

# TRADEMARK & UNFAIR COMPETITION

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Class 10: Use as Prerequisite for Trademark Rights;  
Incontestability

# CLASS OUTLINE

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- Use in commerce requirement:
  - Bona fide use
  - Intent to use

# Lanham Act Section 45:

The term “use in commerce” means the bona fide use of a mark in the ordinary course of trade, and not made merely to reserve a right in a mark. For purposes of this chapter, a mark shall be deemed to be in use in commerce—

- (1) On goods when—
  - (A) It is placed in any manner on the goods or their containers or the displays associated therewith or on the tags or labels affixed thereto, or if the nature of the goods makes such placement impracticable, then on documents associated with the goods or their sale, and
  - (B) The goods are sold or transported in commerce, and
- (2) On services when it is used or displayed in the sale or advertising of services and the services are rendered in commerce, or the services are rendered in more than one State or in the United States and a foreign country and the person rendering the services is engaged in commerce in connection with the services.

The term “commerce” means all commerce which may lawfully be regulated by Congress.

# Trademarks and Use

Compare to US Copyright, Patent Law:

- **Copyright:** it is possible to use copyright protection to ensure that there is no publication of a work during the term of copyright (non-use)
- **Patent:** it is possible to use patent protection to ensure that no one practices an invention during the patent term (non-use)
- **Trademark:** It is **NOT** possible to use trademark protection to ensure that no one uses the mark without more – the mark owner herself must use the mark to retain protection

*Park 'n Fly v. Dollar Park and Fly,  
Inc.*



# Incontestability

LA §15 sets forth conditions under which a mark will gain immunity from certain challenges (this is somewhat misleadingly called “incontestability”)

# “Incontestable” Status

## I. Conditions for incontestable status:

1. Continuous use for five years after registration;
1. No adverse final decision or pending proceeding involving rights in or registration of the mark;
1. Filing of affidavit (it’s not automatic!) within one year after end of five-year period that:
  - sets forth the goods or services in connection with the mark has been used, and
  - asserts that no adverse final decision or pending proceeding

# “Incontestable” Status (cont.)

## II. Consequences of “Incontestability”

### A. Challenges Immunized Against:

1. Descriptive (§2(e)(1)) (*Park N’ Fly*)
1. Prior Use (§2(d)) (except for prior common-law uses, in which case may be territorial limitation -- §§15, 33(b)(5))
2. All other §2(e) matters except functionality (deceptively misdescriptive, geographically descriptive, geographically deceptively misdescriptive, surname)

# “Incontestable” Status (cont.)

## B. Principal Remaining Challenges (not cured by incontestability):

1. Genericide (§15(4))

1. Common-law priority (§15)

1. Abandonment (§14(3))

1. Fraud (§14(3))

1. Functionality (§14(3))

1. Misuse of certification mark (§14(5))

→ McCarthy – “there may be as many as 21 possible exceptions to incontestable registration”

## Keeping the two 5-year periods distinct:

- 2(f) presumption that descriptive term has become distinctive after 5 years of “substantially continuous and exclusive use” (thus allowing registration)
- Incontestability with a showing of 5 years of continuous use (and other requirements) **after** federal registration