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Kenneth L. Port

Mitchell Hamline School of Law, ken.port@mitchellhamline.edu

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The Illegitimacy of Trademark Incontestability

Abstract

The concept of incontestability in American trademark law has caused great confusion ever since its adoption as part of United States trademark law in 1946. This Article is first a study of the rational basis for incontestability in American trademark law. The role of incontestability in the larger regime of American trademark law is established in order to understand incontestability as it fits within the history of the common law of trademarks. This is fundamental in order to understand the significance of the thesis that incontestability is illegitimate. Next, acquisition of incontestability is presented in order to show how simple it is to attain incontestable status and to put in perspective the resulting advantages. This also demonstrates the fact that incontestability is a radical departure from the common law of trademarks. This Article concludes with an analysis of trademarks themselves as property. Because the concept of incontestability was adopted without reference to the common law, and because it attempts to create property rights in a trademark itself, this Article concludes that incontestability is jurisprudentially illegitimate and should be repealed.

Keywords

Intellectual property, Lanham Act, trademarks

Disciplines

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The Illegitimacy of Trademark Incontestability

KENNETH L. PORT*

INTRODUCTION

The concept of incontestability in American trademark law has caused great confusion ever since its adoption as part of United States trademark law in 1946. Commentators as well as courts typically have been uncertain about not only what incontestability means, but also its effect in trademark litigation.¹ Incontestability in American trademark law refers to the notion that after five years of use, and the satisfaction of certain procedural elements, a trademark registration owner's right to a registered mark becomes "incontestable." Incontestability is defined in the Lanham Act² as conclusive evidence of the registration's validity, the mark's validity, and the registrant's ownership of the mark.³

Since 1946, there has been only one United States Supreme Court decision that directly addressed and attempted to clarify incontestability: *Park 'N Fly, Inc. v. Dollar Park & Fly, Inc.*⁴ The effect of incontestability is, in fact, best demonstrated by the *Park 'N Fly* case. The plaintiff in that case owned the federal registration to the service mark PARK 'N FLY which it used in connection with long-term parking and shuttle services at several major American airports.⁵ The defendant used the mark DOLLAR PARK AND FLY on identical services, but only in the Portland, Oregon region.

The owner of the PARK 'N FLY trademark registration sued the user of DOLLAR PARK AND FLY for trademark infringement. The Ninth Circuit reversed the lower court's grant of an injunction protecting

* Visiting Assistant Professor of Law, Chicago-Kent College of Law, Illinois Institute of Technology; B.A., 1982, Macalester College; J.D., 1989, University of Wisconsin. The author wishes to express his appreciation to Ronald Staudt and Dale Nance for reading and commenting on earlier drafts of this Article, to Patrick Flynn for his invaluable research and editing assistance, and to Paula Davis Port for her continuing support.

1. *See Prudential Ins. Co. of Am. v. Gibraltar Fin. Corp. of Calif.*, 694 F.2d 1150, 1153 n.2 (9th Cir. 1982). *See also infra* notes 163-76 and accompanying text.

2. 15 U.S.C. §§ 1051-1072, 1091-1096, 1111-1121, & 1123-1127 (1988) (commonly referred to as the Lanham Act).

3. *Id.* § 1115(b).

4. 469 U.S. 189 (1985).

5. Specifically, St. Louis, Cleveland, Houston, Boston, Memphis, and San Francisco. *Park 'N Fly*, 469 U.S. at 191.

the plaintiff, ruling that its mark was merely descriptive.⁶ On appeal, the Supreme Court reversed and held that the defendant was statutorily barred from raising the descriptive nature of the plaintiff's trademark because the trademark registration had become "incontestable" pursuant to the Lanham Act.⁷ If the trademark had not become incontestable, the defendant would have been allowed to challenge the validity of the mark and probably would have been successful in arguing that the mark only described the plaintiff's services and was, therefore, invalid.⁸

This notion of incontestability is jurisprudentially insupportable and should be abolished. First, the Lanham Act's primary, express purpose was to codify the existing common law of trademarks and not to create any new trademark rights. The incontestability provisions of the Lanham Act, however, created new rights never before recognized at common law. To that extent, the incontestability provisions are contrary to the express purpose of the statute and therefore insupportable.

Incontestability also attempts to make a trademark itself the subject of property ownership, another concept that the common law has rejected both before and after the passage of the Lanham Act. Trademark rights are traditionally defined at common law as the right to use a certain mark on certain goods and the right to exclude others from using similar marks on similar goods in a way that would be likely to confuse or deceive the public.⁹ This is not the same as saying trademarks themselves are property. To the extent incontestability makes (or attempts to make) trademarks property, it is completely inconsistent with the common law of trademarks.

Because of this conceptual illegitimacy at its core, incontestability is applied in inconsistent, irregular, and sometimes completely contradictory ways by each circuit and even within each circuit. This confusion is likely to continue as courts struggle to reconcile and apply both the express language of the statute and hundreds of years of trademark common law which are, on the subject of incontestability, irreconcilable.

This Article is first a study of the rational basis for incontestability in American trademark law. The role of incontestability in the larger regime of American trademark law is established in order to understand incontestability as it fits within the history of the common law of

6. *Park 'N Fly, Inc. v. Dollar Park & Fly, Inc.*, 718 F.2d 327 (9th Cir. 1983), *rev'd*, 469 U.S. 189 (1985).

7. 469 U.S. at 205.

8. See Suman Naresh, *Incontestability and Rights in Descriptive Trademarks*, 53 U. CHI. L. REV. 953 (1986), for the proposition that protecting descriptive but incontestable marks is ludicrous.

9. DONALD S. CHISUM & MICHAEL A. JACOBS, *UNDERSTANDING INTELLECTUAL PROPERTY LAW* § 5A (1992).

trademarks. This is fundamental in order to understand the significance of the thesis that incontestability is illegitimate. Next, acquisition of incontestability is presented in order to show how simple it is to attain incontestable status and to put in perspective the resulting advantages. This also demonstrates the fact that incontestability is a radical departure from the common law of trademarks. This Article concludes with an analysis of trademarks themselves as property. Because the concept of incontestability was adopted without reference to the common law, and because it attempts to create property rights in a trademark itself, this Article concludes that incontestability is jurisprudentially illegitimate and should be repealed.

I. INCONTESTABILITY AND TRADEMARKS UNDER THE LANHAM ACT

A. *Trademark Primer*¹⁰

Before any meaningful discussion can occur regarding incontestability, a groundwork must be laid to explain where incontestability fits into the more generalized body of law known as trademarks. Trademark jurisprudence has developed over centuries of time. During this history, there has been nothing even remotely similar to the present day notion of incontestability. Therefore, where the legislative history of the Lanham Act portrays the Act as a mere registration statute¹¹ codifying the common law of trademarks, it is misleading if not just plain wrong.

10. See generally LOUIS ALTMAN, *CALLMANN UNFAIR COMPETITION TRADEMARKS AND MONOPOLIES* (4th ed. 1981); JEROME GILSON, *TRADEMARK PROTECTION AND PRACTICE* (1974 & Cum. Supp. 1992); John F. Coverdale, *Trademarks and Generic Words: An Effect-on-Competition Test*, 51 U. CHI. L. REV. 868 (1984).

11. Any mark is registrable on the Principal Register of the Patent and Trademark Office pursuant to the Lanham Act, unless it—

(a) Consists of or comprises immoral, deceptive, or scandalous matter; or matter which may disparage or falsely suggest a connection with persons, living or dead, institutions, beliefs, or national symbols, or bring them into contempt, or disrepute.

(b) Consists of or comprises the flag or coat of arms or other insignia of the United States, or of any State or municipality, or of any foreign nation, or any simulation thereof.

(c) Consists of or comprises a name, portrait, or signature identifying a particular living individual except by his written consent, or the name, signature, or portrait of a deceased President of the United States during the life of his widow, if any, except by the written consent of the widow.

(d) Consists of or comprises a mark which so resembles a mark registered in the Patent and Trademark Office, or a mark or trade name previously used in the United States by another and not abandoned, as to be likely, when used on or in connection with the goods of the applicant, to cause confusion, or to

The use of a mark to identify the source of a product actually began at least 3500 years ago when potters made scratchings on the bottom of their creations to identify their source.¹² The first judicial recognition of trademarks came, however, in 1618 in *Southern v. How*,¹³ when a Common Pleas Judge in England made an obscure reference to a mark used on cloth. There are various renditions of how the subject of trademarks arose in *Southern v. How*, because the reference is actually to a prior unreported case which denied trademark rights.¹⁴ The notion

cause mistake, or to deceive.

(e) Consists of a mark which, (1) when used on or in connection with the goods of the applicant is merely descriptive or deceptively misdescriptive of them, or (2) when used on or in connection with the goods of the applicant is primarily geographically descriptive or deceptively misdescriptive of them, except as indications of regional origin may be registerable under section 1054 of this title, or (3) is primarily merely a surname.

(f) Except as expressly excluded in paragraphs [(a)-(d)] of this section, nothing in this chapter shall prevent the registration of a mark used by the applicant which has become distinctive of the applicant's goods in commerce. The Commissioner may accept as prima facie evidence that the mark has become distinctive, as used on or in connection with the applicant's goods in commerce, proof of substantially exclusive and continuous use thereof as a mark by the applicant in commerce for the five years before the date on which the claim of distinctiveness is made.

15 U.S.C. § 1052 (1988).

12. See generally WILLIAM HENRY BROWNE, A TREATISE ON THE LAW OF TRADE-MARKS 1-14 (Boston, Little, Brown, and Company, 2d ed. 1885); EDWARD S. ROGERS, GOOD WILL, TRADE-MARKS AND UNFAIR TRADING 34-39 (1919) [hereinafter GOOD WILL]; Abraham S. Greenberg, *The Ancient Lineage of Trade-Marks*, 33 J. PAT. [& TRADEMARK] OFF. SOC'Y 876 (1951); Benjamin G. Paster, *Trademarks—Their Early History*, 59 TRADE-MARK REP. 551 (1969); Edward S. Rogers, *Some Historical Matter Concerning Trade-Marks*, 9 MICH. L. REV. 29 (1910); Gerald Ruston, *On the Origin of Trademarks*, 45 TRADE-MARK REP. 127 (1955). Browne traces the use of proprietary marks and trademarks back several millennia to China, India, Persia, Egypt, Rome, and Greece, among other cultures, as well as citing marks used during the time of the Old Testament. *Id.* at 8 (the blocks of stone used to build the temple of Solomon bore quarry marks so the "mechanics" could "prov[e] their claims to wages"), and at 10 (Abraham paid for the cave in which he buried Sarah with coins bearing a mark of authentication). "Seals and other emblems of ownership were coeval with the birth of traffic." *Id.* at 2. "Such emblems had their origin in a general ignorance of reading the combinations of cabalistic characters that we call writing." *Id.* at 3. He discusses proprietary marks such as seals, at 4-6, sign-boards, at 6-7, watermarks, at 7-8, quarry and pottery marks, at 8-9, currency, at 9-10, identifying marks on merchandise in general, at 10-12, and books, at 12-14. See also GILSON, *supra* note 10, § 1.01[1].

13. Popham 144, Eng. Rep. 1244, Trinity Term 15, Jac 1.

14. See generally FRANK I. SCHECHTER, THE HISTORICAL FOUNDATIONS OF THE LAW RELATING TO TRADEMARKS (1925); Kenneth R. Pierce, *The Trademark Law Revision Act: Origins of the Use Requirement and an Overview of the New Federal Trademark Law*, 64 FLA. BUS. J. 35 (May, 1990).

of protecting a commercially viable indication of source, therefore, had a rather dubious beginning,¹⁵ but it soon became a well accepted judicial notion in England that a mark deserved protection at common law to indicate the source or origin of goods.¹⁶

The American concept of trademark law followed this English common law concept of trademarks.¹⁷ The notion of trademark protection quickly caught on in courts within the United States.¹⁸ It was not until 1871, however, that the United States Supreme Court decided a trademark case.¹⁹ Since 1930, the Supreme Court has decided only five trademark cases where infringement or validity was directly at issue.²⁰ This disinterest

15. See also *Blanchard v. Hill*, 2 Atkyns 484 (1742) (court refused to grant injunction against alleged infringer because such an injunction would have given the plaintiff a monopoly in sales of the relevant product, playing cards); *Pierce*, *supra* note 14.

16. In *Sykes v. Sykes*, 3 B. & C. 541 (1824), the court regarded trademark protection as well established and awarded an injunction to the plaintiff where the defendant had used the plaintiff's mark, SYKES PATENT, on inferior shot-belts and powder-flasks and passed them off as products of the plaintiff. Another case still relied upon today is *Millington v. Fox*, 3 Myl. & Cr. 338 (1838), where plaintiff sued in equity to enjoin use of his mark. The court, in awarding the injunction, stated that the plaintiff had a right to enforce title to its mark and that an injunction was appropriate even though there was no direct proof of defendant's intent to defraud and that the defendant may not have even known of the plaintiff's mark. The United States Supreme Court has adopted this case as controlling. See *Saxlehner v. Siegel-Cooper Co.*, 179 U.S. 42 (1900). See also *GILSON*, *supra* note 10, § 1.01[1].

17. *United States v. Steffens*, 100 U.S. 82, 92 (1879) [hereinafter *Trade-Mark Cases*]; Patricia Kimball Fletcher, *Joint Registration of Trademarks and the Economic Value of a Trademark System*, 36 U. MIAMI L. REV. 297, 301-02 (1982); *Pierce*, *supra* note 14, at 36 (English common law adopted trademarks from regulations by medieval guilds designed to protect the public against deception).

18. *GILSON*, *supra* note 10, at § 1.01[2]. By 1870, there were 62 trademark cases decided in the United States, although 40 of them were in New York state courts. See *ROGERS, GOOD WILL*, *supra* note 12, at 48-49 for a breakdown of these cases by year. Rogers also stated that "[i]t has only been since about 1890 that the cases began to be at all numerous." *Id.* at 49. He suggested mass marketing may have been the cause for the surge in litigation. *Id.*

19. *Canal Co. v. Clark*, 80 U.S. 311 (1871) (holding that miners did not have exclusive rights to use LACKAWANNA COAL as the geographic descriptive source of their coal; newcomers could freely use LACKAWANNA COAL as long as it was true; LACKAWANNA COAL was no "peculiar property" of the plaintiff).

20. *Two Pesos, Inc. v. Taco Cabana, Inc.*, 112 S. Ct. 2753 (1992) (protecting as trade dress the interior of a Mexican restaurant); *San Francisco Arts & Athletics, Inc. v. United States Olympic Comm.*, 483 U.S. 522 (1987) (finding the United States Olympic Committee had an exclusive right to use the mark OLYMPIC); *Park 'N Fly, Inc. v. Dollar Park & Fly, Inc.*, 469 U.S. 189 (1985) (interpreting incontestability); *Inwood Lab., Inc. v. Ives Lab., Inc.*, 456 U.S. 844 (1982) (finding third party infringement); *Armstrong Paint & Varnish Works v. Nu-Enamel Corp.*, 305 U.S. 315 (1938) (finding, *inter alia*, infringement of plaintiff's mark, NU-ENAMEL; interpreting the Trade-Mark Act of 1920 in light of the 1905 Act). Several other cases involved trademarks but did not directly

by the Supreme Court is totally unjustified in light of the heavy case load of the circuit courts in adjudicating trademark cases.²¹

The first United States trademark legislation was proposed in 1791 by Thomas Jefferson.²² Jefferson correctly saw that any such legislation must be grounded in the Commerce Clause of the Constitution.²³ Jefferson perceived that exclusive rights to use a trademark had potentially significant economic effects, that a trademark registration system would be useful in streamlining and equalizing access to those rights, "and

confront infringement or validity. *K Mart Corp. v. Cartier, Inc.*, 486 U.S. 281 (1988) (Kennedy, J.), and 485 U.S. 176 (1988) (Brennan, J.) (each opinion reaching a different conclusion concerning gray market goods and importation rights); *Fleischmann Distilling Corp. v. Maier Brewing Co.*, 386 U.S. 714 (1967) (holding attorney's fees are not available under the Lanham Act); *Switzerland Cheese Ass'n, Inc. v. E. Horne's Market, Inc.*, 385 U.S. 23 (1966) (holding that a denial of a motion for summary judgement, the motion seeking a permanent injunction and damages in a trademark infringement suit, related only to pretrial procedures, and not the merits, and therefore was not "interlocutory" and accordingly not appealable under 28 U.S.C. § 1292(a)(1)); *Dairy Queen, Inc. v. Wood*, 369 U.S. 469 (1962) (finding that the plaintiff in a trademark infringement and breach of contract action is entitled to a jury trial, due to the legal nature of one of several requested remedies); *Mishawaka Rubber & Woolen Mfg. Co. v. S.S. Kresge Co.*, 316 U.S. 203 (1942) (granting the victorious plaintiff profits and damages under the 1905 Act, despite the lack of direct economic competition; expressly declined to decide the merits of the infringement issue); *Pecheur Lozenge Co. v. National Candy Co.*, 315 U.S. 666 (1942) (per curiam) (finding local law applies to a mark not registered under the Trade-Mark Act of 1905, but instead registered under the copyright law, apparently by mistake); *Reconstruction Fin. Corp. v. J.G. Menihan Corp.*, 312 U.S. 81 (1941) (holding the Reconstruction Finance Corporation liable in a series of failed trademark infringement suits for costs and any additional allowance made by the court in equity). In the last decade, the Supreme Court has denied certiorari to three trademark cases, all with a dissent by Justice White and involving whether a district court's likelihood of confusion finding is reviewable under the "clearly erroneous" standard as a finding of fact, or under the de novo standard as a conclusion of law. *Novak v. Mutual of Omaha Ins. Co.*, 488 U.S. 933 (1988) (cert. denied) (White, J., dissenting); *Euroquilt, Inc. v. Scandia Down Corp.*, 475 U.S. 1147 (1986) (cert. denied) (White, J., dissenting); *Elby's Big Boy of Steubenville, Inc. v. Frisch's Restaurants, Inc.*, 459 U.S. 916 (1982) (cert. denied) (White, J., dissenting).

21. See, e.g., GILSON, *supra* note 10, § 1.01[2]. There were over 2,000 substantive trademark cases decided by the circuit and appellate courts in this same time period. Search of LEXIS, TRDMRK Library, FEDCTS File (October 1, 1992).

22. GOOD WILL, *supra* note 12, at 47-48; Beverly W. Pattishall, *The Constitutional Foundations of American Trademark Law*, 78 TRADEMARK REP. 456, 459 (1988) (citing to Am. State Papers 48). See also Pierce, *supra* note 14, at 37.

23. GOOD WILL, *supra* note 12, at 48, and Pattishall, *supra* note 22, at 459 (Jefferson limited any trademark law to "commerce with foreign nations, and among the several States, and with the Indian tribes," tracking the Commerce Clause verbatim). As will be seen later, Jefferson was way ahead of his time. It took the United States Congress about 110 years before it enacted a trademark protection statute grounded in the Commerce Clause.

that trademark infringers should be punished.”²⁴ Although the 2nd Congress of the United States defeated Jefferson’s proposed trademark law,²⁵ Jefferson’s insights on the subject proved instrumental in the 1946 Act.

The first enacted federal trademark statute in the United States was the Act of 1870.²⁶ This statute was enacted primarily to implement treaties agreed upon several years earlier.²⁷ That is, it was international demand, not domestic demand, that led to the first trademark statute.

In 1868, the United States ratified a treaty with Russia.²⁸ In 1869, the United States ratified a treaty with Belgium²⁹ and a convention with France.³⁰ Each of these granted reciprocal rights in trademarks for citizens of each country. Pursuant to each of these agreements, in order for a Russian, Belgian, or French citizen to obtain trademark rights in the United States, such a person had to file a trademark registration with the United States government.³¹ At the time, however, there was no federal trademark registration system and, therefore, it was actually impossible for anyone to take advantage of the new treaties. Consequently, there was much pressure on Congress to push forward the Act of 1870.

24. GILSON, *supra* note 10, § 1.01[2]; Pierce, *supra* note 14, at 37 (quoting Jefferson as insisting that trademark protection would “contribute to fidelity in the execution of manufacturing” and pushing Congress to pass legislation that would “[permit] the owner of every manufactory to enter in the record of the court of the district wherein his manufactory is, the name with which he chooses to mark or designate his wares, and rendering it penal to others to put the same mark on any other wares.”).

25. Pattishall, *supra* note 22, at 460; ROGERS, GOOD WILL, *supra* note 12, at 48 (“It is evident that there was not a sufficient demand at the time of Jefferson’s report or for seventy-nine years afterwards for a law to put into effect his recommendations and it was not until 1905 that they were fully carried out.”). New York was the first state to enact a trademark law ostensibly to prevent fraud in the use of false stamps and labels, but did not do so until 1845. *Id.*

26. Act of July 8, 1870, c. 230, 16 Stat. 198.

27. BROWNE, *supra* note 12, at 292. In fact, in the *Trade-Mark Cases*, the Attorney General for the United States argued that “[t]he purpose and the natural and reasonable effect of the acts are to protect the producer or the importer of foreign goods in his right of selling them in the United States, and thus carry out in good faith and enforce our treaty stipulations on the subject. The act is a regulation of foreign commerce.” *Trade-Mark Cases*, 100 U.S. 82, 88 (1879).

28. Additional Article to the Treaty of Navigation and Commerce, January 27, 1868, U.S.-Russ., 16 Stat. 389.

29. Additional Article to the Treaty of Commerce and Navigation, July 30, 1869, U.S.-Belg., 16 Stat. 359.

30. Convention Concerning Trade Marks, April 16, 1869, U.S.-Fr., 16 Stat. 365.

31. For a discussion on the procedure foreign citizens were required to follow under the Trade Mark Act of 1881, the constitutional amended version of the Act of 1870, see BROWNE, *supra* note 12, at 293-94.

Perhaps because of Congress' continental perspective over the treaties at issue,³² the Act of 1870 codified existing common law principles and created trademark rights based more on continental notions of trademark law than common law.³³ Most notably, the Act of 1870 allowed registration by any person who was entitled to the exclusive use of any lawful trademark or who *intended to adopt and use* any trademark for use within the United States.³⁴

The Act of 1870 was soon struck down by the Supreme Court as unconstitutional. In the *Trade-Mark Cases*,³⁵ the Supreme Court confirmed that trademarks had always been protected by the common law.³⁶ To grant new substantive rights in trademark law, Congress would have to point to a specific provision of the Constitution upon which it based

32. See BROWNE, *supra* note 12, concluding that "[t]he Act of 1870 afforded the means whereby American citizens might furnish evidence required in other countries, and foreigners might also avail themselves of protection guaranteed by treaties, conventions, &c. To this extent at least, it was an act to carry out the treaty stipulations . . ." *Id.* at 292. Browne also determined that "[a]mong commercial nations, there is a growing tendency to a general recognition of the emblems of commerce known as trade-marks; for such recognition operates as a safeguard against fraud on their own communities. Hence . . . the liberal views entertained by the judicial courts of nearly all the enlightened countries." *Id.* at 297.

33. For a comparison of trademark law in common law countries and civil law countries at the time of the Lanham Act, see J.R. Wilson, *Trade-Marks and Laws in Foreign Countries*, 37 TRADEMARK REP. 107 (1947). The primary difference for purposes here of the two systems is that common law countries such as the United States and Britain base trademark rights on use rather than registration. *Id.* at 109. Civil law countries, including many in continental Europe and Latin America, confer trademark rights upon registration, without regard to immediate use. *Id.* at 113. See also Robert A. Christensen, *Trademark Incontestability—Time for the Next Step*, 18 STAN. L. REV. 1196, 1197 n.12 (1966), for the view that "[t]he impact of incontestability on litigation . . . controls the degree to which the American trademark system is registration- rather than use-oriented. Because some, but not all, of the defenses available to the infringer in a wholly use-oriented system are precluded and because the owner must wait five years for the protection conferred by registration, our present trademark system lies somewhere between the two possible extremes." For a discussion on the difference between civil law and common law systems generally, see R.H. Helmholz, *Continental Law and Common Law: Historical Strangers or Companions?*, 1990 DUKE L.J. 1207 (1990); Walter F. Murphy, *The 19th John M. Tucker, Jr. Lecture in Civil Law: Civil Law, Common Law, and Constitutional Democracy*, 52 LA. L. REV. 91 (1991); Roscoe Pound, *A Comparison of Systems of Law*, 10 U. PITT. L. REV. 271 (1948).

34. Act of July 8, 1870, ch. 230, § 77, 16 Stat. 198.

35. 100 U.S. 82 (1879). Another comment on the international aspect of the Act is the fact that two of the three cases heard together under the name "Trade-Mark Cases" involved American merchants charged with infringing French trademarks. *Id.* at 82-83. Both Steffens and Wittemann were charged with infringing the trademarks of French champagne producers, G.H. Mumm & Co. and Kunkleman & Co., respectively.

