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SENATE FILE 2232

BY COMMITTEE ON JUDICIARY

(P. 638) 3-15-94 House - Judiciary  
(P. 657) 3-23-94 House - Do Pass  
(SUCCESSOR TO SSB 2149)

(P. 667)  
Passed Senate, Date 3-15-94

(P. 1360)  
Passed House, Date 4-11-94

Vote: Ayes 48 Nays 2

Vote: Ayes 95 Nays 3

Approved April 19, 1994

A BILL FOR

1 An Act relating to the registration and use of marks, including  
2 trademarks and service marks, and providing for fees.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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SF 2232

1 Section 1. Section 548.1, Code 1993, is amended to read as  
2 follows:

3 548.1 DEFINITIONS.

4 As used in this chapter, unless the context otherwise  
5 requires:

6 1. "Abandoned" means the occurrence of any of the  
7 following in relation to a mark:

8 a. The use of the mark has been discontinued with intent  
9 not to resume such use. Nonuse for two consecutive years  
10 shall constitute prima facie evidence of abandonment.

11 b. A course of conduct of the owner of the mark, including  
12 acts of omission as well as commission, causes the mark to  
13 lose its significance as a mark.

14 † 2. "Applicant" means a person filing an application for  
15 registration of a mark under this chapter, and the person's  
16 legal representative, successor, or assignee.

17 3. "Dilution" means the lessening of the capacity of a  
18 mark to identify and distinguish goods or services, regardless  
19 of the presence or absence of any of the following:

20 a. Competition between parties.

21 b. Likelihood of confusion, mistake, or deception.

22 2 4. "Mark" means a word, name, symbol, device, or any  
23 combination of the foregoing in any form or arrangement used  
24 as a certification mark, collective mark, service mark, or  
25 trade-mark trademark or service mark, entitled to registration  
26 under this chapter, whether registered or not.

27 a. "Certification mark" means a mark used in connection  
28 with the goods or services of a person other than the  
29 certifier to indicate geographic origin, material, mode of  
30 manufacture, quality, accuracy, or other characteristics of  
31 the goods or services, or to indicate that the work or labor  
32 on the goods or services was performed by members of a union  
33 or other organization.

34 b. "Collective mark" means a mark used by members of a co-  
35 operative, association, or other collective group or

1 organization-to-identify-goods-or-services-and-distinguish  
2 them-from-those-of-others,-or-to-indicate-membership-in-the  
3 collective-group-or-organization-

4 e 5. "Service mark" means a mark word, name, symbol, or  
5 device or any combination of a word, name, symbol, or device,  
6 used by a person, to identify services and to distinguish them  
7 from the services of others that person, including a unique  
8 service, from the services of others, and to indicate the  
9 source of the services, even if that source is unknown.  
10 Titles, character names used by a person, and other  
11 distinctive features of radio or television programs may be  
12 registered as service marks notwithstanding that they, or the  
13 programs, may advertise the goods of a sponsor.

14 d 6. "Trade-mark" "Trademark" means a mark-used-by-a  
15 person-to-identify-goods-and-to-distinguish-them-from-the  
16 goods-of-others word, name, symbol, or device or any  
17 combination of a word, name, symbol, or device, used by a  
18 person to identify and distinguish the goods of that person,  
19 including a unique product, from products manufactured and  
20 sold by others, and to indicate the source of the goods, even  
21 if that source is unknown.

22 3 7. "Person" means-an-individual,-corporation,-government  
23 or-governmental-subdivision-or-agency,-business-trust,-estate,  
24 trust,-partnership,-unincorporated-association,-two-or-more-of  
25 any-of-the-foregoing-having-a-joint-or-common-interest,-or-any  
26 other-legal-or-commercial-entity and any other word or term  
27 used to designate the applicant or other party entitled to a  
28 benefit or privilege or rendered liable under this chapter  
29 includes a juristic person as well as a natural person. The  
30 term "juristic person" includes a firm, partnership,  
31 corporation, union, association, or other organization capable  
32 of suing and being sued in a court of law.

33 4 8. "Registrant" means a person issued-a to whom the  
34 registration of a mark under this chapter is issued, and the  
35 person's legal representative, successor, or assignee of such

1 person.

2 9. "Secretary" means the secretary of state or the  
3 designee of the secretary charged with the administration of  
4 this chapter.

5 5 10. "Trade name" means a word, name, symbol, device, or  
6 any combination of the foregoing in any form or arrangement  
7 name used by a person to identify the person's a business, or  
8 vocation, or occupation, and distinguish it from others of  
9 such person.

10 6 11. "Use" means the bona fide use of a mark in the  
11 ordinary course of trade, and not made merely to reserve a  
12 right in a mark. For the purposes of this chapter, a mark  
13 shall be deemed to be in use under any of the following  
14 circumstances:

15 a. Placing a mark On goods sold or transported in commerce  
16 when the mark is placed in any manner on the goods or  
17 containers or associated displays, or on affixed tags or  
18 labels, and selling or otherwise distributing the goods in  
19 this state or if the nature of the goods makes the placement  
20 on the goods or containers impracticable, on documents  
21 associated with the goods or their sale.

22 b. Displaying a mark in connection with the sale or  
23 advertising of services rendered: On services when the mark is  
24 used or displayed in the sale or advertising of services and  
25 the services are rendered in this state.

26 Sec. 2. Section 548.2, Code 1993, is amended to read as  
27 follows:

28 548.2 REGISTRABILITY.

29 †: A mark by which the goods or services of any applicant  
30 for registration may be distinguished from the goods or  
31 services of others shall not be registered if it the mark  
32 meets any of the following criteria:

33 a 1. Consists of or comprises immoral, deceptive, or  
34 scandalous matter, or.

35 b 2. Consists of or comprises matter which may disparage,

1 bring into contempt or disrepute, or falsely suggest a  
2 connection with persons, living or dead, institutions,  
3 beliefs, or national symbols, or bring them into contempt, or  
4 disrepute.

5 e 3. Consists of or comprises the flag, or coat of arms,  
6 or other insignia of the United States, or of any state or  
7 municipality, or of any foreign nation, or any simulation  
8 thereof, ~~or.~~

9 d 4. Consists of, or comprises the name, signature, or  
10 portrait ~~of any~~ identifying a particular living individual,  
11 except with by the individual's written consent, ~~or.~~

12 e 5. Consists of a mark which is one of the following:

13 (1) a. When ~~applied to~~ used on or in connection with the  
14 goods or services of the applicant, is merely descriptive or  
15 deceptively misdescriptive of ~~them~~ the goods or services.

16 (2) h. When ~~applied to~~ used on or in connection with the  
17 goods or services of the applicant, is primarily  
18 geographically descriptive or geographically misdescriptive of  
19 ~~them~~ the goods or services.

20 (3) c. Is primarily merely a surname.

21 This paragraph-~~"e"~~ subsection 5 does not prevent the  
22 registration of a mark used ~~in this state~~ by the applicant  
23 which has become distinctive of the applicant's goods or  
24 services. The secretary ~~of state~~ may accept as evidence that  
25 the mark has become distinctive, ~~as applied to~~ on or in  
26 connection with the applicant's goods or services, proof of  
27 continuous use thereof as a mark by the applicant in this  
28 state ~~or elsewhere~~ for the five years ~~next preceeding~~ before  
29 ~~the date of the filing of the application for registration, or~~  
30 on which the claim for distinctiveness is made.

31 f 6. Resembles Consists of or comprises a mark which so  
32 resembles a mark registered in this state or a mark or trade  
33 name previously used ~~in this state~~ by another and not  
34 abandoned, so as to be likely, when ~~applied to~~ used on or in  
35 connection with the goods or services of the applicant, to

1 cause confusion, or mistake, or deception-of-purchasers to  
2 deceive.

3 ~~2.--Judicial-review-of-actions-of-the-secretary-of-state~~  
4 ~~may-be-sought-in-accordance-with-the-terms-of-the-Iowa~~  
5 ~~administrative-procedure-Act.~~

6 Sec. 3. Section 548.3, Code 1993, is amended to read as  
7 follows:

8 548.3 APPLICATION FOR REGISTRATION.

9 Subject to the limitations set forth in this chapter, any a  
10 person who has-previously-adopted-and-used uses a mark in-this  
11 state may file in the office of the secretary of-state, in the  
12 manner prescribed-by which will comply with the requirements  
13 of the secretary of-state, duplicate-originals-of an  
14 application for the registration of the that mark.--~~The~~  
15 ~~application-shall-include~~ setting forth, but not be limited  
16 to, all of the following information:

17 1. The name and business address of the applicant, person  
18 applying for registration; and if a corporation, the state of  
19 incorporation, or if a partnership, the state in which the  
20 partnership is organized and the names of the general  
21 partners, as specified by the secretary.

22 2. The goods or services on or in connection with which  
23 the mark is in use, the mode or manner in which the mark is  
24 used on or in connection with those goods or services, and the  
25 class ~~or-classes~~ in which such goods or services fall, as  
26 described in regulations-promulgated rules adopted by the  
27 secretary of-state.

28 3. The date on which the mark was first used anywhere by  
29 the applicant or the applicant's predecessor in interest,~~and~~  
30 ~~the-date-on-which-it-was-first-used-in-this-state.~~

31 4. A statement that the applicant is the owner of the mark  
32 in-this-state, that the mark is in use, and that, to the  
33 knowledge of the person verifying the application, no other  
34 person has registered, either federally or in this state, or  
35 has the right to use a such mark in-this-state-which

1 ~~purchasers-would-be-likely-to-confuse-or-mistake-for-the~~  
2 ~~applicant's-mark~~ either in the identical form or in such  
3 resemblance to the form as to be likely, when applied to the  
4 goods or services of such other person, to cause confusion or  
5 mistake, or to deceive.

6 5. ~~The signature-and-verification-of~~ secretary may also  
7 require a statement as to whether an application to register  
8 the mark, or portions or a composite of the mark, has been  
9 filed by the applicant or a predecessor in interest in the  
10 United States patent and trademark office; and if so, the  
11 applicant shall provide full particulars with respect to the  
12 filing including the filing date and serial number of each  
13 application, the status of the application and if any  
14 application was finally refused registration or has otherwise  
15 not resulted in a registration, the reasons therefore.

16 The secretary may also require that a drawing of the mark,  
17 complying with such requirements as the secretary may specify,  
18 accompany the application.

19 The application shall be signed and verified by oath,  
20 affirmation, or declaration subject to perjury laws by the  
21 applicant, -a-specimen-or-facsimile-of-the-mark-illustrating  
22 its-present-mode-of-use,-and-a-filing-fee-of-ten-dollars-for  
23 each-class-of-goods-or-services-for-which-registration-is  
24 sought or by a member of the firm or an officer of the  
25 corporation or association applying.

26 The application shall be accompanied by three specimens  
27 showing the mark as actually used.

28 The application shall be accompanied by the application fee  
29 payable to the secretary.

30 Sec. 4. NEW SECTION. 548.3A FILING OF APPLICATIONS.

31 1. Upon the filing of an application for registration and  
32 payment of the application fee, the secretary may cause the  
33 application to be examined for conformity with this chapter.

