109TH CONGRESS } HOUSE OF REPRESENTATIVES { REPORT
1st Session } { 109–23

TRADEMARK DILUTION REVISION ACT OF 2005

MARCH 17, 2005.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. SENSENBRENNER, from the Committee on the Judiciary, submitted the following

R E P O R T

[To accompany H.R. 683]

[Including cost estimate of the Congressional Budget Office]

The Committee on the Judiciary, to whom was referred the bill (H.R. 683) to amend the Trademark Act of 1946 with respect to dilution by blurring or tarnishment, having considered the same, report favorably thereon with an amendment and recommend that the bill as amended do pass.

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THE AMENDMENT

The amendment is as follows:
Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

(a) SHORT TITLE.—This Act may be cited as the "Trademark Dilution Revision Act of 2005".

(b) REFERENCES.—Any reference in this Act to the Trademark Act of 1946 shall be a reference to the Act entitled "An Act to provide for the registration and protection of trademarks used in commerce, to carry out the provisions of certain international conventions, and for other purposes", approved July 5, 1946 (15 U.S.C. 1051 et seq.).

SEC. 2. DILUTION BY BLURRING; DILUTION BY TARNISHMENT.

Section 43 of the Trademark Act of 1946 (15 U.S.C. 1125) is amended—

(1) by striking subsection (c) and inserting the following:

"(c) DILUTION BY BLURRING; DILUTION BY TARNISHMENT.—

"(1) INJUNCTIVE RELIEF.—Subject to the principles of equity, the owner of a famous mark that is distinctive, inherently or through acquired distinctiveness, shall be entitled to an injunction against another person who, at any time after the owner's mark has become famous, commences use of a mark or trade name in commerce that is likely to cause dilution by blurring or dilution by tarnishment of the famous mark, regardless of the presence or absence of actual or likely confusion, of competition, or of actual economic injury.

"(2) DEFINITIONS.—(A) For purposes of paragraph (1), a mark is famous if it is widely recognized by the general consuming public of the United States as a designation of source of the goods or services of the mark's owner. In determining whether a mark possesses the requisite degree of recognition, the court may consider all relevant factors, including the following:

"(i) The duration, extent, and geographic reach of advertising and publicity of the mark, whether advertised or publicized by the owner or third parties.

"(ii) The amount, volume, and geographic extent of sales of goods or services offered under the mark.

"(iii) The extent of actual recognition of the mark.

"(B) For purposes of paragraph (1), 'dilution by blurring' is association arising from the similarity between a mark or trade name and a famous mark that impairs the distinctiveness of the famous mark. In determining whether a mark or trade name is likely to cause dilution by blurring, the court may consider all relevant factors, including the following:

"(i) The degree of similarity between the mark or trade name and the famous mark.

"(ii) The degree of inherent or acquired distinctiveness of the famous mark.

"(iii) The extent to which the owner of the famous mark is engaging in substantially exclusive use of the mark.

"(iv) The degree of recognition of the famous mark.

"(v) Whether the user of the mark or trade name intended to create an association with the famous mark.

"(vi) Any actual association between the mark or trade name and the famous mark.

"(C) For purposes of paragraph (1), 'dilution by tarnishment' is association arising from the similarity between a mark or trade name and a famous mark that harms the reputation of the famous mark.

"(3) EXCLUSIONS.—The following shall not be actionable as dilution by blurring or dilution by tarnishment under this subsection:

"(A) Fair use of a famous mark by another person in comparative commercial advertising or promotion to identify the competing goods or services of the owner of the famous mark.

"(B) Fair use of a famous mark by another person, other than as a designation of source for the person's goods or services, including for purposes of identifying and parodying, criticizing, or commenting upon the famous mark owner or the goods or services of the famous mark owner.

"(C) All forms of news reporting and news commentary.

"(4) ADDITIONAL REMEDIES.—In an action brought under this subsection, the owner of the famous mark shall be entitled only to injunctive relief as set forth in section 34, except that, if—

"(A) the person against whom the injunction is sought did not use in commerce, prior to the date of the enactment of the Trademark Dilution Revision Act of 2005, the mark or trade name that is likely to cause dilution by blurring or dilution by tarnishment, and

"(B) in a claim arising under this subsection—

"(i) by reason of dilution by blurring, the person against whom the injunction is sought willfully intended to trade on the recognition of the famous mark, or

"(ii) by reason of dilution by tarnishment, the person against whom the injunction is sought willfully intended to harm the reputation of the famous mark,

the owner of the famous mark shall also be entitled to the remedies set forth in sections 35(a) and 36, subject to the discretion of the court and the principles of equity.

"(5) OWNERSHIP OF VALID REGISTRATION A COMPLETE BAR TO ACTION.—The ownership by a person of a valid registration under the Act of March 3, 1881, or the Act of February 20, 1905, or on the principal register under this Act shall be a complete bar to an action against that person, with respect to that mark, that is brought by another person under the common law or a statute of a State and that seeks to prevent dilution by blurring or dilution by tarnishment, or that asserts any claim of actual or likely damage or harm to the distinctiveness or reputation of a mark, label, or form of advertisement."; and

(2) in subsection (d)(1)(B)(i)(IX), by striking "(c)(1) of section 43" and inserting "(c)".

SEC. 3. CONFORMING AMENDMENTS.

(a) MARKS REGISTRABLE ON THE PRINCIPAL REGISTER.—Section 2(f) of the Trademark Act of 1946 (15 U.S.C. 1052(f)) is amended—

(1) by striking the last two sentences; and

(2) by adding at the end the following: "A mark which would be likely to cause dilution by blurring or dilution by tarnishment under section 43(c), may be refused registration only pursuant to a proceeding brought under section 13. A registration for a mark which would be likely to cause dilution by blurring or dilution by tarnishment under section 43(c), may be canceled pursuant to a proceeding brought under either section 14 or section 24."

(b) OPPOSITION.—Section 13(a) of the Trademark Act of 1946 (15 U.S.C. 1063(a)) is amended in the first sentence by striking "as a result of dilution" and inserting "the registration of any mark which would be likely to cause dilution by blurring or dilution by tarnishment".

(c) CANCELLATION.—Section 14 of the Trademark Act of 1946 (15 U.S.C. 1064) is amended, in the matter preceding paragraph (1)—

(1) by striking ", including as a result of dilution under section 43(c),"; and

(2) by inserting "(A) for which the constructive use date is after the date on which the petitioner's mark became famous and which would be likely to cause dilution by blurring or dilution by tarnishment under section 43(c), or (B) on grounds other than dilution by blurring or dilution by tarnishment" after "February 20, 1905".

