

Use It or Lose It: When Can a Trademark Registered Under Section 44(e) or 66(a) Be Deemed “Abandoned” in the US?

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Unlike most countries, US trademark law generally requires that a mark be in use before it can be protected. The US recognizes common law rights in unregistered marks if they have been adopted in good faith and are in actual use on a product or to provide a service to the public. The US also has a state trademark registration system as well as a federal trademark registration system. Each state adopts its own requirements for registration of a trademark, and the US Congress creates the law for federal registration.

Under federal law, a mark owned by a US based applicant must be in use on all of the goods and to provide all of the services in an application, and proof of use must be filed and accepted by the US Trademark Office before a registration will issue. However, non-US applicants are permitted to register a trademark in the US without ever having used the mark in the US if it seeks registration under Section 44(e) of the Trademark Act based upon a qualified foreign national or European Community registration or if it seeks registration under Section 66(a) based upon an international trademark registration under the Madrid Protocol.

In all applications filed in the US, it is necessary for the applicant to assert, under penalty of criminal perjury, that it is either using the mark or has a bona fide intent to use the mark in the US on all of the goods and to provide all of the services in the application. If the applicant does not have the requisite intent at the time the application is filed, the application and any resulting registration are vulnerable to being canceled or declared void at a later date. In an [earlier post](#), we discussed what constitutes sufficient “intent” to clear this hurdle, and the fact that more marks are being challenged in adversarial proceedings on grounds of insufficient intent. Thus, although Section 44(e) and 66(a) applicants need not prove use in order to obtain a US registration, they still do need to have the requisite intent to use the mark in the US at the time their US applications are filed.

Although non-US applicants can register a mark without proving use, they cannot maintain the registration without engaging in use. Between the fifth and sixth year after a registration issues, all registrants must file a Section 8 Affidavit of Continued Use with specimens of use for each class in the registration and must delete from the registration all individual goods and services that are not currently being offered under the mark in the US. This exercise must be repeated ten years after the registration has issued and every ten years thereafter. Again, this differs from most other countries in the world where it is not necessary to prove that the mark is in use when registration maintenance documents are filed.

Non-US registrants must also be concerned with potential third-party challenges to registered trademarks that are not in use. Under Section 45 of the US Trademark Act, a mark will be deemed to be “abandoned” when use of the mark has been discontinued with the intent not to resume such use, and intent not to resume may be inferred from the circumstances. Nonuse of a mark for three consecutive years shall be considered prima facie evidence of abandonment. The level of “use” necessary to satisfy this threshold must be a bona fide use of the mark in the “ordinary course of trade” for the specific industry in question, and cannot be a use, such as a token use, made merely as an attempt to reserve a right in a mark.

So, what is the starting point for calculating the three-year period for determining whether a mark registered in the US based upon a non-US registration can be deemed abandoned? That question was answered some time ago for Section 44(e) registrations when the US Court of Appeals for the Federal Circuit, in *Imperial Tobacco Ltd. v. Philip Morris Inc.*, 899 F.2d 1575, 14 USPQ2d 1390 (Fed. Cir. 1990), held that the period of nonuse which constitutes prima facie evidence of abandonment begins the day the registration issues.

That question, however, was only recently answered for relatively new US Section 66(a) registrations. In *Dragon Bleu (SARL) v. VENM, LLC*, Opposition No. 91212231 (TTAB December 1, 2014), the Trademark Trial and Appeal Board, in a precedential decision, held that the date of registration in the US also begins the initial three-year period during which use of the registered mark must commence in the US in order to avoid a finding of abandonment. Of course, as in any case, nonuse of a mark for less than three years combined with an intent not to resume use is also sufficient to support a finding of abandonment.

Thus, non-US registrants must be diligent and aware of the requirements of US law when filing applications in the US. Although “use” of a mark may not be required in order to obtain a registration, a bona fide intent to use a mark on all the goods and services in the application must be present the day the application is filed. For US applications based upon broadly worded non-US registrations, this is an issue which must be taken into consideration when filing such an application. Since claims and defenses based upon these issues are being raised more aggressively in US proceedings, it is necessary to exercise great care throughout the filing, prosecution, and post-registration processes in order to avoid a possible loss of rights.

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