36. *Id.* at 92.

this authority.³⁷ Since the Patent and Copyright Clause of the Constitution³⁸ did not expressly include protection of trademarks, such authority would have to be found elsewhere. Trademarks, the court reasoned, do not “depend upon novelty, invention, discovery, or any work of the brain. It requires no fancy or imagination, no genius, no laborious thought. [Trademarks are] simply founded on priority of appropriation.”³⁹

The next significant attempt at a federal trademark registration system came with the Act of 1905.⁴⁰ The Act of 1905, however, was not well conceived. Commentators have described the Act of 1905 as “a slovenly piece of legislation, characterized by awkward phraseology, bad grammar and involved sentences. Its draftsmen had a talent for obscurity amounting to genius.”⁴¹

Interpretations of the Act of 1905 were influenced heavily by the *Trade-Mark Cases*. Subsequent cases generally concluded that Congress had no authority to regulate substantive trademark law, so the Act of 1905 entitled registration only of those trademark rights already recognized at common law.⁴² This, of course, totally defeated the purpose

37. *Id.* at 93.

38. U.S. CONST. art. I, § 8, cl. 8.

39. *Trade-Mark Cases*, 100 U.S. at 94. The Act of 1870 also contained an intent-to-use provision. The constitutional legitimacy of the intent-to-use portion of the Act was not clearly determined; the Supreme Court found the Act unconstitutional because it was not based on the Commerce Clause. In 1988, Congress amended the Lanham Act to include an intent-to-use provision where trademark holders could register their marks for three years if they had a bona fide intention to use the marks. 15 U.S.C. § 1051(b). Because use of the mark is not required and, therefore, there is no actual interstate commerce, the intent-to-use provisions should fail constitutional review based on the commerce clause as in the *Trade-Mark Cases*. However, several commentators have argued that the current intent-to-use provisions are constitutional because they are part of the “flow of commerce” notion and the Supreme Court shows great deference toward congressional power with regard to Commerce Clause issues. See Charles James Vinicombe, *The Constitutionality of an Intent to Use Amendment to the Lanham Act*, 78 TRADEMARK REP. 361, 369-73 (1988). See generally Frank Hellwig, *The Trademark Law Revision Act of 1988: The 100th Congress Leaves Its Mark*, 79 TRADEMARK REP. 287 (1989).

40. Act of February 20, 1905, ch. 592, 33 Stat. 724. This Act allowed registration of marks used in interstate commerce for a period of 20 years with an unlimited right of renewal. Registration constituted prima facie evidence of ownership of the mark, accorded the owner federal jurisdiction, and provided certain remedies for infringement.

41. Edward S. Rogers, *The Expensive Futility of the United States Trade-Mark Statute*, 12 MICH. L. REV. 660, 665 (1914).

42. See, e.g., *American Trading Co. v. H.E. Heacock Co.*, 285 U.S. 247 (1932) (court gives priority over subsequent trademark registration in the Philippines because Congress has express authority to create trademark rights there and not in the United States); *American Steel Foundries v. Robertson*, 269 U.S. 372 (1926); *United Drug Co. v. Theodore Rectanus Co.*, 248 U.S. 90, 99 (1918) (“registration of the [petitioner’s] trade-mark under . . . the act of Congress [did not have] the effect of enlarging the rights

of national legislation: to create one unified system of registration and enforcement of trademark rights.

After various amendments to the Act of 1905 failed to cure its ills,⁴³ the entire Act was thrown out in favor of a new statute crafted and pushed to passage largely by Representative Fritz G. Lanham. The Lanham Act was first introduced in 1938 but was not actually passed until 1946 and did not become effective until 1947.

Today, under the Lanham Act, trademarks are defined as any "word, name, symbol, or device, or any combination thereof . . . used . . . to indicate the source of the goods . . ." ⁴⁴ Trademarks are generally categorized into one of four groups: generic, descriptive, suggestive, and arbitrary or fanciful.⁴⁵ The strongest mark is an arbitrary or fanciful

of [petitioner] beyond what they would be under common-law principles." *But, c.f.,* *Philco Corp. v. Phillips Mfg. Co.*, 133 F.2d 663, 668 (7th Cir. 1943) (Congress had the authority to create substantive trademark rights and did so in the Act of 1905).

43. In 1946, the Act of 1905 had forty-one sections. Of those, a total of 24 sections had been modified or added since the Act was passed. A review of the final, 1946 version shows these amendments were:

Act of May 4, 1906, ch. 2081, §§ 1, 2, 3, 34 Stat. 168.

Act of Mar. 2, 1907, ch. 2573, §§ 1, 2, 2(b), 34 Stat. 1251.

Act of Feb. 18, 1909, ch. 144, 35 Stat. 627.

Act of Feb. 18, 1911, ch. 113, 36 Stat. 918.

Act of Mar. 3, 1911, ch. 231, § 291, 36 Stat. 1167 (circuit court jurisdiction generally).

Act of Aug. 24, 1912, ch. 370, § 5, 37 Stat. 498.

Act of Jan. 8, 1913, ch. 7, 37 Stat. 649.

Act of Mar. 19, 1920, ch. 104, §§ 1-9, 41 Stat. 535 (implementing the Buenos Aires convention of Aug. 20, 1910, among other purposes).

Act of June 7, 1924, ch. 341, 43 Stat. 647.

Act of Mar. 4, 1925, ch. 535, §§ 1, 3, 43 Stat. 1268.

Act of Mar. 2, 1929, ch. 488, 45 Stat. 1475 (granting jurisdiction to the Circuit Court of Patent Appeals).

Act of April 11, 1930, ch. 132, § 4, 46 Stat. 155.

Act of June 7, 1934, ch. 426, 48 Stat. 926 (concerning the jurisdiction of the D.C. Circuit Court).

Act of June 20, 1936, ch. 617, 49 Stat. 1539.

Act of June 25, 1936, ch. 804, 49 Stat. 1921 (concerning the jurisdiction of the D.C. Circuit Court).

Act of June 10, 1938, ch. 332, 52 Stat. 638 (providing for the protection of collective marks).

See Beverly W. Pattishall, *The Lanham Trademark Act—Its Impact Over Four Decades*, 76 TRADEMARK REP. 193, 195, n.16 (1986).

44. 15 U.S.C. § 1127 (1988). See *Towers v. Advent Software, Inc.*, 913 F.2d 942, 945 (Fed. Cir. 1990); *Hughes v. Design Look, Inc.*, 693 F. Supp. 1500, 1505 (S.D.N.Y. 1988).

45. See generally *Abercrombie & Fitch Co. v. Hunting World, Inc.*, 537 F.2d 4, 9-11 (2d Cir. 1976).

one⁴⁶ such as KODAK⁴⁷ or EXXON.⁴⁸ The weakest mark is a generic mark⁴⁹ such as CELLOPHANE⁵⁰ or ASPIRIN.⁵¹ All marks are said to fit somewhere on this continuum,⁵² although some courts have recognized the fact that there are no clear lines separating these categories.⁵³ The assignment of a specific trademark to these categories is not necessarily static. A mark can conceivably move from one category to another based on how the mark is used by the owner and the degree of consumer recognition developed in the mark.

Generic marks are words that refer to the specific genus of which the particular product is a species.⁵⁴ In other words, generic marks are terms for which there is no other descriptive word in the English language. A mark is said to become generic when it ceases to denote source and starts denoting the product itself.⁵⁵ Famous examples of marks that have

46. *Clipper Cruise Line, Inc. v. Star Clippers, Inc.*, 952 F.2d 1046 (8th Cir. 1992); *Cellular Sales, Inc. v. MacKay*, 942 F.2d 483 (8th Cir. 1991); *General Mills, Inc. v. Kellogg Co.*, 824 F.2d 622 (8th Cir. 1987).

47. *Eastman Kodak Co. v. Weil*, 243 N.Y.S. 319 (N.Y. Sup. Ct. 1930).

48. *Exxon Corp. v. Xoil Energy Resources, Inc.*, 552 F. Supp. 1008, 1014 (S.D.N.Y. 1981).

49. *Dranoff-Perlstein Assoc. v. Sklar*, 967 F.2d 852, 855 (3d Cir. 1992) (finding "if we hold a designation generic, it is never protectable") (In fact, a generic mark would not have trademark status at all); *Anti-Monopoly, Inc. v. General Mills Fun Group, Inc.*, 684 F.2d 1316 (9th Cir. 1982); *Miller Brewing Co. v. G. Heileman Brewing Co.*, 561 F.2d 75 (7th Cir. 1977), *cert. denied*, 434 U.S. 1025 (1978).

50. *DuPont Cellophane Co., Inc. v. Waxed Products Co.*, 85 F.2d 75, 82 (2d Cir.), *cert. denied*, 299 U.S. 601 (1936).

51. *Bayer Co. v. United Drug Co.*, 272 F. Supp. 505, 509 (S.D.N.Y. 1921).

52. *Perini Corp. v. Perini Construction, Inc.*, 915 F.2d 121, 124 (4th Cir. 1990) (citing *Abercrombie & Fitch Co. v. Hunting World, Inc.*, 537 F.2d 4 (2d Cir. 1976)); *Induct-O-Matic Corp. v. Inductotherm Corp.*, 747 F.2d 358, 362 (6th Cir. 1984) (citing *Miller Brewing Co. v. G. Heileman Brewing Co.*, 561 F.2d 75, 79 (7th Cir. 1977), *cert. denied*, 434 U.S. 1025 (1978)).

53. *Union Nat'l Bank of Texas, Laredo v. Union Nat'l Bank of Texas, Austin*, 909 F.2d 839, 846 (5th Cir. 1990) (" 'Although meant as pigeon-holes, these useful labels are instead central tones in a spectrum; they tend to merge at their edges and are frequently difficult to apply.' " (quoting *Soweco, Inc. v. Shell Oil Co.*, 617 F.2d 1178, 1183 (5th Cir. 1980))); *Miller Brewing Co. v. G. Heileman Brewing Co.*, 561 F.2d 75, 79 (7th Cir. 1977) ("As the ease with which hues in the solar spectrum may be classified on the basis of perception will depend upon where they fall in that spectrum, so it is with a term on the trademark spectrum"), *cert. denied*, 434 U.S. 1025 (1978)); *See also In re Merrill Lynch, Pierce, Fenner, & Smith, Inc.*, 828 F.2d 1567, 1569 (Fed. Cir. 1987); *Blinded Veterans Ass'n v. Blinded Am. Veterans Found.*, 872 F.2d 1035, 1039 (D.C. Cir. 1989).

54. *Park 'N Fly, Inc. v. Dollar Park & Fly, Inc.*, 469 U.S. 189, 194 (1985); *Clipper Cruise Line, Inc. v. Star Clippers, Inc.*, 952 F.2d 1046, 1047 (8th Cir. 1992); *Union Nat'l Bank, Laredo*, 909 F.2d at 845 ("A generic term is one which identifies a genus or class of things or services, of which the particular item in question is merely a member."); *Abercrombie & Fitch Co. v. Hunting World, Inc.*, 537 F.2d 4, 9 (2d Cir. 1976).

55. *Miller Brewing Co.*, 561 F.2d at 75.

been held to be generic include LITE for use on beer,⁵⁶ and SHREDDED WHEAT for use on cereal.⁵⁷ Generic marks are not registrable.⁵⁸ Marks that become generic may be canceled at any time.⁵⁹ The test for determining if a trademark has become generic is whether the primary significance of the mark identifies the producer⁶⁰ or the product.⁶¹ To the extent that the primary significance of the mark is to identify the product, the mark has become generic.

The rationale for preventing trademark protection for generic marks is simple: allowing a monopoly on the use of a commonly used term would be ludicrous. No individual should be able to appropriate existing terms in the language for their own commercial advantage when to do so would prevent competitors from using that term to describe their competing products.⁶² When a trademark stops denoting the source of

56. *Id.*

57. *Kellogg Co. v. National Biscuit Co.*, 305 U.S. 111 (1938).

58. For example, the Trademark Trial and Appeal Board held the mark ICE-PAK to be generic and therefore unregistrable. *In re Stanbel, Inc.*, 16 U.S.P.Q.2d 1469, 1472 (T.T.A.B. 1990). See also *Clipper Cruise Line, Inc.*, 952 F.2d at 1048 (finding the term CLIPPER generic as applied to cruise ships).

59. *Park 'N Fly, Inc. v. Dollar Park & Fly, Inc.*, 469 U.S. 189, 194 (1985); Lanham Act, 15 U.S.C. §§ 1064(3), 1065(4) (1992 Supp.). Although it is fairly common for marks to evolve from distinctive to generic through improper usage by the owner or genericide by competitors, some trademarks have moved from generic to distinctive. In 1896, the Supreme Court held that the trademark SINGER had become the generic name for a sewing machine. *Singer Mfg. Co. v. June Mfg. Co.*, 163 U.S. 169 (1896). Singer continued to use their mark and a half century later re-established it as a distinctive mark. *Singer Mfg. Co. v. Briley*, 207 F.2d 519 (5th Cir. 1953).

60. The customer need not know what producer, just that it came from a single source. *Roulo v. Russ Berrig & Co., Inc.*, 886 F.2d 931, 936 (7th Cir. 1989); *Processed Plastic Co. v. Warner Communications, Inc.*, 675 F.2d 852, 856 (7th Cir. 1982).

61. 15 U.S.C. § 1064(3) (1988); *Kellogg Co.*, 305 U.S. at 118.

62. See *Bernard v. Commerce Drug Co.*, 964 F.2d 1338, 1342 (2d Cir. 1992) (although finding the plaintiff's mark ARTHRITICARE merely descriptive, the court stated "[o]ur conclusion is bolstered by the concern that 'exclusive use of the term might unfairly 'monopolize' common speech.' . . . According trademark protection to ARTHRITICARE could preclude forever manufacturers of products marketed to arthritis sufferers from using the root of the word 'arthritic' for their products.") See also *United Drug Co. v. Theodore Rectanus Co.*, 248 U.S. 90, 97 (1918) ("The owner of a trade-mark may not, like the proprietor of a patented invention, make a negative and merely prohibitive use of it as a monopoly."); *Dranoff-Perlstein Assoc. v. Sklar*, 967 F.2d 852, 857 (3d Cir. 1992) ("Generic terms are denied trademark protection because granting one firm their exclusive use would place competitors at a serious competitive disadvantage.") (citing 1 GILSON, *supra* note 10, § 2.02, at 2-23); *Hutchinson v. Essence Communications, Inc.*, 769 F. Supp. 541, 569 (S.D.N.Y. 1991) (remarking that "a trademark owner is not entitled to . . . pursue a course of action which, if successful, 'would be tantamount to awarding it exclusive dominion over a word in common usage,' with the consequent 'right to impair other parties' possible entrance into areas of endeavor far removed from its own.'").

a good and instead identifies the good itself, it becomes the victim of genericide and ceases to function as a trademark.⁶³

For our purposes here, descriptive marks are most interesting, because it is with descriptive marks that incontestability has the largest impact. Descriptive marks are those marks that only describe the good or service on which they are used,⁶⁴ or an attribute of that good or service.⁶⁵ In order to be registrable and enforceable, the owner of a descriptive trademark must show that the mark possesses secondary meaning.⁶⁶ If a descriptive mark lacks secondary meaning, it is said to be “merely descriptive” and, therefore, not registrable and not enforceable.⁶⁷

Secondary meaning is the notion that if a word is used long enough and enough money is spent promoting the mark, the consuming public will, at some point, come to associate the word with the product⁶⁸ and, thereby, the word will attain trademark status. The “secondary” meaning attained by a word is that it functions not only as a word but also as a trademark—that is, a source indicating significance.⁶⁹

63. *Anti-Monopoly, Inc. v. General Mills Fun Group, Inc.*, 684 F.2d 1316, 1321-26 (9th Cir. 1982); *Miller Brewing Co. v. G. Heileman Brewing Co.*, 561 F.2d 75, 80-81 (7th Cir. 1977), *cert. denied*, 434 U.S. 1025 (1978).

64. *G. Heileman Brewing Co. v. Anheuser-Busch, Inc.*, 873 F.2d 985, 992 (7th Cir. 1989); *Wynn Oil Co. & Classic Car Wash, Inc. v. Thomas*, 839 F.2d 1183, 1190 (6th Cir. 1988).

65. *Park 'N Fly, Inc. v. Dollar Park & Fly, Inc.*, 469 U.S. 189, 194 (1985); *Bernard*, 964 F.2d at 1341 (“a mark can be classified as descriptive if it conveys ‘an immediate idea of some characteristic or attribute of the product.’” (quoting *Papercutter, Inc. v. Fay's Drug Co.*, 900 F.2d 558, 562 (2d Cir. 1990))); *Union Nat'l Bank, Laredo v. Union Nat'l Bank of Texas, Austin*, 909 F.2d 839, 845 (5th Cir. 1990) (“A descriptive term is one that ‘identifies a characteristic or quality of the article or service.’”) (quoting *Vision Center v. Opticks*, 596 F.2d 111, 115 (5th Cir. 1979), *cert. denied*, 444 U.S. 1016 (1980)).

66. 15 U.S.C. § 1052(f) (1988); *Park 'N Fly*, 469 U.S. at 194; *Coach House Restaurant, Inc. v. Coach and Six Restaurants, Inc.*, 934 F.2d 1551, 1559 (11th Cir. 1991); *Bristol-Myers Squibb Co. v. McNeil-P.P.C., Inc.*, 786 F. Supp. 182, 194 (E.D.N.Y. 1992).

67. *Papercutter, Inc. v. Fay's Drug Co., Inc.*, 900 F.2d 558, 562 (2d Cir. 1990); *G. Heileman Brewing Co. v. Anheuser-Busch*, 873 F.2d at 992; *Blisscraft of Hollywood v. United Plastics Co.*, 294 F.2d 694, 698 (1961) (“[W]ords which are merely descriptive of the qualities, ingredients or composition of an article cannot be appropriated as a trademark and are not entitled to protection unless they have acquired secondary meaning”).

68. *Levi Strauss & Co. v. Blue Bell, Inc.*, 778 F.2d 1352, 1354 (9th Cir. 1985) (“The basic element of secondary meaning is, thus, the mental association by a substantial segment of consumers and potential consumers ‘between the alleged mark and a single source of the product.’”) (quoting *McCarthy*, §§ 15:2 at 659, and 15:11(B) at 686); *Volkswagenwerk Aktiengesellschaft v. Rickard*, 492 F.2d 474, 477 (5th Cir. 1974).

69. *Dranoff-Perlstein Assoc. v. Sklar*, 967 F.2d 852, 858 (3d Cir. 1992) (“In order for secondary meaning to exist, ‘it is not necessary for the public to be aware of the name of the [source] It is sufficient if the public is aware that the product [or

Suggestive trademarks are those marks which, although not arbitrary or fanciful, require some amount of imagination to determine what the association is between the trademark and the goods or services.⁷⁰ Suggestive marks, therefore, do not require a showing of secondary meaning to be validly registered and enforceable.⁷¹ Examples of suggestive marks include COPPERTONE for suntan lotion⁷² and HEARTWISE for use on vegetable protein meat substitute foods.⁷³

Arbitrary⁷⁴ or fanciful⁷⁵ marks are those that have no mark/product association whatsoever at conception.⁷⁶ These marks are often referred to as "inherently distinctive" at least partially because they do not require secondary meaning in order to be registered or enforced.⁷⁷

Only trademarks that are inherently distinctive or registrations that have become incontestable need not specifically be shown to have sec-

service] comes from a single, though anonymous, source.' ") (quoting *Union Carbide Corp. v. Ever-Ready, Inc.*, 531 F.2d 366, 380 (7th Cir. 1976)); *Bristol-Myers Squibb Co. v. McNeil-P.P.C., Inc.*, 786 F. Supp. 182, 194 (E.D.N.Y. 1992) ("A mark has acquired secondary meaning when it 'has been used so long and so exclusively by one producer with reference to its article that, in that trade and to that branch of the purchasing public, the word or phrase has come to mean that the article was the first producer's trademark.'") (quoting *G. Heileman Brewing Co. v. Anheuser-Busch, Inc.*, 676 F. Supp. 1436, 1467 (E.D. Wis. 1987), *aff'd*, 873 F.2d 985 (7th Cir. 1989)).

70. *Union Nat'l Bank of Texas, Laredo, Texas v. Union Nat'l Bank of Texas, Austin, Texas*, 909 F.2d 839, 845 (5th Cir. 1990); *Forum Corp. of N.A. v. Forum, Ltd.*, 903 F.2d 434, 443 (7th Cir. 1990); J. THOMAS MCCARTHY, *TRADEMARKS AND UNFAIR COMPETITION* § 1121 (2d ed. 1984).

71. MCCARTHY, *supra* note 70, § 1120; *Papercutter, Inc. v. Fay's Drug Co.*, 900 F.2d 558, 562 (2d Cir. 1990); *G. Heileman Brewing Co. Inc. v. Anheuser-Busch, Inc.*, 873 F.2d 985, 992 (7th Cir. 1989). A precise discussion of suggestiveness is beyond the scope of this Article. The difference between descriptive and suggestive marks is often thought of as arbitrary. *See, e.g.*, Anthony L. Fletcher & David J. Kera, *The Forty-Third Year of Administration of the Lanham Trademark Act of 1946*, 80 TRADEMARK REP. 591, 670 (1990).

72. *Douglas Lab., Inc. v. Copper Tan, Inc.*, 210 F.2d 453 (2d Cir. 1954).

73. *Worthington Foods, Inc. v. Kellogg Co.*, 732 F. Supp. 1417 (S.D. Ohio 1990).

74. A mark is said to be arbitrary when it consists of a common word applied in an unfamiliar way. *Abercrombie & Fitch Co. v. Hunting World, Inc.*, 537 F.2d 4, 11 n.12 (2d Cir. 1976).

75. Fanciful marks are those "invented solely for their use as trademarks." *Id.* at 11.

76. *Coach House Restaurant, Inc. v. Coach & Six Restaurants, Inc.*, 934 F.2d 1551, 1560 (11th Cir. 1991); *Johnson & Johnson v. GAC Int'l, Inc.*, 862 F.2d 975, 982 (2d Cir. 1988).

77. *Coach House Restaurant, Inc.*, 934 F.2d 1551 at 1559; *Investacorp, Inc. v. Arabian Inv. Banking Corp.*, 931 F.2d 1519, 1522 (11th Cir. 1991); *Blisscraft of Hollywood v. United Plastics Co.*, 294 F.2d 694, 700 (2d Cir. 1961) ("The presumption that a fanciful word or mark becomes distinctive and identifies the source of goods on which it is used immediately after adoption and *bona fide* first use is basic in trademark law.") (citing HARRY D. NIMS, 2 UNFAIR COMPETITION & TRADEMARKS § 346 at 1078 (4th ed. 1947)).

ondary meaning in order to avoid being non-suited in a federal trademark infringement action. Trademarks that fall within the suggestive or arbitrary or fanciful categories are inherently distinctive and, therefore, need not be shown to possess secondary meaning.⁷⁸ The plaintiff, however, must show that a descriptive mark possesses secondary meaning or be dismissed for failing to state a claim upon which relief can be granted.⁷⁹

Establishing secondary meaning is not an easy task for a trademark holder of a descriptive mark. It requires a certain degree of proof to show that a descriptive term has secondary meaning.⁸⁰ Therefore, if a plaintiff is not required to show that its mark has secondary meaning—that is, is granted statutory conclusive presumption of secondary meaning—the plaintiff gains a significant substantive advantage over an infringing third party. Likewise, if a plaintiff must show that its mark has attained secondary meaning because the plaintiff's mark is weak, an infringing defendant has a much better chance of success on the merits.

As will be developed below, this is precisely the role of incontestability. A weak but incontestable registration is still valid and may be enforced in some circuits under a statutory grant of validity, even though the mark is weak, and because of this lack of actual secondary meaning may be otherwise invalid.

B. Reasons for the Secondary Meaning Requirement

The requirement that an otherwise descriptive mark have secondary meaning before it is enforceable or registerable is justified as a facilitation on competition among producers.⁸¹ If even descriptive, and therefore the weakest trademarks were granted protection from the point of in-

78. See generally CHISUM & JACOBS, *supra* note 9, at § 5C[3][a].

79. *General Time Instruments Corp. v. United States Time Corp.*, 165 F.2d 853, 854-55 (2d Cir. 1948); *Black & Decker, Inc. v. North Am. Philips Corp.*, 632 F. Supp. 185, 194 (D. Conn. 1986); *American Luggage Works, Inc. v. United States Trunk Co., Inc.*, 158 F. Supp. 50, 51 (D. Mass. 1957).

80. *Vision Center v. Opticks, Inc.*, 596 F.2d 111, 118 (5th Cir. 1979), *cert. denied*, 444 U.S. 1016 (1980). See also *Bristol-Myers Squibb Co. v. McNeil-P.P.C., Inc.*, 786 F. Supp. 182, 194 (E.D.N.Y. 1992) (finding that although the mark EXCEDRIN PM had attained secondary meaning, the combination "PM" standing on its own had not; "Bristol-Myers ha[d] failed to meet the 'heavy burden' of showing that the efforts undertaken to associate the 'PM' indicator with one source have been effective.") (citing *20th Century Wear v. Sanmark-Stardust, Inc.*, 815 F.2d 8, 10 (2d Cir. 1987)).

