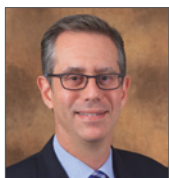




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Trademark Laws: New York

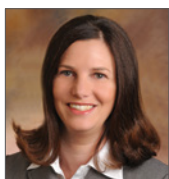
The State Q&A guides on Practical Law provide common questions and answers on state-specific content for a variety of topics and practice areas. This excerpt of a State Q&A addresses New York laws protecting trademarks, including statutes and common law governing trademark registration, infringement, dilution, counterfeiting, unfair competition, and deceptive trade practices. For information on trademark protection in other jurisdictions, visit Practical Law.



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STATE TRADEMARK REGISTRATION STATUTE

Does New York have a state trademark registration statute? If so, describe:

- **The key substantive state registration requirements.**
- **The key benefits of state registration.**

New York has a registration statute that is substantially consistent with the registration provisions of the Lanham Act. The law is codified in Section 360 of Article 24 of the New York General Business Law (N.Y. Gen. Bus. Law § 360).

New York state trademark registrations are administered by the New York Department of State's Division of Corporations, State Records and Uniform Commercial Code. This division provides trademark and service mark registration forms and other information on its website (dos.ny.gov/corps).

KEY SUBSTANTIVE REGISTRATION REQUIREMENTS

Types of Marks Covered

The New York registration statute provides for registration of both:

- Trademarks.
- Service marks.

It also provides for registration of:

- Certification marks.
- Collective marks.

(N.Y. Gen. Bus. Law § 360(c).)

Use Requirements and Intent-to-Use Applications

The New York registration statute:

- Provides that a mark must be in use in New York to be eligible for registration.
- Does not authorize intent-to-use applications.

(N.Y. Gen. Bus. Law § 360-b.)

Statutory Bars to Registration

The New York registration statute sets out substantially the same statutory bars to registration as those set out in Section 2 of the Lanham Act (N.Y. Gen. Bus. Law § 360-a and 15 U.S.C. § 1052).



Search [Acquiring Trademark Rights and Registrations](#) for information on statutory bars to registration under the Lanham Act.

KEY BENEFITS OF STATE REGISTRATION

Procedural

The New York registration statute does not provide any evidentiary presumptions or other procedural benefits to the registrant in litigation.

Substantive

The New York registration statute authorizes awards of enhanced damages and attorneys' fees to the registrant in certain circumstances.



Search [Trademark Laws: New York](#) for more on trademark registration in New York, including information on the term of a trademark registration and key registration renewal requirements.

TRADEMARK INFRINGEMENT LAWS

Does New York have a statute that provides a trademark infringement cause of action? If so, describe:

- **The elements of a cause of action.**
- **The available remedies.**
- **Any statutory exemptions or defenses.**

The New York registration statute provides a cause of action for infringement of state-registered trademarks (N.Y. Gen. Bus. Law § 360-k).

ELEMENTS OF A STATUTORY CAUSE OF ACTION

The New York registration statute provides state trademark registrants with an infringement cause of action against any person who, without the registrant's consent, either:

- Uses any reproduction, counterfeit, copy, or colorable imitation of a mark registered under the statute in connection with distributing, selling, offering for sale, or advertising

goods or services where the use is likely to cause confusion about the source or origin of the goods or services.

- Reproduces, counterfeits, copies, or colorably imitates a mark registered under the statute and applies the reproduction, counterfeit, copy, or colorable imitation to labels, signs, prints, packages, wrappers, receptacles, or advertisements intended for use on or in connection with selling or distributing goods or services in New York with a likelihood of confusion about the source or origin.

(N.Y. Gen. Bus. Law § 360-k.)

REMEDIES

The following remedies are available for infringement of a mark registered under the New York registration statute:

- Injunctive relief.
- Destruction of infringing products.
- Damages and disgorgement of profits, where the infringing acts:
 - were committed with the intent to cause confusion or mistake or to deceive; or
 - consist of counterfeits or imitations (see below *Anti-Counterfeiting Laws*).

