

Stricken language would be deleted from present law. Underlined language would be added to present law.

1 State of Arkansas
2 81st General Assembly
3 Regular Session, 1997

As Engrossed: S2/27/97

A Bill

SENATE BILL 441

4
5 By: Senator Harriman

For An Act To Be Entitled

9 "AN ACT TO PROVIDE FOR THE REGISTRATION AND PROTECTION OF
10 TRADEMARKS; AND FOR OTHER PURPOSES."

Subtitle

13 "TO PROVIDE FOR THE REGISTRATION AND
14 PROTECTION OF TRADEMARKS"

15
16 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

17
18 SECTION 1. Definitions. As used in this act:

19 (1) "Trademark" means any word, name, symbol, or device or any
20 combination thereof used by a person to identify and distinguish the goods of
21 such person, including a unique product, from those manufactured or sold by
22 others, and to indicate the source of the goods, even if that source is
23 unknown.

24 (2) "Service mark" means any word, name, symbol, or device or any
25 combination thereof used by a person, to identify and distinguish the services
26 of one person, including a unique service, from the services of others, and to
27 indicate the source of the services, even if that source is unknown. Titles,
28 character names used by a person, and other distinctive features of radio or
29 television programs may be registered as service marks notwithstanding that
30 they, or the programs, may advertise the goods of the sponsor.

31 (3) "Mark" includes any trademark or service mark, entitled to
32 registration under this act whether registered or not.

33 (4) "Trade name" means any name used by a person to identify a business
34 or vocation of such person.

35 (5) "Person" and any other word or term used to designate the applicant
36 or other party entitled to a benefit or privilege or rendered liable under the

1 provisions of this act includes a juristic person as well as a natural person.
2 The term "juristic person" includes a firm, partnership, corporation, union,
3 association, or other organization capable of suing and being sued in a court
4 of law.

5 (6) "Applicant" means the person filing an application for registration
6 of a mark under this act, and the legal representatives, successors, or
7 assigns of such person.

8 (7) "Registrant" means the person to whom the registration of a mark
9 under this act is issued, and the legal representatives, successors, or
10 assigns of such person.

11 (8) "Use" means the bona fide use of a mark in the ordinary course of
12 trade, and not made merely to reserve a right in a mark. For the purposes of
13 this act, a mark shall be deemed to be in use (A) on goods when it is placed
14 in any manner on the goods or other containers or the displays associated
15 therewith or on the tags or labels affixed thereto, or if the nature of the
16 goods makes such placement impracticable, then on documents associated with
17 the goods or their sale, and the goods are sold or transported in commerce in
18 this state, and (B) on services when it is used or displayed in the sale or
19 advertising of services and the services are rendered in this state.

20 (9) A mark shall be deemed to be "abandoned" when either of the
21 following occurs:

22 (A) When its use has been discontinued with intent not to resume
23 such use. Intent not to resume may be inferred from circumstances. Nonuse
24 for two consecutive years shall constitute prima facie evidence of
25 abandonment.

26 (B) When any course of conduct of the owner, including acts of
27 omission as well as commission, causes the mark to lose its significance as a
28 mark.

29 (10) "Secretary" means the Secretary of State or the designee of the
30 Secretary of State charged with the administration of this act.

31 (11) "Dilution" means the lessening of the capacity of a famous mark to
32 identify and distinguish goods or services, regardless of the presence or
33 absence of (A) competition between the owner of the famous mark and other
34 parties, or (B) likelihood of confusion, mistake, or deception.

35

36 SECTION 2. Registrability.

1 A mark by which the goods or services of any applicant for registration
2 may be distinguished from the goods or services of others shall not be
3 registered if it:

4 (1) consists of or comprises immoral, deceptive or scandalous matter;
5 or

6 (2) consists of or comprises matter which may disparage or falsely
7 suggest a connection with persons, living or dead, institutions, beliefs, or
8 national symbols, or bring them into contempt, or disrepute; or

9 (3) consists of or comprises the flag or coat of arms or other insignia
10 of the United States, or of any state or municipality, or of any foreign
11 nation, or any simulation hereof; or

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

15 (5) consists of a mark which, (A) when used on or in connection with
16 the goods or services of the applicant, is merely descriptive or deceptively
17 misdescriptive of them, or (B) when used on or in connection with the goods or
18 services of the applicant is primarily geographically descriptive or
19 deceptively misdescriptive of them, or (C) is primarily merely a surname,
20 provided, however, that nothing in this subdivision shall prevent the
21 registration of a mark used by the applicant which has become distinctive of
22 the applicant's goods or services. The Secretary may accept as evidence that
23 the mark has become distinctive, as used on or in connection with the
24 applicant's goods or services, proof of continuous use thereof as a mark by
25 the applicant in this state for the five years before the date on which the
26 claim of distinctiveness is made; or

27 (6) consists of or comprises a mark which so resembles a mark
28 registered in this state or a mark or trade name previously used by another
29 and not abandoned, as to be likely, when used on or in connection with the
30 goods or services of the applicant, to cause confusion or mistake or to
31 deceive.

