



Trademark Laws: Pennsylvania

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A Q&A guide to Pennsylvania laws protecting trademarks. This Q&A addresses state laws governing trademark registration, infringement, dilution, counterfeiting, unfair competition and deceptive trade practices.

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STATE TRADEMARK REGISTRATION STATUTE

1. Does your state have a state trademark registration statute? If so, please:

- Identify the statute.
- Identify the state agency responsible for administering trademark applications and registrations.
- Describe the key substantive state trademark registration requirements.
- Describe the key benefits of state registration.

Trademark registration in Pennsylvania is governed by the Pennsylvania Trademark Act (Pennsylvania Act) (*54 Pa. Cons. Stat. Ann. §§ 1101 to 1126*).

State Agency

The Bureau of Corporations and Charitable Organizations of the Pennsylvania Department of State administers Pennsylvania trademark applications and registrations. The Bureau provides trademark and service mark registration forms and other information on its *website*.

Key Substantive Registration Requirements

Types of Marks Covered

The Pennsylvania Act provides for registration of:

- Trademarks.
- Service marks.

(*54 Pa. Cons. Stat. Ann. §§ 1102 and 1103*.)

Use Requirements and Intent-to-use Applications

Registration under the Pennsylvania Act requires use in commerce. The Act also:

- Does not provide for intent-to-use applications.

- Provides that a mark must be in use in Pennsylvania to be eligible for registration.

(*54 Pa. Stat. Ann. § 1112(a)(3)*.)

Statutory Bars to Registration

The Pennsylvania Act sets out substantially the same statutory bars to registration as those set out in Section 2 of the Lanham Act (*15 U.S.C. § 1052; 54 Pa. Cons. Stat. Ann. § 1111(1)-(5)*).

Other Key Substantive Registration Requirements

The registration application, including any renewal application, must include the following statements:

- That to the knowledge of the person verifying the application, no other person has:
 - registered with the US Patent and Trademark Office (USPTO) or in Pennsylvania; or
 - the right to use an identical mark or a mark likely to cause confusion or mistake or to deceive when applied to applicant's goods and services.
- Whether the applicant or a predecessor-in-interest has filed an application to register the mark with the USPTO and, if so:
 - the filing date, serial number and status of each application; and
 - if any application was refused registration or did not result in a registration, the reason why.

(*54 Pa. Cons. Stat. Ann. § 1112(4), (4.1)*.)

Therefore, while a Pennsylvania trademark registration may issue from an application that is filed without performing any trademark clearance investigation and before filing in the USPTO, information that later becomes available to the registrant about others' marks or the status of the registrant's federal trademark application may prevent renewal of the registration.

Search by Department of State

The Bureau of Corporations and Charitable Organizations of the Pennsylvania Department of State searches trademarks and service marks before issuing a registration. The search procedure applies to:

- Design marks.
- Word marks.

A design mark is searched based on a verbal description of the design. They will not register a mark that is the same as or confusingly similar to another mark registered in Pennsylvania in the same class.

Key Benefits of State Registration

Procedural

Only a registered mark may be the basis of a statutory action for infringement under Section 1123 of the Pennsylvania Act, but an unregistered mark will support a claim for infringement under common law.

Registration under the Pennsylvania Act does not confer any express presumption in favor of the registrant or other procedural benefits in litigation.

Substantive

Subject to the right of a previous user to obtain cancellation of the registration of a confusingly similar mark, a registered mark serves to prevent the registration of a confusingly similar mark (*54 Pa. Cons. Stat. Ann. § 1111(6)*).

The Pennsylvania Act provides a list of specific remedies that a court may grant in its discretion for infringement of registered marks (see *Question 3: Remedies*) (*54 Pa. Cons. Stat. Ann. § 1125*).

2. Indicate the term of a state trademark registration and the key registration renewal requirements.

Registration Term

A Pennsylvania trademark registration is effective for five years from the registration date (*54 Pa. Cons. Stat. Ann. § 1114*). The term of a registration can be cut short if the registration is cancelled under Section 1116 of the Pennsylvania Trademark Act (Pennsylvania Act), which requires the Department of State to cancel a registration in specified situations, including when a court orders cancellation. The Pennsylvania Act provides a procedure for obtaining cancellation through a petition filed with the Department of State. (*54 Pa. Cons. Stat. Ann. § 1116(3)-(5)*.)

Renewal Requirements

A Pennsylvania state trademark registration may be renewed for successive five-year periods by filing an application for renewal and paying a \$50 renewal fee within six months before the expiration of the then-current five-year term (*54 Pa. Cons. Stat. Ann. § 1114(a)*; *71 Pa. Stat. Ann. § 240.18A*).

