Courting Foreigners under Section 43(a) of the Lanham Act

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COURTING FOREIGNERS UNDER SECTION 43(a) OF THE LANHAM ACT

The principle of reciprocity\(^1\) is often the essential element in international agreements designed to insure the citizens of signatory nations equitable treatment as they travel or conduct business abroad. Insofar as reciprocity may also constitute a mode of political leverage to bolster a nation's efforts to secure for its citizens prospective extraterritorial benefits, the principle has been accorded judicial, as well as legislative, recognition.\(^2\) Viewed in this perspective, any judicial decision which derogates from the policy of reciprocity is deserving of scrutiny.

In *Noone v. Banner Talent Associates, Inc.*,\(^3\) a case of first impression, Judge Charles Metzner of the Southern District of New York held that a foreign plaintiff, relying upon a claim analogous to misappropriation of a trade name,\(^4\) could sue a foreign defendant in federal court under

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1. Reciprocity has been defined as "the relation existing between two states when each of them gives the subjects of the other certain privileges, on condition that its own subjects shall enjoy similar privileges at the hands of the latter state." BLACK'S LAW DICTIONARY 1435 (4th ed. rev. 1968).

The importance of this principle in the international domain is in no small part attributable to the dependence of world tranquility upon the mutual recognition and respect of the sovereignty of all nations. The alternative of a nation according protection to the rights and privileges of its citizens abroad through its direct intervention in the affairs of the foreign state would inevitably lead to grave political repercussions and world crises.

2. See, e.g., United States v. United Continental Tuna Corp., 425 U.S. 164 (1976), wherein the Supreme Court held that a Philippine corporate owner of a fishing vessel, which sank after colliding with a United States' naval destroyer, could not maintain an action in federal court since the claim was subject to the Public Vessels Act § 5, 46 U.S.C. § 785 (1975) which provides:

> No suit may be brought under this chapter by a national of any foreign government unless it shall appear to the satisfaction of the court in which suit is brought that said government, under similar circumstances, allows nationals of the United States to sue in its courts.

Relying upon such provision, the Court merely noted that the Philippines accorded United States nationals no such right of action.


4. "Trade name" has been defined as follows:

> A name used in trade to designate a particular business of certain individuals considered somewhat as an entity, or the place at which a business is located, or of a class of goods, but which is not a technical trade-mark either because not applied or affixed to goods sent into the market or because not capable of exclusive appropriation by anyone as a trade-mark. "Trade-names" may, or may not, be exclusive. Non-exclusive "trade-names" are names that are publici juris in their primary sense, but which in a secondary sense have come to be understood
Section 43(a) of the Lanham Act. Although a cursory analysis of the relevant statute section reveals that such a legal action may be permissible, the decision is inconsistent with the American policy of assuring United States citizens equal treatment with respect to trademark protection and protection against unfair competition in the international domain. Since affording foreigners access to our federal courts under such circumstances undermines the principle of reciprocity and the purposes of treaty arrangements, the district court decision is worthy of consideration as an undesirable precedent in the field of trademark law and as a precedent whose ill effect may pervade other areas of the law.

I

FACTS OF NOONE

Peter Blair Noone, the plaintiff, and the individual defendants achieved world-wide fame as members of the English rock and roll group known as "Herman's Hermits." Holding himself out to the public as "Herman," Noone performed as the lead singer of the group, which made numerous million-selling records and frequent television, stage, and concert appearances. In 1971 Noone left the group to pursue his individual career, while the defendants remained together performing under the billing of "The Hermits." Noone and the defendants performed together again in 1973 in an American concert tour under the title "Herman's Hermits featuring Peter Noone." Late in 1973, the defendants initiated an American tour without Noone, billing themselves as "Herman's Hermits," and defendant Banner, a nonexclusive booking agent, booked all their engagements.

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When the defendants ignored an alleged request by Noone to cease the use of the above name, Noone organized a musical group in England and performed under the title "Herman's Hermits." After the defendants brought suit in England to enjoin Noone from using that name for the group, Noone sued the individual defendants and Banner on analogous grounds in the United States, basing his claims upon Section 43(a) of the Lanham Act and the common law of unfair competition.  