81. *Industria Arredamenti Fratelli v. Charles Craig, Ltd.*, 725 F.2d 18 (2d Cir. 1984); Daniel J. Gifford, *The Interplay of Product Definition, Design and Trade Dress*, 75 MINN. L. REV. 769 (1991).

ception, it would amount to an obstacle to competition.⁸² The holder of one mark could block the entrance into a specific market by other competitors by merely claiming trademark rights to a descriptive feature of the product.⁸³

An owner of a weak mark should not be able to protect or enforce that mark against others because that owner's rights have not become clarified. Trademark rights to weak or descriptive marks become clarified by the consumers themselves when they come to associate a trademark with a producer of those goods. Unless the mark has secondary meaning, the mark is merely a word that other market participants presumably would need in order to describe adequately their products. Allowing trademark rights in a descriptive mark without secondary meaning would be essentially granting a monopoly on a word or words that competitors need to describe their goods.⁸⁴

This is essentially the impact of incontestable trademark registrations—automatic secondary meaning without a specific evidentiary showing. This device is an extremely powerful weapon in trademark litigation.⁸⁵

C. *Incontestability Under the Lanham Act*

Before analyzing the theoretical grounding of incontestability, it is important first to develop how incontestability functions.

82. Attempting to enforce a descriptive mark and thereby attempting to monopolize a market could arguably violate the Sherman Act, 15 U.S.C. §§ 1-7 (1988), the Clayton Act, 15 U.S.C. §§ 12-27 (1988) and the Federal Trade Commission Act, 15 U.S.C. §§ 41-45 (1988). *See also* CPG Prods. Corp. v. Pegasus Luggage, Inc., 776 F.2d 1007, 1016 (Fed. Cir. 1985) (Rich, J., dissenting):

the underlying principle involved in antitrust law: competition in the marketplace is to be encouraged and to that end copying—even outright, deliberate copying—is permitted as beneficial to consumers except where it is forbidden by patent law or deemed 'unfair' because it involves explicit or inherent falsification of some kind.

83. Scandia Down Corp. v. Euroquilt, Inc., 772 F.2d 1423, 1430 (7th Cir. 1985) (there are a limited number of terms available to competitors to describe their products and a single party should not be allowed to "snatch for themselves the riches of the language and make it more difficult for new entrants to identify their own products"); 20th Century Wear, Inc. v. Sanmark-Stardust, Inc., 747 F.2d 81 (2d Cir. 1984) (terms should not be monopolized by a single use), *cert. denied*, 470 U.S. 1052 (1985); *In re* DC Comics, Inc., 689 F.2d 1042, 1044 (C.C.P.A. 1982) (descriptive terms should remain unencumbered for use by all to associate such symbols with their goods).

84. *See generally* William F. Gaske, *Trade Dress Protection: Inherent Distinctiveness as an Alternative to Secondary Meaning*, 57 *FORDHAM L. REVIEW* 1123 (1989); Justin Huges, *The Philosophy of Intellectual Property*, 77 *GEO. L.J.* 287 (1988); Timothy R.M. Bryant, *Trademark Infringement: The Irrelevance of Evidence of Copying to Secondary Meaning*, 83 *Nw. U. L. REV.* 473 (1989).

85. Anthony L. Fletcher, *Incontestability and Constructive Notice: A Quarter Century of Adjudication*, 63 *TRADEMARK REP.* 71, 94 (1973).

1. *Acquisition of Incontestable Status.*—Currently, under the Lanham Act, a registration becomes “incontestable” after five years of continuous use and satisfaction of certain formalistic procedures.⁸⁶ Once a trademark registration becomes incontestable, the validity of the mark, the validity of the owner’s ownership of the mark, and the owner’s exclusive right to use the mark on designated goods may be challenged only on eight enumerated grounds.⁸⁷

Acquisition of incontestable status is an amazingly simple procedure in light of the profound advantages the registrant receives. Merely by filing what is known as a Section 15 Affidavit⁸⁸ stating the mark has been in use for five consecutive years, and compliance with other minimal requirements,⁸⁹ a registration becomes incontestable.⁹⁰ There is no substantive review procedure by the Patent and Trademark Office, and no other proof of such five-year use is required.⁹¹

Once a Section 15 Affidavit is filed and accepted by the Patent and Trademark Office, the mark is considered incontestable and the owner can take advantage of section 33(b) of the Lanham Act. Although the term “incontestable” has been criticized as being misleading given the

86. 15 U.S.C. § 1065 (1988). Although there is some literature to the contrary, § 1065 provides that the *right to use* a mark in commerce on goods for which it was registered becomes incontestable. See, e.g., *Money Store v. Harriscorp Fin., Inc.*, 689 F.2d 666, 671 (7th Cir. 1982) for the proposition that the *trademark* becomes incontestable. It is not the mark that becomes incontestable but, rather, the right to use the mark. This distinction becomes significant later in this Article when “trademark” is distinguished from “property.”

87. 15 U.S.C. § 1115 (1988).

88. *Id.* § 1065; 37 C.F.R. §§ 2.167-168. See also GILSON, *supra* note 10, § 4.03[2][b].

89. The § 15 Affidavit must be signed by the registrant, identify the registration number and date of the trademark, recite the goods or services stated in the registration or if they are different the goods identified in the registration on which the mark has been used for five years, specify that there has been no adverse action to the registrant’s claims of ownership, specify that there is no proceeding pending involving the registrant’s ownership rights, be filed within one year of the expiration of any five-year period of continuous use, and include the appropriate fee (\$100.00). 37 C.F.R. § 2.167.

90. The Patent and Trademark Office does not examine the merits of affidavits under § 15. Affidavits are processed and placed in the file without regard to their sufficiency. The Patent and Trademark Office merely notifies the registrant that the affidavit was “accepted” and that the file is stamped “Sec. 15 Affidavit Received.” Affidavits are inspected, however, and if the error is substantial the registrant is notified. The Patent and Trademark Office has no requirement that the error be corrected because compliance with § 15 is completely voluntary. A registrant may choose not to take advantage of incontestability. PATENT & TRADEMARK OFFICE, U.S. DEP’T OF COMMERCE, TRADEMARK MANUAL OF EXAMINING PROCEDURE § 1604 (1986).

91. See Chauncey P. Carter, *Trade-Mark “Incontestability”*, 36 TRADEMARK REP. 185, 186 (1946) (not the duty of the Commissioner to examine each mark as it comes up for registration but rather is left open for challenge in civil actions, cancellation proceedings, or other proceedings by affected parties).

numerous exceptions stated in section 33(b),⁹² incontestable status provides powerful evidentiary advantages in trademark litigation⁹³ because an incontestable registration is "conclusive evidence of the validity of the registered mark and of the registration of the mark, of the registrant's ownership of the mark, and the registrant's exclusive right to use the registered mark in commerce."⁹⁴ In other words, an incontestable registration is *conclusive evidence* of the registrant's interests in and to the mark.

The actual application of the concept of incontestability involves the simultaneous application of three sections of the Lanham Act—sections 14, 15, and 33.⁹⁵ Section 14 addresses when and how marks can be canceled.⁹⁶ First, section 14 lists five instances when a petition to cancel a registration of a mark may be filed by a person who believes that they have been or will be damaged by the registration:

1. Within five years from the date of the registration.⁹⁷
2. Within five years of the date of publication under § 1062(c) of the Lanham Act of a mark registered under prior trademark laws.⁹⁸

92. Note, *Incontestable Trademark Rights and Equitable Defenses in Infringement Litigation*, 75 TRADEMARK REP. 158, 158 n.3 (1985); Percy E. Williamson, Jr., *Trade-Marks Registered Under the Lanham Act Are Not "Incontestable,"* 37 TRADEMARK REP. 404, 404 (1947).

93. GILSON, *supra* note 10, § 4.03[3]; Christensen, *supra* note 33. Christensen states that "[incontestability] has a significant impact on litigation. It is the main advantage of using trademark registrations in infringement actions, because it denies an alleged infringer important defenses." *Id.* at 1196-97.

94. 15 U.S.C. § 1115(b) (1988). *American Express v. American Express Limousine Serv.*, 772 F. Supp. 729, 732 (E.D.N.Y. 1991) (granting plaintiff's request for a preliminary injunction with regard to defendant's use of plaintiff's incontestable mark AMERICAN EXPRESS).

95. 15 U.S.C. §§ 1064, 1065, and 1115 (1988), respectively. *Texas Pig Stands v. Hard Rock Cafe Int'l*, 951 F.2d 684, 693, 689, 690 (5th Cir. 1992).

96. 15 U.S.C. § 1064 (1988); *Treadwell's Drifters Inc. v. Marshak*, 18 U.S.P.Q.2d 1318, 1320 (T.T.A.B. 1990), *reh'g denied*, 18 U.S.P.Q.2d 1322 (T.T.A.B. 1991) ("Under Section 14(c) of the Trademark Act, a registration existing for over five years may be canceled only on the specific grounds enumerated therein, none of which involves ownership of the registered mark.").

97. 15 U.S.C. § 1064(1) (1988). *See Strang Corp. v. The Stouffer Corp.*, 16 U.S.P.Q.2d 1309, 1310 (T.T.A.B. 1990) (holding a cancellation petition against respondent's mark, DON'S LIGHTHOUSE INN, was timely filed when filed on the fifth anniversary of the respondent's mark registration).

98. 15 U.S.C. § 1064(2) (1988). This provision is applicable only to marks registered under the trademark laws which preceded the Lanham Act—the Act of March 3, 1881, or the Act of February 20, 1905. Today, this subsection is of no relevance. *Merriam-Webster, Inc. v. Random House, Inc.*, 18 U.S.P.Q.2d 1755, 1757 n.5, 1757-1758 (S.D.N.Y. 1991) (noting that while the mark COLLEGIATE may or may not be incontestable, based

3. At any time if the mark becomes generic, has become abandoned, its registration was obtained by fraud or was contrary to § 1052 (a)-(c) of the Lanham Act.⁹⁹
4. At any time if the mark registered under prior acts is not published according to the Lanham Act.¹⁰⁰
5. At any time if the mark is a certification mark and either the registrant fails to control the mark, the registrant engages in the production or marketing of any goods or services to which the certification mark is applied, the registrant permits use of the mark other than to certify, or the registrant discriminately refuses to certify anyone who maintains appropriate standards.¹⁰¹

This provision constitutes what has become known as “incontestability in the Patent and Trademark Office.”¹⁰² That is, the clear directive of

on a failure to republish a 1905 Act registration, but not deciding this issue, presumably because the court found the combination mark WEBSTER'S COLLEGIATE to possess secondary meaning); *Cullman Ventures, Inc. v. Columbian Art Works, Inc.*, 717 F. Supp. 96, 102 (S.D.N.Y. 1989) (holding plaintiff, who had republished its marks containing the phrase AT-A-GLANCE in 1949, had those marks infringed by defendant).

99. 15 U.S.C. § 1064(3) (1988). Prior to the 1988 amendment to the Lanham Act, there was much confusion about this subsection. Originally, this applied to “common descriptive name” and did not expressly say “generic.” Christensen, *supra* note 33, at 1098. Since the term “common descriptive name” is not defined in the Lanham Act, courts generally, but not always, equated it with genericism. See *San Francisco Arts & Athletics, Inc. v. United States Olympic Comm.*, 483 U.S. 522, 531-32 n.7 (“A common descriptive name of a product or service is generic.”) (citing 15 U.S.C. § 1064(c), the precursor to § 1064(3)). The Trademark Law Amendment Act of 1988 put this controversy to rest by changing “common descriptive name” to “generic” in § 1064(c).

100. 15 U.S.C. § 1064(4) (1988). See Sylvester J. Liddy, *The Lanham Act—An Analysis*, 37 TRADEMARK REP. 87, 100-02 (1947) (recommending and explaining republication of marks registered under the 1905 or 1920 Acts); Walter J. Derenberg, *Foreign Law Aspects of the New Trade-Mark Act of 1946*, 37 TRADEMARK REP. 711, 714, 726-30 (1947) (discussing renewal, registration, and republication of foreign marks previously registered under the 1905 or 1920 Acts).

101. 15 U.S.C. § 1064(5) (1988). *Community of Roquefort v. William Faehndrich, Inc.*, 303 F.2d 494 (2d Cir. 1962) (citing 15 U.S.C.A. § 1064(d)(4), a prior version of § 1064(5) and granting summary judgment to plaintiff for defendant's infringement of plaintiff's certification mark ROQUEFORT.) The court noted that “a certification mark . . . must be made available without discrimination ‘to certify the goods . . . of any person who maintains the standards or conditions which such mark certifies.’” *Id.* at 497 (emphasis in original); *Opticians Ass'n of Am. v. Independent Opticians of Am.*, 920 F.2d 187, 194 (3d Cir. 1990) (holding 15 U.S.C. § 1064(5) inapplicable because the marks involved were trademarks or collective marks, not certification marks, and this section applies to marks registered as certification marks only).

102. GILSON, *supra* note 10, § 4.03[1]. This is known as “incontestability in the Patent and Trademark Office” because a party can file a petition to cancel a mark only with the Patent and Trademark Office. Although the Lanham Act gives courts authority to “rectify the register,” 15 U.S.C. § 1119, an actual petition to cancel a mark is only

section 14(1) is that after the mark has been registered for five years, a petition to cancel the registration will not be accepted by the Patent and Trademark Office,¹⁰³ even if the registrant has failed to file affidavits with the Patent and Trademark Office.

This is the first step of the incontestability analysis. Once a mark is registered for five years, potentially harmed third parties may not file to cancel it. A third party may sue for infringement, but that third party may not petition the Patent and Trademark Office to cancel the registration.

The main import of section 15, the next step of incontestability application, is to clarify the meaning of incontestability (to the extent it can be clarified). Incontestability refers to the "right of the registrant to use such registered mark in commerce for the goods or services on or in connection with which such registered mark has been in continuous use for five consecutive years . . . and is still in use in commerce."¹⁰⁴ This also is the source of the Section 15 Affidavit that the Patent and Trademark Office requires before acknowledging statutory incontestability.¹⁰⁵

Section 15 largely applies to prior users of the same mark on similar goods. Section 15 is meant to protect third parties who were using a mark before the registrant.¹⁰⁶ That is, granting a registrant incontestable status of its mark is subject to the four conditions set forth in section 15. These include the following:

1. There are no final decisions of any court adverse to the registrant's interests.¹⁰⁷
2. There is no proceeding pending before the Patent and Trademark Office involving the rights of the registrant.¹⁰⁸

filed with the Patent and Trademark Office. Unless otherwise noted, this Article deals only with statutory incontestability and not this form of de facto incontestability. Courts have confused, from time to time, statutory incontestability with de facto incontestability and ignored the statutory requirements discussed *infra* to grant incontestability in a validity or infringement setting even though no § 15 Affidavits were filed.

103. In fact, the implied negative has been the manner in which § 14 has been applied. That is, unless stipulated in § 14, petitions for cancellation on other grounds will be denied. *See* Christensen, *supra* note 33.

104. 15 U.S.C. § 1065 (1988).

105. Affidavit or declaration under § 15, 37 C.F.R. § 2.167 (1991).

106. Christensen, *supra* note 33, at 1202.

107. 15 U.S.C. § 1065(1) (1988). *See* Texas Pig Stands v. Hard Rock Cafe Int'l, 951 F.2d 684, 694 (5th Cir. 1992) (holding plaintiff's mark PIG SANDWICH incontestable despite a sixty-two year old decision finding the mark unprotectable, because that prior decision simply dissolved a temporary injunction; it did not act as a final decision adverse to plaintiff's claim of ownership).

108. 15 U.S.C. § 1065(2) (1988). *See* Strang Corp. v. Stouffer Corp., 16 U.S.P.Q.2d

3. A Section 15 Affidavit is filed with the Patent and Trademark Office.¹⁰⁹

4. The mark has not become generic.¹¹⁰

Section 15 also specifies the scope of incontestable rights. The first sentence of section 15¹¹¹ has been interpreted to mean that incontestability is limited to those goods on which the mark has been used for the requisite five-year period.¹¹²

Section 15 specifies the substance of incontestability. It is not the trademark itself that becomes incontestable, as some courts mistakenly articulate.¹¹³ Rather, the registrant's right to use the mark on the goods

1309, 1310 (T.T.A.B. 1990) (holding respondent's mark DON'S LIGHTHOUSE not incontestable because petitioner filed a cancellation petition by the fifth anniversary of respondent's mark's registration, which was still pending prior to the expiration of five years of continuous use); *Sizzler Family Steak Houses v. Western Sizzlin Steak House*, 793 F.2d 1529, 1540-41 (11th Cir. 1986) (finding fatal to the plaintiff's claim of incontestability in the mark SIZZLIN the fact that the lawsuit at issue had commenced prior to the plaintiff's filing of its § 15 Affidavit).

109. 15 U.S.C. § 1065(3) (1988); 37 C.F.R. § 2.167; 815 Tonawanda St. Corp. v. Fay's Drug Co., 842 F.2d 643, 646 (2d Cir. 1988) (holding no infringement because plaintiff had not proved it held rights to the service mark FAY'S prior to the defendant's registration of the same; court found that the defendant's mark became incontestable upon filing a § 15 Affidavit).

110. 15 U.S.C. § 1065(4) (1988). This Section also was amended with the 1988 Amendments. Under the prior version, this Section read "common descriptive name" of the goods. This was changed to read "generic name" of the goods because that is how courts had come to interpret it. *Texas Pig Stands v. Hard Rock Cafe Int'l*, 951 F.2d 684, 691-93 (5th Cir. 1992) (holding the plaintiff's trademark PIG SANDWICH not generic and, therefore, not subject to this defense); *Seaboard Seed Co. v. Bemis Co., Inc.*, 632 F. Supp. 1133 (N.D. Ill. 1986) (finding plaintiff's trademark QUICK GREEN suggestive, not generic and, therefore, not subject to this defense); *but see Anti-Monopoly, Inc. v. General Mills Fun Group, Inc.*, 684 F.2d 1316, 1326 (9th Cir. 1982) (finding the defendant's trademark MONOPOLY had become generic and lost its incontestable status).

111. The first sentence of § 15 reads as follows: "[T]he right of the registrant to use such registered mark in commerce for the goods or services on or in connection with which such registered mark has been in continuous use for five consecutive years. . . ." 15 U.S.C. § 1065 (1988).

112. Christensen, *supra* note 33, at 1203. For example, in one case, the registrant registered his mark for use on air-conditioning equipment. The second-comer registered the same mark for use on heating equipment. The first registrant was enjoined from using his mark on heating equipment because the second-comer's registration had become incontestable for those goods. *See Borg-Warner Corp v. York-Shipley, Inc.*, 127 U.S.P.Q. 42 (N.D. Ill. 1960), *modified on other grounds*, 293 F.2d 88 (7th Cir. 1961), *cert. denied*, 368 U.S. 939 (1961). *But see Money Store v. Harriscorp Fin., Inc.*, 689 F.2d 666, 672 (7th Cir. 1982) (finding it reasonable for the defendant, who sought to use the mark MONEY STORE for money-lending purposes, to believe that the plaintiff's "pending registration for advertising services gave [plaintiff] no prior rights in the mark for money-lending purposes").

113. *See Money Store v. Harriscorp Fin., Inc.*, 689 F.2d 666, 671 (7th Cir. 1982)

on its Section 15 Affidavit becomes incontestable. In other words, the registration becomes incontestable, not the mark itself.

Finally, section 33 is the “cutting edge of incontestability.”¹¹⁴ Section 33(a) applies to registrations which have not become incontestable. Section 33(b) applies to registrations that have become incontestable. Section 33(a) states that a trademark registration shall be *prima facie* evidence of the validity of the mark, the validity of the registration of the mark, the registrant’s ownership of the mark, and of the owner’s exclusive right to use the registered mark on the goods or services specified in the registration.¹¹⁵ Section 33(b) states that an incontestable registration shall be *conclusive* evidence of the validity of the mark, the validity of the registration of the mark, the registrant’s ownership of the mark, *and* of the owner’s exclusive right to use the registered mark on the goods or services specified in the registration.¹¹⁶ The key distinction between 33(a) and 33(b)—between non-incontestable and incontestable registrations—is that 33(a) grants *prima facie* evidence while 33(b) grants *conclusive* evidence of trademark rights.¹¹⁷

Once a registration has attained incontestable status, it may not be challenged except for the eight enumerated reasons set forth in section 33 of the Lanham Act.¹¹⁸ Once a mark becomes incontestable, it is subject only to the following defects or defenses:

(“Five years after registration of the mark, however, the *mark is ‘incontestable’* by private parties”) (emphasis added).

114. Christensen, *supra* note 33, at 1205.

115. 15 U.S.C. § 1115(a) (1988). *See* Oleg Cassini, Inc. v. Cassini Tailors, Inc., 764 F. Supp. 1104, 1108 (finding the plaintiff’s registrations of the mark OLEG CASSINI presented prima facie evidence of its “exclusive right to use the marks on the various clothing and clothing-related products set forth in the [non-incontestable] registrations” and defendant’s use of the mark CASSINI for tailoring services infringed the plaintiff’s right).

116. 15 U.S.C. § 1115(b) (1988). It is significant that Congress chose the emphasized “and” rather than “or.” It is largely the use of this “and” that clearly demonstrates Congress’ intent to inappropriately expand trademarks protection beyond that recognized at common law. *See infra* notes 247-50 and accompanying text.

117. *See* Oleg Cassini, Inc. v. Cassini Tailors, Inc., 764 F. Supp. 1104, 1108 (W.D. Tex. 1990) (finding that although the plaintiff’s non-incontestable marks benefitted from § 1115(a) prima facie evidence of exclusive use, its incontestable marks were subject to § 1115(b)’s presumption of conclusive evidence of exclusive use).

118. 15 U.S.C. § 1115(b)(1)-(8) (1988). *See* American Express v. American Express Limousine Serv., 772 F. Supp. 729, 732 (E.D.N.Y. 1991) (granting the plaintiff’s motion for a preliminary injunction preventing the defendant from using the mark AMERICAN EXPRESS and noting the exclusive list of defenses available to the defendant, and addressing the eighth, laches); Union Carbide Corp. v. Ever-Ready Inc., 531 F.2d 366, 372-73 (7th Cir. 1976) (holding the defendant infringed the plaintiff’s rights to the mark EVEREADY and listing the seven defenses in the statute at that time, finding none of them applicable, and then discussing several of them in the context of the offensive use of incontestability).

1. The registration was obtained fraudulently;¹¹⁹
2. The mark was abandoned by the registrant;¹²⁰
3. The mark is being misused and no longer indicates the registrant as the source of the goods on which it is used;¹²¹
4. The mark is being used otherwise than as a trademark to describe a good or service;¹²²
5. The registrant registered the mark subsequent to a regional user although the registrant has prior use nationally;¹²³
6. The alleged infringing mark was registered and used first;¹²⁴
7. The mark is or has been used to violate the antitrust laws of the United States;¹²⁵ and

119. *Orient Express Trading Co. v. Federated Dep't Stores*, 842 F.2d 650, 653 (2d Cir. 1988) (finding that the plaintiff had committed fraud on the Patent and Trademark Office when it had "greatly exaggerated" the date of its first use of the mark ORIENT EXPRESS, the scope of its use, and its continuous use; also, the plaintiff had filed seventeen applications in anticipation of litigation, which the court found "disingenuous"); *General Car and Truck Leasing v. General Rent-A-Car, Inc.*, 17 U.S.P.Q.2d 1398, 1401 (S.D. Fla. 1990) (holding that the plaintiff committed fraud on the Patent and Trademark Office when it registered the mark GENERAL and alleged it had been used on boats and aircraft, when in fact the plaintiff knew it never had).

120. *Imperial Tobacco v. Philip Morris, Inc.*, 899 F.2d 1575, 1579-83 (Fed. Cir. 1990) (finding that the plaintiff had abandoned its mark JPS when it had not used the mark for the two years immediately preceding the defendant's filing of its cancellation petition).

121. *General Motors Corp. v. Gibson Chem. & Oil*, 786 F.2d 105, 110 (2d Cir. 1986) (finding that although the plaintiff licensed the mark DEXRON II to other businesses, these licensees were not misrepresenting the source of the product and, therefore, the mark was not subject to cancellation under this Section).

122. *WCVB-TV v. Boston Athletic Ass'n*, 926 F.2d 42, 46 (1st Cir. 1991) (holding that a local television station's use of the phrase BOSTON MARATHON a fair use because the mark is used not as a trademark, but for descriptive purposes only, to inform viewers that the station will broadcast the race).

123. *Union Carbide Corp. v. Ever-Ready, Inc.*, 531 F.2d 366, 374 (7th Cir. 1976) (finding that the plaintiff could not argue incontestability with regard to the defendant because the defendant had acquired the right to use the mark EVER-READY prior to plaintiff's registration). *But see* *Cullman Ventures, Inc. v. Columbian Art Works, Inc.*, 717 F. Supp. 96, 111-18 (S.D.N.Y. 1989) (finding that the defendant did not establish prior use of the mark AT-A-GLANCE because it had not acquired state or common law rights to the mark, the use it alleged was not continuous from a point prior to the plaintiff's registration, and any such use was not on the products involved in the lawsuit).

