

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1991

H

4

HOUSE BILL 450

Committee Substitute Favorable 5/23/91

Third Edition Engrossed 6/10/91

Senate State Personnel and State Government Committee Substitute Adopted 6/27/91

Short Title: Clarify Trademark Registration.

(Public)

Sponsors:

Referred to:

April 1, 1991

A BILL TO BE ENTITLED

AN ACT TO UPDATE AND CLARIFY THE TRADEMARK REGISTRATION ACT.

The General Assembly of North Carolina enacts:

Section 1. G.S. 80-1 reads as rewritten:

"§ 80-1. Definitions.

(a) The term 'applicant' as used herein ~~embraces~~ means the person filing an application for registration of a trademark under this Article, his legal representatives, successors or assigns.

(b) The term 'mark' as used herein includes any trademark or service mark entitled to registration under this Article whether registered or not.

(c) The term 'person' as used herein means any individual, firm, partnership, corporation, association, union or other organization.

(d) The term 'registrant' as used herein ~~embraces~~ means the person to whom the registration of a trademark under this Article is issued, his legal representatives, successors or assigns.

(e) The term 'service mark' as used herein means a mark used in the sale or advertising of services to identify the services of one person and distinguish them from the services of others.

(f) The term 'trademark' as used herein means any word, name, symbol, or device or any combination thereof adopted and used by a person to identify goods ~~made~~

1 ~~or sold~~ made, sold, or distributed by him and to distinguish them from goods ~~made or~~  
2 ~~sold~~ made, sold, or distributed by others.

3 (g) The term 'use' means the bona fide use of a mark in the State of North  
4 Carolina in the ordinary course of trade, and not merely the reservation of a right to a  
5 mark. For the purposes of this Article, a mark shall be deemed to be 'used' in this State  
6 (i) on goods when it is placed in any manner on the goods or their containers or the  
7 displays associated therewith or on the tags or labels affixed ~~thereto~~ thereto, or if the  
8 nature of the goods makes such placement impractical, then on documents associated  
9 with the goods, and such goods are currently sold or otherwise distributed in the State,  
10 and (ii) on services when it is used or displayed in the sale or advertising of services and  
11 the services are currently being rendered in this State ~~State~~, or are being offered and are  
12 available to be rendered in this State."

13 Sec. 2. G.S. 80-2 reads as rewritten:

14 **"§ 80-2. Registrability.**

15 A mark by which the goods or services of any applicant for registration may be  
16 distinguished from the goods or services of others shall not be registered if it

- 17 (1) Consists of or comprises immoral, deceptive or scandalous matter; or
- 18 (2) Consists of or comprises matter which may disparage or falsely  
19 suggest a connection with persons, living or dead, institutions, beliefs,  
20 or national symbols, or bring them into contempt, or disrepute; or
- 21 (3) Consists of or comprises the flag or coat of arms or other insignia of  
22 the United States, or of any state or municipality, or of any foreign  
23 nation, or any simulation thereof; or
- 24 (4) Consists of or comprises the name, signature or portrait of any living  
25 individual, except with his written consent; or
- 26 (5) Consists of a mark which (i) when applied to the goods or services of  
27 the applicant, is merely descriptive of them or merely describes one or  
28 more of the characteristics, or is deceptively misdescriptive of them, or  
29 falsely describes the nature, function, capacity, or characteristics of  
30 them, or (ii) when applied to the goods or services of the applicant, is  
31 primarily geographically descriptive or deceptively misdescriptive of  
32 them, or (iii) is primarily merely a surname; provided, however, that  
33 nothing in this subdivision (5) shall prevent the registration of a mark  
34 used in this State by the applicant which has become distinctive of the  
35 applicant's goods or services. The Secretary of State may accept as  
36 evidence that the mark has become distinctive, as applied to the  
37 applicant's goods or services, proof of continuous use thereof as a  
38 mark by the applicant in this State or elsewhere for the five years  
39 preceding the date of the filing of the application for registration; or
- 40 (6) Consists of or comprises a mark which so resembles a mark registered  
41 in this State or a mark or trade name previously used in this State by  
42 another and not abandoned, as to be likely, when applied to the goods  
43 or services of the applicant, to cause confusion or mistake or to  
44 deceive."

