Registration of Trade-Marks in the United States by Foreign Nationals: Is There a Use Requirement

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NOTES

REGISTRATION OF TRADE-MARKS IN THE UNITED STATES BY FOREIGN NATIONALS: IS THERE A USE REQUIREMENT?

Since May 29, 1974, the United States Patent Office, in compliance with a United States District Court's decision in *John Lecroy & Son, Inc. v. Langis Foods, Ltd.*, has refused to accept trade-mark applications from foreign nationals unless they are accompanied by a statement indicating the mark's previous use in United States commerce and by a specimen of the mark as so used. Although United States policy in regard to trade-mark registration by foreign nationals has vacillated significantly over the years, the *Lecroy* court is the first to take the position that use of a trade-mark in United States commerce is a prerequisite to trade-mark registration for foreign applicants. The purpose of this Note is to analyze and evaluate the legal foundations of a prior use requirement for foreign applicants by examining both the relevant domestic Federal legislation and United States international treaty obligations.


2. The terms "foreign nationals" and "foreign applicants" are used interchangeably in the text and notes to refer to the class of trade-mark applicants who qualify under § 44(b) of the Lanham Act, 15 U.S.C. § 1126 (1970), as beneficiaries of United States treaties. See note 72 infra.

3. See note 15 infra.


5. See note 22 infra.

6. 376 F. Supp. at 967:

   In the United States, in contrast with some countries, the exclusive right to use a particular mark may arise only from its use in connection with the goods which the manufacturer wished to distinguish. United States v. Steffans (The Trademark Cases), 100 U.S. 82, 25 L.Ed. 55 (1879) contains the definitive statement that rights in a trademark arise from its use.


8. The Convention of Paris for the Protection of Industrial Property, October 31,
THE SCOPE OF THE PRIOR USE REQUIREMENT

A. Domestic Applicants

It has always been clear that domestic applicants must comply with a use requirement before trade-mark registration can be secured, although the nature of that requirement has been somewhat ambiguous. Under the common law, it was possible to acquire ownership of a trade-mark only by first using the mark "in trade." But when Congress attempted in 1870 to codify this requirement as a condition precedent to federal trade-mark registration, the Supreme Court invalidated the scheme as an unconstitutional restriction on intrastate commerce. To avoid this problem, subsequent trade-mark legislation, including the current Lanham Act, has required applicants to...

(a) By filing in the Patent Office—
(1) . . . the date of applicant's first use of the mark, the date of applicant's first use of the mark in commerce, the goods in connection with which the mark is used and the mode or manner in which the mark is used in connection with such goods. . . .


12. The United States Supreme Court held in the Trade-Mark Cases, 100 U.S. 82 (1879), that Congress lacks the authority to base trade-mark registration on intrastate use since such a requirement is an unconstitutional regulation of intrastate commerce.

show use in United States commerce;\textsuperscript{14} that is, commerce constitutionally controllable by Congress,\textsuperscript{15} rather than intrastate commerce.

There is, however, some question as to whether this United States commerce test replaced the common law use "in trade" requirement or became an additional test. Section 1 of the Lanham Act\textsuperscript{16} states that a "trade-mark"—as opposed to a "mark"—must be used in United States commerce. "Trade-mark" is defined by the Act as a "mark used in trade,"\textsuperscript{17} thus apparently reflecting the common law use requirement. Consequently, it is arguable that the common law use "in trade" requirement retains its vitality as an additional standard along with the United States commerce test.\textsuperscript{18} Further support for this interpretation is found in the distinction drawn in section 1(a)(1) between "first use" and "first use in commerce."

It is, however, highly unlikely that Congress would have employed such a circuitous approach to incorporate within the Act such an important additional requirement.\textsuperscript{19} Moreover, the source of the confusion—the definition of "trade-mark"—is itself not without ambiguity. Must there always be prior use of a "mark" before it can be considered a "trade-mark," or is a trade-mark merely a "mark" which is generally susceptible to use at some time—past, present or future? The definition contained in the Act does not clearly answer this question. Finally, was the apparent distinction in section 1(a)(1) intended, or merely inadvertant?\textsuperscript{20}

The significance of this debate is that domestic applicants may actually be confronted with two use requirements. This may pose no real problem to a domestic applicant since, in the vast majority of cases,

\textsuperscript{14} See note 9 supra.
\textsuperscript{15} The Lanham Act, § 45, 15 U.S.C. § 1127 (1970) provides that the "word 'commerce'. means all commerce which may lawfully be regulated by Congress."
\textsuperscript{16} See note 9 supra.
\textsuperscript{17} The Lanham Act, § 45, 15 U.S.C. § 1127 (1970), apparently reflects the common law concept of trade-mark in this definition:
\textquote{The term "trade-mark" includes any word, name, symbol, or device or any combination thereof adopted and used by a manufacturer or merchant to identify his goods and distinguish them from those manufactured or sold by others. [Emphasis added.]}\textsuperscript{18} See Zelnick, supra note 10, and authorities cited therein.
\textsuperscript{19} Perhaps the fact that Congress failed in its attempt to base trade-mark registration on intrastate use explains the rather odd technique of incorporating common law use into the Lanham Act, if in fact it has been so incorporated, through the definitions. See note 17 supra.
\textsuperscript{20} For purposes of argument, the inclusion of the common law use requirement in section 1 of the Lanham Act will be assumed throughout the remainder of the discussion.
meeting one standard will also satisfy the other. The question is, however, critical to the foreign applicant, who must look to the Lanham Act for specific exemptions from the use requirements which have been imposed on domestic applicants.