Where the infringing acts were committed knowingly or in bad faith, the court has discretion to award both:

- Up to three times the damages and profits.
- Reasonable attorneys' fees.

(N.Y. Gen. Bus. Law § 360-m(1).)

Section 360-k of the statute erroneously refers to the remedies set out in Section 360-l of the General Business Law. Section 360-l is New York's anti-dilution law (see below *Anti-Dilution Laws*), and remedies for trademark infringement are set out in Section 360-m. (N.Y. Gen. Bus. Law §§ 360-l and 360-m.)

STATUTORY EXEMPTIONS OR DEFENSES

The New York registration statute does not provide any specific exemptions from or defenses to infringement claims.

Does New York recognize a claim for common law trademark infringement? If so, describe:

- **The elements of a cause of action.**
- **Any significant distinctions between claims under state common law and claims under Section 43(a) of the Lanham Act.**

New York recognizes a cause of action for common law trademark infringement (N.Y. Gen. Bus. Law § 360-o; *GTFM, Inc. v. Solid Clothing Inc.*, 215 F. Supp. 2d 273, 300-01 (S.D.N.Y. 2002)).

ELEMENTS OF A COMMON LAW CAUSE OF ACTION

To prevail on a common law trademark infringement claim in New York, a plaintiff must show that:

- The plaintiff has a valid and legally protectable mark.
- There is a likelihood of confusion arising from the defendant's use of a similar mark.

(*Horn's, Inc. v. Sanofi Beaute, Inc.*, 963 F. Supp. 318, 328 (S.D.N.Y. 1997).)

KEY LANHAM ACT DISTINCTIONS

New York federal courts have held that a finding of trade dress infringement under New York common law involving a distinctive product design does not require a showing of secondary meaning (see *Cartier, Inc. v. Four Star Jewelry Creations, Inc.*, 348 F. Supp. 2d 217, 250-51 (S.D.N.Y. 2004)). By contrast, plaintiffs must show secondary meaning to prevail in product design trade dress infringement actions under Section 43(a) of the Lanham Act (15 U.S.C. § 1125(a)).

ANTI-DILUTION LAWS

Does New York have an anti-dilution statute or recognize a dilution cause of action under common law? If so, describe for any statute or common law claim:

- **Whether it protects both registered and unregistered marks.**
- **The nature of dilution protected against, including whether the law protects against any dilution by blurring or dilution by tarnishment.**
- **Whether distinctiveness, strength, or fame of the trademark is required for a mark to be protected.**

STATUTE

New York has an anti-dilution statute, codified in Section 360-l of Article 24 of the General Business Law (N.Y. Gen. Bus. Law § 360-l).

The Second Circuit has held that to prevail in an action under New York's anti-dilution law, a trademark owner must show:

- That its mark has a distinctive quality or secondary meaning capable of dilution.
- A likelihood of dilution.

(*Deere & Co. v. MTD Prods., Inc.*, 41 F.3d 39, 42 (2d Cir. 1994).)

Additionally, the marks must be at least substantially similar for liability to attach (*Tiffany (NJ) Inc. v. eBay Inc.*, 600 F.3d 93, 111 (2d Cir. 2010)).

Notably, the anti-dilution law expressly excludes both confusion and competition between the parties as necessary conditions for bringing a claim (N.Y. Gen. Bus. Law § 360-l).

Registration Requirements

There are no registration requirements because the New York anti-dilution law protects:

- Both registered and unregistered marks (N.Y. Gen. Bus. Law § 360-o).
- Trade dress (see *Merriam-Webster, Inc. v. Random House, Inc.*, 35 F.3d 65, 73 (2d Cir. 1994)).