On a motion to dismiss the action on grounds of lack of standing and failure to state a claim upon which relief may be granted, among other grounds, Judge Metzner found adequate reason to maintain the action under Section 43 of the Lanham Act. Asserting that the Section by its express terms "does not limit its applicability to nationals of the United States," Judge Metzner reasoned that the foreign plaintiff had standing to sue under Section 43(a). Furthermore, viewing the situation as analogous to misappropriation of trade names, the Judge held actionable the plaintiff's allegation that the use of the name "Herman's Hermits" is a false description in that "Herman" is not a member of the group. While the conclusions of the Judge maintain some legal support, the propriety of the result is highly questionable, mandating renewed consideration of concepts of federal court jurisdiction and principles of reciprocity.

II

ALIENS AND FEDERAL COURT JURISDICTION

A fundamental rule of jurisdiction is that a "sovereign is supreme within his own territory and it is generally recognized that under the universal maxim of jurisprudence he has exclusive jurisdiction over everybody and everything within that territory and over every transaction that is there effected." While this rule appears absolute in its terms as it concomitantly minimizes any distinction between personal and subject matter jurisdiction, it is by no means an invalid reflection of the

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8. Id.
9. Deddish, Judicial Jurisdiction, a Study in International and Comparative Law, 6 COMP. JUN. REV. 55, 59 (1969). This principle is known as "territorial jurisdiction" and constitutes the essential foundation of the legal systems of the United States and Great Britain. One may contrast this legal philosophy with "personal or nationality jurisdiction" whereby the personal characteristics of the litigants are determinative of the adjudicative authority of the court. This latter jurisdictional theory underlies the German, French and Italian legal systems. The parallelism of federal diversity-of-citizenship jurisdiction is manifest. A final major principle is "transactional jurisdiction" whereby the parties contractually agree a priori to the courts which are authorized to settle any disputes which may subsequently arise between them. See id. at 67-70.
10. As a general rule, in order for an American court to have jurisdiction to adjudicate
jurisdictional principles maintained by the states in the United States. For example, this concept of "territorial jurisdiction" for purposes of personal jurisdiction has developed to the point where it has been deemed immaterial how transiently an individual is within the limits of a state; if he is served with process therein, jurisdiction over his person is complete.

Given this expansive view of adjudicatory authority, it is not surprising that states frequently entertain suits brought by aliens. As the Supreme Court of Iowa declared:

Under the common-law theory, laws are territorial in their operation; and, while a sovereign may legislate with reference to its subjects outside of its territorial jurisdiction, general legislation is assumed to apply to all persons residing, all property situated, and all rights arising within its territorial jurisdiction, regardless of the status of the parties, as being citizens or aliens. As to the rights arising or recognized within the jurisdiction, a nonresident alien may maintain suits in the courts without any special statutory authority.

State courts have even asserted the power to adjudicate actions by one alien against another alien for torts committed beyond the strict terri-

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11. The adjudicatory authority of the state court systems is extensive within the confines of territorial sovereignty. Perhaps the major limitation on this authority is the concept of exclusive federal jurisdiction which only applies upon express provision therefor in the Constitution, or laws and treaties adopted thereunder. See C.J. Hendry Co. v. Moore, 318 U.S. 133 (1943). On the other hand, federal courts are courts of limited subject matter jurisdiction which depend for the most part upon express Constitutional, statutory, or treaty authority to adjudicate particular types of cases. As a general rule, however, the precepts of personal jurisdiction are equally applicable to state as well as federal courts. See Green, supra note 10, at 11-14.


13. See, e.g., Slissberg v. New York Life Ins. Co., 244 N.Y. 482, 155 N.E. 749, cert. denied, 275 U.S. 526 (1927); Romano v. Capital City Brick & Pipe Co., 125 Iowa 591, 101 N.W. 437 (1904). See also Disconto Gesellschaft v. Umbreit, 208 U.S. 570, 578 (1907) wherein the Supreme Court remarked, "Alien citizens, by the policy and practice of the courts of this country, are ordinarily permitted to resort to the courts for the redress of wrongs and the protection of their rights." Note, however, that all these cases involved actions between aliens and domestic citizens or jurist persons.

tiorial jurisdiction of the court. However, whether the courts will recognize such suits is entirely within their discretion.\(^{15}\)

In contrast to this seemingly boundless authority of the state courts to entertain legal actions,\(^{16}\) the federal courts are of limited subject matter jurisdiction and may recognize suits only when authorized by the Constitution or the laws and treaties adopted thereunder.\(^{17}\) In fact, the general presumption when a suit is initiated in the federal courts is that the court lacks jurisdiction unless such jurisdiction is affirmatively established by the plaintiff.\(^{18}\) Consequently, an alien may not sue another alien in the federal courts unless the prospective plaintiff is able to embrace a particular Constitutional or statutory provision which authorizes him to do so.\(^{19}\) This qualification on the alien's right to sue, or for that matter on any individual's right to sue, necessitates a review of the principle modes of securing federal court jurisdiction.