B. FOREIGN APPLICATIONS

The principal reason that foreign applicants have had difficulty in gaining United States trade-mark registration without prior use is because such use has always been demanded of domestic applicants.²¹ A question still unresolved is whether it is necessary or proper to impose these same conditions on foreign applicants. Over the years, American courts have adopted differing positions on this issue, but no view has endured for any length of time.²² Generally, the courts have been reluctant to consider the possibility that there may exist an independent method of acquiring trade-mark rights for foreign nationals, and that this alternative method could be without a use requirement.²³

As a general proposition, the idea that rights in a trade-mark may be acquired only by use, and are merely recognized by registration, has

²¹ See note 23 infra.
²² The United States has never had a consistent policy concerning the application of the use requirement to foreign nationals. Ex parte British Insulated Callender's Cables, Ltd., 83 U.S.P.Q. 319 (Comm'r 1949), held that foreign applicants for United States registration must meet a use requirement, but that such use need not be in United States commerce; rather, use abroad was sufficient. In 1955, the Commissioner of Patents in Ex parte Societe Fromageries Bel, 105 U.S.P.Q. 392 (Comm'r 1955), took this reasoning one step further, holding that foreign applicants need not show any prior use to secure registration. Then, in 1968, In re Certain Incomplete Trademark Applications, 137 U.S.P.Q. 69 (Comm'r 1963), reinstated the holding of Ex parte British Insulated Callender's Cables, Ltd., supra. John Lecroy & Son, Inc. v. Langis Foods, Ltd., 376 F. Supp. 962 (D.D.C. 1974), adopted the novel position that use in United States commerce is a prerequisite to trade-mark registration in the United States by a foreign national. In so holding, the court reversed the Patent Office Trade-mark Trial and Appeal Board's decision in 177 U.S.P.Q. 717 (1973) which had essentially sustained the position of Ex parte Societe Fromageries Bel, supra. Since the Lecroy decision was handed down at least one United States District Court has refused to follow it. American Petrofina, Inc. v. Joe L. Brown, No. 1329 (E.D.N.C. Sept. 12, 1974), reported in B.N.A. [May-Oct.] Pat. TRADEMARK & COPY. J., No. 196, at A-4 (Sept. 26, 1974).
²³ One commentator has suggested that this situation may stem from an unwillingness to accept the propositions that "some foreign proprietors are given a status by the Convention greater than that given domestic owners by domestic law, and . . . that a trade-mark is not necessarily a mark used in trade." Zelnick, supra note 10, at 649. This hesitancy was expressed by the Lecroy court, 376 F. Supp. at 967-68: To hold that [a right of priority] grants a substantive right in the trademark itself when such mark has never been used in the United States is error. To allow a substantive priority to a foreign applicant would be to grant to him greater rights than those available to United States citizens. . . .
the support of much authority. Courts have not hesitated to include foreign applicants within this broad rule. Against this background, the result reached in Lecroy is readily explained. If one accepts as valid the premise that trade-mark rights are acquired only by use, it is logically inescapable that foreign applicants cannot acquire those rights without use. This view characterizes registration as merely procedural in nature; i.e., in no way creating or altering substantive rights.

As previously suggested, however, the general proposition that trade-mark rights can be acquired only by use may not apply to a foreign applicant. The view that Congress has the power to create an alternative method of acquiring trade-mark rights without use is supported by the Trade-Mark Cases. There, the United States Supreme Court discussed at length the common law basis for trade-mark rights, but expressly reserved the question of congressional authority under the treaty power to provide for separate means of trade-mark registration for foreign applicants:

[We] wish to be understood as leaving untouched the whole question of the treaty making power over trademarks, and of the duty of Congress to pass any laws necessary to carry treaties into effect.

The full extent of congressional authority under the treaty power has never been defined, but it would appear that the power is certainly broad enough to sustain the creation of an alternative method of acquiring trade-mark rights, including one without use.

24. See, e.g., The Trade-Mark Cases, 100 U.S. 82 (1879); Turner v. HMH Publishing Co., 380 F.2d 224 (5th Cir. 1967); and Jim Dandy Co. v. Martha White Foods, Inc., 458 F.2d 1397 (C.C.P.A. 1972). It must be noted, however, that all of these cases dealt with a use requirement in the context of trade-mark disputes between domestic applicants.


26. 376 F. Supp. at 967.

27. See note 33 infra.


29. 100 U.S. 82 (1879).

30. Id. at 99. In fact, Congress' first trade-mark legislation, An Act of July 8, 1870, ch. 230 §§ 77-84, 16 Stat. 210-12, which was invalidated by the Supreme Court for other reasons (see text, part I(A) supra and accompanying footnotes), allowed registration of a mark if the applicant could show prior use or intent to use after registration. Thus, the sanctity of prior use does not seem to have been as closely guarded as current decisions might indicate.

31. For an interesting discussion of the scope of the treaty power, see Missouri v. Holland, 252 U.S. 416 (1920). As the discussion there indicates, what Congress may do under the treaty power is indeed a tantalizing question. 252 U.S., at 433:

Acts of Congress are the supreme law of the land only when made in pursuance of the Constitution, while treaties are declared to be so when made under the
However, even if Congress has the power to create trade-mark rights sans use, there is still the matter of whether Congress has, in fact, exercised that power. Lecroy insisted, erroneously it is suggested, that the United States' current trade-mark statute, the Lanham Act, did not create or alter substantive trade-mark rights, but merely established procedures by which rights acquired by use are to be recognized. The legislative history of the Lanham Act, however, does not support this view. Indeed, as the remarks of Congressman Lanham himself make clear, the Act was intended to do more than just codify existing rights and provide procedural remedies; it was designed to create new substantive trade-mark rights.

Assuming, then, that Congress had the power to legislate an alternative method of acquiring trade-mark rights for the benefit of foreign nationals, and did, in fact, create new substantive trade-mark rights in the Lanham Act, the question remains: what is the nature and scope of those rights? In particular, does the Lanham Act allow foreign nationals to secure trade-mark rights in the United States without use? Since

authority of the United States. It is open to question whether the authority of the United States means more than the formal acts prescribed to make the convention. We do not mean to imply that there are no qualifications to the treaty-making power; but they must be ascertained in a different way. It is obvious that there may be matters of the sharpest exigency for the national well being that an act of Congress could not deal with but that a treaty followed by such an act could, and it is not lightly to be assumed that, in matters requiring national action, "a power which must belong to and somewhere reside in every civilized government" is not to be found. Andrews v. Andrews, 188 U.S. 14, 33.

32. 376 F. Supp. at 967: The Trademark Act of 1946 [The Lanham Act] did not change the basic concept of the derivation of trademark rights as developed by the common law. . . .

33. Id.: It was not the intention of Congress to enact legislation which would grant rights in a trade-mark, rather the intention was to provide a mechanism to protect rights which had been obtained by an applicant prior to registration. . . .

