

Use in commerce modalities

- “Use in commerce” as jurisdictional requirement
 - Larry Harmon Pictures Corp. v. Williams Restaurant Corp., 929 F.2d 662 (Fed. Cir. 1991), cert. denied, 502 U.S. 823 (1991) (finding small, single-location Bar-B-Q restaurant in Mason, Tennessee to be rendering service in interstate commerce)
 - Coca-Cola Co. v. Stewart, 621 F.2d 287, 290 (8th Cir. 1980) (where restaurant substituted other beverages for coke, “‘in commerce’ refers to the impact that infringement has on interstate use of a trademark; it does not mean that an infringer is immune from prosecution under the statute so long as he keeps his infringement entirely within the confines of a state.”)
- “Use in commerce” as requirement for exclusive rights
 - Aycock Engineering, Inc. v. Airflite, Inc., 560 F.3d 1350 (Fed. Cir. 2009)
 - Planetary Motion, Inc. v. Techsplosion, Inc., 261 F.3d 1188 (11th Cir. 2001)
- “Use in commerce” for purposes of determining whether a mark owner has abandoned its rights
- “Use in commerce” by defendant as requirement for liability – has the defendant made an “actionable use” of the plaintiff’s mark

Aycock Engineering, Inc. v. Airflite, Inc., (Fed. Cir. 2009)

- Was Aycock’s pre-sales conduct enough to meet the “use in commerce” prerequisite for exclusive rights?
- Federal Circuit follows the “traditional rule ... that use of a symbol in steps preliminary to establishing a business does not establish a priority date or a use sufficient for federal registration.” (McCarthy)
 - See, e.g., In re Cedar Point, Inc., 220 USPQ 533 (TTAB 1983)
- Slightly heightened requirement of use after 1989.

United States Patent Office 983,064
Registered Apr. 30, 1974

SUPPLEMENTAL REGISTER
Service Mark

Ser. No. 367,571, filed P.R. Aug. 10, 1970;
Am. S.R. Apr. 27, 1973

AIRFLITE

Aycock Engineering, Inc. (North Carolina corporation)
422 Rayonide
Fayetteville, N.C. 28304

For: ARRANGING FOR INDIVIDUAL RESERVA-
TIONS FOR FLIGHTS ON AIRPLANES, in CLASS 105
(INT. CL. 39).
First use at least as early as June 23, 1969; in commerce
at least as early as Mar. 3, 1970.

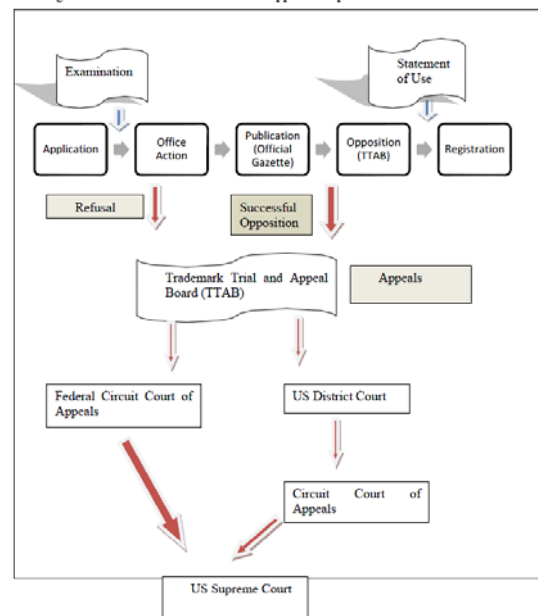
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Planetary Motion, Inc. v. Techsplosion, Inc. (11th Cir. 2001)

- Timeline:
 - December 31, 1994: Darrah releases Coolmail under GNU license
 - Early 1995: S.u.S.E. sells Darrah's Coolmail as part of compilation
 - April 16, 1998: Techplosion e-mail solicitation to 11,000 recipients. Activated domain name coolmail.to.
 - April 24, 1998: Planetary Motion files three ITU applications.
 - April 22, 1999: Planetary Motion sues Techplosion for infringement.
 - July 1999: Planetary Motion purchases all of Darrah's rights in Coolmail.
- Issue: Was Darrah's (Planetary Motion's) distribution in 1994 and subsequent conduct sufficient to establish "use in commerce" before Techplosion's first use in commerce?
- "Totality of circumstances" test
 - "Under the 'totality of circumstances' analysis, a party may establish 'use in commerce' even in the absence of sales."
 - "The sufficiency of use should be determined according to the customary practices of a particular industry."