34 2. The applicant shall provide any additional pertinent  
35 information requested by the secretary including a description

1 of a design mark and may make, or authorize the secretary to  
2 make, such amendments to the application as may be reasonably  
3 requested by the secretary or deemed by the applicant to be  
4 advisable to respond to any rejection or objection.

5 3. The secretary may require the applicant to disclaim an  
6 unregistrable component of a mark otherwise registrable, and  
7 an applicant may voluntarily disclaim a component of a mark  
8 sought to be registered. A disclaimer shall not prejudice or  
9 affect the applicant's or registrant's rights existing at or  
10 after the time of disclaimer arising in the disclaimed matter,  
11 or the applicant's or registrant's rights of registration on  
12 another application if the disclaimed matter is or becomes  
13 distinctive of the applicant's or registrant's goods or  
14 services.

15 4. Amendments may be made by the secretary upon the  
16 application submitted by the applicant upon the applicant's  
17 agreement, or the secretary may require a new application to  
18 be submitted.

19 5. If the applicant is found not to be entitled to  
20 registration, the secretary shall advise the applicant thereof  
21 and of the reasons therefore. The applicant shall have a  
22 reasonable period of time specified by the secretary in which  
23 to reply or to amend the application, in which event the  
24 application shall be reexamined. This procedure may be  
25 repeated until the secretary finally refuses registration of  
26 the mark or the applicant fails to reply or amend within the  
27 specified period, whereupon the application shall be deemed to  
28 have been abandoned.

29 6. If the secretary finally refuses registration of the  
30 mark, the applicant may seek judicial review of the refusal in  
31 accordance with chapter 17A.

32 7. If the secretary is concurrently processing  
33 applications seeking registration of the same or confusingly  
34 similar marks for the same or related goods or services, the  
35 secretary shall grant priority to the applications in order of

1 filing. If an application filed earlier is granted a  
2 registration, a later application shall be rejected. Any  
3 rejected applicant may bring an action for cancellation of the  
4 registration upon grounds of prior or superior rights to the  
5 mark, in accordance with the provisions of section 548.7.

6 Sec. 5. Section 548.4, Code 1993, is amended to read as  
7 follows:

8 548.4 CERTIFICATE OF REGISTRATION.

9 ~~The~~ Upon compliance by the applicant with the requirements  
10 of this chapter, the secretary of state shall issue cause a  
11 certificate of registration to be issued and delivered to the  
12 applicant upon-compliance-with-the-requirements-of-this  
13 chapter. The certificate of registration shall be issued over  
14 under the signature and seal of the secretary of state or the  
15 secretary's designee, bear the date of registration, and be  
16 affixed to a duplicate original application or a copy and  
17 shall show the name and business address and, if a  
18 corporation, the state of incorporation, or if a partnership,  
19 the state in which the partnership is organized and the names  
20 of the general partners, as specified by the secretary, of the  
21 person claiming ownership of the mark, the date claimed for  
22 the first use of the mark anywhere and the date claimed for  
23 the first use of the mark in this state, the class of goods or  
24 services and a description of the goods or services on or in  
25 connection with which the mark is used, a reproduction of the  
26 mark, the registration date and the term of the registration.  
27 ~~A duplicate original application shall be retained by the~~  
28 ~~secretary of state with respect to each registered mark. The~~  
29 ~~retained duplicate original application or a copy shall be~~  
30 ~~available for public examination.~~  
31 ~~A certificate of registration by the secretary of state,~~  
32 ~~affixed to a duplicate original application or to a copy,~~  
33 ~~shall be prima facie evidence of the validity of registration~~  
34 ~~and of the registrant's right to use the mark throughout this~~  
35 ~~state in the manner described in the certificate of~~

1 registration.

2 A certificate of registration issued by the secretary under  
3 this section or a copy thereof duly certified by the secretary  
4 shall be admissible in evidence as competent and sufficient  
5 proof of the registration of such mark in an action or  
6 judicial proceeding in any court in this state.

7 Sec. 6. Section 548.5, Code 1993, is amended to read as  
8 follows:

9 548.5 DURATION AND RENEWAL.

10 Registration A registration of a mark under this chapter  
11 shall be effective for a term of ten five years and from the  
12 date of registration and, upon application filed within six  
13 months prior to the expiration of the term, in a manner  
14 complying with the requirements of the secretary, the  
15 registration may be renewed for successive-ten-year-periods a  
16 like term from the end of the expiring term. A renewal fee of  
17 ten-dollars payable to the secretary shall accompany an  
18 application for renewal of registration. ~~Application for~~  
19 ~~renewal shall be made within six months prior to the~~  
20 ~~expiration of the registration on a form furnished by the~~  
21 ~~secretary of state and shall include a verified statement that~~  
22 ~~the mark is still in use in this state.~~

23 ~~The secretary of state shall notify a registrant of the~~  
24 ~~pending expiration of the registrant's registration. -- However,~~  
25 ~~the failure of a registrant to receive due notice from the~~  
26 ~~secretary of state shall not prevent expiration of a~~  
27 ~~registration.~~

28 ~~The term of any registration in force on the date on which~~  
29 ~~this chapter becomes effective shall not be affected by this~~  
30 ~~chapter, but any registration in force on said date can only~~  
31 ~~be renewed under this chapter.~~ A registration may be renewed  
32 for successive periods of five years in like manner. A  
33 registration in force on the date on which this chapter shall  
34 become effective shall continue in full force and effect for  
35 the unexpired term thereof and may be renewed by filing an

1 application for renewal with the secretary complying with the  
2 requirements of the secretary and paying the renewal fee  
3 within six months prior to the expiration of the registration.

4 All applicants for renewal under this chapter, whether of  
5 registration made under this chapter or of registrations  
6 effected under any prior statute, shall include a verified  
7 statement that the mark has been and is still in use and  
8 include a specimen showing actual use of the mark on or in  
9 connection with the goods or services.

10 Sec. 7. Section 548.6, Code 1993, is amended to read as  
11 follows:

12 548.6 ASSIGNMENT ASSIGNMENTS, CHANGES OF NAME, AND OTHER  
13 INSTRUMENTS.

14 1. Any A mark registered under this chapter shall be and  
15 its registration under this chapter is assignable with the  
16 good will of the business in which the mark is used or with  
17 that part of the good will of the business connected with the  
18 use of and symbolized by the mark. A mark connected with a  
19 part of the good will of a business can be assigned with that  
20 part of the good will of the business. Assignment of a  
21 registration can only be effected by filing duplicate  
22 originals of an assignment, signed by the registrant, shall be  
23 by a duly executed written instrument which may be recorded  
24 with the secretary of state together with a filing fee of  
25 three dollars. After filing the assignment, the secretary of  
26 state upon the payment of a recording fee to the secretary,  
27 who, upon recording of the assignment shall issue to a new  
28 certificate in the name of the assignee, for the remainder of  
29 the term of the assigned registration, a new certificate  
30 attached to one of the duplicate originals or of the last  
31 renewal of the registration. An assignment of a registration  
32 under this chapter shall be void as against any subsequent  
33 purchase for valuable consideration without notice, unless the  
34 assignment is recorded with the secretary within three months  
35 after the date of the assignment or prior to such subsequent

1 purchase.

2 2. A registrant or applicant effecting a change of the  
3 name of the person to whom the mark was issued or for whom an  
4 application was filed may record a certificate of change of  
5 name of the registrant or applicant with the secretary upon  
6 the payment of the recording fee. The secretary may issue a  
7 certificate of registration of an assigned application in the  
8 name of the assignee. The secretary may issue in the name of  
9 the assignee, a new certificate or registration for the  
10 remainder of the term of the registration or last renewal of  
11 the registration.

12 3. Other instruments which relate to a mark registered or  
13 application pending pursuant to this chapter, such as, by way  
14 of example, licenses, security interests, or mortgages, may be  
15 recorded in the discretion of the secretary, if such  
16 instrument is in writing and duly executed.

17 4. Acknowledgement shall be prima facie evidence of the  
18 execution of an assignment or other instrument and, when  
19 recorded by the secretary, the record shall be prima facie  
20 evidence of execution.

21 5. A photocopy of any instrument referred to in  
22 subsections 1 through 3, shall be accepted for recording if it  
23 is certified by any of the parties to the registration, or  
24 their successors, to be a true and correct copy of the  
25 original.

26 Sec. 8. NEW SECTION. 548.6A RECORDS.

27 The secretary shall keep for public examination a record of  
28 all marks registered or renewed under this chapter, as well as  
29 a record of all documents recorded pursuant to section 548.6.

30 Sec. 9. Section 548.7, Code 1993, is amended to read as  
31 follows:

32 548.7 CANCELLATION.

33 The secretary of ~~state~~ shall cancel from the register, in  
34 whole or in part, any of the following:

35 1. Any registration under a prior law which has expired

1 ~~without-being-renewed-under-this-chapter.~~

2 2. ~~Any~~ A registration concerning which the secretary of  
3 state receives a voluntary request for cancellation from the  
4 registrant or the assignee of record.

5 3 2. Any A registration granted under this chapter and not  
6 renewed in accordance with ~~its provisions~~ this chapter.

7 4 3. Any A registration concerning which a district court,  
8 ~~in-an-action-involving-the-registration-and-from-which-no~~  
9 ~~appeal-is-or-can-be-taken,~~ finds any of the following:

10 a. That the registered mark has been abandoned, ~~or.~~

11 b. That the registrant is not the owner of the mark, ~~or.~~

12 c. That the registration was granted ~~contrary-to-the~~  
13 ~~provisions-of-this-chapter,~~ or improperly.

14 d. That the registration was obtained fraudulently, ~~or.~~

15 e. That the registered mark has become incapable of

16 ~~servng-as-a-mark,~~ or the generic name for the goods or

17 services, or a portion of the goods or services, for which the  
18 mark has been registered.

19 f. That the registered mark is so similar to a mark

20 registered, as to be likely to cause confusion or mistake or

21 to deceive, to a mark registered by another person in the

22 United States patent and trademark office ~~by-another-party-to~~

23 ~~the-litigation-and-not-abandoned-prior-to-the-date-of-first~~

24 ~~use-by-the-registrant-under-this-chapter-as-to-be-likely-to~~

25 ~~cause-confusion,-mistake,-or-deception-of-purchasers.~~

26 ~~However,-registration-under-this-chapter-shall-not-be-canceled~~

27 ~~if-the-registrant-under-this-chapter-proves~~ prior to the date

28 of the filing of the application for registration by the

29 registrant under this chapter, and not abandoned. However, if

30 the registrant proves that the registrant has is the owner of

31 a concurrent registration for the of a mark in the United

32 States patent and trademark office for covering an area

33 including this state, the registration under this chapter

34 shall not be canceled for such area of the state.

35 5. Any A registration ~~that-a-district-court,-from-which-no~~

1 ~~appeal-is-or-can-be-taken; orders~~ ordered canceled by a court  
2 on any ground.

3 Sec. 10. Section 548.8, Code 1993, is amended to read as  
4 follows:

5 548.8 CLASSIFICATION.