34. The legislative history of the Lanham Act indicates that Congress thought it was doing more than merely providing procedural remedies and codifying existing substantive rights. To the contrary, congressional reports reveal that Congressmen regarded the Lanham Act as creating new substantive trade-mark rights. Consider this statement from S. REP. NO. 1333, 79th Cong., 2d Sess. 5-6 (1946) reported in [1946] U.S. CODE CONG. SER. 1274, 1277: There can be no doubt under the recent decisions of the Supreme Court of the constitutionality of a national act giving substantive as distinguished from merely procedural rights in trade-marks in commerce over which Congress has plenary power. . . .

35. Congressman Lanham stated that the Act "reenacts much prior legislation and creates new rights, some of which are substantive and others procedural . . ." 92 Cong. Rec. 7522 (1946).

36. This view receives additional support from S.C. Johnson & Son, Inc. v. Johnson, 175 F.2d 176 (2d Cir. 1949).
one of the purposes of the Lanham Act was to implement the United States international treaty obligations, an examination of those obligations is a natural starting point in an analysis of the Act.

II

CONVENTION OF PARIS FOR THE PROTECTION OF INDUSTRIAL PROPERTY

A. A PRELIMINARY COMMENT

When nations with dissimilar legal systems enter an international agreement to promote uniformity and establish minimum standards for their domestic laws, the document which emerges is seldom a model of clarity. The Convention of Paris for the Protection of Industrial Property is no exception. The Convention is the source of the United States’ international treaty obligations which the Lanham Act was intended to discharge. This does not mean that the Lanham Act gave foreign nationals only those trade-mark rights which were contemplated by the Convention, but merely suggests that whatever rights are to be found in the Convention should also be found in the Act.

As has been indicated, the exact scope of the rights granted by the Convention to the nationals of the signatory countries is less than certain. The critical question is whether or not the Convention guarantees to foreign nationals the right of trade-mark registration without use. Historically, articles 2 and 6 have been cited in opposition to this right, while articles 4 and 5, which are supportive, have been ignored. Resolution of the treaty’s apparent contradictions can be attained, if at all, only by an analysis of the individual Convention articles in light of the treaty as a whole.

B. THE NATIONAL PRINCIPLE OF ARTICLE 2(1)

Article 2(1) of the Convention contains the so-called “national principle,” also known as the “equal footing principle.” This doctrine

37. See note 69 infra.
38. See note 8 supra.
39. See note 69 infra.
40. Article 2

(1) Nationals of each of the countries of the Union shall, as regards the protection of industrial property, enjoy in all the other countries of the Union the advantages that their respective laws now grant, or may hereafter grant, to nationals, without prejudice to the rights specially provided by the present Convention. Consequently, they shall have the same protection as the latter, and the same legal remedy against an infringement of their rights, provided they observe the conditions and formalities imposed upon nationals.
allows foreign nationals to register trade-marks in any signatory country, provided they comply with the registration conditions required of that country's own citizens.\footnote{John Lecroy & Son, Inc. v. Langis Foods, Ltd., 376 F. Supp. 962 (D.D.C. 1974); In Re Certain Incomplete Trade-mark Applications, 137 U.S.P.Q. 69 (Comm'r 1963); Ex parte Societe Fromageries Bel, 105 U.S.P.Q. 392 (Comm'r 1955).} It has been suggested that this principle means not only that a foreign national may register a trade-mark in the United States by meeting all the conditions required of a domestic applicant, but that in order to gain such a registration a foreign national must first satisfy those conditions.\footnote{John Lecroy & Son, Inc. v. Langis Foods, Ltd., 376 F. Supp. 962 (D.D.C. 1974).} According to this interpretation, if prior use is a prerequisite for registration in the United States for domestic applicants, then foreign applicants should also be forced to meet this same standard. The underlying basis for this view is found in the article 2(1) language: “provided they observe the conditions and formalities imposed upon nationals.” It is at least arguable, however, that “conditions” and “formalities” refer only to the prerequisites needed to obtain trade-mark “protection” and the appropriate “legal remedy against an infringement,” and are not conditions for acquiring substantive trade-mark “rights” which have already been secured by compliance with the Convention’s other provisions.\footnote{This interpretation receives further support by the treaty’s use of the term “observe,” rather than “meet” or “satisfy,” prior to the phrase “conditions and formalities.”} Moreover, there is no basis upon which to assume that the “conditions and formalities” proviso overrides or qualifies “the rights specially provided by the present Convention.” For if the “conditions and formalities” imposed upon signatory nationals are also to be applied to foreign nationals, the “rights specially provided” by other articles of the Convention\footnote{See text, parts II(E) and II(F) infra.} would be rendered nugatory. It is difficult to see how an interpretation of article 2(1) which nullifies such important language could have been intended by the signatories.

A signatory should not be allowed to escape its obligations under the Convention merely by citing article 2(1), when other articles provide foreign nationals with rights, such as the right of registration without use, which a particular signatory does not extend to its own citizens. Such an escape could come only at the expense of reading these other articles out of the Convention. A more integrated interpretation of the Convention recognizes not only the general maxim in article 2(1) that foreign nationals are to enjoy the same advantages and abide by the same restrictions as a signatory’s own citizens, but takes into considera-
tion the other substantive rights which the Convention recognizes, notwithstanding a particular signatory's reluctance to extend those rights to its domestic applicants. In addition, this more comprehensive interpretation implements the Convention's probable goal of guaranteeing minimum standards to all foreign applicants.\textsuperscript{45} It also finds support in the United States Supreme Court's interpretation of the analogous provisions contained in the General Inter-American Trade-Mark Convention of 1929.\textsuperscript{46} In construing that document, the Supreme Court stated that a foreign national's rights under the Inter-American Convention could not be denied by a "national principle":\textsuperscript{47}

\begin{quote}
When protection is sought for such marks a ratifying state cannot escape the obligations of the treaty and deny protection by the simple device of embracing its own nationals in the denial. That would make a mockery of the treaty. . . .\textsuperscript{48}
\end{quote}