The Pennsylvania Act does not require the Department of State to notify the owner of a registration of the deadline for renewal.

The renewal application must include:

- A statement that the mark is still in use in Pennsylvania.
- A specimen showing actual use of the mark on or in conjunction with the goods and services.

(*54 Pa. Cons. Stat. Ann. § 1114*.)

There is no express provision in the Pennsylvania Act for excusable non-use.

A printed renewal form (DSCB: 54-1114) is available on the Department of State *website*.

STATE STATUTORY AND COMMON LAW TRADEMARK INFRINGEMENT CAUSES OF ACTION

3. Does your state have a statute that provides a trademark infringement cause of action? If so, describe:

- The elements of the cause of action.
- The available remedies.
- Any statutory defenses or exemptions.

Section 1123 of the Pennsylvania Trademark Act (Pennsylvania Act) provides a cause of action for infringement of state-registered trademarks (*54 Pa. Cons. Stat. Ann. § 1123*).

Elements of the Cause of Action

The elements of a statutory cause of action for trademark infringement are:

- The mark is valid and legally protectable.
- The plaintiff owns the mark.
- Defendants' use of the mark is likely to create confusion among consumers.

(*ComponentOne, L.L.C. v. ComponentArt, Inc., No. 05-cv-1122, 2008 WL 4790661, at *5 (W.D. Pa. Oct. 27, 2008)* (citing *First Am. Mktg. Corp. v. Canella, No. 03-cv-812, 2004 WL 250537, at *2 (E.D. Pa. Jan. 26, 2004)*).

Remedies

The following remedies are available for infringement of a mark registered under the Pennsylvania Act:

- Injunctive relief.
- Damages and disgorgement of profits.
- Destruction of infringing products.
- Where the infringing acts were committed with knowledge or bad faith, the court has discretion to award:
 - up to three times damages and profits; and
 - reasonable attorneys' fees.

(*54 Pa. Cons. Stat. Ann. § 1125*.)

Statutory Defenses or Exemptions

The Pennsylvania Act provides that an advertising agency or a publisher of newspapers, magazines or other advertising media that reproduces or copies any infringing mark is not liable for infringement where the reproduction or copying occurs innocently, in good faith and in the usual course of business (*54 Pa. Cons. Stat. Ann. § 1123(b)*).



4. Does your state recognize a claim for common law trademark infringement? If so, describe:

- The elements of the cause of action.
- Any significant differences between the state common law claim and a claim for infringement of an unregistered mark under Section 43(a) of the Lanham Act.

Pennsylvania recognizes a common law claim for trademark infringement.

Elements of a Cause of Action

Trademark or trade name infringement is one branch of the law of unfair competition, which also includes other activities that may confuse consumers:

- Simulation of labels.
- Imitation of packages.
- Deceptive selling practices.
- Use of plaintiff's containers.
- Misleading advertising.

(*Stroehmann Bros. v. Manbeck Baking Co.*, 200 A. 97, 98 (Pa. 1938); *SmithKline Beckman Corp. v. Pennex Prods. Co.*, 605 F. Supp. 746, 749 (E.D. Pa. 1985).)

A common law cause of action for trademark infringement has three elements:

- The mark is valid and legally protectable.
- The plaintiff owns the mark.
- Defendant's use of the mark is likely to create confusion among consumers.

(*ComponentOne, L.L.C.*, at *5.)

If a mark or trade name has become recognized by the general public as identifying the goods, services or goodwill of a particular business, then it need not be registered or even capable of being registered to be entitled to protection under the common law of unfair competition (*Ress v. Barent*, 548 A.2d 1259, 1263 (Pa. Super. 1988); 54 Pa. Cons. Stat. Ann. § 1126).

Key Lanham Act Distinctions

The key distinction between a Pennsylvania common law claim for trademark infringement and a claim for infringement of an unregistered mark under Section 43(a) of the Lanham Act is the requirement that there be a connection to interstate or foreign commerce to support an action under the Lanham Act.

STATE ANTI-DILUTION LAW

5. Does your state have an anti-dilution statute or recognize a dilution cause of action under common law? If so, please describe for any statute or common law claim:

- Whether it protects both registered and unregistered marks.
- The nature of dilution protected against, including whether the law protects against any dilution by blurring or dilution by tarnishment.
- Whether distinctiveness, strength or fame of the trademark is required for a mark to be protected in your jurisdiction versus not reasonable.

