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Foreign Patent and Trademark Laws

By Arthur P. Greeley

A comparative study of the Patent and Trademark Laws of the world, with tabular statements of the essential features of such laws

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Washington, D.C.
Registration of Trademarks
UNDER THE NEW
TRADEMARK ACT
OF THE
UNITED STATES
With Notes on the Act
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PREFACE.

In the comparative study of Foreign Patent and Trademark Laws published a few years ago, I was compelled to point out, in referring to the trademark law of the United States, that such law, as embodied in the Act of 1881, did not give to registrants any remedy against infringers which the owner of an unregistered mark would not have under the common law, and that such law did not provide for giving force and effect to the provisions of the International Convention, as well as to call attention to the fact that such law was in other respects unsatisfactory.

The commercial interests of the country are to be congratulated on the fact that Congress has recently passed a new trademark act, which, while perhaps not all that could be desired, goes far toward giving the relief which the owners and users of trademarks have justly asked at the hands of Congress.

Some misapprehension of the intended meaning and purpose of this new Act as regards trademarks registered under the act of 1881, has arisen by reason of the fact that numerous circulars have been sent out to registrants urging re-registration, some of these circulars being so worded as to create the impression that re-registration is necessary to the preservation of existing rights, and that any delay in applying for re-registration may jeopardize such rights. Such an impression is not warranted by anything in the proposed trademark bill as originally drafted by me, on which the new act is based, and is not warranted by anything in the act as passed. It is the purpose of this pamphlet to correct this misapprehension, and, so far as possible at this time, to make clear the meaning of the act.

Washington, D. C., March 1, 1905.
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THE NEW TRADEMARK ACT.

For the first time in its history the United States has now upon its Statute books a Federal trademark law which is constitutional, and at the same time affords to trademarks registered under it fairly adequate protection; permits the registration of practically all marks in which the users can fairly claim an exclusive right, and gives to foreign owners of trademarks the rights to which they are entitled under the provisions of treaties and conventions to which the United States is a party.

This new trademark law is the Act entitled "An Act To authorize the registration of trademarks used in commerce with foreign nations or among the several States or with Indian tribes and to protect the same," approved February 20, 1905. This Act takes effect April 1, 1905, and supersedes all previous legislation relating to the registration and protection of trademarks, without, however, in any way affecting existing rights acquired under common law or acquired by registration under the Act of 1881.

The new Act finds its constitutional basis in the third clause of Section 8, of Article I, of the Constitution, which, read in connection with the granting clause, is as follows:

"The Congress shall have power to regulate commerce with foreign nations and among the several States, and with the Indian Tribes."

This is made clear in the reports of the Committees on Patents of the Senate and House of Representatives recommending the passage of the Act.
THE PURPOSE OF THE NEW ACT.

The main purpose of the new Act is to aid, so far as is within the powers conferred on Congress by the Constitution, American owners of trademarks in securing full protection for their trademarks within the United States and abroad. A further purpose of the Act is to so far facilitate and encourage registration that the register of trademarks may be made as complete as possible, so that the public may know what marks are in use and who claims the exclusive right in them.

The new Act is further intended to, and does, provide for giving to foreign owners of trademarks all of the rights, as regards the registration and protection of their trademarks, to which they are entitled under the provisions of treaties and conventions to which the United States is a party.

In order to carry out its main purpose—that of aiding American owners of trademarks in securing protection of their trademarks in the United States and abroad—the Act contains provisions which, as stated in the report of the Committee on Patents of the House of Representatives, recommending the passage of the Act,

"will permit the registration of all marks which could, under the common law as expounded by the courts, be the subject of a trademark and become the exclusive property of the party using the same as his trademark."

For the purpose of facilitating and encouraging registration, in order that the register of trademarks may be made complete for the information of the public, the Act in addition to reducing the registration fee to ten dollars, providing for the registration of all marks which under
the common law can be considered trademarks, and providing that marks used in interstate commerce may be registered, as well as those used in foreign commerce or commerce with Indian tribes, provides for giving to registrants advantages over those given by the common law in respect to the extent of damages (Secs. 16 and 19); in respect to the delivery up for destruction of copies of infringing marks (Sec. 20); in respect to the enforcement of an injunction granted in any one of the circuit courts (Sec. 20); in respect to the jurisdiction of the United States courts in controversies respecting the use of registered trademarks in interstate commerce (Sec. 16), and in respect to the exclusion from entry at custom houses of merchandise falsely bearing a registered trademark.

It is believed that these provisions of the new Act will be effective to secure a very general registration of all trademarks in use in interstate commerce, and, as practically all trademarks in use in the United States are used to a greater or less extent in interstate commerce, will be effective to make the register of trademarks so far complete that it may be relied on by the public for information as to what marks are in use.

THE COMMON LAW OF TRADEMARKS.

It is well settled by decisions of United States and State courts that, under what is termed the "common law of trademarks," the right of ownership in a trademark—that is, the right to its exclusive use—belongs to the person who is the first to adopt and use it, and that this right will be protected by injunction. It is also well settled by decisions of the courts, under what is termed the "doctrine of unfair competition," that no one will be permitted to copy a label or name used by a competitor in business or to otherwise so dress his
goods as to be successful in passing them off upon the purchasing public as the goods of the original user of such label or name or dress of goods, even though the label or name or dress of goods may not amount to a trademark.

The new Act does not make any change in the common law of trademarks or in the doctrine of unfair competition, Section 23 of the Act expressly providing,

"That nothing in this Act shall prevent, lessen, impeach, or avoid any remedy at law or in equity which any party aggrieved by any wrongful use of any trademark might have had if the provisions of this Act had not been passed."

**REGISTRATION NOT COMPULSORY.**

It is therefore clear that the owner of a trademark who fails to register it under the provisions of the new Act does not, by such failure, lose his right of ownership or forfeit his right to the protection of the courts against infringers. There is nothing in the new Act to compel registration of unregistered marks or of marks registered under acts previously in force, in the sense of making registration in any way essential to the protection of the right to a trademark.

So far as concerns marks registered under previous Acts, the new Act, as was made clear at the hearings before the committees of Congress at which the Act was considered, would if, possible, have been so drawn as to give those who have registered their marks under the Act of 1881, the benefit of the additional protection afforded by the new Act without re-registration, but to do this would have involved giving to certificates of registration already issued a force and effect which they could not have had when issued, and it was decided that this could not be done.
But while the new Act does not compel registration of unregistered marks, and does not compel re-registration of marks previously registered, the provisions of the new Act are such that the owners of unregistered trademarks entitled to registration under the new Act will find that the advantages resulting from registration will be so important that they cannot afford to fail to register, and the owners of trademarks registered under the Act of 1881 will probably find it worth while to re-register under the new Act for the sake of securing the additional remedies against infringers given by the new Act, though, unless they consider these additional remedies given by the new Act necessary for the protection of their rights against infringers, there is no need to re-register, as the certificates of registration issued to them under the Act of 1881 are still effective as record evidence of prima facie right to the registered marks and as sufficient evidence to compel the Patent Office to refuse to register the same mark to others.

WHO MAY REGISTER TRADEMARKS.

The new Act permits the registration of trademarks used in domestic commerce, provided that their use is not wholly within a single State.

Under the Act of 1881, which continues in force up to April 1, 1905, only trademarks used in foreign commerce or commerce with Indian tribes could be registered.

WHAT MAY BE REGISTERED AS TRADEMARKS.

The new Act is intended to permit the registration of all marks which, under the common law as expounded by the courts, could be considered trademarks, and be-
come the exclusive property of the person using it as his trademark. The final decision as to the registrability of a mark offered for registration rests, not with the Commissioner of Patents, but with the Court of Appeals of the District of Columbia, a court composed of three judges.

Under the Act of 1881, as construed by the Patent Office, only such marks as in the opinion of the Commissioner of Patents could be considered trademarks in a strict technical sense were permitted to be registered, and from the Commissioner’s decision refusing registration there was no appeal, nor would mandamus lie to compel registration.

THE FORM IN WHICH TRADEMARKS ARE TO BE REGISTERED.