6 The secretary ~~of-state~~ shall by rule establish a  
7 classification of goods and services for convenience in the  
8 administration of this chapter ~~which-shall~~, but not limit an  
9 or extend the applicant's or registrant's rights except-as  
10 expressly-provided-by-this-chapter, and a single application  
11 for registration of a mark may include any or all goods upon  
12 which, or services with which, the mark is actually being used  
13 indicating the appropriate class or classes of goods or  
14 services. If a single application includes goods or services  
15 which fall within multiple classes, the secretary may require  
16 payment of a fee for each class. To the extent practical, the  
17 classification of goods and services should conform to the  
18 classification adopted by the United States patent and  
19 trademark office.

20 Sec. 11. Section 548.9, Code 1993, is amended to read as  
21 follows:

22 548.9 FRAUDULENT REGISTRATION.

23 Any A person who, either on the person's own behalf or on  
24 behalf of any other person, ~~shall-procure~~ procures the filing  
25 or registration of any a mark in the office of the secretary  
26 under this chapter by knowingly making any false or fraudulent  
27 representation or declaration, orally or in writing, or by any  
28 other fraudulent means is liable for the damages ~~caused-by-the~~  
29 fraudulent sustained in consequence of the filing or  
30 registration and-in-an-action-to-recover-these-damages-the  
31 court-shall-order-cancellation-of-the-fraudulently-obtained  
32 registration to be recovered by or on behalf of the party  
33 injured in district court.

34 Sec. 12. Section 548.10, Code 1993, is amended to read as  
35 follows:

1 548.10 INFRINGEMENT.

2 Any-person-who Subject to section 548.11B, a person shall  
3 not do any of the following:

4 1. Use, without the consent of the registrant, uses any  
5 reproduction, counterfeit, copy, or colorable imitation of a  
6 mark registered under this chapter in-a-manner-which in  
7 connection with the sale, distribution, offering for sale, or  
8 advertising of any goods or services on or in connection with  
9 which such use is likely to cause confusion, or mistake, or  
10 deception to deceive as to the source of origin of purchasers,  
11 or-reproduces,-counterfeits,-copies,-or-colorably-imitates  
12 such goods or services.

13 2. Reproduce, counterfeit, copy, or colorably imitate any  
14 registered such mark and applies apply such reproduction,  
15 counterfeit, copy, or colorable imitation to labels, signs,  
16 prints, packages, wrappers, receptacles, or advertisements  
17 intended to be used in-a-manner-which-is-likely-to-cause  
18 confusion,-mistake,-or-deception-of-purchasers upon or in  
19 connection with the sale or other distribution in this state,  
20 of such goods or services.

21 The person shall be liable in a civil action by the  
22 registrant of-the-mark, for any or all of the remedies  
23 provided in section 548.11, except that under subsection 2,  
24 the registrant shall not be entitled to recover profits or  
25 damages unless the acts have been committed with the intent to  
26 cause confusion or mistake or to deceive.

27 Sec. 13. NEW SECTION. 548.10A INJURY TO BUSINESS  
28 REPUTATION -- DILUTION.

29 The owner of a mark which is famous in this state shall be  
30 entitled, subject to the principles of equity, to an  
31 injunction against another's use of a mark, commencing after  
32 the owner's mark becomes famous, which causes dilution of the  
33 distinctive quality of the owner's mark, and to obtain such  
34 other relief as is provided in this section. In determining  
35 whether a mark is famous, a court may consider factors such

1 as, but not limited to:

2 1. The degree of inherent or acquired distinctiveness of  
3 the mark in this state.

4 2. The duration and extent of use of the mark in  
5 connection with the goods and services.

6 3. The duration and extent of advertising and publicity of  
7 the mark in this state.

8 4. The geographical extent of the trading area in which  
9 the mark is used.

10 5. The channels of trade for the goods or services with  
11 which the owner's mark is used.

12 6. The degree of recognition of the owner's mark in its  
13 and in the other's trading areas and channels of trade in this  
14 state.

15 7. The nature and extent of use of the same or similar  
16 mark by third parties.

17 The owner shall be entitled only to injunctive relief in  
18 this state in an action brought under this section, unless the  
19 subsequent user willfully intended to trade on the owner's  
20 reputation or to cause dilution of the owner's mark. If such  
21 willful intent is proven, the owner shall also be entitled to  
22 the remedies set forth in this chapter, subject to the  
23 discretion of the court and the principles of equity.

24 Sec. 14. Section 548.11, Code 1993, is amended to read as  
25 follows:

26 548.11 REMEDIES.

27 ~~1. The registrant of a mark that has been infringed may be~~  
28 ~~granted an injunction against an infringer in accordance with~~  
29 ~~the principles of equity. The court in its discretion may~~  
30 ~~allow the registrant to recover the damages caused by the~~  
31 ~~infringement or the profits of the infringer attributable to~~  
32 ~~the infringement, or both. The court may order any~~  
33 ~~counterfeits or imitations in the possession or under the~~  
34 ~~control of an infringer to be destroyed and in exceptional~~  
35 ~~cases the court may also award reasonable attorney fees to the~~

1 prevailing party.

2 2. -- Likelihood of injury to business reputation or to a  
3 trade name valid at common law, or of dilution of the  
4 distinctive quality of a mark, whether registered or not  
5 registered under this chapter, shall be a ground for  
6 injunctive relief notwithstanding the absence of competition  
7 between the parties or the absence of confusion as to the  
8 source of goods or services. The owner of a mark registered  
9 under this chapter may proceed by suit to enjoin the  
10 manufacture, use, display, or sale of any counterfeits or  
11 imitations of the mark and any court may grant injunctions to  
12 restrain such manufacture, use, display, or sale as the court  
13 deems just and reasonable, and may require the defendants to  
14 pay to such owner all profits derived from or all damages  
15 suffered by reason of such wrongful manufacture, use, display,  
16 or sale. The court may also order that any counterfeits or  
17 imitations in the possession or under the control of a  
18 defendant be delivered to an officer of the court, or to the  
19 complainant, to be destroyed. The court, in its discretion,  
20 may enter judgment for an amount not to exceed three times  
21 such profits and damages and reasonable attorneys' fees of the  
22 prevailing party in cases where the court finds the other  
23 party committed such wrongful acts with knowledge or in bad  
24 faith or otherwise as according to the circumstances of the  
25 case.

26 The enumeration of any right or remedy in this section  
27 shall not affect a registrant's right to prosecute under any  
28 penal law of this state.

29 Sec. 15. NEW SECTION. 548.11A FORUM FOR ACTIONS  
30 REGARDING REGISTRATION -- SERVICE ON OUT-OF-STATE REGISTRANTS.

31 1. Actions to require cancellation of a mark registered  
32 pursuant to this chapter shall be brought in district court.  
33 In an action for cancellation, the secretary shall not be made  
34 a party to the proceeding but shall be notified of the filing  
35 of the complaint by the clerk of the district court in which

1 it is filed and shall be given the right to intervene in the  
2 action.

3 2. In an action brought against a nonresident registrant,  
4 service may be effected upon the secretary as agent for  
5 service of the registrant in accordance with the procedures  
6 established for service upon nonresident corporations and  
7 business entities under section 617.3.

8 Sec. 16. NEW SECTION. 548.11B COMMON LAW RIGHTS.

9 This chapter shall not adversely affect the rights or the  
10 enforcement of rights in marks acquired in good faith at any  
11 time at common law.

12 Sec. 17. NEW SECTION. 548.11C FEES.

13 The secretary shall by rule adopted pursuant to chapter 17A  
14 prescribe the fees payable for the various applications and  
15 recording fees and for related services. Unless specified by  
16 the secretary, the fees payable pursuant to this chapter are  
17 not refundable.

18 Sec. 18. PENDING ACTIONS NOT AFFECTED. This Act shall not  
19 affect any suit, proceeding, or appeal pending on the  
20 effective date of this Act.

21 Sec. 19. REPEAL. Sections 548.12 and 548.13, Code 1993,  
22 are repealed.

23 Sec. 20. CODE EDITOR. The Code editor shall renumber  
24 sections as provided in this Act to ensure consistency with  
25 the model state trademark bill promulgated by the United  
26 States trademark association, including the most recent  
27 revisions in the model bill.

28 EXPLANATION

29 This bill amends chapter 548 providing for the registration  
30 and protection of certain marks, including trademarks and  
31 service marks, to be consistent with revisions made by the  
32 United States trademark association to the model state  
33 trademark bill.

34 The bill amends the definitions in the chapter. The bill  
35 eliminates references to "certification marks" and "collective

1 marks". The bill provides a more extensive definition of  
2 several terms, including "service marks", "trademarks", and  
3 "use".

4 The bill amends provisions relating to the registration of  
5 marks, including applying for registration. The bill provides  
6 for the registration of marks by partnerships. The bill  
7 provides for information required to be submitted by an  
8 applicant, including information regarding the filing of  
9 applications with the United States patent and trademark  
10 office.

11 The bill provides a new section relating to the filing of  
12 applications with the secretary of state. It amends  
13 provisions relating to the issuance of a certificate of  
14 registration, including information required to appear on the  
15 certificate, and the use of such certificate as evidence in  
16 legal proceedings. The bill amends provisions relating to the  
17 renewal of registrations, by reducing the term of registration  
18 from 10 years to 5 years.

19 The bill provides for the assignment of rights to a mark,  
20 notice, and procedures for the issuance of a new certificate  
21 by the secretary of state. The bill also provides for the  
22 change of an applicant's name, and the effect of other  
23 instruments which relate to a mark.

24 The bill provides for cancellation of registration,  
25 including in cases where the appearance of a mark causes  
26 confusion or mistake.

27 The bill provides for fraudulent registration and  
28 infringement. It provides that the registrant of a mark may  
29 have a claim to recover damages in cases of intentional  
30 deception. It also provides that a registrant may enjoin the  
31 persons who manufacture, use, display or sell products or  
32 services in violation of the chapter. The bill provides  
33 procedures for bringing actions to enforce rights granted in  
34 the chapter. The bill provides that pending legal actions are  
35 not affected by the bill.

1 The bill allows the secretary of state to establish fees to  
2 administer the chapter, and removes references to fees  
3 established in the chapter.

4 The bill repeals Code sections relating to defenses and the  
5 application of the chapter.

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Vilsack. Chair

SSB-2149

Judiciary

SENATE FILE 2232  
BY (PROPOSED COMMITTEE ON  
JUDICIARY BILL BY  
CHAIRPERSON STURGEON)

Bisignano  
Pate

Passed Senate, Date \_\_\_\_\_ Passed House, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

**A BILL FOR**

1 An Act relating to the registration and use of marks, including  
2 trademarks and service marks, and providing for fees.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. Section 548.1, Code 1993, is amended to read as  
2 follows:

3 548.1 DEFINITIONS.

4 As used in this chapter, unless the context otherwise  
5 requires:

6 1. "Abandoned" means the occurrence of any of the  
7 following in relation to a mark:

8 a. The use of the mark has been discontinued with intent  
9 not to resume such use. Nonuse for two consecutive years  
10 shall constitute prima facie evidence of abandonment.