Nature and Types of Dilution Recognized

The New York Court of Appeals has indicated that New York's anti-dilution law extends trademark protection beyond actions for infringement and unfair competition and protects against the gradual whittling away of a distinctive mark (see *Allied Maint. Corp. v. Allied Mech. Trades, Inc.*, 42 N.Y.2d 538, 544-45 (1977)). Courts have characterized the interest protected by the statute as the "selling power" of a distinctive mark in the minds of the consuming public (see *Sally Gee, Inc. v. Myra Hogan, Inc.*, 699 F.2d 621, 624-25 (2d Cir. 1983)).

Courts have recognized claims under the statute for dilution by:

- Blurring.
- Tarnishment.

(See, for example, *Mead Data Cent., Inc. v. Toyota Motor Sales, U.S.A., Inc.*, 875 F.2d 1026, 1031 (2d Cir. 1989).)

The Second Circuit applied the New York anti-dilution law and characterized dilution by blurring as the result of a defendant's use or modification of the plaintiff's mark to identify the defendant's goods or services so that the mark may lose its ability to serve as a unique product identifier for the plaintiff (see, for example, *Deere*, 41 F.3d at 43).

The Second Circuit also found dilution by tarnishment under the New York anti-dilution law where a mark is either:

- Linked to inferior quality products.
- Portrayed in an unwholesome or unsavory context.

(*Deere*, 41 F.3d at 43.)

The key inquiry for assessing dilution by tarnishment is whether the defendant's use will cause negative associations for the plaintiff's mark (*Hormel Foods Corp. v. Jim Henson Prods., Inc.*, 73 F.3d 497, 507 (2d Cir. 1996)). Courts have indicated that a finding of dilution by tarnishment is more likely where the parties are competitors, even though, as noted above, New York's anti-dilution law expressly excludes competition between the parties as a condition for bringing a claim (N.Y. Gen. Bus. Law § 360-l; *Hormel*, 73 F.3d at 507-08).

Distinctiveness, Strength, or Fame

The Second Circuit has held that fame is not required for a mark to be protected under the New York anti-dilution law (*Starbucks Corp. v. Wolfe's Borough Coffee, Inc.*, 588 F.3d 97, 114 (2d Cir. 2009)).

The New York Court of Appeals held that the statute protects strong marks, meaning marks that either:

- Possess a distinctive quality.
- Have acquired a secondary meaning capable of dilution.

(*Allied*, 42 N.Y.2d at 545.)



State Q&A

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New York federal courts applying the statute have observed that for the dilution analysis, a mark's "distinctive quality" refers to the strength of the mark for infringement purposes (*Tri-Star Pictures, Inc. v. Unger*, 14 F. Supp. 2d 339, 363 (S.D.N.Y. 1998)).

COMMON LAW

New York law is not as well-developed on common law dilution claims as the federal law. However, a federal district court suggested in a pre-Trademark Dilution Revision Act case that New York recognizes a common law dilution cause of action that uses essentially the same standards as a dilution claim under the Lanham Act (*Kensington Publ'g Corp. v. Gutierrez*, 2009 WL 4277080, at *7 (S.D.N.Y. Nov. 10, 2009); *Twentieth Century Fox Film Corp. v. Marvel Enters.*, 220 F. Supp. 2d 289, 297-98 (S.D.N.Y. 2002)).



Search [Trademark Laws: New York](#) for more on dilution claims under New York law, including information on the tests courts apply to evaluate likely or actual dilution.

ANTI-COUNTERFEITING LAWS

Does New York have a civil anti-counterfeiting statute with a private right of action? If so, identify the statute and describe:

- **The standing requirements.**
- **The available remedies.**
- **Any statutory exemptions or defenses.**

New York does not have a specific anti-counterfeiting statute with a private right of action. However, state law provides a cause of action relating to counterfeits and imitations of marks registered under the New York registration statute (N.Y. Gen. Bus. Law § 360-m).

STANDING REQUIREMENTS

Only the owner of a mark registered under the New York registration statute may sue under Section 360-m (N.Y. Gen. Bus. Law § 360-m; *Marvel Entm't, Inc. v. Kellytoy (USA), Inc.*, 769 F. Supp. 2d 520, 528 (S.D.N.Y. 2011)).