124. GILSON, *supra* note 10, § 4.03[3], at 4-32.20-21; DAPHNE ROBERT, *THE NEW TRADE-MARK MANUAL* 143 (1947).

125. Prior to the passage of the Lanham Act, most of the discussion regarding § 33 related to this subsection regarding violations of antitrust laws of the United States. In fact, the greater import of § 33 and what it did to trademark law in general was comparatively ignored. *See* Congressional Record House June 25, 1946; Williamson, *supra* note 92, at 409-10.

8. The registrant has violated common law rules of equity such as laches.¹²⁶

2. *Incontestability Is a Substantive Change to the Common Law of Trademarks.*—Prior to passage of the Lanham Act, trademark registration was considered to be only procedural. Trademark registration granted no new substantive rights to an owner.¹²⁷ In fact, the common law notion of trademark rights was that the trademark existed independent of any statute and only arose out of prior exclusive appropriation and use.¹²⁸ Most significantly, in *E.F. Prichard* the Sixth Circuit stated that the title to a trademark is independent of its registration.¹²⁹ Prior to the Lanham Act, trademark registration had little, if any, meaning in the courts.¹³⁰

When the Lanham Act was being discussed in committee, several Senators and other witnesses testified that the Act was intended to codify existing common law and not change substantive trademark law.¹³¹ In fact, the first draft of one section—section 34—stated that nothing in the Act was meant to change the existing common law of trademarks.¹³²

126. *American Express v. American Express Limousine Serv.*, 772 F. Supp. 729, 732 (E.D.N.Y. 1991) (granting the plaintiff's motion for a preliminary injunction preventing the defendant from using the mark AMERICAN EXPRESS, and denying the defense of laches).

127. *United Drug Co. v. Rectanus Co.*, 248 U.S. 90, 99 (1918) (finding United Drug Co.'s registration of the mark REX did not give any rights beyond those at common law). "Registration creates no rights in a trade-mark. . . . It deprives no one of any rights possessed before, and confers upon the registrant no property rights that he would not have without such registration." ROGERS, *GOOD WILL*, *supra* note 12, at 109.

128. *E.F. Prichard Co. v. Consumers Brewing Co.*, 136 F.2d 512, 518 (6th Cir. 1943), *cert. denied*, 321 U.S. 763 (1944). *See also* ROGERS, *GOOD WILL*, *supra* note 12, at 109.

129. *E.F. Prichard*, 136 F.2d at 518.

130. *Trademarks: Hearings Before the Comm. on Patents, Subcomm. on Trademarks, Hearings on H.R. 4744 76th Cong., 1st Sess. 106-07 (1939)* (statement of Mr. Rogers) ("Of course the purpose of the incontestable business is to clean house. The existing law is that a trade-mark of the registrant may be canceled at any time, and the courts interpret 'at any time' to mean just that.")

131. 92 CONG. REC. 7524 (1946). Representative Lanham stated that incontestability is "not intended to enlarge, restrict, amend or modify the substantive law of trademarks either as set out in other sections of the act or as heretofore applied by the courts under prior laws." Lanham also indicated that the Act itself "creates new rights, some of which are substantive and others procedural." 92 CONG. REC. 7524. Apparently, Lanham believed other aspects of the Lanham Act modified existing common law but incontestability did not.

132. "Nothing in this Act shall entitle the registrant to interfere with or restrain the use by any person of the same trade-mark or of a similar trade-mark for the same or like goods or services when such person by himself or his predecessors in business has continuously used such trade-mark from a date prior to the use or registration, whichever is the earlier, by the registrant or his predecessors." *Trade-marks: Hearings on H.R. 9041 Before the Subcomm. on Trade-marks of the House*

However, when it was pointed out to the committee that the proposed section 34 would be inconsistent with the Lanham Act's provisions regarding incontestability,¹³³ section 34 was promptly deleted.¹³⁴

Courts, however, have refused to recognize the changes brought about by incontestability. Several courts since the enactment of the Lanham Act have acted as if nothing, in fact, had changed. This is peculiar because section 33 asserts that an incontestable registration shall be *conclusive* proof of the validity and ownership of the owner's right to use the mark. This has not stopped some courts from stating that trademark registration is only a method of recording ownership for purposes of serving notice of a claim of ownership and informing the public of that claim of ownership.¹³⁵

Even the United States Supreme Court appeared to be unaware of the potential import of a passing statement it made in *Park 'N Fly*. In her majority opinion, Justice O'Connor stated that incontestability was "[a]mong the *new protections* created by the Lanham Act."¹³⁶ This statement by the Supreme Court is completely at odds with the express legislative intent of Congress when it enacted the Lanham Act. The Lanham Act was meant to codify common law and not to add new rights. The Supreme Court went a long way in its simple statement to recognize that the Lanham Act, especially through the incontestability provisions, substantively changed the existing common law of trademarks.

Not all courts have accepted this, as is evident in the confusion that arises whenever courts are called upon to adjudicate an issue regarding incontestability. This confusion results from two competing directives: legislative history and common law on one side and the language of the statute on the other. When both legislative history and the common law

Comm. on Patents, 75th Cong., 3d Sess. 6 (1938) (reading of the bill H.R. 9041 into the record) [hereinafter *Hearings*]. The United States Trademark Association took this to mean that "nothing in this act shall affect any common-law rights acquired by a third party prior to the use or registration of the registrant." *Id.* at 64.

133. Especially the current § 33, codified at 15 U.S.C. § 1064 (1988).

134. *Hearings*, *supra* note 132, at 64. The USTA expressed concern that § 34(b) would remove "for the most part the incontestability privilege with which section 13 vests the registered trade-mark owner after a period of 5 years."

135. *Schwinn Bicycle Co. v. Murray Ohio Mfg. Co.*, 339 F. Supp 973, 979 (M.D. Tenn. 1971), *aff'd*, 470 F.2d 975 (6th Cir. 1972) ("Registration of a trademark is at best but a method of recording for the purpose of serving notice of a claim of ownership, and informing the public and dealers with reference thereto."); *see also* *B.B. Pen Co. v. Brown & Bigelow*, 92 F. Supp. 272, 274 (D. Minn. 1950) (finding no infringement because the parties used the mark B & B in different trades); *Griesedieck Western Brewery Co. v. Peoples Brewing Co.*, 149 F.2d 1019, 1022 (8th Cir. 1945) (allowing the parties concurrent use of the mark STAG in geographically distant territories).

136. *Park 'N Fly, Inc. v. Dollar Park & Fly, Inc.*, 469 U.S. 189, 193 (1985) (emphasis added).

tell the courts that there is nothing new in the Lanham Act, when in actuality there is, courts are very likely to be confused.

D. Congress' Express¹³⁷ Rationale Behind Incontestability

Incontestability in the Lanham Act was premised on the British system.¹³⁸ The legislative history of the Lanham Act indicates that Congress' rationale for including an incontestability provision was to make a certain date after which trademark rights would vest.¹³⁹ After that date, other trademark users would be on notice that an incontestable registration was subject only to certain defenses or defects.¹⁴⁰ This was thought to be similar to the concept of adverse possession or quieting title.¹⁴¹ That is, at some point in time, it should be clear who owns the trademark, because the alternative would be chaos and confusion. Giving trademark owners a certain date after which their rights would become incontestable would provide clarity and predictability in the law,¹⁴² so the argument goes.

137. I use the term "express" here as opposed to "hidden" or "subliminal"—a point that will be developed below. See *infra* note 249 and accompanying text.

138. The British Trade Marks Registration Act, 38 & 39 Vict, Ch. 91 § 3 (1875); Fletcher, *supra* note 85.

139. *Hearings on H.R. 4744 Before the House Subcomm. on Trade-Marks of the House Comm. on Patents*, 76th Cong., 1st Sess. 106-07 (1939) (statement of Edward S. Rogers); Betty Ferber, *Trade-marks—Incontestability—Union Carbide Corp. v. Ever-Ready Inc.*, 18 B.C. INDUS. & COM. L. REV. 396, 425 (1976); Casper W. Ooms & George E. Frost, *Incontestability*, 14 LAW & CONTEMP. PROBS. 220, 223 (1949).

140. *Hearings on H.R. 4744 before the Subcomm. on Trade-Marks, Comm. on Patents*, 76th Cong., 1st Sess., 105-06 (1939) (remarks of Byerly); 92 CONG. REC. 7524 (remarks of Representative Lanham).

141. Naresh, *supra* note 8, at 982-84 (arguing that incontestability cannot be rationalized on the grounds of adverse possession because analogies to statutes of limitation only address the desirability of shifting an extant property right from one person to another and do not deal with the underlying concept); *Park 'N Fly, Inc. v. Dollar Park & Fly, Inc.*, 469 U.S. 189, 198 (1985); *Hearings on H.R. 82 before the Subcomm. of the Senate Comm. on Patents*, 78th Cong., 2d Sess. 112 (1944) (statement of D. Robert); *Hearings on H.R. 82 before the Subcomm. of the Senate Comm. on Patents*, 78th Cong., 2d Sess., 21 (1944) (remarks of Representative Lanham); *id.* at 21, 113 (testimony of Daphne Robert, ABA Committee on Trade Mark Legislation); *Hearings on H.R. 102 et al. before the Subcomm. on Trade-Marks of the House Comm. on Patents*, 77th Cong., 1st Sess., 73 (1941) (remarks of Representative Lanham); *But see infra* notes 241-43 and accompanying text for the proposition that the use of property rhetoric is inappropriate.

142. *Hearings on H.R. 4744 before the Subcomm. on Trade-Marks, Comm. on Patents*, 76th Cong., 1st Sess., 128 (1944) (statement of Earl H. Thomson) ("a trademark adopter, when he has registered his trade-mark, wants to feel that after a period of time, certainly he will know that he owns that trade-mark and can maintain his right"); Ooms & Frost, *supra* note 139, at 232-33; Sylvester J. Liddy, *The Lanham Act—An Analysis*, 37 TRADEMARK REP. 87, 94 (1947) (quoting Caspar W. Ooms, the Commissioner of

It is particularly troublesome that Congress and certain commentators have chosen to use this property rhetoric when describing incontestability. As will be developed below, because trademarks themselves are not subject to property ownership, it is incorrect to use property rhetoric to describe them.¹⁴³ This use of property rhetoric misfocuses the analysis and is the cause of the adjudicatory chaos currently existing among courts in incontestability cases.

II. EFFECT OF INCONTESTABILITY

Simply stated, the effects of an incontestable trademark registration may be summarized as follows:

1. Plaintiff and holder of an incontestable registration does not have to prove secondary meaning for a weak mark that may otherwise be invalid and undefensible;¹⁴⁴
2. Defendant non-holder of an incontestable mark is restricted to the eight enumerated attacks or defenses in section 33(b);¹⁴⁵
3. Some courts equate an incontestable registration with a "strong mark;"¹⁴⁶ and
4. Plaintiff holders of descriptive marks are statutorily protected from attacks on the validity of their marks.

The life of the incontestability doctrine in trademark law has been quite confused in a variety of respects. For the first forty or so years of the existence of the incontestability doctrine, courts and scholars were not able to agree on whether incontestability could be used only as a defense to a challenge to the validity of a mark,¹⁴⁷ or if it also could

Patents. Ooms said incontestability would give businesses the "assurance that [their marks] will not forever remain an object of attack" by other businesses using similar marks. Address delivered at the Annual Meeting of the A.N.A. at Atlantic City (Sept. 30, 1946). See also F.T. Alexandra Mahaney, *Incontestability: The Park 'N Fly Decision*, 33 U.C.L.A. L. REV. 1149, 1186 (1986) (recognizing that incontestability provides security and stability for mark owners).

143. See *infra* notes 241-43 and accompanying text. For example, McCarthy compares § 15 requirements to recording title to real estate. MCCARTHY, *supra* note 70, § 32:44. See also DAPHNE ROBERT, *THE NEW TRADEMARK MANUAL* 133 (1947) ("On its face, it would appear [incontestability] means that at some time the title to the property right in the mark is quieted and the rights of the registrant are forever secure").

144. Although some commentators argue that it should be impossible for a mark that is merely descriptive (i.e. lacking secondary meaning) to be registered, examples are numerous including the mark in *Park 'N Fly*.

145. Excluding any defenses defendant may have to the likelihood of confusion.

146. See *infra* notes 159-60 and accompanying text, and Appendix A *infra* notes 257-389 and accompanying text.

147. *Park 'N Fly, Inc. v. Dollar Park & Fly, Inc.*, 718 F.2d 327 (9th Cir. 1983), *rev'd*, 469 U.S. 189 (1985); *Prudential Ins. Co. of Am. v. Gibraltar Corp. of Cal.*, 694

be used offensively to obviate the general requirement that the plaintiff show secondary meaning in a trademark infringement action.¹⁴⁸

The confusion started in 1955 when Assistant Commissioner of Patents and Trademarks Leeds announced his position regarding the effect of incontestability: "The effect of 'incontestability' is a defensive and not an offensive effect. To put it another way, when the right to use a given mark has become incontestable, the owner's rights in the mark are in no wise [sic] broadened. . . ."¹⁴⁹

Based upon this distinction, a split in the circuits developed surrounding the effect of incontestability. Some circuits concluded that an incontestable mark could be used only as a procedural, defensive mechanism to counter challenges to the validity of the mark. These courts held that a registrant could not use the incontestable status of a trademark to enjoin use by others if, for example, the mark is merely descriptive.¹⁵⁰

F.2d 1150, 1153 (9th Cir. 1982), *cert. denied*, 463 U.S. 1208 (1983); Tillamook County Creamery Ass'n v. Tillamook Cheese and Dairy Ass'n, 345 F.2d 158 (9th Cir. 1965), *cert. denied*, 382 U.S. 903 (1965); Wrist-Rocket Mfg. Co., Inc. v. Saunders Archery Co., 516 F.2d 846 (8th Cir. 1975), *cert. denied*, 423 U.S. 870 (1975); Schwinn Bicycle Co. v. Murray Ohio Mfg. Co., 339 F. Supp. 973, 982 (M.D. Tenn. 1971), *aff'd*, 470 F.2d 975 (6th Cir. 1972); Haviland & Co. v. Johann Haviland China Corp., 269 F. Supp. 928, 936, 954 (S.D.N.Y. 1967); RUDOLPH CALLMANN, 4 UNFAIR COMPETITION AND TRADE-MARKS 2075-76 (2d ed. 1950); VANDENBURGH, TRADEMARK LAW AND PROCEDURE 467 (2d ed. 1968). See generally Pattishall, *supra* note 43, at 215 (most commentators believed from the initial enactment of incontestability that it was only a defensive tool).

148. United States Jaycees v. Philadelphia Jaycees, 639 F.2d 134, 137 (3d Cir. 1981); Soweco, Inc. v. Shell Oil Co., 617 F.2d 1178, 1184-85 (5th Cir. 1980), *cert. denied*, 450 U.S. 981 (1981); John R. Thompson Co. v. Holloway, 366 F.2d 108, 113-14 (5th Cir. 1966) (finding plaintiff's mark HOLLOWAY HOUSE not subject to any but the enumerated defenses); Union Carbide Corp. v. Ever-Ready, Inc., 531 F.2d 366, 377 (7th Cir. 1976); Ansul Co. v. Malter Int'l Corp., 199 U.S.P.Q. 596, 599-600 (T.T.A.B. 1978); Seiler's, Inc. v. Hickory Valley Farm, Inc., 139 U.S.P.Q. 460, 461 (T.T.A.B. 1963) (finding incontestability to be conclusive evidence of plaintiff's right to use its mark); Jockey Int'l, Inc. v. Burkard, 185 U.S.P.Q. 201, 206 (S.D. Cal. 1975) (offensive because the defendant did not counterclaim for cancellation, yet the court still allowed the plaintiff to rely on incontestability); Fletcher, *supra* note 85, at 96 (arguing the plain meaning of the statute is that there is no distinction). See generally Pasquale A. Razzano, *Incontestability: Should It Be Given Any Effect in a Likelihood of Confusion Determination?*, 82 TRADEMARK REP. 409, 411 (1992).

149. Rand McNally & Co. v. Christmas Club, 105 U.S.P.Q. 499, 500-501 (Comm'r Pts. 1955), *aff'd on other grounds*, 242 F.2d 776 (C.C.P.A. 1957). There is some indication that this entire distinction was based inappropriately on Leeds's comments. Apparently Leeds only meant that by "offensive use" a registrant could not claim a wider range of goods than identified in his application. By defensive effect, Leeds apparently only meant that the registration became incontestable as to the goods identified in the registrant's § 15 Affidavit. See Mahaney, *supra* note 142, at 1176; Fletcher, *supra* note 85, at 95 (Leeds's comments were dicta and taken out of context).

150. Mahaney, *supra* note 142, at 1175; ARTHUR R. MILLER & MICHAEL H. DAVIS, INTELLECTUAL PROPERTY: PATENTS, TRADEMARKS & COPYRIGHTS § 14.6, at 213 (1983).

Others, based on the Seventh Circuit's opinion in *Union Carbide*, found no such distinction in the Lanham Act.

The offensive/defensive distinction controversy arose not only over Leeds's "opinion," but also over the precise interpretation of the Lanham Act. Superficially, the offensive/defensive argument has some appeal. After all, section 33(b), the primary incontestability provision of the Lanham Act, is titled "Incontestability; defenses."¹⁵¹ At first blush, it would appear that those items which appear in section 33(b) only apply to defensive uses of an incontestable mark. This was the reasoning of the Ninth Circuit in rejecting plaintiff's claims of trademark infringement in its opinion in *Park 'N Fly*.¹⁵² According to the Ninth Circuit, the Lanham Act did not allow a trademark registrant to use the incontestable status of its mark in an offensive manner, especially when the mark was merely descriptive. The incontestability provisions of the Lanham Act, the court argued, only applied as defenses to claims that the mark was invalid; incontestability did not apply when the plaintiff was seeking to enforce the mark against others.

By 1983, the Ninth Circuit was the only federal circuit court that enforced the offensive/defensive distinction in the use of an incontestable trademark. In 1976, the Seventh Circuit overruled *John Morel & Co. v. Reliable Packing Co.*,¹⁵³ one of the primary cases recognizing a distinction between the offensive and defensive use of a trademark, and outright rejected the interpretation of the Lanham Act which allowed for a distinction between offensive and defensive use of a trademark, in the case of *Union Carbide Corp. v. Ever-Ready, Inc.*¹⁵⁴ The Seventh Circuit stated that "[t]here is no defensive/offensive distinction in the statute, and we do not believe one should be judicially engrafted on to it. . . ."¹⁵⁵ This put to rest the offensive/defensive distinction in every circuit but the Ninth Circuit. The United States Supreme Court had to overrule expressly the Ninth Circuit to convince it that the offensive/defensive distinction analysis of incontestability was dead.¹⁵⁶

This, as well as other examples of confusion, indicates that there is something inherently unclear about the role and objectives of incontestability. If the statute were as clear as the Supreme Court believes,¹⁵⁷ these would be easy cases. Given that incontestability continues to be

151. 15 U.S.C. § 1115(b) (1988).

152. *Park 'N Fly, Inc. v. Dollar Park & Fly, Inc.*, 718 F.2d 327 (9th Cir. 1983), *rev'd*, 469 U.S. 189 (1985).

153. 295 F.2d 314 (7th Cir. 1961).

154. 531 F.2d 366 (7th Cir. 1976), *cert. denied*, 429 U.S. 830 (1976).

155. *Id.* at 377.

156. *Park 'N Fly*, 469 U.S. at 197.

157. *Id.* at 194-97.

applied inconsistently, even in light of *Park 'N Fly*, there must be something about the concept of incontestability itself that prevents courts from analyzing and applying it in a consistent manner. It should be abolished, or at least reconsidered.

III. CURRENT APPLICATION OF INCONTESTABILITY

The offensive/defensive distinction has not been the only split in the circuits regarding incontestability. In fact, "[t]here is probably no section of the Act which has caused more confusion in the courts than section 33(b). . . ."¹⁵⁸ A potentially more consequential split between the circuits, and even within each circuit, has developed regarding the issue of the weight a trial court should give to evidence of an incontestable registration. This is generally known as the strength of plaintiff's mark. The strength of a trademark generally means the mark's "tendency to identify the goods sold under the mark as emanating from a particular . . . source."¹⁵⁹

The issue of whether a plaintiff's mark is strong is usually a primary inquiry when determining if a third party's use of the same or similar mark infringes the plaintiff's mark.¹⁶⁰ Although the specific wording differs, all circuits call this the likelihood of confusion test.¹⁶¹ All circuits have a multi-factor test that is applied to determine if the relevant consumer would be likely to be confused regarding the source of the alleged infringer's goods. Besides the strength of the mark, some of the other factors include the similarity of the marks in sound, meaning, and appearance, the similarity of the consuming public, the similarity of the channels of trade, the sophistication of the consumer, the intent of the defendant, and any evidence of actual confusion. Actual confusion is not required in any circuit—the test is the *likelihood* of confusion. These factors are generally referred to as the *Polaroid* factors.¹⁶²

Many expected that the Supreme Court in *Park 'N Fly* would settle all issues regarding incontestability including whether incontestability contributes to the mark's strength. However, *Park 'N Fly* fell far short of

158. GILSON, *supra* note 10, § 4.03[3], at 4-29.

159. *McGregor-Doniger, Inc. v. Drizzle, Inc.*, 599 F.2d 1126, 1131 (2d Cir. 1979).

160. This is also significant because most of the other elements of incontestability that have been the source of confusion have centered on more procedural matters. However, the strength of the mark often dictates whether the plaintiff will prevail. Therefore, whether incontestability contributes to the strength of the mark is more than an issue of whether the registrant can successfully defend an attack on the validity of its registration, but rather whether the plaintiff will actually prevail in its infringement action.

161. MCCARTHY, *supra* note 70, § 23:1.

162. *Polaroid Corp. v. Polarad Elecs. Corp.*, 287 F.2d 492, 495 (2d Cir. 1961) (Friendly, J.), *cert. denied*, 368 U.S. 820 (1961); *Mushroom Makers, Inc. v. R.G. Barry Corp.*, 580 F.2d 44, 47 (2d Cir. 1978), *cert. denied*, 439 U.S. 1116 (1979).

expectations. Rather than clarify incontestability, the circuit courts apparently are now even more confused about incontestability than before *Park 'N Fly*. The table below depicts each court's specific holding regarding whether incontestability automatically confers "strength" to a trademark, whether incontestability is merely one element of that court's strength analysis, whether that court ignores incontestability in determining if a mark is strong, or if that court expressly excludes incontestability in making its strength analysis.

**FEDERAL COURT HOLDINGS REGARDING STRENGTH
OF THE MARK SINCE *PARK 'N FLY* ¹⁶³**

CIRCUIT	Expressly does not consider incontestability relative to strength	Ignores incontestability relative to strength	Considers incontestability an element of strength	Expressly holds incontestability creates strength
First		D. Puerto Rico/ D. Mass./ CIRCUIT	D. Rhode Island/ D. New Hampshire/D. Mass.	
Second	S.D.N.Y	S.D.N.Y./CIRCUIT	S.D.N.Y./D. Conn.	D. Conn.
Third	D.N.J.	CIRCUIT	E.D. Pa.	
Fourth	M.D.N.C.		D.S.C.	W.D. Va.
Fifth		CIRCUIT/W.D. Tex.		S.D. Tex.
Sixth		CIRCUIT/E.D. Mich.	S.D. Ohio	CIRCUIT/ E.D. Mich. N.D.Ill.
Seventh	CIRCUIT			
Eighth	D. Minn.	D. Minn./D. Neb/W.D. Mo.		
Ninth	CIRCUIT/C.D. Cal.	CIRCUIT/D. Ariz.		
Tenth	CIRCUIT			
Eleventh		N.D. Ga./S.D. Fla.	S.D. Fla./M.D. Fla.	CIRCUIT
Federal D.C.	(no cases)	CIRCUIT (no cases)	(no cases)	(no cases)

163. See Appendix A, *infra* notes 257-389 and accompanying text, for an annotated version of this table.

As is evident from the table above, there is absolutely no consistency within the courts regarding the use of incontestability in the strength of the mark analysis. With so much inconsistency, there can be no logical explanation for the divergence between and within the circuits regarding the question of whether an incontestable registration creates a presumption of a strong trademark. Not only are the circuit courts confused and inconsistent, the district courts within each circuit also are inconsistent and do not necessarily follow their circuit court's rulings.

For example, the Southern District of New York has variously held in the last five years that incontestability does not impact the strength of a mark,¹⁶⁴ that incontestability will be ignored relative to the strength of the mark,¹⁶⁵ and that incontestability should be one of the factors that goes into the analysis of whether or not the plaintiff's mark is strong.¹⁶⁶ Although one commentator has argued that the differences between the circuits in the application of section 33(b) could lead to forum shopping,¹⁶⁷ the application of incontestability is actually so confused that there is not even enough predictability within most circuits to encourage forum shopping.

In cases originally filed in the Southern District of Florida, one court ignored incontestability,¹⁶⁸ one court considered it a factor,¹⁶⁹ and the Eleventh Circuit concluded incontestability to be dispositive on the issue of strength.¹⁷⁰ Clearly, even within the circuits, the district courts are confused about the relevance of incontestability.