The new Act permits trademarks to be registered in the form in which they are actually used, and the Patent Office will not only require specimens of the mark as actually used to be filed, but will require the drawing of the mark to correspond with the specimens.

Under the Act of 1881, applicants for registration have been required by the Patent Office to eliminate from the drawing of the mark, all but the features which were considered the essential features of the mark with the result that in many cases the trademark as registered would not readily be recognized as the trademark actually used.

THE FEE FOR REGISTRATION.

The new Act fixes the fee for registration at ten dollars.

Under the Act of 1881, the fee for registration was twenty-five dollars.
RIGHTS ACQUIRED BY REGISTRATION UNDER THE NEW ACT.

THE RIGHT OF ACTION.

The new Act gives to the owner of a trademark registered under the provisions of the Act a right of action in the United States Courts against an infringer who uses the mark in interstate commerce, as well as against an infringer who uses the mark in foreign commerce, or commerce with the Indian Tribes.

Under the Act of 1881, the owner of a trademark registered under that Act has a right of action in the United States Courts only against an infringer who is using the mark in foreign commerce or commerce with Indian Tribes, and under the decision of the Supreme Court in Warner v. Serle and Hereth, 191 U. S., 560, has a right of action in the United States Courts under the Act of 1881 only where both the owner of the mark and the infringer are using the mark in foreign commerce or commerce with Indian Tribes.

RIGHTS ACQUIRED BY REGISTRATION. INCREASE OF DAMAGES.

The new Act provides that where, in a suit either at law or in equity, for infringement of a trademark registered under the Act, a verdict has been rendered in favor of the plaintiff or an injunction issued, the Court may, according to the circumstances of the case, enter judgment for increased damages to the extent of not more than three times the actual damages found, thus making it possible to compel the infringer to pay a penalty for his infringement, as well as to pay such damages as can be proved. The Act also provides that
in assessing profits in a suit in equity the plaintiff shall be required to prove defendant's sales only, and the defendant must prove all elements of cost which are claimed, thus materially aiding the plaintiff in recovering the damages actually due him.

Under the Act of 1881, the owner of a registered trademark can recover no more than he could recover under the common law of trademarks, that is, such actual damages as can be proved, only.

**RIGHTS ACQUIRED BY REGISTRATION. DESTRUCTION OF INFRINGING LABELS, ETC.**

The new Act provides that in any case involving the right to a trademark registered under the provisions of the Act in which a verdict is found for the plaintiff, or an injunction issued, the court may order the defendant to deliver up for destruction all labels, signs, prints, packages, wrappers or receptacles bearing the infringing trademark, which may be in his possession, thus subjecting the infringer as a penalty for his infringement, to the loss of his stock of labels, packages, etc.

The Act of 1881 contains no such provisions, and no such remedy is given under the common law.

**RIGHTS ACQUIRED BY REGISTRATION. SERVICE AND ENFORCEMENT OF INJUNCTION.**

The new Act provides that an injunction granted upon hearing, after notice to the defendant, to prevent the violation of any right of the owner of a trademark registered in accordance with the provisions of the Act, by any Circuit Court of the United States, or by a judge
thereof, may be served on the parties against whom such injunction may be granted anywhere in the United States where they may be found, and may be enforced by proceedings to punish for contempt or otherwise by the court by which such injunction was granted, or by any other Circuit Court or judge thereof in the United States, or by the Supreme Court of the District of Columbia, or a judge thereof. This makes it practically impossible for an infringer to avoid service of the injunction or to avoid punishment, if he attempts to continue infringement anywhere in the United States.

The Act of 1881 contains no such provision, nor is the owner of a trademark entitled to such remedy under the common law.

DESIRABILITY OF REGISTRATION UNDER THE NEW ACT.

The extension of the right of action to include infringers who are using the registered mark in interstate commerce and the enlargement of the remedy against infringers provided by the new Act, as above pointed out, make it important for owners of trademarks who have not registered their trademarks to do so and make it desirable for those who have registered their trademarks under the Act of 1881 to re-register them under the new Act.

The reduction of the fee for registration to ten dollars makes the cost of registration slight in comparison with the protection afforded by registration under the new Act. Trademarks will be registered in the form in which they are actually used, and applicants for registration will not be required to restrict their drawings to a showing of the "essential features," and, further,
applicants will not be required in the description to point out the "essential features" of their marks, or to otherwise limit their descriptions. The registration of a trademark under the new Act, if the statement is properly drawn, will, therefore, be a registration of the trademark actually used, and need not be restricted to particular features, so that the question of infringement will be, as under the common law, a question whether the alleged infringing mark so far resembles the trademark actually used by the registrant as to deceive purchasers, and not whether the alleged infringing mark includes the precise features which may have been specified as the so-called "essential features" of the mark. In other words, the description of a trademark registered under the new Act, if properly drawn, need not limit the registrant to any greater extent than he would be limited under the common law.

The reasons which have existed for avoiding registration under the Act of 1881, on account of the requirement of the Patent Office for a statement of "essential features" or for the restriction of the drawing to a showing of the "essential features" only, and the strict construction placed, in some cases, by the courts on the certificate of registration no longer exist.

IMPORTANCE OF REGISTRATION UNDER THE NEW ACT.

While registration under the new Act does not create any property right in a trademark and registration of a trademark by any one other than the owner of it, that is the person who was the first to adopt and use it, does not deprive the owner of his right to it or prevent or lessen his right to protection, under the common law,
there are some provisions of the new Act which make it advisable for owners of marks, *not already registered under the Act of 1881*, to file their applications for registrations with reasonable promptness.

Trademarks filed for registration if within the provisions of the Act and not identical with or closely resembling registered or known marks are required to be published in the Official Gazette of the Patent Office, and, if within thirty days from such publication, the Patent Office is not notified of opposition to their registration, the certificates of registration are issued. The effect of the issuance of a certificate of registration is to make the registrant the *prima facie* owner of the trademark. This is necessarily so, even if the registrant is not in fact the owner of the mark.

If the owner of a mark for registration of which another has applied, is informed of the publication of the application for registration and files his notice of opposition he will have little difficulty in preventing the issuance of the certificate of registration by a proper presentation before the Patent Office of the proof of his right to the mark, but in order to be sure of obtaining the necessary information in time to file his notice of opposition it will be necessary to watch the Official Gazette as it is issued from week to week. If such owner overlooks or otherwise fails to be informed of the publication of an application for registration of his mark by another, he cannot prevent the issuance of the certificate of registration, and must either bring proceedings in the Patent Office to cancel the certificate of registration, as provided for in the new Act, or must seek his remedy in the courts.

Obviously it will be less expensive for the owners of trademarks to register their marks than to be com-
pelled to oppose the registration of their marks by others or to otherwise defend their rights against those who by reason of having secured registration have a \textit{prima facie} right to the marks.

The new Act thus, while not \textit{compelling} registration in the sense of abrogating or lessening the common law right, makes it necessary for the owner of an unregistered mark to register it if he wishes to avoid the possible expense of overcoming the effect which may arise from its registration by another. In this sense the provisions of the new Act respecting the publication of applications for opposition would seem to have an effect to make registration practically compulsory.

\textbf{TEN-YEAR MARKS.}

In the consideration of the new Act, before its passage, attention was called to the fact that while, as then drawn, it provided for the registration of all marks which would under the common law be considered trademarks, it did not provide for the registration of certain marks which by reason of being individual names or in some sense descriptive or geographical, were not such marks as could at the date of their adoption be held to be trademarks, but which by reason of long continued exclusive use as trademarks had come to be recognized by the purchasing public as the distinguishing marks of the person using them, and had thus, by the acquiescence of the public, become in effect trademarks, in which the users had vested rights recognized by the courts as entitled to protection under the “doctrine of unfair competition.” In order to give to the users of such marks the advantages of the new Act, the Committee on Patents of the House of Representa-
atives added to Section 3 the final proviso, under which it is possible for a mark which has been in actual and exclusive use as a trademark for ten years immediately preceding the passage of the Act to be registered.

