Dilution

Section 1124 of the Act, Injury to Business or Reputation; Dilution, would be revised substantially by passage of the Bill. The Bill provides that the owner of a famous mark in Pennsylvania shall be entitled to an injunction against another person's commercial use of the mark or trade name if the other person's use begins after the mark has become famous and causes "dilution of the distinctive quality of the mark." The Bill provides several factors that a court may consider in determining whether a mark is distinctive and famous including: the degree of inherent or acquired distinctiveness of the mark; the duration and extent of use of the mark; the duration and extent of advertising and publicity of the mark; the geographical extent of the trading area in which the mark is used; the channels or trade for the goods or services with which the mark is used; the degree of recognition of the mark in the trading areas and channels of trade used by the mark's owner and the person against whom the injunction is sought; the nature and extent of use of the same or similar marks by third parties; and whether the mark is the subject of state or federal registration.

The Bill expressly provides that the owner of a famous mark is entitled to only injunctive relief unless the person against whom the injunctive relief is sought willfully intended to trade on the owner's reputation or to cause dilution of the famous mark. In that event, the owner of the mark is entitled to seek the full range of damages contemplated by the act, including lost profits and other damages. Finally, the Bill provides that no cause of action will be available for dilution that constitutes a "fair use" of a famous mark by another person including uses in comparative advertising or in promotional materials used to identify the competing goods or services of the owner of the famous mark, in any non-commercial use of the mark or in any form of news reporting or news commentary.

Remedies

The remedies provision of the current Act, Section 1125, would be amended by the Bill to empower the court, in its discretion, to enter judgment for an amount not to exceed three times the profits and damages relating to the infringement and/or reasonable attorney's fees of the prevailing party in the event that the court finds that the other party committed such wrongful acts with knowledge or in bad faith.

The Bill has been referred to the Judiciary Committee of the Pennsylvania Senate for its consideration.

Timothy P. Ryan is a partner in the Pittsburgh office of Eckert Seamans Cherin & Mellott.

Just Wondering ...

Anyone willing to risk their PTO registration number may be able to find out how an Examiner would handle this claim:

1. A method for obtaining a patent, comprising the steps of:
   
   (a) writing a self-referential patent claim to confuse the Examiner, wherein the self-referential patent claim comprises Claim 1 of the present application;
   
   and
   
   (b) convincing the Examiner to allow the patent claim by including within clause (b) of said claim one of confusing, self-referential reasoning and an implicit threat to harm the Examiner if the Examiner does not allow the patent claims.

How about including the following clause in a patent specification to help decrease an enablement or best mode rejection:

"Reference is hereby made to the text of every U.S. patent ever issued, the entirety of each of which is incorporated by reference herein."~

Submitted by N. Stephan Kinsella