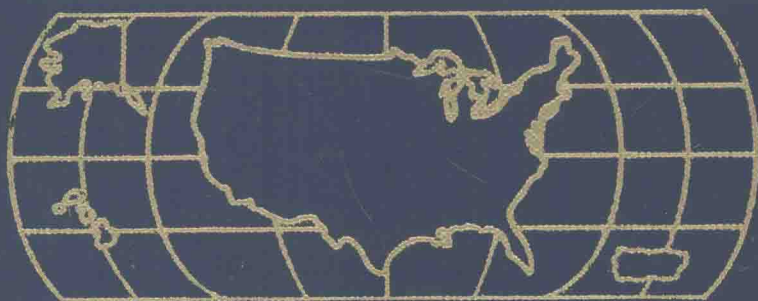


STATE TRADEMARK



AND UNFAIR COMPETITION LAW

THE UNITED STATES
TRADEMARK ASSOCIATION

State Trademark and Unfair Competition Law

by The International
Trademark Association

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Robert J. Eck
Philip Morris Incorporated
President, USTA, 1987-1988

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Introduction

This publication is the result of an extraordinary volunteer effort by lawyers and law firms throughout the United States, in cooperation with the Publications Committee and State Trademark Committee of The United States Trademark Association. Each state chapter has been written by a firm with general expertise in the field of intellectual property law and with special knowledge of the law of that individual state. USTA believes that the publication will prove to be a valuable reference resource for practitioners. In addition, we hope that it may make a positive contribution to the development and harmonization of judicial, legislative and scholarly thought in fields relating to trademarks and unfair competition.

It may be appropriate to ask whether the state law of trademarks and unfair competition has become merely redundant and irrelevant, with little or nothing to add to the rights and remedies now available under federal law in this era of expansive interpretation of §43(a) of the Lanham Trademark Act of 1946. In many ways, however, state law developments are in the forefront of new ideas in intellectual property practice in fields such as trademark dilution and right of publicity, and in the judicial interpretation of the "Little FTC"—Fair Business Practices or Consumer Protection—statutes, which have now been adopted in virtually all states. The primary purpose of this book is to enable the reader to readily gain access to a summary of key information regarding such important state law issues on a state-by-state basis.

Every effort has been made by writers to provide accurate and up-to-date information. However, because of the very general nature of this treatise, the space limitations imposed by its format, and the rapidity with which changes in the law take place, neither USTA nor the individuals and firms who contributed to this publication and the various state law chapters can assume any responsibility or liability for errors or inaccuracies in the information provided. This treatise is intended as a general comparative guide only. It should not be relied upon for legal advice or as the sole authoritative source of current information. In particular, it is not intended as a substitute for consulting knowledgeable local counsel regarding the applicability of state law to the facts of any particular individual case.

STATE TRADEMARK LAW

We anticipate that this publication will be updated regularly, and we welcome comments concerning additions, corrections, or changes which readers believe would contribute to its usefulness in the future.

Virginia S. Taylor
Chairperson, 1986-1989
USTA Publications Committee

Outline and Explanatory Text

In each entry, summaries of the applicable law of the state are organized under the headings below. Many of the headings are self-explanatory; where helpful, additional explanatory text is provided here.

Appendix 5 contains a chart that provides quick access to basic information relevant to state trademark registration provisions of all states.

A. State Trademark Registration Statute

1. Code Section
State registration of trademarks.
2. Model Act Provisions
Adoption of Model Act. Deviations from it, e.g., requirements of representation that no conflicting mark is registered in the U.S. Patent and Trademark Office.
3. Administrator
Name, title, address and telephone number of the agency or person administering the state trademark registration statute.
4. Procedure for Applying for Registration
 - a. Forms
Use of required forms.
 - b. Number of Copies
How many copies of the registration form must be filed.
 - c. Fee
Amount prescribed by statute or rule.
 - d. Specimens
Number required; use of photocopies.
 - e. Drawing
Whether special drawing is required.
5. Intent to Use Provision
Whether state has an intent to use provision. Procedure and fee for reserving mark.
6. Classification
Classification system used. Whether prescribed by statute.