(d) MARKS FOR THE SUPPLEMENTAL REGISTER.—The second sentence of section 24 of the Trademark Act of 1946 (15 U.S.C. 1092) is amended to read as follows: "Whenever any person believes that such person is or will be damaged by the registration of a mark on the supplemental register—

"(1) for which the effective filing date is after the date on which such person's mark became famous and which would be likely to cause dilution by blurring or dilution by tarnishment under section 43(c), or

"(2) on grounds other than dilution by blurring or dilution by tarnishment, such person may at any time, upon payment of the prescribed fee and the filing of a petition stating the ground therefor, apply to the Director to cancel such registration.".

(e) DEFINITIONS.—Section 45 of the Trademark Act of 1946 (15 U.S.C. 1127) is amended by striking the definition relating to "dilution".

PURPOSE AND SUMMARY

The purpose of H.R. 683, the "Trademark Dilution Revision Act of 2005," is to amend the Federal Trademark Dilution Act [1] (FTDA) in the wake of a recent Supreme Court decision regarding the standard of harm under the statute and conflicting circuit case law on other relevant issues.

[1] Pub. L. No. 104–98 (1995).

BACKGROUND AND NEED FOR THE LEGISLATION

TRADEMARK LAW GENERALLY

Trademark law "identifies" goods and services.[2] When an individual encounters a mark (*e.g.,* a word or symbol) in a store or watching a commercial, he or she can develop an association between a product or service and its corresponding quality, brand reputation, or origin. Generally, a trademark consists of the name or logo of a product. For example, the restaurant chain McDonald's has trademarks in its name, its golden arches logo, and other marks associated with its business. In addition, trademark law also may protect the distinctive features of a product's packaging. Examples of famous and distinctive packaging include the shape of Coca-Cola's bottle or Tiffany's little blue jewelry box.

DILUTION GENERALLY AND THE FEDERAL TRADEMARK DILUTION ACT

Trademark rights are unique because they are based on Federal as well as state law. In fact, many states offer trademark protection against "dilution." Dilution is defined as "the lessening of the capacity of a famous mark to identify and distinguish goods or services regardless of the presence or absence of: (a) competition between the owner of the famous mark and other parties; or (b) the likelihood of confusion, mistake, or deception.[3] Courts have defined dilution as either the blurring of a mark's product identification or the tarnishment of the affirmative associations a mark has come to convey.

Dilution does not rely upon the standard test of infringement, that is, the likelihood of confusion, deception, or mistake. Rather, dilution occurs when the unauthorized use of a famous mark reduces the public's perception that the mark signifies something unique, singular, or particular.[4] In other words, dilution can result in the loss of the mark's distinctiveness and, in worst-case scenarios, the owner's rights in it.

In order to promote uniformity and certainty for trademark owners, a Federal dilution statute was enacted in 1995.[5] The purpose of the FTDA is to protect famous trademarks, whether registered or unregistered, from subsequent uses that blur the distinctiveness of the mark or tarnish or disparage it, even in the absence of a likelihood of confusion. The FTDA applies when unauthorized users attempt to trade upon the goodwill and established renown of such marks, and thereby dilute their distinctive quality.[6]

The FTDA specifies the following factors that a court may consider, but is not limited to, in determining whether a mark is distinctive and famous:

- the degree of inherent or acquired distinctiveness of the mark;

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[2] The proper term for a mark identifying a service (e.g., "FedEx" or "AOL") is a "service mark." Throughout this document, it must be assumed that the term "trademark," which strictly speaking refers to a product, also is meant to include references to service marks.

[3] 15 U.S.C. 1127 (1998).

[4] H.R. Rep. No. 104–364 (1995) reprinted in U.S.C.C.A.N. at 1029, 1030.

[5] *See supra* note 1.

[6] H.R. Rep. No. 104–364 (1995) reprinted in U.S.C.C.A.N. at 1029. *See also Lori Krafte-Jacobs, Judicial Interpretation of the Federal Trademark Dilution Act of 1995,* 66 U. Cin. L. Rev. 659 (1998).

- the duration and extent of use of the mark in connection with the goods or services with which the mark is used;
- the duration and extent of advertising and publicity of the mark;
- the geographical extent of the trading area in which the mark is used;
- the channels of trade for the goods or services with which the mark is used;
- the degree of recognition of the mark in the trading areas and channels of trade used by the marks' owner and the person against whom the injunction is sought; and
- the nature and extent of use of the same or similar marks by third parties.[7]

MOSELY V. V SECRET CATALOGUE, INC.

Following passage of the FTDA, the circuit courts of appeal split as to whether the statute required the owner of a famous mark to prove actual harm as a prerequisite to injunctive relief. This question was addressed by the Supreme Court in the case of *Mosely v. V Secret Catalogue, Inc.*[8] In a dilution action between the lingerie company Victoria's Secret and a small retail company (Victor's Little Secret) that sold, among other items, adult "novelties," the Court determined that the FTDA ". . . unambiguously requires a showing of actual dilution, rather than a likelihood of dilution."[9]

The Subcommittee on Courts, the Internet, and Intellectual Property received testimony in 2004[10] and 2005 on this issue and other dilution topics. Witnesses at these hearings focused on the standard of harm threshold articulated in *Mosely*. For example, a representative of the International Trademark Association observed that "[b]y the time measurable, provable damage to the mark has occurred much time has passed, the damage has been done, and the remedy, which is injunctive relief, is far less effective."[11] The Committee endorses this position. The *Mosely* standard creates an undue burden for trademark holders who contest diluting uses and should be revised.

OTHER ISSUES ADDRESSED BY H.R. 683

In addition, the circuits have split on the meaning and application of other core provisions of the statute. This absence of uniformity concerns the Committee, as it complicates the ability of mark holders to protect their property and businesses to plan their commercial affairs.

Hearings revealed that the regional circuits interpret the FTDA differently on such matters as what constitutes a "famous" mark, whether marks with "acquired distinctiveness" are protected under the statute, and whether the FTDA covers dilution by "tarnish-

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[7] 15 U.S.C. § 1125(c).
[8] 123 S. Ct. 1115 (2003).
[9] 537 U.S. 418 (2003).
[10] *Hearings on a Committee Print to Amend the Federal Trademark Dilution Act,* 108th Cong., 2d Sess., Serial No. 72 (April 22, 2004).
[11] *Hearings on the Trademark Dilution Revision Act of 2005 Before the Subcomm. on Courts, the Internet, and Intellectual Property of the House Comm. on the Judiciary,* 109th Cong., 1st Sess. (February 17, 2005) (statement of Anne Gundelfinger on behalf of the International Trademark Association at 3) (*hereinafter* Gundelfinger).

ment." [12] The resulting problems were concisely summarized at the Subcommittee's 2005 hearing as follows:

> [D]ilution law in the United States is moving in every direction except the one that it needs to—forward. . . . All the while, famous marks and their value both to consumers and their owners remain at risk from blurring and tarnishment, and third parties have little guidance regarding what marks they can safely adopt without risk of dilution liability. The lack of clarity in the law and the splits in the various circuits are resulting in forum shopping and unnecessarily costly lawsuits. For these reasons a revision of dilution law is needed.[13]

The Committee subscribes to this view and H.R. 683 serves as a legislative response to these problems.