This proviso is similar in intended meaning to the Act of August 5, 1882, with reference to marks in use prior to the passage of the Act of 1881. The British Trademark Act of 1875 contains a similar provision.

NOTICE OF REGISTRATION.

The new Act requires the registrant of a trademark to give notice to the public of the fact of registration by affixing the words, "Registered in U. S. Patent Office" or "Reg. U. S. Pat. Off." on the trademark, or where that cannot be done, by affixing a label containing a like notice on the package. Failure to give this notice does not affect the right of ownership or the right to bring suit, but does prevent the recovery of damages unless it is proved that the defendant was duly notified of infringement and continued to infringe after notice.

The form of notice described should be followed strictly, as it is possible that no notice of registration given in any form other than that prescribed would be held by the courts to be sufficient to permit of the recovery of damages.

REGISTRATION OF TRADEMARKS BY RESIDENTS OF PORTO RICO AND THE PHILIPPINES.

The new Act expressly provides that in construing the Act the United States includes and embraces all territory which is under the jurisdiction and control of
the United States, and the word "States" includes and embraces the District of Columbia, the Territories of the United States, and such other territory as may be under the jurisdiction and control of the United States.

The purpose of this provision is to enable persons located in Porto Rico, the Philippines, and any other territory which is, for the time being, under the jurisdiction and control of the United States to secure the advantages of the Act, for the protection of their trademarks, and to make it clear that "commerce among the several States" is not to be limited to commerce among the States in a technical sense, but is to be construed to include commerce between the District of Columbia and a State, between a State and a Territory, between a State and Porto Rico or the Philippines, between a Territory and another Territory, or between Porto Rico and the Philippines; in other words, between any portion of the territory of the United States having its distinctive government, whether State, Territorial or other form of government, and any other portion.

APPLICATIONS FOR REGISTRATION PENDING IN THE PATENT OFFICE.

Under the provisions of the new Act, any application for registration of a trademark pending at the date of the passage of the Act may be amended to bring it within the provisions of the Act and may be proceeded with and registration secured without the payment of further fee.

The effect of this provision is not limited to the pending applications which have not been rejected, but applies to all alike, including those which have been finally rejected and even those which have been refused by the
Commissioner on appeal. As there is no provision of law under which an application for registration of a trademark can be held to be abandoned by failure to prosecute, all applications which have been filed since the Act of 1881 went into effect and have been refused, may be proceeded with without the payment of any fee.

FOREIGN TRADEMARKS UNDER THE NEW ACT.

The new Act gives to foreign owners of trademarks all of the rights to which they are entitled under the treaties and agreements between the United States and certain foreign nations, and particularly provides for giving full force and effect to the provisions of the Convention for the Protection of Industrial Property (commonly referred to as the International Convention), signed at Paris March 20, 1883, to which the United States became a party in 1887. Under certain of the treaties between the United States and foreign nations owners of trademarks who are subjects or citizens of such foreign nations are entitled to protection for their trademarks in the United States so long as their trademarks are protected in their own countries. Under the provisions of the International Convention, the owners of trademarks who are located in any of the countries which are parties to the convention, are entitled to the same advantages as regards the registration and protection of their trademarks that are enjoyed by citizens of the United States.

In the treaties between the United States and foreign nations respecting trademarks, it is provided that reciprocal protection shall be given for their trademarks to
the owners of trademarks of the respective countries. It is commonly required in the foreign countries, as a condition precedent to registration and protection of a trademark owned by a United States citizen, that it shall have been registered in the United States. The new Act therefore provides that, as a condition precedent to registration under the Act, a foreign owner of a trademark must, as establishing the fact of ownership, show that he has registered the mark in his own country. But as it is not required by the treaties as a condition precedent to protection, that the owner of a trademark shall be required to establish any fact other than the fact of ownership, it is expressly provided by the new Act that the foreign owner of a trademark applying for registration need not make any statement as to actual use of the mark in commerce with the United States. This is clearly intended to and does permit a foreign owner of a trademark to secure registration and the other advantages of the new Act in advance of the actual use of the mark in commerce with or within the United States.

Section 4 of the new Act provides for giving the foreign owner of a trademark the advantage of the four months' delay of priority provided for by the International Convention.

Under Section 27 of the new Act, foreign owners of trademarks are given the same rights as are enjoyed by domestic owners of trademarks as regards the right to stop the importation into the United States of any goods bearing an infringing trademark. This section is also intended to extend to foreigners entitled thereto under the provisions of treaties or conventions the same advantages in respect to stopping the importation of goods bearing a copy or simulation of a commercial name or a false indication of origin, that are enjoyed by citizens of the United States.
So far as the right of ownership or right of action against infringers is concerned, it is doubtful if the new Act adds materially to the rights to which foreign owners of trademarks registered under the Act of 1881 are entitled without re-registration under the new Act. But as regards the matter of stopping the importation of goods bearing an infringing trademark, the new Act clearly affords material advantages to which foreign owners of trademarks are not entitled unless they register their marks under the new Act.

It, therefore, seems to be necessary for foreign owners of trademarks registered under the Act of 1881 to re-register their marks if they desire to secure this advantage.

HISTORY OF THE TRADEMARK ACT.

The new Act, except the provisions regarding opposition and cancellation, is practically, and in many of its provisions precisely, identical with the bill proposed by the author as a member of the Commission to Revise the Patent and Trademark Laws created by Act of Congress, approved June 4, 1898, in the report of the Commission made to Congress in December, 1900 (Senate Document No. 20, 56th Congress, 2d Session).

The bill proposed by the author, together with the bill proposed by the other members of the Commission, was introduced in both the Senate and House of Representatives in the 56th Congress, the bill proposed by the author being introduced in the Senate by Mr. Pritchard, as S. 5026.

The bills were referred to the Committees on Patents of the respective Houses, but were not reported on.

Both bills were introduced in the 57th Congress, the bill proposed by the author being introduced in the Senate by
Mr. Pritchard, as S. 5289, and in the House of Representatives by Mr. Reeves, as H. R. 15026, and were referred to the Committees on Patents of the respective Houses, but were not reported on.

The proposed bills were discussed at the meeting of the American Bar Association in August, 1901, and a committee of that Association was requested to report on the matter. At the meeting of the Association in August, 1903, the committee reported in favor of the bill proposed by the author, with some amendments, and after a full discussion of the matter, the Association endorsed the bill as reported by the committee with certain amendments.

The bill as endorsed by the American Bar Association was also endorsed, after very full consideration, by the Patent Law Association of Washington, and was introduced during the first session of the 58th Congress, as S. 3219, introduced by Mr. Kittredge, and H. R. 11672, introduced by Mr. Denny, the bills in the respective Houses being referred to the Committees on Patents. A number of other bills respecting trademarks were introduced during the first session of the 58th Congress, and were referred to the Committees on Patents. After extended hearings and consideration of these bills by the committees, it became apparent that in order to meet the views of the members of the committees it would be necessary to eliminate many of the amendments made by the American Bar Association, and a new bill was, after conference between representatives of the American Bar Association, the Patent Law Association and the author, agreed upon, the bill so agreed on being in substance the bill originally proposed by the author with some amendments. This bill was introduced late in the first session of the 58th Congress by Mr. Currier, as H. R. 15223, and was fully discussed before the
Committees on Patents of both Houses. No report on this bill or on any trademark bill was made during the first session of the 58th Congress, but the members of the Committee on Patents of the House of Representatives were so far satisfied of the need of a law which would provide for the registration of trademarks used in interstate commerce, reduce the fee for registration, give additional protection to registered trademarks, and radically change the practice of the Patent Office in the matter of the registration of trademarks that they requested Mr. Bonyrne, of Colorado, a member of the committee, to go into the matter fully during the recess of Congress and report a bill, which would embody the views of the committee. Mr. Bonyrne reported a bill, which, with certain amendments, is the new Act, the bill being introduced as H. R. 15803, and being referred to the Committee on Patents. After hearings on the bill, at which the American Bar Association, the Patent Law Association, the New York Bar Association and the National Association of Manufacturers were represented and advocated the passage of the bill, certain amendments were agreed to, the most important being the addition of the final proviso of Section 5 of the Act, in regard to marks in use for ten years, and the bill with these amendments was introduced on December 14, 1904, as H. R. 16560. On December 19, 1904, the Committee on Patents reported at length recommending the passage of the bill (Report No. 3147), and on January 14, 1905, the bill was passed by the House of Representatives. The bill then went to the Senate and was referred to the Senate Committee on Patents, and after a hearing certain amendments in the bill as passed by the House were recommended. The bill with these amendments was passed by the Senate on January 27,
1905. A conference being found necessary for the consideration of the amendments made by the Senate, conference committees were appointed by the respective Houses. The conference committee made a report further amending the bill, and the report was agreed to by the Senate on February 9, 1905, and by the House of Representatives on February 11, 1905.

