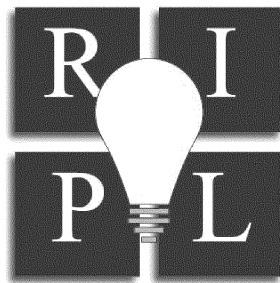


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NOTICE THAT REGISTERED TRADEMARK IN THE WINDOW?

JAMES JUO

ABSTRACT

The letter R enclosed in a circle (i.e., the “®” symbol) is a well-known form of statutory notice for a trademark registered with the United States Patent and Trademark Office. This helps ensure that the public will identify a mark as a source identifier rather than as a generic term for a product or service. Although not mandatory, failure to display the registration symbol or another form of statutory notice with a registered trademark may limit the monetary remedies recoverable in a lawsuit for infringement of that registered mark under the Lanham Act. Absent statutory notice, damages for infringements and other violations under the Lanham Act would be limited to an accounting period beginning after the defendant received actual notice of the registration. While § 43 of the Lanham Act also allows recovery of damages for violations of unregistered marks, the recoverable damages for a trademark registrant may still be limited even with respect to these unregistered rights in connection with a registered mark. Otherwise, the registrant could recover the same damages for the same mark regardless of whether statutory notice was given. A trademark registrant also may elect to recover statutory damages against a counterfeit of the registered mark instead of actual damages. Although a few courts have held that the statutory notice requirements of the Lanham Act do not apply to the recovery of statutory damages for counterfeiting, this would appear to be contrary to the public policy of encouraging registrants to give statutory notice of trademark registrations. This article will discuss the requirements for actual notice and statutory notice of a trademark registration, and then discuss how this applies to the recovery of damages in connection with that registration.

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NOTICE THAT REGISTERED TRADEMARK IN THE WINDOW?

JAMES JUO*

I. INTRODUCTION

The letter R enclosed in a circle (i.e., the “®” symbol) is a well-known form of statutory notice which informs the public that a word, logo, slogan, design or other source indicator is a trademark registered with the United States Patent and Trademark Office (“USPTO”).¹ This also helps ensure that the public will identify a mark as a source identifier rather than as a generic term for a product or service. Displaying the registration symbol or another form of statutory notice with a trademark is not mandatory, but a failure to do so may limit the monetary remedies recoverable in a lawsuit for infringement of a registered mark under the Lanham Act.² Because damages would not be otherwise recoverable without actual notice of the registration, this encourages a registrant to give statutory notice of its registration. Failure to give statutory notice is not a defense to infringement; rather, it is a limitation on the recovery of damages. Other remedies such as injunctive relief may still be available. This article will discuss the requirements for actual notice and statutory notice of a trademark registration under § 29 of the Lanham Act, and

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¹ Lanham Act § 29, 15 U.S.C. § 1111 (2006). Other forms of statutory notice under § 1111 include using the words “Registered in U.S. Patent and Trademark Office” or “Reg. U.S. Pat. & Tm. Off.” together with the mark. *Id.* Other marking symbols, such as the “TM” and “SM” abbreviations, may be used with unregistered marks. See 6 J. THOMAS MCCARTHY, MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION, § 19:148 (4th ed. 2010).

² 15 U.S.C. § 1111; see also Lanham Act § 35, 15 U.S.C. § 1117. This is analogous to the limitations on remedies in the patent marking statute’s limitations on remedies. 35 U.S.C. § 287. While there is no analogous provision in the Lanham Act for false marking as there is in the Patent Act, 35 U.S.C. § 292, intentional misuse of the “®” symbol could give rise to claims of false advertising, or a court may deny a request for an injunction or damages, and the USPTO may refuse or cancel a registration for that mark, under an equitable theory of unclean hands. See *Fox-Stanley Photo Prod., Inc. v. Otaguro*, 339 F. Supp. 1293, 1295 (D. Mass. 1972) (holding that illegal use of the “®” symbol constituted unclean hands disqualifying plaintiff from obtaining injunctive relief in a trademark infringement action.); see also *Copelands’ Enters., Inc. v. CNV, Inc.*, 945 F.2d 1563, 1566 (Fed. Cir. 1991) (“The improper use of a registration notice in connection with an unregistered mark, if done with intent to deceive the purchasing public or others in the trade into believing that the mark is registered, is a ground for denying the registration of an otherwise registrable mark.”); MCCARTHY, *supra* note 1, § 19:146 (“[T]he PTO and the courts have been extremely reluctant to divest trademark rights simply because of misuse of the statutory notice. . . . However, a minority of courts continue to find unclean hands by the misuse of statutory notice.”).

then will discuss how this applies to the recovery of damages under § 35 of the Lanham Act in connection with that registration.

II. NOTICE: SECTION 29 OF THE LANHAM ACT

The notice requirements to recover damages for infringement and other violations of a federally registered mark are governed by Lanham Act § 29. The statute requires either constructive statutory notice or actual notice of the trademark registration.

A. Statutory Notice

Section 29 of the Lanham Act states that a registrant of a mark registered with the USPTO “may give notice that his mark is registered by displaying” the “®” symbol (or other suitable marking) with the mark, and that “*in any suit for infringement under this chapter* by such a registrant failing to give such notice of registration, *no profits and no damages shall be recovered* under the provisions of this chapter unless the defendant had actual notice of the registration.”³ This encourages a trademark registrant to give statutory notice to the public of its registration. If the registrant fails to give statutory notice, then damages under the Lanham Act would be limited to an accounting period beginning after the defendant received actual notice of the registration, such as by a cease-and-desist letter or a formal charge of infringement in a lawsuit.⁴ Thus, “damages might start running later than if [statutory] notice had been given.”⁵ If there are no infringing sales during this later accounting period, then the registrant would not recover any damages under the Lanham Act.⁶

These notice requirements only apply to marks registered with the USPTO.⁷ A state trademark registration is not the same as a federal registration.⁸ Nor is simply

³ 15 U.S.C. § 1111 (emphasis added); see Michael Anthony Arciero, *Trademark Infringement and Plaintiff's Damages: Lanham Act § 35(a)*, 12 J. CONTEMP. LEGAL ISSUES 320, 320 (2001) (“[S]ome courts have used “damages” in referring both to defendant's profits and to plaintiff's damages, . . . [notwithstanding] the difference in the policies underlying each of these distinct remedies.”). In this article, when discussing monetary remedies, no distinction will be made between profits and damages.

⁴ *Bambu Sales, Inc. v. Sultana Crackers, Inc.*, 683 F. Supp. 899, 911 (E.D.N.Y. 1988).

⁵ *Id.*

⁶ See *Howard Stores Corp. v. Howard Clothing, Inc.*, 311 F. Supp. 704, 705 (N.D. Ga. 1970).

⁷ See 15 U.S.C. § 1111.