Statute

The Pennsylvania Trademark Act (Pennsylvania Act) has an anti-dilution provision (54 Pa. Cons. Stat. Ann. § 1124).

Registration Requirements

The anti-dilution provision applies to both registered and unregistered marks (54 Pa. Cons. Stat. Ann. § 1124).

Nature and Types of Dilution Recognized

The Pennsylvania Act provides a remedy for “the lessening of the capacity of a famous mark to identify and distinguish goods or services” (54 Pa. Cons. Stat. Ann. §§ 1102 and 1124).

The Pennsylvania Act dilution provision recognizes both principal types of dilution claims:

- Blurring.
- Tarnishment.

(*Hershey Foods Corp. v. Mars, Inc.*, 998 F. Supp. 500, 502-04 (M.D. Pa. 1998); *World Wrestling Fed'n Ent. Inc. v. Big Dog Holdings, Inc.*, 280 F. Supp. 2d 413, 441-44 (W.D. Pa. 2003).)

Proof of actual dilution is required (*Scott Fetzer Co. v. Gehring*, 288 F. Supp. 2d 696, 702 (E.D. Pa. 2003)).

Distinctiveness, Strength or Fame

To support a claim for dilution under the Pennsylvania Act, a mark must be both distinctive and famous in Pennsylvania (54 Pa. Cons. Stat. Ann. § 1124).

Common Law

Pennsylvania law is not well-developed on this issue. Because there has been a statutory cause of action for dilution since 1983, further development appears unlikely.

6. For the anti-dilution law listed in Question 5, please list the elements of a cause of action, including whether a claim requires any of:

- Actual or likelihood of dilution.
- Likelihood of confusion.
- Competition between the parties.

Statute

The elements of a claim for dilution under Pennsylvania law are:

- The plaintiff's mark is famous in Pennsylvania.
- The defendant began using a mark in commerce after the plaintiff's mark became famous.
- The defendant's use reduces the capacity of the mark to identify and distinguish goods or services.

(*Hershey Foods Corp.*, at 504.)

Actual or Likelihood of Dilution

A dilution claim under Pennsylvania law requires actual dilution (*Scott Fetzer Co.*, at 702). Because Pennsylvania dilution law was modeled after the pre-2006 federal dilution law, likelihood of dilution is not sufficient to support a claim (see *McNeil Nutritionals, L.L.C. v. Heartland Sweeteners, L.L.C.*, 512 F. Supp. 2d 217 (E.D. Pa. May 21, 2007), rev'd on other grounds, 511 F.3d 350 (3d Cir. 2007)).

Likelihood of Confusion

Likelihood of confusion is not an element of a claim for dilution under Pennsylvania law. The Pennsylvania Trademark Act (Pennsylvania Act) explicitly states that dilution can occur regardless of whether the claimant can show:

- Likelihood of confusion.
- Mistake.
- Deception.

However, courts do consider likelihood of confusion as evidence that the defendant's dilution of the plaintiff's mark has caused harm (54 Pa. Cons. Stat. Ann. § 1124; *Scott Fetzer Co.*, at 702).

Competition between the Parties

The Pennsylvania Act expressly does not require competition between the parties. However, federal courts in Pennsylvania have considered competition between the goods and evidence of predatory intent when determining whether to grant relief (*A&H Sportswear Co. v. Victoria's Secret Stores, Inc.*, 166 F.3d 191 (3d Cir. 1999); *Scott Fetzer Co.*, at 702).

Common Law

Pennsylvania law is not well-developed on this issue. Because there has been a statutory cause of action for dilution since 1983, further development appears unlikely.

7. For the anti-dilution law listed in Question 5, please describe any tests set out in the statute or applied by courts to assess likely or actual dilution.

Statute

Courts applying the Pennsylvania Trademark Act (Pennsylvania Act) have applied the same tests that apply under the Lanham Act:

- Actual confusion and likelihood of confusion.
- Shared customers and geographic isolation.
- The adjectival quality of the junior use.
- The interrelated factors of:
 - duration of the junior use;
 - harm to the junior user; and
 - delay by the senior user in bringing the action.

(*Times Mirror Magazines v. Las Vegas Sports News*, 212 F.3d 157, 168 (3d Cir. 2000), quoting *Nabisco, Inc. v. PF Brands, Inc.*, 191 F.3d 208, 228 (2d Cir. 1999).)