The bill was finally approved on February 20, 1905.

During the time that the bill has been before Congress, either in its original form or in the several forms in which it has from time to time been presented, it has been extensively discussed in various technical journals and to some extent in the newspaper press. Few measures have been more fully discussed than this bill, and few measures have been more fully endorsed or more earnestly urged by the commercial interests of the country. The National Association of Manufacturers and the International Advertisers' Association, both as organizations and through their individual members, have favored the new Act and actively advocated its passage as necessary for the protection of the rights of American owners and users of trademarks.

THE MEANING OF THE NEW ACT.

It is hardly to be expected that an Act which so extensively changes the trademark law would be in all respects free from obscurity or would fully meet the views of every one interested in the protection of trademarks. A provision by which a willful infringer of a trademark could be punished by fine or imprisonment was earnestly advocated by owners of trademarks, but while such a provision is found in the trademark laws of all foreign nations and is found in the trademark
laws of nearly all of the States, and is believed to be a reasonable provision, the opposition to the enactment of such a provision at the present time was such that it was not thought best to insist upon it. The Act is, however, so drawn that if hereafter the necessity and expediency of such a provision can be made clear, it can be enacted as a separate Act without changing the present Act.

The question of the constitutionality of the new Act is fully considered in the report of the Commission to Revise the Patent and Trademark Law (Senate Document No. 20, 56th Congress, 2d Session), in both the majority report and the minority report, and is also fully discussed in the report of the Committee on Patents of the House of Representatives (Report No. 3147, 58th Congress, 3d Session) and in a paper read by Mr. R. H. Parkinson, of Chicago, before the Patent, Trademark and Copyright Section of the American Bar Association, and published in the report of that Association for 1903.

The meaning and effect to be given to the provisions of the new Act cannot be certainly determined until it has been brought before the courts and judicially construed. In construing the Act, great weight will no doubt be given to the explanation of the intended meaning of the several sections of the Act as found in the notes accompanying the original draft of the Act in the report of the Commission to Revise the Patent and Trademark laws and in the explanations contained in the report of the Committee on Patents, in view of the fact that these notes and explanations were before Congress when the Act was passed and must be presumed to have been carefully considered. In default of judicial interpretation these notes and explanations furnish the
best available aid in determining the meaning of the new Act.

Appended is the full text of the new Act, with notes on each section, these notes being taken from the notes above referred to as accompanying the original draft of the bill in the report of the Commission, so far as applicable to the Act as passed, and from the report of the Committee on Patents.
An Act To authorize the registration of trademarks used in commerce with foreign nations or among the several States or with Indian tribes, and to protect the same.

Be it enacted by the Senate and House of Representatives of the United States of America, in Congress assembled, That the owner of a trademark used in commerce with foreign nations, or among the several States, or with Indian tribes, provided such owner shall be domiciled within the territory of the United States, or resides in or is located in any foreign country which, by treaty, convention, or law, affords similar privileges to the citizens of the United States, may obtain registration for such trademark by complying with the following requirements: First, by filing in the Patent Office an application therefor, in writing, addressed to the Commissioner of Patents, signed by the applicant, specifying his name, domicile, location, and citizenship; the class of merchandise and the particular description of goods comprised in such class to which the trademark is appropriated; a description of the trademark itself, and a statement of the mode in which the same is applied and affixed to goods, and the length of time during which the trademark has been used. With this statement shall be filed a drawing of the trademark, signed by the applicant, or his attorney, and such number of specimens of the trademark, as actually used, as may be required by the Commissioner of Patents. Second, by paying into the Treasury of the United States the sum of ten dollars, and otherwise complying with the requirements of this Act and such regulations as may be prescribed by the Commissioner of Patents.

This section provides for the registration of trademarks used in interstate commerce, as well as
those used in foreign commerce, and commerce with the Indian tribes. It was the opinion of Thomas Jefferson, expressed in a report made by him to the Second Congress, that the regulation of trademarks used in commerce "among the several States" was within the power of Congress. Recent decisions of the Supreme Court bearing upon the subject of what constitutes interstate commerce, and the constitutional power of Congress in respect to the regulation of such commerce, warrant the belief that there can be no serious question of the power of Congress to provide for the registration of trademarks used in interstate commerce.

This section follows the Act of 1881 in limiting the right of registration by foreign owners of trademarks to those located in countries with which reciprocal arrangements in this regard have been established. It is desirable and important in the interests of foreign trade that such arrangements be entered into with any and every foreign country in which American manufacturers may seek a market for their goods, but such arrangements can be secured only on the basis of reciprocity. To give to foreigners generally the same rights as are given to American owners of trademarks would make it possible for foreign countries to exclude our manufacturers from the advantages of their trademark laws without detriment to the interests of their own manufacturers.

Sec. 2. That the application prescribed in the foregoing section, in order to create any right whatever in favor of the party filing it, must be accompanied by a written declaration verified by the applicant, or by a member of the firm or an officer of the corporation or association applying, to the effect that the applicant believes himself or the firm, corporation, or association in whose behalf he makes the application to be the owner of the trademark sought to be registered, and
that no other person, firm, corporation, or association, to the best of the applicant's knowledge and belief, has the right to such use, either in the identical form or in such near resemblance thereto as might be calculated to deceive; that such trademark is used in commerce among the several States, or with foreign nations, or with Indian tribes, and that the description and drawing presented truly represent the trademark sought to be registered. If the applicant resides or is located in a foreign country, the statement required shall, in addition to the foregoing, set forth that the trademark has been registered by the applicant, or that an application for the registration thereof has been filed by him in the foreign country in which he resides or is located, and shall give the date of such registration, or the application therefor, as the case may be, except that in the application in such cases it shall not be necessary to state that the mark has been used in commerce with the United States or among the States thereof. The verification required by this section may be made before any person within the United States authorized by law to administer oaths, or, when the applicant resides in a foreign country, before any minister, charge d'affaires, consul, or commercial agent holding commission under the Government of the United States, or before any notary public, judge, or magistrate having an official seal and authorized to administer oaths in the foreign country in which the applicant may be whose authority shall be proved by a certificate of a diplomatic or consular officer of the United States.

The first part of this section is substantially identical in its requirements with Section 2 of the Act of 1881.

The second part prescribes the declaration to be
made by a foreign owner of a trademark. As the right of a foreign citizen or subject to the protection for his trademark is secured to him by treaty while the right of the applicant who is domiciled in the United States to protection necessarily depends upon his use of the mark in such commerce as is within Congressional control, it is evident that the facts necessary to be shown in the one case are not the same as in the other. The requirement that the foreign applicant show affirmatively that he has regularly filed an application for registration of his trademark in the country in which he is located is necessary as a prima facie showing that he is in fact the owner of the mark. Such a requirement is found in the laws of nearly all foreign countries.

While it is believed that it would be desirable to dispense with the requirement that an applicant for registration make oath as to the facts which entitle him to be considered the owner of the trademark for which he seeks registration, it does not appear that this can be done in view of the fact that only those trademarks which are used in interstate or foreign commerce or commerce with the Indian tribes are within the regulating power of Congress. It therefore appears that in order to be entitled to registration the applicant must make a prima facie showing that he has satisfied the conditions necessary to bring his trademark within the class of trademarks which may be registered.