- Lanham Act § 1(a): the applicant is already making actual use of the mark in commerce;
- Lanham Act § 1(b): the applicant has a bona fide intent to use the mark in commerce in the near future;
- Lanham Act § 44(d): the applicant filed a foreign application to register the mark within six months of its application to the PTO and claims the priority date of that foreign application;
- Lanham Act § 44(e): the applicant possesses a registration of the mark in the applicant's country of origin;
- Lanham Act § 66(a): the applicant requests extension of protection of an international registration under the Madrid System for the international registration of trademarks.

The diagram below illustrates the trademark application process before the PTO.

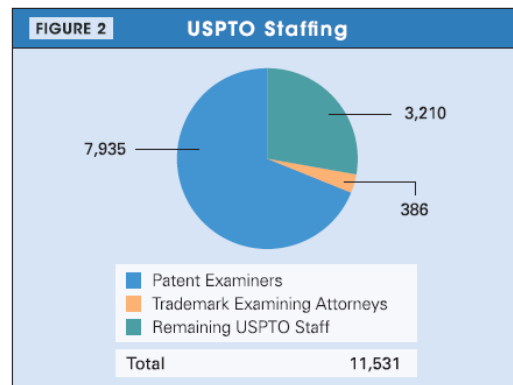
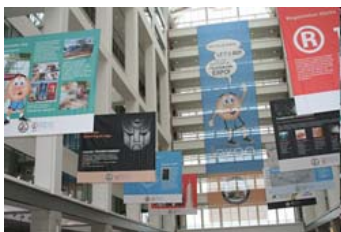


Flow of registration process

<http://www.uspto.gov/trademark/trademark-timelines/trademark-application-and-post-registration-process-timelines>

- 1(a) Basis
 - Application
 - Examination
 - Publication
 - Opposition (if brought)
 - Registration
- 1(b) Basis
 - Application
 - Examination
 - Publication
 - Opposition (if brought)
 - Statement of Use
 - Registration

The PTO



End of FY 2012

uspto

Performance and Accountability Report
fiscal year 2012



TABLE 2 Summary of Strategic Goal Results for FY 2008 - FY 2012						
Strategic Goals Performance Measures	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Target	FY 2012 Actual
GOAL 1: Optimize Patent Quality and Timeliness						
Average First Action Pendency	25.6	25.8	25.7	28.0	22.6	21.9
Average Total Pendency	32.2	34.6	35.3	33.7	34.7	32.4
Patent Quality Composite Rate	N/A	N/A	N/A	30.7	48-56	72.4
Patent Applications Filed Electronically	71.7%	82.4%	89.5%	93.1%	96.0%	97.1% ¹
GOAL 2: Optimize Trademark Quality and Timeliness						
Average First Action Pendency	3.0	2.7	3.0	3.1	2.5 to 3.5	3.2
Average Total Pendency	11.8	11.2	10.5	10.5	12.0	10.2
First Action Compliance Rate	95.8%	96.4%	96.6%	96.5%	95.5%	96.2%
Final Compliance Rate	N/A	97.6%	96.8%	97.0%	97.0%	97.1%
Exceptional Office Action	N/A	N/A	N/A	23.6%	20.0%	26.1%
Trademark Applications Processed Electronically	N/A	62.0%	68.1%	73.0%	74.0%	77.0%
GOAL 3: Provide Domestic and Global Leadership to Improve Intellectual Property Policy Protection and Enforcement Worldwide						
Percentage of prioritized countries for which country teams have made progress on at least 75% of action steps in the country-specific action plans along the following dimensions:	N/A	NA	75%	100%	75%	75%
1. institutional improvements of IP office administration for advancing IP rights.						
2. institutional improvements of IP enforcement entities.						
3. improvements in IP laws and regulations, and						
4. establishment of government-to-government cooperative mechanisms.						
<p>The performance result of a given measure is either ■ Met (100 percent or greater of target), ■ Slightly Below (95 to 99 percent of the target), or ■ Not Met (below 95 percent of target). N/A: Denotes new performance measures where data was not available. ¹ This is preliminary data and is expected to be final by December 2012 and will be reported in the FY 2013 PAR.</p>						

TABLE 3 Measure: Total Cost Per Patent Production Unit		
FISCAL YEAR	TARGET	ACTUAL
2008	\$3,982	\$3,773
2009	\$3,562	\$3,523
2010	\$3,530	\$3,471
2011	\$4,041	\$3,594
2012	\$3,970	\$3,617
2013	\$4,041	
2014	\$3,878	

Target Met.