⁸ See *Burger King of Fla., Inc. v. Hoots*, 403 F.2d 904, 908 (7th Cir. 1968) (noting the difference between the Lanham Act and the Illinois Act); see also MCCARTHY, *supra* note 1, § 22:1 (“State registrations in most states have little legal significance other than serving as proof that on a certain date the registrant filed a claim that it was using a certain mark.”); *In re Cramore Products Inc.*, 149 U.S.P.Q. (BNA) 707, 708 (T.T.A.B. 1966) (“[R]egistration in a state[] does not justify use of this symbol [®] . . .”).

filing a federal trademark application sufficient.⁹ The “®” symbol can only be used after the trademark owner actually obtains a federal registration.¹⁰

Furthermore, a trademark registration is limited to the goods and/or services set forth in that registration.¹¹ Thus, if the “BRAND X” mark were registered for soft drinks, then the “®” registration symbol should not be displayed with the “BRAND X” mark when used with unregistered goods or services such as automobile parts or telecommunication services.¹²

B. Actual Notice

Failure to display a registration notice (e.g., the “®” symbol) with a registered mark may prevent a plaintiff from recovering damages in a suit for infringement under the Lanham Act if the defendant did not have actual notice of the registration.¹³ The actual notice requirement of § 29 may be met where the accused infringer receives a “cease-and-desist” letter regarding the registered trademark, or a lawsuit alleging trademark infringement.¹⁴ Other circumstantial facts also may be relied upon to establish that the accused infringer had actual notice of a trademark registration.

In *Derrick Manufacturing Corp. v. Southwestern Wire Cloth, Inc.*,¹⁵ the defendant filed a motion for partial summary judgment and alleged that damages for infringement of the plaintiff’s registration covering the word mark DERRICK were not recoverable. The defendant argued that the plaintiff had consistently used its mark without any notice of registration prior to the filing of the lawsuit.¹⁶ The Southern District of Texas noted, however, that the defendant was “sophisticated in trademark matters, as evidenced by its display of its own trademarks,” was aware of the plaintiff’s “established name,” and “had an attorney advising the company in order to avoid trademark infringement” including with respect to the plaintiff’s marks.¹⁷ The district court denied the summary judgment motion because, in

⁹ *Johnson Controls, Inc. v. Concorde Battery Corp.*, 228 U.S.P.Q. (BNA) 39, 44 (T.T.A.B. 1985).

¹⁰ 15 U.S.C. § 1111; e.g., *Du-Dad Lure Co. v. Creme Lure Co.*, 143 U.S.P.Q. 358, 359 (T.T.A.B. 1964) (stating that ® is an official symbol indicating that a mark has been registered in the USPTO).

¹¹ 15 U.S.C. § 1115(a) (stating that registration gives the registrant the “exclusive right to use the registered mark in commerce or in connection with the goods or services in the registration.”).

¹² *See id.* (implying that a registrant cannot use the “®” symbol in connection with goods or services not included in the registration); *see also* MCCARTHY, *supra* note 1, § 19:148 (stating that in connection with unregistered goods or services, the “TM” or “SM” symbol may be displayed to give notice of possible common law rights).

¹³ *Compare* 15 U.S.C. § 1111 (stating that when there is a failure of notice no profits or damages shall be recovered unless actual notice is shown), *with* 35 U.S.C. § 287 (stating that no damages for infringement shall be recovered when there was a lack of patent notice), *and* 17 U.S.C. § 405(b) (stating that infringers incur no liability when there is omission of copyright notice).

¹⁴ *See* *United Servs. Auto. Ass’n v. Nat’l Car Rental Sys., Inc.*, No. SA00CA-1370, 2001 WL 1910543, at *4 (W.D. Tex. Sept. 26, 2001); MCCARTHY, *supra* note 1, § 19:144.

¹⁵ *Derrick Mfg. Corp. v. Sw. Wire Cloth, Inc.*, 934 F. Supp. 796 (S.D. Tex. 1996).

¹⁶ *Id.* at 811–12.

¹⁷ *Id.* at 812. *But see In re BP Lubricants USA Inc.*, 637 F.3d 1307, 1309 (Fed. Cir. 2011) (holding that, for false marking under patent law, it is not reasonable to infer knowledge or intent based on the conclusory allegation that the defendant was a “sophisticated company”).

viewing all the evidence, there was a genuine issue of material fact as to whether there was actual notice of the trademark registration.¹⁸

Similarly, in *International Stamp Art, Inc. v. United States Postal Service*,¹⁹ the Northern District of Georgia also found a genuine issue of material fact as to whether there was actual notice of its registration for its perforation design as a trademark.²⁰ The plaintiff had given oral notification to Postal Service employees and delivered a card sent to the Postal Service's Licensing Administrator stating that the design was the plaintiff's trademark.²¹ The district court also found that "[t]he Postal Service is a highly sophisticated defendant with extensive experience navigating and litigating trademark issues."²² Again, summary judgment as to damages under the Lanham Act was denied because there was a genuine issue of material fact as to whether actual knowledge of the registration could be inferred from these circumstantial facts.²³

More recently, the Central District of California in *Coach, Inc. v. Asia Pacific Trading Co.*,²⁴ also addressed the issue of actual notice in context of a summary judgment motion.²⁵ The trademark registration was for a decorative design consisting of a pattern of the letters "CC" (the "CC Design").²⁶ The defendant's sales manager had acknowledged in a deposition that she was "familiar with [plaintiff's] products and what they look like," and the plaintiff argued that this raised a genuine issue of fact as to whether the defendant had actual notice of the plaintiff's trademark registrations prior to service of the complaint.²⁷ "But while this evidence might support a conclusion that [defendant] had some familiarity with the appearance of [p]laintiff's products prior to service of the complaint, it does not remotely indicate . . . prior notice of [p]laintiff's . . . registrations, which is what § 1111 [Lanham Act § 29] requires."²⁸ There was no evidence that the defendant had any specific knowledge of the plaintiff's "CC Design" registration.²⁹ The court concluded that the plaintiff failed to raise a genuine issue of material fact regarding when the defendant first received actual notice of the registration covering the plaintiff's design mark.³⁰

In an unpublished opinion, *Kransco Manufacturing Inc. v. Hayes Specialties Corp.*,³¹ the Federal Circuit addressed the issue of statutory and actual notice in

¹⁸ *Derrick*, 934 F. Supp. at 812–13; see *Admiral Corp. v. Sewing Mach. Sales Corp.*, 156 F. Supp. 796, 798 (S.D.N.Y. 1957) (holding that receipt of actual notice is a question of fact).

¹⁹ *Int'l Stamp Art, Inc. v. U.S. Postal Serv.*, 78 U.S.P.Q.2d (BNA) 1116 (N.D. Ga. 2005).