REMEDIES

The following remedies are available for acts of counterfeiting:

- Injunctive relief against the manufacture, use, display, or sale of the counterfeits or imitations.
- An award of the defendant's profits.
- A damages award for the plaintiff's injuries.
- An order requiring the destruction of the infringing items.
- An award of up to three times the amount of profits and damages plus reasonable attorneys' fees to the prevailing party in cases involving knowing or bad faith conduct.

(N.Y. Gen. Bus. Law § 360-m.)

STATUTORY EXEMPTIONS OR DEFENSES

The New York registration statute does not provide any specific exemptions from or defenses to counterfeiting claims.

UNFAIR COMPETITION AND DECEPTIVE TRADE PRACTICES LAWS

Does New York have any unfair competition or deceptive trade practices statutes with a private right of action? If so, identify the statutes and describe for each:

- **The types of acts or practices it prohibits.**
- **The standing requirements.**
- **The elements of a cause of action.**
- **The available remedies.**
- **Any statutory exemptions or defenses.**

New York's Unlawful Deceptive Acts and Practices statute is codified in Section 349 of Article 22-A of the General Business Law (N.Y. Gen. Bus. Law § 349(a)).

New York does not have an unfair competition statute but recognizes a common law cause of action (as discussed in the next answer below).

PROHIBITED CONDUCT

New York persons, firms, and corporations cannot engage in deceptive acts or practices when:

- Conducting any business, trade, or commerce.
- Providing any service.

(N.Y. Gen. Bus. Law § 349(a).)

The New York Court of Appeals has applied an objective standard, defining deceptive acts or practices as acts that are likely to "mislead a reasonable consumer acting reasonably under the circumstances." Acts include affirmative acts, representations, and omissions. (*Oswego Laborer's Local 214 Pension Fund v. Marine Midland Bank, N.A.*, 85 N.Y.2d 20, 26 (1995).)

Federal courts applying New York law have interpreted the statute to require the type of offense to the public interest that would justify action by the Federal Trade Commission (FTC) under the FTC Act (15 U.S.C. § 45; *Genesco Entm't v. Koch*, 593 F. Supp. 743, 752 (S.D.N.Y. 1984)).

STANDING REQUIREMENTS

A private right of action is available for any person injured by a violation of the statute (N.Y. Gen. Bus. Law § 349(h)). New York federal courts interpreting the statute have held that a competitor may sue under the statute only if it can demonstrate harm to the general public interest (*M&T Mortg. v. White*, 736 F. Supp. 2d 538, 571 (E.D.N.Y. 2010); *Horn's, Inc.*, 963 F. Supp. at 328).

ELEMENTS OF A CAUSE OF ACTION

To prove deceptive practices under the New York statute, a plaintiff must show:

- The defendant's acts were misleading in a material way.
- The acts were directed at consumers.
- The plaintiff was injured as a result.

(*Oswego*, 85 N.Y.2d at 25; *Maurizio v. Goldsmith*, 230 F.3d 518, 521 (2d Cir. 2000).)

REMEDIES

Successful plaintiffs may be awarded:

- Injunctive relief.
- Recovery of actual damages or \$50, whichever is greater.
- An award of reasonable attorneys' fees to a prevailing plaintiff, in the court's discretion.

Where the violation is willful or knowing, the court may in its discretion increase a damage award to the lesser of:

- Up to three times the actual damages.
- \$1,000.

(N.Y. Gen. Bus. Law § 349(h).)

STATUTORY EXEMPTIONS OR DEFENSES

The New York statute expressly exempts the broadcasting, publishing, or printing of an advertisement by any television or radio broadcasting station, or publisher or printer of a newspaper, magazine, or other form of printed advertising, from liability for private claims of deceptive practices (N.Y. Gen. Bus. Law § 349(e)).



