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SENATE BILL 605

43RD LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 1997

INTRODUCED BY

MI CHAEL S. SANCHEZ

AN ACT

RELATING TO TRADEMARKS; ENACTING THE TRADEMARK ACT; REPEALING AND ENACTING CERTAIN SECTIONS OF THE NMSA 1978.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. SHORT TITLE. -- This act may be cited as the "Trademark Act".

Section 2. PURPOSE AND INTENT OF ACT. -- The purpose of the Trademark Act is to provide a system of state trademark registration and protection substantially consistent with the federal system of trademark registration and protection under the Trademark Act of 1946, as amended. It is the intent that the construction given the federal act should be examined as persuasive authority for interpreting and construing the Trademark Act.

Section 3. DEFINITIONS. -- As used in the Trademark Act:

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- A. "applicant" includes the person filing an application for registration of a mark under the Trademark Act as well as the legal representatives, successors or assigns of the person;
- B. "dilution" means the lessening of the capacity of the registrant's mark to identify and distinguish goods or services regardless of the presence or absence of:
 - (1) competition between the parties; or
- (2) the likelihood of confusion, mistake or deception;
- C. "mark" includes any trademark or service mark entitled to registration under the Trademark Act whether registered or not;
- D. "person" and any other word or term used to designate the applicant or other party entitled to a benefit or privilege or rendered liable under the provisions of the Trademark Act, includes a juristic person as well as a natural person; "juristic person" includes a firm, partnership, corporation, union, association or other organization capable of suing and being sued in a court of law;
- E. "registrant" includes the person to whom the registration of a mark under the Trademark Act is issued as well as the legal representative, successors or assigns of the person;
 - F. "secretary" means the secretary of state or the

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secretary's designee charged with the administration of the Trademark Act:

G. "service mark" means any word, name, symbol, device or any combination of these used by a person to identify and distinguish the services of one person, including a unique service, from the services of other persons and to indicate the source of the services, even if that source is unknown; provided, titles and character names used by a person and other distinctive features of radio or television programs may be registered as service marks notwithstanding that they or the programs may advertise the goods of the sponsor;

"trademark" means any word, name, symbol, device or any combination of these used by a person to identify and distinguish the goods of the person, including a unique product, from those manufactured or sold by others, and to indicate the source of the goods, even if that source is unknown;

- "trade name" means any name used by a person to Ι. identify a business or vocation of the person; and
- J. "use" means the bona fide use of a mark in the ordinary course of trade and not made merely to reserve a right in the mark. For the purposes of the Trademark Act, a mark is deemed to be in use:
- on goods when it is placed in any manner on (1) the goods or on the containers or the displays associated with it or on the tags or labels affixed to them, or if the nature of

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the goods makes the placement impracticable, then on documents associated with the goods or their sale, and the goods are sold or transported in commerce in this state; and

(2) on services when it is used or displayed in the sale or advertising of services and the services are rendered in this state.

Section 4. REGISTRABILITY. --

A. A mark by which the goods or services of any applicant for registration may be distinguished from the goods or services of others shall not be registered if it:

- (1) consists of or comprises immoral, deceptive or scandalous matter:
- (2) consists of or comprises matter that may disparage or falsely suggest a connection with persons living or dead, institutions, beliefs or national symbols or that may bring them into contempt or disrepute;
- (3) consists of or comprises the flag, coat of arms or other insignia of the United States or of any state, municipality, foreign nation or any simulation of these;
- (4) consists of or comprises the name, signature or portrait identifying a particular living individual, except by the individual's written consent;
 - (5) consists of a mark that:
- (a) when used on or in connection with the goods or services of the applicant, is merely descriptive or

deceptively misdescriptive of them;

(b) when used on or in connection with the goods or services of the applicant, is primarily geographically descriptive or deceptively misdescriptive of them:

(c) is primarily merely a surname; provided, however, nothing in this subsection shall prevent the registration of a mark used by the applicant that has become distinctive of the applicant's goods or services. The secretary may accept as evidence that the mark has become distinctive as used on or in connection with the applicant's goods or services, proof of continuous use of it as a mark by the applicant in this state for the five years before the date on which the claim of distinctiveness is made: or

(d) consists of or comprises a mark that so resembles a mark registered in this state or a mark or trade name previously used by another and not abandoned, as to be likely, when used on or in connection with the goods or services of the applicant, to cause confusion or mistake or to deceive.