²⁰ *Id.* at 1123. The plaintiff had used a perforation design to serve as a border for note cards and greeting cards, and received U.S. Trademark Registration No. 1,985,086 for its perforated border. *Id.* at 1117.

²¹ *Id.* at 1123.

²² *Id.* But see *In re BP Lubricants*, 637 F.3d at 1309 (discussed *supra* note 17).

²³ *Int'l Stamp Art*, 78 U.S.P.Q.2d (BNA) at 1123.

²⁴ *Coach, Inc. v. Asia Pac. Trading Co.*, 676 F. Supp. 2d 914 (C.D. Cal. 2009).

²⁵ *Id.* at 921–22.

²⁶ *Id.* at 923 n.4 (citing U.S. Trademark Registration No. 2,832,589).

²⁷ *Id.* at 924.

²⁸ *Id.*

²⁹ *Id.* at 922.

³⁰ *Id.*

³¹ *Kransco Mfg. Inc. v. Hayes Specialties Corp.*, 37 U.S.P.Q.2d (BNA) 1722 (Fed. Cir. 1996) (nonprecedential).

connection with the plaintiff's HACKY SACK® footbags.³² In addition to a registration for its HACKY SACK mark, the plaintiff also owned a trademark registration covering a "sinuous seam" design in which the two outer panels of the footbag were sewn together to form a wavy line.³³ The defendant sold footbags with a "sinuous seam" design, but under a different name.³⁴

First, with respect to statutory notice, the plaintiff argued that the registration symbol displayed next to the HACKY SACK mark on its footbags, also applied to the "sinuous seam" design.³⁵ "Without deciding whether one registration symbol may be sufficient to give notice of two marks appearing on a single product," the Federal Circuit held that the single registration symbol: 1) was clearly identified with the HACKY SACK mark only; 2) did not indicate that the registration symbol covered any other mark; and 3) was not adequate to provide the notice required by § 29 for the plaintiff's registered "sinuous seam" design.³⁶

Second, the district court had inferred that, because the defendant had ordered a large number of footbags upon its entry into the market to compete against the plaintiff, the defendant actually knew of the registration when it originally ordered its footbags or willfully avoided learning about it.³⁷ The Federal Circuit disagreed, and held that the evidence at most only established that the defendant was aware of plaintiff's HACKY SACK footbags (including the "sinuous seam" design) before the defendant placed its original order, but that this did not constitute actual notice of the trademark registration for the "sinuous seam" design.³⁸ Thus, knowledge of a product bearing a mark was not a substitute for actual notice of the registration for that mark.³⁹

These cases illustrate that "actual notice of the registration" under Lanham Act § 29 requires more than mere knowledge of the plaintiff's use of certain words or designs in connection with a product.⁴⁰ Such passing knowledge generally should not constitute notice of an underlying trademark registration although other circumstantial facts may be considered to bridge the gap between knowledge of a

³² *Id.* at 1723.

³³ *Id.* (citing U.S. Trademark Registration No. 1,326,095). Product designs may be registered as a trademark, but only if the product design has acquired distinctiveness through secondary meaning as a source identifier in the relevant market. *See Wal-Mart Stores, Inc. v. Samara Bros., Inc.*, 529 U.S. 205, 215 (2000) (holding that a product's design is not "inherently distinctive," but may acquire distinctiveness later through "secondary meaning" in the minds of the public); *see also Inwood Labs., Inc. v. Ives Labs., Inc.*, 456 U.S. 844, 851 n.11 (1982) (discussing that a design acquires "secondary meaning" when, in the minds of the public, its primary significance "is to identify the source of the product rather than the product itself").

³⁴ *Kransco*, 37 U.S.P.Q.2d (BNA) at 1723.

³⁵ *Id.* at 1724.

³⁶ *Id.* at 1724–25. The packaging for the footbag also contained a notice, "® HACKY SACK is a brand name and registered trademark of Kransco," which was "very suggestive that HACKY SACK is the only registered mark." *Id.* at 1725.

³⁷ *Id.* at 1725.

³⁸ *Id.*

³⁹ *Id.* ("The record is devoid of evidence that Hayes had any such notice of the '095 registration or Kransco's claims to protection of the sinuous seam before it received the cease and desist letter in 1992."); *Coach, Inc. v. Asia Pac. Trading Co.*, 676 F. Supp. 2d 914, 924 (C.D. Cal. 2009).

⁴⁰ Lanham Act § 29, 15 U.S.C. § 1111 (2006).

mark and its registration.⁴¹ Where the registration is for trade dress such as decorative and product designs, it may be more difficult to establish a circumstantial case for actual notice.⁴²

In any event, the issue of statutory and actual notice under § 29 is only a limitation on damages that affects the accounting period for recovering damages under the Lanham Act.⁴³ Injunctive relief is still available to the registrant even if there are no damages within the applicable accounting period.⁴⁴

III. DAMAGES: SECTION 35 OF THE LANHAM ACT

Section 35 of the Lanham Act is entitled “Recovery for violation of rights” and applies to damages for unfair competition, including false designation of origin, and dilution, as well as to statutory damages for counterfeit trademarks.⁴⁵

⁴¹ See *Kransco Mfg. Inc.*, 37 U.S.P.Q.2d (BNA) at 1723; *Derrick Mfg. Corp. v. Sw. Wire Cloth, Inc.*, 934 F. Supp. 796, 811–12 (S.D. Tex. 1996); *Int’l Stamp Art, Inc. v. U.S. Postal Serv.*, 78 U.S.P.Q.2d (BNA) 1116, 1123 (N.D. Ga. 2005); *Coach, Inc.*, 676 F. Supp. 2d at 921–22.

⁴² Although a showing of secondary meaning is required before the USPTO will issue a trademark registration because such designs are not considered to be inherently distinctive, see *Wal-Mart Stores, Inc. v. Samara Bros., Inc.*, 529 U.S. 205, 215 (2000), a court may require something more than what was presented to the USPTO in ex parte prosecution.

⁴³ See *United States v. Sung*, 51 F.3d 92, 94 (7th Cir. 1995) (stating that 15 U.S.C. § 1111 is merely a limitation on the remedies that a trademark owner can pursue). Damages for a state common law claim of damages, however, may still be available. *Coach*, 676 F. Supp. 2d at 925. In any event, damages are not automatic in trademark cases. *Champion Spark Plug Co. v. Sanders*, 331 U.S. 125, 131 (1947); see *Quick Techs., Inc. v. Sage Grp. PLC*, 313 F.3d 338, 349 (5th Cir. 2002) (stating that an award of damages for trademark infringement is “not automatic”).