A. DIVERSITY OF CITIZENSHIP

One principle ground of jurisdiction in the federal courts is diversity of citizenship, which, although founded upon a personal characteristic of the litigants, is nonetheless a type of subject matter jurisdiction.\(^{20}\) The

\(^{15}\) See, e.g., Gardner v. Thomas, 14 Johns. (N.Y. S. Ct. 1817) 134.

\(^{16}\) See note 11 supra.


\(^{18}\) In a statement equally applicable to district courts, the Supreme Court declared, "As the jurisdiction of the circuit court is limited, in the sense that it has no other jurisdiction than that conferred by the Constitution and laws of the United States, the presumption is that a cause is without jurisdiction unless the contrary affirmatively appears." Grace v. American Cent. Ins. Co., 109 U.S. 278, 283 (1883).

\(^{19}\) The position of the alien seeking to sue another alien is accorded considerable support by 42 U.S.C. § 1981 (1970) which provides:

All persons within the jurisdiction of the United States shall have the same right in every State and Territory to make and enforce contracts, to sue, be parties, give evidence, and to the full and equal benefit of all laws and proceedings for the security of persons and property as is enjoyed by white citizens, and shall be subject to like punishment, pains, penalties, taxes, licenses, and exactions of every kind, and to no other.

While the statute was originally formulated to provide black citizens with the same rights and privileges as were already enjoyed by white citizens, the statute was held to apply equally to aliens. See Roberto v. Hartford Fire Ins. Co., 177 F.2d. 811 (7th Cir.), cert. denied, 339 U.S. 920 (1950). See also Takahashi v. Fish and Game Commission, 334 U.S. 410 (1947). However, this statutory provision in no way fulfills the alien plaintiff's need to otherwise establish the jurisdiction, both personal and subject matter, of the federal court to decide his case.

\(^{20}\) This mode of jurisdiction is analogous to "personal or nationality" jurisdiction of some foreign states. See note 6 supra.
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essential prerequisites for maintaining an action in the federal courts under this legal theory are that the "matter in controversy exceeds the sum or value of $10,000, exclusive of interest and costs, and is between—(1) citizens of different States; (2) citizens of a State, and foreign states or citizens or subjects thereof; and (3) citizens of different States and in which foreign states or citizens or subjects thereof are additional parties." A literal reading of this statutory provision dictates that aliens may not sue other aliens under the authority of this section and, in fact, the courts of the country have so uniformly held.

Therefore, it is clear that the Noone cause of action, if any were to be recognized, could not be maintained under this mode of court jurisdiction.

B. Federal Question and "Special Statutes"

Contrary to diversity-of-citizenship jurisdiction, however, federal question and "special statute" jurisdiction are not dependent upon personal characteristics of the litigants, such as domicile or nationality. The general federal question statute provides:

The district courts shall have original jurisdiction of all civil actions wherein the matter in controversy exceeds the sum or value of $10,000, exclusive of interest and costs, and arises under the Constitution, laws, or treaties of the United States.

In addition, each "special statute" vests the district courts with original jurisdiction over a particular subject matter, frequently without concern for the monetary amount in controversy. Although federal "special


The district courts shall have original jurisdiction of any civil action arising under any Act of Congress relating to patents, plant variety protection, copyrights and trade-marks. Such jurisdiction shall be exclusive of the courts of the states in patent, plant variety protection and copyright cases.

Furthermore, district court jurisdiction over controversies is often provided for in the Congressional enactment creating the substantive rights themselves. For example, 15 U.S.C. § 1121 (1970), Section 39 of the Lanham Act, states:

The district and territorial courts of the United States shall have original juris-
statute" jurisdiction is usually exclusive, such is not the case with re-
spect to trademark law, the body of law encompassing the Noone con-
troversy.