- B. A mark is deemed to be abandoned when either of the following occurs:
- (1) when its use has been discontinued with intent not to resume that use. Intent not to resume may be inferred from circumstances; nonuse for two consecutive years shall constitute prima facie evidence of abandonment; or

(2) when any course of conduct of the owner, including acts of omission as well as commission, causes the mark to lose its significance as a mark.

Section 5. APPLICATION OF REGISTRATION. --

A. Subject to the limitations set forth in the Trademark Act, any person who uses a mark may file in the office of the secretary on a form prescribed by the secretary an application for registration of that mark setting forth, but not limited to, the following information:

- (1) the name and business address of the person applying for the registration; and if a corporation, the state of incorporation; if a partnership, the state in which the partnership is organized and the names of the general partners, as specified by the secretary;
- (2) the goods or services on or in connection with which the mark is used and the mode or manner in which the mark is used on or in connection with the goods or services and the class in which the goods or services fall;
- (3) the date when the mark was first used anywhere and the date when it was first used in this state by the applicant or a predecessor in interest;
 - (4) a written description of the mark; and
- (5) a statement that the applicant is the owner of the mark, that the mark is in use and that, to the knowledge of the person verifying the application, no other person has

registered, either federally or in this state, or has the right to use the mark either in the identical form of it or in the near resemblance thereto as to be likely, when applied to the goods or services of the other person, to cause confusion, mistake or to deceive.

- B. The secretary may also require a statement as to whether an application to register the mark or portions of it or a composite of it, has been filed by the applicant or a predecessor in interest in the United States patent and trademark office; and, if so, the applicant shall provide full particulars with respect to it including the filing date, serial number of each application, its status and, if any application was finally refused registration or has otherwise not resulted in a registration, the reason for the refusal or for not being registered.
- C. The secretary may also require that a drawing of the mark or three specimens showing the mark as it is actually used accompany the application and that it complies with the requirements specified by the secretary.
- D. The application shall be signed and verified by oath, affirmation or declaration subject to perjury laws by the applicant or by a member of the firm or an officer of the corporation or association applying for registration.
- E. The application shall be accompanied by a fee of twenty-five dollars (\$25.00) for each application.

Section 6. FILING OF APPLICATION. --

- A. Upon the filing of an application for registration and payment of the application fee, the secretary may cause the application to be examined for conformity with the Trademark Act.
- B. The applicant shall provide any additional pertinent information requested by the secretary, including a description of a design mark and may make, or authorize the secretary to make, any reasonable amendments to the application as may be requested by the secretary or deemed by the applicant to be advisable to respond to any objection or rejection of the application.
- C. The secretary may require the applicant to disclaim an unregistrable component of a mark that would otherwise be registrable, and an applicant may voluntarily disclaim a component of a mark sought to be registered. No disclaimer shall prejudice or affect the applicant's or registrant's rights then existing or thereafter arising in the disclaimed matter or the applicant's or registrant's rights of registration on another application if the disclaimed matter is or becomes distinctive of the applicant's or registrant's goods or services.
- D. The secretary may amend the application upon the applicant's written agreement, or the secretary may require a new application to be submitted.

E. If the applicant is found not to be entitled to registration, the secretary shall advise the applicant of the reasons for non-registration. The applicant shall have a reasonable period of time as specified by the secretary in which to reply or to amend the application for reexamination. This procedure may be repeated until the secretary makes a final refusal of registration of the mark or the applicant fails to reply or amend the application within the period specified by the secretary, in which case the application shall be deemed to have been abandoned.