HEARINGS

No hearings were held on H.R. 683.

COMMITTEE CONSIDERATION

On March 3, 2005, the Subcommittee on Courts, the Internet, and Intellectual Property met in open session and ordered favorably reported the bill H.R. 683, as amended, by voice vote, a quorum being present. On March 9, 2005, the Committee met in open session and ordered favorably reported the bill H.R. 683 with an amendment by voice vote, a quorum being present.

VOTE OF THE COMMITTEE

In compliance with clause 3(b) of Rule XIII of the Rules of the House of Representatives, the Committee notes that there were no recorded votes during Committee consideration of H.R. 683.

COMMITTEE OVERSIGHT FINDINGS

In compliance with clause 3(c)(1) of Rule XIII of the Rules of the House of Representatives, the Committee reports that the findings and recommendations of the Committee, based on oversight activities under clause 2(b)(1) of Rule X of the Rules of the House of Representatives, are incorporated in the descriptive portions of this report.

NEW BUDGET AUTHORITY AND TAX EXPENDITURES

Clause 3(c)(2) of Rule XIII of the Rules of the House of Representatives is inapplicable because this legislation does not provide new budgetary authority or increased tax expenditures.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

In compliance with clause 3(c)(3) of Rule XIII of the Rules of the House of Representatives, the Committee sets forth, with respect to the bill, H.R. 683, the following estimate and comparison prepared

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[12] *Id.* at 3–4. *See also* statement of William G. Barber on behalf of the American Intellectual Property Law Association at 2–3.

[13] Gundelfinger at 5.

by the Director of the Congressional Budget Office under section 402 of the Congressional Budget Act of 1974:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, March 14, 2005.

Hon. F. JAMES SENSENBRENNER, Jr., *Chairman,*
Committee on the Judiciary,
House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 683, the "Trademark Dilution Revision Act of 2005."

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Melissa E. Zimmerman, who can be reached at 226–2860.

Sincerely,

DOUGLAS HOLTZ-EAKIN.

Enclosure

cc: Honorable John Conyers, Jr.
Ranking Member

H.R. 683—Trademark Dilution Revision Act of 2005.

H.R. 683 would make changes to trademark law to strengthen a trademark owner's defense against the use of other similar marks in the market that could harm the reputation of the trademark or confuse consumers. CBO estimates that implementing H.R. 683 would not have a significant effect on spending subject to appropriation. Enacting the bill would not affect direct spending or revenues.

H.R. 683 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would impose no costs on State, local, or tribal governments.

The CBO staff contact for this estimate is Melissa E. Zimmerman, who can be reached at 226–2860. The estimate was approved by Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.

PERFORMANCE GOALS AND OBJECTIVES

H.R. 683 does not authorize funding. Therefore, clause 3(c)(4) of Rule XIII of the Rules of the House of Representatives is inapplicable. H.R. 683 amends the Federal Trademark Dilution Act tp protect against the dilution of a protected trademark.

CONSTITUTIONAL AUTHORITY STATEMENT

Pursuant to Rule XI, clause 2(1)(4) of the Rules of the House of Representatives, the Committee finds the authority for this legislation in Article I, section 8, clause 8, of the Constitution.

SECTION-BY-SECTION ANALYSIS AND DISCUSSION

Section 1. Short Title. The Act may be cited as the "Trademark Dilution Revision Act of 2005."

Section 2. Dilution by Blurring; Dilution by Tarnishment. Subject to the principles of equity, the owner of a famous distinctive mark

is entitled to an injunction against any person who commences use in commerce a mark that is likely to cause dilution by blurring or tarnishment.

Section 2 of H.R. 683 specifies that injunctive relief is appropriate even if there is no:

- actual or likely confusion among the public;
- competition between the owner and the person; or
- actual economic injury to the owner.

Under § 2, a mark may only be "famous" if it is widely recognized by the general consuming public in the United States as a source designation of the goods or services of the mark's owner. In determining whether a mark is famous, a court is permitted to consider "all relevant factors" in addition to prescribed conditions set forth in H.R. 683, including the duration, extent, and geographic reach of advertising and publicity of the mark.

Again, a court is permitted to consider all relevant factors in determining the presence of dilution by blurring. Specific factors that provide guidance in this regard include:

- the degree of similarity between the source designation and the famous mark;
- the degree of inherent or acquired distinctiveness of the famous mark; and
- the degree of recognition of the famous mark.

Section 2 of H.R. 683 enumerates specific exclusions that do not constitute dilution: fair use in comparative commercial advertising or promotion to identify the famous mark owner's competing goods or services; fair use, other than as a designation of source, including for purposes of identifying and parodying, criticizing, or commenting upon the famous mark owner or the famous mark owner's goods or services; and all forms of news reporting and news commentary.

The owner of a famous mark is only entitled to injunctive relief under § 2, unless, in an action based on dilution by blurring, the defendant willfully intended to trade on the famous mark's recognition; or in an action based on dilution by tarnishment, the defendant willfully intended to trade on the famous mark's reputation. In either case, the owner may also seek damages, costs, and attorneys' fees [14] as well as destruction of the infringing articles [15] under separate Lanham Act provisions.

Substantial portions of § 2 are based on the existing FTDA, but there are conspicuous differences between the two texts. Under H.R. 683, and in response to the *Mosely* decision, actual harm is not a prerequisite to injunctive relief. H.R. 683 also defines dilution by "blurring" as well as by "tarnishment." In addition, the legislation expands the threshold of "fame" and thereby denies protection for marks that are famous only in "niche" markets. Finally, § 2 would protect trade dress or product configuration and it would not preempt state remedies for dilution.

