

Question Q234

National Group: United States of America

Title: Relevant public for determining the degree of recognition of famous marks, well-known marks and marks with reputation

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I. Analysis of Current Law and Case Law

1. How is the relevant public for purposes of determining the degree of recognition of famous, well-known and reputed marks defined in your jurisdiction? Is it the general public at large or a relevant sector of the public that is considered to be the relevant public in determining the knowledge, recognition or fame of a mark?

RESPONSE: The relevant public for famous marks in trademark dilution cases is defined by statute, 15 USC § 1125 (c)(2)(A):

“[A] mark is famous if it is widely recognized by the general consuming public of the United States as a designation of the goods or services of the mark’s owner.”

Reference to well-known marks is not made in domestic legislation and to the extent mentioned in judicial decisions, it is derived from Article 6bis of the Paris Convention of 1883 (a non-self-executing multilateral treaty) which is incorporated by reference both in NAFTA Article 1708(6) in 1992 and TRIPS Article 16(2), in 1995, which states:

“In determining whether a trademark is well-known, Members shall take account of the knowledge of the trademark in the relevant sector of the public, including knowledge in

the Member concerned which has been obtained as a result of the promotion of the trademark."

The NAFTA provision concludes: "No party may require that the reputation of the trademark extend beyond the sector of the public that normally deals with the relevant goods or services". A split of authority has developed in the United States on whether the "well-known marks" exception to the principle of territoriality has been incorporated into U.S. trademark law.

The terms "reputed marks" and "marks with a reputation" are not normally used, and do not have widely accepted fixed meaning in U.S. trademark law. Arguably they could be analogized to descriptive marks held to have acquired distinctiveness, or secondary meaning, through use and promotion. In such cases, the relevant public is the relevant sector of the public, i.e., those who purchase the type of goods or services at issue.

It should be noted – to avoid confusion in terminology – that the "fame" or extent of reputation and recognition of an "ordinary" trademark is an issue in virtually every U.S. trademark case. The "fame" of a mark, in the sense of how widely known it is as a result of usage and promotion, is one of the standard factors listed in the *DuPont* test for likelihood of confusion that is applied by Trademark Examiners in examining applications, and the Trademark Trial and Appeal Board in deciding oppositions and cancellations. See *In re E.I. Du Pont de Nemours & Co.*, 476 F.2d 1357 (C.C.P.A.1973). U.S. federal courts apply similar tests but usually refer to the "strength" of a trademark rather than its "fame," but the relevant facts are the same – extent and duration of use and promotion. In such cases, the relevant public is also the segment of the general public that purchases the products or services at issue.

2. Please clarify whether your jurisdiction uses several of the terms discussed in sections 22-26. If so, is the "relevant public" construed differently when determining the recognition of famous marks, well-known marks and marks with reputation respectively (and, if applicable, marks subject to another term)? Is the assessment made based on the same criteria?

RESPONSE: The U.S. Trademark Act uses the term "famous" marks. The Trademark Act does not use the terms "well known" marks or "marks with a reputation." Certain courts have used the term "well-known" marks, and certain courts and commentators suggest some similarity between "marks with a reputation" and "well-known" marks.

The relevant public is construed differently when determining whether a mark is asserted to be a famous mark for dilution purposes as opposed to a well-known mark or just a mark with some reputation. The relevant public for determining whether a mark is famous is the general public at large while the standard used for well-known marks is how well the mark is known in the relevant sector of the public.

3. If the relevant public can be a limited sector of the public please respond (if applicable with reference to statutory provisions and/or case law) to the following questions.

- (a) Please briefly describe the criteria for determining the relevant public. Is consideration taken e.g. to age, gender, geography, culture, groups with special

interests, sophistication/skill of the consumer? Is consideration taken to the way the goods or services with the trademark in question are marketed?

RESPONSE: The relevant public is usually a limited sector of the public, except in the case of famous marks for dilution purposes. The relevant public is usually the part of the general public that purchases the type(s) of goods or services at issue. Characteristics of the types of products or services may be relevant to defining the relevant purchasing public, such as goods purchased by young or older people, purchased primarily by men or women, purchased by motorcycle owners rather than owners of all types of vehicles, etc. Marketing channels might be relevant, depending on the facts of the case. In the United States, determinations of whether a mark is well-known would normally be made in specific cases rather than in the abstract.

- (b) Would the relevant public be populated by actual/potential consumers/buyers of the products/services in question only or a larger public? Please explain how the delimitation is made.

RESPONSE: The relevant public for determining whether a mark is well-known is actual and potential purchasers of the product or service at issue, as described above.

- (c) Could the relevant public be composed of business/professional end consumers?

RESPONSE: Yes, if they are members of the segment of the public that ordinarily purchases the type(s) of goods or services at issue.

- (d) Could the relevant public be composed of people in the trade of the goods or services in question, such as distributors, licensees and retailers?

RESPONSE: Yes, for same reason given in answer 3(c) above, although the emphasis is usually on the ultimate purchasers of the goods or services in question. If the mark in question is not widely known among the ultimate purchasers, it would probably not be considered well-known if well-known only among distributors, licensees and retailers.

- (e) Could the relevant public be “mixed” in a sense that it is composed of persons involved in trade, professional/business end customers and private end customer?

RESPONSE: Yes, for the same reasons given above.