11 b. A course of conduct of the owner of the mark, including  
12 acts of omission as well as commission, causes the mark to  
13 lose its significance as a mark.

14 2. "Applicant" means a person filing an application for  
15 registration of a mark under this chapter, and the person's  
16 legal representative, successor, or assignee.

17 3. "Dilution" means the lessening of the capacity of a  
18 mark to identify and distinguish goods or services, regardless  
19 of the presence or absence of any of the following:

20 a. Competition between parties.

21 b. Likelihood of confusion, mistake, or deception.

22 4. "Mark" means a word, name, symbol, device, or any  
23 combination of the foregoing in any form or arrangement used  
24 as a certification mark, collective mark, service mark, or  
25 trade-mark trademark or service mark, entitled to registration  
26 under this chapter, whether registered or not.

27 a. "Certification mark" means a mark used in connection  
28 with the goods or services of a person other than the  
29 certifier to indicate geographic origin, material, mode of  
30 manufacture, quality, accuracy, or other characteristics of  
31 the goods or services, or to indicate that the work or labor  
32 on the goods or services was performed by members of a union  
33 or other organization.

34 b. "Collective mark" means a mark used by members of a co-  
35 operative, association, or other collective group or

1 organization-to-identify-goods-or-services-and-distinguish  
2 them-from-those-of-others,-or-to-indicate-membership-in-the  
3 collective-group-or-organization-

4 e 5. "Service mark" means a mark word, name, symbol, or  
5 device or any combination of a word, name, symbol, or device,  
6 used by a person, to identify services and to distinguish them  
7 from the services of others that person, including a unique  
8 service, from the services of others, and to indicate the  
9 source of the services, even if that source is unknown.  
10 Titles, character names used by a person, and other  
11 distinctive features of radio or television programs may be  
12 registered as service marks notwithstanding that they, or the  
13 programs, may advertise the goods of a sponsor.

14 d 6. "Trade-mark" "Trademark" means a mark-used-by-a  
15 person-to-identify-goods-and-to-distinguish-them-from-the  
16 goods-of-others word, name, symbol, or device or any  
17 combination of a word, name, symbol, or device, used by a  
18 person to identify and distinguish the goods of that person,  
19 including a unique product, from products manufactured and  
20 sold by others, and to indicate the source of the goods, even  
21 if that source is unknown.

22 3 7. "Person" means-an-individual,-corporation,-government  
23 or-governmental-subdivision-or-agency,-business-trust,-estate,-  
24 trust,-partnership,-unincorporated-association,-two-or-more-of  
25 any-of-the-foregoing-having-a-joint-or-common-interest,-or-any  
26 other-legal-or-commercial-entity and any other word or term  
27 used to designate the applicant or other party entitled to a  
28 benefit or privilege or rendered liable under this chapter  
29 includes a juristic person as well as a natural person. The  
30 term "juristic person" includes a firm, partnership,  
31 corporation, union, association, or other organization capable  
32 of suing and being sued in a court of law.

33 4 8. "Registrant" means a person issued-a to whom the  
34 registration of a mark under this chapter is issued, and the  
35 person's legal representative, successor, or assignee of such

1 person.

2 9. "Secretary" means the secretary of state or the  
3 designee of the secretary charged with the administration of  
4 this chapter.

5 5 10. "Trade name" means a word, name, symbol, device, or  
6 any combination of the foregoing in any form or arrangement  
7 name used by a person to identify the person's a business, or  
8 vocation, or occupation, and distinguish it from others of  
9 such person.

10 6 11. "Use" means the bona fide use of a mark in the  
11 ordinary course of trade, and not made merely to reserve a  
12 right in a mark. For the purposes of this chapter, a mark  
13 shall be deemed to be in use under any of the following  
14 circumstances:

15 a. Placing a mark On goods sold or transported in commerce  
16 when the mark is placed in any manner on the goods or  
17 containers or associated displays, or on affixed tags or  
18 labels, and selling or otherwise distributing the goods in  
19 this state or if the nature of the goods makes the placement  
20 on the goods or containers impracticable, on documents  
21 associated with the goods or their sale.

22 b. Displaying a mark in connection with the sale or  
23 advertising of services rendered. On services when the mark is  
24 used or displayed in the sale or advertising of services and  
25 the services are rendered in this state.

26 Sec. 2. Section 548.2, Code 1993, is amended to read as  
27 follows:

28 548.2 REGISTRABILITY.

29 ~~1~~ A mark by which the goods or services of any applicant  
30 for registration may be distinguished from the goods or  
31 services of others shall not be registered if ~~it~~ the mark  
32 meets any of the following criteria:

33 a 1. Consists of or comprises immoral, deceptive, or  
34 scandalous matter, or.

35 b 2. Consists of or comprises matter which may disparage,

1 bring into contempt or disrepute, or falsely suggest a  
2 connection with persons, living or dead, institutions,  
3 beliefs, or national symbols, or bring them into contempt, or  
4 disrepute.

5 e 3. Consists of or comprises the flag, or coat of arms,  
6 or other insignia of the United States, or of any state or  
7 municipality, or of any foreign nation, or any simulation  
8 thereof, or.

9 d 4. Consists of, or comprises the name, signature, or  
10 portrait ~~of any~~ identifying a particular living individual,  
11 except with by the individual's written consent, or.

12 e 5. Consists of a mark which is one of the following:

13 {1} a. When ~~applied to~~ used on or in connection with the  
14 goods or services of the applicant, is merely descriptive or  
15 deceptively misdescriptive of ~~them~~ the goods or services.

16 {2} b. When ~~applied to~~ used on or in connection with the  
17 goods or services of the applicant, is primarily  
18 geographically descriptive or geographically misdescriptive of  
19 ~~them~~ the goods or services.

20 {3} c. Is primarily merely a surname.

21 This paragraph-"e" subsection 5 does not prevent the  
22 registration of a mark used ~~in this state~~ by the applicant  
23 which has become distinctive of the applicant's goods or  
24 services. The secretary of state may accept as evidence that  
25 the mark has become distinctive, ~~as applied to~~ on or in  
26 connection with the applicant's goods or services, proof of  
27 continuous use thereof as a mark by the applicant in this  
28 state ~~or elsewhere~~ for the five years next-preceding before  
29 the date ~~of the filing of the application for registration,~~ or  
30 on which the claim for distinctiveness is made.

31 f 6. Resembles Consists of or comprises a mark which so  
32 resembles a mark registered in this state or a mark or trade  
33 name previously used ~~in this state~~ by another and not  
34 abandoned, so as to be likely, when ~~applied to~~ used on or in  
35 connection with the goods or services of the applicant, to

1 cause confusion, or mistake, or deception-of-purchasers to  
2 deceive.

3 ~~2. Judicial review of actions of the secretary of state~~  
4 ~~may be sought in accordance with the terms of the Iowa~~  
5 ~~administrative procedure Act.~~

6 Sec. 3. Section 548.3, Code 1993, is amended to read as  
7 follows:

8 548.3 APPLICATION FOR REGISTRATION.

9 Subject to the limitations set forth in this chapter, any a  
10 person who has ~~previously adopted and used~~ uses a mark in this  
11 state may file in the office of the secretary of state, in the  
12 manner ~~prescribed by~~ which will comply with the requirements  
13 of the secretary of state, duplicate originals of an  
14 application for the registration of the that mark. ~~The~~  
15 ~~application shall include~~ setting forth, but not be limited  
16 to, all of the following information:

17 1. The name and business address of the applicant, person  
18 applying for registration; and if a corporation, the state of  
19 incorporation, or if a partnership, the state in which the  
20 partnership is organized and the names of the general  
21 partners, as specified by the secretary.

22 2. The goods or services on or in connection with which  
23 the mark is in use, the mode or manner in which the mark is  
24 used on or in connection with those goods or services, and the  
25 class or classes in which such goods or services fall, as  
26 described in regulations promulgated rules adopted by the  
27 secretary of state.

28 3. The date on which the mark was first used anywhere by  
29 the applicant or the applicant's predecessor in interest, ~~and~~  
30 ~~the date on which it was first used in this state.~~

31 4. A statement that the applicant is the owner of the mark  
32 in this state, that the mark is in use, and that, to the  
33 knowledge of the person verifying the application, no other  
34 person has registered, either federally or in this state, or  
35 has the right to use a such mark in this state when

1 ~~purchasers-would-be-likely-to-confuse-or-mistake-for-the~~  
2 ~~applicant's-mark~~ either in the identical form or in such  
3 ~~resemblance to the form as to be likely, when applied to the~~  
4 ~~goods or services of such other person, to cause confusion or~~  
5 ~~mistake, or to deceive.~~

6     5. ~~The signature-and-verification-of~~ secretary may also  
7 ~~require a statement as to whether an application to register~~  
8 ~~the mark, or portions or a composite of the mark, has been~~  
9 ~~filed by the applicant or a predecessor in interest in the~~  
10 ~~United States patent and trademark office; and if so, the~~  
11 ~~applicant shall provide full particulars with respect to the~~  
12 ~~filing including the filing date and serial number of each~~  
13 ~~application, the status of the application and if any~~  
14 ~~application was finally refused registration or has otherwise~~  
15 ~~not resulted in a registration, the reasons therefore.~~

16     The secretary may also require that a drawing of the mark,  
17 complying with such requirements as the secretary may specify,  
18 accompany the application.

19     The application shall be signed and verified by oath,  
20 affirmation, or declaration subject to perjury laws by the  
21 applicant, a specimen or facsimile of the mark illustrating  
22 its present mode of use, and a filing fee of ten dollars for  
23 each class of goods or services for which registration is  
24 sought or by a member of the firm or an officer of the  
25 corporation or association applying.

26     The application shall be accompanied by three specimens  
27 showing the mark as actually used.

28     The application shall be accompanied by the application fee  
29 payable to the secretary.

30     Sec. 4. NEW SECTION. 548.3A FILING OF APPLICATIONS.

31     1. Upon the filing of an application for registration and  
32 payment of the application fee, the secretary may cause the  
33 application to be examined for conformity with this chapter.

34     2. The applicant shall provide any additional pertinent  
35 information requested by the secretary including a description

1 of a design mark and may make, or authorize the secretary to  
2 make, such amendments to the application as may be reasonably  
3 requested by the secretary or deemed by applicant to be  
4 advisable to respond to any rejection or objection.

5 3. The secretary may require the applicant to disclaim an  
6 unregistrable component of a mark otherwise registrable, and  
7 an applicant may voluntarily disclaim a component of a mark  
8 sought to be registered. A disclaimer shall not prejudice or  
9 affect the applicant's or registrant's rights existing at or  
10 after the time of disclaimer arising in the disclaimed matter,  
11 or the applicant's or registrant's rights of registration on  
12 another application if the disclaimed matter is or becomes  
13 distinctive of the applicant's or registrant's goods or  
14 services.

15 4. Amendments may be made by the secretary upon the  
16 application submitted by the applicant upon applicant's  
17 agreement, or the secretary may require a new application to  
18 be submitted.

