**15.23 Defenses—Continuous Prior Use Within Remote Geographic   
Area—Affirmative Defense (15 U.S.C. § 1115(b)(5))**

An owner of a registered trademark may not exclude others who began using [that] [a confusingly similar] trademark in a geographic area, without knowledge of the owner’s prior use of [the] [a similar] trademark elsewhere, and before the owner had [applied for registration of the] [registered the] [published the registered] trademark.

The defendant contends that defendant has the right to use the trademark within the [*specify geographic region*] area.

The defendant has the burden of proving each of the following by a preponderance of the evidence:

First, the [defendant] [defendant’s assignor] [defendant’s licensor] continuously used the trademark, without interruption, in [*geographic region where defendant claims prior use*];

Second, the [defendant] [defendant’s assignor] [defendant’s licensor] began using the trademark without knowledge of the plaintiff’s prior use elsewhere; and

Third, the defendant used the trademark before the plaintiff [applied for registration of the] [registered the] [published the registered] trademark.

**Comment**

The defendant has the burden of pleading and proving the elements of this defense. *See Philip Morris, Inc. v. Imperial Tobacco Co*., 251 F. Supp. 362, 379 (E.D. Va. 1965), *aff’d*, 401 F.2d 179 (4th Cir. 1968); 5 J. Thomas McCarthy, McCarthy on Trademarks and Unfair Competition § 26:44 (5th ed. 2019).

“Continuous” means lack of interruption. *See Casual Corner Assocs., Inc. v. Casual Stores of Nev., Inc.*, 493 F.2d 709, 712 (9th Cir. 1974). The dimensions of the geographic area are a question of fact, determined in terms of the relevant zones of sales, advertising, and reputation as of the date of the plaintiff’s registration. *Consol. Freightways Corp. v. Consol. Forwarding, Inc.*, 156 U.S.P.Q. (BL) 99 (N.D. Ill. 1967); *see also Watec Co., Ltd. v. Liu*, 403 F.3d 645, 653 (9th Cir. 2005) (approving trial court jury instruction that claimant of senior rights to trademark “must demonstrate that it has sufficient market penetration in a specific locality or localities. Market penetration must consider such factors as the total dollar value of sales, the proportion or percentage of the [trademark] claimants’ sales of trademarked products in relation to the marketplace in the locality in question. The actual doing of business rather than the mere use of a flyer or advertisement is required [f]or the establishment of common-law rights in any locality.”).

Even if marks are precisely identical, there may be no infringement if the marks are in

different geographic areas. *See Brookfield Commc’ns Inc. v. W. Coast Ent. Corp.*, 174 F.3d 1036, 1054 (9th Cir. 1999) (acknowledging that some courts permit the use of identical marks if in distinct geographic area).

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