1           Sec. 3. G.S. 80-3 reads as rewritten:

2 **"§ 80-3. Application for registration.**

3           Subject to the limitations set forth in this Article, any person who uses a mark, or  
4 any person who controls the nature and quality of the goods or services in connection  
5 with which a mark is used by another, in this State may file in the office of the Secretary  
6 of State ~~on a form to be furnished~~ in a format to be prescribed by the Secretary of State,  
7 an application for registration of that mark setting forth, but not limited to, the following  
8 information:

- 9           (1) The name and business address of the person applying for such  
10 registration; and, if a corporation, the state of ~~incorporation;~~  
11 incorporation. If the application for registration relates to a mark used  
12 in connection with goods, the applicant shall list either the address of  
13 the applicant's principal place of business in North Carolina or a place  
14 of distribution and usage of such goods in this State. If the application  
15 for registration relates to a mark used in connection with services, the  
16 applicant shall list a physical location at which the services are being  
17 rendered or offered in this State;
- 18           (2) The goods or services in connection with which the mark is used and  
19 the mode or manner in which the mark is used in connection with such  
20 goods or services and the class in which such goods or services fall;
- 21           (3) The date when the mark was first used anywhere and the date when it  
22 was first used in this State by the applicant, his predecessor in business  
23 or by another under such control of applicant; and
- 24           (4) A statement that the applicant is the owner of the mark and that to the  
25 best of his knowledge no other person except as identified by applicant  
26 has the right to use such mark in this State either in the identical form  
27 thereof or in such near resemblance thereto as ~~might be calculated to~~  
28 ~~deceive or to be mistaken therefor.~~ to be likely to cause confusion, or to  
29 cause mistake, or to deceive.

30           The application shall be signed and verified by the ~~applicant or applicant,~~ by a  
31 partner, by a member of the ~~firm~~ firm, or an officer of the corporation or association  
32 ~~applying.~~ applying for registration. In states in which a notary is not required by law to  
33 obtain a notary's stamp or seal, an original certificate of authority of the notary issued  
34 by the appropriate State agency shall be submitted with the application. If the  
35 application is signed by a person acting pursuant to a power of attorney from the  
36 applicant, an original power of attorney or a certified copy of the power of attorney shall  
37 accompany the application.

38           The application shall be accompanied by ~~a specimen or facsimile of such mark in~~  
39 ~~triplicate.~~ three specimens of the mark as currently used, and proof of use or distribution  
40 in this State.

41           The application for registration shall be accompanied by a filing fee of ~~twenty-five~~  
42 ~~dollars (\$25.00),~~ fifty dollars (\$50.00), payable to the Secretary of State."

43           Sec. 4. G.S. 80-4 reads as rewritten:

44 **"§ 80-4. Certificate of registration.**

1 Upon compliance by the applicant with the requirements of this Article, the  
2 Secretary of State shall cause a certificate of registration to be issued and delivered to  
3 the applicant. The certificate of registration shall be issued under the signature of the  
4 Secretary of State and the seal of the State, and it shall show the name and business  
5 address and, if a corporation, the state of incorporation, of the person claiming  
6 ownership of the mark, the date claimed for the first use of the mark anywhere and the  
7 date claimed for the first use of the mark in this State, the class of goods or services and  
8 a description of the goods or services on which the mark is used, a reproduction of the  
9 mark, the registration ~~date~~-date, the registration number and the term of the registration.

10 Any certificate of registration issued by the Secretary of State under the provisions  
11 hereof or a copy thereof duly certified by the Secretary of State shall be admissible in  
12 evidence as competent and sufficient proof of the registration of such mark in any action  
13 or judicial proceedings in any court of this State."

14 Sec. 5. G.S. 80-5 reads as rewritten:

15 "**§ 80-5. Duration and renewal.**

16 Registration of a mark hereunder shall be effective for a term of 10 years from the  
17 date of registration and shall be renewable for successive terms of 10 years upon  
18 application filed within six months prior to the expiration of any term. A renewal fee of  
19 ~~ten dollars (\$10.00),~~ thirty-five dollars (\$35.00), payable to the Secretary of State, shall  
20 accompany the application for renewal of the registration. Within six months following  
21 the expiration of a term of five years from the date of registration, or the last renewal of  
22 registration of the mark, the applicant shall submit a specimen showing evidence of  
23 current use of the mark and a signed statement verifying the use of such mark on a form  
24 to be furnished by the Secretary of State. Use of the form furnished by the Secretary of  
25 State is mandatory. Failure to submit this verification and specimen showing evidence  
26 of current use shall be grounds for cancellation of the registration of the mark by the  
27 Secretary of State.