This inconsistency and split between the circuits is best exemplified by two cases, one out of the Eleventh Circuit and one out of the Seventh Circuit, that came to opposite conclusions regarding the strength of the mark analysis. In *Dieter v. B. & H. Industries of Southwest Florida*,¹⁷¹ the Eleventh Circuit held that the trademark SHUTTERWORLD was

164. *Cullman Ventures, Inc. v. Columbian Art Works, Inc.*, 717 F. Supp. 96, 121 (S.D.N.Y. 1989); *Marjorica S.A. v. Majorca Int'l, Ltd.*, 687 F. Supp. 92, 98 (S.D.N.Y. 1988).

165. *W.W.W. Pharmaceutical Co. v. Gillette Co.*, 1992 U.S. Dist. LEXIS 7609 (S.D.N.Y. 1992); *Mead Data Central, Inc. v. Toyota Motor Sales, U.S.A.*, 702 F. Supp. 1031, 1035-37 (S.D.N.Y. 1989), *rev'd on other grounds*, 875 F.2d 1026 (2d Cir. 1989).

166. *Frito-Lay, Inc. v. Bachman Co.*, 704 F. Supp. 432, 435 (S.D.N.Y. 1989); *Marshak v. Sheppard*, 666 F. Supp. 590, 601 (S.D.N.Y. 1987).

167. Kathy J. McKnight, *Section 33(b) of the Lanham Act: What Effect in Trademark Infringement Litigation?*, 72 TRADEMARK REP. 329, 356 (1982).

168. *Chase Fed. Sav. & Loan Ass'n v. Chase Manhattan Fin. Serv., Inc.*, 681 F. Supp. 771 (S.D. Fla. 1987).

169. *Burger King Corp. v. Hall*, 770 F. Supp. 633, 637 (S.D. Fla. 1991).

170. *Dieter v. B. & H. Indus. of Southwest Fla.*, 880 F.2d 322 (11th Cir. 1989), *cert. denied*, 111 S. Ct. 369 (1990).

171. *Id.*

incontestable and, therefore, valid and strong even if the mark was initially improperly allowed registration. The fact that the registration was incontestable was the controlling factor. Because the registration was incontestable, the mark was presumptively strong whenever the holder of that mark enforced it against others.¹⁷²

In *Munters Corp. v. Matsui America, Inc.*,¹⁷³ however, the Seventh Circuit held that although plaintiff's registration for the mark HONEY-COMBE had become incontestable, that fact had no bearing on whether the mark was a strong mark for infringement purposes. Incontestability, the court reasoned, applied only to validity of a registration and not to a trademark infringement setting.¹⁷⁴

In 1990, the Supreme Court had the opportunity to clarify this issue when both *Dieter* and *Munters* were appealed. However, the Supreme Court denied certiorari in both cases.¹⁷⁵ Various district courts have recently started following the *Dieter* lead, indicating that incontestability is synonymous with strength, rather than the contrary *Munters* position.¹⁷⁶

The Supreme Court in *Park 'N Fly* ignored the issue of strength, and in doing so it condoned the status quo. Whereas before *Park 'N Fly* there was confusion and divergence between the circuits over the offensive/defensive use of incontestable marks, and whereas prior to the Trademark Amendment Act of 1988 there was confusion over use of equitable defenses to an incontestable mark, there now exists confusion and inconsistency over whether incontestability can be used (and to what extent) in the strength of the mark analysis.

Furthermore, although the Supreme Court set out to clarify incontestability in *Park 'N Fly*, it is apparent that it did not go far enough in its analysis. Merely stating that incontestability was new with the Lanham Act and holding that an incontestable mark could not be attacked for being merely descriptive did not clarify incontestability for the lower federal courts.

There have been two major attempts to clarify incontestability. The first was the Supreme Court's handling of *Park 'N Fly*. The second was the Trademark Revision Act of 1988, through which Congress added

172. *Id.* at 328.

173. 909 F.2d 250 (7th Cir. 1990).

174. *Id.* It is indicative of judicial treatment of incontestability that the Northern District of Illinois refused to follow this bifurcation of the incontestability analysis. In *Nike, Inc. v. "Just Did It" Enterprises*, 1992 U.S. Dist. Lexis 13161 (N.D. Ill. 1992), the court chose to follow Sixth Circuit analysis and ruled that incontestability was evidence of a strong mark.

175. *Munters*, 111 S. Ct. 591 (1990); *Dieter*, 111 S. Ct. 369 (1990).

176. See, e.g., *Barnes Group Inc. v. Connelly, Ltd. Partnership*, 793 F. Supp. 1277 (D. Del. 1992); *Hesler Indus., Inc. v. Wing King, Inc.*, 23 U.S.P.Q.2d 1066 (N.D. Ga. 1992).

the eighth element to the enumerated defenses of section 33(b) to include equitable defenses. Yet, the courts are still hopelessly confused as to what this all means. Courts still apply incontestability one way in the Eleventh Circuit and a totally different way in the Seventh Circuit. District courts within these circuits are not even always in accord with their circuit courts on the application of incontestability. If courts have this much difficulty even after two major attempts at clarification, perhaps there is something more fundamentally wrong with incontestability. Perhaps it is not the courts that are at fault, but the concept of incontestability that is hopelessly flawed.

IV. THE ILLEGITIMACY OF TRADEMARK INCONTESTABILITY

Incontestability is jurisprudentially unsustainable and should be repealed primarily because it is a congressional attempt to grant property status to a trademark itself. At common law, trademarks themselves have never been property. In fact, it is very well settled common law that there are no rights whatsoever in a trademark alone.¹⁷⁷ In the *Trade-Mark Cases*, the Supreme Court held that Congress did not have the authority to create new trademark rights because trademarks were not expressly provided for in the Constitution. Similarly, Congress' attempt to make trademarks themselves property via the incontestability provisions of the Lanham Act is suspect. To complicate matters further, courts generally use property rhetoric to describe trademarks themselves. This, as will be shown below, is quite problematic because there is, in actuality, no property right in the trademark itself.

First, in the context of trademark discourse, what does "property" mean? When courts and lay persons speak of "property" they are usually referring to a tangible object from which the owner has rights to exclude others.¹⁷⁸ In its earliest forms, property was land.¹⁷⁹ The concept of property was extended to include chattels in the nineteenth century.¹⁸⁰ Intangibles, such as trademarks, were not considered property in the sense that land or chattels were considered property, because intangibles could not be held, moved, or possessed.¹⁸¹

177. See, e.g., *E. & J. Gallo Winery v. Gallo Cattle Co.*, 967 F.2d 1280 (9th Cir. 1992); *Mister Donut of Am., Inc. v. Mr. Donut, Inc.*, 418 F.2d 838, 842 (9th Cir. 1969).

178. Wendy J. Gordon, *An Inquiry into the Merits of Copyright: The Challenges of Consistency, Consent, and Encouragement Theory*, 41 STAN. L. REV. 1343, 1354 (1989).

179. D. F. Libling, *The Concept of Property: Property in Intangibles*, 94 LAW Q. REV. 103 (1978).

180. *Id.*

181. *Id.* at 104.

Intangibles have become recognized as property because they demonstrate some of the classical incidents of ownership. Patents and copyrights, for example, are subject to the same types of exclusive control and rights of alienation to which other, more classical, forms of property are subjected. This may be, in part, because patents and copyrights are specifically mentioned in the United States Constitution.

Patent and copyright owners enjoy the "bundle of rights" notion of property. Their rights are divisible, freely alienable, and exclusive for the duration of statutory protection.¹⁸²

Trademarks, on the other hand, enjoy none of the "bundle of rights" that other forms of property enjoy. Trademark holders possess only the right to exclude others from using that specific trademark on similar goods. Holders of marks possess the right to protect the sphere of interest in which they are using the mark by excluding others, but nothing more.¹⁸³ Mark holders do not possess a property right in the mark itself, because trademarks are nothing when devoid of the goodwill they have come to represent or the product on which they are used.¹⁸⁴

In this sense, trademarks are completely distinct from patents and copyrights in their conceptual and jurisprudential grounding. The United States Constitution states in the Patent and Copyright Clause that authors and inventors will be given the exclusive right to use their inventions and writings "[t]o promote the Progress of Science and useful Arts."¹⁸⁵ This clause applies only to copyrights and patents.¹⁸⁶ There is no corresponding "Trademark Clause" in the United States Constitution.¹⁸⁷ Therefore, because the Constitution specifically refers to copyrights and patents, their conceptual grounding is distinct from trademarks.¹⁸⁸ Trademark rights in the United States arise only out of use.¹⁸⁹

Because the Patent and Copyright Clause of the Constitution does not apply to trademarks, the Supreme Court struck down the Trademark Act of 1870 as unconstitutional in the *Trade-Mark Cases*.¹⁹⁰ The Court

182. See *infra* notes 235-37 and accompanying text.

183. *Trade-Mark Cases*, 100 U.S. 82, 94 (1879).

184. *E. & J. Gallo Winery v. Gallo Cattle Co.*, 967 F.2d 1280, 1302 (9th Cir. 1992); *Mister Donut of Am., Inc. v. Mr. Donut, Inc.*, 418 F.2d 838, 842 (9th Cir. 1969).

185. U.S. CONST. art. I, § 8, cl. 8.

186. *Trade-Mark Cases*, 100 U.S. at 94.

187. *Person's Co., Ltd. v. Christman*, 900 F.2d 1565, 1568 (Fed. Cir. 1990).

188. Pattishall, *supra* note 22, at 456; Robert C. Denicola, *Trademarks as Speech: Constitutional Implications of the Emerging Rationales for the Protection of Trade Symbols*, 1982 Wis. L. Rev. 158 (1982).

189. For an analysis of the new "intent-to-use" system of trademark protection and the extent to which it creates trademark rights (all of which is beyond the scope of this Article), see Hellwig, *supra* note 39.

190. *Trade-Mark Cases*, 100 U.S. at 98-99.

held that Congress had to find a different constitutional grounding to grant new rights to trademark holders. To grant new trademark rights based on the Patent and Copyright Clause was invalid because that clause did not specifically mention trademarks. Congress constitutionally could enact a registration statute but not a statute that expanded trademark rights because it did not have the express constitutional authority to do so.

In the *Trade-Mark Cases*, the Supreme Court also shed some light on the notion of trademarks as property. The Court stated that the rights in and to a trademark grow "out of its use, and not its mere adoption."¹⁹¹ That is, courts will protect a trademark holder's right to exclude third parties for as long as the trademark owner does not abandon the mark, but courts will not protect the ownership of the mark devoid of any source-indicating function by use on goods. The Supreme Court came to this conclusion based on the common law notion that trademarks themselves are not property and not subject to ownership.

Whether trademarks themselves are property subject to ownership should be analyzed using one of the well-accepted definitions of the concept of ownership, such as that of Honore.¹⁹² Honore defines the leading incidents of ownership as including the following:

1. The right to possess;
2. The unfettered right to use;
3. The right to manage;
4. The right to the income;
5. The right to the capital;
6. The right to security;
7. The incident of transmissibility;
8. Absence of term;
9. Prohibition of harmful use;
10. Liability to execution; and
11. Residuary.¹⁹³

Honore defines the "right to possess" as the "exclusive physical control of a thing, or to have such control as the nature of the thing admits."¹⁹⁴ Honore claims that this, the primary incident of ownership,

191. *Id.* at 94 (emphasis in original).

192. A.M. HONORE, *Ownership*, in OXFORD ESSAYS IN JURISPRUDENCE (A.G. Guest ed., 1961). Honore's *Ownership* is recognized as one of the classical pieces in the property field of defining exactly what is property. Its brevity and clarity greatly adds to the accessibility others lack.

193. *Id.* at 8. An analysis of each incident should be unnecessary. What follows is an application of the primary incidents to trademarks as property.

194. *Id.* at 9.

implies the *exclusive* control of a thing and the right to remain in control.¹⁹⁵

Trademarks do not even pass this first hurdle. Trademark holders do not have *exclusive* control of their marks. Various other entities may have simultaneous control of the exact trademark claimed to be "owned" by that competing entity. Not only are trademarks subject to the "fair use"¹⁹⁶ by others, trademark holders are powerless to control, for example, the use by others of their mark on unsimilar goods,¹⁹⁷ or their mark on similar goods sold to different consumers.¹⁹⁸ Thus, trademark holders do not have the exclusive right to control their mark and, therefore, do not have the exclusive right to possess the mark as defined by Honore.

Furthermore, trademark holders do not have the unrestricted right to use the mark. Trademark holders may not use their mark on a different product for which another has obtained prior trademark rights, either by use or registration.¹⁹⁹ Trademark holders are limited to the right to exclude others from the subsequent use of their mark or confusingly similar marks on similar products. They may not extend into unrelated areas and enforce their mark.²⁰⁰ Therefore, trademark holders' rights to use their marks are heavily restricted.

State antidilution statutes provide the best example of this restriction.²⁰¹ Dilution is a theory said to be originally postulated by Frank

195. *Id.*

196. 15 U.S.C. § 1115(b)(4) (1988).

197. *Amstar Corp. v. Domino's Pizza, Inc.*, 615 F.2d 252 (5th Cir. 1980) (use of DOMINO'S on pizza did not infringe use of DOMINO on sugar).

198. *Perini Corp. v. Perini Constr., Inc.*, 915 F.2d 121 (4th Cir. 1990) (two users of identical PERINI name for identical construction services, summary judgment denied because of the different consumers and the level of sophistication of those consumers).

199. GILSON, *supra* note 10, § 5.05[5].

200. Unless, of course, such extension is expected from the products on which the mark was originally used. This is known as "bridging the gap." *AMF, Inc. v. Sleekcraft Boats*, 599 F.2d 341 (9th Cir. 1979). *See also* GILSON, *supra* note 10, § 5.05[5].

201. Twenty-five states now have antidilution statutes:

Alabama: ALA. CODE § 8-12-17 (Supp. 1992)

Arkansas: ARK. CODE ANN. § 70-550 (Michie 1992)

California: CAL. BUS. & PROF. CODE § 14330 (West 1987 & Supp. 1993)

Connecticut: CONN. GEN. STATE. ANN. § 35-11i(c) (West 1987 & Supp. 1992)

Delaware: DEL. CODE ANN. tit. 6, § 3313 (Supp. 1992)

Florida: FLA. STAT. ANN. § 495.151 (West 1988 & Supp. 1993)

Georgia: GA. CODE ANN. § 10-1-451(b) (Michie 1989 & Supp. 1992)

Idaho: IDAHO CODE § 48-512 (1977 & Supp. 1992)

Illinois: ILL. ANN. STAT. ch. 140, para. 22 (Smith-Hurd 1986 & Supp. 1992)

Iowa: IOWA CODE ANN. § 548.11(2) (West 1987 & Supp. 1992)

Louisiana: LA. REV. STAT. ANN. § 51:223.1 (West 1987 & Supp. 1993)

Schechter in 1927.²⁰² According to dilution discourse, a trademark's distinctive ability to signify one specific source for a product can be diminished or "diluted" if other trademark owners use very similar or identical marks even on totally unrelated goods. Schechter described the problem as the "whittling away" of the distinctive quality of the mark and its ability to indicate a single source for a product.²⁰³

Most dilution statutes can be read very expansively. The New York statute, representative of the legal regime of most, states as follows:

Likelihood of injury to business reputation or of dilution of the distinctive quality of a mark or trade name shall be ground for injunctive relief in cases of infringement of a mark registered or not registered or in cases of unfair competition, notwithstanding the absence of competition between the parties or the absence of confusion as to the source of goods or services.²⁰⁴

That is, the plaintiff should have grounds for an injunction if the distinctive quality of its mark is diluted by another regardless of com-

Maine: ME. REV. STAT. ANN. tit. 10, § 1530 (West 1980 & Supp. 1992)

Massachusetts: MASS. GEN. LAWS ANN. ch. 110B, § 12 (West 1990)

Missouri: MO. ANN. STAT. § 417.061 (Vernon 1990 & Supp. 1992)

Montana: MONT. CODE ANN. § 30-13-334 (1992)

Nebraska: NEB. REV. STAT. § 87-122 (1987)

New Hampshire: N.H. REV. STAT. ANN. § 350-A:12 (1984)

New Mexico: N.M. STAT. ANN. § 57-3-10 (Michie 1987 & Supp. 1992)

New York: N.Y. GEN. BUS. LAW § 368(d) (McKinney 1984 & Supp. 1993)

Oregon: OR. REV. STAT. § 647.107 (1992)

Pennsylvania: 54 PA. CONS. STAT. § 1124 (1990)

Rhode Island: R.I. GEN. LAWS § 6-2-12 (1991)

Tennessee: TENN. CODE ANN. § 47-25-512 (1988 & Supp. 1991)

Texas: TEX. BUS. & COM. CODE ANN. § 16.29 (West Supp. 1993)

Washington: WASH. REV. ANN. § 19.77.160 (West Supp. 1993)

Most of these statutes are patterned after the Model State Trademark Bill (Uniform State Trademark Act § 12 (1967)). Note, *Trademark Dilution: Its Development, Japan's Experience, and the New USTA Federal Proposal*, 22 GEO. WASH. J. INT'L L. & ECON. 417, 425 (1988); see MCCARTHY, *supra* note 70, § 22:4, for the text of the Model State Trademark Bill. The proposed dilution provision of the 1988 Trademark Revision Act was not passed into law. Marie V. Driscoll, *The "New" 43(a)*, 79 TRADEMARK REP. 238, 245-46 (1989); Kim Muller, *An Inquiring Look at the Texas Anti-Dilution Statute*, 53 TEX. BAR J. 718, n.4 (1990).

202. Frank I. Schechter, *The Rational Basis of Trademark Protection*, 40 HARV. L. REV. 813 (1927). However, as a general theory, dilution can be traced back to a German case involving a mouthwash manufacturer, Judgment of Sept. 11, 1924, Landgericht Elberfeld, 25 Juristische Wochenschrift 502, XXV Markenschutz und Wettbewerb (M.U.R.) 264. At the time of this case, both English and American courts were considering the concept as well. See Note, *supra* note 201, at 420-21.

203. Schechter, *supra* note 202, at 825.

204. N.Y. GEN. BUS. LAW § 368(d) (McKinney 1984 & Supp. 1993).

petition between them, regardless of the likelihood that consumers are confused, and regardless of whether or not the mark is registered.

A classic example of dilution theory at work applying the Illinois anti-dilution statute is *Polaroid Corp. v. Polaroid, Inc.*²⁰⁵ There the defendant used the mark POLARAID on or in connection with the sale of its refrigeration and heating systems while the plaintiff had used its mark POLAROID on cameras for many years prior to defendant's use. Under traditional trademark theory, the plaintiff would not prevail in this situation because the products on which the marks are used are so different that the relevant consumer would not be confused into thinking a camera company was the source of its refrigerating system—that is, the products are not competing, and therefore no confusion is likely to occur. With no confusion, by definition, trademark infringement could not occur.²⁰⁶

However, relying solely on the Illinois anti-dilution statute,²⁰⁷ the Seventh Circuit granted the injunction, stating that if the anti-dilution statute had not been applicable in this situation, “it is useless because it adds nothing to the established law on unfair competition”²⁰⁸

Most interestingly, and perhaps to the consternation of the *Polaroid* court,²⁰⁹ generally courts have refused to interpret anti-dilution statutes as broadly as the clear meaning of the statute would allow.²¹⁰ The New York courts, for example, require evidence of confusion even though the New York statute clearly dictates that dilution may be found regardless of confusion.²¹¹ Oddly enough, the Illinois courts will refuse to find dilution if there is confusion because “[a] trademark likely to confuse is necessarily a trademark likely to dilute.”²¹² The existence of these two diametrically opposed positions regarding the interpretation of virtually identical statutes is irreconcilable.

In *Mead Data Central v. Toyota*,²¹³ the Second Circuit dissolved an injunction regarding Toyota Motor Corporation's use of the trademark

205. 319 F.2d 830 (7th Cir. 1963).

206. *Pirone v. MacMillan, Inc.*, 894 F.2d 579, 581-82 (2d Cir. 1990).

207. ILL. ANN. STAT. ch. 140, para. 22 (Smith-Hurd 1961); *Polaroid Corp.*, 319 F.2d at 836.

208. 319 F.2d at 837.

209. See also David S. Welkowitz, *Reexamining Trademark Dilution*, 44 VAND. L. REV. 531 (1991).

210. Beverly W. Pattishall, *The Dilution Rationale for Trademark—Trade Identity Protection, Its Progress and Prospects*, 71 NW. U. L. REV. 618, 622 (1976).

211. *Id.* at 624 n.47 and references cited therein.

212. *James Burrough Ltd. v. Sign of the Beefeater, Inc.*, 540 F.2d 266, 274-75 n.16 (7th Cir. 1976).

213. *Mead Data Cent., Inc. v. Toyota Motor Sales, U.S.A.*, 875 F.2d 1026 (2d Cir. 1989).

LEXUS. The plaintiff had been using the trademark LEXIS in connection with its computer data retrieval systems since 1972. The Southern District of New York granted the injunction and awarded very creative damages to Mead Data Central.²¹⁴ However, the Second Circuit reversed and dissolved the injunction against Toyota.²¹⁵ In its opinion, the Second Circuit limited the anti-dilution statute to "famous" marks.²¹⁶ The Second Circuit did this even though the word "famous" does not appear in the New York anti-dilution statute.²¹⁷

This holding, irreconcilable with the statute, is justified only if one recognizes that, even in light of the anti-dilution statute, the common law places extreme restrictions on the use of a mark by the trademark holder. Not to place this restriction on trademark holders would come too close to recognizing a trademark itself as property. If one has a property right in the mark itself, it would follow that one should be able to enjoin use of that mark on completely unrelated goods or services, regardless of the existence or non-existence of confusion. On the other hand, if no property right exists in the mark itself, then courts should only protect one's right to use that mark on exact or confusingly similar products.

The Second Circuit's reasoning in *Mead Data* reflects the greater common law tendency to draw distinctions and boundaries in order to avoid outcomes which the clear language of the state anti-dilution statutes would otherwise dictate. That is, rather than describing property rights in and to a trademark itself, it is conceptually more consistent with the evolution of trademark jurisprudence to say that an owner has property rights to *use* the mark on certain products, and not a property right in the mark itself.²¹⁸

Carrying Honore's analysis through to its next applicable element, trademark holders do not possess a right of transmissibility or alienation as other "owners" do. The best example of this is the common law

214. *Mead Data Cent., Inc. v. Toyota Motor Sales, U.S.A., Inc.*, 702 F. Supp. 1031, 1044-45 (S.D.N.Y. 1989). The court allowed Toyota to continue using the mark LEXUS on automobiles, but prohibited it from competing with Mead in computer-related fields; the court required Toyota to pay the costs incurred by Mead in the effort to inform all customers that there is no connection between them; the court required Toyota to disavow any relationship to Mead in all future advertising; and finally the court required Toyota to compensate Mead yearly for any diminution in the usefulness of Mead's LEXIS mark. However, Mead was permitted to use these funds only to supplement its own advertising designed to offset the effect of any diminution.

215. 875 F.2d at 1032.

216. *Id.* at 1031.

217. See also Michael L. Taviss, *In Search of a Consistent Trademark Dilution Test*, 58 U. CIN. L. REV. 1449 (1990).

218. Libling, *supra* note 179 at 104.

rule that trademarks are not assignable without the appurtenant goodwill.

Trademark ownership is assignable but an "assignment in gross" is an invalid transfer; unless the owner of a mark transfers the goodwill associated with the mark, the assignment transfers nothing. An attempted trademark assignment without the appurtenant goodwill is said to be a "naked assignment" or an "assignment in gross" and invalid.²¹⁹ This is so because at common law the only sustainable reason to grant legal protection of the mark was to protect the goodwill associated with that mark.²²⁰

In other words, a trademark "owner" does not even have the unrestricted right to alienate its mark apart from the business or trade in connection with which the mark is employed.²²¹ A trademark is nothing without the related goodwill or business which it has come to represent.²²² It is *use*²²³ of a trademark alone that gives the mark value.²²⁴

However, just because something has value does not mean that it is therefore property. Long ago, Felix Cohen recognized the fallacy behind the logic of: *X* has "created a thing of value; a thing of value is property; [*X*], the creator of the property, is entitled to protection against third parties who seek to deprive him of his property."²²⁵ This reap/sow logic as a rational justification for recognizing property in intangibles is said "to have so little reason that response is difficult."²²⁶

This Lockean labor theory of attempting to justify property interests in intellectual property—I spent time and energy on it therefore I own

219. *E. & J. Gallo Winery Corp. v. Gallo Cattle Co.*, 955 F.2d 1327, 1337 (9th Cir. 1992); *Money Store v. Harriscorp Fin., Inc.*, 689 F.2d 666, 675-78 (7th Cir. 1982); *Sands, Taylor & Wood v. The Quaker Oats Co.*, 18 U.S.P.Q.2d 1457, 1464-67; GILSON, *supra* note 10, §§ 3.07[1], [6]; MCCARTHY, *supra* note 70, § 18:1.