32

33 SECTION 3. Application for registration.

34 Subject to the limitations set forth in this act, any person who uses a
35 mark may file in the office of the Secretary, in a manner complying with the
36 requirements of the Secretary, an application for registration of that mark

1 setting forth, but not limited to, the following information:

2 (1) the name and business address of the person applying for such
3 registration; and, if a corporation, the state of incorporation, or if a
4 partnership, the state in which the partnership is organized and the names of
5 the general partners, as specified by the Secretary,

6 (2) the goods or services on or in connection with which the mark is
7 used and the mode or manner in which the mark is used on or in connection with
8 such goods or services and the class in which such goods or services fall,

9 (3) the date when the mark was first used anywhere and the date when it
10 was first used in this state by the applicant or predecessor in interest, and

11 (4) a statement that the applicant is the owner of the mark, that the
12 mark is in use, and that, to the knowledge of the person verifying the
13 application, no other person has registered, either federally or in this
14 state, or has the right to use such mark either in the identical form thereof
15 or in such near resemblance thereto as to be likely, when applied to the goods
16 or services of such other person, to cause confusion, or to cause mistake, or
17 to deceive.

18 The Secretary may also require a statement as to whether an application
19 to register the mark, or portions or a composite thereof, has been filed by
20 the applicant or a predecessor in interest in the United States Patent and
21 Trademark office; and, if so, the applicant shall provide full particulars
22 with respect thereto including the filing date and serial number of each
23 application, the status thereof and, if any application was finally refused
24 registration or has otherwise not resulted in registration, the reasons
25 therefor.

26 The Secretary may also require that a drawing of the mark, complying
27 with such requirements as the Secretary may specify, accompany the
28 application.

29 The application shall be signed and verified (by oath, affirmation or
30 declaration subject to perjury laws) by the applicant or by a member of the
31 firm or an officer of the corporation or association applying.

32 The application shall be accompanied by three specimens showing the mark
33 as actually used.

34 The application shall be accompanied by the application fee payable to
35 the Secretary of State.

36

1 SECTION 4. Filing of applications.

2 (a) Upon the filing of an application for registration and payment of
3 the application fee, the Secretary may cause the application to be examined
4 for conformity with this act.

5 (b) The applicant shall provide any additional pertinent information
6 requested by the Secretary including a description of a design mark and may
7 make, or authorize the Secretary to make, such amendments to the application
8 as may be reasonably requested by the Secretary or deemed by applicant to be
9 advisable to respond to any rejection or objection.

10 (c) The Secretary may require the applicant to disclaim an
11 unregisterable component of a mark otherwise registerable, and an applicant
12 may voluntarily disclaim a component of a mark sought to be registered. No
13 disclaimer shall prejudice or affect the applicant's or registrant's rights
14 then existing or thereafter arising in the disclaimed matter, or the
15 applicant's or registrant's rights of registration on another application if
16 the disclaimed matter is or shall have become distinctive of the applicant's
17 or registrant's goods or services.

18 (d) Amendments may be made by the Secretary upon the application
19 submitted by the applicant upon applicant's agreement; or a fresh application
20 may be required to be submitted.

21 (e) If the applicant is found not to be entitled to registration, the
22 Secretary shall advise the applicant thereof and of the reasons therefor. The
23 applicant shall have a reasonable period of time specified by the Secretary in
24 which to reply or to amend the application, in which event the application
25 shall then be reexamined. This procedure may be repeated until (1) the
26 Secretary finally refuses registration of the mark or (2) the applicant fails
27 to reply or amend within the specified period, whereupon the application shall
28 be deemed to have been abandoned.

29 (f) If the Secretary finally refuses registration of the mark, the
30 applicant may seek a writ of mandamus to compel such registration. Such writ
31 may be granted, but without costs to the Secretary, on proof that all the
32 statements in the application are true and that the mark is otherwise entitled
33 to registration.