The section as drawn recognizes as entitled to registration trademarks used by associations, following in this respect the laws of many of the foreign countries as well as the laws of many of the States of the United States.

The final sentence of the section specifies before whom the declaration may be made, following in its language section 4892 of the Revised Statutes.

Sec. 3. That every applicant for registration of a trademark, or for renewal of registration of a trade-
mark, who is not domiciled within the United States, shall, before the issuance of the certificate of registration, as hereinafter provided for, designate by a notice in writing, filed in the Patent Office, some person residing within the United States on whom process or notice of proceedings affecting the right of ownership of the trademark of which such applicant may claim to be the owner, brought under the provisions of this Act or under other laws of the United States, may be served, with the same force and effect as if served upon the applicant or registrant in person. For the purposes of this Act it shall be deemed sufficient to serve such notice upon such applicant, registrant, or representative by leaving a copy of such process or notice addressed to him at the last address of which the Commissioner of Patents has been notified.

The purpose of this section is to require applicants for registration of trademarks who reside out of the jurisdiction of the United States courts to place themselves constructively within such jurisdiction. Being given the advantages of the laws of the United States so far as bringing suits against others for the protection of their rights to their trademarks, they should submit to the jurisdiction of the courts of the United States in case suits affecting their rights to their trademarks are brought against them.

Such a provision is contained in the trademark laws of many, in fact nearly all, of the countries of commercial importance.

Sec. 4. That an application for registration of a trademark filed in this country by any person who has previously regularly filed in any foreign country which, by treaty, convention, or law, affords similar privileges
to citizens of the United States an application for registration of the same trademark shall be accorded the same force and effect as would be accorded to the same application if filed in this country on the date on which application for registration of the same trademark was first filed in such foreign country: Provided, That such application is filed in this country within four months from the date on which the application was first filed in such foreign country: And provided, That certificate of registration shall not be issued for any mark for registration of which application has been filed by an applicant located in a foreign country until such mark has been actually registered by the applicant in the country in which he is located.

This is intended to provide for giving full force and effect to article 4 of the International Convention, which, so far as it relates to trademarks, is as follows:

"Art. 4. Anyone who shall have regularly deposited an application for a * * * trade or commercial mark in one of the contracting States shall enjoy for the purpose of making the deposit in the other States, and under reserve of the rights of third parties, a right of priority during the periods hereinafter determined.

"In consequence, the deposit subsequently made in one of the other States of the Union before the expiration of these periods cannot be invalidated by acts performed in the interval, especially by another deposit, * * * by the employment of the mark.

"The periods of priority above mentioned shall be * * * three months for trade or commercial marks. They shall be augmented by one month for countries beyond the seas."
Sec. 5. That no mark by which the goods of the owner of the mark may be distinguished from other goods of the same class shall be refused registration as a trademark on account of the nature of such mark unless such mark—

(a) Consists of or comprises immoral or scandalous matter;

(b) Consists of or comprises the flag or coat of arms or other insignia of the United States, or any simulation thereof, or of any State or municipality, or of any foreign nation: Provided, That trademarks which are identical with a registered or known trademark owned and in use by another, and appropriated to merchandise of the same descriptive properties, or which so nearly resemble a registered or known trademark owned and in use by another, and appropriated to merchandise of the same descriptive properties, as to be likely to cause confusion or mistake in the mind of the public, or to deceive purchasers, shall not be registered: Provided, That no mark which consists merely in the name of an individual, firm, corporation, or association, not written, printed, impressed, or woven in some particular or distinctive manner or in association with a portrait of the individual, or merely in words or devices which are descriptive of the goods with which they are used, or of the character or quality of such goods, or merely a geographical name or term, shall be registered under the terms of this Act: Provided further, That no portrait of a living individual may be registered as a trademark, except by the consent of such individual, evidenced by an instrument in writing: And provided further, That nothing herein shall prevent the registration of any mark used by the applicant or his predecessors, or by those from whom title to the mark is derived, in commerce with foreign nations or among the
several States, or with Indian tribes, which was in actual and exclusive use as a trademark of the applicant or his predecessors from whom he derived title for ten years next preceding the passage of this Act.

The Committee on Patents of the House of Representatives, in their report recommending the passage of the Act, make the following statement in reference to this section:

In the past there has been considerable complaint in regard to what could be registered under the existing law as a trademark. Much of the time of the committee in the hearing of the bill has been consumed in a discussion upon this particular feature of the legislation. Section 5 of the proposed bill, we believe, will permit the registration of all marks which could, under the common law as expounded by the courts, be the subject of a trademark and become the exclusive property of the party using the same as his trademark.

The language of section 5 is taken almost verbatim from section 5 of the bill proposed by Mr. Arthur P. Greeley, as contained in the report of the Commissioners appointed to revise the statutes relating to patents, trade and other marks, and trade and commercial names, under the Act of Congress approved June 4, 1898. Full protection is given by the court, under the doctrine of unfair competition, to the users of such marks as do not, under the common law, constitute technically what is known as a trademark, and which can become the subject of exclusive ownership. By other sections of the bill, to which attention will be called later, provision is made for an appeal from the decision of the Commissioner of Patents to the District Court of the District of Columbia from a decision refusing the registration of a trademark. By these provisions of the bill it would seem that there could not be a conflict of decisions, about which so much complaint has been made in the past.
Through the decisions of the courts a uniform system and uniform rules governing and controlling the registration of marks will in time be adopted.

A proviso has been added permitting all marks that have been in actual use as trademarks for a period of ten years to be registered.

The added proviso is intended to cover substantially the same ground that is covered by the Act of August 5, 1882, which is as follows:

"That nothing contained in the law entitled 'An Act to authorize the registration of trademarks and protect the same,' approved March third, eighteen hundred and eighty-one, shall prevent the registry of any lawful trademark rightfully used by the applicant in foreign commerce or commerce with Indian tribes at the time of the passage of said Act."

This Act is similar to, and no doubt was suggested by, the provisions of the British trademark law in reference to what are known as "old marks;" that is, marks in use prior to the date of the passage of the first law which provided for registration of trademarks and defined what should be registrable as trademarks. This provision is found in section 64 of the Patents, etc., Acts, 1883-1888, and is as follows:

"(3) Provided as follows:

* * * * * * * * * * *

"(ii) Any special and distinctive word or words, letter, figure, or combination of letters or figures or of letters and figures, used as a trademark before the thirteenth day of August, one thousand eight hundred and seventy-five, may be registered as a trademark under this part of this Act."

This is in recognition of the fact that by long-continued use in public a mark which at the date of its adoption might be open to objection as being descriptive or geographical or otherwise not so far arbitrary or fanciful as to be capable at once of ex-
exclusive appropriation, may become known to the public as the distinctive mark of its user, and has therefore come to be of value to him, and of the necessity in the interests of fair competition in trade of giving to such "old marks" the protection given to marks which are technically trademarks. Without such a provision, such marks not being registrable in this country would not be registrable in the foreign countries which require registration here as a condition precedent to protection there, and such requirement is made by the laws of most foreign countries.

Sec. 6. That on the filing of an application for registration of a trademark which complies with the requirements of this Act, and the payment of the fees herein provided for, the Commissioner of Patents shall cause an examination thereof to be made; and if on such examination it shall appear that the applicant is entitled to have his trademark registered under the provisions of this Act, the Commissioner shall cause the mark to be published at least once in the Official Gazette of the Patent Office. Any person who believes he would be damaged by the registration of a mark may oppose the same by filing notice of opposition, stating the grounds therefor, in the Patent Office within thirty days after the publication of the mark sought to be registered, which said notice of opposition shall be verified by the person filing the same before one of the officers mentioned in section two of this Act. If no notice of opposition is filed within said time the Commissioner shall issue a certificate of registration therefor, as herein-after provided for. If on examination an application is refused, the Commissioner shall notify the applicant, giving him his reasons therefor.
The Committee on Patents of the House of Representatives, in their report recommending the passage of the Act, state as follows in reference to the above section:

The procedure provided by the bill for the registration of trademarks is similar in many respects to the procedure in patent cases. When the application for registration is filed section 6 provides for an examination of the mark offered for registration. If upon such examination the application is refused, notice is given to the applicant, in order that he may appeal, if he so desires, from the decision. The procedure for appeals is regulated by other sections of the bill. If, on the other hand, the examination discloses that the mark is entitled to registration, then the Act provides that the Commissioner shall cause the mark to be published at least once in the Official Gazette of the Patent Office. The purpose of this publication is apparent. Owners of trademarks ought not to have their rights to the use of a trademark jeopardized by the registration of similar trademarks by other parties not entitled to the use of the same. Some notice should be given whereby the true owners of marks may have an opportunity to be heard by the Commissioner of Patents before any mark is registered and given, by reason of such registration, the evidence of ownership provided for by the terms of the bill.