Since neither the general federal question statute nor the special stat-
ute provisions qualify those individuals who are capable of bringing suit
thereunder, the federal courts may recognize actions by aliens against
other aliens under these Congressional enactments. However, the mere
assertion of federal court jurisdiction by the plaintiff is not determina-
tive of whether the court will entertain the action. As federal courts are
of limited jurisdiction, they may examine on their own motion their
authority to assume, hear, and decide any particular case. Although
no clear and universally accepted criteria for determining the existence
of federal question jurisdiction have been formulated, frequently cited
in judicial analyses is the opinion of Justice Cardozo in Gully v. First
National Bank which stated in part:

If we follow the ascent far enough, countless claims of right can be
discovered to have their source or their operative limits in the provisions
of a federal statute or in the Constitution itself with its circumambient
restrictions upon legislative power. To set bounds to the pursuit, the
courts have formulated the distinction between controversies that are
basic and those that are collateral, between disputes that are necessary
and those that are merely possible. We shall be lost in a maze if we put
that compass by.28

25. Canada Malting Co. v. Paterson Steamships, Ltd., 285 U.S. 413 (1931); Kavourgias
v. Nicholas Co., 148 F.2d 96 (9th Cir. 1945); Doidge v. Cunard S.S. Co., 19 F.2d 500 (1st


27. For a discussion of the confusion engulfing the issue of federal question jurisdiction,
see C. WRIGHT, FEDERAL COURTS § 17 (1970). Despite the controversy over the applicable
jurisdictional criteria, it should be noted that once a particular standard for jurisdic-
tional analysis has been chosen by a court, the application of such standard should not differ
depending upon the source of the federal right being asserted. As the court maintained in
1950), reo'd on other grounds, 189 F.2d 858 (4th Cir. 1950), "[T]he rule to be applied in
determining whether a civil action is one falling within the provisions of Section 1331 is
the same whether we are dealing with the Constitution itself or with treaties or laws made
pursuant thereto."

Irrespective of the criterion used by the court in its jurisdictional analysis, even if the court concludes that the action of a given plaintiff strictly qualifies for maintenance under principles of federal question jurisdiction or special statute jurisdiction, the federal court may nevertheless refuse to exercise its jurisdiction when the parties are foreigners. For example, in Canada Malting Co. v. Paterson Steamships, an action brought under the maritime special statute, the Supreme Court declared that "in a suit in admiralty between foreigners it is ordinarily within the discretion of the District Court to refuse to retain jurisdiction; and that the exercise of its discretion will not be disturbed unless abused." As the Court stated, "Obviously the proposition that a court having jurisdiction must exercise it, is not universally true; else the admiralty court could never decline jurisdiction on the ground that the litigation is between foreigners." Of cardinal importance to the present analysis, however, is the fact that the cause of action in the Canada Malting Co. case arose in the United States, as did the cause of action in the Noone case. Cognizant of this fact, the Supreme Court nevertheless declined to assume jurisdiction asserting, "Neither in these, nor in other cases, has the bare circumstance of where the cause of action arose been treated as determinative of the power of the court to exercise discretion whether to take jurisdiction."

The analytic criteria to be considered by a federal court in deciding whether to exercise jurisdiction over a suit between foreigners have never been explicitly delineated, no doubt because of the infinite variety of situations under which such a decision need be made. However, the Second Circuit Court of Appeals has indicated in dicta:

"[W]hile an admiralty court of the United States is under no obligation to entertain jurisdiction where all the parties are foreigners, yet it also may entertain jurisdiction of a suit between aliens in civil causes of admiralty and maritime jurisdiction and is inclined to do so when it is necessary to prevent a failure of justice and if the rights of the parties would thereby be best promoted."
Although the “prevention of a failure of justice” criterion should perhaps at times be liberally construed and extended to fields beyond admiralty law to accommodate the interests of foreign litigants seeking a forum for the resolution of their controversy, such a liberal construction should not be undertaken in ignorance of underlying principles of reciprocity when the rights of Americans abroad may indirectly be in issue. For reciprocity purposes, it is also necessary to analyze the scope of protection being accorded the aliens by affording them the opportunity to litigate their case in the federal courts in order that this protection may be compared with that accorded Americans abroad. In this analysis, pendent jurisdiction must be considered.

