

SPC&B Update

March 29, 2016

Court Loosens Requirements for Origin Marking Related to Non-Registered Trademarks



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U.S. Customs & Border Protection has special country of origin marking rules for situations in which the name of another location also appears on the product. In this regard, Section 134.46 of the Customs Regulations, 19 C.F.R. § 134.46, requires that imported articles displaying words such as "USA," "American," "United States," the names of U.S. cities, or of other places different than the actual country of origin, be labeled with the true country of origin in a conspicuous way in close proximity to the named location, and in writing of "comparable" size. The purpose of this regulation is to alleviate any misconception that an ultimate purchaser may have with respect to the actual origin of the product displaying such words.

Nevertheless, the Customs Regulations also provide that, if the reference to a location other than the country of origin is part of a trademark or trade name, a less onerous method of marking may be used. 19 CFR 134.47 provides that the country of origin marking may appear "in close proximity or in some other conspicuous location," with no size requirement other than that it must be legible. In a number of rulings, Customs has interpreted this regulation to apply only to trademarks that have been registered with the U.S. Patent & Trademark Office (USPTO) or for which an application for registration is pending.

While the Court of International Trade deferred to Customs' interpretation of its regulation and upheld its decision in *JBLU, Inc. v. United States*, the Court of Appeals for the Federal Circuit overturned the decision, stating that the common meaning of the term "trademark" refers to all trademarks, whether or not registered, and whether or not an application is pending.

Accordingly, as long as the appellate decision is not appealed and overturned by the Supreme Court, importers will be able to mark the origin of products containing any type of trademark bearing the name of a location other than the origin, in any conspicuous location on the product, rather than in close proximity, provided the company can demonstrate consistent use of the mark.

Despite this decision, we strongly recommend registering all trademarks with the USPTO and recording them with Customs, in order to protect your rights.

For more information on country of origin marking or registering and recording trademarks, please contact Gail T. Cumins at gcumins@spcblaw.com, Alli Baron at abaron@spcblaw.com, Donna Shira at dshira@spcblaw.com, or Ken Paley at kpaley@spcblaw.com, or call us at 212-425-0055.

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