28 The Secretary of State shall notify registrants of marks hereunder of the necessity of  
29 renewal within the year next preceding the expiration of the 10 years from the date of  
30 registration, by writing to the last known address of the registrants.

31 The Secretary of State shall notify registrants of marks hereunder of the necessity of  
32 submitting evidence of current use of the mark after five years from the date of  
33 registration or of the last renewal of registration of the mark, by writing to the last  
34 known address of the registrants within the year preceding the due date for such  
35 submission.

36 Registration of marks obtained under previous acts shall be continued in force for  
37 the full 10-year term which is in effect October 1, 1991, without the necessity of  
38 submitting evidence of current use of the mark during such term.

39 ~~Any registration in force on January 1, 1968, shall expire 10 years from the date of~~  
40 ~~the registration or of the last renewal thereof hereunder or two years after January 1,~~  
41 ~~1968, whichever is later, and may be renewed by filing an application with the Secretary~~  
42 ~~of State and paying the aforementioned renewal fee therefor within six months prior to~~  
43 ~~the expiration of the registration. Until so expired, such registration shall be subject to~~  
44 ~~and shall be entitled to the benefits of the provisions of this Article.~~

1 All applications for renewals under this Article, whether of registrations made under  
2 this Article or of registrations affected under any prior act, shall be filed with the  
3 Secretary of State ~~on a form to be furnished by him~~ in a format prescribed by the Secretary  
4 of State specifying the information called for by G.S. 80-3 and shall include a statement  
5 that the mark is still in use in this State. State, setting forth those goods or services  
6 recited in the registration in connection with which the mark is still in use. The  
7 registration shall be renewed only as to such goods and services.

8 ~~The Secretary of State shall notify each registrant of marks under previous acts of~~  
9 ~~the date of expiration of such registrations unless renewed in accordance with the~~  
10 ~~provisions of this Article, by writing to the last known address of the registrants at least~~  
11 ~~six months prior to the date of expiration thereof under the provisions of this Article."~~

12 Sec. 6. G.S. 80-6 reads as rewritten:

13 **"§ 80-6. Assignment.**

14 Any mark and its registration hereunder shall be assignable with the goodwill of the  
15 business in which the mark is used, or with that part of the goodwill of the business  
16 connected with the use of and symbolized by the mark. Assignment shall be by  
17 instruments in writing duly executed and may be recorded with the Secretary of State  
18 upon the payment of a fee of ~~ten dollars (\$10.00)~~ twenty-five dollars (\$25.00), payable to  
19 the Secretary of State who, upon recording of the assignment, shall issue in the name of  
20 the assignee a new certificate for the remainder of the term of the registration or of the  
21 last renewal thereof. An assignment of any registration under this Article shall be void  
22 as against any subsequent purchaser for valuable consideration without notice, unless it  
23 is recorded with the Secretary of State within three months after the date thereof or prior  
24 to such subsequent purchase."

25 Sec. 7. G.S. 80-7 reads as rewritten:

26 **"§ 80-7. Records.**

27 The Secretary of State shall keep for public examination all assignments recorded  
28 under G.S. 80-6 and a record of all marks registered or renewed under this Article. The  
29 Secretary of State shall collect the following fees for copying, comparing, and certifying  
30 a copy of any filed document relating to a trademark or service mark:

31 (1) Five dollars (\$5.00) for the certificate, and

32 (2) One dollar (\$1.00) per page for copying or comparing a copy to the  
33 original.

34 The Secretary of State shall collect a recording fee of ten dollars (\$10.00) for  
35 recording name changes of corporate registrants and for recording transfers of the  
36 registration of any mark by merger or consolidation if the articles of merger or  
37 consolidation are records not on file in the Corporate Division of the Department of the  
38 Secretary of State."