Section 3. Conforming Amendments. Sections 2(f), 13(a), 14 and 24 of the Lanham Act were amended by the Trademark Amend-

[14] 15 U.S.C. § 1117(a).
[15] 15 U.S.C. § 1118.

ments Act of 1999 (Pub. L. No. 106–43) to grant owners of famous trademarks the right to oppose registration or seek cancellation of the registration of a mark on either the principal or supplemental registers on the grounds that such registration would cause dilution of the famous marks under the FTDA Act. The conforming amendments made to these sections would maintain the rights granted by the Trademark Amendments Act of 1999. The new language in the legislation merely updates these sections so that they comport with certain key changes made to section 43(c)—specifically that the standard for proving a dilution claim is "likelihood of dilution" and that both dilution by blurring and dilution by tarnishment are actionable.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, existing law in which no change is proposed is shown in roman):

ACT OF JULY 5, 1946

(Commonly referred to as the "Trademark Act of 1946".)

AN ACT To provide for the registration and protection of trademarks used in commerce, to carry out the provisions of certain international conventions, and for other purposes.

TITLE I—THE PRINCIPAL REGISTER

* * * * * * *

MARKS REGISTRABLE ON THE PRINCIPAL REGISTER

SEC. 2. No trademark by which the goods of the applicant may be distinguished from the goods of others shall be refused registration on the principal register on account of its nature unless it—

(a) * * *

* * * * * * *

(f) Except as expressly excluded in subsections (a), (b), (c), (d), (e)(3), and (e)(5) of this section, nothing herein shall prevent the registration of a mark used by the applicant which has become distinctive of the applicant's goods in commerce. The Director may accept as prima facie evidence that the mark has become distinctive, as used on or in connection with the applicant's goods in commerce, proof of substantially exclusive and continuous use thereof as a mark by the applicant in commerce for the five years before the date on which the claim of distinctiveness is made. Nothing in this section shall prevent the registration of a mark which, when used on or in connection with the goods of the applicant, is primarily geographically deceptively misdescriptive of them, and which became distinctive of the applicant's goods in commerce before the date of the enactment of the North American Free Trade Agreement Implementation Act.

[A mark which when used would cause dilution under section 43(c) may be refused registration only pursuant to a proceeding brought under section 13. A registration for a mark which when used would cause dilution under section 43(c) may be canceled pursuant to a proceeding brought under either section 14 or section 24.] *A mark which would be likely to cause dilution by blurring or dilution by tarnishment under section 43(c), may be refused registration only pursuant to a proceeding brought under section 13. A registration for a mark which would be likely to cause dilution by blurring or dilution by tarnishment under section 43(c), may be canceled pursuant to a proceeding brought under either section 14 or section 24.*

* * * * * * *

OPPOSITION

SEC. 13. (a) Any person who believes that he would be damaged by the registration of a mark upon the principal register, including [as a result of dilution] *the registration of any mark which would be likely to cause dilution by blurring or dilution by tarnishment* under section 43(c), may, upon payment of the prescribed fee, file an opposition in the Patent and Trademark Office, stating the grounds therefor, within thirty days after the publication under subsection (a) of section 12 of this Act of the mark sought to be registered. Upon written request prior to the expiration of the thirty-day period, the time for filing opposition shall be extended for an additional thirty days, and further extensions of time for filing opposition may be granted by the Director for good cause when requested prior to the expiration of an extension. The Director shall notify the applicant of each extension of the time for filing opposition. An opposition may be amended under such conditions as may be prescribed by the Director.

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SEC. 14. A petition to cancel a registration of a mark, stating the grounds relied upon, may, upon payment of the prescribed fee, be filed as follows by any person who believes that he is or will be damaged[, including as a result of dilution under section 43(c),] by the registration of a mark on the principal register established by this Act, or under the Act of March 3, 1881, or the Act of February 20, 1905 *(A) for which the constructive use date is after the date on which the petitioner's mark became famous and which would be likely to cause dilution by blurring or dilution by tarnishment under section 43(c), or (B) on grounds other than dilution by blurring or dilution by tarnishment*:

(1) * * *

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TITLE II—THE SUPPLEMENTAL REGISTER

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CANCELATION

SEC. 24. Marks for the supplemental register shall not be published for or be subject to opposition, but shall be published on registration in the Official Gazette of the Patent and Trademark Office. [Whenever any person believes that he is or will be damaged

by the registration of a mark on this register, including as a result of dilution under section 43(c), he may at any time, upon payment of the prescribed fee and the filing of a petition stating the ground therefor, apply to the Director to cancel such registration.] *Whenever any person believes that such person is or will be damaged by the registration of a mark on the supplemental register—*

(1) for which the effective filing date is after the date on which such person's mark became famous and which would be likely to cause dilution by blurring or dilution by tarnishment under section 43(c), or

(2) on grounds other than dilution by blurring or dilution by tarnishment,

such person may at any time, upon payment of the prescribed fee and the filing of a petition stating the ground therefor, apply to the Director to cancel such registration. The Director shall refer such application to the Trademark Trial and Appeal Board, which shall give notice thereof to the registrant. If it is found after a hearing before the Board which that the registrant is not entitled to registration, or that the mark has been abandoned, the registration shall be canceled by the Director. However, no final judgment shall be entered in favor of an applicant under section (1)(b) before the mark is registered, if such applicant cannot prevail without establishing constructive use pursuant to section 7(c).

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TITLE VIII—FALSE DESIGNATIONS OF ORIGIN, FALSE DESCRIPTIONS, AND DILUTION FORBIDDEN

SEC. 43. (a) * * *

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[(c)(1) The owner of a famous mark shall be entitled, subject to the principles of equity and upon such terms as the court deems reasonable, to an injunction against another person's commercial use in commerce of a mark or trade name, if such use begins after the mark has become famous and causes dilution of the distinctive quality of the mark, and to obtain such other relief as is provided in this subsection. In determining whether a mark is distinctive and famous, a court may consider factors such as, but not limited to—

[(A) the degree of inherent or acquired distinctiveness of the mark;

[(B) the duration and extent of use of the mark in connection with the goods or services with which the mark is used;

[(C) the duration and extent of advertising and publicity of the mark;

[(D) the geographical extent of the trading area in which the mark is used;

[(E) the channels of trade for the goods or services with which the mark is used;

[(F) the degree of recognition of the mark in the trading areas and channels of trade used by the marks' owner and the person against whom the injunction is sought;

[(G) the nature and extent of use of the same or similar marks by third parties; and

[(H) whether the mark was registered under the Act of March 3, 1881, or the Act of February 20, 1905, or on the principal register.

[(2) In an action brought under this subsection, the owner of the famous mark shall be entitled only to injunctive relief as set forth in section 34 unless the person against whom the injunction is sought willfully intended to trade on the owner's reputation or to cause dilution of the famous mark. If such willful intent is proven, the owner of the famous mark shall also be entitled to the remedies set forth in sections 35(a) and 36, subject to the discretion of the court and the principles of equity.