19 5. If the applicant is found not to be entitled to  
20 registration, the secretary shall advise the applicant thereof  
21 and of the reasons therefore. The applicant shall have a  
22 reasonable period of time specified by the secretary in which  
23 to reply or to amend the application, in which event the  
24 application shall be reexamined. This procedure may be  
25 repeated until the secretary finally refuses registration of  
26 the mark or the applicant fails to reply or amend within the  
27 specified period, whereupon the application shall be deemed to  
28 have been abandoned.

29 6. If the secretary finally refuses registration of the  
30 mark, the applicant may seek judicial review of the refusal in  
31 accordance with chapter 17A.

32 7. If the secretary is concurrently processing  
33 applications seeking registration of the same or confusingly  
34 similar marks for the same or related goods or services, the  
35 secretary shall grant priority to the applications in order of

1 filing. If an application filed earlier is granted a  
2 registration, a later application shall be rejected. Any  
3 rejected applicant may bring an action for cancellation of the  
4 registration upon grounds of prior or superior rights to the  
5 mark, in accordance with the provisions of section 548.7.

6 Sec. 5. Section 548.4, Code 1993, is amended to read as  
7 follows:

8 548.4 CERTIFICATE OF REGISTRATION.

9 The Upon compliance by the applicant with the requirements  
10 of this chapter, the secretary of-state shall issue cause a  
11 certificate of registration to be issued and delivered to the  
12 applicant upon-compliance-with-the-requirements-of-this  
13 chapter. The certificate of registration shall be issued over  
14 under the signature and seal of the secretary of-state-or-the  
15 secretary's-designee, bear-the-date-of-registration, and-be  
16 affixed-to-a-duplicate-original-application-or-a-copy and  
17 shall show the name and business address and, if a  
18 corporation, the state of incorporation, or if a partnership,  
19 the state in which the partnership is organized and the names  
20 of the general partners, as specified by the secretary, of the  
21 person claiming ownership of the mark, the date claimed for  
22 the first use of the mark anywhere and the date claimed for  
23 the first use of the mark in this state, the class of goods or  
24 services and a description of the goods or services on or in  
25 connection with which the mark is used, a reproduction of the  
26 mark, the registration date and the term of the registration.  
27 A-duplicate-original-application-shall-be-retained-by-the  
28 secretary-of-state-with-respect-to-each-registered-mark.--The  
29 retained-duplicate-original-application-or-a-copy-shall-be  
30 available-for-public-examination.  
31 A-certificate-of-registration-by-the-secretary-of-state,  
32 affixed-to-a-duplicate-original-application-or-to-a-copy,  
33 shall-be-prima-facie-evidence-of-the-validity-of-registration  
34 and-of-the-registrant's-right-to-use-the-mark-throughout-this  
35 state-in-the-manner-described-in-the-certificate-of

1 registration.

2 A certificate of registration issued by the secretary under  
3 this section or a copy thereof duly certified by the secretary  
4 shall be admissible in evidence as competent and sufficient  
5 proof of the registration of such mark in an action or  
6 judicial proceeding in any court in this state.

7 Sec. 6. Section 548.5, Code 1993, is amended to read as  
8 follows:

9 548.5 DURATION AND RENEWAL.

10 Registration A registration of a mark under this chapter  
11 shall be effective for a term of ten five years and from the  
12 date of registration and, upon application filed within six  
13 months prior to the expiration of the term, in a manner  
14 complying with the requirements of the secretary, the  
15 registration may be renewed for successive-ten-year-periods a  
16 like term from the end of the expiring term. A renewal fee of  
17 ten-dollars payable to the secretary shall accompany an  
18 application for renewal of registration. Application-for  
19 ~~renewal shall be made within six months prior to the~~  
20 ~~expiration of the registration on a form furnished by the~~  
21 ~~secretary of state and shall include a verified statement that~~  
22 ~~the mark is still in use in this state.~~

23 ~~The secretary of state shall notify a registrant of the~~  
24 ~~pending expiration of the registrant's registration.--However,~~  
25 ~~the failure of a registrant to receive due notice from the~~  
26 ~~secretary of state shall not prevent expiration of a~~  
27 ~~registration.~~

28 ~~The term of any registration in force on the date on which~~  
29 ~~this chapter becomes effective shall not be affected by this~~  
30 ~~chapter, but any registration in force on said date can only~~  
31 ~~be renewed under this chapter.~~ A registration may be renewed  
32 for successive periods of five years in like manner. A  
33 registration in force on the date on which this chapter shall  
34 become effective shall continue in full force and effect for  
35 the unexpired term thereof and may be renewed by filing an

1 application for renewal with the secretary complying with the  
2 requirements of the secretary and paying the renewal fee  
3 within six months prior to the expiration of the registration.

4 All applicants for renewal under this chapter, whether of  
5 registration made under this chapter or of registrations  
6 effected under any prior statute, shall include a verified  
7 statement that the mark has been and is still in use and  
8 include a specimen showing actual use of the mark on or in  
9 connection with the goods or services.

10 Sec. 7. Section 548.6, Code 1993, is amended to read as  
11 follows:

12 548.6 ASSIGNMENT ASSIGNMENTS, CHANGES OF NAME, AND OTHER  
13 INSTRUMENTS.

14 1. Any A mark registered-under-this-chapter-shall-be and  
15 its registration under this chapter is assignable with the  
16 good will of the business in which the mark is used or with  
17 that part of the good will of the business connected with the  
18 use of and symbolized by the mark. A-mark-connected-with-a  
19 part-of-the-good-will-of-a-business-can-be-assigned-with-that  
20 part-of-the-good-will-of-the-business. Assignment of-a  
21 registration-can-only-be-effected-by-filing-duplicate  
22 originals-of-an-assignment, signed-by-the-registrant, shall be  
23 by a duly executed written instrument which may be recorded  
24 with the secretary of-state-together-with-a-filing-fee-of  
25 three-dollars.--After-filing-the-assignment, the-secretary-of  
26 state upon the payment of a recording fee to the secretary,  
27 who, upon recording of the assignment shall issue to a new  
28 certificate in the name of the assignee, for the remainder of  
29 the term of the assigned registration, a-new-certificate  
30 attached-to-one-of-the-duplicate-originals or of the last  
31 renewal of the registration. An assignment of a registration  
32 under this chapter shall be void as against any subsequent  
33 purchase for valuable consideration without notice, unless the  
34 assignment is recorded with the secretary within three months  
35 after the date of the assignment or prior to such subsequent

1 purchase.

2 2. A registrant or applicant effecting a change of the  
3 name of the person to whom the mark was issued or for whom an  
4 application was filed may record a certificate of change of  
5 name of the registrant or applicant with the secretary upon  
6 the payment of the recording fee. The secretary may issue a  
7 certificate of registration of an assigned application in the  
8 name of the assignee. The secretary may issue in the name of  
9 the assignee, a new certificate or registration for the  
10 remainder of the term of the registration or last renewal of  
11 the registration.

12 3. Other instruments which relate to a mark registered or  
13 application pending pursuant to this chapter, such as, by way  
14 of example, licenses, security interests, or mortgages, may be  
15 recorded in the discretion of the secretary, if such  
16 instrument is in writing and duly executed.

17 4. Acknowledgement shall be prima facie evidence of the  
18 execution of an assignment or other instrument and, when  
19 recorded by the secretary, the record shall be prima facie  
20 evidence of execution.

21 5. A photocopy of any instrument referred to in  
22 subsections 1 through 3, shall be accepted for recording if it  
23 is certified by any of the parties to the registration, or  
24 their successors, to be a true and correct copy of the  
25 original.

26 Sec. 8. NEW SECTION. 548.6A RECORDS.

27 The secretary shall keep for public examination a record of  
28 all marks registered or renewed under this chapter, as well as  
29 a record of all documents recorded pursuant to section 548.6.

30 Sec. 9. Section 548.7, Code 1993, is amended to read as  
31 follows:

32 548.7 CANCELLATION.

33 The secretary of-state shall cancel from the register, in  
34 whole or in part, any of the following:

35 1. Any-registration-under-a-prior-law-which-has-expired

1 ~~without-being-renewed-under-this-chapter.~~

2 2. ~~Any A registration concerning which the secretary of~~  
3 ~~state receives a voluntary request for cancellation from the~~  
4 ~~registrant or the assignee of record.~~

5 3 2. Any A registration granted under this chapter and not  
6 renewed in accordance with its provisions this chapter.

7 4 3. Any A registration concerning which a district court,  
8 ~~in-an-action-involving-the-registration-and-from-which-no~~  
9 ~~appeal-is-or-can-be-taken,~~ finds any of the following:

10 a. That the registered mark has been abandoned, or,

11 b. That the registrant is not the owner of the mark, or,

12 c. That the registration was granted ~~contrary-to-the~~  
13 ~~provisions-of-this-chapter,~~ or improperly.

14 d. That the registration was obtained fraudulently, or,

15 e. That the registered mark has become incapable-of  
16 serving-as-a-mark, or the generic name for the goods or  
17 services, or a portion of the goods or services, for which the  
18 mark has been registered.

19 f. That the registered mark is so similar ~~to-a-mark~~  
20 ~~registered, as to be likely to cause confusion or mistake or~~  
21 ~~to deceive, to a mark registered by another person in the~~  
22 ~~United States patent and trademark office by-another-party-to~~  
23 ~~the-litigation-and-not-abandoned-prior-to-the-date-of-first~~  
24 ~~use-by-the-registrant-under-this-chapter-as-to-be-likely-to~~  
25 ~~cause-confusion, mistake, or-deception-of-purchasers.~~

26 ~~However, registration under this chapter shall not be canceled~~  
27 ~~if-the-registrant-under-this-chapter-proves prior to the date~~  
28 ~~of the filing of the application for registration by the~~  
29 ~~registrant under this chapter, and not abandoned. However, if~~  
30 ~~the registrant proves that the registrant has is the owner of~~  
31 ~~a concurrent registration for-the of a mark in the United~~  
32 ~~States patent and trademark office for covering an area~~  
33 ~~including this state, the registration under this chapter~~  
34 ~~shall not be canceled for such area of the state.~~

35 5. Any A registration ~~that-a-district-court, from-which-no~~

1 ~~appeal-is-or-can-be-taken,-orders~~ ordered canceled by a court  
2 on any ground.

3 Sec. 10. Section 548.8, Code 1993, is amended to read as  
4 follows:

5 548.8 CLASSIFICATION.

6 The secretary ~~of-state~~ shall by rule establish a  
7 classification of goods and services for convenience in the  
8 administration of this chapter ~~which-shall,~~ but not limit an  
9 or extend the applicant's or registrant's rights except-as  
10 expressly-provided-by-this-chapter, and a single application  
11 for registration of a mark may include any or all goods upon  
12 which, or services with which, the mark is actually being used  
13 indicating the appropriate class or classes of goods or  
14 services. If a single application includes goods or services  
15 which fall within multiple classes, the secretary may require  
16 payment of a fee for each class. To the extent practical, the  
17 classification of goods and services should conform to the  
18 classification adopted by the United States patent and  
19 trademark office.