Determining Whether the Mark Is Distinctive and Famous

The Pennsylvania Act sets out a non-exclusive list of factors that courts may use to evaluate whether a mark is distinctive and famous:

- The degree of inherent or acquired distinctiveness of the mark in Pennsylvania.
- The duration and extent of use of the mark in connection with the goods and services.
- The duration and extent of advertising and publicity of the mark in Pennsylvania.
- The geographical extent of the trading area in which the mark is used.
- The channels of trade for the mark owner's goods or services.
- How well the mark is recognized in the trading areas and channels of trade in Pennsylvania used by:
 - the mark's owner; and
 - the defendant.
- The nature and extent of other parties' use of the same or similar marks.
- Whether the mark is registered:
 - in Pennsylvania; or
 - federally.

(54 Pa. Cons. Stat. Ann. § 1124.)

Common Law

Pennsylvania law is not well-developed on this issue. Because there has been a statutory cause of action for dilution since 1983, further development appears unlikely.



8. For the anti-dilution law listed in Question 5, please describe any available remedies for violations.

Statute

The Pennsylvania Trademark Act provides for various remedies that depend on whether the dilution is willful, including injunctive relief (*54 Pa. Cons. Stat. Ann. § 1125*).

If the dilution is willful, the following additional remedies are available:

- Monetary damages.
- Disgorgement of profits.
- Attorneys' fees.

(*54 Pa. Cons. Stat. Ann. § 1124*.)

Common Law

Pennsylvania law is not well-developed on this issue. Because there has been a statutory cause of action for dilution since 1983, further development appears unlikely.

9. For the anti-dilution law listed in Question 5, what statutory exemptions or defenses are available to defend against these claims?

Statute

The Pennsylvania Trademark Act sets out the following defenses to a claim of dilution:

- Fair use of a famous mark in comparative commercial advertising or promotion to identify the famous mark owner's competing goods or services.
- Noncommercial use of a mark.
- All forms of news reporting and news commentary.

(*54 Pa. Cons. Stat. Ann. § 1124*.)

In addition, under federal law, ownership of a federal trademark registration is a complete bar to a claim for dilution under the common law or a state statute (*15 U.S.C. § 1125(c)(6)*).

Common Law

Courts have not addressed exemptions or defenses that are available.

10. For the anti-dilution law in Question 5, please describe any significant distinctions between the applicable state law and the federal Trademark Dilution Revision Act, including differences in the available remedies.

The Pennsylvania anti-dilution provision is modeled after the pre-2006 federal Trademark Dilution Act. In contrast with the federal

Trademark Dilution Revision Act of 2006, which provides for injunctive relief where the plaintiff shows a likelihood of dilution, the Pennsylvania Trademark Act (Pennsylvania Act) requires a showing of actual dilution (*54 Pa. Cons. Stat. Ann. § 1124*).

In interpreting the Pennsylvania Act, Pennsylvania courts have followed the US Supreme Court's decision in *Moseley v. V Secret Catalogue, Inc.* (*123 S. Ct. 1115, 1124-25 (2003)*), interpreting the pre-2006 federal Trademark Dilution Act as requiring a showing of actual dilution for injunctive relief (*McNeil Nutritionals, L.L.C., at 217*; see *Scott Fetzer Co., at 701 n.7*).

Federal law provides a defense applicable only to claims under state law. Ownership of a federal trademark registration is a complete bar to a claim for dilution under the common law or a state statute, but not a federal dilution claim. (*15 U.S.C. § 1125(c)(6)*.)

The available remedies are identical, except that federal law allows a claimant who proves willful dilution to obtain destruction of the defendant's goods that are the subject of the claim (*15 U.S.C. § 1119*).

11. Does your state have a civil anti-counterfeiting statute with a private right of action? If so, please identify the statute and describe:

- Standing requirements.
- Available remedies.
- Any statutory exemptions or defenses.

ANTI-COUNTERFEITING STATUTE

Pennsylvania has no statutory provisions that address trademark counterfeiting separately from other forms of trademark infringement. The Pennsylvania Trademark Act (Pennsylvania Act) lists counterfeiting as a form of trademark infringement (*54 Pa. Cons. Stat. Ann. § 1125(a)*).

Standing Requirements

Only the owner of a mark registered under the Pennsylvania Act has standing to sue (*54 Pa. Cons. Stat. Ann. § 1125(a)*). However, the owner of an unregistered mark may bring an action for counterfeiting under Pennsylvania common law.

Remedies

The remedies for counterfeiting under the Pennsylvania Act are the same as the remedies for infringement:

- Injunctive relief.
- Damages and disgorgement of profits.
- Destruction of infringing products.
- Where the infringing acts were committed with knowledge or bad faith, the court has discretion to award:
 - up to three times damages and profits; and
 - reasonable attorneys' fees.