[(3) The ownership by a person of a valid registration under the Act of March 3, 1881, or the Act of February 20, 1905, or on the principal register shall be a complete bar to an action against that person, with respect to that mark, that is brought by another person under the common law or a statute of a State and that seeks to prevent dilution of the distinctiveness of a mark, label, or form of advertisement.

[(4) The following shall not be actionable under this section:

[(A) Fair use of a famous mark by another person in comparative commercial advertising or promotion to identify the competing goods or services of the owner of the famous mark.

[(B) Noncommercial use of a mark.

[(C) All forms of news reporting and news commentary.]

(c) DILUTION BY BLURRING; DILUTION BY TARNISHMENT.—

(1) INJUNCTIVE RELIEF.—Subject to the principles of equity, the owner of a famous mark that is distinctive, inherently or through acquired distinctiveness, shall be entitled to an injunction against another person who, at any time after the owner's mark has become famous, commences use of a mark or trade name in commerce that is likely to cause dilution by blurring or dilution by tarnishment of the famous mark, regardless of the presence or absence of actual or likely confusion, of competition, or of actual economic injury.

(2) DEFINITIONS.—(A) For purposes of paragraph (1), a mark is famous if it is widely recognized by the general consuming public of the United States as a designation of source of the goods or services of the mark's owner. In determining whether a mark possesses the requisite degree of recognition, the court may consider all relevant factors, including the following:

(i) The duration, extent, and geographic reach of advertising and publicity of the mark, whether advertised or publicized by the owner or third parties.

(ii) The amount, volume, and geographic extent of sales of goods or services offered under the mark.

(iii) The extent of actual recognition of the mark.

(B) For purposes of paragraph (1), "dilution by blurring" is association arising from the similarity between a mark or trade name and a famous mark that impairs the distinctiveness of the famous mark. In determining whether a mark or trade name is likely to cause dilution by blurring, the court may consider all relevant factors, including the following:

(i) The degree of similarity between the mark or trade name and the famous mark.

(ii) The degree of inherent or acquired distinctiveness of the famous mark.

(iii) The extent to which the owner of the famous mark is engaging in substantially exclusive use of the mark.

(iv) The degree of recognition of the famous mark.

(v) Whether the user of the mark or trade name intended to create an association with the famous mark.

(vi) Any actual association between the mark or trade name and the famous mark.

(C) For purposes of paragraph (1), "dilution by tarnishment" is association arising from the similarity between a mark or trade name and a famous mark that harms the reputation of the famous mark.

(3) EXCLUSIONS.—The following shall not be actionable as dilution by blurring or dilution by tarnishment under this subsection:

(A) Fair use of a famous mark by another person in comparative commercial advertising or promotion to identify the competing goods or services of the owner of the famous mark.

(B) Fair use of a famous mark by another person, other than as a designation of source for the person's goods or services, including for purposes of identifying and parodying, criticizing, or commenting upon the famous mark owner or the goods or services of the famous mark owner.

(C) All forms of news reporting and news commentary.

(4) ADDITIONAL REMEDIES.—In an action brought under this subsection, the owner of the famous mark shall be entitled only to injunctive relief as set forth in section 34, except that, if—

(A) the person against whom the injunction is sought did not use in commerce, prior to the date of the enactment of the Trademark Dilution Revision Act of 2005, the mark or trade name that is likely to cause dilution by blurring or dilution by tarnishment, and

(B) in a claim arising under this subsection—

(i) by reason of dilution by blurring, the person against whom the injunction is sought willfully intended to trade on the recognition of the famous mark, or

(ii) by reason of dilution by tarnishment, the person against whom the injunction is sought willfully intended to harm the reputation of the famous mark,

the owner of the famous mark shall also be entitled to the remedies set forth in sections 35(a) and 36, subject to the discretion of the court and the principles of equity.

(5) OWNERSHIP OF VALID REGISTRATION A COMPLETE BAR TO ACTION.—The ownership by a person of a valid registration under the Act of March 3, 1881, or the Act of February 20, 1905, or on the principal register under this Act shall be a complete bar to an action against that person, with respect to that mark, that is brought by another person under the common law or a statute of a State and that seeks to prevent dilution by blurring or dilution by tarnishment, or that asserts any claim

of actual or likely damage or harm to the distinctiveness or reputation of a mark, label, or form of advertisement.

(d)(1)(A) * * *

(B)(i) In determining whether a person has a bad faith intent described under subparagraph (A), a court may consider factors such as, but not limited to—

(I) * * *

* * * * * * *

(IX) the extent to which the mark incorporated in the person's domain name registration is or is not distinctive and famous within the meaning of subsection **[**(c)(1) of section 43**]** *(c)*.

* * * * * * *

TITLE X—CONSTRUCTION AND DEFINITIONS

SEC. 45. In the construction of this Act, unless the contrary is plainly apparent from the context—

The United States includes and embraces all territory which is under its jurisdiction and control.

The word "commerce" means all commerce which may lawfully be regulated by Congress.

* * * * * * *

[The term "dilution" means the lessening of the capacity of a famous mark to identify and distinguish goods or services, regardless of the presence or absence of—

[(1) competition between the owner of the famous mark and other parties, or

[(2) likelihood of confusion, mistake, or deception.**]**

* * * * * * *

MARKUP TRANSCRIPT

BUSINESS MEETING

WEDNESDAY, MARCH 9, 2005

HOUSE OF REPRESENTATIVES,
COMMITTEE ON THE JUDICIARY,
Washington, DC.

The Committee met, pursuant to notice, at 10:00 a.m., in Room 2141, Rayburn House Office Building, Hon. F. James Sensenbrenner, Jr. [Chairman of the Committee] presiding.

Chairman SENSENBRENNER. The Committee will be in order. A working quorum is present comprised entirely of Members of the majority party. So rather than doing a ratification of minority Committee assignments, since there is no one here to make a motion to do that, we will now go to the next item on the agenda which is the adoption of S. 167, the "Family Entertainment and Copyright Act of 2005," and the Chair recognizes the gentlemen from Texas, Mr. Smith, the Chairman of the Subcommittee on Courts, the Internet, and Intellectual Property for a motion.

Mr. SMITH. Mr. Chairman, I ask unanimous consent that we consider the following bills en bloc: S. 167, H.R. 683, H.R. 1036, H.R. 1037, H.R. 1038.

Chairman SENSENBRENNER. How about House Concurrent Resolution——

Mr. SMITH. It's my understanding, Chairman, that needs to be considered separately.

Chairman SENSENBRENNER. Okay. Without objection, the 5 bills mentioned by the gentleman from Texas will be considered en bloc, and the Chair recognizes the gentleman from Texas to explain them.