34 (g) In the instance of applications concurrently being processed by the
35 Secretary seeking registration of the same or confusingly similar marks for
36 the same or related goods or services, the Secretary shall grant priority to

1 the applications in order of filing. If a prior-filed application is granted
2 a registration, the other application or applications shall then be rejected.
3 Any rejected applicant may bring an action for cancellation of the
4 registration upon grounds of prior or superior rights to the mark, in
5 accordance with the provisions of Section 9 of this act.

6

7 SECTION 5. Certificate of registration.

8 Upon compliance by the applicant with the requirements of this act, the
9 Secretary shall cause a certificate of registration to be issued and delivered
10 to the applicant. The certificate of registration shall be issued under the
11 signature of the Secretary and the seal of the state, and it shall show the
12 name and business address and, if a corporation, the state of incorporation,
13 or if a partnership, the state in which the partnership is organized and the
14 names of the general partners, as specified by the Secretary, of the person
15 claiming ownership of the mark, the date claimed for the first use of the mark
16 anywhere and the date claimed for the first use of the mark in this state, the
17 class of goods or services and a description of the goods or services on or in
18 connection with which the mark is used, a reproduction of the mark, the
19 registration date and the term of the registration.

20 Any certificate of registration issued by the Secretary under the
21 provisions hereof or a copy thereof duly certified by the Secretary shall be
22 admissible in evidence as competent and sufficient proof of the registration
23 of such mark in any actions or judicial proceedings in any court of this
24 state.

25

26 SECTION 6. Duration and renewal.

27 A registration of mark hereunder shall be effective for a term of five
28 years from the date of registration and, upon application filed within six
29 months prior to the expiration of such term, in a manner complying with the
30 requirements of the Secretary, the registration may be renewed for a like term
31 from the end of the expiring term. A renewal fee, payable to the Secretary,
32 shall accompany the application for renewal of the registration.

33 A registration may be renewed for successive periods of five years in
34 like manner.

35 Any registration in force on the date on which this act shall become
36 effective shall continue in full force and effect for the unexpired term

1 thereof and may be renewed by filing an application for renewal with the
2 Secretary complying with the requirements of the Secretary and paying the
3 aforementioned renewal fee therefor within six months prior to the expiration
4 of the registration.

5 All applications for renewal under this act, whether of registrations
6 made under this act or of registrations effected under any prior act, shall
7 include a verified statement that the mark has been and is still in use and
8 include a specimen showing actual use of the mark on or in connection with the
9 goods or services.

10

11 SECTION 7. Assignments, changes of name and other instruments.

12 (a) Any mark and its registration hereunder shall be assignable with
13 the good will of the business in which the mark is used, or with that part of
14 the good will of the business connected with the use of and symbolized by the
15 mark. Assignment shall be by instruments in writing duly executed and shall
16 be recorded with the Secretary upon the payment of the recording fee payable
17 to the Secretary who, upon recording of the assignment, shall issue in the
18 name of the assignee a new certificate for the remainder of the term of the
19 registration or of the last renewal thereof. An assignment of any
20 registration under this act shall be void as against any subsequent purchaser
21 for valuable consideration without notice, unless it is recorded with the
22 Secretary within three months after the date thereof or prior to such
23 subsequent purchase.

24 (b) Any registrant or applicant effecting a change of the name of the
25 person to whom the mark was issued or for whom an application was filed may
26 record a certificate of change of name of the registrant or applicant with the
27 Secretary upon the payment of the recording fee. The Secretary may issue in
28 the name of the assignee a certificate of registration of an assigned
29 application. The Secretary may issue in the name of the assignee a new
30 certificate or registration for the remainder of the term of the registration
31 or last renewal thereof.

32 (c) Other instruments which relate to a mark registered or application
33 pending pursuant to this act, such as, by way of example, licenses, security
34 interests or mortgages, may be recorded in the discretion of the Secretary
35 provided that such instrument is in writing and duly executed.

36 (d) Acknowledgement shall be prima facie evidence of the execution of

1 an assignment or other instrument and, when recorded by the Secretary, the
2 record shall be prima facie evidence of execution.

3 (e) A photocopy of any instrument referred to in Sections A, B, or C
4 above, shall be accepted for recording if it is certified by any of the
5 parties thereto, or their successors, to be a true and correct copy of the
6 original.

7

8 SECTION 8. Records.

9 The Secretary shall keep for public examination a record of all marks
10 registered or renewed under this act, as well as a record of all documents
11 recorded pursuant to Section 7.