(54 Pa. Cons. Stat. Ann. § 1125.)

Statutory Exemptions or Defenses

The Pennsylvania Act provides that an advertising agency or a publisher of newspapers, magazines or other advertising media that reproduces or copies any infringing mark is not liable for infringement, including counterfeiting, where the reproduction or copying occurs innocently, in good faith and in the usual course of business (54 Pa. Cons. Stat. Ann. §§ 1123(b) and 1125(b)).

12. Does your state have any unfair competition or deceptive trade practices statutes with a private right of action? If so, please identify the statute(s) and describe for each:

- The types of acts or practices it prohibits.
- The standing requirements for a private action.
- The remedies available for violations.
- Any statutory exemptions or defenses to private claims.
- The applicable statute of limitations and how the limitations period is calculated.

STATE UNFAIR COMPETITION AND DECEPTIVE TRADE PRACTICES STATUTES

Unfair Trade Practices and Consumer Protection Law: 73 P.S. §§ 201-1 to 201-9.3

Pennsylvania has the Unfair Trade Practices and Consumer Protection Law (Consumer Protection Law) (73 P.S. §§ 201-1 to 201-9.3). The law is modeled after the Federal Trade Commission Act (FTC Act) and the Lanham Act (*Commonwealth ex rel. Kane v. Flick*, 382 A.2d 762, 765 (Pa. Commw. Ct. 1978)).

Prohibited Conduct

The Consumer Protection Law broadly prohibits in the conduct of any trade or commerce:

- Unfair methods of competition.
- Unfair or deceptive acts or practices.

(73 P.S. § 201-3; see *Hammer v. Nikol*, 659 A.2d 617 (Pa. Commw. Ct. 1995); *Commonwealth v. Monumental Props., Inc.*, 329 A.2d 812, 816 n.5 (Pa. 1974).)

Unfair methods of competition and unfair or deceptive acts or practices include any fraudulent or deceptive conduct which creates a likelihood of either:

- Confusion.
- Misunderstanding.

(73 P.S. § 201-2(4)(xxi).)

The Consumer Protection Law contains a list of 21 specific

activities or practices which are deemed unfair methods of competition or unfair or deceptive acts or practices:

- Passing off goods or services as those of another.
- Causing likelihood of confusion or of misunderstanding about the source, sponsorship, approval or certification of goods or services.
- Causing likelihood of confusion or of misunderstanding about affiliation, connection or association with, or certification by, another.
- Using deceptive representations or designations of geographic origin in connection with goods or services.
- Representing that goods or services have sponsorship, approval, characteristics, ingredients, uses, benefits or quantities that they do not have or that a person has a sponsorship, approval, status, affiliation or connection that he does not have.
- Representing that goods are original or new if they are:
 - deteriorated;
 - altered;
 - reconditioned;
 - reclaimed;
 - used; or
 - secondhand.
- Representing that goods or services are of a particular standard, quality or grade, or that goods are of a particular style or model, if they are of another.
- Disparaging the goods, services or business of another by false or misleading representation of fact.
- Advertising goods or services with intent not to sell them as advertised.
- Advertising goods or services with intent not to supply reasonably expectable public demand, unless the advertisement discloses a limitation of quantity.
- Making false or misleading statements of fact concerning the reasons for, existence of or amounts of price reductions.
- Promising or offering before time of sale to pay, credit or allow to any buyer compensation or reward for the procurement of a contract for purchase of goods or services with another, or the referral of the name of another for attempting to procure or procuring a contract of purchase with another person when the payment, credit, compensation or reward is contingent on the occurrence of an event after a contract to purchase is signed.
- Promoting or engaging in any plan by which goods or services are sold to a person for consideration, and on the further consideration that the purchaser secure or attempt to secure one or more persons to join the plan. In addition, promoting or engaging in any "Chain-letter Plan" or "Pyramid Club", which are schemes to dispose or distribute property, services or anything of value, where a participant pays valuable consideration for an opportunity to receive compensation for:
 - introducing or attempting to introduce one or more