Mr. SMITH. I'll try to be brief, Mr. Chairman. The first bill, S. 167 really consists of three previous bills that this Committee has approved and that passed the House last year. The first one is the Family Movie Act, and I think Members will recall that that simply gives parents the right to determine what their children see when they rent or buy a movie video.

The second part of this particular bill is the Art Act which creates new penalties for those who camcord movies in public theaters and who willfully infringe copyright law by distributing copies of prereleased works, movies or otherwise.

The Trademark Dilution Revision Act of 2005 simply, basically protects trademarks in a better way and also makes sure that people cannot infringe trademarks as easily as they do now. It also does a good job of trying to keep us out of court to determine some of the ambiguities of that particular subject.

The two technical correction bills are just that, technical corrections of the Satellite Viewer, Home Viewer Movie Act, and the technical corrections, in addition to the satellite corrections are technical corrections of the CARP bill, which we approved last year and which passed the House.

The last bill in the en bloc package, Mr. Chairman, is your bill, the Multidistrict Litigation Restoration Act of 2005, and I will yield to you to make any comments on that.

And that would be the quick summary of the five bills en bloc.

[The bill, H.R. 683, follows:]

I

109TH CONGRESS
1ST SESSION

H. R. 683

To amend the Trademark Act of 1946 with respect to dilution by blurring or tarnishment.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 9, 2005

Mr. SMITH of Texas introduced the following bill; which was referred to the Committee on the Judiciary

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A BILL

To amend the Trademark Act of 1946 with respect to dilution by blurring or tarnishment.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

(a) SHORT TITLE.—This Act may be cited as the ''Trademark Dilution Revision Act of 2005''.

(b) REFERENCES.—Any reference in this Act to the Trademark Act of 1946 shall be a reference to the Act entitled ''An Act to provide for the registration and protection of trademarks used in commerce, to carry out the provisions of certain international conventions, and for other

purposes'', approved July 5, 1946 (15 U.S.C. 1051 et seq.).

SEC. 2. DILUTION BY BLURRING; DILUTION BY TARNISHMENT.

Section 43 of the Trademark Act of 1946 (15 U.S.C. 1125) is amended—

(1) by striking subsection (c) and inserting the following:

''(c) DILUTION BY BLURRING; DILUTION BY TARNISHMENT.—

''(1) INJUNCTIVE RELIEF.—Subject to the principles of equity, the owner of a famous mark that is distinctive, inherently or through acquired distinctiveness, shall be entitled to an injunction against another person who, at any time after the owner's mark has become famous, commences use of a mark or trade name in commerce as a designation of source of the person's goods or services that is likely to cause dilution by blurring or dilution by tarnishment, regardless of the presence or absence of actual or likely confusion, of competition, or of actual economic injury.

''(2) DEFINITIONS.—(A) For purposes of paragraph (1), a mark is famous if it is widely recognized by the general consuming public of the United

States as a designation of source of the goods or services of the mark's owner. In determining whether a mark possesses the requisite degree of recognition, the court may consider all relevant factors, including the following:

"(i) The duration, extent, and geographic reach of advertising and publicity of the mark, whether advertised or publicized by the owner or third parties.

"(ii) The amount, volume, and geographic extent of sales of goods or services offered under the mark.

"(iii) The extent of actual recognition of the mark.

"(B) For purposes of paragraph (1), 'dilution by blurring' is association arising from the similarity between a designation of source and a famous mark that impairs the distinctiveness of the famous mark. In determining whether a designation of source is likely to cause dilution by blurring, the court may consider all relevant factors, including the following:

"(i) The degree of similarity between the designation of source and the famous mark.

"(ii) The degree of inherent or acquired distinctiveness of the famous mark.

''(iii) The extent to which the owner of the famous mark is engaging in substantially exclusive use of the mark.

''(iv) The degree of recognition of the famous mark.

''(v) Whether the user of the designation of source intended to create an association with the famous mark.

''(vi) Any actual association between the designation of source and the famous mark.

''(C) For purposes of paragraph (1), 'dilution by tarnishment' is association arising from the similarity between a designation of source and a famous mark that harms the reputation of the famous mark.

''(3) EXCLUSIONS.—The following shall not be actionable as dilution by blurring or dilution by tarnishment under this subsection:

''(A) Fair use of a famous mark by another person in comparative commercial advertising or promotion to identify the competing goods or services of the owner of the famous mark.

''(B) Noncommercial use of a designation of source.

''(C) All forms of news reporting and news commentary.

''(4) ADDITIONAL REMEDIES.—In an action brought under this subsection, the owner of the famous mark shall be entitled only to injunctive relief as set forth in section 34, except that, if—

''(A) the person against whom the injunction is sought did not use a mark or trade name that is likely to cause dilution by blurring or dilution by tarnishment as a designation of source in commerce prior to the date of the enactment of the Trademark Dilution Revision Act of 2005, and

''(B) in a claim arising under this subsection—

''(i) by reason of dilution by blurring, the person against whom the injunction is sought willfully intended to trade on the recognition of the famous mark, or

''(ii) by reason of dilution by tarnishment, the person against whom the injunction is sought willfully intended to trade on the reputation of the famous mark,

the owner of the famous mark shall also be entitled to the remedies set forth in sections 35(a) and 36, subject to the discretion of the court and the principles of equity.

''(5) OWNERSHIP OF VALID REGISTRATION A COMPLETE BAR TO ACTION.—The ownership by a person of a valid registration under the Act of March 3, 1881, or the Act of February 20, 1905, or on the principal register under this Act shall be a complete bar to an action against that person, with respect to that mark, that is brought by another person under the common law or a statute of a State and that seeks to prevent dilution by blurring or dilution by tarnishment, or that asserts any claim of actual or likely damage or harm to the distinctiveness or reputation of a mark, label, or form of advertisement.''; and

(2) in subsection (d)(1)(B)(i)(IX), by striking ''(c)(1) of section 43'' and inserting ''(c)''.

SEC. 3. CONFORMING AMENDMENTS.

(a) MARKS REGISTRABLE ON THE PRINCIPAL REGISTER.—Section 2(f) of the Trademark Act of 1946 (15 U.S.C. 1052(f)) is amended—

(1) by striking the last two sentences; and

(2) adding at the end the following: ''A mark which, when used as a designation of source for the applicant's goods or services, would be likely to cause dilution by blurring or dilution by tarnishment under section 43(c), may be refused registration only pursuant to a proceeding brought under section 13. A registration for a mark which, when used as a designation of source for the registrant's goods or services, would be likely to cause dilution by blurring or dilution by tarnishment under section 43(c), may be canceled pursuant to a proceeding brought under either section 14 or section 24.''