- (f) How limited in terms of quantification can the relevant sector of the public be to constitute the relevant public? Is there a clear established “lowest level”?

RESPONSE: The question asks about the lowest level of the relevant public, presumably its numerosity – and not the lowest level of recognition. There is no clear established lowest level of the relevant public. It depends on how many people or companies actually purchase the type(s) of goods and services at issue.

- (g) Is it possible to see any differences for different products/industry sectors in respect of the delimitation of the relevant public?

RESPONSE: Yes, for each product or industry sector, the relevant public should be the actual/potential purchasers of such goods or services in the case of well-known marks. In considering famous marks, the relevant public is the general consuming public of the United States irrespective of whether they are actual/potential customers.

4. Are there any differences between the “relevant public” concept when assessing the recognition of trademarks in respect of e.g. dilution, free riding, or when determining likelihood of confusion in infringement proceedings?

RESPONSE: The relevant public to be consulted in assessing the issue of dilution is established by the U.S. Trademark Statute 15 USC § 1125(c), i.e., “the general consuming public”. In the case of free riding or determining the issue of likelihood of confusion in a trademark infringement litigation, the “relevant public” are actual/potential customers of the particular product or service in issue. In a traditional infringement case, the relevant public is the purchasers of the defendant’s (or junior user’s) product or service. In a reverse confusion case, the relevant public is the purchasers of the plaintiff’s (or senior user’s) product or service.

5. When does the assessment of the relevant public come into play e.g. in registration matters, proceedings in respect of wrongful use such as free riding, dilution, infringement proceedings, and opposition proceedings?

RESPONSE: In registration matters, the assessment comes into play when the Trademark Examiner rejects an application to register a U.S. trademark on the grounds the mark is descriptive of the goods or services with which the mark is associated and the Applicant submits a secondary meaning survey in response to the Examiner’s rejection. Secondary meaning is determined as of the time when the survey (or other) evidence is submitted. Such evidence is not limited to pre-dating the filing date of the application. In dilution cases, evidence must adduce that the mark must have become famous prior to the date of first use or application date of the allegedly diluting adverse mark. In opposition proceedings, the relevant public evidence is adduced during the discovery period and presented at the Final Hearing. In infringement proceedings, proof of the relevant public is sought in pretrial discovery and presented at trial.

6. Is the relevant public determined by a test, a specific procedure or in some similar manner, or rather on a case-by-case basis? Please give a brief description of how the test or analysis is made.

RESPONSE: The relevant public is determined by the trademark statute (in the case of famous marks) and by treaty (in the case of well-known marks), as discussed above.

II. Proposals for Harmonization

Is harmonization desired? If yes, please respond to the following questions.

1. Is it the general public at large or a particular sector of the public that should be considered as the relevant public in determining the knowledge, recognition or fame of a mark?

RESPONSE: The general public at large throughout the country should be considered as the relevant public in determining the fame of a mark for dilution purposes, as dilution protection is an extreme form of trademark protection. It should not be a sub-set, e.g., the Amish people of the State of Pennsylvania. However, in all other types of trademark cases and issues, the relevant public should be the segment of the general public that purchases the type(s) of goods and services at issue.

2. Please briefly set out the criteria to be used when establishing the relevant public for determining the degree of recognition of famous marks, well-known marks and marks with reputation.

RESPONSE: The criteria to determine fame of a mark for dilution purposes is whether the mark is widely recognized by the general public throughout the country as a mark for specific products or services; in the cases of well-known marks and marks with a reputation, the criteria to be used in establishing the relevant public is whether the mark is widely recognized in the segment of the consuming public relevant to the type(s) of goods or services bearing the trademark.

3. Should the relevant public be construed differently for famous marks, well-known marks or marks with a reputation? If so, please define the terms used and describe what criteria is to be used for the different types of mark.

RESPONSE: Yes, the relevant public should be construed differently for famous marks, well-known marks or marks with a reputation. Famous marks are entitled to enjoin marks that dilute the reach and strength of the famous mark and its degree of recognition should be determined by the general consuming public of the entire country. Well-known marks or marks with a reputation do not receive protection equal to that accorded famous marks and the degree of recognition need only be measured by the relevant sector of the public which is not the general public.

4. Would it be possible or desired to establish a test or a specific method of establishing the relevant public or should this be done on a case-by-case assessment? How should the test or analysis be made?

RESPONSE: Certainly, it is possible, but in our view, not desirable. Except in the case of famous marks for dilution purposes, the relevant public consists of the consumers, purchasers or users of the goods or services in question. A case by case assessment is therefore appropriate.

SUMMARY OF REPORT

In the United States, the relevant public for "famous marks" is defined by statute for trademark dilution purposes: "a mark is famous if it is widely recognized by the general consuming public of the United States as a designation of source of the goods or services of the mark's owner." The term "well-known marks" is used in several treaties to which the U.S. is a party, but there is limited case law using that term. Where the term is used, the relevant public is a limited set of

the general public, namely, those who purchase the goods or services in question. The term "marks with a reputation" is not normally used, and does not have a generally accepted definition in the United States. However, a mark's reputation – in the sense of how widely it is recognized, or whether a descriptive term has acquired trademark distinctiveness through use and promotion – would be measured by considering a limited set of the general public, namely, those who purchase the goods or services in question.