20 Sec. 11. Section 548.9, Code 1993, is amended to read as  
21 follows:

22 548.9 FRAUDULENT REGISTRATION.

23 Any A person who, either on the person's own behalf or on  
24 behalf of any other person, ~~shall-procure~~ procures the filing  
25 or registration of any a mark in the office of the secretary  
26 under this chapter by knowingly making any false or fraudulent  
27 representation or declaration, orally or in writing, or by any  
28 other fraudulent means is liable for the damages ~~caused-by-the~~  
29 fraudulent sustained in consequence of the filing or  
30 registration and-in-an-action-to-recover-these-damages-the  
31 court-shall-order-cancellation-of-the-fraudulently-obtained  
32 registration to be recovered by or on behalf of the party  
33 injured in district court.

34 Sec. 12. Section 548.10, Code 1993, is amended to read as  
35 follows:

1 548.10 INFRINGEMENT.

2 Any-person-who Subject to section 548.11B, a person shall  
3 not do any of the following:

4 1. Use, without the consent of the registrant, uses any  
5 reproduction, counterfeit, copy, or colorable imitation of a  
6 mark registered under this chapter in-a-manner-which in  
7 connection with the sale, distribution, offering for sale, or  
8 advertising of any goods or services on or in connection with  
9 which such use is likely to cause confusion, or mistake, or  
10 deception to deceive as to the source of origin of purchasers,  
11 or-reproduces,-counterfeits,-copies,-or-colorably-imitates  
12 such goods or services.

13 2. Reproduce, counterfeit, copy, or colorably imitate any  
14 registered such mark and applies apply such reproduction,  
15 counterfeit, copy, or colorable imitation to labels, signs,  
16 prints, packages, wrappers, receptacles, or advertisements  
17 intended to be used in-a-manner-which-is-likely-to-cause  
18 confusion,-mistake,-or-deception-of-purchasers upon or in  
19 connection with the sale or other distribution in this state,  
20 of such goods or services.

21 The person shall be liable in a civil action by the  
22 registrant of-the-mark, for any or all of the remedies  
23 provided in section 548.11, except that under subsection 2,  
24 the registrant shall not be entitled to recover profits or  
25 damages unless the acts have been committed with the intent to  
26 cause confusion or mistake or to deceive.

27 Sec. 13. NEW SECTION. 548.10A INJURY TO BUSINESS  
28 REPUTATION -- DILUTION.

29 The owner of a mark which is famous in this state shall be  
30 entitled, subject to the principles of equity, to an  
31 injunction against another's use of a mark, commencing after  
32 the owner's mark becomes famous, which causes dilution of the  
33 distinctive quality of the owner's mark, and to obtain such  
34 other relief as is provided in this section. In determining  
35 whether a mark is famous, a court may consider factors such

1 as, but not limited to:

2 1. The degree of inherent or acquired distinctiveness of  
3 the mark in this state.

4 2. The duration and extent of use of the mark in  
5 connection with the goods and services.

6 3. The duration and extent of advertising and publicity of  
7 the mark in this state.

8 4. The geographical extent of the trading area in which  
9 the mark is used.

10 5. The channels of trade for the goods or services with  
11 which the owner's mark is used.

12 6. The degree of recognition of the owner's mark in its  
13 and in the other's trading areas and channels of trade in this  
14 state.

15 7. The nature and extent of use of the same or similar  
16 mark by third parties.

17 The owner shall be entitled only to injunctive relief in  
18 this state in an action brought under this section, unless the  
19 subsequent user willfully intended to trade on the owner's  
20 reputation or to cause dilution of the owner's mark. If such  
21 willful intent is proven, the owner shall also be entitled to  
22 the remedies set forth in this chapter, subject to the  
23 discretion of the court and the principles of equity.

24 Sec. 14. Section 548.11, Code 1993, is amended to read as  
25 follows:

26 548.11 REMEDIES.

27 ~~1.--The-registrant-of-a-mark-that-has-been-infringed-may-be~~  
28 ~~granted-an-injunction-against-an-infringer-in-accordance-with~~  
29 ~~the-principles-of-equity.--The-court-in-its-discretion-may~~  
30 ~~allow-the-registrant-to-recover-the-damages-caused-by-the~~  
31 ~~infringement-or-the-profits-of-the-infringer-attributable-to~~  
32 ~~the-infringement,--or-both.--The-court-may-order-any~~  
33 ~~counterfeits-or-imitations-in-the-possession-or-under-the~~  
34 ~~control-of-an-infringer-to-be-destroyed-and-in-exceptional~~  
35 ~~cases-the-court-may-also-award-reasonable-attorney-fees-to-the~~

1 prevailing-party.

2 2:--likelihood-of-injury-to-business-reputation-or-to-a  
3 trade-name-valid-at-common-law,-or-of-dilution-of-the  
4 distinctive-quality-of-a-mark,-whether-registered-or-not  
5 registered-under-this-chapter,-shall-be-a-ground-for  
6 injunctive-relief-notwithstanding-the-absence-of-competition  
7 between-the-parties-or-the-absence-of-confusion-as-to-the  
8 source-of-goods-or-services. The owner of a mark registered  
9 under this chapter may proceed by suit to enjoin the  
10 manufacture, use, display, or sale of any counterfeits or  
11 imitations of the mark and any court may grant injunctions to  
12 restrain such manufacture, use, display, or sale as the court  
13 deems just and reasonable, and may require the defendants to  
14 pay to such owner all profits derived from or all damages  
15 suffered by reason of such wrongful manufacture, use, display,  
16 or sale. The court may also order that any counterfeits or  
17 imitations in the possession or under the control of a  
18 defendant be delivered to an officer of the court, or to the  
19 complainant, to be destroyed. The court, in its discretion,  
20 may enter judgment for an amount not to exceed three times  
21 such profits and damages and reasonable attorneys' fees of the  
22 prevailing party in cases where the court finds the other  
23 party committed such wrongful acts with knowledge or in bad  
24 faith or otherwise as according to the circumstances of the  
25 case.

26 The enumeration of any right or remedy in this section  
27 shall not affect a registrant's right to prosecute under any  
28 penal law of this state.

29 Sec. 15. NEW SECTION. 548.11A FORUM FOR ACTIONS  
30 REGARDING REGISTRATION -- SERVICE ON OUT-OF-STATE REGISTRANTS.

31 1. Actions to require cancellation of a mark registered  
32 pursuant to this chapter shall be brought in district court.  
33 In an action for cancellation, the secretary shall not be made  
34 a party to the proceeding but shall be notified of the filing  
35 of the complaint by the clerk of the district court in which

1 it is filed and shall be given the right to intervene in the  
2 action.

3 2. In an action brought against a nonresident registrant,  
4 service may be effected upon the secretary as agent for  
5 service of the registrant in accordance with the procedures  
6 established for service upon nonresident corporations and  
7 business entities under section 617.3.

8 Sec. 16. NEW SECTION. 548.11B COMMON LAW RIGHTS.

9 This chapter shall not adversely affect the rights or the  
10 enforcement of rights in marks acquired in good faith at any  
11 time at common law.

12 Sec. 17. NEW SECTION. 548.11C FEES.

13 The secretary shall by rule adopted pursuant to chapter 17A  
14 prescribe the fees payable for the various applications and  
15 recording fees and for related services. Unless specified by  
16 the secretary, the fees payable pursuant to this chapter are  
17 not refundable.

18 Sec. 18. PENDING ACTIONS NOT AFFECTED. This Act shall not  
19 affect any suit, proceeding, or appeal pending on the  
20 effective date of this Act.

21 Sec. 19. REPEAL. Sections 548.12 and 548.13, Code 1993,  
22 are repealed.

23 Sec. 20. CODE EDITOR. The Code editor shall renumber  
24 sections as provided in this Act to ensure consistency with  
25 the model state trademark bill promulgated by the United  
26 States trademark association, including the most recent  
27 revisions in the model bill.

28 EXPLANATION

29 This bill amends chapter 548 providing for the registration  
30 and protection of certain marks, including trademarks and  
31 service marks, to be consistent with revisions made by the  
32 United States trademark association to the model state  
33 trademark bill.

34 The bill amends the definitions in the chapter. The bill  
35 eliminates references to "certification marks" and "collective

1 marks". The bill provides a more extensive definition of  
2 several terms, including "service marks", "trademarks", and  
3 "use".

4 The bill amends provisions relating to the registration of  
5 marks, including applying for registration. The bill provides  
6 for the registration of marks by partnerships. The bill  
7 provides for information required to be submitted by an  
8 applicant, including information regarding the filing of  
9 applications with the United States patent and trademark  
10 office.

11 The bill provides a new section relating to the filing of  
12 applications with the secretary of state. It amends  
13 provisions relating to the issuance of a certificate of  
14 registration, including information required to appear on the  
15 certificate, and the use of such certificate as evidence in  
16 legal proceedings. The bill amends provisions relating to the  
17 renewal of registrations, by reducing the term of registration  
18 from 10 years to 5 years.

19 The bill provides for the assignment of rights to a mark,  
20 notice, and procedures for the issuance of a new certificate  
21 by the secretary of state. The bill also provides for the  
22 change of an applicant's name, and the effect of other  
23 instruments which relate to a mark.

24 The bill provides for cancellation of registration,  
25 including in cases where the appearance of a mark causes  
26 confusion or mistake.

27 The bill provides for fraudulent registration and  
28 infringement. It provides that the registrant of a mark may  
29 have a claim to recover damages in cases of intentional  
30 deception. It also provides that a registrant may enjoin the  
31 persons who manufacture, use, display or sell products or  
32 services in violation of the chapter. The bill provides  
33 procedures for bringing actions to enforce rights granted in  
34 the chapter. The bill provides that pending legal actions are  
35 not affected by the bill.

1 The bill allows the secretary of state to establish fees to  
2 administer the chapter, and removes references to fees  
3 established in the chapter.

4 The bill repeals Code sections relating to defenses and the  
5 application of the chapter.

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SENATE FILE 2232

AN ACT

RELATING TO THE REGISTRATION AND USE OF MARKS, INCLUDING TRADEMARKS AND SERVICE MARKS, AND PROVIDING FOR FEES.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. Section 548.1, Code 1993, is amended to read as follows:

548.1 DEFINITIONS.

As used in this chapter, unless the context otherwise requires:

1. "Abandoned" means the occurrence of any of the following in relation to a mark:

a. The use of the mark has been discontinued with intent not to resume such use. Nonuse for two consecutive years shall constitute prima facie evidence of abandonment.

b. A course of conduct of the owner of the mark, including acts of omission as well as commission, causes the mark to lose its significance as a mark.

2. "Applicant" means a person filing an application for registration of a mark under this chapter, and the person's legal representative, successor, or assignee.

3. "Dilution" means the lessening of the capacity of a mark to identify and distinguish goods or services, regardless of the presence or absence of any of the following:

a. Competition between parties.

b. Likelihood of confusion, mistake, or deception.