additional persons to participate in the scheme; or

- the opportunity to receive compensation when a person introduced by the participant introduces a new participant.
- Failing to comply with the terms of any written guarantee or warranty given to the buyer at, before or after a contract for the purchase of goods or services is made.
- Knowingly misrepresenting that services, replacements or repairs are needed.
- Making repairs, improvements or replacements on tangible, real or personal property, of a nature or quality inferior to or below the standard of that agreed to in writing.
- Making solicitations for sales of goods or services over the telephone without first clearly, affirmatively and expressly stating:
 - the identity of the seller;
 - that the purpose of the call is to sell goods or services;
 - the nature of the goods or services; and
 - that no purchase or payment is necessary to win a prize or participate in a prize promotion if a prize promotion is offered. This disclosure must be made before or with the description of the prize to the person called. If requested by that person, the telemarketer must disclose the no-purchase or no-payment entry method for the prize promotion.
- Using a contract, form or any other document related to a consumer transaction that contains a confessed judgment clause that waives the consumer's right to assert a legal defense to an action.
- Soliciting any order for the sale of goods to be ordered by the buyer through the mail or by telephone unless, at the time of the solicitation, the seller has a reasonable basis to expect that it can ship any ordered merchandise to the buyer:
 - within the time clearly and conspicuously stated in any solicitation; or
 - if no time is clearly and conspicuously stated, within 30 days after receipt of a properly completed order from the buyer. However, if when the merchandise is ordered, the buyer applies to the seller for credit to pay for the merchandise, the seller must have 50 days, rather than 30 days, to perform.
- Except in certain circumstances, failing to inform the purchaser of a new motor vehicle offered for sale at retail by a motor vehicle dealer of the following that:
 - any rustproofing of the new motor vehicle offered by the motor vehicle dealer is optional; or
 - the new motor vehicle has been rustproofed by the manufacturer and the nature and extent, if any, of the manufacturer's warranty which applies to that rustproofing.
- Engaging in any other fraudulent or deceptive conduct which creates a likelihood of confusion or misunderstanding.

(73 P.S. § 201-2(4).)

Pennsylvania state courts have looked to the FTC Act, the Lanham

Act and the decisions construing these two laws for guidance in determining whether the Consumer Protection Law covers certain practices or transactions (see *Flick, at 765*; *Monumental Props., Inc., at 817-18*).

In addition, any violation of the Automobile Lemon Law or the Health Club Act is a violation of the Consumer Protection Law (73 Pa. Cons. Stat. Ann. §§ 1951-1963; 73 Pa. Cons. Stat. Ann. § 2175(a)).

Standing Requirements for a Private Action

Only purchasers of goods used for personal, family or household use have standing to bring a private action under the Consumer Protection Law (73 P.S. § 201-9.2).

The Consumer Protection Law does not provide a private cause of action for business or commercial plaintiffs (*Merv Swing Agency, Inc. v. Graham Co., 579 F. Supp. 429, 430 (E.D. Pa. 1983)*; *Zerpol Corp. v. DMP Corp., 561 F. Supp. 404, 415 (E.D. Pa. 1983)*; *Permagrain Prods., Inc. v. U.S. Mat & Rubber Co., 489 F. Supp. 108, 111 (E.D. Pa. 1980)*).

Remedies

A plaintiff may recover the greater of two remedies:

- Actual damages.
- \$100.

(73 P.S. § 201-92.)

The court in its discretion may also award additional relief:

- Treble damages.
- Costs.
- Attorneys' costs and fees.

(73 P.S. § 201-9.2(a).)

Statutory Exemptions or Defenses to Private Claims

13. For each statute listed in Question 12, please describe the elements of a cause of action.

Section 201-3 of the Consumer Protection Law excludes from liability broadcasters and publishers who disseminate false advertising in good faith without knowledge of its false or deceptive character (73 P.S. § 201-3).

Unfair Trade Practices and Consumer Protection Law: 73 P.S. §§ 201-1 to 201-9.3

To state a claim under the consumer protection law, a plaintiff must allege that:

- The defendant engaged in an unfair or deceptive practice set out in Section 201-2(4)(i)-(xxi) of the Consumer Protection Law (73 P.S. § 201-3; see *Question 12*).
- The defendant's actions caused harm to the plaintiff.

14. For each statute listed in Question 12, please describe the statute's applicability to trademark infringement and dilution claims.

(73 P.S. § 201-3; *Romeo v. Pittsburgh Assocs.*, 787 A.2d 1027, 1033 (Pa. Super. 2001); *Weinberg v. Sun Co.*, 777 A.2d 442, 446 (Pa. 2001).)

Unfair Trade Practices and Consumer Protection Law: 73 P.S. §§ 201-1 to 201-9.3

The consumer protection law defines unfair methods of competition and unfair or deceptive acts or practices to include classic acts of trademark infringement:

- Passing off one's goods or services as those of another.
- Causing likelihood of confusion or misunderstanding about the source, sponsorship, approval or certification of goods or services.

(73 P.S. § 201-2(4)(i)-(ii).)