C. PENDENT JURISDICTION

By pendent jurisdiction, “it is held that a district court acquires jurisdiction of a case or controversy as an entirety, and may, as an incident to disposition of a matter properly before it, possess jurisdiction to decide other matters raised by the case of which it could not take cognizance were they independently presented.” This concept has considerable importance in the fields of copyright, patent and trademark law due to 28 U.S.C. § 1338(b) which provides: “The district courts shall have original jurisdiction of any civil action asserting a claim of unfair competition when joined with a substantial and related claim under the copyright, patent or trade-mark laws.” Therefore, if a foreign litigant were capable of maintaining an action under Section 43(a) of the Lanham Act and he had state claims which, along with the federal claim, derived from a “common nucleus of operative fact,” he could assert both types of claims in the federal forum. Since pendent jurisdiction of the federal courts provides foreign litigating parties with these addi-


It should be noted that pendent jurisdiction does not modify the common-law rule that the mere consent of the parties is insufficient to confer upon a court of the United States the jurisdiction to hear and decide issues otherwise not within its adjudicatory authority. See People’s Bank v. Calhoun, 102 U.S. 256, 260-61 (1880); accord, Byers v. McAuley, 149 U.S. 608 (1892).
tional legal benefits, perhaps unavailable to American citizens abroad, the availability of this mode of jurisdiction to foreigners must be considered in critically evaluating reciprocity arrangements between the United States and other sovereign states and the desirability of permitting aliens to sue other aliens under the Lanham Act.

III

SECTION 43(a) OF THE LANHAM ACT

In analyzing the propriety of the Noone decision, considerable attention should be given to the breadth of substantive rights created under Section 43(a) of the Lanham Act as well as the jurisdictional issues discussed above. Section 43(a) provides:

Any person who shall affix, apply, or annex, or use in connection with any goods or services, or any container or containers for goods, a false designation of origin, or any false description or representation, including words or other symbols tending falsely to describe or represent the same, and shall cause such goods or services to enter into commerce, and any person who shall with knowledge of the falsity of such designation of origin or description or representation cause or procure the same to be transported or used in commerce or deliver the same to any carrier to be transported or used, shall be liable to a civil action by any person doing business in the locality falsely indicated as that of origin or the region in which said locality is situated, or by any person who believes that he is or is likely to be damaged by the use of any such false description or representation.\(^n\)

Although Section 43(a) is specifically phrased to provide relief\(^o\) for a plaintiff against one who uses in interstate commerce either a false designation of regional origin or a false description or representation in connection with any goods or services, courts, apparently anxious to promote a federal law of unfair competition,\(^p\) have construed the terms


\(^{40}\) While Section 43(a) does not mention any particular mode of relief, it is clear that damages or injunctive relief is available under the statutory provision. Friend v. H.A. Friend & Co., 416 F.2d 526 (9th Cir. 1969). Furthermore, there is a lesser degree of proof required where only injunctive relief is sought. In this latter case, the plaintiff need not prove that purchasers actually are deceived, but only that false advertisements, for example, have a tendency to deceive. Parkway Baking Co. v. Freihofer Baking Co., 255 F.2d 641 (3d Cir. 1958).

\(^{41}\) Judge Clark, in a dissenting opinion, as long ago as 1953, endorsed the most comprehensive interpretation of Section 43(a) when he remarked, “We have already given effect to the announced purpose of Congress to establish a national law in the Lanham Act so far as concerns the issue of infringement, 15 U.S.C. § 1114(1). I think we should do the
of the Section broadly, if not too broadly.\textsuperscript{42}

\section*{A. Broadening the Scope of Section 43(a)}

Section 43(a) of the Lanham Act expanded the scope of its legislative predecessor, Section 3 of the Trade-Mark Act of 1920, 41 Stat. 534, by providing for a civil action against false description and representation as well as against false designation of regional origin. A further modification incorporated into the Lanham Act was the elimination of the requirement of proof of "willfulness" or "intent to deceive" as a necessary element of a cause of action.\textsuperscript{43} Yet, despite these limited statutory alterations, commentators have perceived Section 43(a),\textsuperscript{44} and subsequently judges have construed Section 43(a), as incorporating changes of greater magnitude. In the landmark case of \textit{L'Aiglon Apparel v. Lana Lobell, Inc.},\textsuperscript{45} Judge Hastie of the Third Circuit construed Section 43(a) as more than a mere codification of pre-Lanham common law.