4. "Mark" means a word, name, symbol, device, or any combination of the foregoing in any form or arrangement used as a certification mark, collective mark, service mark, or trade-mark trademark or service mark, entitled to registration under this chapter, whether registered or not.

a. "Certification mark" means a mark used in connection with the goods or services of a person other than the certifier to indicate geographic origin, material, mode of manufacture, quality, accuracy, or other characteristics of the goods or services, or to indicate that the work or labor on the goods or services was performed by members of a union or other organization.

b. "Collective mark" means a mark used by members of a cooperative, association, or other collective group or organization to identify goods or services and distinguish them from those of others, or to indicate membership in the collective group or organization.

5. "Service mark" means a mark word, name, symbol, or device or any combination of a word, name, symbol, or device, used by a person, to identify services and to distinguish them from the services of others that person, including a unique service, from the services of others, and to indicate the source of the services, even if that source is unknown. Titles, character names used by a person, and other distinctive features of radio or television programs may be registered as service marks notwithstanding that they, or the programs, may advertise the goods of a sponsor.

6. "Trade-mark" "Trademark" means a mark used by a person to identify goods and to distinguish them from the goods of others word, name, symbol, or device or any combination of a word, name, symbol, or device, used by a person to identify and distinguish the goods of that person, including a unique product, from products manufactured and sold by others, and to indicate the source of the goods, even if that source is unknown.

7. "Person" means an individual, corporation, government or governmental subdivision or agency, business trust, estate, trust, partnership, unincorporated association, two or more of any of the foregoing having a joint or common interest, or any other legal or commercial entity and any other word or term

used to designate the applicant or other party entitled to a benefit or privilege or rendered liable under this chapter includes a juristic person as well as a natural person. The term "juristic person" includes a firm, partnership, corporation, union, association, or other organization capable of suing and being sued in a court of law.

4 8. "Registrant" means a person issued a to whom the registration of a mark under this chapter is issued, and the person's legal representative, successor, or assignee of such person.

9. "Secretary" means the secretary of state or the designee of the secretary charged with the administration of this chapter.

5 10. "Trade name" means a word, name, symbol, device, or any combination of the foregoing in any form or arrangement name used by a person to identify the person's a business, or vocation, or occupation, and distinguish it from others of such person.

6 11. "Use" means the bona fide use of a mark in the ordinary course of trade, and not made merely to reserve a right in a mark. For the purposes of this chapter, a mark shall be deemed to be in use under any of the following circumstances:

a. Placing a mark on goods sold or transported in commerce when the mark is placed in any manner on the goods or containers or associated displays, or on affixed tags or labels, and selling or otherwise distributing the goods in this state or if the nature of the goods makes the placement on the goods or containers impracticable, on documents associated with the goods or their sale.

b. Displaying a mark in connection with the sale or advertising of services rendered. On services when the mark is used or displayed in the sale or advertising of services and the services are rendered in this state.

Sec. 2. Section 548.2, Code 1993, is amended to read as follows:

548.2 REGISTRABILITY.

1. A mark by which the goods or services of any applicant for registration may be distinguished from the goods or services of others shall not be registered if it the mark meets any of the following criteria:

a 1. Consists of or comprises immoral, deceptive, or scandalous matter; or.

b 2. Consists of or comprises matter which may disparage, bring into contempt or disrepute, or falsely suggest a connection with persons, living or dead, institutions, beliefs, or national symbols, or bring them into contempt, or disrepute.

c 3. 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; or.

d 4. Consists of, or comprises the name, signature, or portrait of any identifying a particular living individual, except with by the individual's written consent; or.

e 5. Consists of a mark which is one of the following:  
{1} a. When applied to used on or in connection with the goods or services of the applicant, is merely descriptive or deceptively misdescriptive of them the goods or services.

{2} b. When applied to used on or in connection with the goods or services of the applicant, is primarily geographically descriptive or geographically misdescriptive of them the goods or services.

{3} c. Is primarily merely a surname.

This paragraph-"e" subsection 5 does not prevent the registration of a mark used in this state by the applicant which has become distinctive of the applicant's goods or services. The secretary of state may accept as evidence that the mark has become distinctive, as applied to on or in

connection with the applicant's goods or services, proof of continuous use thereof as a mark by the applicant in this state or elsewhere for the five years next-preceding before the date of the filing of the application for registration; or on which the claim for distinctiveness is made.

§ 6. Resembles Consists of or comprises a mark which so resembles a mark registered in this state or a mark or trade name previously used in this state by another and not abandoned, so as to be likely, when applied to used on or in connection with the goods or services of the applicant, to cause confusion, or mistake, or deception of purchasers to deceive.

2.--Judicial review of actions of the secretary of state may be sought in accordance with the terms of the Iowa administrative procedure Act:

Sec. 3. Section 548.3, Code 1993, is amended to read as follows:

#### 548.3 APPLICATION FOR REGISTRATION.

Subject to the limitations set forth in this chapter, any a person who has previously adopted and used uses a mark in this state may file in the office of the secretary of state, in the manner prescribed by which will comply with the requirements of the secretary of state, duplicate originals of an application for the registration of the that mark--The application shall include setting forth, but not be limited to, all of the following information:

1. The name and business address of the applicant, person applying for registration; and if a corporation, the state of incorporation, or if a partnership, the state in which the partnership is organized and the names of the general partners, as specified by the secretary.

2. The goods or services on or in connection with which the mark is in use, the mode or manner in which the mark is used on or in connection with those goods or services, and the class or classes in which such goods or services fall, as

described in regulations promulgated rules adopted by the secretary of state.

3. The date on which the mark was first used anywhere by the applicant or the applicant's predecessor in interest, and the date on which it was first used in this state.

4. A statement that the applicant is the owner of the mark in this state, that the mark is in use, and that, to the knowledge of the person verifying the application, no other person has registered, either federally or in this state, or has the right to use a such mark in this state which purchasers would be likely to confuse or mistake for the applicant's mark either in the identical form or in such resemblance to the form as to be likely, when applied to the goods or services of such other person, to cause confusion or mistake, or to deceive.

5. The signature and verification of secretary may also require a statement as to whether an application to register the mark, or portions or a composite of the mark, has been filed by the applicant or a predecessor in interest in the United States patent and trademark office; and if so, the applicant shall provide full particulars with respect to the filing including the filing date and serial number of each application, the status of the application and if any application was finally refused registration or has otherwise not resulted in a registration, the reasons therefore.

The secretary may also require that a drawing of the mark, complying with such requirements as the secretary may specify, accompany the application.

The application shall be signed and verified by oath, affirmation, or declaration subject to perjury laws by the applicant, a specimen or facsimile of the mark illustrating its present mode of use, and a filing fee of ten dollars for each class of goods or services for which registration is sought or by a member of the firm or an officer of the corporation or association applying.

The application shall be accompanied by three specimens showing the mark as actually used.

The application shall be accompanied by the application fee payable to the secretary.

Sec. 4. NEW SECTION. 548.3A FILING OF APPLICATIONS.

1. Upon the filing of an application for registration and payment of the application fee, the secretary may cause the application to be examined for conformity with this chapter.

2. The applicant shall provide any additional pertinent information requested by the secretary including a description of a design mark and may make, or authorize the secretary to make, such amendments to the application as may be reasonably requested by the secretary or deemed by the applicant to be advisable to respond to any rejection or objection.

3. The secretary may require the applicant to disclaim an unregistrable component of a mark otherwise registrable, and an applicant may voluntarily disclaim a component of a mark sought to be registered. A disclaimer shall not prejudice or affect the applicant's or registrant's rights existing at or after the time of disclaimer arising in the disclaimed matter, or the applicant's or registrant's rights of registration on another application if the disclaimed matter is or becomes distinctive of the applicant's or registrant's goods or services.

4. Amendments may be made by the secretary upon the application submitted by the applicant upon the applicant's agreement, or the secretary may require a new application to be submitted.

5. If the applicant is found not to be entitled to registration, the secretary shall advise the applicant thereof and of the reasons therefore. The applicant shall have a reasonable period of time specified by the secretary in which to reply or to amend the application, in which event the application shall be reexamined. This procedure may be repeated until the secretary finally refuses registration of

the mark or the applicant fails to reply or amend within the specified period, whereupon the application shall be deemed to have been abandoned.

6. If the secretary finally refuses registration of the mark, the applicant may seek judicial review of the refusal in accordance with chapter 17A.

7. If the secretary is concurrently processing applications seeking registration of the same or confusingly similar marks for the same or related goods or services, the secretary shall grant priority to the applications in order of filing. If an application filed earlier is granted a registration, a later application shall be rejected. Any rejected applicant may bring an action for cancellation of the registration upon grounds of prior or superior rights to the mark, in accordance with the provisions of section 548.7.

Sec. 5. Section 548.4, Code 1993, is amended to read as follows:

548.4 CERTIFICATE OF REGISTRATION.

The Upon compliance by the applicant with the requirements of this chapter, the secretary of state shall issue cause a certificate of registration to be issued and delivered to the applicant upon compliance with the requirements of this chapter. The certificate of registration shall be issued over under the signature and seal of the secretary of state or the secretary's designee, bear the date of registration, and be affixed to a duplicate original application or a copy and shall show the name and business address and, if a corporation, the state of incorporation, or if a partnership, the state in which the partnership is organized and the names of the general partners, as specified by the secretary, of the person claiming ownership of the mark, the date claimed for the first use of the mark anywhere and the date claimed for the first use of the mark in this state, the class of goods or services and a description of the goods or services on or in connection with which the mark is used, a reproduction of the

mark, the registration date and the term of the registration. A duplicate original application shall be retained by the secretary of state with respect to each registered mark;--The retained duplicate original application or a copy shall be available for public examination:

A certificate of registration by the secretary of state affixed to a duplicate original application or to a copy shall be prima facie evidence of the validity of registration and of the registrant's right to use the mark throughout this state in the manner described in the certificate of registration:

A certificate of registration issued by the secretary under this section or a copy thereof duly certified by the secretary shall be admissible in evidence as competent and sufficient proof of the registration of such mark in an action or judicial proceeding in any court in this state.

Sec. 6. Section 548.5, Code 1993, is amended to read as follows:

548.5 DURATION AND RENEWAL.

Registration A registration of a mark under this chapter shall be effective for a term of ten five years and from the date of registration and, upon application filed within six months prior to the expiration of the term, in a manner complying with the requirements of the secretary, the registration may be renewed for successive ten-year periods a like term from the end of the expiring term. A renewal fee of ten dollars payable to the secretary shall accompany an application for renewal of registration. Application for renewal shall be made within six months prior to the expiration of the registration on a form furnished by the secretary of state and shall include a verified statement that the mark is still in use in this state:

The secretary of state shall notify a registrant of the pending expiration of the registrant's registration;--However, the failure of a registrant to receive due notice from the

secretary of state shall not prevent expiration of a registration:

The term of any registration in force on the date on which this chapter becomes effective shall not be affected by this chapter; but any registration in force on said date can only be renewed under this chapter. A registration may be renewed for successive periods of five years in like manner. A registration in force on the date on which this chapter shall become effective shall continue in full force and effect for the unexpired term thereof and may be renewed by filing an application for renewal with the secretary complying with the requirements of the secretary and paying the renewal fee within six months prior to the expiration of the registration.