(b) OPPOSITION.—Section 13(a) of the Trademark Act of 1946 (15 U.S.C. 1063(a)) is amended in the first sentence by striking ''as a result of dilution'' and inserting ''the registration of any mark which, when used as a designation of source for the applicant's goods or services, would be likely to cause dilution by blurring or tarnishment''.

(c) CANCELLATION.—Section 14 of the Trademark Act of 1946 (15 U.S.C. 1064) is amended, in the matter preceding paragraph (1)—

(1) by striking '', including as a result of dilution under section 43(c),''; and

(2) inserting ''(A) for which the constructive use date is after the date on which the petitioner's mark became famous and which, when used as a designation of source for the registrant's goods or services, would be likely to cause dilution by blurring or dilution by tarnishment under section 43(c), or (B) on grounds other than dilution by blurring or dilution by tarnishment'' after ''February 20, 1905''.

(d) MARKS FOR THE SUPPLEMENTAL REGISTER.—The second sentence of section 24 of the Trademark Act of 1946 (15 U.S.C. 1092) is amended to read as follows: ''Whenever any person believes that such person is or will be damaged by the registration of a mark on the supplemental register—

''(1) for which the effective filing date is after the date on which such person's mark became famous and which, when used as a designation of source for the registrant's goods or services, would be likely to cause dilution by blurring or dilution by tarnishment under section 43(c), or

''(2) on grounds other than dilution by blurring or dilution by tarnishment,

such person may at any time, upon payment of the prescribed fee and the filing of a petition stating the ground

therefor, apply to the Director to cancel such registration.''.

(e) DEFINITIONS.—Section 45 of the Trademark Act of 1946 (15 U.S.C. 1127) is amended by striking the definition relating to ''dilution''.

○

Chairman SENSENBRENNER. The Chair passes on this.

Without objection, all Members may place opening statements in the record on each of the bills being considered en bloc at this time. Hearing no objection, so ordered.

[The prepared statement of Mr. Berman follows:]

PREPARED STATEMENT OF THE HONORABLE HOWARD L. BERMAN, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA, AND RANKING MEMBER, SUBCOMMITTEE ON COURTS, THE INTERNET, AND INTELLECTUAL PROPERTY

Mr. Chairman, thank you for scheduling this mark-up of H.R. 683, The Trademark Dilution Revision Act of 2005. Nine years after passage of the Federal Trademark Dilution Act [FTDA], I believe we have with this bill come full circle in ensuring the dilution act reflects the original intention of Congress.

Trademark law does not involve typical intellectual property rights. It does not emanate from the Patent and Copyright Clause of the Constitution, but rather from the Commerce Clause. Rather than protection of property rights, the primary policy rationale for traditional trademark law rests on a policy of protecting consumers from mistake and deception.

Protection against trademark dilution seems, in some ways, more akin to property protection than consumer protection. Thus, any anti-dilution legislation should be carefully and narrowly crafted. The goal must be to protect only the most famous trademarks from subsequent uses that blur the distinctiveness of the mark or tarnish or disparage it. Legislation should refrain from expanding the potential of creating rights in perpetuity for trademarks. Dilution should once again be used sparingly as an "extraordinary" remedy, one that requires a significant showing of fame.

This bill narrows the application of dilution by tightening the definition of what is necessary to be considered a famous mark. The bill eliminates fame for a niche market and lists factors necessary for a dilution by blurring claim. With these changes, it is our hope that the dilution remedy will be used in the rare circumstance and not as the alternative pleading.

In addition, this bill changes the standard of dilution from "actual" to "likelihood" of dilution. This bill addresses the classic view of dilution by blurring, that the injury caused by dilution is the gradual diminution or whittling away at the value of the famous mark, or, as those who have been victims of dilution describe, "death by a thousand cuts"—where significant injury is caused by the cumulative effect of many small acts of dilution.

The language in the bill now squares with what Congress had initially intended. I appreciate the expressed need to impose a more lenient standard. A "likelihood of dilution" standard no longer unfairly requires the senior user to wait until injury occurs before bringing suit.

However, most importantly, an amendment was adopted in Subcommittee to address the First Amendment and free speech issues that were raised at the hearing. The ACLU voiced concerns about the possibility that critics could be stifled by the threat of an injunction for mere likelihood of tarnishment. Furthermore, they were concerned with the balance between the rights of trademark holders and the First Amendment. ACLU joined with INTA and AIPLA in crafting a separate exemption from a dilution cause of action for parody, comment and criticism.

Finally, different intellectual property owners voiced disagreement at the hearing regarding the designation of source language in the bill. After some negotiation between the parties, the conflict has been resolved, and both AIPLA and INTA support the bill. I believe this legislation strikes the delicate balance between protection of property rights and encouragement of healthy competition. I urge my colleagues to support this bill with the amendment and I yield back the balance of my time.

Chairman SENSENBRENNER. Are there any amendments to any of the bills?

[No response.]

Chairman SENSENBRENNER. There being no amendments, without objection, the previous question is ordered on reporting the bills favorably and the vote on reporting these bills favorably will be taken when a reporting quorum is present.

Without objection the order for the previous question is vitiated. There is a Subcommittee amendment on H.R. 683, the Dilution Bill. Without objection, the Subcommittee amendment is agreed to. Hearing none, so ordered.

[The amendment follows:]

AMENDMENT IN THE NATURE OF A SUBSTITUTE TO H.R. 683, AS REPORTED BY THE SUBCOMMITTEE ON COURTS, THE INTERNET, AND INTELLECTUAL PROPERTY

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

(a) SHORT TITLE.—This Act may be cited as the ''Trademark Dilution Revision Act of 2005''.

(b) REFERENCES.—Any reference in this Act to the Trademark Act of 1946 shall be a reference to the Act entitled ''An Act to provide for the registration and protection of trademarks used in commerce, to carry out the provisions of certain international conventions, and for other purposes'', approved July 5, 1946 (15 U.S.C. 1051 et seq.).

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(1) by striking subsection (c) and inserting the following:

''(c) DILUTION BY BLURRING; DILUTION BY TARNISHMENT.—

''(1) INJUNCTIVE RELIEF.—Subject to the principles of equity, the owner of a famous mark that is distinctive, inherently or through acquired distinctiveness, shall be entitled to an injunction against another person who, at any time after the owner's mark has become famous, commences use of a mark or trade name in commerce that is likely to cause dilution by blurring or dilution by tarnishment of the famous mark, regardless of the presence or absence of actual or likely confusion, of competition, or of actual economic injury.