220. Steven L. Carter, *The Trouble With Trademark*, 99 YALE L.J. 759, 785 (1990). *But see* Vincent N. Palladino, *The Real Trouble With Trademarks*, 81 TRADEMARK REP. 150 (1991) (There has never been a clear relationship between trademarks and goodwill; Carter's assumption is grossly overstated.).

221. *American Foundries v. Robertson*, 269 U.S. 372, 380 (1925).

222. The doctrine of prohibiting assignments in gross, however, has currently evolved into mostly formalism. *See* MCCARTHY, *supra* note 70, § 18.2 at 800. Courts currently reserve use of the doctrine for only the more egregious cases such as when the assignee is not in the same business as the assignor, is not in a position to make use of the mark, and has no intention of doing so. *Sands, Taylor & Wood Co. v. The Quaker Oats Co.*, 1992 U.S. App. Lexis 20674, *27 (7th Cir. 1992); *Haymaker Sports, Inc. v. Turian*, 581 F.2d 257 (C.C.P.A. 1978); Carter, *supra* note 220, at 786.

223. "Use" also includes a bona fide intent to use as defined by 15 U.S.C. § 1052 (1988).

224. *Trade-Mark Cases*, 100 U.S. 82, 95 (1879).

225. Felix S. Cohen, *Transcendental Nonsense and the Functional Approach*, 35 COLUM. L. REV. 809, 815 (1935).

226. Wendy J. Gordon, *On Owning Information: Intellectual Property and the Restitutionary Impulse*, 78 VA. L. REV. 149, 178 (1992).

it—is now largely discredited.²²⁷ In a society such as ours, the reward for labor is not and should not always be property. Inventiveness in marketing, which is a primary goal of trademark holders, is market share and increased sales—not property in the trademark itself (the vehicle of that inventiveness).²²⁸ An entrenched property interest only breeds the opposite of what the goals of intellectual property should be—that is, recognizing near absolute property rights in a mark itself only would encourage manufacturers to sit on these property rights rather than actively compete.

Therefore, if it were possible to possess a property right in a trademark itself—valuable or not—one should be able to alienate it freely without restrictions as onerous as having to sell the very business it has come to represent.²²⁹ That such an attempted alienation without the appurtenant goodwill is invalid indicates that trademarks cannot satisfy Honore's final incident of ownership—transmissibility.

One commentator has concluded that property rights in *descriptive* marks cannot be justified either on an economic basis or a possessory basis.²³⁰ The “economic basis” for recognizing property rights is the notion that the more scarce a specific thing becomes, the more value it has. Unless someone has exclusive control of the thing, it cannot be put to its highest-valued use. Therefore, no one will invest the time and money to promote it without some assurance of reaping profits from its investment.²³¹ The “possessory basis” as a rationale for recognizing property rights is that the first to possess or occupy a thing ought to become its exclusive owner.²³²

However, property rights in trademarks themselves, descriptive or not, cannot be justified on these basic notions of property either. Trademarks, regardless of whether they are descriptive, are not scarce commodities. A newcomer selling a particular commodity can get rather close to the original trademark so long as it does not become “likely to cause confusion.” That is, if competitors need a new trademark, all

227. Tom G. Palmer, *Are Patents and Copyrights Morally Justified? The Philosophy of Property Rights and Ideal Objects*, 13 HARV. J.L. & PUB. POL'Y 817, 821-35 (1990).

228. *Id.* at 834 n.68.

229. *United Drug Co. v. Theodore Rectanus Co.*, 248 U.S. 90, 97 (1918) (trademarks are not a right in gross or at large like copyrights or patents, which are little value as an analogy when examining trademark law); *Continental Paper Bag Co. v. Eastern Paper Bag Co.*, 210 U.S. 405, 425 (1908) (a patent is clearly a private property right); *McLean v. Fleming*, 96 U.S. 245, 254 (1877); *Canal Co. v. Clark*, 13 Wall. 311, 322 (1871).

230. Naresh, *supra* note 8, at 986-90.

231. *Id.*; see also RICHARD POSNER, *ECONOMIC ANALYSIS OF LAW* 30-33 (3d ed. 1986).

232. Naresh, *supra* note 8, at 987; LAWRENCE BECKER, *PROPERTY RIGHTS: PHILOSOPHIC FOUNDATIONS* 24-31 (1980).

they have to do is create it. Rather than a scarce resource, trademarks are unlimited—or more accurately, limited only by the creator's imagination.

Boudewijn Bouckaert concludes that the twin features of natural scarcity and possibility of physical possession—elements that justify property rights in oneself and tangible objects—do not justify recognition of property rights in any intellectual property.²³³ Bouckaert argues that intellectual property should be called unjustifiable special privileges granted by government.²³⁴

Furthermore, no trademark at common law was protected from attack merely because one party "occupied" it first. Prior appropriation was the key element at common law, but attacks on a mark's validity were never foreclosed. There was no comparable concept to incontestability at common law. If a person adopted and began using a mark, that person was never free from attacks on validity, regardless of how long he used the mark or whether he chose to register it.

Although none of the traditional property right concepts support the creation of property rights in a trademark itself, this is not to say that the right to exclude others from using a trademark is not a property right. It very well may be.²³⁵ The difference is that when others are excluded from something, such as the use of a piece of land (trespass), the excluding party owns the underlying entity as "property." In trademark discourse, after the right to exclude others, there is nothing left to own.

Furthermore, trademarks are clearly different from other forms of intellectual property such as copyrights. Copyrights are divisible and alienable without any regard to the value or business that may be associated with the copyrighted work.²³⁶ Copyrights are also divisible. A copyright owner can assign the right to recreate the copyrighted work in movie form to one party and assign the right to recreate the work on T-shirts, for example, to an entirely distinct party.²³⁷ Furthermore,

233. Boudewijn Bouckaert, *What is Property?*, 13 HARV. J.L. & PUB. POL'Y 775 (1990).

234. This characterization is derived from Dale A. Nance, *Foreword: Owning Ideas*, 13 HARV. J.L. & PUB. POL'Y 757, 768 (1990).

235. See William M. Landes & Richard A. Posner, *Trademark Law: An Economic Perspective*, 30 J.L. & ECON. 265 (1987).

236. Copyright Act of 1976, 17 U.S.C. § 201(d)(2) (1977).

237. See *Broadcast Music, Inc. v. CBS, Inc.*, 421 F. Supp. 592 (S.D.N.Y. 1983); H.R. REP. NO. 94-1476, 94th Cong., 2d Sess. 123-124 (1976), reprinted in 1976 U.S.C.C.A.N. 5738-5739 ("[T]he ownership of copyright, or any part of it, may be transferred by any means of conveyance or by operation of law, and is to be treated as personal property upon the death of the owner").

copyrights are treated as personal property at the death of the author or owner.²³⁸

Therefore, trademarks are different than other forms of tangible property and even intangible property, each of which have their grounding in the Constitution.²³⁹ Trademarks are intangible property rights which grant the holder the right to exclude others from use of a mark on certain products. There are no property rights in the mark itself. The common law will not grant what would amount to new property rights in trademarks themselves. This is why courts do not recognize assignments in gross or the clear dictates of state anti-dilution statutes. If courts did, the result would be to recognize property rights in the marks themselves—something the common law has refused to do for centuries.²⁴⁰

Also, because trademarks cannot satisfy any of the main elements of Honore's incidents of ownership, trademarks differ from other tangible and intangible things that are subject to ownership. Because trademarks themselves are not subject to ownership, strictly speaking, there is no "trademark owner" but rather the "owner of the right to exclude others." Courts and commentators alike mistakenly refer to this as the "trademark owner" without regard to the significance of their error. Given that there is no trademark to own, there can be no trademark owner.

Commentators as well as judges often use property rhetoric to describe trademark rights.²⁴¹ When discussing trademarks, property rhet-

238. See sources cited *supra* note 237.

239. Some feel that this distinction—trademarks evolving from common law while patents and copyrights are grounded in the Constitution—adds to their legitimacy. See Tom G. Palmer, *Intellectual Property: A Non-Posnerian Law and Economics Approach*, 12 *HAMLIN L. REV.* 261, 264-68 (1989) (patents are an illegitimate state granted monopoly that would be legitimate if they had evolved from common law like trademarks).

240. See Mahaney, *supra* note 142, at 1154.

241. See, e.g., 2 *RUDOLPH CALLMANN, UNFAIR COMPETITION AND TRADE MARKS* (1945):

But it is still problematic whether the courts will recognize a property right in a trade-mark [itself]. This remains so notwithstanding the fact that statutes refer to the "owner" of a trade-mark; courts use the term "owner" and "proprietor" of a trade-mark; trademarks have been called monopolies, property rights or "vested rights of property;" courts frequently adopt such phrases as "trespass upon property," "title" to a trade-mark and "chain of title," and have recognized that "theoretically and perhaps practically as well this hard-earned right is as important as money in the bank."

Id. § 66.3, at 821-22 (citations omitted). Another quotation is instructive on how loosely courts use the property rhetoric without any apparent concern for its significance:

To prevail on a statutory or common law trademark infringement claim a plaintiff must demonstrate an infringement of this limited property right. He must establish that the symbols in which this property right is asserted are valid, legally protectible trademarks; that they are owned by plaintiff; and that defendant's

oric should be dispensed with to the extent possible.²⁴² The use of property rhetoric only confuses the valid rights of trademark holders. Ownership of a mark itself implies much more than what the common law has been willing to recognize. Therefore, use of the term “ownership” creates expectations that the holder should be treated as an “owner” rather than merely one who possesses a limited right to exclude others from using the mark. If one “owned” a trademark as defined by Honore, one should be able to sell the mark without the appurtenant goodwill and should be able to enforce the mark even though the alleged infringer’s products do not compete. The use of property rhetoric causes courts to go through great contortions to validate outcomes still using property rhetoric. If property rhetoric were not used at all, courts would be at liberty to more clearly state the reasoning for specific decisions. Because courts are restrained by the property rhetoric, they are confined to use reasoning based on property concepts. However, when there is no actual property at issue—tangible or otherwise—courts and practitioners struggle to make sense out of the outcome.

The fact that legislators, judges, and commentators feel the need to refer to property rhetoric when referring to trademarks further indicates the misconception that most hold regarding trademarks. Given that trademarks themselves are not subject to ownership because they are not property, it follows that any concept or legal regime based on or furthering the notion that trademarks themselves are property and subject to ownership should be invalid. Such is the case with incontestability.

The incontestability provisions of the Lanham Act were a blind attempt at creating new rights never before recognized by the courts in the protection of trademarks.²⁴³ Incontestability attempts to recognize property rights in the trademark itself. Today, courts and commentators

subsequent use of similar marks is likely to create confusion as to origin of the goods.

Pirone v. MacMillan, Inc., 894 F.2d 579, 581-82 (2d Cir. 1990). A “limited property right” is, of course, never defined. However, by framing the analysis using this property rhetoric, the court is then confined to determine its outcome on whether it satisfies a “limited property right.” However, because trademarks themselves are not property, the analysis is internally illogical.

242. This is why I prefer to use the term “trademark holder” herein rather than “trademark owner.” I recognize that “holder” is also, to some extent, property rhetoric because it implies physical possession. However, the use of “holder” is an attempt to draw a distinction from the general notion of owning the underlying entity upon which rights are based.

243. Fletcher, *supra* note 85 (Incontestability was a faltering first step, moving trademark law from mere registration and procedural advantage to granting new substantive rights.).

alike have generally dismissed the notion that a trademark itself could be owned as property.²⁴⁴

It is quite significant that in 1947, the year the Lanham Act took effect, the well-respected trademark scholar, Dr. Rudolph Callmann,²⁴⁵ concluded that the incontestability provisions of the Lanham Act finally recognized what no United States court had been willing to accept: the trademark itself could be owned outright and trademarks themselves were property.²⁴⁶ So sure was he that a trademark itself was now property, in commenting on the incontestability provisions of the Lanham Act, Callmann concluded as follows:

Moreover, the new Act gives "this property right a legislative standing it had not had before" by declaring trademarks incontestable after "continuous use for five consecutive years." This development should effectively put to rest all arguments advanced by opponents of the property right theory. . . . [I]t would seem that Section 15 of the Trade-Mark Act demonstrates Congressional willingness to recognize the trade-mark as property right.²⁴⁷

Callmann's article in which he made the above conclusion analyzes several cases prior to the Lanham Act that would seem to recognize a trademark as property and juxtaposes them against those cases that conclude a trademark is not the appropriate subject of property rights. Callmann's conclusion is based on cases where courts have found infringement even though the infringing party is not a competitor. This makes sense, Callmann argues, only if the trademark is property. In enacting the incontestability provisions, Callmann concludes that Congress expressly recognized this line of cases by granting trademarks property status.

244. *Internnatioal Order of Job's Daughters v. Lindeburg & Co.*, 633 F.2d 912, 919 (9th Cir. 1980); *Libling*, *supra* note 179; *Fletcher*, *supra* note 17, at 307; *Hanover Star Milling Co. v. Metcalf*, 240 U.S. 403, 413 (1916) ("common law trade-marks, the right to their exclusive use, are of course to be classed among property rights"); *Person's Co., Ltd. v. Christman*, 900 F.2d 1565, 1571 (Fed. Cir. 1990); *Adams Apple Distrib. Co. v. Papeleras Reunidas*, 773 F.2d 925 (7th Cir. 1985); *American Steel Foundries v. Robertson*, 269 U.S. 372 (1925); *United Drug Co. v. Theodore Rectanus Co.*, 248 U.S. 90 (1918) (there is no such thing as property in a trade-mark except as a right appurtenant to the established business or trade in connection with which the mark has been employed); *Elderkin v. Monn*, 80 N.W.2d 331, 334 (Iowa 1957); *Fair Undercar Car, Inc. v. Wakefield*, 1992 U.S. Dist. Lexis 10120 (N.D. Ill. 1992).

245. Callmann is also the author of the comprehensive treatise on trademarks, *THE LAW OF UNFAIR COMPETITION, TRADEMARKS AND MONOPOLIES* (1950).

246. Rudolph Callmann, *Unfair Competition Without Competition?: The Importance of the Property Concept in the Law of Trade-Marks*, 95 U. PA. L. REV. 443 (1947).

247. *Id.* at 467.

It is not difficult to imagine how Callmann could have been so confident that a trademark was now property. After all, the clear language of section 33(b) seems to indicate that the mark is subject to absolute ownership. Section 33(b) states that an incontestable mark “shall be conclusive evidence of the validity of the registered mark and of the registration of the mark, of the registrant’s *ownership* of the mark, and of the registrant’s exclusive right to use the mark. . . .”²⁴⁸ If Congress did not intend to recognize “ownership of the mark” itself as something distinct from the holder’s exclusive right to use the mark, it should not have listed each of these separate elements. Under the common law, only the element of exclusive use was ever recognized and that was never “conclusive.”

That is, section 33(b) refers to the registrant’s exclusive right to use the mark in commerce on specified goods as if this were something different from ownership of the mark. However, as argued above, since there is no actual “ownership” of the mark itself, it is completely unclear to what Congress referred when mentioning the “conclusive” evidence of the registrant’s ownership of the mark. Courts have recognized only a limited right in a trademark to exclude others from using the mark on similar goods. By separating ownership of the mark (something not recognized at common law) from the exclusive right to use the mark (something recognized at common law), Congress raised the implication that there was an entity which could be absolutely owned—the mark itself. It is difficult to imagine that after twenty-six years²⁴⁹ of studying the matter, Congress and Representative Lanham were not aware of this distinction.²⁵⁰

Callmann’s theory of trademarks as property has been ignored by the courts. Since 1947 (the date Callmann’s article was published), only one court in the United States cited Callmann’s article, and it did so as supporting a contrary view to the proposition that the persuasive function of a trademark alone is generally not protected by courts.²⁵¹

248. 15 U.S.C. § 1115(b) (1988) (emphasis added).

249. The Lanham Act is said to be the culmination of twenty-six years of effort by Congress, business, and the bar to reform the old Trademark Act of 1905. See Comment, *Incontestable Trademark Rights and Equitable Defenses in Infringement Litigation*, 66 MINN. L. REV. 1067, 1067 n.2 (1982).

250. Representative Lanham must have been aware of this problem from the prior Act of 1870 which was struck down by the Supreme Court for granting trademark holders greater rights than allowed under the Constitution. Perhaps, in reality, Representative Lanham devised a way around the problem. In one sense, he gave a trademark essentially property status but did not call it property. Rather, he called it incontestable.

251. 88 Cents Stores, Inc. v. Martinez, 361 P.2d 809, 818 (Or. 1961). Callmann’s article has been cited five times in major law reviews in the United States; however, only

Completely contrary to Callmann's perspective, rather than promoting and accepting trademarks as property, courts have even become more hostile to the notion since 1947. In fact, there is not a single case subsequent to the passage of the Lanham Act where a United States federal court concludes that a trademark is property and can be owned outright regardless of products on which the mark is used.

This does not mean that Callmann was totally wrong. In fact, Callmann at least had the foresight to read the plain meaning of the statute and give his well-reasoned opinion. The incontestability provisions, as worded, recognize a right more powerful and more significant than that previously recognized by courts prior to the passage of the Lanham Act. There are no conclusive presumptions of validity or registrant's ownership of the mark in the common law prior to the Lanham Act. There is no "ownership" of a mark separate from the "exclusive right to use" the mark at common law. Any reference to "ownership" can only be ownership of the right to exclude others, not of a right to possess and monopolize the mark itself.

Therefore, courts, too, are correct in concluding that there are no property rights in trademarks themselves. The trademark right depends upon use on products and only precludes others from using the same or similar mark on the same or similar products. Courts since the enactment of the Lanham Act unanimously agree with this proposition.

Callmann was correct in saying that incontestability on its face grants property rights in the mark itself. However, courts have also been correct in stating that the common law has never recognized property rights in the mark itself. In light of the additional fact that Congress, in order to survive constitutional scrutiny, intended only to codify the common law of trademarks and not create new rights,²⁵² it is only natural that

once was Callmann's piece cited for the proposition that trademarks are property. See Kenneth York, *Extension of Restitutorial Remedies in the Tort Field*, 4 UCLA L. REV. 499, 513, 533 (1957). All other cites to Callmann's piece are references to why anti-dilution statutes are required to deal with confusion where there is no competition. See Thomas Deering, *Trade-Marks on Noncompetitive Products*, 36 OR. L. REV. 1, 4 (1956); Walter J. Derenberg, *The Problem of Trademark Dilution and the Antidilution Statutes*, 44 CAL. L. REV. 439, 450 (1956); Pattishall, *supra* note 210, at 621; Welkowitz, *supra* note 209, at 534. Callmann is, of course, one of the leading proponents of a federal dilution statute and has been cited innumerable times for his stand on dilution. For a representative article by Callmann on his dilution position, see Rudolph Callmann, *Trademark Infringement and Unfair Competition*, 14 LAW & CONTEMP. PROBS. 185 (1949). The other leading proponent is Beverly Pattishall. See Pattishall, *supra* note 210.

252. As was shown previously, the legislative history of the Lanham Act is replete with references regarding the rights granted by the new statute. All references clearly state that no new substantive rights were intended to be created by the Lanham Act and that the Act is merely a registration statute. The purpose of the Lanham Act was to codify

courts are confused in how best to apply incontestability. If courts were to apply the incontestability provisions as written, they would intuitively realize that they would be recognizing trademarks as property. This, of course, would be diametrically opposed to the common law of trademarks for hundreds of years. Even though Callmann was correct in concluding that Congress intended to recognize property rights in a trademark itself, courts will not be agreeing with him anytime soon. Even in light of the Supreme Court's directive in *Park 'N Fly* that some courts have interpreted to be a directive to begin giving an incontestable mark its full effect,²⁵³ courts have found judicially crafted ways to avoid recognizing a mark as property without ever saying so.

This is the primary source²⁵⁴ of inconsistency and unpredictability

the existing common law of trademarks and provide one, nation-wide uniform system of trademark registration and protection. The Committee on Patents and Trademarks, when debating the Lanham Act, concluded that "[t]he purpose of [the Lanham Act] is to place all matters relating to trade-marks in one statute and to eliminate judicial obscurity. . . ." S. REP. No. 1333, 79th Cong., 2d Sess. 1 (1946), *reprinted in* 1946 U.S.C.C.S. 1274. *See also* *San Francisco Arts & Athletics, Inc. v. United States Olympic Comm.*, 483 U.S. 522, 531 (1987) (citing *Park 'N Fly, Inc. v. Dollar Park & Fly, Inc.*, 469 U.S. 189 (1985), for the importance of a system of national trademark protection). The Committee also indicated the Lanham Act should "remedy constructions of the present acts which have in several instances obscured and perverted their original purpose. These constructions have become so ingrained that the only way to change them is by legislation." S. REP. No. 1333, 79th Cong., 2d Sess. 3 (1946), *reprinted in* 1946 U.S.C.C.S. at 1276. This language, offered by the Senate 46 years ago in support of the Lanham Act, is an appropriate call today for amendment of the judicially obscured concept of incontestability.

Similarly, courts have concluded that the Lanham Act is meant to be a registration statute. However, there is a line of older British cases that seem to equate trademarks with property. *See, e.g.*, *Edelsten v. Edelsten*, 1 De G.J. & S. 185 10 (N.S.) 780 (1863); *Hall v. Barrows*, 4 De G.J. & S. 150, 32 L.J.Ch. 548 (1863); *Leather Cloth Co. v. American Leather Coloty Co.*, 4 De G.J. & S. 137 (1863); *Singer Mfg. Co. v. Loog*, 8 App. Cas. 15 (1882). For an analysis of these cases and their relationship to the issue of trademarks as property, see Callmann, *supra* note 246, at 454-55. The statute did not, most courts argue, create nor intend to create any new substantive rights for the trademark registrant.

253. *Wynn Oil Co. v. Thomas*, 839 F.2d 1183, 1187 (6th Cir. 1988).

254. Other sources of the inconsistent application of incontestability in general and § 33(b) include the claim that the incontestability provisions of the Lanham Act are poorly drafted. *See* Christensen, *supra* note 33, at 1196, 1207 (if Congress had only made its intentions clear through the language of the Act itself, courts would not be so confused in the application of incontestability). However, if statutory interpretation was the only issue at hand, it is unlikely that there would be such a divergence of opinion among the federal courts regarding how to apply incontestability. There are more than a few poorly drafted statutes that courts have had to apply. Simple ambiguity in the statute is not a reason why virtually every federal court in the United States reinvents the incontestability wheel each time they are called upon to apply it. Rather, when confronted with ambiguous or poorly drafted statutes, there are limited ways in which courts are expected to proceed.

among the circuits.²⁵⁵ The clear language of the statute would imply a property right, but the legislative history and subsequent court opinions clearly preclude such a conclusion.

V. CONCLUSION

The concept of incontestability was a new, substantive addition to the law of trademarks. Trademark discourse would be greatly enhanced if that fact were openly recognized. This addition to the Lanham Act, although today well-used by trademark practitioners, has been a constant source of confusion to the courts. This has led to inconsistency among the courts to an astonishing degree.²⁵⁶ This confusion stems from the

The court first looks to the plain meaning of the statute. If the plain meaning of the statute does not answer the question as to how the statute should be applied, courts are to look to the legislative history for that particular provision. *But c.f.*, Frank Easterbrook, *What Does Legislative History Tell Us?*, 66 CHI.-KENT L. REV. 441 (1990) (courts should not concern themselves with the intent of the legislature because it is not their intent that matters but rather what the statute itself actually means). If that is somehow inadequate, courts are then expected to look to how courts first in their jurisdiction and then in other jurisdictions have applied the same or similar provisions. However, on its face, § 33(b) is not ambiguous. Section 33(b) clearly states that an incontestable registration shall be conclusive evidence of the mark's validity and that the registrant owns the mark. Congress could not be more clear in drafting this portion of the Lanham Act. The directive to courts is to make an incontestable mark conclusive evidence of the validity and ownership of the mark. There is no ambiguity here. The inconsistencies between the federal courts cannot be easily explained and dismissed by simply arguing the statute is ambiguous.

Another factor at play is the fact that new rights were created by the Lanham Act, as was recognized by the Supreme Court in *Park 'N Fly, Inc. v. Dollar Park & Fly, Inc.*, 469 U.S. 189 (1985); this may explain why the courts have been so confused. That is, for forty years prior to *Park 'N Fly*, the legislative history instructed courts that there were no new rights created by the Lanham Act; other precedent concluded that there were no new rights created by the enactment of the Lanham Act. However, in reality the Lanham Act did create "new rights" in the incontestability provisions and the Supreme Court has now recognized this.

255. This inconsistency should be kept in context. Substantial clarification was required at least two other times first by a Supreme Court ruling and then an act of Congress amending § 33(b). As was stated above, the Supreme Court in *Park 'N Fly* clarified that § 33(b) may be used in an offensive manner to enjoin an infringer and that an incontestable mark may not be challenged on the ground that the mark is merely descriptive. In 1988, Congress further clarified § 33(b) so that courts would no longer be confused regarding whether or not equitable defenses could still be used by a defendant when the plaintiff's mark was incontestable.

