

HOUSE BILL REPORT

2SSB 6276

As Reported By House Committee On:
Commerce & Labor

Title: An act relating to trademarks.

Brief Description: Regulating trademarks.

Sponsors: Senate Committee on Ways & Means (originally sponsored by Senators Haugen, Winsley, Nelson and M. Rasmussen; by request of Secretary of State).

Brief History:

Reported by House Committee on:
Commerce & Labor, February 23, 1994, DP.

HOUSE COMMITTEE ON COMMERCE & LABOR

Majority Report: Do pass. Signed by 9 members:
Representatives Heavey, Chair; G. Cole, Vice Chair; Lisk, Ranking Minority Member; Chandler, Assistant Ranking Minority Member; Conway; Horn; King; Springer and Veloria.

Staff: Jim Kelley (786-7166).

Background: A "trademark" means any word, name, symbol or device or any combination thereof which is used by a person to identify goods that he or she makes or sells, and to distinguish them from goods that are made or sold by others.

A person who has adopted and is using a trademark in this state may file an application for registration of the trademark with the Secretary of State. Registration of a trademark is effective for 10 years, and may be renewed for successive terms of 10 years. The fees for registration, renewal, and assignment of trademarks go to the state general fund.

In 1993, the Legislature amended the statute in Chapter 43.07 RCW pertaining to the general collection of fees by the Secretary of State. One of these revisions allowed the Secretary of State to establish by rule and collect the fees for filing and recording trademarks. These are the same fees provided for in the trademark statute. However, the fee provision pertaining to the registration and filing of trademarks in the trademark statute was not revised, so an inconsistency exists between the two statutes.

Fees for certain services rendered to corporations may be established and recovered by the Secretary of State for deposit in the Secretary of State's revolving fund. Among these are fees for in-person service at the Secretary of State's Office, any expedited service, or the electronic transmittal of documents. These provisions do not apply to services rendered with respect to the trademark statute.

There is no protection in the trademark statute for a Washington business in the case of an action brought by a foreign business because the businesses are using the same trademark or tradename.

Summary of Bill: The trademark statute is amended to provide that the Secretary of State must establish fees by rule for the registration, renewal, and assignment of trademarks. Registration of a trademark is effective for six years, and may be renewed for successive terms of six years.

The exclusive right to the use of a trademark may be reserved by: (1) a person intending to register a trademark; or (2) a domestic or foreign corporation intending to change its trademark. In order to reserve a trademark, a person must file an application with the Secretary of State. The Secretary of State sets the fees by rule. If the trademark is available for use, the Secretary of State must reserve the trademark for the exclusive use of the applicant for 180 days. The reservation is limited to one filing.

The Secretary of State may establish reasonable fees for certain special services, such as in-person service or expedited service, rendered with respect to trademarks.

Foreign businesses are prevented from receiving damages or equitable relief in any legal proceeding based on the use of a trademark by a Washington business which is also used by the foreign business outside of the United States, unless: (1) the foreign business used the trademark or tradename within the United States prior to the time the Washington business began to use it; or (2) the trademark or tradename was registered by the United States Patent and Trademark Office or reserved by the Secretary of State to the foreign business at the time the Washington business began using it.

Fiscal Note: Requested February 17, 1994.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: This bill makes some necessary corrections in the trademark statute. It also clarifies other aspects of the law.

Testimony Against: None.

Witnesses: (In favor) Linda Mackintosh, Office of the Secretary of State.