F. The secretary shall grant priority to the applications in order of filing. In the case of any application rejected because of a prior-filed application of the same or confusingly similar mark for the same or related goods or services, the applicant may bring an action for cancellation of the registration on grounds of prior or superior rights to the mark as provided in Section 11 of the Trademark Act.

Section 7. CERTIFICATE OF REGISTRATION. --

A. Upon compliance by the applicant with the requirements of the Trademark Act, the secretary shall issue and deliver a certificate of registration to the applicant. The certificate of registration shall be issued under the signature of the secretary and the seal of the state, and it shall show:

- (1) the name and business address;
- (2) if a corporation, limited liability company

or partnership, the state of incorporation, or if a partnership, the state in which the partnership is organized;

- (3) the date claimed for the first use of the mark anywhere;
- (4) the date claimed for the first use of the mark in New Mexico:
- (5) the class and description of goods or services on or in connection with which the mark is used; and
- (6) the registration date and the term of registration.
- B. A certificate of registration issued by the secretary or a copy of the certificate of registration duly certified by the secretary shall be admissible in evidence as competent and sufficient proof of the registration of the mark in any actions or judicial proceedings in this state.

Section 8. DURATION AND RENEWAL. --

A. A registration of a mark is effective for ten years from the date of registration. An application for renewal shall be filed within six months prior to its expiration in the manner required by the secretary. The renewed registration shall be effective for ten years from the date of expiration of the original registration. The application for renewal shall be accompanied by the renewal fee. A registration of a mark may be renewed for successive periods of ten years as provided in this section.

B. All applications for renewal, whether of registrations made under the Trademark Act or of registrations made under any act prior to the effective date of that act, shall include a verified statement that the mark has been and is still in use and include a specimen showing actual use of the mark on or in connection with the goods or services.

Section 9. ASSIGNMENTS--CHANGES OF NAME AND OTHER INSTRUMENTS.--

A. A mark and its representation shall be assignable with the good will of the business in which the mark is used, or with that part of the good will of the business connected with the use of and symbolized by the mark. The assignment shall be by instruments in writing duly executed and may be recorded with the secretary upon payment of a twenty-five dollar (\$25.00) recording fee. The secretary, upon recording the assignment, shall issue in the name of the assignee a new certificate for the remainder of the term of the registration or the last renewal of the registration. An assignment of a registration shall be void as against any subsequent purchaser for valuable consideration without notice unless it is recorded with the secretary within three months after its date or unless it is recorded prior to the subsequent purchase.

B. A registrant or applicant effecting a change of the name of the person to whom the mark was issued or for whom an application was filed may record a certificate of change of

name of the registrant or applicant with the secretary upon payment of the recording fee specified in Subsection A of this section. The secretary may issue to the owner a certificate of amendment of registration for the remainder of the term of registration or the last renewal of that registration.

- C. Other instruments that relate to a mark registered or a pending application include licenses, security interests or mortgages, and they may be recorded in the discretion of the secretary provided the instrument is in writing and has been duly executed.
- D. Acknowledgment shall be prima facie evidence of the execution of an assignment or other instrument and, when recorded by the secretary, the record shall be prima facie evidence of execution. A photocopy of an instrument specified in this section shall be accepted for recording if it is certified by any of the parties thereto or their successors.

Section 10. RECORDS.--The secretary shall keep for public examination a record of all marks registered or renewed under the Trademark Act and a record of all documents recorded pursuant to Section 9 of the Trademark Act.

Section 11. CANCELLATION. -- The secretary shall cancel from the register, in whole or in part:

A. a registration where the secretary shall receive a voluntary request for cancellation from the registrant or the assignee of record;

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- C. a registration of which a court of competent jurisdiction finds that:
 - (1) the registered mark has been abandoned;
 - (2) the registrant is not the owner of the
 - (3) the registration was granted improperly;
 - (4) the registration was obtained fraudulently;
- (5) the mark is or has become the generic name for the goods or services or a portion of them, for which it has been registered; or
- (6) the registered mark is so similar as to likely cause confusion or mistake or to deceive, to a mark registered by another person in the United States patent and trademark office prior to the date of the filing of the application for registration by the registrant and not abandoned; or
- D. when a court of competent jurisdiction orders the cancellation of a registration on any ground.