He asserted:

\begin{quote}
It seems to us that Congress has defined a statutory civil wrong of false representation of goods in commerce and has given a broad class of suitors injured or likely to be injured by such wrong the right to relief in the federal courts. This statutory tort is defined in language which differentiates in it some particulars from similar wrongs which have developed and have become defined in the judge-made law of unfair competition. . . . But however similar to or different from preexisting law, here is a provision of a federal statute which, with clarity and precision ade-
\end{quote}

\begin{footnotes}
\textsuperscript{42} For discussions of the development and scope of Section 43(a) of the Lanham Act and its relationship to prior law, see 1 CALLMAN, UNFAIR COMPETITION, TRADEMARKS, AND MONOPOLIES, \S 18.2(b) (3d ed. 1987); Bunn, \textit{The National Law of Unfair Competition}, 62 Harv. L. Rev. 987, 998 (1949); Germain, \textit{Unfair Trade Practices under Section 43(a) of the Lanham Act: You've Come a Long Way, Baby—Too Far, Maybe?}, 49 Ind. L.J. 84 (1973); Note, \textit{The Lanham Trademark Act, Section 43(a)—A Hidden National Law of Unfair Competition}, 14 Washburn L.J. 330 (1975).

\textsuperscript{43} Compare Section 3 of the Trade-Mark Act of 1920, 41 Stat. 534, which reads in part, 
\begin{quote}
". . . any person who shall willfully and with intent to deceive, affix, apply, or annex, . . . "
\end{quote}
with the text accompanying note 39 supra.

\textsuperscript{44} See Callman, \textit{False Advertising as a Competitive Tort}, 48 Colum. L. Rev. 876 (1948).

\textsuperscript{45} 214 F.2d 649 (3d Cir. 1954).
\end{footnotes}
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adequate for judicial administration, creates and defines rights and duties
and provides for their vindication in the federal courts. 46

Shortly thereafter, a district court remarked that "Section 43(a) does
create a federal statutory tort, sui generis." 47

In 1963, the Sixth Circuit Court of Appeals provided the broadest
interpretation of Section 43(a) that had yet been expressed by a federal
court. In Federal-Mogul-Bower Bearings, Inc. v. Azoff, 48 the court stated
that Section 43(a) provided a right of action against the "deceptive and
misleading use of words, names, symbols, or devices, or any combina-

46. Id. at 651.

(D.C. Cir. 1956), cert. denied, 352 U.S. 829 (1956). As a matter of general law, it is held
that "trade-mark infringement and unfair competition are torts and the extent of this tort
liability is governed by the law of the place where the alleged wrong was committed."
See also 4 CALLMAN, UNFAIR COMPETITION, TRADEMARKS, AND MONOPOLIES, § 100.2(a)(2)
(3d ed. 1987).

48. 313 F.2d 405 (6th Cir. 1963).

49. Id. at 409.

of the statutory phrase "designation of origin" as encompassing something more than just
demographics presents an interesting problem in linguistic parallelism which has
never been satisfactorily explained. See Germain, supra note 42.

(S.D.N.Y. 1974), aff’d, 497 F.2d 1343 (2d Cir. 1974); Rich v. RCA Corp., 390 F. Supp. 559
(S.D.N.Y. 1975).

cover all aspects of unfair competition. Nevertheless, the recent court decisions construing the Section have considerably expanded the scope of substantive rights offered by the statutory provision, and courts should be hesitant about making such extensive rights available to aliens suing other aliens without deliberate consideration of issues of statutory intent and reciprocity.

B. Is an Alien "Any Person"?

Although the Supreme Court has stated that the Lanham Act confers broad jurisdictional powers on United States courts, the holding in the Noone case that foreign plaintiffs may sue foreign defendants under Section 43(a) of the Lanham Act, since "[b]y its express terms . . . the section does not limit its applicability to nationals," appears to be based upon rather superficial analysis. While it has been established that "the general provisions of the Lanham Act may be invoked against foreign citizens who infringe United States trade-marks in this country," courts have found foreign plaintiffs to have standing to sue United States nationals under Section 43(a), the holding in Noone should not be viewed as the inevitable and legally justifiable consequence of the concurrent application of these two legal principles.