C. THE CONVENTION PRINCIPLE OF ARTICLE 6 \textit{quinquies} A-(1)

Foreign nationals seeking trade-mark registration without use in the United States have also been frustrated by the so-called "Convention principle" embodied in article 6 \textit{quinquies} A-(1).\textsuperscript{49} The Convention principle provides for the protection in all member nations of every trade-mark, in its original form,\textsuperscript{50} registered in any signatory country. Generally, this doctrine allows a foreign national to register in the

\begin{verbatim}
45. A move toward minimum standards for all foreign applicants is a step toward a world-wide system of uniform trade-mark registration and a step beyond bilateral or multilateral reciprocity agreements.
46. The General Inter-American Convention for Trade-Mark and Commercial Protection, 46 Stat. 2907 (1929), T.S. No. 833 (effective February 27, 1931). Article 3 of the Inter-American Convention provided:
Every mark duly registered or legally protected in one of the Contracting States shall be admitted to registration or deposit and legally protected in the other Contracting States, upon compliance with the formal provisions of the domestic law of such States.
47. The Supreme Court struck down Puerto Rican legislation which excluded a mark, duly registered in Cuba, with requirements that applied equally to Puerto Ricans and foreign nationals, on the grounds that such requirements violated the Inter-American Convention. Bacardi Corp. v. Domenech, 311 U.S. 150 (1940).
48. Id. at 165.
49. Article 6 \textit{quinquies}
A-(1) Every trademark duly registered in the country of origin shall be accepted for filing and protected in its original form in the other countries of the Union, subject to the reservations indicated in the present Article. These countries may, before proceeding to final registration, require the production of a certificate of registration in the country of origin, issued by the competent authority. No authentication shall be required for this certificate.
50. The form problem arises when, for example, a Russian applicant wants to register a mark consisting of Russian characters in the United States. Normally, such a mark would be unregistrable in this country, but under Article 6 \textit{quinquies} A-(1) the United States could not refuse registration.
\end{verbatim}
United States any group of symbols which could be registered in the nation's home country. The principle thus functions as a reciprocal recognition agreement among signatories as to the form or descriptiveness of trade-marks.

Although this recognition agreement was intended to cover only the form or descriptiveness of trade-marks, it was for a time argued, with some success, that the scope of the Convention principle was far broader. The essence of this argument was that the Convention principle was unlimited in scope, and that a signatory should modify not only its form requirements for foreign applicants, but alter as well all other prerequisites for acquiring substantive trade-mark rights, including use. The lack of clarity which engendered this erroneous interpretation was meant to be remedied by the addition of article 6(1) to the Convention in 1958. Unfortunately, article 6(1) has in fact created an additional source of confusion.

Article 6(1) provides that the "conditions for the filing and registration of trade-marks" are to be determined by each signatory's "domestic law." While one might suggest that this language necessarily implies that foreign applicants must meet all the conditions for registration which are imposed on domestic applicants, this is not the case. Article 6(1) only clarifies the meaning of article 6 quinquies A-(1) and limits its application to the form or descriptiveness of a mark.

52. This is the interpretation of the "Convention principle" which was adopted in Ex parte Societe Fromageries Bel, 105 U.S.P.Q. 392 (Comm'r 1955).
53. The foundation of this argument is found in Rossman v. Garnier, 211 F. 401 (8th Cir. 1914) (concurring opinion), where a French national sought trade-mark registration in the United States. Although the issue of registration requirements was not reached because the foreign applicant failed to prove French citizenship or the existence of a French registration, the case contains some very significant dicta:

"[If] the [foreign national] could and did obtain French trade-marks... then under article 6 of the [Convention]... she would be entitled to protection in this country whether or not we would have allowed such a mark as an original proposition under our laws..."

Id. at 409. See Ex parte Societe Fromageries Bel, 105 U.S.P.Q. 392 (Comm'r 1955).
54. See note 58 infra.
55. Artide 6 (1) The conditions for the filing and registration of trademarks shall be determined in each country of the union by its domestic law.
57. In re Certain Incomplete Trade-mark Applications, 137 U.S.P.Q. 69 (Comm'r 1968). Commissioner Fay's analysis at 137 U.S.P.Q. 74 n.8, 77 n.16, and the authorities cited therein make a persuasive case that Article 6 quinquies A-(1) of the Convention is limited to form. In summary, the result reached there is that:
Having no independent function of their own, the terms of article 6(1) must be confined to the "Convention principle." Indeed, if the scope of the "Convention principle" had never been distorted, article 6(1) would probably never have been added. It simply notifies signatories that they are not compelled by article 6 quinquies A-(1) to alter every registration prerequisite to reflect the law of a foreign applicant's domicile, but only those requirements related to form. All other prerequisites are to be determined by each signatory's "domestic law."

Moreover, determining the conditions of trade-mark registration for foreign applicants by the criteria of "domestic law" does not mean that foreign nationals must comply with the same conditions imposed on domestic applicants. Rather, "domestic laws" are simply those laws which each country determines for itself. They need not necessarily treat foreign and domestic applicants in an identical manner. In the case of the United States, "domestic law" includes both current Federal trade-mark legislation and, through the Lanham Act, the terms of the Convention. To construe "domestic law" otherwise is to destroy the rights granted foreign nationals by the Convention's other articles.

D. THE RIGHT OF PRIORITY OF ARTICLE 4A-(1)

While articles 2(1) and 6 quinquies A-(1) have historically been cited in opposition to the right of foreign nationals to secure registration without use, articles 4A-(1) and 5C-(1), which support such a right, have been ignored. Article 4A-(1), the first of these "ignored" provi-

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[A] Article 6 does not, and does not purport to, relate to the requirements and conditions for obtaining a registration. The history of the article shows that this was never intended and the scope of the article also indicates that it was not intended. ... 197 U.S.P.Q., at 74 n.8.

58. This observation is suggested by the time sequence of the various developments in the theory surrounding Article 6 quinquies A-(1). In 1955, Ex parte Societe Fromageries Bel, 105 U.S.P.Q. 392 (Comm'r), which relied on Rossman v. Garnier, 211 F. 401 (8th Cir. 1914), note 53 supra, held that the "Convention principle" required alteration of every registration prerequisite to reflect the law of the foreign nation's domicile. Article 6(1) was drafted in 1958 and became effective in 1962. In 1963, In re Certain Incomplete Trade-mark Applications, 137 U.S.P.Q. 69 (Comm'r), which relied on Article 6(1), overruled Ex parte Societe Fromageries Bel, supra, ending the aberration from the form theory. 59. See text, parts II(E) and II(F), infra and accompanying notes.