TABLE 14 Measure: Total Cost Per Trademark Office Disposal		
FISCAL YEAR	TARGET	ACTUAL
2008	\$697	\$470
2009	\$639	\$474
2010	\$607	\$520
2011	\$650	\$541
2012	\$607	\$560
2013	\$609 ¹	
2014	\$608 ¹	

Target Met.
¹ Outyear targets subject to change.

TABLE 15 Measure: Trademark Applications Processed Electronically		
FISCAL YEAR	TARGET	ACTUAL
2009	62.0%	62.0%
2010	65.0%	68.1%
2011	68.0%	73.0%
2012	74.0%	77.0%
2013	74.0% ¹	
2014	76.0% ¹	

Target Met.
¹ Outyear targets subject to change.

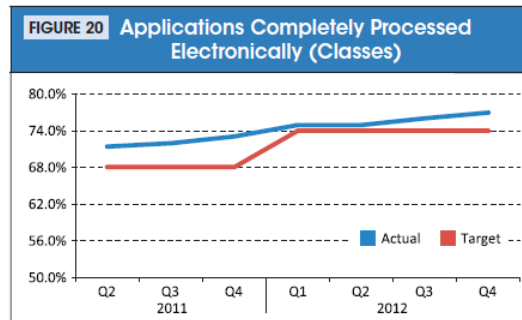


Figure 1
Applications Per Year By Filing Basis, 1981-2010

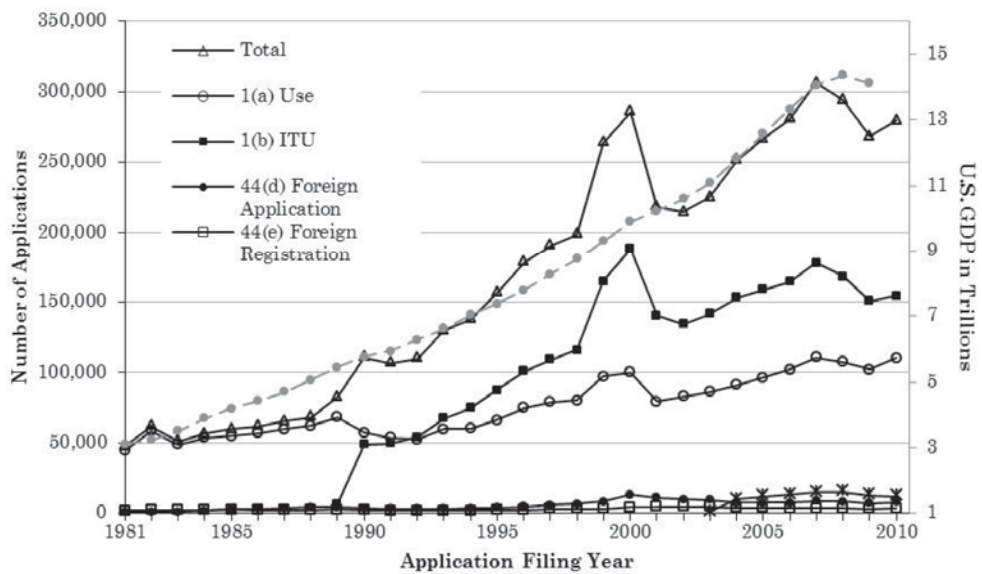


Figure 2
Proportion of Use-Based and ITU-Based Applications Published and Registered by Application Filing Year, 1981-2007

