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# PROTECTION AND REGISTRATION OF TRADE--MARKS USED IN COMMERCE

FEBRUARY 22 (calendar day, FEBRUARY 23), 1927.----Ordered to be printed.

Mr. METACALF, from the Committee on Patents, submitted the following

## REPORT

[To accompany S. 4811]

The Committee on Patents, to which was referred the bill (S. 4811) to protect trade--marks used in commerce, to authorize the registration of such trade--marks, and for other purposes, having had the same under consideration reports the bill to the Senate, with amendments as hereinafter set forth, and recommends the same be passed.

The bill has the approval of the Department of Commerce, as will appear by the following letter, which is made a part of this report:

MY DEAR SENATOR: As requested by you, careful consideration has been given to the bill (S. 4811) to protect trade--marks used in commerce, to authorize the registration of such trade--marks, etc.

A report of Commissioner Robertson is appended hereto showing that the bill is believed to be an improvement on the various different laws now in effect for registering trade--marks in our Patent Office.

The bill is accordingly approved.

Yours faithfully,
HERBERT HOOVER.

Secretary of Commerce.

DEPARTMENT OF COMMERCE. UNITED STATES PATENT OFFICE.
Washington.

Memorandum for Secretary Hoover.

Careful consideration has been given to Senate bill 4811, to authorize the registration of trade--marks in the Patent Office.

The present bill attempts to codify the several statutes now in effect with respect to the Patent Office and also adds other provisions. This bill has been [2] pending in one form or another for a number of years and has the indorsement of the American Bar Association and I believe of several patent law associations.

The bill in slightly modified form was favorably reported by the Senate committee in the last Congress and hearings have been had before the House Committee on Patents in the present Congress.

The bill is believed to be a marked improvement upon the several laws now in effect and it therefore meets my approval.

THOMAS E. ROBERTSON.
Commissioner.

DECEMBER 18, 1926.The amendments are as follows: On page 4, strike out line 12 and all of the following lines on that page and the first three lines on page 5, and insert in lieu thereof the following:
(a) All marks communicated to him by an international bureau organized under the provisions of a treaty or convention to which the United States is a party and in connection with which the fee required by such convention for international registration and the fee for registration provided by the laws of the United States have been paid where the mark so communicated is deemed by the Commissioner of Patents to be such that protection can be granted thereto in accordance with existing law. The communication from the international bureau shall show the name and address of the owner of the mark; the date of application for registration in the State of first registration or deposit, which State must be one of the signatory countries; the number of the registration and the date of expiration in the State of first registration or deposit; a facsimile of the mark; a statement of the goods on which the mark is used in the State of first registration or deposit; the date of the application of recognition of the rights claimed under the convention; and such other data as may be useful concerning the mark. If objection is made to the registration of such mark notice thereof shall be communicated by the commissioner to the said international bureau.
Registrations effected under the foregoing paragraph shall be subject to cancellation in accordance with the provisions of existing law.
When protection is refused to any mark communicated by an international bureau as above specified, by reason of a prior registration or pending application for registration, the proprietor of the mark claiming recognition of rights under the treaty or convention shall have the right to seek and obtain the cancellation of the previously registered mark, upon proving, according to the procedure fixed by existing law, such refusal; and
(1) That he had legal protection for his mark in any of the contracting States before the date of application for the registration which he seeks to cancel; or
(2) That the registrant had no right to the ownership, use, or employment of the registered mark at the date of its deposit; or
(3) That the mark covered by the registration which he seeks to cancel has been abandoned.
The time within which such application for the cancellation of a registration may be made shall be two years from September 30, 1926, if the refusal to register was made prior to that date, and in all other cases it shall be one year from the date of the receipt by the international bureau of the refusal to register.
The term "legal protection" for the mark as used herein shall be interpreted to include ownership of the mark in the United States acquired by adoption and use and with or without subsequent registration. On page 5, line 19, strike out the word "therein." On page 6, line 7, after the word "and" insert the word "of." On page 6, line 20, after the word "or" strike out the word "of" and insert the word "under". On page 7, line 13, after the word "circle" insert the word "thus" with the letter "R" in a circle. On page 7, line 15, after the word "use" insert the words "in connection with any unregistered mark." On page 7, line 22, after the word "import," strike out the period, insert a comma and the words "or use any such words or abbreviations on any label or in any catalogue, circular, or advertising matter." [3] On page 7, after line 22, insert a new paragraph, as follows:
(d) Any person who violates the provisions of section 4(c) of this act, or who, having merely deposited his mark in accordance with the provisions of section 5 of this act, accompanies that mark with any of the indications mentioned in section 4(b) of this act, or places any of