⁴⁴ See *Century 21 Real Estate Corp. v. Sandlin*, 846 F.2d 1175, 1180 (9th Cir. 1988) (describing injunctions as the “remedy of choice”); *Pebble Beach Co. v. Tour 18 Ltd.*, 155 F.3d 526, 555 (5th Cir. 1998) (noting that injunctive relief satisfied the equities of the case); *Howard Stores Corp. v. Howard Clothing, Inc.*, 311 F. Supp. 704, 705 (N.D. Ga. 1970) (“[T]he injunctive relief already awarded to plaintiff provided a complete and adequate remedy.”); *Bambu Sales, Inc. v. Sultana Crackers, Inc.*, 683 F. Supp. 899, 911–12 (E.D.N.Y. 1988). Indeed, “in a typical case of trademark infringement, an injunction will satisfy the equities and there will be no need for monetary recovery.” David S. Almeling, *The Infringement-Plus-Equity Model: A Better Way to Award Monetary Relief in Trademark Cases*, 14 J. INTEL. PROP. L. 205, 210 (2007). See also MCCARTHY, *supra* note 1, § 30.1 (stating that an injunction is “the usual and standard remedy” for trademark infringement).

⁴⁵ Lanham Act § 35, 15 U.S.C. § 1117 (2006); see *Texas Pig Stands, Inc. v. Hard Rock Cafe Int’l, Inc.*, 951 F.2d 684, 698 (5th Cir. 1992) (“[The plaintiff] now leaves this legal barnyard with its mark intact, but [the plaintiff was denied a monetary award because] we cannot allow it to attain a windfall on account of [the defendant’s] infringement.”).

However, when it comes to making an award of monetary relief for acts of past infringement, judges are hesitant to do so . . . without that indefinable “something more.” Monetary liability in trademark cases without fault or knowingly performing illegal acts seems to give most judges considerable pause. However, evidence of actual confusion of some customers or evidence of actual losses suffered by plaintiff will often supply the missing element even where defendant ignorantly blundered into an infringing act.

MCCARTHY, *supra* note 1, § 30:58.

A. Section 35(a): Recovery Is “Subject To” Section 29

Lanham Act § 35(a) states that the right to recover damages is “subject to” § 29 of this Act.⁴⁶

When a violation of any right of the registrant of a mark registered in the Patent and Trademark Office, a violation under [section 43(a) or (d)] [15 U.S.C. §§ 1125(a) or (d)], or a willful violation under [section 43(c)] [15 U.S.C. § 1125(c)], shall have been established in any civil action arising under this [Act], the plaintiff shall be entitled, *subject to the provisions of sections 29 and 32* [15 U.S.C. §§ 1111 and 1114] of this [Act], and subject to the principles of equity, to recover [defendant’s profits and plaintiff’s damages].⁴⁷

The notice requirements of § 29 clearly apply to the recovery of damages for the infringement of a registered mark.⁴⁸ Section 35(a) also expressly subjects false designations of origin under § 43(a) and willful instances of dilution under § 43(c) to the same notice requirements of § 29.⁴⁹ Violations of §§ 43(a) and 43(c), however, also can apply to unregistered marks.⁵⁰ Although an unregistered mark would not enjoy the benefits of a federal registration, such as the exclusive right to nationwide use in connection with the goods and services set forth in the registration,⁵¹ the owner of an unregistered mark would still be able to recover the defendant’s profits and plaintiff’s damages under § 35(a), just as a registrant could for a registered mark.⁵² Of course, § 29 would be inapplicable to an unregistered mark in connection with either § 43(a) or § 43(c).⁵³

⁴⁶ 15 U.S.C. § 1117(a). This “subject to” language was added to Section 35(a) in 1989. *See* S. REP. NO. 100-515, at 39 (1988). Prior to that enactment, § 35 applied to violations of a registered trademark, and did not extend to violations of § 43(a) involving an unregistered mark. *Id.* (noting that, although the language of § 35 was limited to violations of a registered trademark, “the courts with increased frequency are disregarding this limitation”).

⁴⁷ 15 U.S.C. § 1117(a) (showing that in addition to defendant’s profits and plaintiff’s damages, this subsection also identifies costs and attorneys’ fees as obtainable monetary remedies); *see* George Basch Co. v. Blue Coral, Inc., 968 F.2d 1532, 1539 (2d Cir. 1992) (“Historically, an award of defendant’s profits has also served as a rough proxy measure of plaintiff’s damages.”); William G. Barber, *Recovery of Profits Under the Lanham Act: Are the District Courts Doing Their Job?*, 82 TRADEMARK REP. 141, 141 n.3 (1992) (“[F]or the sake of simplicity courts often award the defendant’s profits as a surrogate measure of the plaintiff’s damages.”). As previously noted, *supra* note 3, no distinction will be made between profits and damages for purposes of discussing monetary remedies in this article.

⁴⁸ 15 U.S.C. § 1117.

⁴⁹ *Id.* § 1117 (“When . . . a violation under section 1125(a) or (d) of this title . . . shall have been established in any civil action . . . the plaintiff shall be in entitled, subject to the provisions of sections 1111 and 1114 of this title . . . to recover defendant’s profits.”).

⁵⁰ *Id.* § 1125 (noting that it does not require a registration of a mark, but can be a factor considered under dilution analysis).

⁵¹ *Id.* § 1057.

⁵² *Id.* § 1125(c).

⁵³ *See* 15 U.S.C. § 1111 (limited to “registered” marks). An accused infringer who had no knowledge of the unregistered mark, however, could argue that an award of damages would not be equitable. *See id.* § 1117(a) (stating that damages are “subject to the provisions of equity”); *Quick Techs., Inc. v. Sage Grp. PLC*, 313 F.3d 338, 349 (5th Cir. 2002) (“Section 1117(a) remedies are

Less clear is the situation where a registrant alleges both infringement of its trademark registration, and violations of its unregistered rights separately under § 43. For example, if there is a registration for the “BRAND X” mark, but the “®” symbol was never displayed with that mark for the registered goods or services, should § 29 limit the accounting period for damages in connection with the registrant’s unregistered rights under § 43 for the same registered trademark for the same goods or services? If so, then the owner of an unregistered mark would have an advantage over a registrant, with respect to the accounting period for damages. If not, then allowing the registrant to shift from its registered mark to its unregistered rights as its basis to recover the same damages would undermine one of the incentives for a registrant to give statutory notice of its trademark registration.

