

Union Calendar No. 144

106TH CONGRESS
1ST SESSION

H. R. 1565

[Report No. 106-250]

To amend the Trademark Act of 1946 relating to dilution of famous marks,
and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

APRIL 27, 1999

Mr. COBLE introduced the following bill; which was referred to the Committee
on the Judiciary

JULY 22, 1999

Reported with an amendment, committed to the Committee of the Whole
House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in italic]

[For text of introduced bill, see copy of bill as introduced on April 27, 1999]

A BILL

To amend the Trademark Act of 1946 relating to dilution
of famous marks, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 *This Act may be cited as the “Trademark Amendments*
5 *Act of 1999”.*

1 **SEC. 2. DILUTION AS A GROUNDS FOR OPPOSITION AND**
 2 **CANCELATION.**

3 (a) *REGISTRABLE MARKS.*—Section 2 of the Act enti-
 4 tled “An Act to provide for the registration and protection
 5 of trade-marks used in commerce, to carry out the provi-
 6 sions of certain international conventions, and for other
 7 purposes” (in this Act referred to as the “Trademark Act
 8 of 1946”) (15 U.S.C. 1052) is amended by adding at the
 9 end the following flush sentences: “A mark which when used
 10 would cause dilution under section 43(c) may be refused
 11 registration only pursuant to a proceeding brought under
 12 section 13. A registration for a mark which when used
 13 would cause dilution under section 43(c) may be canceled
 14 pursuant to a proceeding brought under either section 14
 15 or section 24.”.

16 (b) *OPPOSITION.*—Section 13(a) of the Trademark Act
 17 of 1946 (15 U.S.C. 1063(a)) is amended in the first sentence
 18 by inserting “, including as a result of dilution under sec-
 19 tion 43(c),” after “principal register”.

20 (c) *PETITIONS TO CANCEL REGISTRATIONS.*—Section
 21 14 of the Trademark Act of 1946 (15 U.S.C. 1064) is
 22 amended in the matter preceding paragraph (1) by insert-
 23 ing “, including as a result of dilution under section 43(c),”
 24 after “damaged”.

25 (d) *CANCELATION.*—Section 24 of the Trademark Act
 26 of 1946 (15 U.S.C. 1092) is amended in the second sentence

1 by inserting “, including as a result of dilution under sec-
 2 tion 43(c),” after “register”.

3 **SEC. 3. REMEDIES IN CASES OF DILUTION OF FAMOUS**
 4 **MARKS.**

5 (a) *INJUNCTIONS.*—(1) *Section 34(a) of the Trademark*
 6 *Act of 1946 (15 U.S.C. 1116(a)) is amended in the first*
 7 *sentence by striking “section 43(a)” and inserting “sub-*
 8 *section (a) or (c) of section 43”.*

9 (2) *Section 43(c)(2) of the Trademark Act of 1946 (15*
 10 *U.S.C. 1125(c)(2)) is amended in the first sentence by in-*
 11 *serting “as set forth in section 34” after “relief”.*

12 (b) *DAMAGES.*—*Section 35(a) of the Trademark Act*
 13 *of 1946 (15 U.S.C. 1117(a)) is amended in the first sentence*
 14 *by striking “or a violation under section 43(a),” and insert-*
 15 *ing “a violation under section 43(a), or a willful violation*
 16 *under section 43(c),”.*

17 (c) *DESTRUCTION OF ARTICLES.*—*Section 36 of the*
 18 *Trademark Act of 1946 (15 U.S.C. 1118) is amended in*
 19 *the first sentence—*

20 (1) *by striking “or a violation under section*
 21 *43(a),” and inserting “a violation under section*
 22 *43(a), or a willful violation under section 43(c),”;*
 23 *and*

1 (2) by inserting after “in the case of a violation
2 of section 43(a)” the following: “or a willful violation
3 under section 43(c)”.

