## 15.8 Infringement—Elements—Presumed Validity and Ownership—Registered Trademark (15 U.S.C. §§ 1057, 1065 and 1115)

 I gave you instruction number [*insert number of instruction regarding Trademark Elements and Burden of Proof, e.g., 15.6*] that requires the plaintiff to prove by a preponderance of the evidence [that the trademark is valid and protectable] [and] [that the plaintiff owns the trademark]. [A valid trademark is a word, name, symbol, device, or any combination of these, that indicates the source of goods and distinguishes those goods from the goods of others. A trademark becomes protectable after it is used in commerce.]

 One way for the plaintiff to prove trademark validity is to show that the trademark is registered. An owner of a trademark may obtain a certificate of registration issued by the United States Patent and Trademark Office and may submit that certificate as evidence [of the validity and protectability of the trademark] [and] [of the certificate holder’s ownership of the trademark] covered by that certificate.

 Exhibit \_\_ is a certificate of registration from the United States Patent and Trademark Office. [It was submitted by the plaintiff as proof of the validity of the trademark [and] [that the plaintiff owns the trademark].]

 The facts recited in this certificate are: [*summarize certificate entries as to validity and ownership of trademark, as well as limitations on the registration*]. However, the defendant submitted evidence to dispute these recitals. The defendant alleges that the certificate cannot be considered proof of [[validity] [and] [ownership]] of the trademark because [*insert* § *1115(b) defense[s] raised by defendant, e.g., the trademark had been abandoned, the defendant’s fair use of the trademark, etc.*].

 [Unless the defendant proves by a preponderance of the evidence that *[insert* § *1115(b) defense[s] raised by defendant, e.g., that the trademark was abandoned*], you must consider the trademark to be conclusively proved as [[valid] [and] [owned by the plaintiff]]. However, if the defendant shows that [*insert* § *1115(b) defense[s] raised, e.g., the trademark was abandoned*] by a preponderance of the evidence, then the facts stated in the certificate [*summarize certificate entries disputed by defendant’s proof*] are no longer conclusively presumed to be correct. [You should then consider whether all of the evidence admitted in this case, in addition to this certificate of registration, shows by a preponderance of the evidence that the trademark is [[valid] [and] [owned by the plaintiff]], as I explain in Instruction [*insert number of instruction regarding Trademark Elements and Burden of Proof, e.g., 15.6*].

**Comment**

 Use this instruction when the plaintiff relies on registration of the mark to show two elements of the plaintiff’s burden: ownership and validity. *See* Instruction 15.6 (Infringement–Elements and Burden of Proof–Trademark). This instruction is a model for any case involving an incontestable trademark in which the defendant introduces a defense or exception under 15 U.S.C. § 1115(b). If other types of registration are at issue in the case, modification should be made as indicated in the supplementary section of these comments, below. Modify this instruction as necessary in any case involving service marks, trade dress, collective trade or service marks, or certification trade or service marks, by inserting such terms in lieu of the word “trademark” in this instruction.

 *See* 15 U.S.C. § 1115(b). When a trademark has been registered, the defendant has the burden of proving that its registration is defective or subject to a defense. The defendant must show such defect or defense by a preponderance of the evidence. *See Sengoku Works Ltd. v. RMC Int’l, Ltd.,* 96 F.3d 1217, 1219-20 (9th Cir. 1996) (noting that registrant is granted presumption of ownership under the Lanham Act and “challenger must overcome this presumption by a preponderance of the evidence”*)*; *Vuitton et Fils S.A. v. J. Young Enters., Inc.*, 644 F.2d 769, 775-76 (9th Cir. 1981) (noting that presumption of validity of registered mark must be overcome by preponderance of the evidence); *Tie Tech, Inc. v. Kinedyne Corp.*, 296 F.3d 778, 783 (9th Cir. 2002) (“Validity… is a threshold issue. On this point, the plaintiff in an infringement action with a registered mark is given the prima facie or presumptive advantage on the issue of validity, thus shifting the burden of production to the defendant to prove otherwise … Or, to put it as we did in *Vuitton*, the defendant then bears the burden with respect to invalidity. Once the presumption of validity is overcome, however, the mark’s registration is merely evidence ‘of registration,’ nothing more. This approach can be characterized as rebutting the prima facie case or ‘piercing the presumption.’”) (summary judgment case). *See also Social Techs. v. Apple*, 4 F.4th 811, 821-22 (9th Cir. 2021) (discussing petition to cancel registration).

