 17. Section **70-3a-401** is enacted to read:

523 **Part 4. Violations and Remedies**

524 **70-3a-401. Fraudulent registration.**

525 (1) A person is civilly liable to pay all damages resulting from a filing or registration under
526 this chapter if:

527 (a) that person procures the filing or registration of any mark:

528 (i) for the person who procures the filing or registration; or

529 (ii) on behalf of another person; and

530 (b) the person who procures the filing or registration procures it by:

531 (i) knowingly making a false or fraudulent representation or declaration, orally or in

532 writing; or

533 (ii) any other fraudulent means.

534 (2) Damages sustained as a result of a filing or registration described in Subsection (1) may
535 be recovered:

536 (a) by or on behalf of the person injured by the filing or registration; and

537 (b) in any court of competent jurisdiction.

538 Section 18. Section **70-3a-402** is enacted to read:

539 **70-3a-402. Infringement.**

540 (1) Subject to Section 70-3a-104 and Subsection (2), any person is liable in a civil action
541 brought by the registrant for any and all of the remedies provided in Section 70-3a-404, if that
542 person:

543 (a) uses a reproduction, counterfeit, copy, or colorable imitation of a mark registered under
544 this chapter:

545 (i) without the consent of the registrant; and

546 (ii) in connection with the sale, distribution, offering for sale, or advertising of any goods

547 or services on or in connection with which that use is likely to cause confusion, mistake, or to

548 deceive as to the source of origin, nature, or quality of those goods or services; or

549 (b) reproduces, counterfeits, copies, or colorably imitates any mark and applies the

550 reproduction, counterfeit, copy, or colorable imitation to labels, signs, prints, packages, wrappers,

551 receptacles, or advertisements intended to be used upon or in connection with the sale or other

552 distribution in this state of goods or services.

553 (2) Under Subsection (1)(b), the registrant is not entitled to recover profits or damages

554 unless the act described in Subsection (1)(b) has been committed with the intent:

555 (a) to cause confusion or mistake; or

556 (b) to deceive.

557 Section 19. Section **70-3a-403** is enacted to read:

558 **70-3a-403. Injury to business reputation -- Dilution.**

559 (1) Subject to the principles of equity and upon the terms the court considers reasonable,
560 the owner of a mark that is famous in this state is entitled to:

561 (a) an injunction against another person's commercial use of a mark, if the use:

562 (i) begins after the mark has become famous; and

563 (ii) causes dilution of the distinctive quality of the mark; and

564 (b) obtain other relief as is provided in this section.

565 (2) To determine if a mark is famous, a court may consider factors including:

566 (a) the degree of inherent or acquired distinctiveness of the mark in this state;

567 (b) the duration and extent of use of the mark in connection with the goods and services
568 with which the mark is used;

569 (c) the duration and extent of advertising and publicity of the mark in this state;

570 (d) the geographical extent of the trading area in which the mark is used;

571 (e) the channels of trade for the goods or services with which the mark is used;

572 (f) the degree of recognition of the mark in the trading areas and channels of trade in this
573 state that are used by:

574 (i) the mark's owner; and

575 (ii) the person against whom the injunction is sought;

576 (g) the nature and extent of use of the same or similar mark by third parties; and

577 (h) whether the mark is the subject of:

578 (i) a state registration in this state; or

579 (ii) a federal registration:

580 (A) under the Act of March 3, 1881, c. 138, 21 Stat. 502;

581 (B) under the Act of February 20, 1905, c. 592, 33 Stat. 724; or

582 (C) on the principal register.