12

13 SECTION 9. Cancellation.

14 The Secretary shall cancel from the register, in whole or in part:

15 (1) any registration concerning which the Secretary shall receive a
16 voluntary request for cancellation thereof from the registrant or the assignee
17 of record;

18 (2) all registrations granted under this act and not renewed in
19 accordance with the provisions hereof;

20 (3) any registration concerning which a court of competent jurisdiction
21 shall find:

22 (A) that the registered mark has been abandoned,

23 (B) that the registrant is not the owner of the mark,

24 (C) that the registration was granted improperly,

25 (D) that the registration was obtained fraudulently,

26 (E) that the mark is or has become the generic name for the goods
27 or services, or a portion thereof, for which it has been registered,

28 (F) that the registered mark is so similar, as to be likely to
29 cause confusion or mistake or to deceive, to a mark registered by another
30 person in the United States Patent and Trademark Office prior to the date of
31 the filing of the application for registration by the registrant hereunder,
32 and not abandoned; provided, however, that, should the registrant prove that
33 the registrant is the owner of a concurrent registration of a mark in the
34 United States Patent and Trademark Office covering an area including this
35 state, the registration hereunder shall not be cancelled for such area of the
36 state, or

1 (4) when a court of competent jurisdiction shall order cancellation of
2 a registration on any ground.

3

4 SECTION 10. Classification.

5 The Secretary shall by regulation establish a classification of goods
6 and services for convenience of administration of this act, but not to limit
7 or extend the applicant's or registrants rights, and a single application for
8 registration of a mark may include any or all goods upon which, or services
9 with which, the mark is actually being used indicating the appropriate class
10 or classes of goods or services. When a single application includes goods or
11 services which fall within multiple classes, the Secretary may require payment
12 of a fee for each class. To the extent practical, the classification of goods
13 and services should conform to the classification adopted by the United States
14 Patent and Trademark Office.

15

16 SECTION 11. Fraudulent registration.

17 Any person who shall for himself or herself, or on behalf of any other
18 person, procure the filing or registration of any mark in the office of the
19 Secretary under the provisions hereof, by knowingly making any false or
20 fraudulent representation or declaration, orally or in writing, or by any
21 other fraudulent means, shall be liable to pay all damages sustained in
22 consequence of such filing or registration, to be recovered by or on behalf of
23 the party injured thereby in any court of competent jurisdiction.

24

25 SECTION 12. Infringement.

26 Subject to the provisions of Section 16 hereof, any person who shall:

27 (1) use, without the consent of the registrant, any reproduction,
28 counterfeit, copy, or colorable imitation of a mark registered under this act
29 in connection with the sale, distribution, offering for sale, or advertising
30 of any goods or services on or in connection with which such use is likely to
31 cause confusion or mistake or to deceive as to the source of origin of such
32 goods or services; or

33 (2) reproduce, counterfeit, copy or colorably imitate any such mark and
34 apply such reproduction, counterfeit, copy or colorable imitation to labels,
35 signs, prints, packages, wrappers, receptacles, or advertisements intended to
36 be used upon or in connection with the sale or other distribution in this

1 state of such goods or services;
2 shall be liable in a civil action by the registrant for any and all of the
3 remedies provided in Section 14 hereof, except that under this subdivision the
4 registrant shall not be entitled to recover profits or damages unless the acts
5 have been committed with the intent to cause confusion or mistake or to
6 deceive.

7

8 SECTION 13. Injury to business reputation; dilution.

9 (a) The owner of a mark which is famous in this state shall be
10 entitled, subject to the principles of equity and upon such terms as the court
11 deems reasonable, to an injunction against another person's commercial use of
12 a mark or trade name, if such use begins after the mark has become famous and
13 causes dilution of the distinctive quality of the mark, and to obtain such
14 other relief as is provided in this section. In determining whether a mark is
15 distinctive and famous, a court may consider factors such as, but not limited
16 to:

17 (1) the degree of inherent or acquired distinctiveness of the
18 mark in this state;

19 (2) the duration and extent of use of the mark in connection with
20 the goods and services with which the mark is used;

21 (3) the duration and extent of advertising and publicity of the
22 mark in this state;

23 (4) the geographical extent of the trading area in which the mark
24 is used;

25 (5) the channels of trade for the goods or services with which
26 the mark is used;

27 (6) the degree of recognition of the mark in the trading areas
28 and channels of trade in this state used by the mark's owner and the person
29 against whom the injunction is sought;

30 (7) the nature and extent of use of the same or similar mark by
31 third parties; and

32 (8) whether the mark is the subject of a state registration in
33 this state, or a federal registration under the act of March 3, 1881, or under
34 the act of February 20, 1905, or on the principal register.