7. Search Prior to Application
If search is conducted prior to the filing of an application.
8. Search Prior to Registration
If search is conducted prior to issuance of registration. Files and records searched (e.g., trademark registrations only; corporate names; others) and how the records are searched (by mark regardless of class; by class; for identical marks only).
9. Doing Business Requirement
Whether doing business is required for registration.
10. Types of Marks Registrable
Trademark, service mark, certification mark, collective mark.
11. Restrictions
Words or terms restricted or prohibited under the statute, e.g., name of an individual, terms denoting governmental association, etc.
12. Use in State
Whether prerequisite for registration.
13. Term of Registration
Length of time registration is in force.
14. Renewal
Procedure and specimens required.
15. Renewal Forms
Separate or combined renewal and application form.
16. Other Forms
As available.
17. Post-Registration Forms
Use of any or all forms optional or mandatory.
18. Fees After Registration
Fees required for actions after registration (renewal, assignment, cancellation, other) prescribed by statute or rule.
19. Use Requirement for Renewal
Use required and provision for excusable non-use.
20. Presumptions
 - a. In Favor of Registrant
Created by registration.
 - b. Presumption of Doing Business
Requirement to qualify as a foreign corporation or for purposes of personal jurisdiction.

OUTLINE

21. Remedies for Infringement
Injunctive relief; types of monetary relief available (damages, loss/profit, profits, accounting, injunction, attorneys' fees, costs, other); other remedies.
22. Persons Entitled to Sue
Who may sue for infringement.

B. Dilution

1. Code Section
Statutory provision; language of Section 12 of the Model State Trademark Bill; other language used.
2. Judicially Created Dilution Doctrine
Common law doctrine created by case law.
3. Tarnishment
"Injury to business reputation" requirement.
4. Likelihood of Confusion
Whether required.
5. Competition Between the Parties
Applicable only to noncompetitive goods or services or also where the parties compete.
6. Fame or Distinctiveness
Requirement of mark to be "famous" or "distinctive."
7. Remedies
Injunction; damages or accounting; costs; attorney's fees; other.
8. Leading Cases
9. Extraterritorial Effect
Court rulings on whether injunction under the state statute may have extraterritorial effect.
10. Preemption Cases
Cases addressing preemption by the Lanham Act.

C. Unfair Business Practices Acts (Little FTC Acts)

1. Code Section
2. Scope
3. Prohibited Activities
Broad language of Section 5 of FTC Act prohibiting "unfair methods of competition or unfair deceptive trade practices"; or "all forms of fraudulent, deceptive and unfair acts"; or itemization of specific deceptive trade practices as in UDTPA with catch-all clause modeled after Section 5 of FTC Act; or one of the above together with a prohibition on unconscionable consumer sales practices based on the Uniform Consumer Sales Practices Act; or other variation.

4. Remedies

- a. State Administrative Enforcement
Action for restitution by administrator or enforcement official (e.g., consumer protection agency or attorney general) on behalf of aggrieved persons.
- b. Criminal Enforcement
Penalties.
- c. Civil Penalties
Administrative action.
- d. Private Actions and Remedies
Minimum dollar recoveries; double, treble and/or punitive damages; accounting; injunctive relief; costs and attorneys' fees; mandatory or permissive.
- e. Class Actions
By state and/or aggrieved persons.
- f. Notice
Prerequisite to suit, e.g., thirty-day demand for restitution; notice given by letter or included in complaint.
- g. Standing
Actions by competitors or limited to state or consumers.
- h. Consumer Products
Limitations to and definition of consumer products.
- i. Jurisdiction of Courts
- j. Rules
- k. Administrative Investigative Authority
Power to issue complaint, subpoenas, civil investigative demands, cease and desist order, and/or to seek court injunctions.

5. Administrator

6. Leading Cases

D. Uniform Deceptive Trade Practices Act

- 1. State Statute
Adoption of UDTPA or a variation thereof.
- 2. Standing
Competitors; consumers; public agencies; class actions allowed; other.
- 3. Remedies
Injunctions; monetary relief; attorney's fees; costs; other.