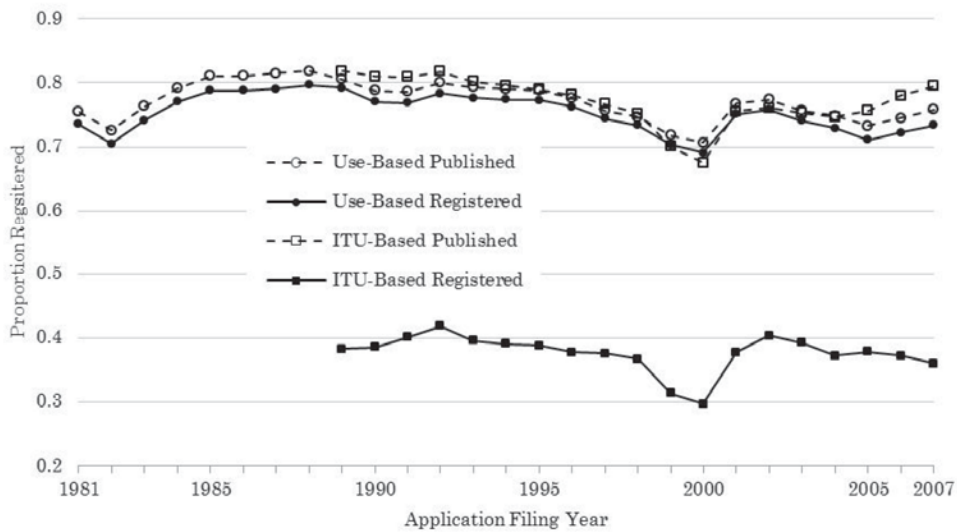
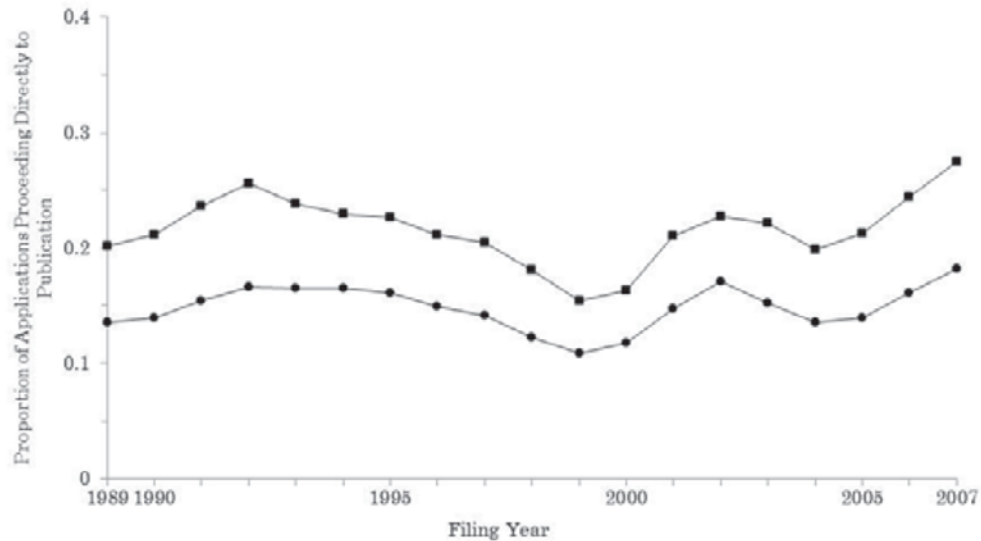


Figure 6
Proportion of Use-Based and ITU Applications
Proceeding Directly to Publication, 1989-2007



Advantages of Registration

- Date of filing of registration establishes constructive use priority (Section 7(c))
- Registration certification is prima facie evidence of validity, ownership, and registrant's exclusive rights (Section 7(b))
- Registration starts clock running for purposes of incontestability (Sections 15 and 33) and limits on cancellation (Section 14)
- Other miscellaneous advantages

Maintaining a Registration

- Various Declarations and Applications
 - Section 8 Declaration of Continuing Use
 - Section 15 Declaration of Incontestability
 - Section 9 Renewal Application
- During 6th year from date of registration:
 - Registrant must file Section 8 Declaration
 - Registrant may also file Section 15 Declaration
- During every 10th year from date of registration:
 - Registrant must file Section 8 Declaration and Section 9 Renewal Application