**Incontestability**

 This instruction treats the issue of incontestability as determined. When registered more than five years and if certain statutory formalities are met (*e.g*., timely filed affidavit of continuous use), a registration is considered “incontestable” evidence of the registrant’s right to use the mark. 15 U.S.C. § 1065. It is considered conclusive evidence of the validity of the registered mark as well as the registrant’s ownership. 15 U.S.C. § 1115(b). The “validity and legal protectability, as well as the [registrant’s] ownership therein, are all conclusively presumed,” when a mark’s registration becomes incontestable, subject to certain defenses. *Brookfield Commc’ns Inc. v. W. Coast Ent. Corp.*, 174 F.3d 1036, 1046-47 n.10 (9th Cir. 1999).

 On the other hand, if the mark has been registered less than five years, it is considered “contestable” and provides only prima facie evidence of the validity and ownership of the mark, subject to any limitations stated in the registration. 15 U.S.C. §§ 1057(b) & 1115(a). *See Applied Info. Sci. Corp. v. eBAY, Inc.*, 511 F.3d 966, 971 (9th Cir. 2007) (holding that plaintiff could not rely on mark’s registration for pants as applying to its use in shirt market).

 If the judge decides to place the issue of contestability before the jury, the following

paragraph should be added in lieu of the fifth paragraph:

[Unless the defendant proves by a preponderance of the evidence that [*insert* § *1115(b) defense[s] raised by defendant, e.g., that the mark was abandoned*], you must consider the trademark to be conclusively proved as [[valid] [and] [owned by the plaintiff]], [if the mark has been in continuous use for five consecutive years after the date of registration in the certificate and other statutory formalities have been observed]. However, if the defendant shows that [*insert* § *1115(b) defense[s] raised, e.g., that the mark was abandoned*] by a preponderance of the evidence, then the facts stated in the certificate [*summarize certificate entries disputed by defendant’s proof*] are no longer conclusively presumed to be correct. [You should then consider whether all of the evidence admitted in this case, in addition to this certificate of registration, shows by a preponderance of the evidence that the mark is [[valid] [and] [owned by the plaintiff]], as I explain in Instruction] [*insert number of instruction regarding Trademark Elements and Burden of Proof, e.g., 15.6*].]

 If the plaintiff is not the registrant of the mark, but a successor to the registrant, this instruction should be modified to explain the plaintiff’s claim of ownership of the mark, e.g., through assignment, exclusive license, etc. *See, e.g.*, Instructions 15.15 (Trademark Ownership—Assignee); 15.16 (Trademark Ownership—Licensee); 15.17 (Trademark Ownership—Merchant or Distributor).

 If the defendant’s proof of an exception or defense to incontestability includes the same elements as a defense to infringement, the last paragraph of the instruction should be modified so that if the jury finds the defense or exception to incontestability true by a preponderance of the evidence, the defendant is entitled to a verdict on the infringement charge.

 *Incontestable Marks:* If registered more than five years and if certain statutory formalities are met (e.g., timely filed affidavit of continuous use), the registration is considered “incontestable” evidence of the registrant’s right to use the mark. *See* 15 U.S.C.§ 1065. It is considered conclusive evidence of the validity of the registered mark as well as the registrant’s ownership. *See* 15 U.S.C.§ 1115(b). Although a mark may become incontestable, it is still subject to certain defenses or defects, set forth in 15 U.S.C. § 1115. 6 J. Thomas McCarthy, McCarthy on Trademarks and Unfair Competition § 32:147 (5th ed. 2019). McCarthy suggests that there are at least twenty-one exceptions to incontestability provided in 15 U.S.C. §§ 1115(b), 1065 and 1064. *Id.* The most frequently asserted exceptions include (1) fraud in obtaining the registration or incontestable status; (2) abandonment; (3) use of the mark to misrepresent source; (4) fair use of the mark; (5) limited territorial defense by a junior user; (6) prior registration by the defendant; (7) use of mark to violate federal antitrust law; (8) the mark is functional; and (9) equitable defenses, such as laches, estoppel and acquiescence. *See* 15 U.S.C. § 1115(b). *See also* 6 J. Thomas McCarthy, McCarthy on Trademarks and Unfair Competition § 32:149 (5th ed. 2019).