Few statutes in the history of the United States have required the express attention of the Supreme Court ruling and Congress to clarify its application and still remain ambiguous, confusing, and inconsistently applied by the courts. As this Article has shown up to this point, § 33(b) is still applied in completely unpredictable ways by the various federal courts. Clearly, § 33(b) of the Lanham Act has been and remains one of the greatest sources of controversy in Trademark law.

256. See Appendix A, *infra* notes 257-389 and accompanying text.

fact that incontestability is a departure from the common law of trademarks. As such, incontestability has not been given its full import by the courts. This is because to do so would be to recognize trademarks themselves as property—something the common law has declined to do for centuries. Because the statutory language of incontestability grants trademark holders property in marks themselves, and because incontestability itself is a departure from common law, it should be abolished.

APPENDIX A

Annotated Table

FEDERAL COURT HOLDINGS REGARDING STRENGTH
OF THE MARK SINCE 1985²⁵⁷

CIRCUIT	Expressly does not consider incontestability relative to strength	Ignores incontestability relative to strength	Considers incontestability an element of strength	Expressly holds incontestability creates strength
First		D. Puerto Rico/ D. Mass./CIR- CUIT	D. Rhode Island/ D. New Hamp- shire/D. Mass.	
Second	S.D.N.Y	S.D.N.Y./CIR- CUIT	S.D.N.Y./D. Conn.	D. Conn.
Third	D.N.J.	CIRCUIT	E.D. Pa.	
Fourth	M.D.N.C.		D.S.C.	W.D. Va.
Fifth		CIRCUIT/S.D. Tex.		S.D. Tex.
Sixth		CIRCUIT/E.D. Mich.	S.D. Ohio	CIRCUIT/E.D. Mich. N.D.Ill.
Seventh	CIRCUIT			
Eighth	D. Minn.	D. Minn./D. Neb/W.D. Mo.		
Ninth	CIRCUIT/C.D. Cal.	CIRCUIT/D. Ariz.		
Tenth	CIRCUIT			
Eleventh		N.D. Ga./S.D. Fla.	S.D. Fla./M.D. Fla.	CIRCUIT
Federal D.C.	(no cases)	CIRCUIT (no cases)	(no cases)	(no cases)

257. The year 1985 was chosen because that was the year of the *Park 'N Fly* decision. 469 U.S. 189. Although there were many incontestability cases prior to 1985, and some dealt with strength of the mark analysis, those are not addressed here because to do so would be completely redundant. Observing the past seven years of trademark opinions is more than adequate to establish that courts currently appear to be devoid of direction when adjudicating incontestability cases. Furthermore, there was the expectation that *Park 'N Fly* and the subsequent 1988 amendments would clarify incontestability. The fact that these attempts failed is made even more obvious by the table above.

1. First Circuit

The district courts within the First Circuit are confused and inconsistent in their analysis of whether an incontestable mark contributes to the mark's strength. Older cases seem to indicate it does not; newer cases seem to indicate it does;²⁵⁸ some cases ignore it.²⁵⁹

In *Edison Brothers v. National Development Group, Inc.*,²⁶⁰ the District Court of Massachusetts determined that incontestability "contributes to a mark's strength."²⁶¹ The court cited *Boston Athletics Association v. Sullivan*²⁶² as support for this proposition. Although the court in *Boston Athletics* does list three criteria to be used in determining the strength of the mark,²⁶³ it is not a case regarding incontestability. Given that the plaintiff's mark in *Boston Athletics* was not registered until 1985, it is statutorily impossible for it to have become incontestable by trial in 1987. Therefore, the *Edison Brothers* court's reliance on *Boston Athletics* is confusing at best. This simply reinforces the notion that courts are confused about the application and impact of incontestability. That is, when a district court addressing an incontestable mark relies on a circuit court's opinion where an incontestable mark was not at issue, it seems to indicate the ignorance of the lower court regarding the effect of incontestability.

Another case addressing strength of an incontestable mark is *Decosta v. Viacom International, Inc.*²⁶⁴ In *Decosta*, the District Court of Rhode Island stated that incontestability is an element to be considered when measuring the mark's strength.²⁶⁵ As support for this, the court relied upon the Eleventh Circuit²⁶⁶ and the Sixth Circuit.²⁶⁷ The only reference to a First Circuit case was *Keds Corp. v. Renee International Trading*

258. *Alexis Lichine and Cie v. Sacha A. Lichine Estate Slections, Ltd.*, 229 U.S.P.Q. 294, 296 (D. Mass. 1985).

259. *See, e.g., Volkswagenwerk Aktiengesellschaft v. Wheeler*, 814 F.2d 812, 819 (1st Cir. 1987); *Davidoff Extension S.A. v. Davidoff Comercio E Industria Ltda.*, 747 F. Supp. 122, 131 (D. Puerto Rico 1990).

260. 1992 U.S. Dist. Lexis 2839 (D. Mass. 1992).

261. *Id.* at *12-*13. The District Court of New Hampshire would apparently agree with this statement. *See Kappa Sigma Fraternity v. Kappa Sigma Gamma Fraternity*, 654 F. Supp. 1095, 1101 (D.N.H. 1987) (incontestability is a factor of strength along with national use and length of use).

262. 867 F.2d 22 (1st Cir. 1989).

263. The three criteria are: length of time the mark has been used and the plaintiff's popularity in field; strength of the mark in the plaintiff's field of business; and, the plaintiff's actions in promoting the mark. *Id.* at 32.

264. 758 F. Supp. 807 (D.R.I. 1991), *rev'd*, 981 F.2d 602 (1st Cir. 1992).

265. 758 F. Supp. at 814.

266. *Dieter v. B & H. Indus. of Southwest Fla.*, 880 F.2d 322, 329 (11th Cir. 1989), *cert. denied*, 111 S. Ct. 369 (1990).

267. *Wynn Oil Co. v. Thomas*, 839 F.2d 1183 (6th Cir. 1988).

*Corp.*²⁶⁸ However, the court in *Keds* only raises incontestability to conclude that an incontestable mark is presumed to have secondary meaning.²⁶⁹ Although this is generally accurate,²⁷⁰ the court in *Decosta* clearly predicated that an incontestable mark is presumed to have secondary meaning and a mark with secondary meaning is presumed to be strong.

The First Circuit, however, reversed.²⁷¹ The First Circuit held that registering a trademark does not expand the substantive protections of that mark.²⁷² It refused to make any connection between the registration of a mark and its strength. The court ignored the incontestable status of the mark implying that any registered mark would be just as “strong” as any other. Although the court admitted that “‘strength’ relates to confusion and registration ‘relates’ (in this way) to strength,” the court limited this analysis to validity of a trademark registration and not to the burden of proof in showing a likelihood of confusion.²⁷³ In fact, it expressly stated that trademark registration only confirms for a reviewing court that a claimed mark is, in fact, a trademark.²⁷⁴

2. *Second Circuit*

The district courts within the Second Circuit are completely inconsistent in their treatment of incontestable trademarks. Some courts have held that an incontestable mark is not precluded from attacks on its strength merely because it has become incontestable.²⁷⁵ Some recent opinions imply that the status of the mark should be, or at least will be, ignored in determining its strength.²⁷⁶ In stark contrast to these

268. 888 F.2d 215 (1st Cir. 1989).

269. *Id.* at 220-21.

270. MCCARTHY, *supra* note 70, § 32:44(B).

271. *DeCosta v. Viacom*, 981 F.2d 602 (1st Cir. 1992).

272. *Id.* at 612-13.

273. *Id.* at 616. The court expressly stated that it agrees with the Seventh Circuit’s analysis of the effect of registration—it confers no substantive and limited procedural advantages. It is not clear from the opinion whether the First Circuit would now follow the Seventh Circuit’s opinion regarding incontestability. Except for mentioning the fact that the mark was, indeed, incontestable, the court never again mentions that matter. Rather, it discusses the “registration” of the mark and ignores the “incontestability” of the registration. For that reason, I have categorized the First Circuit as “ignores” incontestability rather than “expressly does not consider” as the Seventh Circuit does.

274. *Id.*

275. *Cullman Ventures, Inc. v. Columbian Art Works, Inc.*, 717 F. Supp. 96, 121 (S.D.N.Y. 1989); *Marjorica S.A. v. Majorca Int’l, Ltd.*, 687 F. Supp. 92, 98 (S.D.N.Y. 1988).

276. *W.W.W. Pharmaceutical Co. v. Gillette Co.*, 1992 U.S. Dist. LEXIS 7609 at *26-*28 (S.D.N.Y. 1992); *Merriam-Webster Inc. v. Random House, Inc.*, 18 U.S.P.Q.2d 1755, at 1757 n.5, 1757-1758 (S.D.N.Y. 1991) (noting that while the mark COLLEGIATE may or may not be incontestable, based on a failure to republish a 1905 Act registration,

holdings, the District Court of Connecticut used incontestability (along with fame and registration) to conclude that the mark A-1 had "enormous strength."²⁷⁷

Some courts have held that incontestability is a prominent factor in determining the strength of a trademark. For example, in *Marshak v. Sheppard*,²⁷⁸ the court found that incontestability contributed to the strength of the plaintiff's mark, THE DRIFTERS.²⁷⁹ In *Frito-Lay, Inc. v. The Bachman Co.*,²⁸⁰ the court held that the plaintiff's mark RUFFLES was incontestable, and that incontestability was an element of the mark's strength.²⁸¹

In the Eastern District of New York, the matter was left ambiguous in *Transamerica Corp. v. Trans American Abstract Service, Inc.*²⁸² The court considered the strength of plaintiff's incontestable mark TRANS-AMERICA by first looking at the mark's distinctiveness.²⁸³ The court concluded that incontestability has a positive impact on determining a mark's distinctiveness but did not clarify whether incontestability also impacts strength.²⁸⁴ Although ambiguous, the court does not appear to equate strength with distinctiveness.²⁸⁵

In the District Court of Connecticut, an incontestable mark is a presumptively strong mark. In *Haydon Switch & Instrument, Inc. v. Rexnord Inc.*,²⁸⁶ the court expressed the opinion that incontestability makes a mark presumptively strong.²⁸⁷ The court cited *Park 'N Fly* for the proposition that once a mark has become incontestable, it may not be challenged on the grounds that it is merely descriptive and that the mark is therefore "strong."²⁸⁸ The court equates distinctiveness with strength and interpreted *Park 'N Fly's* holding (that an incontestable mark could not be attacked on the grounds of mere descriptiveness) as

incontestability is irrelevant for the purposes of this case, presumably because the court found the combination mark WEBSTER'S COLLEGIATE to possess secondary meaning); *Lois Sportswear, U.S.A., Inc. v. Levi Strauss & Co.*, 631 F. Supp 735, 741 (S.D.N.Y. 1985), *aff'd*, 799 F.2d 867 (2d Cir. 1986) (lower court concludes that incontestability is an element of strength, but the circuit court does not mention it in its strength analysis).

277. *Nabisco Brands, Inc. v. Arnold Kaye and Arnie's Deli, Ltd.*, 760 F. Supp. 25, 27 (D. Conn. 1991).

278. 666 F. Supp. 590 (S.D.N.Y. 1987).

279. *Id.* at 601.

280. 704 F. Supp. 432 (S.D.N.Y. 1989).

281. *Id.* at 435.

282. 698 F. Supp. 1067 (E.D.N.Y. 1988).

283. *Id.* at 1072.

284. *Id.*

285. *Id.*

286. 4 U.S.P.Q.2d 1510 (D. Conn. 1987).

287. *Id.* at 1515.

288. *Id.*

meaning that incontestability contributes to the strength of the mark.²⁸⁹

3. *Third Circuit*

The Third Circuit's treatment of incontestability is particularly troubling.²⁹⁰ First, the District Court of New Jersey held that although *Park 'N Fly* abolished any offensive/defensive distinction in reliance on an incontestable trademark, the Supreme Court had not gone so far as to allow a private right of action to be based solely on § 33(b).²⁹¹ Although ultimately reversed by the Third Circuit,²⁹² this holding by the District Court of New Jersey highlights the difficulties courts have had in applying incontestability doctrine. That is, in *Park 'N Fly*, the Supreme Court precisely allowed for private causes of action based on incontestable trademarks. That a court would attempt to cling to the old distinction even in light of the Supreme Court mandate simply identifies the great conceptual problem courts have with incontestability.

Even more disturbing is *Spirol International Corp. v. Vogelsang Corp.*²⁹³ In an incredibly brief opinion, the court raises, dismisses, and then ignores the plaintiff's claim that its mark had become incontestable. Although in a cryptic footnote the court indicates that there may have been some suggestion at trial that the mark in question was obtained fraudulently,²⁹⁴ the court totally ignores any incontestability analysis even though the court "assumes arguendo"²⁹⁵ that the mark was, in fact, incontestable.

289. *Id.*

290. Courts within the Third Circuit cannot even decide if strength of the mark is an element in their test for likelihood of confusion. *See, e.g., American Olean Tile Co. v. American Marazzi Tile, Inc.*, 9 U.S.P.Q.2d 1145, 1148 (E.D. Pa. 1988) (strength is an element); *Apollo Distrib. Co. v. Jerry Kurtz Carpet Co.*, 696 F. Supp. 140, 142 (D. N.J. 1988) (strength is an element; incontestability and length of use make a strong mark); *Schering Corp. v. Schering Aktiengesellschaft & Berker Labs., Inc.*, 667 F. Supp. 175, 186-87 (D. N.J. 1987) (no clear statement on whether strength is element); *Nippondenso Co., Ltd. v. Denso Distribs.*, 1987 U.S. Dist. LEXIS 3782 (E.D. Pa. 1987) (strength is not an element of likelihood of confusion analysis); *Pedi-Care, Inc. v. Pedi-A-Care Nursing, Inc.*, 656 F. Supp. 449, 454-55 (D. N.J. 1987) (strength is not an element to likelihood of confusion test); *Byrnes & Keifer Co. v. Flavoripe Co.*, 1 U.S.P.Q.2d 1124, 1127 (W.D. Pa. 1986) (strength is not an element of likelihood of confusion test); *Tree Tavern Products, Inc. v. ConAgra, Inc.*, 640 F. Supp. 1263, 1269-70 (D. Del. 1986) (strength is an element of the likelihood of confusion test, but incontestability not considered in strength analysis); *Trump v. Caesar's World, Inc.*, 645 F. Supp. 1015, 1021-22 (D. N.J. 1986), *aff'd without opinion*, 819 F.2d 1132 (3d Cir. 1987) (strength is not an element of likelihood of confusion test).

291. *Weil Ceramics & Glass, Inc. v. Dash*, 618 F. Supp. 700, 704 (D.N.J. 1985), *rev'd*, 878 F.2d 659 (3d Cir. 1989).

292. *Weil Ceramics & Glass, Inc. v. Dash*, 878 F.2d 659, 673 (3d Cir. 1989).

293. 652 F. Supp. 160 (D. N.J. 1986).

294. *Id.* at 162 n.1.

295. *Id.* at 162.

In another case out of the District Court of New Jersey, the court held that “[s]ection 33(b) of the Lanham Act allows a trademark owner to assert the sole right to use *only its exact mark*.”²⁹⁶ This interpretation puts a new restriction on the offensive use of section 33(b) that is not found anywhere in the Lanham Act or the *Park ‘N Fly* opinion. The court in *American Cyanamid Co. v. S.C. Johnson & Son, Inc.*, cited *Weil Ceramics & Glass Inc. v. Dash* to support the notion that section 33(b) only applies to an exact copy of a mark.²⁹⁷ However, this reliance is misplaced. The language the court in *American Cyanamid* relied on in *Weil Ceramics* addresses the differences between an infringement action and a challenge to a mark’s validity. In that sense, only the exact mark may be valid; however, it does not limit a registrant to asserting the sole use of only its exact mark. Unless an incontestable mark is given the same protection as any mark in an infringement setting—that is, infringed if the defendant’s mark is likely to cause confusion regardless of whether the marks in question are exact—all purpose of section 33(b) is lost.

The court in *American Cyanamid* also stated that even an incontestable mark may be deemed weak.²⁹⁸ This approach seems to be the general trend in courts in the Third Circuit which dismiss incontestability from the strength analysis.²⁹⁹ This is opposed to recent cases from the Eastern District of Pennsylvania that have held that incontestability clearly contributes to a mark’s strength.³⁰⁰

4. Fourth Circuit

Courts in the Fourth Circuit are no less confused than those in the Third Circuit regarding the application of incontestability and *Park ‘N Fly*. In *Convenient Food Mart v. 6-Twelve Convenient Mart*,³⁰¹ one court went so far as to say that if a defendant counterclaims and attacks the validity of an incontestable mark, the plaintiff will be accorded the

296. *American Cyanamid Co. v. S.C. Johnson & Son, Inc.*, 729 F. Supp. 1018, 1024 (D.N.J. 1989) (emphasis added).

297. *American Cyanamid*, 729 F. Supp. at 1024 (citing *Weil Ceramics & Glass, Inc. v. Dash*, 11 U.S.P.Q.2d 1001, 1013 (3d Cir. 1989)).

298. 729 F. Supp. at 1024.

299. *Institute for Scientific Information, Inc. v. Gordon & Breach, Science Publishers, Inc.*, 931 F.2d 1002, 1010 (3d Cir. 1991) (court refuses to find “mere descriptiveness” to avoid implications of *Park ‘N Fly* but rather finds “clear descriptiveness”—a new concept nowhere else used in trademark law—to allow defendant to avail itself of fair use defense); *Country Floors, Inc. v. Country Tiles*, 930 F.2d 1056, 1063-64 (3d Cir. 1991).

300. *Merchant & Evans, Inc. v. Roosevelt Bldg. Prods. Co.*, 22 U.S.P.Q.2d 1094, 1099 (E.D. Pa. 1991).

301. 690 F. Supp. 1457 (D. Md. 1988), *aff’d*, 870 F.2d 654 (4th Cir. 1989).

prima facie presumption and not the conclusive presumption³⁰² that the mark is valid. The court in *Convenient Food Mart* even cited *Park 'N Fly* for this proposition. In doing so the court completely misread *Park 'N Fly*. The Supreme Court in *Park 'N Fly* stated that a successful assertion of a section 33(b) defense shifts the presumption of validity from conclusive to prima facie. The Supreme Court did not say that a defendant need only raise a section 33(b) challenge, but rather that it must be "established."³⁰³

Regarding the use of an incontestable mark as a strong mark, the courts within the Fourth Circuit are quite divided. The District of South Carolina held in May of 1990 that incontestability can be considered in determining the strength of a mark.³⁰⁴ In order to support this proposition the district court had to look elsewhere for precedent. It turned to *Dieter* from the Eleventh Circuit.³⁰⁵ Coupled with the fact that the court found the mark suggestive, the court concluded that an incontestable mark was strong.³⁰⁶

However, just months later, the Middle District of North Carolina determined that incontestability has no bearing on a mark's strength. In *Liggett Group, Inc. v. Brown & Williamson Tobacco Corp.*,³⁰⁷ the court looked to cases from the Fifth³⁰⁸ and Seventh³⁰⁹ Circuits to support its conclusion. All of these cases ignored the earlier case of *Frances Denney, Inc.*³¹⁰ in which the District Court of West Virginia held that incontestability automatically gave the holder superior rights over the alleged infringer.

Therefore, if a plaintiff is suing in federal court in South Carolina, the plaintiff may expect an incontestable mark to play a role in the determination of the mark's strength. If that same plaintiff sues in North Carolina, just across the border, incontestability may have no bearing on determining the strength of that mark. Meanwhile, if that same

302. 690 F. Supp. at 1460 (citing *Park 'N Fly, Inc. v. Dollar Park & Fly, Inc.*, 469 U.S. 189, 199 n.6 (1985)).

303. *Park 'N Fly, Inc. v. Dollar Park & Fly, Inc.*, 469 U.S. 189, 199 n.6 (1985).

304. *Dollar Rent A Car Sys., Inc. v. Sand Dollar Car Rentals, Inc.*, 765 F. Supp. 876, 879 (D.S.C. 1990).

305. *Dieter v. B. & H. Indus. of Southwest Fla.*, 880 F.2d 322 (11th Cir. 1989), cert. denied, 495 U.S. 928 (1990).

306. *Dollar Rent A Car Sys., Inc.*, 765 F. Supp. at 879-80.

307. 748 F. Supp. 344 (M.D. N.C. 1990), aff'd, 964 F.2d 335 (4th Cir. 1992).

308. *Oreck Corp v. U.S. Floor Sys., Inc.* 803 F.2d 166 (5th Cir. 1986), cert. denied, 481 U.S. 1069 (1987).

309. *Munters Corp. v. Matsui Am., Inc.* 730 F. Supp. 790 (N.D. Ill. 1989), aff'd, 909 F.2d 250 (7th Cir. 1990), cert. denied, 111 S. Ct. 591 (1990).

310. *Frances Denney, Inc. v. New Process Co.*, 670 F. Supp. 661, 666 (W.D. Va. 1985).

plaintiff sues in West Virginia, the plaintiff may expect incontestability to weigh heavily in its favor.

5. *Fifth Circuit*

The Fifth Circuit has recently begun to establish itself as a leader in trademark cases.³¹¹ Let us hope that this circuit's confusion regarding incontestability will not be followed blindly by others. The courts of the Fifth Circuit have variously held that *Park 'N Fly* applies only to validity and not to an infringement setting,³¹² that incontestability is conclusive evidence of the registrant's exclusive right to use the mark,³¹³ and that an incontestable mark is deemed to be "totally incontestable."³¹⁴

First, the Supreme Court made it very clear that the entire purpose of granting certiorari in *Park 'N Fly* was to dispel the notion that the Lanham Act drew any distinction between the use of an incontestable mark to defend its validity or to enforce it offensively.³¹⁵ The Fifth Circuit's conclusion in *Oreck Corporation*, therefore, is totally at odds with *Park 'N Fly*, and was ignored by the Southern District of Texas in *Service Merchandise*.³¹⁶

Park 'N Fly was also completely ignored by the Fifth Circuit in *Texas Pig Stands, Inc. v. Hard Rock Cafe International Inc.*³¹⁷ In that case, the court found the mark PIG SANDWICH was descriptive and

311. This happened when the Supreme Court followed the Fifth Circuit's minority position and held that inherently distinctive trade dress does not have to be shown to possess secondary meaning before it is enforceable against infringers. *Taco Cabana v. Two Pesos, Inc.*, 112 S. Ct. 2753, 2756 (1992). Other prominent circuits are now quickly following. See, e.g., *Braun, Inc. v. Dynamics Corp. of Am.*, 975 F.2d 815, 825-26 (Fed. Cir. 1992). For the argument that *Taco Cabana* was wrongly decided, see David Q. Burgess, Comment, *Taco Cabana Missed the Point: Trade Dress Can Never Be Inherently Distinctive* (Apr. 15, 1992) (unpublished manuscript, on file with author). Burgess argues that unlike trademarks, trade dress can never be inherently distinctive. Therefore, he argues, courts should always require secondary meaning. *Id.*

312. *Oreck Corp. v. U.S. Floor Sys., Inc.*, 803 F.2d 166, 171 (5th Cir. 1986), *cert. denied*, 481 U.S. 1069 (1987):

Park 'N Fly merely held . . . that an infringement action brought by the holder of an incontestable mark may not be defended on the ground that the mark is merely descriptive and therefore invalid. [citation omitted]. *U.S. Floor's* argument was not that Oreck's mark was invalid, but that it was not infringed because there was no confusion. *Park 'N Fly* says nothing to preclude this argument. Incontestable status does not make a weak mark strong.

313. *Joy Mfg. Co. v. C.G.M. Valve & Gauge Co.*, 730 F. Supp. 1387, 1394 (S.D. Tex. 1989).

314. *Service Merchandise Co. v. Service Jewelry Stores, Inc.*, 737 F. Supp. 983, 999 (S.D. Tex. 1990).

315. *Park 'N Fly*, 469 U.S. at 193, 203-205.

316. 737 F. Supp. 983.

317. 951 F.2d 684 (5th Cir. 1992).

needed secondary meaning to be valid,³¹⁸ even though it clearly recognized that the mark had become incontestable.³¹⁹ The court then proceeded to examine the mark for secondary meaning and concluded that the jury's finding of secondary meaning was not unfounded.³²⁰

In 1990, the Southern District of Texas held in *Service Merchandise* that incontestability deems a mark to have secondary meaning.³²¹ This conclusion apparently was not supported by the Fifth Circuit for it ignored *Service Merchandise* in its secondary meaning/incontestability analysis in *Texas Pig Stands, Inc.*³²² Finally, of interest in *Service Merchandise*, the court allowed the incontestability of one of the plaintiff's three marks to be used to establish secondary meaning for all three marks in question.³²³ Clearly, the Southern District of Texas gives much more weight to an incontestable mark than the Fifth Circuit.