The consumer protection law does not expressly address dilution, but if acts resulting in dilution are misleading to consumers, they are actionable (73 P.S. § 201-2(4) (xxi)).

15. Please identify the principal common law unfair competition causes of action in your state that are available to trademark owners and for each cause of action describe:

- The elements of the cause of action.
- Any significant distinctions between claims under state common law and claims under the Section 43(a) of the Lanham Act.

However, because the statute does not provide standing for lawsuits by business or commercial plaintiffs, it does not provide a trademark owner with an infringement or dilution claim (*Merv Swing Agency, Inc.*, at 430; *Zerpol Corp.*, at 415).

Trademark or trade name infringement is one branch of the law of unfair competition, which also includes other acts likely to confuse consumers, such as:

- Simulation of labels.
- Imitation of packages.
- Deceptive selling practices.
- Use of plaintiff's containers.
- Misleading advertising.

(*Stroehmann Bros.*, at 98; see *SmithKline Beckman Corp.*, at 752.)

Elements of a Common Law Unfair Competition Cause of Action

A common law claim for unfair competition based on trademark infringement requires proof that:

- The mark is valid and legally protectable.
- The plaintiff owns the mark.
- Defendants' use of the mark is likely to create confusion among consumers.

(*ComponentOne, L.L.C.*, at *5.)

A trademark or trade name is entitled to protection if it has become recognized by the general public as identifying the goods, services or goodwill of a particular business. Registration or registrability is not a requirement. (*Ress*, at 1263; *54 Pa. Cons. Stat. Ann. § 1126*.)

More generally, a claim for unfair competition requires proof that the defendant's actions are the direct and proximate cause of consumer confusion (*SmithKline Beckman Corp.*, at 752).

Key Lanham Act Distinctions

There are no important distinctions between a claim for infringement of an unregistered mark under the Lanham Act and a common law infringement claim under Pennsylvania law, other than a jurisdictional requirement under each statute. A connection to:

- Pennsylvania commerce is required to support an action under the Pennsylvania Trademark Act.
- Interstate or foreign commerce is required to support an action

16. Please describe any significant statutory or common law causes of action in your state available to trademark owners that are not already described in the preceding questions (for example, false advertising and trade libel).

under the Lanham Act.

(*Giordano v. Claudio*, 714 F. Supp. 2d 508, 521 (E.D. Pa. 2010).)

OTHER SIGNIFICANT STATE STATUTORY AND COMMON LAW TRADEMARK-RELATED CLAIMS

Statute

False Advertising

False advertising in Pennsylvania is defined as an unlawful act under the Unfair Trade Practices and Consumer Protection Law (see *Question 12*).

Common Law

Trade Libel

Pennsylvania courts have recognized a common law claim for trade libel (also known as commercial disparagement), which requires a claimant to show that:

- The other party made either a disparaging statement of:



- fact that is untrue; or
- opinion that is incorrect.
- The statement disparages the claimant's:
 - goods; or
 - title to land, chattels or intangibles.
- No privilege attaches to the statement.

17. For each statute or common law claim identified in Questions 3, 4, 5, 11 and 12, identify any applicable statute of limitations and how it is calculated.

- The claimant suffered a direct pecuniary loss as a result of the disparagement.

(*Guardian Life Ins. v. Am. Guardian Life Assurance*, 943 F. Supp. 509 (E.D. Pa. 1996); *U.S. Healthcare, Inc. v. Blue Cross*, 898 F.2d 914, 924 (3d Cir. 1990).)

Statutory and Common Law Trademark Infringement

The Pennsylvania Trademark Act (Pennsylvania Act) does not provide an express limitations period.

However, a general statute of limitations provides a two-year limitation period in any action or proceeding to recover damages for injury to person or property which is founded on negligent, intentional or otherwise tortious conduct that Pennsylvania courts have held applies to statutory and common law trademark infringement and dilution claims (*Guardian Life Ins.*, at 517; 42 Pa. Cons. Stat. Ann. § 5524(7)).

Dilution

A two-year limitations period applies to dilution claims (see *Statutory and Common Law Trademark Infringement*).

Counterfeiting

A two-year limitations period applies to counterfeiting claims (see *Statutory and Common Law Trademark Infringement*).

Unfair Competition

Section 5524(7) of the Pennsylvania Consolidated Statutes provides a two-year limitation period for actions for fraud. Courts have held that an action for unfair competition is analogous to fraud and have therefore applied a limitations period of two years to actions for unfair competition. (*Guardian Life Ins.*, at 517.)

