

BRANDING
TRADEMARKS &
COPYRIGHTS

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Ensuring Trademark Protection in U.S. Territories and Possessions—Puerto Rico, American Samoa, Guam, the Northern Mariana Islands, and U.S. Virgin Islands

Companies doing business in U.S. territories and possessions can protect their trademarks by obtaining Federal trademark registrations, since the U.S. Trademark Act extends protection of registered trademarks to all territories which are under the jurisdiction and control of the United States of America.¹ A Federal trademark registration can be obtained on the basis of use of a mark within a U.S. territory or use of a mark between the U.S. and a territory, e.g., shipments of trademarked goods from New York to San Juan.² It is highly advisable to obtain a Federal trademark registration whenever possible, because of the many benefits such registrations provide to a trademark owner.

Puerto Rico

In addition to obtaining a Federal trademark registration, it is also worthwhile to take advantage of the benefits offered by the local “Trademark Law of the Government of Puerto Rico,” especially in view of the modernization and enhancement of the statute as of December 16, 2009, if one does substantial business in or with Puerto Rico.

Puerto Rico is an unincorporated territory of the U.S. and it is formally called a “Commonwealth.” Because of its physical separation from the U.S. mainland, its Spanish heritage and distinctive cultural traditions, it makes sense to treat Puerto Rico as a separate nation³ when carrying out trademark registration programs, and to register marks under its local law, particularly since the law has been changed.

The most significant changes to the Puerto Rico trademark law and/or advantages of registration are:

- A trademark can be “any word, name, symbol, image or business style, medium, logo, design, color, sound, smell, shape, object or a combination thereof,” as long as it “serves to distinguish products on the market or services of one person, from like products or services of another person.”⁴ The statute now expressly recognizes “common law” trademark rights in unregistered marks.
- A mark can be registered before it has been used if there is a *bona fide* intention to use the mark in Puerto Rico. However, within five (5) years from the application filing date, a Statement of Use must be filed along with

¹15 U.S.C. § 1127.

²TMEP § 901.03. A Federal trademark registration can also be obtained for a mark used solely within the District of Columbia.

³Residents of Puerto Rico have had the opportunity to vote in plebiscites to express their preference for independence, statehood, or continued status as a Commonwealth, but independence has always polled the lowest.

⁴Act No. 169 of 2009, Article II – Definitions.

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evidence of use of the mark in Puerto Rico, or the registration will lapse. This deadline can be extended for up to one year, for just cause.⁵

- Also, if the mark has not been used in Puerto Rico within three (3) years after registration, the registration will be vulnerable to attack on the ground of *prima facie* abandonment, in which case the registrant will bear the burden to justify its non-use and prove its intention to commence or resume use.
- A Puerto Rican trademark registration will be cited to bar registration of a confusingly similar mark in the territory. A Federally-registered mark will not be cited as a bar because the Puerto Rican Trademark Examiner will not search the Federal trademark register when examining a Puerto Rican application.
- A Puerto Rican trademark registration shall be *prima facie* evidence of ownership and validity of the mark, and of the registrant's exclusive right to use the mark within the Commonwealth of Puerto Rico. These are stronger legal presumptions than those accorded by most U.S. "State" trademark registration laws.
- A trademark is not registrable in Puerto Rico if it is the same as or substantially similar to a famous mark of any country if the mark is known in the relevant market sector in Puerto Rico, even if not used in said territory.
- It may also be possible to obtain injunctive relief against infringement of a trademark registered in Puerto Rico even if the registered mark is not in use there.

The revised statute adopts provisions like those in the U.S. Trademark Act, including anti-dilution remedies, enhanced damages for infringement, a cause of action for "false designation of origin," a cause of action against bad faith use of a trademark in a domain name, statutory provisions regarding registrability of surnames, geographic names, and descriptive marks that have acquired "secondary meaning," a provision for recordation of license agreements, a grace period for late renewal (with a fine) of trademark registrations, and classifications of goods and services which conform to the "International" system used by most countries.

The prior practice of recordation or "deposit" of a Federal trademark registration in the Trademark Office of Puerto Rico has been eliminated.

American Samoa, Guam, the Northern Mariana Islands, and U.S. Virgin Islands (St. Thomas, St. Croix, and St. John)

With regard to other U.S. territories, a Federal trademark registration will protect a mark in these territories although injunctive relief against an infringer will not be available unless the plaintiff's mark is in use in a territory or has a reputation there.

As for patent and copyright protection in Puerto Rico and other U.S. territories, these rights arise solely under Federal law and therefore there is no need or possibility to seek additional protection under local territorial laws.

A final point to consider: While a Federal trademark registration encompasses all U.S. states as well as territories and possessions, there may be instances where registration in a particular State is advisable, e.g., when a mark is used in the geographically-remote State of Hawaii, or when the localized nature of a business makes a Federal registration unavailable. ■

We would be pleased to advise you in greater detail about protection of your trademarks in the U.S.A., its states and territories, and in any other nations where the marks are used or are intended to be used.

⁵A declaration of continued use of the mark must also be filed between the 5th and 6th year after registration, and in connection with each 10th year renewal application.