60.

** Article 4 **

A-(1) A person who has duly filed an application for a patent, or for the registration of a utility model, or of an industrial design, or of a trademark, in one of the countries of the Union, or his successors in title, shall enjoy, for the purpose of filing in the other countries, a right of priority during the periods hereinafter stated.

* * * * *

C-(1) The above-mentioned periods of priority shall be twelve months for
sions,\textsuperscript{61} establishes a "right of priority" whereby a foreign national's registration application in the United States is treated as if it had been filed in the United States on the same date that it was filed abroad. The United States application is said to receive a "priority filing date." This "right of priority" is contingent upon application in the United States being made within six months of the foreign filing. Thus, the "right of priority" allows a foreign national to acquire rights in a mark, cognizable in the United States, up to six months before the United States application is filed.\textsuperscript{62} It has been argued that the sole function of the "right of priority" is to adjust the burden of proof in an \textit{inter partes} proceeding.\textsuperscript{63} For example, assume a foreign national claims a "right of priority" in seeking United States trade-mark registration, but is challenged by a domestic applicant. As employed in \textit{Lecroy}, the argument allows the foreign national claiming a "right of priority" to shift the burden of proof of showing use to the domestic applicant. However, if the domestic applicant can in fact show use of the mark, the foreign national cannot then succeed merely by relying on the "priority filing date," even though that date is earlier than the opposer's first use. In order to prevail, goes the argument, the foreign national must show use prior to the domestic applicant's use.\textsuperscript{64}

\textsuperscript{61} It is interesting to note that \textit{Lecroy} dismissed Article 4 as irrelevant. 376 F. Supp. at 966:

Article 4 of the Convention, upon which defendant also relies, relates only to the right of priority for applications based on a previously filed foreign application. There is nothing in Article 4 concerned with the requirements necessary for registration.

\textsuperscript{62} This interpretation of Article 4 has been suggested by the Patent Office. \textit{Patent Office Motions in the "Lemon Tree Case,"} B.N.A. [May-Oct.] PAT. TRADEMARK & COPY. J. No. 183, at F-1 (June 20, 1974). This motion was subsequently denied for other reasons. \textit{Id.} No. 185, at A-1 (July 4, 1974). \textit{See also, Zelnick supra note 10, at 659.}


\textit{[T]he fact that an application has been filed confers no substantive rights on the applicant. The application date is important \textit{procedurally} in the case of an \textit{inter partes} proceeding since the party with the latest filing date becomes the junior party and bears the burden of proving that its right to the mark arose prior to the time claimed by the first applicant. See \textit{Jim Dandy Co. v. Martha White Foods, Inc.,} 458 F.2d 1397, 173 U.S.P.Q. 673 (C.C.P.A. 1972).}


Therefore, pursuant to § 2(d) of the Act which prohibits the registration of a mark previously used in the United States by another, it is clear that defendant is not entitled to a registration of the mark LEMON TREE. . . .
The burden of proof argument essentially defeats the purpose behind the "right of priority." It concedes that the "right of priority" cannot be disturbed during the six month interval between the foreign and United States filing dates, but insists that the "right" created by article 4A-(1) is not substantive in nature. The theory would thus allow a domestic opposer who first used the mark during the priority period to block or cancel the foreign national's registration, rendering the "right of priority," clearly expressed in article 4A-(1), at best insubstantial.

The burden of proof argument also conflicts with the provisions of article 4B\(^6\) which plainly states that the "right of priority," created by article 4A-(1), "shall not be invalidated" by "use of the mark" during the six month priority interval. Article 4B also provides that use during the six month interval "cannot give rise to any rights of third parties, or of any personal possession." This language clearly envisions the "right of priority" as a substantive trade-mark right which cannot be disturbed by use. Consequently, characterizing the "right of priority" as a burden of proof device achieves the exact result which article 4B is designed to prevent—it allows "use" to "give rise to ... rights of third parties" and of "personal possession." In short, the "right of priority," granted foreign nationals by article 4A-(1), is an affirmative right, allowing foreign nationals trade-mark registration without use.

**E. Article 5C-(1): The Freedom from Cancellation for Failure to Use**

Article 5C-(1)\(^6\) is frequently ignored in discussions of the rights of foreign nationals to trade-mark registration without use.\(^7\) It states that

\(^6\) Article 4

B. Consequently, the subsequent filing in any of the other countries of the Union before the expiration of those periods shall not be invalidated through any acts accomplished in the interval, as, for instance, by another filing, by publication or exploitation of the invention, by the putting on sale of copies of the design or model, or by use of the mark, and these acts cannot give rise to any right of third parties, or of any personal possession. Rights acquired by third parties before the date of the first application which serves as the basis for the right of priority are reserved under the domestic legislation of each country of the Union.

\(^6\) Article 5

C.-1) If, in any country, the use of a registered trademark is compulsory, the registration shall not be cancelled until after a reasonable period, and then only if the person concerned cannot justify his inaction.

\(^7\) The *Lecroy* decision did not mention article 5C-(1).
registration shall not be cancelled for failure to use the mark until after a reasonable period, even if use of a registered mark is compulsory. The article envisions a post-registration time period during which an unused trade-mark would be safe from cancellation for non-use. It allows a signatory to employ a use requirement at some reasonable time after registration, but does not permit the requirement to be imposed during this post-registration period. Arguably, by prohibiting a use requirement during the post-registration period, the article a fortiori prohibits a prior registration use requirement.

The purpose of the article is to afford the foreign national protection from cancellation for non-use. This is important where the foreign national has invested time and money abroad developing a trade-mark which he wishes to protect in the United States for possible future use without the additional expense of establishing current use. If prior use is made a condition for trade-mark registration, then the protection from a use requirement during some reasonable time after registration would effectively be circumvented, thus defeating the purpose of the entire article. It is suggested that such an interpretation would be erroneous, and that article 5C-(1), which guarantees freedom from cancellation for failure to use, contemplates foreign nationals acquiring substantive trade-mark rights without use.

