

**Representative Jim Nielson** proposes the following substitute bill:

**USE OF BUSINESS NAMES**

2014 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Jim Nielson**

Senate Sponsor: \_\_\_\_\_

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**LONG TITLE**

**General Description:**

This bill modifies the Registration and Protection of Trademarks and Service Marks Act.

**Highlighted Provisions:**

This bill:

- ▶ makes registration of a name a factor when weighing evidence to determine first use of a mark; and
- ▶ makes technical changes.

**Money Appropriated in this Bill:**

None

**Other Special Clauses:**

None

**Utah Code Sections Affected:**

AMENDS:

**70-3a-103**, as last amended by Laws of Utah 2008, Chapter 258

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

Section 1. Section **70-3a-103** is amended to read:



26 **70-3a-103. Definitions -- Use -- Service marks.**

27 (1) As used in this chapter:

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

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

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

32 (b) "Applicant" means:

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

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

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

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

39 (ii) the likelihood of:

40 (A) confusion;

41 (B) mistake; or

42 (C) deception.

43 (d) "Division" means the Division of Corporations and Commercial Code within the  
44 Department of Commerce.

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

47 (f) "Registrant" means:

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

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

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

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

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

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

56 (A) to identify and distinguish the services of one person from the services of others,

- 57 including a unique service; and
- 58 (B) to indicate the source of the services, even if that source is unknown.
- 59 (h) (i) If the conditions of Subsection (1)(h)(ii) are met, "trademark" means:
- 60 (A) a word, term, name, symbol, design, or device; or
- 61 (B) any combination of words, terms, names, symbols, designs, or devices.
- 62 (ii) The mark described in Subsection (1)(h)(i) is a trademark only if it is used by a
- 63 person:
- 64 (A) to identify and distinguish the goods of that person from those manufactured or
- 65 sold by others, including a unique product; and
- 66 (B) to indicate the source of the goods, even if that source is unknown.
- 67 (i) "Trade name" means any name used by a person to identify a business or vocation
- 68 of that person.
- 69 (j) "Use" means the bona fide use of a mark in the ordinary course of trade, and not
- 70 made merely to reserve a right in a mark.
- 71 (2) For the purposes of this chapter, a mark is considered to be in use:
- 72 (a) on goods:
- 73 (i) when the mark is placed:
- 74 (A) in any manner on the goods or other containers;
- 75 (B) in any manner on displays associated with the goods or other containers;
- 76 (C) on the tags or labels affixed to the goods or other containers; or
- 77 (D) if the nature of the goods makes the placements referred to in Subsections
- 78 (2)(a)(i)(A) through (C) impracticable, on documents associated with the goods or the sale of
- 79 the goods; and
- 80 (ii) the goods are sold or transported in commerce in this state; and
- 81 (b) on services:
- 82 (i) when it is used or displayed in the sale or advertising of services; and
- 83 (ii) when the services are rendered in this state.
- 84 (3) For purposes of Subsection (1)(a):
- 85 (a) intent not to resume may be inferred from circumstances; and
- 86 (b) nonuse for two consecutive years is prima facie evidence of abandonment.
- 87 (4) Notwithstanding Subsection (1)(g), the following may be registered as service

88 marks notwithstanding that they may advertise the goods of the sponsor:

89 (a) titles;

90 (b) character names used by a person; and

91 (c) other distinctive features of:

92 (i) a radio program;

93 (ii) a television program; or

94 (iii) a program similar to a program described in Subsection (4)(c)(i) or (ii).

95 (5) For purposes of Subsection (2), the date a business name is registered with the

96 division may be considered as a factor when weighing evidence to determine first use of a mark

97 consisting of the business name, except that the date of registration of the business name may

98 not be determinative without additional evidence corroborating the date of first use.