More properly, it should be ascertained whether foreign plaintiffs seeking to sue other foreign nationals under Section 43(a) come within a group "arguably within the zone of interests to be protected" by the Act. Consequently, the heavy reliance of the district court in the Noone case upon the all-encompassing nature of the phrase "any person" as dispositive of the motion is not justified. While the phrase "any per-

53. "[T]he courts have been careful to recognize that Section 43(a) does not have boundless application as a remedy for unfair trade practices but is limited to false advertising as that term is generally understood." Alfred Dunhill Ltd. v. Interstate Cigar Co., 499 F.2d 232, 237 (2d Cir. 1974); accord, Fur Information and Fashion Council, Inc. v. E.F. Timme & Son, Inc., 501 F.2d 1048 (2d. Cir.), cert. denied, 419 U.S. 1022 (1974). For a contrary opinion, which maintains little support, see 14 Washburn L.J. 300, supra note 42, at 333.
55. 398 F. Supp. at 262.
59. 398 F. Supp. at 262. Section 43(a) creates two classes of persons who may bring actions: (1) "any person" doing business in the locality falsely indicated as that of origin or in the region in which said locality is situated, and (2) "any person" who believes that he is or is likely to be damaged by use of a false description or representation. In the Noone
son" appears to be so unambiguous as to admit no other construction than that provided by the *Noone* court, an interpretation devoid of an interest analysis is ill-founded. It is clear that courts recognize at least some limitation upon the domain of the phrase. For example, in *Colligan v. Activities Club of New York, Ltd.*, the Second Circuit Court of Appeals construed "any person," with respect to those able to bring actions under Section 43(a), as excluding consumers when viewed in the context of legislative history. Similarly, application of the "zone of interests to be protected" standard indicates that the flat jurisdictional rule adopted by the district court in *Noone* loses its justification under several circumstances when the principle of reciprocity is incorporated into the analysis.

C. **SECTION 43(a) AND RECIPROCITY**

One conceivable situation which generates considerable reservation as to the desirability of the new jurisdictional rule is the case where the plaintiff is a person whose country of origin is not a party to any convention or treaty relating to trademarks, trade or commercial names, or the repression of unfair competition, to which the United States is also a party, and does not extend reciprocal rights to nationals of the United States by law. Consequently, such plaintiff could not otherwise receive certain benefits of the Lanham Act due to his inability to satisfy the requirements of Section 44(b) concerning treaties and reciprocal rights.
A policy of availing United States courts to such plaintiffs may prove inadvisable in several respects. If the foreign plaintiff comes from a nation which does not grant Americans similar access to its courts, American nationals may have fewer rights abroad, depending upon the nation, than the foreign nationals have in America. Such a situation is clearly inconsistent with the present trend of the law. That the United States is adopting an attitude of "equal rights for Americans" is evident from the district court opinion in *John Lecroy & Son v. Langis Foods Ltd.*, which held that the preexisting policy of giving foreign nationals substantive rights in trademarks which have not been used in the United States, a policy which was the inevitable result of a literal reading of the Lanham Act, would no longer be condoned. This decision was predicated upon common-law principles of trademarks which indicate that rights in a trademark arise from its use and upon the equitable principle that a foreign trademark applicant should not receive greater rights in the United States than are available to United States citizens in the applicant's country. In view of this policy of "equal treatment

(b) Any person whose country of origin is a party to any convention or treaty relating to trademarks, trade or commercial names, or the repression of unfair competition, to which the United States is also a party, or extends reciprocal rights to nationals of the United States by law, shall be entitled to the benefits of this section under the conditions expressed herein to the extent necessary to give effect to any provision of such convention, treaty or reciprocal law, in addition to the rights to which any owner of a mark is otherwise entitled by this Chapter.

(h) Any person designated in subsection (b) of this section as entitled to the benefits and subject to the provisions of this Chapter shall be entitled to effective protection against unfair competition, and the remedies provided in this Chapter for infringement of marks shall be available so far as they may be appropriate in repressing acts of unfair competition.


65. Prior to reversal on such grounds, the *Lecroy* decision had been criticized as inconsistent with the intention of the Paris (Multilateral) Convention for the Protection of Industrial Property, July 14, 1967, 21 U.S.T. 1583, T.I.A.S. No. 6923 (hereinafter referred to in the text and notes as the Convention) and as oblivious and repugnant to the substantive rights created thereunder. See Note, Registration of Trade-Marks in the United States by Foreign Nationals: Is There a Use Requirement?, 8 CORNELL INT'L L.J. 189 (1975). However, such arguments are not relevant to the hypothetical under consideration as the individual is deemed not to be a national of a signatory nation. The author is not affirming the soundness of the lower court opinion in *Lecroy* but is merely according emphasis to the premise of assuring Americans equal treatment in the domestic and international domains.