III
TRADE-MARK REGISTRATION IN THE UNITED STATES UNDER SECTION 44 OF THE LANHAM ACT

A. THE RELATIONSHIP BETWEEN THE LANHAM ACT AND THE CONVENTION OF PARIS

Initially, it is important to consider the relationship between the Lanham Act and the Convention of Paris for the Protection of Industrial Property. If the Convention is self-executing, then it is a primary

68. See Ex parte Societe Fromageries Bel, 105 U.S.P.Q. 392 (Comm'r 1955); Zelnick, supra note 10, at 668.

69. The purpose of the Lanham Act is to “provide for the registration and protection of trade-marks used in commerce, to carry out the provisions of certain international conventions, and for other purposes.” 60 Stat. 427 (1946). Although the Lanham Act was enacted to “carry out” certain international conventions, it is open to question whether or not the Act was necessary to implement the Convention. It has been said that earlier versions of the Convention were self-executing. Ex parte Dorin, Inc., 102 U.S.P.Q. 316 (Comm'r 1954). But article 17 may have changed the Convention's self-executing status. STAFF OF HOUSE COMM. ON PATENTS, 86TH CONG., 1ST SESS. INTERNATIONAL PATENT AND
source of substantive trade-mark rights which may be claimed directly by foreign nationals. On the other hand, if the Convention is not self-executing, it at least illuminates the rights granted foreign nationals by the Lanham Act, since one of the purposes of the Act is to implement the Convention. This does not mean that the Lanham Act grants foreign nationals only those trade-mark rights contemplated by the Convention, but does suggest that whatever rights are to be found in the Convention should also be found in the Act.

What emerges from an analysis of individual Convention articles is a pattern of minimum standards guaranteed to foreign nationals by all signatories, regardless of a particular signatory’s treatment of its own citizens. As discussed in the preceding sections, one of these minimum standards is the right of registration without use. This right finds its basis in articles 4A-(1) and 5C-(1) and, contrary to the weight of authority, it is not undermined by either article 2(1) or article 6 quinquies A-(1). The question now becomes whether or not the Lanham Act establishes these same standards for foreign nationals. In particular, does the Lanham Act allow foreign nationals to secure trade-mark registration in the United States without use?

B. Exemption from Use in Commerce

Section 44 of the Lanham Act establishes an alternative method, independent of the scheme applicable to domestic applicants, of acquiring trade-mark registration.
ing substantive trade-mark rights in the United States for foreign nationals. Sections 44(c) and 44(d)(2) afford foreign nationals special

herein prescribed may place the marks so communicated upon such register. This register shall show a facsimile of the mark or trade or commercial name; the name, citizenship, and address of the registrant; the number, date, and place of the first registration of the mark, including the dates on which application for such registration was filed and granted and the term of such registration; a list of goods or services to which the mark is applied as shown by the registration in the country of origin, and such other data as may be useful concerning the mark. This register shall be a continuation of the register provided in section 1(a) of the Act of March 19, 1920.

(b) BENEFITS OF SECTION TO PERSONS Whose Country of Origin Is Party to Convention or Treaty.

Any person whose country of origin is a party to any convention or treaty relating to trade-marks, 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.

(c) PRIOR REGISTRATION IN COUNTRY OF ORIGIN; COUNTRY OF ORIGIN DEFINED.

No registration of a mark in the United States by a person described in subsection (b) of this section shall be granted until such mark has been registered in the country of origin of the applicant, unless the applicant alleges use in commerce.

For the purposes of this section, the country of origin of the applicant is the country in which he has a bona fide and effective industrial or commercial establishment, or if he has not such an establishment the country in which he is domiciled, or if he has not a domicile in any of the countries described in subsection (b) of this section, the country of which he is a national.

(d) RIGHT OF PRIORITY.

An application for registration of a mark under sections 1051, 1052, 1053, 1054 or 1091 of this title, filed by a person described in subsection (b) of this section who has previously duly filed an application for registration of the same mark in one of the countries described in subsection (b) of this section shall be accorded the same force and effect as would be accorded to the same application if filed in the United States on the same date on which the application was first filed in such foreign country:

Provided, That—

(1) the application in the United States is filed within six months from the date on which the application was first filed in the foreign country;
(2) the application conforms as nearly as practicable to the requirements of this chapter, but use in commerce need not be alleged;
(3) the rights acquired by third parties before the date of the filing of the first application in the foreign country shall in no way be affected by a registration obtained on an application filed under this subsection;
(4) nothing in this subsection shall entitle the owner of a registration granted under this section to sue for acts committed prior to the date on which his mark was registered in this country unless the registration is based on use in commerce.

In like manner and subject to the same conditions and requirements, the right
advantages, denied domestic applicants, in registering trade-marks.\textsuperscript{73} The most significant advantage is exemption from use in United States commerce.

Section 44(e) allows foreign nationals whose mark is registered in their own country to register marks in the United States on either the principal or supplemental register. Section 44(c) states that no United States registration will be granted until a home registration is secured, "unless the [foreign] applicant alleges use in commerce." Properly interpreted, this means that a foreign applicant can secure a United States registration in two possible ways: without a home registration, if he alleges use in commerce; and without alleging use in commerce, if he has a home registration. Taken together, sections 44(c) and 44(e) reflect the Convention rights expressed in articles 2(1), 4A-(1) and 5C-(1). The first alternative reflects the "national principle" of article 2(1), in that the foreign national may secure registration by meeting the same conditions as are imposed on domestic applicants. The second alternative affords foreign nationals the opportunity to register a mark, duly registered abroad, but which has not been used in United States commerce, as envisioned by articles 4A-(1) and 5C-(1).

Section 44(d) also provides for registration by foreign nationals without use. This section reflects the "right of priority" contained in article 4A-(1) of the Convention under which a foreign national can acquire trade-mark rights, cognizable in the United States, up to six months before the United States application is ever filed. Section 44(d) states that the application "shall be accorded the same force and effect" provided in this section may be based upon a subsequent regularly filed application in the same foreign country, instead of the first filed foreign application: \textit{Provided}, That any foreign application filed prior to such subsequent application has been withdrawn, abandoned, or otherwise disposed of, without having been laid open to public inspection and without leaving any rights outstanding, and has not served, nor thereafter shall serve, as a basis for claiming a right of priority.