Sec. 7. That in all cases where notice of opposition has been filed the Commissioner of Patents shall notify the applicant thereof and the grounds therefor.

Whenever application is made for the registration of a trademark which is substantially identical with a trademark appropriated to goods of the same descriptive properties, for which a certificate of registration has been previously issued to another, or for registration of which another has previously made application, or which so nearly resembles such trademark, or a
known trademark owned and used by another, as, in
the opinion of the Commissioner, to be likely to be mis-
taken therefor by the public, he may declare that an
interference exists as to such trademark, and in every
case of interference or opposition to registration he
shall direct the examiner in charge of interferences to
determine the question of the right of registration to
such trademark and of the sufficiency of objections to
registration, in such manner and upon such notice to
those interested as the Commissioner may by rules pre-
scribe.

The Commissioner may refuse to register the mark
against the registration of which objection is filed, or
may refuse to register both of two interfering marks, or
may register the mark, as a trademark, for the person
first to adopt and use the mark, if otherwise entitled to
register the same, unless an appeal is taken, as herein-
after provided for, from his decision, by a party inter-
ested in the proceeding, within such time (not less than
twenty days) as the Commissioner may prescribe.

Except as regards opposition, which is a new fea-
ture of the trademark law, this section is merely
declaratory of the practice as followed under the
Act of 1881.

Sec. 8. That every applicant for the registration of a
trademark, or for the renewal of the registration of a
trademark, which application is refused, or a party to
an interference against whom a decision has been ren-
dered, or a party who has filed a notice of opposition as
to a trademark, may appeal from the decision of the ex-
aminer in charge of trademarks, or the examiner in
charge of interferences, as the case may be, to the Com-
missioner in person, having once paid the fee for such appeal.

This section provides for an appeal direct to the Commissioner. Except that it requires a fee ($15 as specified in section 14) for such appeal, it is merely declaratory of the practice followed under the Act of 1881. In its wording the section closely follows Sec. 4909 of the Revised Statutes, which relates to appeals in applications for patent.

Sec. 9. That if an applicant for registration of a trademark, or a party to an interference as to a trademark, or a party who has filed opposition to the registration of a trademark, or party to an application for the cancellation of the registration of a trademark, is dissatisfied with the decision of the Commissioner of Patents, he may appeal to the court of appeals of the District of Columbia, on complying with the conditions required in case of an appeal from the decision of the Commissioner by an applicant for patent, or a party to an interference as to an invention, and the same rules of practice and procedure shall govern in every stage of such proceedings, as far as the same may be applicable.

This section corresponds in terms with section 4911 of the Revised Statutes relating to appeals from the decision of the Commissioner of Patents in applications for patent as modified by the Act of February 9, 1893, creating the court of appeals of the District of Columbia.

The Act of 1881 does not provide for an appeal from the decision of the Commissioner of Patents in trademark cases. As such cases often involve interests quite as valuable as are involved in applications for patent, it would seem that appeals if provided for in the one class of cases should be provided for in the other class.

See in this connection the note to section 5.
Sec. 10. That every registered trademark, and every mark for the registration of which application has been made, together with the application for registration of the same, shall be assignable in connection with the good will of the business in which the mark is used. Such assignment must be by an instrument in writing and duly acknowledged according to the laws of the country or State in which the same is executed; any such assignment shall be void as against any subsequent purchaser for a valuable consideration, without notice, unless it is recorded in the Patent Office within three months from date thereof. The Commissioner shall keep a record of such assignments.

Section 12 of the Act of 1881 authorizes the Commissioner to record transfers of the right to use trademarks.

There is no restriction upon such transfers in the Act of 1881. But it is well settled that the property right to a trademark is not transferable except with the transfer of the right to manufacture or sell the particular merchandise to which the trademark has been attached. (See Filkins v. Blackman, 13 Blatchford, 440, quoting Dixon Crucible Company v. Guggenheim, Am. Trademark Cases, 559.)

Sec. 11. That certificates of registration of trademarks shall be issued in the name of the United States of America, under the seal of the Patent Office, and shall be signed by the Commissioner of Patents, and a record thereof, together with printed copies of the drawing and statement of the applicant, shall be kept in books for that purpose. The certificate shall state the date on which the application for registration was received in the Patent Office. Certificates of registration of trademarks may be issued to the assignee of the
applicant, but the assignment must first be entered of record in the Patent Office.

Written or printed copies of any records, books, papers, or drawings relating to trademarks belonging to the Patent Office, and of certificates of registration, authenticated by the seal of the Patent Office and certified by the Commissioner thereof, shall be evidence in all cases wherein the originals could be evidence; and any person making application therefor and paying the fee required by law shall have certified copies thereof.

This section is almost identical with section 4 of the Act of 1881, except that it provides that the certificate of registration shall be under the seal of the Patent Office instead of under the seal of the Department of the Interior. The certificates are to be issued by the Commissioner of Patents, who should attach his seal, which is under his control, rather than the seal of the Department of the Interior.

The second paragraph of this section corresponds in terms with the provisions of Section 892 of the Revised Statutes in reference to certified copies of the records of the Patent Office.

Sec. 12. That a certificate of registration shall remain in force for twenty years, except that in the case of trademarks previously registered in a foreign country such certificates shall cease to be in force on the day on which the trademark ceases to be protected in such foreign country, and shall in no case remain in force more than twenty years, unless renewed. Certificates of registration may be, from time to time, renewed for like periods on payment of the renewal fees required by this Act, upon request by the registrant, his legal representatives, or transferees of record in the Patent Office, and such request may be made at any time not
more than six months prior to the expiration of the period for which the certificates of registration were issued or renewed. Certificates of registration in force at the date at which this Act takes effect shall remain in force for the period for which they were issued, but shall be renewable on the same conditions and for the same periods as certificates issued under the provisions of this Act, and when so renewed shall have the same force and effect as certificates issued under this Act.

By this section of the Act the life of a certificate of registration is changed from thirty years to twenty years. The purpose of this change is to make the term of such registration correspond with the term for which registration is granted by the international union for the registration of trademarks. The right to the use of a trademark is perpetual, so long as the same is actually used in commerce. Such perpetual ownership of a mark is provided for by means of renewals of certificates, upon application made in accordance with the terms of the proposed bill.

The change in the term is coupled with a reduction of the fee for registration, from $25 to $10 (See Sec. 14). Failure to renew registration is, in foreign countries, taken to mean abandonment of the claim of right to the mark. While failure to renew need not be taken as abandonment of whatever rights the registrant may have under the common law, it should be taken as an abandonment of whatever rights may accrue from registration. Many trademarks are, as a matter of fact, abandoned within a few years after their first adoption, and it is in the interest of the public that marks which have thus ceased to be the subject of a claim of exclusive right should be dropped from the register within a shorter period than the thirty years for which certificates of registration were granted under the Act of 1881.
The provision with respect to trademarks previously registered in a foreign country is substantially the same in effect as the provision contained in the Act of 1881. The right of foreign trademark owners to the benefits of the law of the United States rests on treaty agreements, and it is expressly stipulated in many of these treaties that trademarks shall cease to be protected here when they cease to be exclusive property in the country in which they originate. Substantially the same provision is contained in the trademark laws of most foreign countries.