The treatise, *McCarthy on Trademarks and Unfair Competition*, contends that:

A strict reading of the statutory language of § 29 would, in the author’s opinion, lead to the conclusion that such a registrant cannot avoid the § 29 damage limitation by using § 43(a). Section 29 does not distinguish between the kind of statutory infringement that a registrant proves. Rather, § 29 simply states that no profits and damages shall be recovered “under the provisions of this Act” unless statutory or actual notice was given.⁵⁴

This issue was recently addressed in *Coach, Inc. v. Asia Pacific Trading Co.*,⁵⁵ where the plaintiff sought damages for the alleged infringement of the registration for its “CC Design” mark, but there was no evidence that the plaintiff ever used any form of statutory notice (such as the “®” symbol) with its registered mark.⁵⁶ And there was no evidence that there were any sales of the accused products after the plaintiff gave actual notice of the registration to the defendant.⁵⁷

To avoid the § 29 limitation on damages, the plaintiff alleged a violation of its unregistered rights under § 43(a), in addition to its registered rights, for the same mark.⁵⁸ But the court held that the plaintiff was not entitled to recover damages under the Lanham Act, including under § 43(a), for any alleged infringement prior to the filing of its lawsuit because the statutory notice requirements of § 29 for recovering damages prior to actual notice were not followed.⁵⁹

awarded ‘subject to the principles of equity.’ Thus, an award of the defendant’s profits is not automatic.”); *Synergistic Int’l, LLC v. Korman*, 470 F.3d 162, 174 (4th Cir. 2006) (“[T]he Lanham Act gives little guidance on the equitable principles to be applied by a court in making an award of damages.”). Courts have interpreted the language “subject to the principles of equity” in § 35(a) as requiring consideration of the infringer’s intent and other traditional equitable concerns before awarding monetary recovery. See *George Basch Co. v. Blue Coral, Inc.*, 968 F.2d 1532, 1539 (2d Cir. 1992) (“In varying degrees, a finding of defendant’s intentional deceptiveness has always been an important consideration in determining whether an accounting was an appropriate remedy.”).

⁵⁴ MCCARTHY, *supra* note 1, § 19.144 (citations omitted).

⁵⁵ *Coach, Inc. v. Asia Pac. Trading Co.*, 676 F. Supp. 2d 914 (C.D. Cal. 2009).

⁵⁶ *Id.* at 917, 918, 924–25.

⁵⁷ *Id.* at 922, 925.

⁵⁸ *Id.* at 924.

⁵⁹ *Id.* at 925 (“Plaintiffs’ recovery of profits or damages under § 1125(a) is limited to that period after which Defendant had ‘actual notice’ of Plaintiffs’ registration.”).

The *Coach* court followed the approach suggested in *McCarthy* that a registrant cannot avoid the notice limitation imposed by § 29 by claiming that all of its damages are based on its unregistered rights under § 43(a) rather than on the infringement of its registered mark.⁶⁰ Moreover, to restrict the “subject to” language of § 35(a) to only infringement of a registered mark would render that statutory language superfluous and redundant with § 29 which by its plain language already applies to “any suit for infringement” of a registered mark.⁶¹

The same limitation on damages also should apply to a willful dilution claim under § 43(c) because, by the express language of § 35(a), it also is “subject to” the notice requirements of § 29 of the Lanham Act.

Limiting damages for violations of § 43 where there is a registration for the same mark, also is consistent with the public policy embodied in § 29 of encouraging statutory notice of registered trademark rights.⁶² It would be contrary to this policy goal if the registrant could recover the same damages under § 35(a) regardless of whether the statutory notice requirements of § 29 were followed. Furthermore, although the owner of an unregistered mark potentially could have a longer accounting period for damages over the registrant who failed to display the “®” symbol or other form of statutory notice under § 29, an unregistered mark would not have the other benefits of a federal registration. Such benefits include constructive use of the registered mark, which confers a right of priority nationwide in connection with the goods and services listed in the registration;⁶³ the legal presumption of ownership of the registered mark;⁶⁴ and the ability to record the registration with the U.S. Customs and Border Protection Service to prevent importation of infringing foreign goods.⁶⁵ The owner of an unregistered mark also would have to establish its common law rights based on the geographic territory where the mark was actually used, and may raise other practical issues for enforcement.⁶⁶ Limiting damages for failing to display statutory notice with a registered mark in connection with a claim under § 43 based on the same mark serves the public policy of encouraging registrants to notify the public of its trademark registrations, notwithstanding the

⁶⁰ *Id.* at 924–25 (citing MCCARTHY, *supra* note 1, § 19.144); see *GTFM, Inc. v. Solid Clothing, Inc.*, 215 F. Supp. 2d 273, 306 (S.D.N.Y. 2002) (holding that no profits or damages could be recovered after the mark was registered unless there was statutory notice or actual notice to the defendant).

⁶¹ 15 U.S.C. §§ 1111, 1117 (2006).

⁶² *Id.* § 1117.

⁶³ *Id.* § 1057; see *Burger King of Fla., Inc. v. Hoots*, 403 F.2d 904, 908 (7th Cir. 1968) (stating that a federal registrant will have the right to use the mark throughout the country, except for the local area where another user had actually used the mark prior to the registration).

⁶⁴ 15 U.S.C. § 1072.

⁶⁵ *Id.* § 1124.

⁶⁶ See *Tana v. Dantanna's*, 611 F.3d 767, 780 (11th Cir. 2010) (stating that with common-law trademark rights “it is well-established that the scope of protection accorded his mark is coextensive only with the territory throughout which it is known and from which it has drawn its trade”). In addition, damages under Lanham Act § 35(a) are “subject to the provisions of equity,” so an equitable argument may be raised against an award of damages where the accused infringer was unaware of the unregistered mark. 15 U.S.C. § 1117(a); see *Pebble Beach Co. v. Tour 18 Ltd.*, 155 F.3d 526, 554 (5th Cir. 1998) (identifying “whether the defendant had the intent to confuse or deceive” as a factor to be considered in the damages analysis); *George Basch Co. v. Blue Coral, Inc.*, 968 F.2d 1532, 1539 (2d Cir. 1992) (stating that, traditionally, whether the defendant acted with deceptive intent “has always been an important consideration in determining whether an accounting was an appropriate remedy”).

nominal advantage it may confer to a trademark owner who does not registered its marks.

*B. Section 35(c): Should Statutory Notice Be Required
To Recover “Statutory Damages” for Counterfeiting?*

In cases involving the use of a counterfeit mark (that is, a mark identical with, or substantially indistinguishable from, a registered mark), § 35(c) of the Lanham Act allows the plaintiff to elect “statutory damages” instead of actual damages under § 35(a).⁶⁷ Use of a counterfeit mark is a form of trademark infringement.⁶⁸ Counterfeit marks are often found on knock-off designer goods, and statutory damages are intended to allow adequate recovery against those trafficking in such counterfeit goods who often do not maintain or produce accurate or reliable sales records.⁶⁹

Unlike § 35(a) as previously discussed, § 35(c) does not expressly reference § 29.⁷⁰ But § 35(c) incorporates by reference § 34(d) for the definition of “counterfeit mark” which is limited to trademark registrations by its express language.⁷¹ In particular, § 34(d)(1)(B)(i) defines a “counterfeit mark” to mean “a counterfeit of a mark that is registered on the principal register in the United States Patent and Trademark Office for such goods or services . . . whether or not the person against

⁶⁷ 15 U.S.C. §§ 1116(d), 1117(c). A plaintiff’s election of statutory damages under § 35(c), however, may preclude an award of attorney fees because, unlike § 35(a) and § 35(b), § 35(c) makes no provision for attorney fees. *See, e.g.,* K&N Eng’g v. Bulat, 510 F.3d 1079, 1082 (9th Cir. 2007); *cf.* 15 U.S.C. § 1117(b) (stating that in assessing actual damages under subsection (a), attorneys’ fees shall be awarded if the violation consists of “intentionally” using a counterfeit mark).