 *Incontestability Exceptions and Defenses:* If one of the exceptions to incontestable registration is proven, the registration is no longer conclusive but merely prima facie evidence of the registrant’s right to ownership and the mark’s validity (*i.e.*, it becomes simply a contestable registration). *See* 15 U.S.C. § 1115(b). *See also Park ’N Fly, Inc. v. Dollar Park & Fly, Inc.*, 469 U.S. 189, 199 n.6 (1985). Accordingly, the fact-finder must still consider whether the defendant has met the defendant’s burden of showing by a preponderance of the evidence that the mark is not valid or that the plaintiff does not own it. *See* 6 J. Thomas McCarthy, McCarthy on Trademarks and Unfair Competition § 32:153 (5th ed. 2019). Similarly, if the defendant asserts and presents sufficient proof of an exception or defense to incontestability, the court will have to instruct the jury on the elements of these exceptions or defenses. As a practical matter, proof of an “exception to incontestability” may be sufficient to prove a defense to infringement as well.

 *Contestable Marks:* The effect of a contestable registration is to shift the burden of proof of ownership and validity from the plaintiff to the defendant. The defendant must rebut the presumption of plaintiff’s exclusive right to use the trademark by a preponderance of the evidence. *See Vuitton et Fils S.A.*, 644 F.2d at 775; *Maktab Tarighe Oveyssi Shah Maghsoudi v. Kianfar*, 179 F.3d 1244, 1249 (9th Cir. 1999) (noting that registration of mark constitutes prima facie evidence that registrant owns mark and is constructive notice of claimed ownership of mark by registrant).

**Other Registration Issues**

 Use this instruction in any case involving an incontestable trademark in which the defendant introduces a defense or exception under 15 U.S.C. § 1115(b). If other types of registration are at issue in the case, modification to the instruction should be made as follows:

 **A. Disputed Incontestable Registration:** When the defendant disputes the incontestability of a trademark, use this instruction.

 **B. Disputed Contestable Registration:** When a trademark registration is still contestable because the trademark has not been in continuous use for five consecutive years after the date of registration under 15 U.S.C. § 1065, substitute the following after the third paragraph of this instruction, if the defendant disputes the facts stated in the registration certificate:

The law presumes that the facts noted in the certificate are true, that is that [*summarize certificate entries as to validity and ownership of trademark, as well as limitations on the registration*]. But this presumption can be overcome by sufficient evidence to the contrary. Here, the defendant has presented evidence that [*summarize defendant’s contentions, e.g., that the trademark was abandoned, the registration was fraudulently obtained, etc.*]. If the defendant can show this evidence by a preponderance of the evidence, then you cannot rely on the registration as stating the truth of the matters contained therein.

 **C. Undisputed Incontestable Registration:** When defendant does not dispute an incontestable trademark, substitute the following paragraph in lieu of the fourth and fifth paragraphs of this instruction:

In this case, there is no dispute that the plaintiff received a registration for the trademark [*identify the trademark*] and this registration is now “incontestable” under the trademark laws. This means that the plaintiff’s registration of the trademark is conclusive evidence of plaintiff’s ownership of that trademark and that the trademark is valid and protectable. [I instruct you that for purposes of Instruction [*insert number of instruction regarding Trademark Elements and Burden of Proof, e.g., 15.6*], you must find that the plaintiff owned the trademark and that the trademark was valid and protectable.]

 **D. Undisputed Contestable Registration:** When a trademark registration is still “contestable” because the trademark has not been in continuous use for five consecutive years after the date of registration under 15 U.S.C. § 1065, but the defendant does not dispute the facts stated in the contestable registration certificate, substitute the following after the first and second paragraphs of this instruction:

The law presumes that the facts noted in the certificate are true. This means you must find that the plaintiff owned the trademark and that the trademark was valid and protectable as indicated by the registration certificate.

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