4 **SEC. 4. LIABILITY OF GOVERNMENTS FOR TRADEMARK IN-**
5 **FRINGEMENT AND DILUTION.**

6 (a) *CIVIL ACTIONS.*—Section 32 of the Trademark Act
7 of 1946 (15 U.S.C. 1114) is amended—

8 (1) by amending the last undesignated para-
9 graph in paragraph (1) to read as follows:

10 *“As used in this subsection, the term ‘any person’ also*
11 *includes the United States, all agencies and instrumental-*
12 *ities thereof, and all individuals, firms, corporations, or*
13 *other persons acting for the United States and with the au-*
14 *thorization and consent of the United States, and any*
15 *State, any instrumentality of a State, and any officer or*
16 *employee of a State or instrumentality of a State acting*
17 *in his or her official capacity. The United States, all agen-*
18 *cies and instrumentalities thereof, and all individuals,*
19 *firms, corporations, other persons acting for the United*
20 *States and with the authorization and consent of the United*
21 *States, and any State, any instrumentality of a State, and*
22 *any officer or employee of a State or instrumentality of a*
23 *State, shall be subject to the provisions of this Act in the*
24 *same manner and to the same extent as any nongovern-*
25 *mental entity.”.*

1 (b) *WAIVER OF SOVEREIGN IMMUNITY.*—Section 40 of
 2 the Trademark Act of 1946 (15 U.S.C. 1122) is amended—

3 (1) in subsection (b), by striking “(b) In a suit”
 4 and inserting “(c) *AVAILABILITY OF REMEDIES.*—In
 5 a suit”;

6 (2) by striking “SEC. 40. (a) Any State” and in-
 7 serting the following:

8 “SEC. 40. (a) *WAIVER OF SOVEREIGN IMMUNITY BY*
 9 *THE UNITED STATES.*—The United States, all agencies and
 10 instrumentalities thereof, and all individuals, firms, cor-
 11 porations, other persons acting for the United States and
 12 with the authorization and consent of the United States,
 13 shall not be immune from suit in Federal or State court
 14 by any person, including any governmental or nongovern-
 15 mental entity, for any violation under this Act.

16 “(b) *WAIVER OF SOVEREIGN IMMUNITY BY STATES.*—
 17 Any State”; and

18 (3) in the first sentence of subsection (c), as so
 19 redesignated—

20 (A) by striking “subsection (a) for a viola-
 21 tion described in that subsection” and inserting
 22 “subsection (a) or (b) for a violation described
 23 therein”; and

24 (B) by inserting after “other than” the fol-
 25 lowing: “the United States or any agency or in-

1 *strumentality thereof, or any individual, firm,*
 2 *corporation, or other person acting for the*
 3 *United States and with authorization and con-*
 4 *sent of the United States, or”.*

5 *(c) DEFINITION.—Section 45 of the Trademark Act of*
 6 *1946 (15 U.S.C. 1127) is amended by inserting between the*
 7 *2 paragraphs relating to the definition of “person” the fol-*
 8 *lowing:*

9 *“The term ‘person’ also includes the United States,*
 10 *any agency or instrumentality thereof, or any individual,*
 11 *firm, or corporation acting for the United States and with*
 12 *the authorization and consent of the United States. The*
 13 *United States, any agency or instrumentality thereof, and*
 14 *any individual, firm, or corporation acting for the United*
 15 *States and with the authorization and consent of the United*
 16 *States, shall be subject to the provisions of this Act in the*
 17 *same manner and to the same extent as any nongovern-*
 18 *mental entity.”.*

19 **SEC. 5. CIVIL ACTIONS FOR TRADE DRESS INFRINGEMENT.**

20 *Section 43(a) of the Trademark Act of 1946 (15 U.S.C.*
 21 *1125(a)) is amended by adding at the end the following:*

22 *“(3) In a civil action for trade dress infringement*
 23 *under this Act for trade dress not registered on the prin-*
 24 *cipal register, the person who asserts trade dress protection*

1 *has the burden of proving that the matter sought to be pro-*
 2 *tected is not functional.”.*

3 **SEC. 6. TECHNICAL AMENDMENTS.**

4 (a) *ASSIGNMENT OF MARKS.—Section 10 of the Trade-*
 5 *mark Act of 1946 (15 U.S.C. 1060) is amended—*

6 (1) *by striking “subsequent purchaser” in the*
 7 *second to last sentence and inserting “assignment”;*