All applicants for renewal under this chapter, whether of registration made under this chapter or of registrations effected under any prior statute, shall include a verified statement that the mark has been and is still in use and include a specimen showing actual use of the mark on or in connection with the goods or services.

Sec. 7. Section 548.6, Code 1993, is amended to read as follows:

548.6 ASSIGNMENT ASSIGNMENTS, CHANGES OF NAME, AND OTHER INSTRUMENTS.

1. Any A mark registered under this chapter shall be and its registration under this chapter is assignable with the good will of the business in which the mark is used or with that part of the good will of the business connected with the use of and symbolized by the mark. A mark connected with a part of the good will of a business can be assigned with that part of the good will of the business. Assignment of a registration can only be effected by filing duplicate originals of an assignment, signed by the registrant, shall be by a duly executed written instrument which may be recorded with the secretary of state together with a filing fee of three dollars;--After filing the assignment, the secretary of

state upon the payment of a recording fee to the secretary, who, upon recording of the assignment shall issue to a new certificate in the name of the assignee, for the remainder of the term of the assigned registration; a new certificate attached to one of the duplicate originals or of the last renewal of the registration. An assignment of a registration under this chapter shall be void as against any subsequent purchase for valuable consideration without notice, unless the assignment is recorded with the secretary within three months after the date of the assignment or prior to such subsequent purchase.

2. A registrant or applicant effecting a change of the name of the person to whom the mark was issued or for whom an application was filed may record a certificate of change of name of the registrant or applicant with the secretary upon the payment of the recording fee. The secretary may issue a certificate of registration of an assigned application in the name of the assignee. The secretary may issue in the name of the assignee, a new certificate or registration for the remainder of the term of the registration or last renewal of the registration.

3. Other instruments which relate to a mark registered or application pending pursuant to this chapter, such as, by way of example, licenses, security interests, or mortgages, may be recorded in the discretion of the secretary, if such instrument is in writing and duly executed.

4. Acknowledgement shall be prima facie evidence of the execution of an assignment or other instrument and, when recorded by the secretary, the record shall be prima facie evidence of execution.

5. A photocopy of any instrument referred to in subsections 1 through 3, shall be accepted for recording if it is certified by any of the parties to the registration, or their successors, to be a true and correct copy of the original.

Sec. 8. NEW SECTION. 548.6A RECORDS.

The secretary shall keep for public examination a record of all marks registered or renewed under this chapter, as well as a record of all documents recorded pursuant to section 548.6.

Sec. 9. Section 548.7, Code 1993, is amended to read as follows:

548.7 CANCELLATION.

The secretary of state shall cancel from the register, in whole or in part, any of the following:

1. Any registration under a prior law which has expired without being renewed under this chapter;

2. Any A registration concerning which the secretary of state receives a voluntary request for cancellation from the registrant or the assignee of record.

3. Any A registration granted under this chapter and not renewed in accordance with its provisions this chapter.

4. Any A registration concerning which a district court in an action involving the registration and from which no appeal is or can be taken, finds any of the following:

- a. That the registered mark has been abandoned, or,
- b. That the registrant is not the owner of the mark, or,
- c. That the registration was granted contrary to the provisions of this chapter, or improperly,
- d. That the registration was obtained fraudulently, or,
- e. That the registered mark has become incapable of serving as a mark, or the generic name for the goods or services, or a portion of the goods or services, for which the mark has been registered.

f. That the registered mark is so similar to a mark registered, as to be likely to cause confusion or mistake or to deceive, to a mark registered by another person in the United States patent and trademark office by another party to the litigation and not abandoned prior to the date of first use by the registrant under this chapter as to be likely to cause confusion, mistake, or deception of purchasers;  
However, registration under this chapter shall not be canceled

~~if the registrant under this chapter proves prior to the date of the filing of the application for registration by the registrant under this chapter, and not abandoned. However, if the registrant proves that the registrant has is the owner of a concurrent registration for the of a mark in the United States patent and trademark office for covering an area including this state, the registration under this chapter shall not be canceled for such area of the state.~~

~~5. Any A registration that a district court, from which no appeal is or can be taken, orders ordered canceled by a court on any ground.~~

Sec. 10. Section 548.8, Code 1993, is amended to read as follows:

548.8 CLASSIFICATION.

The secretary of state shall by rule establish a classification of goods and services for convenience in the administration of this chapter ~~which shall, but not limit an or extend the applicant's or registrant's rights except as expressly provided by this chapter, and a single application for registration of a mark may include any or all goods upon which, or services with which, the mark is actually being used indicating the appropriate class or classes of goods or services. If a single application includes goods or services which fall within multiple classes, the secretary may require payment of a fee for each class. To the extent practical, the classification of goods and services should conform to the classification adopted by the United States patent and trademark office.~~

Sec. 11. Section 548.9, Code 1993, is amended to read as follows:

548.9 FRAUDULENT REGISTRATION.

Any A person who, either on the person's own behalf or on behalf of any other person, ~~shall procure~~ procures the filing or registration of any a mark in the office of the secretary under this chapter by knowingly making any false or fraudulent

representation or declaration, orally or in writing, or by any other fraudulent means is liable for the damages caused by the fraudulent sustained in consequence of the filing or registration and in an action to recover these damages the court shall order cancellation of the fraudulently obtained registration to be recovered by or on behalf of the party injured in district court.

Sec. 12. Section 548.10, Code 1993, is amended to read as follows:

548.10 INFRINGEMENT.

Any person who Subject to section 548.11B, a person shall not do any of the following:

1. Use, without the consent of the registrant, uses any reproduction, counterfeit, copy, or colorable imitation of a mark registered under this chapter in a manner which in connection with the sale, distribution, offering for sale, or advertising of any goods or services on or in connection with which such use is likely to cause confusion, or mistake, or deception to deceive as to the source of origin of purchasers; or reproduces, counterfeits, copies, or colorably imitates such goods or services.

2. Reproduce, counterfeit, copy, or colorably imitate any registered such mark and applies such reproduction, counterfeit, copy, or colorable imitation to labels, signs, prints, packages, wrappers, receptacles, or advertisements intended to be used in a manner which is likely to cause confusion, mistake, or deception of purchasers upon or in connection with the sale or other distribution in this state; of such goods or services.

The person shall be liable in a civil action by the registrant of the mark; for any or all of the remedies provided in section 548.11, except that under subsection 2, the registrant shall not be entitled to recover profits or damages unless the acts have been committed with the intent to cause confusion or mistake or to deceive.

Sec. 13. NEW SECTION. 548.10A INJURY TO BUSINESS REPUTATION -- DILUTION.

The owner of a mark which is famous in this state shall be entitled, subject to the principles of equity, to an injunction against another's use of a mark, commencing after the owner's mark becomes famous, which causes dilution of the distinctive quality of the owner's mark, and to obtain such other relief as is provided in this section. In determining whether a mark is famous, a court may consider factors such as, but not limited to:

1. The degree of inherent or acquired distinctiveness of the mark in this state.
2. The duration and extent of use of the mark in connection with the goods and services.
3. The duration and extent of advertising and publicity of the mark in this state.
4. The geographical extent of the trading area in which the mark is used.
5. The channels of trade for the goods or services with which the owner's mark is used.
6. The degree of recognition of the owner's mark in its and in the other's trading areas and channels of trade in this state.
7. The nature and extent of use of the same or similar mark by third parties.

The owner shall be entitled only to injunctive relief in this state in an action brought under this section, unless the subsequent user willfully intended to trade on the owner's reputation or to cause dilution of the owner's mark. If such willful intent is proven, the owner shall also be entitled to the remedies set forth in this chapter, subject to the discretion of the court and the principles of equity.

Sec. 14. Section 548.11, Code 1993, is amended to read as follows:

548.11 REMEDIES.

1. ~~The registrant of a mark that has been infringed may be granted an injunction against an infringer in accordance with the principles of equity. The court in its discretion may allow the registrant to recover the damages caused by the infringement or the profits of the infringer attributable to the infringement, or both. The court may order any counterfeits or imitations in the possession or under the control of an infringer to be destroyed and in exceptional cases the court may also award reasonable attorney fees to the prevailing party.~~

2. ~~likelihood of injury to business reputation or to a trade name valid at common law, or of dilution of the distinctive quality of a mark, whether registered or not registered under this chapter, shall be a ground for injunctive relief notwithstanding the absence of competition between the parties or the absence of confusion as to the source of goods or services. The owner of a mark registered under this chapter may proceed by suit to enjoin the manufacture, use, display, or sale of any counterfeits or imitations of the mark and any court may grant injunctions to restrain such manufacture, use, display, or sale as the court deems just and reasonable, and may require the defendants to pay to such owner all profits derived from or all damages suffered by reason of such wrongful manufacture, use, display, or sale. The court may also order that any counterfeits or imitations in the possession or under the control of a defendant be delivered to an officer of the court, or to the complainant, to be destroyed. The court, in its discretion, may enter judgment for an amount not to exceed three times such profits and damages and reasonable attorneys' fees of the prevailing party in cases where the court finds the other party committed such wrongful acts with knowledge or in bad faith or otherwise as according to the circumstances of the case.~~

The enumeration of any right or remedy in this section shall not affect a registrant's right to prosecute under any penal law of this state.

Sec. 15. NEW SECTION. 548.11A FORUM FOR ACTIONS REGARDING REGISTRATION -- SERVICE ON OUT-OF-STATE REGISTRANTS.

1. Actions to require cancellation of a mark registered pursuant to this chapter shall be brought in district court. In an action for cancellation, the secretary shall not be made a party to the proceeding but shall be notified of the filing of the complaint by the clerk of the district court in which it is filed and shall be given the right to intervene in the action.

2. In an action brought against a nonresident registrant, service may be effected upon the secretary as agent for service of the registrant in accordance with the procedures established for service upon nonresident corporations and business entities under section 617.3.

Sec. 16. NEW SECTION. 548.11B COMMON LAW RIGHTS.

This chapter shall not adversely affect the rights or the enforcement of rights in marks acquired in good faith at any time at common law.

Sec. 17. NEW SECTION. 548.11C FEES.

The secretary shall by rule adopted pursuant to chapter 17A prescribe the fees payable for the various applications and recording fees and for related services. Unless specified by the secretary, the fees payable pursuant to this chapter are not refundable.

Sec. 18. PENDING ACTIONS NOT AFFECTED. This Act shall not affect any suit, proceeding, or appeal pending on the effective date of this Act.

Sec. 19. REPEAL. Sections 548.12 and 548.13, Code 1993, are repealed.

Sec. 20. CODE EDITOR. The Code editor shall renumber sections as provided in this Act to ensure consistency with the model state trademark bill promulgated by the United

States trademark association, including the most recent revisions in the model bill.

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LEONARD L. BOSWELL  
President of the Senate

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HAROLD VAN MAANEN  
Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 2232, Seventy-fifth General Assembly.

\_\_\_\_\_  
JOHN F. DWYER  
Secretary of the Senate

Approved *April 19*, 1994

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TERRY E. BRANSTAD  
Governor