39 Sec. 8. G.S. 80-8 reads as rewritten:

40 **"§ 80-8. Cancellation.**

41 The Secretary of State shall cancel from the register:

42 (1) ~~After two years from January 1, 1968, all registrations under prior acts~~  
43 ~~which are more than 10 years old and not renewed in accordance with~~  
44 ~~this Article;~~

- 1 (2) Any registration concerning which the Secretary of State shall receive  
2 a voluntary request for cancellation thereof from the registrant or the  
3 assignee of record;
- 4 (3) All registrations granted under this Article and not renewed in  
5 accordance with the provisions hereof;
- 6 (4) Any registration concerning which a court of competent jurisdiction  
7 shall find
- 8 a. That the registered mark has been abandoned or has become  
9 incapable of serving as a mark;
- 10 b. That the registrant is not the owner of the mark;
- 11 c. That the registration was granted improperly;
- 12 d. That the registration was obtained ~~fraudulently~~-fraudulently;
- 13 (5) Any registration when a court of competent jurisdiction shall order  
14 cancellation ~~thereof~~-thereof;
- 15 (6) Any registration for which compliance with the five-year evidence of  
16 use requirement of G.S. 80-5 has not been effected; or
- 17 (7) Any registration which was obtained by means of false statements in  
18 the application for registration."

19 Sec. 9. G.S. 80-9 reads as rewritten:

20 "**§ 80-9. Classification.**

21 The following general classes of goods and services are established for convenience  
22 of administration of this Article, but not to limit or extend the applicant's or registrant's  
23 rights, and a single application for registration of a mark may include any or all goods  
24 upon which, or services for which, the mark is actually being used comprised in a single  
25 class, but in no event shall a single application include goods or services upon or for  
26 which the mark is being used which fall within different classes of goods or services.  
27 The Secretary of State shall have the right to amend the classes herein established to  
28 conform the same to the classification established for the United States Patent Office as  
29 from time to time amended.

30 The said classes are as follows:

- 31 (a) Goods. –
- 32 1. Raw or partly prepared materials.
- 33 2. Receptacles.
- 34 3. Baggage, animal equipments, portfolios, and pocketbooks.
- 35 4. Abrasives and polishing materials.
- 36 5. Adhesives.
- 37 6. Chemicals and chemical compositions.
- 38 7. Cordage.
- 39 8. Smokers' articles, not including tobacco products.
- 40 9. Explosives, firearms, equipments, and projectiles.
- 41 10. Fertilizers.
- 42 11. Inks and inking materials.
- 43 12. Construction materials.
- 44 13. Hardware and plumbing and steam-fitting supplies.

- 1 14. Metals and metal castings and forgings.
- 2 15. Oils and greases.
- 3 16. Protective and decorative coatings.
- 4 17. Tobacco products.
- 5 18. Medicines and pharmaceutical preparations.
- 6 19. Vehicles.
- 7 20. Linoleum and oiled cloth.
- 8 21. Electrical apparatus, machines, computer hardware, video tapes, and
- 9 supplies.
- 10 22. Games, toys, and sporting goods.
- 11 23. Cutlery, machinery, and tools, and parts thereof.
- 12 24. Laundry appliances and machines.
- 13 25. Locks and safes.
- 14 26. Measuring and scientific ~~appliances~~ appliances and computer software.
- 15 27. Horological instruments.
- 16 28. Jewelry and precious-metal ware.
- 17 29. Brooms, brushes, and dusters.
- 18 30. Crockery, earthenware, and porcelain.
- 19 31. Filters and refrigerators.
- 20 32. Furniture and upholstery.
- 21 33. Glassware.
- 22 34. Heating, lighting, and ventilating apparatus.
- 23 35. Belting, hose, machinery packing, and nonmetallic tires.
- 24 36. Musical instruments and supplies.
- 25 37. Paper and stationery.
- 26 38. Prints and publications.
- 27 39. Clothing.
- 28 40. Fancy goods, furnishings, and notions.
- 29 41. Canes, parasols, and umbrellas.
- 30 42. Knitted, netted and textile fabrics, and substitutes therefor.
- 31 43. Thread and yarn.
- 32 44. Dental, medical, and surgical appliances.
- 33 45. Soft drinks and carbonated waters.
- 34 46. Foods and ingredients of foods.
- 35 47. Wines.
- 36 48. Malt beverages and liquors.
- 37 49. Distilled alcoholic liquors.
- 38 50. Merchandise not otherwise classified.
- 39 51. Cosmetics and toilet preparations.
- 40 52. Detergents and soaps.
- 41 (b) Services. –
- 42 100. Miscellaneous.
- 43 101. Advertising and business.
- 44 102. Insurance and financial.

- 1           103. Construction and repair.
- 2           104. Communications.
- 3           105. Transportation and storage.
- 4           106. Material treatment.
- 5           107. Education and entertainment."
- 6           Sec. 10. This act becomes effective October 1, 1991.