⁶⁸ 15 U.S.C. § 1114(1)(a) (identifying a “reproduction, counterfeit, copy, or colorable imitation of a registered mark” as an element for trademark infringement).

⁶⁹ *See* H.R. REP. 104-556, at 3 (1996); *Photo Res. Hawai‘i, Inc. v. Am. Hawai‘i Travel Inc.*, No. 07-134, 2007 WL 4373549, at *3 (D. Haw. Dec. 12, 2007) (“Statutory damages should bear some relation to the plaintiff’s actual damages, but they will not correspond exactly because of the difficulty in proving actual damages.”); *Polo Ralph Lauren, L.P. v. 3M Trading Co.*, No. 97-4824, 1999 WL 33740332, at *4 (S.D.N.Y. Apr. 19, 1999) (noting that oftentimes “counterfeiters’ records are nonexistent, inadequate or deceptively kept in order to willfully deflate the level of counterfeiting activity actually engaged in, making proving actual damages in these cases extremely difficult if not impossible”).

⁷⁰ *Compare* 15 U.S.C. § 1117(c), *with* 17 U.S.C. § 504 (“[T]he copyright owner may elect . . . to recover, instead of actual damages and profits, an award of statutory damages for all infringements involved in the action.”). Courts have looked to copyright law for guidance in applying statutory damages for trademarks. *See, e.g.,* *Sara Lee Corp. v. Bags of N.Y., Inc.*, 36 F. Supp. 2d 161, 166 (S.D.N.Y. 1999) (analyzing the Copyright Act’s statutory damages to the Lanham Act); *cf. Nintendo of Am., Inc. v. Dragon Pac. Int’l*, 40 F.3d 1007, 1011 (9th Cir. 1994).

Actual damages consist of elements such as the profits lost by the copyright holder, the profits made by the infringer or the diminution in value of the copyright. Such damages are designed to compensate the plaintiff and to prevent the defendant’s unjust enrichment . . . [s]tatutory damages, on the other hand, may have different purposes. For instance, statutory damages may be appropriate when lost profits would be an inadequate measure.

Id.

⁷¹ 15 U.S.C. §§ 1116(d)(1)(B); 1117(c).

whom relief is sought knew such mark was so registered.”⁷² Furthermore, § 45 defines a “counterfeit” as “a spurious mark which is identical with, or substantially indistinguishable from, a registered mark.”⁷³ Thus, statutory damages for counterfeiting is limited to the registered goods or services of the trademark registration by the express statutory language of the Lanham Act.

The question of whether the statutory notice requirements of § 29 for a trademark registration also apply to the statutory damages remedy of § 35(c) for a counterfeit of that registration was addressed in an unreported district court decision, *Playboy Enterprises, Inc. v. Universal Tel-A-Talk, Inc.*⁷⁴

The plaintiff in *Playboy* owned federal trademark registrations for PLAYBOY and RABBIT HEAD DESIGN, with “monthly magazine” as the registered goods.⁷⁵ In addition to its well-known monthly print magazine, the plaintiff also operated websites (at www.playboy.com and cyber.playboy.com) that contained content from its monthly print magazine.⁷⁶ The contents of these websites, however, did not display any form of statutory notice, such as the “®” symbol, during the relevant time frame of the defendant’s accused infringement.⁷⁷ The print version of *Playboy* magazine, however, did display a notice of registration during the relevant time period.⁷⁸

The defendant, on the other hand, operated a web site at www.adult-sex.com which offered a subscription service known as “Playboy’s Private Collection,” in which “hard core sexually explicit” content could be accessed by a button with the term “Bunny” on a navigational bar for the webpage.⁷⁹ The defendant’s offending website was only on-line for four months (i.e., from July 1996 to October 1996), and was eventually taken down after the plaintiff learned of the offending website.⁸⁰ The defendant lost money on the operation of the offending website, and the plaintiff did not prove any actual loss or injury.⁸¹

The district court found the plaintiff’s website at www.playboy.com was an internet version of the registered goods, namely the “monthly magazine,” that did not display the registration symbol.⁸² The court did not address whether the registration symbol displayed on the plaintiff’s print magazine was sufficient to meet the statutory notice requirements of § 29. Instead, the district court held that the plaintiff’s failure to display the registration symbol, or any other form of statutory

⁷² *Id.* § 1116(d)(1)(B)(i).

⁷³ *Id.* § 1127.

⁷⁴ *Playboy Enters., Inc. v. Universal Tel-A-Talk, Inc. (Playboy II)*, No. 96-6961, 1999 WL 285883, at *2 (E.D. Pa. Apr. 26, 1999) (denying motion for reconsideration of statutory damages award from an earlier decision in *Playboy Enters., Inc. v. Universal Tel-A-Talk, Inc. (Playboy I)*, No. 96-6961, 1998 WL 767440 (E.D. Pa. Nov. 3, 1998).

⁷⁵ *Playboy II*, 1999 WL 285883, at *1; *see also Playboy I*, 1998 WL 767440, at *1, *2.

⁷⁶ *Playboy II*, 1999 WL 285883, at *1; *see also Playboy I*, 1998 WL 767440, at *3 (noting that these websites contained “electronic versions of *Playboy* magazine in that it displays the contents of *Playboy* magazine on-line”).

⁷⁷ *Playboy II*, 1999 WL 285883, at *2.

⁷⁸ *Id.* at *2.

⁷⁹ *Id.* at *1.

⁸⁰ *Id.*

⁸¹ *Playboy I*, 1998 WL 767440, at *5.