The final sentence of this section preserves whatever rights are secured by certificates of registration now in force, but there is nothing in this or any section of this Act to prevent the owner of a trademark registered under the Act of 1881 from registering under this Act, and thereby securing the advantages provided for therein.

Sec. 13. That whenever any person shall deem himself injured by the registration of a trademark in the Patent Office he may at any time apply to the Commissioner of Patents to cancel the registration thereof. The Commissioner shall refer such application to the examiner in charge of interferences, who is empowered to hear and determine this question, and who shall give notice thereof to the registrant. If it appear after a hearing before the examiner that the registrant was not entitled to the use of the mark at the date of his application for registration thereof, or that the mark is not used by the registrant, or has been abandoned, and the examiner shall so decide, the Commissioner shall cancel the registration. Appeal may be taken to the Commissioner in person from the decision of examiner of interferences.

The Committee on Patents of the House of Representatives in their report recommending the pas-
sage of the Act state as follows in reference to this section:

By section 13 provision is made for the cancellation of registration of marks which may not have been entitled to registration. The only notice which is required, according to the provisions of the bill, of the application for the registration of a trademark is the publication of the application once in the Official Gazette. The purpose of this provision is to give to the owner of a mark an opportunity to have a prior registration of his mark, if granted, canceled upon a proper showing.

Sec. 14. That the following shall be the rates for trademark fees:

On filing each original application for registration of a trademark, ten dollars: Provided, That an application for registration of a trademark pending at the date of the passage of this Act, and on which certificate of registration shall not have issued at such date, may, at the option of the applicant, be proceeded with and registered under the provisions of this Act without the payment of further fee.

On filing each application for renewal of the registration of a trademark, ten dollars.

On filing notice of opposition to the registration of a trademark, ten dollars.

On an appeal from the examiner in charge of trademarks to the Commissioner of Patents, fifteen dollars.

On an appeal from the decision of the examiner in charge of interferences, awarding ownership of a trademark or canceling the registration of a trademark, to the Commissioner of Patents, fifteen dollars.

For certified and uncertified copies of certificates of registration and other papers, and for recording transfers and other papers, the same fees as required by law
for such copies of patents and for recording assignments
and other papers relating to patents.

The fee for registration is reduced from twenty-
five dollars for thirty years under the Act of 1881 to
ten dollars for twenty years.

The requirement for a fee for appeal is a new
feature, but in view of the reduction of the registra-
tion fee, such a requirement is not unreasonable.

It is to be noted that this section recognizes the
justice of permitting those who have filed applica-
tions under the Act of 1881, and have paid the ex-
cessive fee required by that Act, to secure the ad-
vantages of the present Act without further fee.

Sec. 15. That sections forty-nine hundred and thirty-
five and forty-nine hundred and thirty-six of the Revised
Statutes, relating to the payment of patent fees and to
the repayment of fees paid by mistake, are hereby made
applicable to trademark fees.

Sec. 16. That the registration of a trademark under
the provisions of this Act shall be prima facie evidence
of ownership. Any person who shall, without the con-
sent of the owner thereof, reproduce, counterfeit, copy,
or colorably imitate any such trademark and affix the
same to merchandise of substantially the same descript-
tive properties as those set forth in the registration, or
to labels, signs, prints, packages, wrappers, or recep-
tacles intended to be used upon or in connection with
the sale of merchandise of substantially the same de-
scriptive properties as those set forth in such registra-
tion, and shall use, or shall have used, such reproduction,
counterfeit, copy, or colorable imitation in commerce
among the several States, or with a foreign nation, or
with the Indian tribes, shall be liable to an action for
damages therefor at the suit of the owner thereof; and
whenever in any such action a verdict is rendered for the plaintiff, the court may enter judgment therein for any sum above the amount found by the verdict as the actual damages, according to the circumstances of the case, not exceeding three times the amount of such verdict, together with the costs.

The Committee on Patents of the House of Representives, in their report recommending the passage of the Act, state, in reference to this section, as follows:

A remedy at law is given to the owners of trademarks by Section 16. The provision contained in this section to give the court power to enter a judgment on a verdict for three times the amount of the verdict, in such cases as the court may deem it advisable, is new in the law of trademarks. Similar provisions exist in the copyright and patent laws and in other statutes. The difficulty of proving exact damages in cases of this character is well understood. It has seemed to your committee proper that the Government, which has made provision for the registration of trademarks, should accord to the owners thereof, who have complied with the terms of the statute, full and complete redress for violation of their rights. By another section of the bill provision is made for designating registered trademarks by printing under the trademark the fact that it is registered, as is done in cases of patents, so that any person who imitates or counterfeits a trademark will do so with notice, and should therefore be held to a strict accountability for the fraud committed.

Sec. 17. That the circuit and territorial courts of the United States and the supreme court of the District of Columbia shall have original jurisdiction, and the circuit courts of appeal of the United States and the court of appeals of the District of Columbia shall have appellate
jurisdiction of all suits at law or in equity respecting trademarks registered in accordance with the provisions of this Act, arising under the present Act, without regard to the amount in controversy.

This section defines what United States courts shall have jurisdiction of suits involving the rights to registered trademarks.

Sec. 18. That writs of certiorari may be granted by the Supreme Court of the United States for the review of cases arising under this Act in the same manner as provided for patent cases by the Act creating the circuit court of appeals.

This corresponds in terms with the section of the statutes relating to patent cases.

Sec. 19. That the several courts vested with jurisdiction of cases arising under the present Act shall have power to grant injunctions, according to the course and principles of equity, to prevent the violation of any right of the owner of a trademark registered under this Act, on such terms as the court may deem reasonable; and upon a decree being rendered in any such case for wrongful use of a trademark the complainant shall be entitled to recover, in addition to the profits to be accounted for by the defendant, the damages the complainant has sustained thereby, and the court shall assess the same or cause the same to be assessed under its direction. The court shall have the same power to increase such damages, in its discretion, as is given by section sixteen of this Act for increasing damages found by verdict in actions of law; and in assessing profits the plaintiff shall be required to prove defendant's sales
only; defendant must prove all elements of cost which are claimed.

The Committee on Patents of the House of Representatives, in their report recommending the passage of the Act, state as follows in reference to this section:

By Section 19 provision is made for proceedings in equity against the infringer of a registered trademark. This section corresponds in terms with Section 4,921 of the Revised Statutes relating to patent cases, except that it specially provides the manner in which profits shall be ascertained. Under existing rules it is necessary for the complainant to prove sales and costs with entire and absolute accuracy. The only persons having knowledge of the cost of making the sales are the defendant or some one in his employ. It has seemed, therefore, only fair and just that if the complainant proves the sales, the defendant should be required to produce evidence of the expenses he was put to in making such sales as an offset against the sales proven by the complainant.

Sec. 20. That in any case involving the right to a trademark registered in accordance with the provisions of this Act, in which the verdict has been found for the plaintiff, or an injunction issued, the court may order that all labels, signs, prints, packages, wrappers, or receptacles in the possession of the defendant, bearing the trademark of the plaintiff or complainant, or any reproduction, counterfeit, copy, or colorable imitation thereof, shall be delivered up and destroyed. Any injunction that may be granted upon hearing, after notice to the defendant, to prevent the violation of any right of the owner of a trademark registered in accordance with the provisions of this Act, by any circuit court of the United States, or by a judge thereof, may be served on the
parties against whom such injunction may be granted anywhere in the United States where they may be found, and shall be operative, and may be enforced by proceed-
ings to punish for contempt, or otherwise, by the court by which such injunction was granted, or by any other circuit court, or judge thereof, in the United States, or by the supreme court of the District of Columbia, or a judge thereof. The said courts, or judges thereof, shall have jurisdiction to enforce said injunction, as herein provided, as fully as if the injunction had been granted by the circuit court in which it is sought to be enforced. The clerk of the court or judge granting the injunction shall, when required to do so by the court before which application to enforce said injunction is made, transfer without delay to said court a certified copy of all the papers on which the said injunction was granted that are on file in his office.