35 (b) In an action brought under this section, the owner of a famous mark
36 shall be entitled only to injunctive relief in this state, unless the person

1 against whom the injunctive relief is sought willfully intended to trade on
2 the owner's reputation or to cause dilution of the famous mark. If such
3 willful intent is proven, the owner shall also be entitled to the remedies set
4 forth in this chapter, subject to the discretion of the court and the
5 principles of equity.

6 (c) The following shall not be actionable under this section:

7 (A) Fair use of a famous mark by another person in comparative
8 commercial advertising or promotion to identify the competing goods or
9 services of the owner of the famous mark.

10 (B) Noncommercial use of the mark.

11 (C) All forms of news reporting and news commentary.

12

13 SECTION 14. Remedies.

14 Any owner of a mark registered under this act may proceed by suit to
15 enjoin the manufacture, use, display or sale of any counterfeits or imitations
16 thereof and any court of competent jurisdiction may grant injunctions to
17 restrain such manufacture, use, display or sale as may be by the said court
18 deemed just and reasonable, and may require the defendants to pay to such
19 owner all profits derived from and/or all damages suffered by reason of such
20 wrongful manufacture, use, display or sale; and such court may also order that
21 any such counterfeits or imitations in the possession or under the control of
22 any defendant in such case be delivered to an officer of the court, or to the
23 complainant, to be destroyed. The court, in its discretion, may enter
24 judgment for an amount not to exceed three times such profits and damages
25 and/or reasonable attorneys' fees of the prevailing party in such cases where
26 the court finds the other party committed such wrongful acts with knowledge or
27 in bad faith or otherwise as according to the circumstances of the case.

28 The enumeration of any right or remedy herein shall not affect a
29 registrant's right to prosecute under any penal law of this state.

30

31 SECTION 15. Forum for actions regarding registration; service on out of
32 state registrants.

33 (a) Actions to require cancellation of a mark registered pursuant to
34 this act or in mandamus to compel registration of a mark pursuant to this act
35 shall be brought in the Circuit or Chancery Court. In an action in mandamus,
36 the proceeding shall be based solely upon the record before the Secretary. In

1 an action for cancellation, the Secretary shall not be made a party to the
2 proceeding but shall be notified of the filing of the complaint by the clerk
3 of the court in which it is filed and shall be given the right to intervene in
4 the action.

5 (b) In any action brought against a non-resident registrant, service
6 may be effected upon the Secretary as agent for service of the registrant in
7 accordance with the procedures established for service upon non-resident
8 corporations and business entities under § 16-58-126 and § 16-58-127 of the
9 Arkansas Code.

10

11 SECTION 16. Common law rights.

12 Nothing herein shall adversely affect the rights or the enforcement of
13 rights in marks acquired in good faith at any time at common law.

14

15 SECTION 17. Fees.

16 The Secretary shall by regulation prescribe the fees payable for the
17 various applications and recording fees and for related services. Unless
18 specified by the Secretary, the fees payable herein are not refundable.

19

20 SECTION 18. All provisions of this act of a general and permanent
21 nature are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas
22 Code Revision Commission shall incorporate the same in the Code.

23

24 SECTION 19. If any provision of this act or the application thereof to
25 any person or circumstance is held invalid, such invalidity shall not affect
26 other provisions or applications of the act which can be given effect without
27 the invalid provision or application, and to this end the provisions of this
28 act are declared to be severable.

29

30 SECTION 20. Repeal of prior acts; intent of act.

31 (a) This act shall not affect any suit, proceeding or appeal pending
32 prior to the effective date of this act. All acts relating to marks and parts
33 of any other acts inconsistent herewith are hereby repealed on the effective
34 date of this act, provided that as to any application, suit, proceeding or
35 appeal, and for that purpose only, pending at the time this act takes effect
36 such repeal shall be deemed not to be effective until final determination of

1 said pending application, suit, proceeding or appeal.

2 (b) The intent of this act is to provide a system of state trademark
3 registration and protection substantially consistent with the federal system
4 of trademark registration and protection under the Trademark Act of 1946, as
5 amended. To that end, the construction given the federal act should be
6 examined as persuasive authority for interpreting and construing this act.

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/s/Harriman

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