Section 12. CLASSIFICATION. -- The secretary shall by regulation establish a classification of goods and services for convenience of administration of the Trademark Act but not to limit or extend the applicant's or registrant's rights. A single application for registration of a mark may include any or

all goods upon which, or services with which, the mark is actually being used indicating the appropriate class or classes of goods or services. When a single application includes goods or services that fall within multiple classes, the secretary shall require payment of twenty-five dollars (\$25.00) for each class. As far as practical the classification of goods and services should conform to the classification adopted by the United States patent and trademark office.

Section 13. FRAUDULENT REGISTRATION. -- A person who, for himself on or behalf of any other person, procures the filing or registration of any mark in the office of the secretary by knowingly making any false or fraudulent representation or declaration, orally or in writing or by any other fraudulent means, shall be liable to pay all damages sustained as a consequence of that filing or registration recoverable by or on behalf of the injured party in any court of competent jurisdiction.

Section 14. FEES.--The secretary shall charge twenty-five dollars (\$25.00) for the various applications and filing fees required by the Trademark Act and for related services. The fees required by the Trademark Act are not refundable.

Section 15. REPEAL. -- Sections 57-3-1, 57-3-2 and 57-3-4 through 57-3-12 NMSA 1978 (being Laws 1969, Chapter 142, Section 1, Laws 1959, Chapter 345, Sections 1 and 2, Laws 1969, Chapter 142, Section 2, Laws 1959, Chapter 345, Sections 3 and 4, Laws

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1969, Chapter 142, Sections 4 through 7 and Laws 1959, Chapter 345, Section 6, as amended) are repealed.

SEVERABILITY. -- If any part or application of Section 16. the Trademark Act is held invalid, the remainder or its application to other situations or persons shall not be affected.

APPLICABILITY. -- Any registration of a mark in Section 17. force upon the effective date of the Trademark Act shall continue in effect for the remainder of its unexpired term and may be renewed under the provisions of that act within six months prior to the expiration specified in its registration. The provisions of the Trademark Act shall not affect any application, suit, proceeding or appeal pending on the effective date of the Trademark Act.

EFFECTIVE DATE. -- The effective date of the Section 18. provisions of this act is July 1, 1997.

- 15 -

FIRST SESSION, 1997 Mr. President: Your **JUDICIARY COMMTTEE**, to whom has been referred SENATE PUBLIC AFFAIRS COMMITTEE SUBSTITUTE FOR **SENATE BILL 605** has had it under consideration and reports same with recommendation that it **DO PASS**. Respectfully submitted, Fernando R. Macias, Chairman

FORTY-THIRD LEGISLATURE

March 15, 1997

	Adopted_			
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7	The roll	call vote was _	6 For <u>0</u> Agai nst	
8	Yes:	6		
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State of New Mexico House of Representatives

FORTY-THIRD LEGISLATURE

FIRST SESSION, 1997

March 21, 1997

Mr. Speaker:

Your **CONSUMER AND PUBLIC AFFAIRS COMMITTEE**, to whom has been referred

SENATE PUBLIC AFFAIRS COMMITTEE SUBSTITUTE FOR SENATE BILL 605

has had it under consideration and reports same with recommendation that it **DO PASS.**

FORTY-THIRD LEGISLATURE FIRST SESSION, 1997

Page 19 Respectfully submitted, Gary King, Chairman Adopted _____ Not Adopted _____ (Chief Clerk) (Chief Clerk) Date _____ The roll call vote was 6 For 0 Against Yes: Excused: Rios, Sandel, Vaughn, Vigil Absent: None M: \S0605

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