8 (2) *in the first sentence by striking “mark,” and*
 9 *inserting “mark”; and*

10 (3) *in the third sentence by striking the second*
 11 *period at the end.*

12 (b) *ADDITIONAL CLERICAL AMENDMENTS.—The text*
 13 *and title of the Trademark Act of 1946 are amended by*
 14 *striking “trade-marks” each place it appears and inserting*
 15 *“trademarks”.*

16 **SEC. 7. RIGHTS OF PERFORMERS OF MUSICAL GROUPS.**

17 (a) *IN GENERAL.—Part A of subtitle II title 36,*
 18 *United States Code, is amended by inserting after chapter*
 19 *2401 the following new chapter:*

20 **“CHAPTER 2501—ASSOCIATION TO PRE-**
 21 **SERVE AUTHENTICITY OF MUSICAL**
 22 **GROUPS**

“Sec.

“250101. Association established.

“250102. Objects and purposes.

“250103. Powers.

“250104. Standards for use of certification mark.

“250105. Rights of performers.

1 **“§250101. Association established**

2 *“There shall be established a body corporate which*
 3 *shall be known as the ‘Association to Preserve the Authen-*
 4 *ticity of Musical Groups’. The Association shall have per-*
 5 *petual succession and the powers and limitations contained*
 6 *in this chapter. The Association shall appoint its chair-*
 7 *person.*

8 **“§250102. Objects and purposes**

9 *“The objects and purposes of the Association shall be—*
 10 *“(1) to benefit entertainers and performers who*
 11 *have performed with original entertainment groups;*
 12 *“(2) to promote, develop, and assist in pre-*
 13 *serving and protecting the rights of entertainers and*
 14 *performers; and*
 15 *“(3) to educate the public concerning the history*
 16 *of performing groups and the names of the actual per-*
 17 *formers in those groups.*

18 *To aid in its purposes, the Association shall promote and*
 19 *use the certification mark it establishes under this chapter*
 20 *and allow performers to use the certification mark of the*
 21 *Association in accordance with the chapter.*

22 **“§250103. Powers**

23 *“(a) IN GENERAL.—The Association may—*
 24 *“(1) sue and be sued, collect dues, claim and de-*
 25 *fend in any court its rights and its members rights*
 26 *in its certification mark;*

1 “(2) make and adopt a constitution, bylaws,
2 rules, and regulations for the use of its certification
3 mark;

4 “(3) from time to time repeal or amend its con-
5 stitution, bylaws, rules, and regulations not incon-
6 sistent with the laws of the United States or any of
7 the States thereof; and

8 “(4) provide for the safe-keeping and manage-
9 ment of its property and funds.

10 “(b) *CERTIFICATION MARK*.—The Association shall es-
11 tablish and have the sole and exclusive rights to its certifi-
12 cation mark for use in carrying out its purposes. No powers
13 or privileges granted by this chapter shall interfere or con-
14 flict with established or vested rights.

15 **“§250104. Standards for use of certification mark**

16 “The Association shall establish the standards for those
17 entertainers who may use its certification mark. Such
18 standards shall include, but are not limited to, the following
19 criteria:

20 “(1) At least one performer in any group dis-
21 playing or using in its advertising the certification
22 mark must have been a member of the original group
23 that performed under the same or similar name.

1 “(2) Any advertising for such group shall not be
 2 false or misleading with respect to the membership or
 3 history of the group.

4 Any additional standards must be consistent with para-
 5 graphs (1) and (2).

6 **“§250105. Rights of Performers**

7 *“It shall not be a violation of the Trademark Act of*
 8 *1946 or the statutes or common law of any State for an*
 9 *individual who has been a member of a performing group*
 10 *to be able to use the certification mark of the Association*
 11 *and represent that such individual had been a member of*
 12 *such a group in any promotions, advertisements, or per-*
 13 *forming of the same services as those performed by such*
 14 *group, if such representation meets the standards in section*
 15 *250104 and does not deceive or confuse as to the nature,*
 16 *characteristics, qualities, or sponsorship of such services.”.*

17 (b) CONFORMING AMENDMENT.—*The item relating to*
 18 *chapter 2501 in the table of chapters for subtitle II of title*
 19 *36, United States Code, is amended to read as follows:*

“2501. ASSOCIATION TO PROVIDE AUTHENTICITY OF MUSI-
 CAL GROUPS 250101”.

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