⁸² *Playboy II*, 1999 WL 285883, at *2.

notice, on its website did not preclude an award of statutory damages against the defendant for counterfeiting.⁸³ In particular, the district court held that:

To read the remedy of § 1117(c) into the notice requirements of § 1111 would render § 1116(d)(1)(B)(i) [Section 34(d)(1)(B)(i)] superfluous and would be contrary to proper statutory construction. . . . Congress intended to recognize that counterfeiting, while a subsection of infringement, represents a greater evil than ordinary infringement, and thus allowed an alternative route to damages and a lesser degree of required notice.⁸⁴

Section 34(d)(1)(B)(i) defines a “counterfeit mark” as being a counterfeit of a registered mark “whether or not the person against whom relief is sought knew such mark was so registered.”⁸⁵ Whether the public policy embodied in § 29 of the Lanham Act which limits damages in order to encourage statutory notice of trademark registrations, is or is not contrary to the incorporation of the “counterfeit mark” definition from § 34(d)(1)(B)(i) into § 35(c) for statutory damages should be determined with respect to the remainder of the statutory scheme.⁸⁶

Section 34 is directed to injunctive relief in general, and § 34(d) in particular is directed to ex parte seizures of counterfeits of registered marks whether or not the defendant “knew such mark was so registered.”⁸⁷ Although the defendant’s intent in selecting its mark may be a factor in the traditional likelihood of confusion analysis for trademark infringement, when the defendant’s mark is identical with, or substantially indistinguishable from, a registered mark, and used with the registered goods, the defendant’s mark would be a counterfeit mark subject to an ex parte seizure under § 34(d) regardless of what the defendant knew or should have known.⁸⁸

When § 35(c) was introduced to the Lanham Act a decade later to add the counterfeit-specific remedy of statutory damages, the definition of “counterfeit mark” from § 34(d) for seizures was incorporated into this new provision of the statute.⁸⁹

⁸³ See *Playboy II*, 1999 WL 285883, at *2–3; *Playboy I*, 1998 WL 767440, at *8.

⁸⁴ *Playboy II*, 1999 WL 285883, at *2; see *Diane Von Furstenberg Studio v. Snyder*, No. 06-1356, 2007 WL 1835276, at *2 (E.D. Va. Jun. 25, 2007) (“This Court agrees with the Eastern District of Pennsylvania’s reasoning [in *Playboy II*], and thus concludes that Plaintiff is not required to show notice of registration in order to recover damages for counterfeiting.”); MCCARTHY, *supra* note 1, § 19.144 (citing *Playboy II*, 1999 WL 285883); cf. *TRW Inc. v. Andrews*, 534 U.S. 19, 31 (2001) (stating that a statute should be construed so that “no clause, sentence, or word shall be superfluous, void, or insignificant”).

⁸⁵ 15 U.S.C. § 1116(d)(1)(B)(i) (2006).

⁸⁶ See *United Savings Ass’n v. Timbers of Inwood Forest Assocs.*, 484 U.S. 365, 371 (1988) (stating that statutory construction may be viewed as a “holistic” endeavor in which “[a] provision that may seem ambiguous in isolation is often clarified by the remainder of the statutory scheme . . . because only one of the permissible meanings produces a substantive effect that is compatible with the rest of the law”).

⁸⁷ 15 U.S.C. § 1116(d)(1)(B)(i).

⁸⁸ See *AMF Inc. v. Sleekcraft Boats*, 599 F.2d 341, 348–49 (9th Cir. 1979). “When the alleged infringer knowingly adopts a mark similar to another’s, reviewing courts presume that . . . the public will be deceived. Good faith is less probative of the likelihood of confusion, yet may be given considerable weight in fashioning a remedy.” *Id.* at 354.

⁸⁹ 15 U.S.C. § 1117(c). Section 34(d) was enacted in 1984 as part of the Trademark Counterfeiting Act of 1984, Pub. L. No. 98-473, 98 Stat. 2179, and Section 35(c) was enacted in 1996

This definition, however, is not contrary to the statutory notice requirements of § 29. If the notice requirements of § 29 are satisfied, such as by properly displaying the “®” symbol with the registered mark, then statutory damages under § 35(c) for a “counterfeit mark” under § 34(d) could be recovered whether or not the defendant knew of the registration.

Furthermore, as previously discussed, a counterfeit mark under §§ 34(d) and 35(c) is limited to the registered goods or services set forth in the trademark registration being counterfeited.⁹⁰ One could take the simple stance that statutory notice of a registration should be given before one can recover statutory damages for that registration.

With respect to the *Playboy* court’s comment that Congress intended statutory damages to be an alternative route to damages for counterfeiting cases with “a lesser degree of required notice,”⁹¹ the legislative history does not appear to address the degree of notice required for statutory damages.⁹² For example, the “Section-By-Section Analysis and Discussion” section from the legislative history of the “Anticounterfeiting Consumer Protection Act” merely states:

Section 7 amends § 35 [15 U.S.C. § 1117] of the Lanham Act to allow trademark owners to opt for judicially determined statutory damages, rather than actual damages and profits, in civil cases.⁹³

Comparable to the language “instead of” used in § 35(c), the language “rather than” in its legislative history suggests that a trademark owner may opt for statutory damages in civil cases where “actual damages and profits” could otherwise be recovered.⁹⁴ Statutory damages should be based on the same infringing activity used for determining the actual damages. As previously discussed, if all of the alleged infringement occurred before actual notice of the registration, then there would be no recoverable damages in the later accounting period.⁹⁵ If no actual damages and profits can be recovered because the notice requirements of § 29 were not met, then it follows that statutory damages also cannot be recovered for that same period.⁹⁶

as part of the Anticounterfeiting Consumer Protection Act of 1996, Pub. L. No. 104-153, 110 Stat. 1386. *See also* K & N Eng’g Inc. v. Bulat, 510 F.3d 1079, 1082 (9th Cir. 2007).

⁹⁰ *See* 15 U.S.C. § 1115(a).

⁹¹ *Playboy II*, 1999 WL 285883, at *2.

⁹² *See* H.R. REP. 104-556, at 8 (1996). It is presumed that the legislature does not intend to derogate from its own act when it makes no special mention of its intention so to do. *See also* Watt v. Alaska, 451 U.S. 259, 267 (1981) (stating that a court “must read [two allegedly conflicting] statutes to give effect to each if [it] can do so while preserving their sense and purpose”).

⁹³ H.R. REP. 104-556, at 8.

⁹⁴ *See id.*; 15 U.S.C. § 1117(c).

⁹⁵ *See* discussion *supra* Part II.A.

⁹⁶ *Compare* 15 U.S.C. § 1111, *with* 17 U.S.C. § 405(b) (showing that lack of actual notice and the omission of the statutory copyright notice may preclude liability for statutory damages.). *See also* United States v. Sung, 51 F.3d 92, 94 (7th Cir. 1995) (showing that in a criminal case under 18 U.S.C. § 2320 for trafficking in counterfeit goods, Judge Easterbrook noted that, “as a form of money damages, restitution payable to the trademark owner is proper only if the goods contained the proper notice or the infringer had actual knowledge of the registration”).