\textbf{(e) REGISTRATION ON PRINCIPAL OR SUPPLEMENTAL REGISTER; COPY OF FOREIGN REGISTRATION.}

A mark duly registered in the country of origin of the foreign applicant may be registered on the principal register if eligible, otherwise on the supplemental register in this chapter provided. The application therefor shall be accompanied by a certification or a certified copy of the registration in the country of origin of the applicant.

\* \* \* \* 

as if it had been filed in the United States on the foreign filing date. Section 44(d)(2) goes on to state that this "same force and effect" treatment is to be granted to all applications which conform "as nearly as practicable" to the chapter's other registration prerequisites, except that "use in commerce need not be alleged." In short, a foreign national, having filed abroad within six months, need not use his mark in United States commerce to gain a "right of priority."

It has been argued that the "use in commerce" exemptions of sections 44(c) and 44(d) merely distribute the burden of proof in an inter partes proceeding. As discussed above, this argument forces the foreign national to show use prior to the domestic applicant's use if trade-mark registration is to be secured. This result produces the anomaly of creating statutory filing exemptions which become irrelevant in testing the validity of registration. Moreover, the burden of proof argument defeats any purpose a "right of priority" or "home registration" provision might serve. These provisions are in effect rendered meaningless, because any registration based solely on either a "right of priority" or "home registration" provision would be subject to successful challenge by a domestic applicant claiming use. Neither the Lanham Act nor the Convention intended such a result.

C. Exemption from Common Law Use

As discussed above, it has been argued that the Lanham Act has two use requirements: use in United States commerce and common law use. Even if foreign nationals are exempted from use in United States commerce, there remains the possibility of a common law use requirement. Assuming that the Lanham Act does have two use requirements, the question becomes whether the foreign national is also exempted from common law use.

Initially, it must be noted that there is no mention of common law use in section 44. Nevertheless, it has been argued that the alleged common law use requirement of section 1 applies to foreign nation-

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75. See text, part II(E) supra.
76. This is the logical conclusion of the reasoning employed in the Lecroy decision.
77. This, exactly, is the result of the Lecroy decision. See note 64 supra.
78. See text, part I(A) supra.
79. See note 9 supra.
als, registering under section 44, through incorporation by reference. The argument insists that section 44 does not provide an alternative method of acquiring trade-mark rights independent of section 1, and so section 1 applies equally to domestic applicants and foreign applicants alike.

It can also be argued, however, that even if the incorporation by reference construction is correct, the possibility remains that section 1, by its own terms, may not apply to foreign applicants. Section 1 provides that "a trade-mark use in commerce" may be registered by complying with the several conditions, all requiring use, of sections 1(a)(1) and 1(a)(3). Section 1, therefore, seems pertinent only to those applicants who must meet the "use in commerce" test. Foreign nationals, being exempted from this requirement, do not have trade-marks "used in commerce." It follows that foreign nationals are excluded from the operation of section 1 by its own terms.

Even if common law use is incorporated into section 44, it is difficult to understand how foreign applicants could be required to meet a common law use test and at the same time be exempted from a "use in commerce" test. Since the Supreme Court's decision in the Trade-Mark Cases, Congress has lacked the authority to base trade-mark registration on intrastate use. The "use in commerce" exemption means that foreign applicants are not required to show interstate use or use in trade between the United States and foreign countries. By process of elimination, the only other species of use is use abroad. Since common law use is territorial, however, it cannot be established by use.

80. The foundation of this argument rests on the references respectively made by sections 44(a), 44(d), 44(d)(2), and 44(e) to "the register provided in section 1(a)," "sections 1051, 1052, 1053, 1054, or 1091 of this title," "the requirements of this chapter," and "the principal register if eligible, otherwise on the supplemental register in this chapter provided." See John Lecroy & Son, Inc. v. Langis Foods, Ltd., 376 F. Supp. 962, 967 (D.D.C. 1974); In re Certain Incomplete Trade-mark Applications, 137 U.S.P.Q. 69 (Comm'r 1963).
81. 100 U.S. 82 (1879).
82. See note 12 supra.
83. See note 15 supra.
84. The territorial aspect of common law use has been recognized by at least one observer. Zelnick, supra note 10, at 650:
[If we accept the reasoning that at common law use creates the mark and so the application could not be accepted because no mark existed, then by the same token [use abroad] would not have been sufficient since as we have seen trademark rights are territorial and [use abroad]—which it is assumed creates no good will in the United States—creates no trademark rights in the United States. It is submitted that to accept [use abroad] as creating rights here is as much a deviation from common law as to reject notions of use entirely.}
abroad. As was stated in Richter v. Anchor Remedy Co., a foreign applicant "having . . . no trade in this country, [cannot be said to] have here a common law trade-mark." And while Congress could have easily devised a use abroad requirement for foreign nationals, it has not done so.

In summary, regardless of the relationship between sections 1 and 44 of the Lanham Act, and regardless of the manner in which section 1 is construed, Congress has effectively exempted foreign nationals from common law use, and hence all use requirements, by exempting them from "use in commerce." In so doing, Congress has implemented the substantive trade-mark rights which are granted foreign nationals by the Convention.

IV

CONSEQUENCES OF REGISTRATION WITHOUT USE

Practically speaking, registration without prior use would protect the trade-marks of foreign applicants from the competing claims of domes-

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In this connection, it must be noted that in requiring use abroad for registration of trade-marks in the United States by foreign applicants, both In re Certain Incomplete Trademark Applications, 137 U.S.P.Q. 69 (Comm'r 1963), and Ex parte British Insulated Callender's Cables Ltd., 83 U.S.P.Q. 319 (Comm'r 1949), departed from the concept of common law use to this extent.