While the district court opinion in *Lecroy* reveals the new emphasis on the equal treat-
for Americans," the fact that sovereign states, such as France, which predicate their legal systems on the "personal or nationality" theory of jurisdiction, may not accord Americans access to their courts to assert claims against other foreigners mandates that careful consideration be accorded concepts of reciprocity in an effort to alleviate this inequity.

In this sense, the Noone reasoning and decision are highly inadequate.

Furthermore, nations which presently maintain reciprocal agreements with the United States may view with disfavor an American policy of subjecting their citizens to suits from foreigners whose countries of origin have not entered reciprocal agreements with any nation. This displeasure may evince itself in a "retaliatory" jurisdictional provision. For example, while Italy generally restricts suits against foreigners in Italian courts, the nation provides for court jurisdiction if the state of the foreigner permits similar actions against Italian citizens.

Finally, if the foreigner seeking relief under Section 43(a) is not a national of a Convention member state, and therefore not subject to the reciprocity principles of Section 44, he probably can not maintain his action in federal court due to 28 U.S.C. § 1350 (1970) which provides: "The district courts shall have original jurisdiction of any civil action by an alien for a tort only, committed in violation of the law of nations or a treaty of the United States." Since by definition we have established that our hypothetical individual is not seeking relief under a treaty and because actions arising under Section 43(a) are tort actions, the party has no standing to sue.

As Justice Holmes remarked in reference to the predecessor statute of 28 U.S.C. § 1350, where "the jurisdiction of the case depends upon the establishment of a 'tort only in viola-

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66. See note 9 supra.
67. In fact, one commentator concludes that "French courts may not be authorized or obliged to decide cases between foreigners." Deddish, supra note 9, at 68.
68. Italian Code of Civil Procedure, art. 77, translated in Deddish, supra note 9, at 69.
69. See note 47 supra.
70. It should be realized that denying the foreign plaintiff access to the federal courts to sue another foreign under Section 43(a) of the Lanham Act does not completely undermine the substantive rights of the prospective plaintiff, since as a rule the state courts would probably be willing to assume jurisdiction over the action, particularly if the cause of action arose within the given state. Furthermore, it is not inconceivable that the home forum of the defendant would be agreeable to hearing the case even though the action arose outside of its strict territorial jurisdiction.
tion of the law of nations, or of a treaty of the United States,' it is impossible for the courts to declare an act a tort of that kind when the Executive, Congress and the treaty-making power all have adopted the act.\textsuperscript{71}

On the other hand, if the foreigner seeking relief is a national of a Convention member state, he has adequate recourse under Section 44\textsuperscript{72} of the Lanham Act to protect his interests which are delineated in the Convention. In fact, the plaintiff's argument under these circumstances to permit an action between foreign parties is probably strengthened by Article 10bis(1) of the Convention which stipulates, "The countries of the Union are bound to assure to nationals of such countries effective protection against unfair competition."\textsuperscript{73} The prospective plaintiff may therefore assert that proscribing his suit against another foreigner undermines his substantive right of "effective protection" against unfair competition. Furthermore, when operating within the context of the Convention, the United States is also in a better position to assure its citizens equal treatment in the international domain. Such is the nature of the primary benefit to be derived from the mutuality of multilateral treaties. Insofar as a judicial decision, such as \textit{Noone}, upsets this principle of mutuality, the effectiveness of the underlying treaty or reciprocal arrangement is undermined.

CONCLUSION

Unqualified by reciprocity, a flat jurisdictional rule permitting foreigners to sue other foreigners under Section 43(a) of the Lanham Act is clearly unsound. Such a rule undermines the purpose of Section 44 of the Lanham Act which, in conjunction with the Convention for the Protection of Industrial Property, adequately protects the interests and privileges of the citizens of nations concerned with the equitable treatment of all individuals in the area of trademark law. More importantly, however, the jurisdictional rule derogates from the policy of reciprocity which attempts to advance the principle of equal treatment for Americans in the international domain. To the degree that the new rule affords foreign plaintiffs, otherwise not welcome in our courts, the opportunity to assert broad substantive rights and grants them access to expansive legal theories, such as pendent jurisdiction, its ill effect is magnified. Before the jurisdictional rule is extended to other areas of the law, a more sober consideration of its repercussions is in order.

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\textsuperscript{71} O'Reilly de Camara v. Brooke, 209 U.S. 45, 52 (1907).
\textsuperscript{72} See note 62 supra.
\textsuperscript{73} Convention, 21 U.S.T. 1583, T.I.A.S. No. 6923 (emphasis added).