583 (3) In an action brought under this section, the owner of a famous mark is entitled only to
584 injunctive relief in this state, unless the person against whom the injunctive relief is sought
585 willfully intended to:

- 586 (a) trade on the owner's reputation; or
587 (b) cause dilution of the famous mark.
588 (4) If willful intent is proven under Subsection (3)(a) or (b), in addition to injunctive relief,
589 the owner is entitled to the remedies set forth in Section 70-3a-404, subject to:
590 (a) the discretion of the court; and
591 (b) the principles of equity.
592 (5) The following are not actionable under this section:
593 (a) fair use of a famous mark by another person in comparative commercial advertising
594 or promotion to identify the competing goods or services of the owner of the famous mark;
595 (b) noncommercial use of the mark; and
596 (c) all forms of news reporting and news commentary.
597 Section 20. Section **70-3a-404** is enacted to read:
598 **70-3a-404. Remedies.**
599 (1) (a) An owner of a mark registered under this chapter may proceed by suit to enjoin the
600 manufacture, use, display, or sale of any counterfeits or imitations of the mark.
601 (b) A court of competent jurisdiction may grant injunctions to restrain the manufacture,
602 use, display, or sale as may be considered by the court just and reasonable.
603 (2) A court may:
604 (a) require the defendants to pay the owner:
605 (i) all profits derived from the wrongful manufacture, use, display, or sale of a registered
606 mark; or
607 (ii) all damages suffered because of the wrongful manufacture, use, display, or sale of a
608 registered mark;
609 (b) order that any counterfeits or imitations of a registered mark in the possession or under
610 the control of any defendant in an action be delivered to the following to be destroyed:
611 (i) an officer of the court; or
612 (ii) the complainant; or
613 (c) take a combination of the actions described in Subsections (2)(a) and (b).
614 (3) A court may enter judgment for the prevailing party:
615 (a) in an action where the court finds:
616 (i) the other party committed the wrongful act;

617 (A) with knowledge;
618 (B) in bad faith; or
619 (ii) as according to the circumstances of the case; and
620 (b) in an amount not to exceed:
621 (i) three times the profits and damages of the prevailing party; and
622 (ii) the reasonable attorneys fees of the prevailing party.
623 (4) The enumeration of any right or remedy in this section does not affect a registrant's
624 right to prosecute under any penal law of this state.

625 Section 21. Section **70-3a-405** is enacted to read:

626 **70-3a-405. Forum for actions regarding registration -- Service on out-of-state**
627 **registrants.**

628 (1) (a) An action to require the cancellation of a mark registered under this chapter shall
629 be brought in a district court of this state.

630 (b) The division may not be made a party to an action filed under Subsection (1)(a), except
631 that the division may intervene in an action filed under Subsection (1)(a).

632 (2) In any action brought against a nonresident registrant, service may be effected upon
633 the nonresident registrant in accordance with the procedures established for service upon
634 nonresident corporations and business entities under Section 16-10a-1511.

635 Section 22. **Repealer.**

636 This act repeals:

637 Section **70-3-1, Definitions.**

638 Section **70-3-2, When trademark or service mark not to be registered.**

639 Section **70-3-3, Application for registration of trademark or service mark -- Contents**
640 **-- Fee.**

641 Section **70-3-4, Certification of registration -- Issuance -- Contents.**

642 Section **70-3-5, Certificate of registration or copy -- Admissibility as evidence.**

643 Section **70-3-6, Term of registration -- Renewal -- Renewal fee -- Notification of**
644 **necessity of renewal.**

645 Section **70-3-7, Assignment -- Recording -- Fee -- Effect of recording.**

646 Section **70-3-8, Accepting or requiring security for return of container bearing**
647 **trademark or service mark.**

- 648 Section **70-3-9, Public record.**
- 649 Section **70-3-10, Cancellation of registration.**
- 650 Section **70-3-11, Classes of goods.**
- 651 Section **70-3-12, False or fraudulent representation or declaration in registration --**
- 652 **Liability for damages.**
- 653 Section **70-3-13, Damages for unlawful use or copying.**
- 654 Section **70-3-14, Injunctive relief.**
- 655 Section **70-3-15, Common-law trademarks or service marks.**
- 656 Section **70-3-16, Effect on trademarks or service marks now on file.**
- 657 Section **70-3-17, Act not to affect pending actions.**
- 658 Section 23. **Application to pending legislation.**
- 659 This act does not affect any action that was filed before May 6, 2002 for which a court of
- 660 competent jurisdiction has not issued a final unappealable judgment or order by May 6, 2002.

Legislative Review Note
as of 1-29-02 7:06 AM

A limited legal review of this legislation raises no obvious constitutional or statutory concerns.

Office of Legislative Research and General Counsel