''(2) DEFINITIONS.—(A) For purposes of paragraph (1), a mark is famous if it is widely recognized by the general consuming public of the United States as a designation of source of the goods or services of the mark's owner. In determining whether a mark possesses the requisite degree of recognition, the court may consider all relevant factors, including the following:

''(i) The duration, extent, and geographic reach of advertising and publicity of the mark, whether advertised or publicized by the owner or third parties.

''(ii) The amount, volume, and geographic extent of sales of goods or services offered under the mark.

''(iii) The extent of actual recognition of the mark.

''(B) For purposes of paragraph (1), 'dilution by blurring' is association arising from the similarity between a mark or trade name and a famous mark that impairs the distinctiveness of the famous mark. In determining whether a mark or trade name is likely to cause dilution by blurring, the court may consider all relevant factors, including the following:

''(i) The degree of similarity between the mark or trade name and the famous mark.

''(ii) The degree of inherent or acquired distinctiveness of the famous mark.

''(iii) The extent to which the owner of the famous mark is engaging in substantially exclusive use of the mark.

''(iv) The degree of recognition of the famous mark.

''(v) Whether the user of the mark or trade name intended to create an association with the famous mark.

''(vi) Any actual association between the mark or trade name and the famous mark.

''(C) For purposes of paragraph (1), 'dilution by tarnishment' is association arising from the similarity between a mark or trade name and a famous mark that harms the reputation of the famous mark.

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''(A) Fair use of a famous mark by another person in comparative commercial advertising or promotion to identify the competing goods or services of the owner of the famous mark.

''(B) Fair use of a famous mark by another person, other than as a designation of source for the person's goods or services, including for purposes of identifying and parodying, criticizing, or commenting upon the famous mark owner or the goods or services of the famous mark owner.

''(C) All forms of news reporting and news commentary.

''(4) ADDITIONAL REMEDIES.—In an action brought under this subsection, the owner of the fa-

mous mark shall be entitled only to injunctive relief as set forth in section 34, except that, if—

"(A) the person against whom the injunction is sought did not use in commerce, prior to the date of the enactment of the Trademark Dilution Revision Act of 2005, the mark or trade name that is likely to cause dilution by blurring or dilution by tarnishment, and

"(B) in a claim arising under this subsection—

"(i) by reason of dilution by blurring, the person against whom the injunction is sought willfully intended to trade on the recognition of the famous mark, or

"(ii) by reason of dilution by tarnishment, the person against whom the injunction is sought willfully intended to harm the reputation of the famous mark,

the owner of the famous mark shall also be entitled to the remedies set forth in sections 35(a) and 36, subject to the discretion of the court and the principles of equity.

"(5) OWNERSHIP OF VALID REGISTRATION A COMPLETE BAR TO ACTION.—The ownership by a person of a valid registration under the Act of

March 3, 1881, or the Act of February 20, 1905, or on the principal register under this Act shall be a complete bar to an action against that person, with respect to that mark, that is brought by another person under the common law or a statute of a State and that seeks to prevent dilution by blurring or dilution by tarnishment, or that asserts any claim of actual or likely damage or harm to the distinctiveness or reputation of a mark, label, or form of advertisement.''; and

(2) in subsection (d)(1)(B)(i)(IX), by striking ''(c)(1) of section 43'' and inserting ''(c)''.

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(1) by striking the last two sentences; and

(2) adding at the end the following: ''A mark which would be likely to cause dilution by blurring or dilution by tarnishment under section 43(c), may be refused registration only pursuant to a proceeding brought under section 13. A registration for a mark which would be likely to cause dilution by blurring or dilution by tarnishment under section

43(c), may be canceled pursuant to a proceeding brought under either section 14 or section 24.''

(b) OPPOSITION.—Section 13(a) of the Trademark Act of 1946 (15 U.S.C. 1063(a)) is amended in the first sentence by striking ''as a result of dilution'' and inserting ''the registration of any mark which would be likely to cause dilution by blurring or dilution by tarnishment''.

(c) CANCELLATION.—Section 14 of the Trademark Act of 1946 (15 U.S.C. 1064) is amended, in the matter preceding paragraph (1)—

(1) by striking '', including as a result of dilution under section 43(c),''; and

(2) inserting ''(A) for which the constructive use date is after the date on which the petitioner's mark became famous and which would be likely to cause dilution by blurring or dilution by tarnishment under section 43(c), or (B) on grounds other than dilution by blurring or dilution by tarnishment'' after ''February 20, 1905''.

(d) MARKS FOR THE SUPPLEMENTAL REGISTER.—The second sentence of section 24 of the Trademark Act of 1946 (15 U.S.C. 1092) is amended to read as follows: ''Whenever any person believes that such person is or will be damaged by the registration of a mark on the supplemental register—

"(1) for which the effective filing date is after the date on which such person's mark became famous and which would be likely to cause dilution by blurring or dilution by tarnishment under section 43(c), or

"(2) on grounds other than dilution by blurring or dilution by tarnishment,

such person may at any time, upon payment of the prescribed fee and the filing of a petition stating the ground therefor, apply to the Director to cancel such registration.".

(e) DEFINITIONS.—Section 45 of the Trademark Act of 1946 (15 U.S.C. 1127) is amended by striking the definition relating to "dilution".

Chairman SENSENBRENNER. And now without objection, the previous question is ordered on reporting the bills favorably with H.R. 683 being reported favorably as amended. And the vote will be taken at the time that a reporting quorum appears.

[Intervening business.]

Chairman SENSENBRENNER. If there are no further amendments, without objection, the previous question is ordered favorably reporting Senate 167.

We are still one short of a reporting quorum. I would ask the Members present to be patient, and as soon as we round up—here we go. They have been rounded up. [Laughter.]

The previous question has been ordered on reporting favorably the following bills: Senate 167, H.R. 683, H.R. 1036, H.R. 1037 and H.R. 1038. So many as are in favor of reporting these bills favorably will say aye.

Opposed, no?

The ayes appear to have it. The ayes have it, and the bills are reported favorably.

Without objection, those bills which were amended here, meaning H.R. 683, will be reported favorably to the House in the form of a single amendment in the nature of a substitute, incorporating the amendments adopted here today. That unanimous consent request also includes Senate 167 as amended.

Is there any objection?

[Intervening business.]

Chairman SENSENBRENNER. Okay. Without objection, all Members will be given 2 days as provided by House rules, in which to submit additional dissenting supplemental or minority views, and without objection the staff is directed to make any technical and conforming changes.

[Intervening business.]

Chairman SENSENBRENNER. There being no further business to come before the Committee, the Committee stands adjourned.

[Whereupon, at 10:17 a.m., the Committee was adjourned.]