Unfair Trade Practices and Consumer Protection Law (Little FTC Acts): 73 P.S. §§ 201-1 to 201-9.3

The Pennsylvania Consumer Protection Law does not include a

18. Does your state have any criminal trademark protection statutes? If so, please identify the statute and describe the offense.

specific limitations period. A six-year “catchall” limitations period provided by Section 5527(b) of the Pennsylvania Statutes applies to claims under this law (*Gabriel v. O'Hara*, 534 A.2d 488, 495, 368 Pa. Super. 383 (Pa. Super. 1987)).

STATE CRIMINAL TRADEMARK LAWS

Trademark Counterfeiting: 18 Pa. Cons. Stat. Ann. § 4119

Section 4119 of the Pennsylvania Consolidated Statutes prohibits the knowing manufacturing, selling, offering for sale, displaying, advertising, distribution or transportation of any items or services under counterfeit trademarks for:

- Commercial advantage.
- Private financial gain.

Depending on the value of the goods or services at issue, the offense may be any of three levels:

- First-degree misdemeanor.
- First-degree felony.
- Second-degree felony.

In addition, the offender may be fined up to three times the value of the goods or services (18 Pa. Cons. Stat. Ann. § 4119(e)).

Forgery: 18 Pa. Cons. Stat. Ann. § 4101

Section 4101 of the Annotated Pennsylvania Consolidated Statutes prohibits the forging of any writing, including trademarks and other symbols of identification.

This offense is a first-degree misdemeanor and provides the following penalties:

- Maximum fine of \$10,000.
- Sentence of up to five years in prison.

(18 Pa. Cons. Stat. Ann. § 1104(1)-(4).)

Additionally, for any criminal offense, the court may impose a monetary penalty in an amount equal to twice the gain derived from the offense, even if that amount exceeds \$10,000 (18 Pa. Cons. Stat. Ann. § 1101(8)).

Deceptive Business Practices: 18 Pa. Cons. Stat. Ann. § 4107(a)(5)

Section 4107(a)(5) of the Pennsylvania Consolidated Statutes provides that a person commits a violation if, in the course of business, he makes a false or misleading statement in any public advertisement to promote the purchase or sale of goods or services. The advertising must be not merely untrue but fraudulent (materially untrue and therefore deceptive) (*Commonwealth v. Masters of Lancaster, Inc.*, 184 A.2d 347 (Pa. Super. 1962)).

This offense is punishable as a misdemeanor or felony, depending on the amount of money involved (18 Pa. Cons. Stat. Ann. § 4107(a.1)(1)).

Tampering with Records or Identifications on Writings: 18 Pa. Cons. Stat. Ann. § 4104(a)

Section 4104(a) of the Pennsylvania Consolidated Statutes provides that a person commits a first degree misdemeanor if he falsifies, destroys, removes or conceals any writing or distinguishing or identifying mark with the intent to deceive or injure anyone.

This offense provides the following penalties:

- Maximum fine of \$10,000.
- Sentence of up to five years in prison.

(18 Pa. Cons. Stat. Ann. § 1104(1)-(4).)

Removal of Manufacturer’s Identifying Marks: 18 Pa. Cons. Stat. Ann. § 4104(b)

Section 4104(b) of the Pennsylvania Consolidated Statutes provides that a person commits a summary offense if he knowingly buys, sells or otherwise moves in commerce, any personal property from which the manufacturer’s name plate, serial number or any other identifying mark has been removed, defaced, covered, altered or destroyed.

These acts are not an offense if done in the normal course of business by, or under the direction of, the original manufacturer.

19. Please describe any legislation pending in your state that would materially impact civil trademark enforcement and protection.

This offense provides the following penalties:

- Maximum fine of \$300.

For the links to the documents referenced in this note, please visit our online version at <http://us.practicallaw.com/5-530-0185>

- Sentence of not more than 90 days in prison.

For more information on trade secret laws, search for the following resources on our website.

Practice Note: Overview

- Trademark Litigation: Pre-suit Toolkit (<http://us.practicallaw.com/9-521-9777>)
- Trademark: Case Tracker (Federal) (<http://us.practicallaw.com/4-519-9258>)

(18 Pa. Cons. Stat. Ann. §§ 1101(7) and 1105.)

- Trademark Overview (<http://us.practicallaw.com/9-512-8249>)

Practice Notes

- Acquiring Trademark Rights and Registrations (<http://us.practicallaw.com/2-505-1700>)
- Loss of Trademark Rights (<http://us.practicallaw.com/7-517-4001>)
- Trademark Searching and Clearance (<http://us.practicallaw.com/4-507-2834>)

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