6. Sixth Circuit

In the Sixth Circuit, one case in particular stands out. In *Wynn Oil Co. v. Thomas*,³²⁴ the court stated that:

Permitting [defendant] to relitigate the original strength or weakness of the mark runs afoul of *Park 'N Fly*'s requirement that courts give full effect to incontestable trademarks. Therefore, while the strength of plaintiff's mark will still be at issue in cases involving contestable marks, once a mark is registered for five years, the mark must be considered strong and worthy of full protection.³²⁵

The court does not cite where in *Park 'N Fly* the Supreme Court states that a defendant cannot challenge the strength of an incontestable mark. Rather, the Supreme Court in *Park 'N Fly*, rightly or wrongly, seems to have declined the opportunity to settle that issue; for the Sixth Circuit to claim that it had is judicial fantasy.³²⁶ If *Park 'N Fly* had

318. *Id.* at 692-93.

319. *Id.* at 689-90.

320. *Id.* at 693.

321. *Service Merchandise Co. v. Service Jewelry Stores, Inc.*, 737 F. Supp. 983, 999 (S.D. Tex. 1990).

322. The Western District of Texas also ignored incontestability relative to its strength analysis. *American Auto. Ass'n v. AAA Ins. Agency, Inc.*, 618 F. Supp. 787, 792 (W.D. Tex. 1985).

323. *Service Merchandise Co.*, 737 F. Supp. at 999.

324. 839 F.2d 1183 (6th Cir. 1988).

325. *Id.* at 1187.

326. This has not stopped the Sixth Circuit from making the same conclusion elsewhere with no supporting authority. *See, e.g.*, *Wynn Oil Co. v. American Way Serv. Corp.*, 943 F.2d 595, 600 (6th Cir. 1991). *See also Gougeon Bros., Inc. v. Hendricks*, 708 F. Supp. 811, 815 (E.D. Mich. 1988) (implying that if plaintiff's mark had been incontestable the court would have been obliged to assume its strength).

only been this clear and direct, perhaps some of the resultant confusion among the federal courts could have been avoided.

There are also district courts within the Sixth Circuit that have held that incontestability should only be one of the factors used when analyzing the strength of a trademark. For example, in *Great American Insurance Co. v. GRE America Corp.*,³²⁷ the Southern District of Ohio considered many factors in conducting an analysis of the strength of the plaintiff's trademark. Among these factors was the fact that the mark was incontestable. However, the court relied on the plaintiff's extensive use and diligent enforcement of its rights to find the plaintiff's mark strong and infringed.³²⁸

Finally, there are three cases in Ohio where the courts virtually ignored the fact that plaintiff's mark has attained incontestability in making their analysis of its strength. In *Oskiera v. Chrysler Motor Corp.*,³²⁹ although the plaintiff's mark had become incontestable, the court ignored that fact and relied on the mark's secondary meaning.³³⁰ In *Little Caesar Enterprises v. Pizza Caesar, Inc.*,³³¹ the court considered the strength of the plaintiff's trademark without any reference to the fact that it had become incontestable.³³² Finally, in *Crain Communications, Inc. v. Fairchild Publications, Inc.*,³³³ the court made mention of the mark's incontestability, but then the court did not apply the incontestable status to the analysis of the mark's strength. Rather, the court relied on the plaintiff's continuous use and survey evidence to conclude that the trademark was strong.³³⁴ The court in *Crain Communications* does, in fact, cite to *Wynn Oil*,³³⁵ the case that held that an incontestable mark is, by definition, a strong mark. However, the court in *Crain Communications* cited *Wynn Oil* only for the factors to consider in determining likelihood of confusion, but ignored what it said about incontestability.³³⁶

The cases in the Sixth Circuit are completely irreconcilable. Even holdings within the Sixth Circuit Court of Appeals are inconsistent.

327. 1990 U.S. Dist. Lexis 17011 (S.D. Ohio 1990).

328. *Id.* at *9-*11.

329. 21 U.S.P.Q.2d 1471 (6th Cir. 1991).

330. *Id.* at 1473.

331. 834 F.2d 568 (6th Cir. 1987).

332. *Id.* at 571.

333. 12 U.S.P.Q.2d 1214 (E.D. Mich. 1989).

334. *Id.* at 1215. Although the court recognizes the mark's incontestability and notes that this gives the plaintiff the exclusive right to use it, the court does not then draw the connection to strength. Instead, it decides the testimony and exhibits relating to publication, circulation, and survey results make the mark strong. *Id.* at 1215-17.

335. *Id.* at 1215 (citing *Wynn Oil*, 839 F.2d 1183 (6th Cir. 1988), the case that held that an incontestable mark by definition is a strong mark).

336. 12 U.S.P.Q.2d at 1215.

These inconsistent cases are within only a few years of one another. In fact, *Wynn Oil* and *Oskiera* have a judge in common, even though that judge did not write either opinion.³³⁷

7. *Seventh Circuit*

The Seventh Circuit has consistently interpreted *Park 'N Fly* to mean that incontestability is relevant only in analysis of the validity of a trademark and plays no role in whether a mark is strong. The Seventh Circuit interprets section 33(b) as applying to the validity of a mark *only*, and not to the analysis of likelihood of confusion. More specifically, the court in *Munters Corp. v. Matsui America, Inc.*,³³⁸ held that the fact that plaintiff's mark had become incontestable was only relevant to establishing that it had a valid and existing trademark. The court stated that incontestability should play no role in determining whether a mark has been infringed.

In *Chicagoland Jobsource*,³³⁹ the Northern District of Illinois stated that "validity and likelihood of confusion are distinct issues . . . , and an incontestability finding in no way concludes the confusion question; incontestability does not mean strength."³⁴⁰ Furthermore, the Northern District of Illinois held in *Source Telecomputing*,³⁴¹ that "the conclusive presumption that the marks have secondary meaning established by the statutory incontestability of plaintiff's . . . marks does not automatically transfer into a conclusive presumption of strength in a likelihood of confusion analysis."³⁴²

The Seventh Circuit's analysis relies on a distinction it has drawn between validity and infringement when applying incontestability doctrines. This is done because the statute expressly says that section 33(b) is subject to proof of infringement. However, nowhere in *Park 'N Fly*, nor anywhere in the statute, does it say that such a distinction between validity and infringement should be made when applying incontestability. If a mark is granted a conclusive presumption of secondary meaning and is, therefore, not merely descriptive for validity purposes,³⁴³ it does not follow then to say the same mark is merely descriptive and, therefore,

337. John W. Peck, Senior Circuit Judge.

338. 909 F.2d 250 (7th Cir. 1990), *cert. denied*, 111 S. Ct. 591 (1990).

339. *Source Serv. Corp. v. Chicagoland Jobsource, Inc.*, 643 F. Supp. 1523, 1532-33 (N.D. Ill. 1986).

340. *Id.* at 1532-33.

341. *Source Serv. Corp. v. Source Telecomputing Corp.*, 635 F. Supp. 600 (N.D. Ill. 1986).

342. *Id.* at 610. *See also* *Master Protection Corp. v. Firemaster Co., Inc.*, 1990 U.S. Dist. LEXIS 15352, *5-*7 (N.D. Ill. 1990) (holding that incontestability sheds no light on likelihood of confusion).

343. *Park 'N Fly, Inc. v. Dollar Park & Fly, Inc.*, 469 U.S. 189, 201-03 (1985).

very weak for infringement purposes. If this was the intent of the Supreme Court in *Park 'N Fly*, it seems that the Court would have clearly stated that incontestability has absolutely no role in infringement analysis.³⁴⁴ Rather, this distinction appears to be how the Seventh Circuit avoids another possible problem that the Supreme Court left open in *Park 'N Fly*—that is, if a merely descriptive mark is mistakenly registered by the Patent and Trademark Office, it should not at any point be enforceable against a third party simply because the registrant filed a Section 15 Affidavit and the mark attained incontestable status.

This problem could be resolved easily, however, by allowing courts to correct the Principle Register pursuant to the Lanham Act. Marks that should not have been registered in the first place would thereby be barred from enforcement against third party “infringers” and trademarks would be given their full meaning—the alleged intention of *Park 'N Fly*.³⁴⁵

At least one district court within the Seventh Circuit apparently has refused to accept the Seventh Circuit’s stand on incontestability. In *Nike, Inc. v. “Just Did It” Enterprises*,³⁴⁶ the court concluded that incontestability is evidence of a mark’s strength³⁴⁷ and cited *Wynn Oil v. Thomas* for that proposition.³⁴⁸ It is amazing that the Northern District of Illinois felt compelled to look to a contrary circuit court case for guidance on this issue when their own Seventh Circuit has clearly held that incontestability has no bearing on a mark’s strength for infringement purposes.

8. Eighth Circuit³⁴⁹

The Eighth Circuit considers incontestability irrelevant to a mark’s strength. In *Woodroast Systems*,³⁵⁰ the court stated that “the court notes . . . that the incontestability of a mark does not affect its strength.”³⁵¹

344. In fact, any language that does exist in *Park 'N Fly* is to the contrary. For example: “[w]e conclude that the holder of a registered mark may rely on incontestability to enjoin infringement” *Id.* at 205.

345. See *Wynn Oil Co. v. Thomas*, 839 F.2d 1183, 1187 (6th Cir. 1988).

346. 799 F. Supp. 894, 897 (N.D. Ill. 1992).

347. *Id.*

348. *Id.* (citing *Wynn Oil*, 839 F.2d 1183 (6th Cir. 1988)).

349. As of the date of this writing, the Eighth Circuit has not cited *Park 'N Fly* for any substantive reason that bears mentioning.

350. *Woodroast Sys., Inc. v. Restaurants Unlimited, Inc.*, 793 F. Supp. 906 (D. Minn. 1992)

351. *Id.* at 912 n.10. Curiously, the court in *Woodroast* cites *General Mills, Inc. v. Kellogg Co.*, 824 F.2d 622, 626 (8th Cir. 1987) to support this proposition. However, the Eighth Circuit in *General Mills* only held that *registration* does not affect a plaintiff’s ultimate burden of proof in showing likelihood of confusion. It is an illogical extension

The District Court of Minnesota even appears to consider incontestability irrelevant to the issue of validity. In *Murrin v. Midco Communications, Inc.*,³⁵² the court stated that although the mark was incontestable, it did not mention this fact when concluding that the plaintiff's mark was valid.³⁵³

9. Ninth Circuit

As the circuit where the controversy of *Park 'N Fly* arose, one would expect courts in the Ninth Circuit to follow the Supreme Court's opinion *Park 'N Fly* closely.³⁵⁴ However, the Ninth Circuit actually began a new divergence of opinions regarding incontestability that was only later settled by the 1988 Amendment to Lanham Act.

In *Jaycees*, the Eighth Circuit stated that *Park 'N Fly* precluded equitable defenses because they were not mentioned specifically in section 33(b).³⁵⁵ The Ninth Circuit, however, stated that *Park 'N Fly* allows equitable defenses to an incontestable mark.³⁵⁶ These two points of view are diametrically opposed to one another.

The Ninth Circuit excludes incontestability from the analysis of a mark's strength. For example, in *E. & J. Gallo Winery v. Gallo Cattle Co.*,³⁵⁷ the court found the plaintiff's mark strong because it had acquired secondary meaning, not because the mark was incontestable.³⁵⁸ Most

to conclude then that none of the benefits of registration should be considered in the likelihood of confusion analysis. The Eighth Circuit in *Woodroast* also cites *American Cyanamid Co. v. S.C. Johnson, Inc.* 729 F. Supp. 1018, 1024 (D. N.J. 1989) as controlling.

352. 726 F. Supp. 1195 (D. Minn. 1989).

353. *Id.* at 1200. *See also* *Hallmark Cards, Inc. v. Hallmark Dodge, Inc.*, 634 F. Supp. 990, 992-98 (W.D. Mo. 1986) (although a mark is incontestable, that fact does not affect court's analysis of strength); *Omaha Nat'l Bank v. Citibank, N.A.*, 633 F. Supp. 231, 234-35 (D. Neb. 1986) (although incontestable, court looks to third party licenses to find mark suggestive and therefore strong and ignores incontestable status).

354. In fact, on remand, the Ninth Circuit issued an extremely cursory opinion, only mentioning the Supreme Court's opinion overruling it for the narrow holding before it, and ignoring all else that was said. 782 F.2d 1508, 1509 (9th Cir. 1986) (on remand).

355. *U.S. Jaycees v. Cedar Rapids Jaycees*, 794 F.2d 379, 382 (8th Cir. 1986).

356. *Pyrodyne Corp. v. Pyrotronics Corp.*, 847 F.2d 1398, 1402-03 (9th Cir. 1988), *cert. denied*, 488 U.S. 968 (1988).

357. 12 U.S.P.Q.2d 1657, 1659 (E.D. Cal. 1989) (finding the marks GALLO incontestable), *modified and aff'd*, 955 F.2d 1327 (9th Cir. 1992), *amended*, 1992 U.S. App. LEXIS 14119 (9th Cir. 1992).

358. *E. & J. Gallo*, 955 F.2d at 1338-1339. There are numerous other examples in the Ninth Circuit where courts appear to ignore the fact that the plaintiff's mark has become incontestable. *See, e.g.*, *Century 21 Real Estate Corp. v. Magee*, 19 U.S.P.Q.2d 1530, 1534 (C.D. Cal. 1991) (court relies on precedent from other circuits to find plaintiff's mark strong); *First Interstate Bancorp v. Stenquist*, 18 U.S.P.Q.2d 1159, 1162 (N.D. Cal. 1990) (court found plaintiff's mark strong relying on nine years of use, fame in the banking industry, and advertising expenditures).

recently, the Ninth Circuit has reaffirmed this position stating that incontestability has nothing to do with the strength of a mark.³⁵⁹

The case in the Ninth Circuit most often cited for the proposition that an incontestable mark has no relevance to the strength of the mark appears to be *Miss World Ltd. v. Mrs. America Pageants, Inc.*³⁶⁰ However, such reliance appears to be misplaced. The court in *Miss World Ltd.* analyzed strength as follows: First, the court examined the mark's distinctiveness in terms of the continuum from generic to arbitrary and determined that incontestability made the mark at least more than generic. Second, the court investigated the strength of the mark in the marketplace. This "strength in the marketplace" must be something other than secondary meaning because the court admits that an incontestable mark is presumed to have secondary meaning.³⁶¹ The court does in fact look to incontestability to establish the significance of the mark. The confusion arises when the court concluded that "incontestable status does not *alone* establish a strong mark."³⁶² The Ninth Circuit has relied on this language to conclude that incontestability should play no role in determining a mark's strength.³⁶³ This much is clear: the court in *Miss World Ltd.* did not preclude the use of incontestability in determining a mark's strength—only that it alone does not establish strength. Relying on this case to conclude that courts are precluded from relying on a mark's incontestability when determining its strength is a misstatement of language in *Miss World Ltd.*³⁶⁴

10. Tenth Circuit

The District Court of New Mexico has stated that a trademark is "incontestable (i.e. valid) if *either* it was registered for more than five years before the counterclaim was filed, . . . or it has acquired a secondary meaning."³⁶⁵ This is a complete misstatement of the law for a

359. *Visa Int'l Serv. Ass'n v. Eastern Fin. Fed. Credit Union*, 1992 U.S. App. Lexis 14965 (9th Cir. 1992) (not appropriate for publication; citation limited by court rules).

360. 856 F.2d 1445, 1449 (9th Cir. 1988).

361. *Id.* at 1448 n.4.

362. *Id.* at 1449 (emphasis added).

363. *See, e.g., Visa Int'l Serv. Ass'n v. Eastern Fin. Fed. Credit Union*, 1992 U.S. App. Lexis 14965, at *3-*4 (9th Cir. 1992) (not appropriate for publication; citation limited by court rules).

364. *See also, Lindy Pen Co., Inc. v. Bic Pen Corp.*, 796 F.2d 254, 257 (9th Cir. 1990) (plaintiff's mark incontestable but weak nonetheless); *National Yellow Pages Serv. Ass'n v. O'Conner Agency*, 9 U.S.P.Q.2d 1516, 1519 (C.D. Cal. 1988) (registration and incontestability in and of themselves do not establish a strong mark).

365. *Foremost Corp. of Am. v. Burdge*, 638 F. Supp. 496, 499 (D. N.M. 1986) (emphasis added).

variety of reasons. This may be the best example of a court's total confusion over *Park 'N Fly* and incontestability in general.

First, incontestability is not automatic.³⁶⁶ Incontestability is acquired only if the registrant chooses to file a Section 15 Affidavit with the Patent and Trademark Office.³⁶⁷ That is, a mark conceivably could be registered for a lot longer than five years and still not be incontestable if the registrant has not filed a Section 15 Affidavit claiming incontestability. *Park 'N Fly* nowhere states that incontestability is automatic after five years of registration.

Also, a mark may have more than adequate secondary meaning pursuant to § 1052(f),³⁶⁸ and still not be incontestable. The District Court equated secondary meaning with incontestability. This is completely wrong. Although an incontestable mark is presumed to have secondary meaning,³⁶⁹ a mark with secondary meaning is not presumed to be incontestable. Often an applicant obtains a registration of a descriptive mark because the applicant shows the mark has secondary meaning. This secondary meaning may exist prior to the date of the application. This would occur when a trademark holder fails to register the mark for years and then finally files after many years of customer recognition has been built up. The District Court's reliance on § 1052(f) for the apparent proposition that a mark with secondary meaning is, pursuant to § 1052(f), automatically incontestable is unsustainable in light of the clear language of the statute.

The Tenth Circuit does not consider strength an element of the likelihood of confusion analysis.³⁷⁰ In *Beer Nuts, Inc. v. Clover Club Foods Co.*,³⁷¹ the Tenth Circuit stated that incontestability can be used

366. *But see supra* note 102.

367. 15 U.S.C. § 1065(3) (1988). *See also supra* notes 104-13 and accompanying text.

368. Section 2(f) states:

Except as expressly excluded in paragraphs [(a)-(d)] of this section, nothing in this chapter shall prevent the registration of a mark used by the applicant which has become distinctive of the applicant's good in commerce. The Commissioner may accept as prima facie evidence that the mark has become distinctive, as used on or in connection with the applicant's goods in commerce, proof of substantially exclusive and continuous use thereof as a mark by the applicant in commerce for the five years before the date on which the claim of distinctiveness is made.

15 U.S.C. § 1052(f) (1988). Nowhere in this section does the statute equate secondary meaning with incontestability.

369. *Park 'N Fly, Inc. v. Dollar Park & Fly, Inc.*, 469 U.S. 189, 203 (1985).

370. *Coherent, Inc. v. Coherent Technologies, Inc.*, 935 F.2d 1122, 1125 (10th Cir. 1991).

371. 805 F.2d 920 (10th Cir. 1986).

for two purposes: to show validity³⁷² and to show secondary meaning.³⁷³ As stated previously, it is inconsistent to say that incontestability may not be used to analyze the strength of a mark and, simultaneously, say it may be used to presume secondary meaning. This is because a mark with secondary meaning has at least enough strength to be recognized by the relevant public. According to the definition of strength—the tendency of the mark to identify the goods sold under the mark as emanating from a particular source³⁷⁴—secondary meaning and strength are almost synonymous. Therefore, the court's reasoning in *Beer Nuts* is circular and does not clarify the application of incontestability.

11. Eleventh Circuit

Today, the Eleventh Circuit consistently holds that an incontestable mark is a strong mark. In *Dieter v. B. & H. Industries of Southwest Florida*,³⁷⁵ the court stated that the “incontestable status is a factor to be taken into consideration in the likelihood of confusion analysis. Because Dieter's mark was incontestable, then it is presumed to be at least descriptive with secondary meaning, and therefore a relatively strong mark.”³⁷⁶

Before *Dieter*, some courts in the Eleventh Circuit used incontestability in their strength of the mark analysis³⁷⁷ and some did not.³⁷⁸ Today, courts within the Eleventh Circuit are apparently following the *Dieter* court. In *Burger King Corp. v. Hall*,³⁷⁹ the court held that the strength of the mark should be determined by incontestability, registra-

372. See also *Universal Money Centers, Inc. v. American Tel. & Tel. Co.*, 17 U.S.P.Q.2d 1435, 1438 (D. Kan. 1990).

373. *Beer Nuts*, 805 F.2d at 924. See also *Universal Motor Oils Co., Inc. v. Amoco Oil Co.*, 15 U.S.P.Q.2d 1613, 1618 (D. Kan. 1990).

374. *McGregor-Doniger, Inc. v. Drizzle, Inc.*, 599 F.2d 1126, 1131 (2d Cir. 1979).

375. 880 F.2d 322 (11th Cir. 1989), cert. denied, 495 U.S. 928 (1990). Analysis of Eleventh Circuit cases is particularly difficult because courts in this circuit typically use the words “strength” and “type of mark” interchangeably. See, e.g., *Ocean Bio-Chem, Inc. v. Turner Network Television, Inc.*, 741 F. Supp. 1546, 1554 (S.D. Fla. 1990); *Gold Kist, Inc. v. ConAgra, Inc.*, 708 F. Supp. 1291, 1297 (N.D. Ga. 1989); *Clayton v. Howard Johnson Franchise Sys., Inc.*, 730 F. Supp. 1553, 1559 (M.D. Fla. 1988); *Rolex Watch U.S.A. v. Canner*, 645 F. Supp. 484, 488 (S.D. Fla. 1986).

376. *Dieter*, 880 F.2d at 329.

377. *Clayton*, 730 F. Supp. at 1559.

378. *Gold Kist, Inc.*, 708 F. Supp. at 1297 (court looks to distinctiveness and third party usage of the same or similar mark and consumer recognition of the mark to find a strong trademark); *Rolex Watch U.S.A.*, 645 F. Supp. at 488 (court looks to arbitrariness of the mark to find strong mark); *Bell Lab., Inc. v. Colonial Prod., Inc.*, 644 F. Supp. 542, 545-46 (S.D. Fla. 1986) (court looks to distinctiveness and third party use to determine if mark is strong).

379. 770 F. Supp. 633 (S.D. Fla. 1990).

tion, whether the mark is arbitrary, suggestive or descriptive, and public recognition.

One Florida court's confusion over incontestability is astounding and therefore bears mention. In *Chase Federal Savings & Loan Ass'n v. Chase Manhattan Financial Services, Inc.*,³⁸⁰ the court found the defendant's mark incontestable,³⁸¹ but the court *also* found that the mark did not have secondary meaning.³⁸² In fact, the court decided "[n]either Plaintiff nor Defendant(s) has acquired as against the other the *exclusive right* to the name 'Chase' through common usage sufficient to obtain ownership of a secondary meaning in the name or mark 'Chase.'"³⁸³ The court resolved the situation by giving each party certain concurrent rights to the mark.³⁸⁴

As we have seen, after *Park 'N Fly*, no other court would go so far as to conclude an incontestable registration is invalid because it is merely descriptive.³⁸⁵ The court in *Chase Federal* either totally misunderstood *Park 'N Fly*, or chose to ignore its clear directive: incontestable marks are now not supposed to be challengeable on grounds of being merely descriptive.³⁸⁶

12. Federal Circuit Court of Appeals (FCCA)

The FCCA has not directly concluded whether it considers incontestability a dispositive point when determining a mark's strength.³⁸⁷ This may, in part, be due to the fact that "strength of the mark" is not expressly enumerated in the FCCA's test for likelihood of confusion. In fact, the cases are so varied on this issue, it is difficult even to speculate on whether a clear rule exists in the FCCA.

Nevertheless, it appears that the FCCA will not be bothered with incontestability when (or if) it considers a mark's strength or for any other reason. For example, in *G.H. Mumm & Cie v. Desnoes & Geddes*,

380. 681 F. Supp. 771 (S.D. Fla. 1987).

381. *Id.* at 773.

382. *Id.* at 785.

383. *Id.*

384. *Id.* at 788.

385. Any mark that is a mark and lacks secondary meaning is, by definition, merely descriptive and invalid.

386. *Park 'N Fly, Inc. v. Dollar Park & Fly, Inc.*, 469 U.S. 189, 196-197 (1985).

387. The FCCA has not had much opportunity to do so. There are only five cases since *Park 'N Fly* (1985) where the FCCA addresses incontestable marks. *Kenner Parker Toys, Inc. v. Rose Art Indus., Inc.*, 22 U.S.P.Q.2d 1453 (Fed. Cir. 1992); *National Cable Tel. Ass'n, Inc. v. American Cinema Editions, Inc.*, 937 F.2d 1572, 1581 (Fed. Cir. 1991); *G.H. Mumm & Cie v. Desnoes & Geddes, Ltd.*, 917 F.2d 1292, 1293 (Fed. Cir. 1990); *Imperial Tobacco, Ltd. v. Philip Morris, Inc.*, 899 F.2d 1575, 1575 n.5 (Fed. Cir. 1990); *In re Merrill Lynch, Pierce, Fenner & Smith, Inc.*, 828 F.2d 1567, 1568 (Fed. Cir. 1987).

Ltd.,³⁸⁸ the court stated that the mark was incontestable but made no mention of that fact when it discussed the mark's fame.³⁸⁹ Conversely, when the court did address the mark's strength in *G.H. Mumm & Cie*, it totally ignored incontestability.

388. 917 F.2d 1292 (Fed. Cir. 1990).

389. According to the FCCA, "fame" refers to sales, advertising and length of use of the mark. *Id.* at 1295. All of these would be factors contributing to the strength of the mark in most other circuits.