OUTLINE

4. Standard for Granting Relief
Remedies as discretionary or mandatory. Whether finding of willfulness, intent or other aggravation is required for an award of attorney's fees or other relief.
 5. Leading Cases
- E. Trademark Counterfeiting**
1. Specific Statutes
Statutes separate from state trademark, uniform deceptive trade practices, or unfair business practices acts specifically directed to preventing counterfeiting of trademarked goods.
 2. Definition
 - a. Registration Requirement
State; federal; other states covered; unregistered marks.
 - b. Identity of Type of Goods
Requirement of being substantially identical in visual appearance.
 3. Who Can Sue
Mark owner; public administrative agency; public criminal prosecutor; purchasers, customers or consumers; individually or by class action.
 4. Remedies
 - a. Civil
Ex parte seizure; injunctive relief; actual damages; punitive damages; multiple damages; statutory damages (e.g., specific amount per infringing item); seizure and destruction of goods or materials for reproducing mark; award of infringer's profits; attorneys' fees; costs; others.
 - b. Criminal
Maximum sentence; maximum fine; other.
 5. Protective Provisions for Defendants
Protective orders for business records; attorney's fees, costs or damages for wrongful seizure; other.
- F. False Advertising**
1. Statute
Separate statute (apart from trademark registration anti-dilution, uniform deceptive trade practices or unfair business practices acts) specifically addressed to false advertising or false representations to the public in the sale of goods.
 2. Prohibited Practices

3. Limitations
E.g., sale of consumer goods.
 4. Who Can Sue
Public agency; consumers; competitors.
 5. Remedies
Injunction; actual damages; multiple or punitive damages; attorney's fees and costs; other.
 6. Leading Cases
- G. Corporate Name Reservation Prior to Incorporation**
1. Statute
 2. Reservation
 - a. Time Period.
 - b. Renewal.
 - c. Fee.
 - d. Prerequisite to Incorporation.
 3. Conflicting Names
Provision for qualification of foreign corporation in the event of conflict with domestic or other corporation qualified to do business under same name.
 4. Restrictions on Use of "Corp." and Similar Terms
 5. Required or Authorized Use of "Corp." or Similar Term
 6. Search Provision
Re conflict with corporate names previously registered.
 7. Policy Regarding Identical Words
Policy of state administrator with respect to identical words in corporate names.
 8. Substantive Rights
Substantive rights that arise under state law as to trademark or service mark protection as a result of incorporating under a specific name.
 9. Prohibited Terms
Prohibitions on any specific types of words in corporate names (e.g., army, navy, U.S., federal, state).
 10. Administrative Agency
Name, address and telephone number of agency or person responsible for corporate registrations.
 11. Forms
 12. Fees
- H. Trade Name Registration (Fictitious Name Statutes)**
1. Purpose
E.g., to identify the owner of a proprietorship, partnership or corporation operating under an assumed name.

OUTLINE

2. Entities Required to File
Individuals, partnerships, joint ventures, trusts and corporations operating under assumed name.
3. Limited Partnerships
Whether limited partnerships which have filed under state limited partnership act are required to register assumed names.
4. Where to File
With clerk of court, or secretary of state, or special registrar, in county of principal place of business, or all counties in which business is conducted under assumed name, or only with central state registration office. The name, address and telephone number of the responsible person or agency representing a centralized file.
5. Fees
Amount and to whom payable.
6. Publication
Requirements of length of time and placement.
7. Foreign Corporations
Applicability to, with or without place of business in the state.
8. Civil Penalties
Upon failure to file, e.g., inability to file suit, fines, etc.
9. Criminal Penalties
Upon failure to file, e.g., misdemeanor.
10. Certificate
11. Renewal or Deletion
12. Substantive Rights
As created by the use of the name.
13. Search
Means of, prior to registration.
14. Agent
Required for service of process designated.
15. Mail Registration
- I. **State Statutory and/or Common Law Unfair Competition or Passing Off Provisions**
 1. Statutory Section
General state statute prohibiting unfair competition, imitation of (unregistered) names and marks or passing off apart from state trademark, anti-dilution, deceptive trade practices or unfair business practices statutes.
 2. Derivation
Derivation of the statute, if known, e.g., codification of common law or state equity practice.