them on any label or in any catalogue, circular or advertising matter, shall be guilty of a misdemeanor punishable by a fine of not less than $100 or more than $250.
On page 7, line 23, after the word "including" strike out the word "therein."
On page 7, line 24, after the word "mark" insert a comma.
On page 9, line 7, after the words "infringing marks" insert the words "deposits of abandoned marks, deposits which have been antedated."
On page 9, after line 8, insert a new paragraph:
(c) The commissioner shall not accept for deposit any mark already registered for the same goods. Deposit of a mark shall not of itself be ground for rejection of an application for registration, but if a deposited mark conflicts with an application for registration, the commissioner shall notify both the applicant and depositor and shall determine the rights of the parties.
On page 10, line 19, strike out the commas after the figures "1" and "2", also strike out the word "and" and figure "3" and insert after the figure "1" the word "and."
On page 14, in line 6, after the word "Office", insert a comma and the word "deposits", and in line 7, after the word "registration" strike out the words "and of deposit."
On page 16, line 6, after the word "each" strike out the word "is" and insert the words "shall be."
On page 34, in line 17, insert a comma after the word "devices."
On page 36, in lines 7 and 11, strike out the year "1926" and insert in lieu thereof the year "1927."
The primary purpose of this bill is to consolidate the seven or more Federal trade--mark acts, to incorporate the provisions of the existing tariff laws relating to trade--marks, to reconcile inconsistencies between these various statutes and to remedy certain defects which experience has shown that many of them have, and generally to apply the common law of trade--marks to commerce over which Congress has jurisdiction.
The substantial departures from existing law are in sections 2f, 3a, 3b, 5, 12, 14, and 24. Section 2f provides that marks which have acquired a "secondary" meaning may be registered, and it sets forth that substantially exclusive use for five years shall be considered prima facie evidence of such secondary meaning. (The present act provides that any one who had had 10 years exclusive use prior to the passage of the act should be permitted registration.)
Section 3a is a substitute for section (a) of the act of March 19, 1920, and is made necessary by the treaty with various South American countries. This treaty was ratified by the required number of countries on September 30, 1926, and was proclaimed by the President on January 12, 1927. A letter from the State Department referring to this matter is, as follows:

DEPARTMENT OF STATE.
Washington, January 26, 1927.

The SECRETARY OF COMMERCE.

SIR: I have the honor to state, for the information of the Commissioner of Patents and the Bureau of
Foreign and Domestic Commerce, that in accordance [4] with Article XIV of the Pan American Trade--Mark Convention, signed at Santiago, Chile, in 1923, the Minister of Foreign Relations of Chile by a cablegram dated January 6, 1927, informed the Government of the United States that the said convention had been ratified by the Governments of the United States, Brazil, Cuba, Paraguay, Haiti; and the Dominican Republic, and went into effect on September 30 last.

The convention was proclaimed by the President on January 12, 1927.
I have the honor to be, sir, your obedient servant,

J. BUTLER WRIGHT.
Assistant Secretary
(For the Secretary of State).

This section 3a is necessary to effectuate the Santiago treaty as ratified by the Senate on February 24, 1925, and in addition to taking care of the other features of the convention includes the important reservation made by the Senate in ratifying the convention.

Section 3b is intended as a substitute for the act of March 19, 1920, to which considerable objection has been found. This act of 1920 permits one to register a mark without being subject to opposition proceedings and its purpose was to enable one to register a mark promptly for the purpose of obtaining registration in foreign countries. The act of 1920 is defective in that (a) it fixes no term, (b) it permits the mark to be used to stop importation, and (c) no appeal can be taken from the decision of the Commissioner of Patents. Section 3b is intended to provide quick registration of marks to be used upon goods exported from the United States as a preliminary to securing protection against piracy in foreign countries. While this section does not permit opposition it does provide for cancellation of marks improperly registered, and the bill also fixes a term of 20 years for these quick registrations and prohibits them from being used to prevent importations; likewise, the bill also provides (see p. 35, line 16) that registrations already issued under the act of 1920 shall expire in 20 years and such registrations shall not be used to stop importations. A further advantage of the present bill permits an appeal to the Court of Appeals of the District of Columbia so that the decisions of the commissioner may be reviewed as they can under the act of 1905.

Section 5 is intended to authorize the deposit in the Patent Office of marks in use, so that, as far as possible, a complete file of existing trade--marks, whether registered or not, will be available for search purposes. There is no place at present where a search can be made with any assurance that it is exhaustive, and it is hoped that in the course of time there will be assembled in the office a file of marks actually in use, reference to which will help to determine whether a mark proposed to be adopted, can safely be used. No rights result from deposit, but having available a compilation of existing unregistered trade--marks, it is believed will be useful. The Commissioner of Patents believes this deposit system will be of vital importance to manufacturers in the conduct of their business in making it possible for them to avoid trespassing on the rights of other manufacturers.

Section 12 permits, under limited and exceptional circumstances, and by the voluntary act of the parties, plural registrations. This is done to take care of a very practical situation. It frequently happens that it is necessary for the purpose of protection abroad for registration to be obtained in the United States. Under existing law, where the applicant is required to make affidavit that no one [5] except the applicant has any right to use the mark in the United States, registration here can not be obtained by either rightful joint user of a mark, and protection abroad is therefore denied. This frequently works hardship and injustice. The bill permits such plural registrations only upon the consent of the original user.

Finally, this bill attempts to simplify procedure, to remove useless and sometimes highly technical obstructions, to make trade--mark property more secure, and to make remedies against infringement more direct and certain, to save time and expense, to provide a deposit system at extremely low cost to make it possible for manufacturers to learn what marks are being used by rival manufactures so as not to infringe thereupon, to help protect the marks of American manufacturers in foreign countries and, generally, to secure whatever benefits registration may give to the greatest possible number of people.

70th Congress, 1st Session
IN THE HOUSE OF REPRESENTATIVES

DECEMBER 9, 1927
Mr. VESTAL introduced the following bill; which was referred to the Committee on Patents and ordered to be printed

A BILL
To protect trade--marks used in commerce, to authorize the registration of such trade--marks, and for other purposes.