Statutory damages are not intended to be a windfall, but to provide a monetary remedy that bears a reasonable relationship to compensatory damages.⁹⁷

Lastly, there is a public policy in favor of giving statutory notice of intellectual property rights. Indeed, in addition to the Lanham Act for trademarks, this policy also is reflected in the patent and copyright statutes.⁹⁸ In all three statutory schemes, if statutory notice of the relevant intellectual property right is not given, then damages generally may not be recoverable unless the defendant received actual notice.⁹⁹ Exempting statutory damages under § 35(c) from the notice requirements of § 29 for recovering damages under the Lanham Act would weaken the statutory incentives for giving statutory notice of a federal trademark registration.

IV. CONCLUSION

To obtain the full benefit of a federal trademark registration, the registrant should give statutory notice of its rights by displaying the “®” symbol or other statutory notice under Lanham Act § 29 with the registered mark.¹⁰⁰ Otherwise, damages for infringements and other violations under the Lanham Act would be limited to an accounting period beginning after the defendant received actual notice of the registration.¹⁰¹

⁹⁷ See *Rolls-Royce PLC v. Rolls-Royce USA, Inc.*, 688 F. Supp. 2d 150, 157 (E.D.N.Y. 2010) (stating that an award of statutory damages is not intended to provide the plaintiff with a windfall); *Rolux Watch U.S.A., Inc. v. Zeotec Diamonds, Inc.*, No. 02-1089, 2003 WL 23705746, at *4 (C.D. Cal. Mar. 7, 2003) (“[S]tatutory damages are intended to bear some relation to actual damages.”); *Gucci Am., Inc. v. Myreplcahandbag.com*, No. 07-2438, 2008 WL 512789, at *5 (S.D.N.Y. Feb. 26, 2008) (noting, with regard to statutory damages, that “most judges have issued awards well below the maximums available on the basis of a per-mark-per-type-of-goods”); cf. *Kenneth Jay Lane, Inc. v. Heavenly Apparel, Inc.*, No. 03-2132, 2006 WL 728407, at *6 (S.D.N.Y. Mar. 21, 2006) (stating that § 35(c) “does not provide guidelines for courts to use in determining an appropriate award, as it is only limited by what the court considers just”).

⁹⁸ Compare 15 U.S.C. § 1111, with 35 U.S.C. § 287, and 17 U.S.C. § 405(b). See, e.g., *Amsted Indus. Inc. v. Buckeye Steel Castings Co.*, 24 F.3d 178, 185 (Fed. Cir. 1994) (stating that the purpose of the patent marking statute is “to encourage the patentee to give notice to the public of the patent”); see also *Kleier Adver. Inc. v. Naegele Outdoor Adver. Inc.*, 676 F. Supp. 140, 142 (W.D. Ky. 1987) (“It seems clear that the overall thrust of the legislative scheme is to encourage copyright notice.”).

⁹⁹ See 15 U.S.C. § 1111 (“[I]n any suit for infringement under this Act by such a registrant failing to give such notice of registration, no profits and no damages shall be recovered . . . unless the defendant had actual notice of the registration.”); 35 U.S.C. § 287 (“In the event of failure so to mark, no damages shall be recovered by the patentee in any action for infringement, except on proof that the infringer was notified of the infringement and continued to infringe thereafter, in which event damages may be recovered only for infringement occurring after such notice.”); 17 U.S.C. § 405(b) (“Any person who innocently infringes a copyright, in reliance upon an authorized copy or phonorecord from which the copyright notice has been omitted . . . incurs no liability for actual or statutory damages under section 504 . . . for any infringing acts committed before receiving actual notice . . .”).

¹⁰⁰ 15 U.S.C. § 1111.

¹⁰¹ *Id.*; see *Bambu Sales, Inc. v. Sultana Crackers, Inc.*, 683 F. Supp. 899, 912 (E.D.N.Y. 1988) (“The only consequence of a holder failing to give such notice is that damages might start running later than if the notice had been given.”).

The statutory requirements of § 29 certainly would not apply to unregistered marks, so a trademark owner who does not register its marks could recover actual damages prior to actual notice.¹⁰² Under § 35(a), the owner of an unregistered mark may recover the same damages for violations of § 43, just as a registrant could for infringement of a registered mark.¹⁰³

Where a trademark registrant also asserts its unregistered rights under § 43 in addition to the infringement of a registered mark, however, the notice requirements of § 29 still apply and may limit the accounting period for damages under § 35(a) for the unregistered rights as well.¹⁰⁴ If this were not the case, then the registrant could recover the same damages under § 35(a) regardless of whether statutory notice was given under § 29.

A trademark registrant also may elect to recover statutory damages under § 35(c) against a counterfeit of the registered mark instead of actual damages under § 35(a).¹⁰⁵ Although a few courts have held that § 29 does not apply to § 35(c), it can be argued that the statutory notice requirements of § 29 should apply to the recovery of statutory damages under § 35(c) because § 29 applies to any suit for infringement of a registered mark in order to promote the public policy of encouraging registrants to give statutory notice of trademark registrations.¹⁰⁶

The below chart summarizes the current state of the case law regarding the availability of monetary and injunctive remedies under the Lanham Act with respect to registered and unregistered marks. For both registered and unregistered marks, an award of actual damages under § 35(a) is subject to the provisions of equity.

Current State of Law
(Remedies Under The Lanham Act)

	<i>Injunction Section 34</i>	<i>Actual Damages Section 35(a)</i>	<i>Statutory Damages Section 35(c)</i>
<i>Registered Mark, displayed with registration symbol ®</i>	Yes	Yes	Yes
<i>Registered Mark, without registration symbol</i>	Yes	After Actual Notice	Yes
<i>Unregistered Mark, displayed with a "TM" or "SM" symbol</i>	Yes	Yes	No
<i>Unregistered Mark, without "TM" or "SM" symbol</i>	Yes	Yes	No

¹⁰² 15 U.S.C. § 1111.

¹⁰³ *Id.* § 1117(a).

¹⁰⁴ *Id.*; *Coach, Inc. v. Asia Pac. Trading Co.*, 676 F. Supp. 2d 914, 925 (C.D. Cal. 2009).

¹⁰⁵ 15 U.S.C. § 1117(c).

¹⁰⁶ *See, e.g., Playboy II*, 1999 WL 285883; *Diane Von Furstenberg Studio v. Snyder*, No. 06-1356, 2007 WL 1835276, at *6 (E.D. Va. June 25, 2007) (citing to and agreeing with the decision in *Playboy II*).

While not a prerequisite for enforcing a registered trademark, statutory notice can help maximize the monetary recovery for infringements of that registration. Failure to give the requisite statutory notice, however, only limits past damages and does not preclude injunctive relief. Moreover, the considerable advantages of federal registration outweigh the nominal advantage that an unregistered mark may have in obtaining actual damages prior to actual notice. Of course, that nominal advantage disappears if the registrant displays the “®” symbol or another form of statutory notice with the registered mark.