85. See United Drug Co. v. Rectanus Co., 248 U.S. 90, 98, 100-101 (1918) where the Court declared:

It results that the adoption of a trade-mark does not, at least in the absence of some valid legislation enacted for the purpose, project the right of protection in advance of the extension of the trade, or operate as a claim of territorial rights over areas into which it thereafter may be desired to extend the trade. And the expression, sometimes met with, that a trade-mark right is not limited in its enjoyment by territorial bounds, is true only in the sense that wherever the trade goes, attended by the use of the mark, the right of the trader to be protected against the sale by others of their wares in the place of his wares will be sustained.

* * * *

In several cases federal courts have held that a prior use of a trade-mark in a foreign country did not entitle its owner to claim exclusive trade-mark rights in the United States as against one who in good faith had adopted a like trade-mark here prior to the entry of the foreigner into this market.

86. 52 F. 455 (C.C.W.D. Pa. 1892), aff'd 59 F. 577 (3rd Cir. 1893).

87. Id. at 458. In Richter the applicant had used his mark abroad but not in the United States. The court stated more fully:

As we have seen, prior to his first registration, the plaintiff had never sold in the United States any of his medicines. Nor had he himself made any importations thereof before that registration. Having, then, no trade in this country, we do not see how the plaintiff could well have here a common-law trade-mark.

Browne, Trade-Marks, §§ 46, 54.

Id. This is not to say that Congress could not require use abroad as an independent condition for registration under the treaty power, but merely shows that use abroad is not sufficient for common law use which Congress has arguably required. See note 31 supra.
tic users. A foreign applicant who is a non-user would be able to rely on the date of his foreign application under the "right of priority," when challenged by a domestic user. The domestic user would then have to show use prior to such date to defeat the foreign applicant. Also, a foreign national who gained a United States registration without use on the basis of a "home registration" would be immune from cancellation at the insistence of a domestic user. An advantage of such a system, beyond the fact that the United States would then be fulfilling its treaty commitments, would lie in the similarly beneficial treatment which would be extended to United States businessmen abroad by countries whose nationals would then be receiving reciprocal treatment here.88

Registration without use has been criticized, however, as being obstructive of free competition, on the ground that the "stockpile" of available marks would be greatly reduced.89 Considering the fact that

88. If for no other reason, the United States ought to be interested in discharging its international obligations because:

Industrialists in this country have been seriously handicapped in securing protection in foreign countries due to our failure to carry out, by statute, our international obligations. There has been no serious attempt fully to secure to nationals of countries signatory to the conventions their trade-mark rights in this country and to protect them against the wrongs for which protection has been guaranteed by the conventions. Naturally under such circumstances foreign governments do not always give to citizens of the United States their convention rights. To remedy this discreditable situation is merely an act of international good faith.


[W]e ourselves are beset with difficulties in the pragmatic application of our trademark legal philosophy. For example, witness all of the commercial pressures which all trademark lawyers encounter for some sort of intent to use arrangement such as has been pending almost continuously in Congress for a decade and remains pending but never quite seems to reach fruition. Witness also the constant commercial desire of our clients to treat trademark rights as rights in gross, to franchise them without actual supervision and control. Witness legal fictions that are regularly and widely engaged in if not indulged respecting assignments, token use and attempts to bank stocks of trademark registrations for possible future need or defensive purposes.


89. See S. Ladas, International Protection of Industrial Property 502 (1930) quoted in L. Ebb, Regulation and Protection of International Business 409 (1964). No doubt this criticism has also functioned to influence Patent Office decisions in regard to a use requirement:

To hold that a foreign trademark may be registered in the United States, although it has never been used at all, will open our Trademark Register to defensive and reserve marks which are unknown to our law. For instance, it is possible in Germany for a trademark owner to register fifty marks as defensive of a single mark which is used. Must we accept to registration all such marks, which, under our concept, are not trademarks at all?
the great majority of Convention signatories have no use require-
ment,\textsuperscript{90} the practical importance of this criticism is questionable. Fur-
thermore, if the tendency toward banking of trade-marks is feared, it
can be curbed by a post-registration use requirement.\textsuperscript{91}

CONCLUSION

The United States has been a party to the Convention of Paris for
the Protection of Industrial Property since 1883. An analysis of articles
2(1), 6 \textit{quinquies} A-(1), 4A-(1), and 5C-(1), in the context of the entire
Convention, indicates that the signatories contemplated the creation of
substantive trade-mark rights upon registration without a requirement
of prior use. Furthermore, the United States has incorporated the right
of registration without use into section 44 of the Lanham Act in an
attempt to implement its Convention obligations. Unfortunately, this
broad interpretation has not always been fully appreciated by the
United States courts, as the \textit{Lecroy} decision makes clear. There is no
compelling reason, however, why such a broad perspective should not
be taken.

\textit{Edward F. Rodenbach}

\textit{In re Certain Incomplete Trade-mark Applications, 137 U.S.P.Q. 69, 77 n.16 (Comm'r
1963), quoting AMERICAN GROUP OF THE INTERNATIONAL ASSOCIATION FOR THE PROTEC-
TION OF INDUSTRIAL PROPERTY REPORT OF JANUARY, 1961 TO THE INTERNATIONAL PATENT
AND TRADEMARK ASSOCIATION.}

\textsuperscript{90} See Pattishall, \textit{supra} note 88, at 131.

\textsuperscript{91} This is the very technique employed
by the Trademark Registration Treaty, 12
\textit{INDUSTRIAL PROPERTY} 215 (1973) (Done at Vienna on June 12, 1973). See Pattishall, \textit{supra}
note 88, at 125. A post-registration use requirement would eliminate the "banking" of
trade-marks, by forcing registrants to use all the marks which they have "banked" for
possible future use ("reserve marks") and for protection from infringement ("defense
marks"). If the registrant should fail to use the "banked" mark within the specified
period, the mark would return to the stockpile of available marks, where third parties
could claim it.

In this connection, it should be noted that the Trademark Registration Treaty, if it
were to be ratified by the United States and agreed to by a sufficient number of countries
to make it effective, would resolve the problems dealt with in this Note. Under article 12
of that treaty, no country could require use of a trade-mark until 3 years after
registration, and could not cancel in the interim. Nor could third party acts destroy these
contingent rights, provided the registrant used the mark in the 3 year period. See
Pattishall, \textit{supra} note 88, at 125. Of course, this construction is open to challenge and
might find disfavor in a pro-\textit{Lecroy} forum.