The provisions of this section are taken from Section 4,966 of the Revised Statutes relative to copyrights, and are equally applicable, or should be, to trademarks as to copyrights.

Sec. 21. That no action or suit shall be maintained under the provisions of this Act in any case when the trademark is used in unlawful business, or upon any article injurious in itself, or which mark has been used with the design of deceiving the public in the purchase of merchandise, or has been abandoned, or upon any certificate of registration fraudulently obtained.

This section is practically the same as Section 8 of the Act of 1881. The only change in the section relates to trademarks which have been abandoned.

Sec. 22. That whenever there are interfering regis-
tered trademarks, any person interested in any one of
them may have relief against the interfering registrant, and all persons interested under him, by suit in equity against the said registrant; and the court, on notice to adverse parties and other due proceedings had according to the course of equity, may adjudge and declare either of the registrations void in whole or in part, according to the interest of the parties in the trademark, and may order the certificate of registration to be delivered up to the Commissioner of Patents for cancellation.

The Committee on Patents of the House of Representatives, in their report recommending the passage of the Act, state, in reference to this section, as follows:

Section 22 provides for the cancellation of certificates of registration which have been granted to applicants who are subsequently found not to be the owners of the marks. This section provides only for the cancellation of trademarks which are in conflict with other registered trademarks. Section 13 provides that any person, whether the owner of any registered trademark or not, who may deem himself injured by the registration of a mark, may make application to the Commissioner of Patents to cancel the registration thereof, and proceedings are provided for any such case protecting the rights of the registrant of the mark.

Sec. 23. That nothing in this Act shall prevent, lessen, impeach, or avoid any remedy at law or in equity which any party aggrieved by any wrongful use of any trademark might have had if the provisions of this Act had not been passed.

The Committee on Patents of the House of Representatives, in their report recommending the passage of the Act, state as follows in reference to this section:
Section 23 is identical with Section 10 of the Act of 1881 on the subject of trademarks, and is intended to give the user of a commercial mark, whether such mark comes within the technical definition of a trademark under the provisions of the proposed Act the right to have such remedy against those who make use of such mark with fraudulent intent, as is given by the courts under the doctrine of unfair competition, and to further provide that the courts of the United States shall continue to have such jurisdiction as they now have to enforce relief in such cases.

Sec. 24. That all applications for registration pending in the office of the Commissioner of Patents at the time of the passage of this Act may be amended with a view to bringing them, and the certificate issued upon such applications, under its provisions, and the prosecution of such applications may be proceeded with under the provisions of this Act.

Sec. 25. That any person who shall procure registration of a trademark, or entry thereof, in the office of the Commissioner of Patents by a false or fraudulent declaration or representation, oral or in writing, or by any false means, shall be liable to pay any damages sustained in consequence thereof to the injured party, to be recovered by an action on the case.

This section is identical with Section 9 of the Act of 1881.

Sec. 26. That the Commissioner of Patents is authorized to make rules and regulations, not inconsistent with law, for the conduct of proceedings in reference to the registration of trademarks provided for by this Act.

Sec. 27. That no article of imported merchandise which shall copy or simulate the name of any domestic
manufacture, or manufacturer or trader, or of any manufacturer or trader located in any foreign country which, by treaty, convention, or law affords similar privileges to citizens of the United States, or which shall copy or simulate a trademark registered in accordance with the provisions of this Act, or shall bear a name or mark calculated to induce the public to believe that the article is manufactured in the United States, or that it is manufactured in any foreign country or locality other than the country or locality in which it is in fact manufactured, shall be admitted to entry at any custom-house of the United States; and, in order to aid the officers of the customs in enforcing this prohibition, any domestic manufacturer or trader, and any foreign manufacturer or trader, who is entitled under the provisions of a treaty, convention, declaration, or agreement between the United States and any foreign country to the advantages afforded by law to citizens of the United States in respect to trademarks and commercial names, may require his name and residence, and the name of the locality in which his goods are manufactured, and a copy of the certificate of registration of his trademark, issued in accordance with the provisions of this Act, to be recorded in books which shall be kept for this purpose in the Department of the Treasury, under such regulations as the Secretary of the Treasury shall prescribe, and may furnish to the Department facsimiles of his name, the name of the locality in which his goods are manufactured, or of his registered trademark; and thereupon the Secretary of the Treasury shall cause one or more copies of the same to be transmitted to each collector or other proper officer of customs.

The provisions of this section are taken substantially from Section 11 of the Act of Congress ap-
proved July 24, 1897, entitled "An act to provide revenue for the Government and to encourage the industries of the United States." Its provisions have been amended so as to give to manufacturers located in foreign countries—which, by treaty stipulations, give similar privileges to the United States—the same advantages as are given to domestic manufacturers.

Sec. 28. That it shall be the duty of the registrant to give notice to the public that a trademark is registered, either by affixing thereon the words "Registered in U. S. Patent Office," or abbreviated thus, "Reg. U. S. Pat. Off.," or when, from the character or size of the trademark, or from its manner of attachment to the article to which it is appropriated, this can not be done, then by affixing a label containing a like notice to the package or receptacle wherein the article or articles are inclosed; and in any suit for infringement by a party failing so to give notice of registration no damages shall be recovered, except on proof that the defendant was duly notified of infringement, and continued the same after such notice.

The Committee on Patents of the House of Representatives, in their report recommending the passage of the Act, state as follows with reference to this section:

Section 28 provides that it shall be the duty of the registrant of a trademark to give notice to the public that a trademark is registered either by affixing thereon the words "Registered in U. S. Patent Office," or abbreviated thus, "Reg. U. S. Pat. Off." If counterfeiting or imitation of a trademark is to subject the counterfeiter or imitator to the penalties by way of trebling of damages provided for under the provisions of the bill submitted herewith, then it seems entirely proper that some notice should be
given to the public of the registration of the trademark. The provisions for such notice in the section referred to follow the language of the statutes on the subject of patents.

Sec. 29. That in construing this Act the following rules must be observed, except where the contrary intent is plainly apparent from the context thereof: The United States includes and embraces all territory which is under the jurisdiction and control of the United States. The word "States" includes and embraces the District of Columbia, the Territories of the United States, and such other territory as shall be under the jurisdiction and control of the United States. The terms "person" and "owner," and any other word or term used to designate the applicant or other entitled to a benefit or privilege or rendered liable under the provisions of this Act, include a firm, corporation, or association, as well as a natural person. The term "applicant" and "registrant" embrace the successors and assigns of such applicant or registrant. The term "trademark" includes any mark which is entitled to registration under the terms of this Act and whether registered or not, and a trademark shall be deemed to be "affixed" to an article when it is placed in any manner in or upon either the article itself or the receptacle or package or upon the envelope or other thing in, by, or with which the goods are packed or inclosed or otherwise prepared for sale or distribution.

Section 29 defines the terms used in other sections of the bill, and by making such definition of the terms it has prevented considerable repetition in other parts of the bill.

The purpose of this section is to enable persons located in Porto Rico, the Philippines, and any
other territory which is, for the time being, under
the jurisdiction and control of the United States, to
secure the advantages of this act for the protection
of their trademarks; and to make it clear that "com-
merce among the several States" is not to be lim-
ited to commerce among the States in a technical
sense, but is to be construed to include commerce
between the District of Columbia and a State, be-
tween a State and a Territory, between a State and
Porto Rico, or the Philippines, between a Territory
and another Territory, between a Territory and
Porto Rico, or the Philippines, and between Porto
Rico and the Philippines; in other words, between
any portion of the territory of the United States
having its distinctive government, whether State,
Territorial, or other form of government, and any
other portion.

Sec. 30. That this Act shall be in force and take effect
April first, nineteen hundred and five. All Acts and
parts of Acts inconsistent with this Act are hereby re-
pealed except so far as the same may apply to certifi-
cates of registration issued under the Act of Congress
approved March third, eighteen hundred and eighty-one,
entitled, "An Act to authorize the registration of trade-
marks and protect the same," or under the Act approved
August fifth, eighteen hundred and eighty-two, entitled,
"An Act relating to the registration of trademarks."
Approved, February 20, 1905.