Search [Trademark Laws: New York](#) for information on the applicability of the Unlawful Deceptive Acts and Practices statute to trademark infringement and dilution claims.

What are the principal common law unfair competition causes of action in New York that are available to trademark owners? For each cause of action, describe:

- **The elements of a cause of action.**
- **Any significant distinctions between claims under state common law and claims under Section 43(a) of the Lanham Act.**

New York recognizes two general categories of common law unfair competition claims applicable to trademarks:

- **Palming off.** Palming off occurs where one party sells or promotes under its own marks another party's goods.
- **Misappropriation.** Misappropriation is broader than palming off and involves unfair trade practices where a party misappropriates the skill, expenditure, and labors of another.

(*ITC Ltd. v. Punchgini, Inc.*, 9 N.Y.3d 467, 476-77 (2007).)

ELEMENTS OF A CAUSE OF ACTION

The Second Circuit has held that to prevail on a common law unfair competition palming off or misappropriation claim under New York law, a plaintiff with a protectable mark must show both:

- **Confusion.** A plaintiff must show actual confusion in an action for damages. By contrast, a plaintiff need only show a likelihood of confusion when seeking only injunctive relief. (*Jeffrey Milstein, Inc. v. Greger, Lawlor, Roth, Inc.*, 58 F.3d 27, 35 (2d Cir. 1995).) Consumer confusion is analyzed under the common law in the same manner as under the Lanham Act (*U.S. Polo Ass'n v. PRL USA Holdings, Inc.*, 800 F. Supp. 2d 515, 538 (S.D.N.Y. 2011)).
- **Bad faith or intent.** New York federal courts have held that use of a counterfeit mark creates a presumption of bad faith

under New York law (*Philip Morris U.S.A. Inc. v. Felizardo*, 2004 WL 1375277, at *6 (S.D.N.Y. June 18, 2004)).

KEY LANHAM ACT DISTINCTIONS

There are no other significant Lanham Act distinctions for unfair competition claims in New York.

STATUTES OF LIMITATIONS

For each statute or common law claim discussed above, identify any applicable statute of limitations and how it is calculated.

TRADEMARK INFRINGEMENT

There are no specific statutes of limitations for New York statutory and common law infringement claims.

However, a New York federal court assessing a laches defense against injunctive relief claims for infringement and unfair competition under the Lanham Act and New York state law applied a presumption against laches where the claims were asserted within the six-year period borrowed from the New York statute of limitations for fraud (*Gross v. Bare Escentuals Beauty, Inc.*, 641 F. Supp. 2d 175, 196 (S.D.N.Y. 2008)).

Where a trademark infringement claim sounds in fraud, the limitations period runs from the time the plaintiff discovered the fraud or could have, with reasonable diligence, discovered it (*Charles Atlas, Ltd. v. DC Comics, Inc.*, 112 F. Supp. 2d 330, 334 (S.D.N.Y. 2000)).

DILUTION

The statute of limitations under the New York anti-dilution statute is three years (see *Charles Atlas, Ltd.*, 112 F. Supp. 2d at 334 n.7).

COUNTERFEITING

There is no specific statute of limitations for claims brought under the New York anti-counterfeiting statute. However, courts may apply the six-year limitations period for fraud to assess the equitable defense of laches.

UNFAIR COMPETITION AND DECEPTIVE TRADE PRACTICES

There is no specific statute of limitations for common law unfair competition claims. Instead, New York courts analyze the nature of the unfair competition claims to determine which statutory period applies. For example, in *Greenlight Capital, Inc. v. GreenLight (Switz.) S.A.*, the court cited cases applying both six-year and three-year limitations periods to unfair competition claims (2005 WL 13682, at *7 (S.D.N.Y. Jan. 3, 2005)).

Civil actions for deceptive trade practices under Section 349 of the General Business Law must begin within three years from when the plaintiff is injured by the deceptive act (*Gaidon v. Guardian Life Ins. Co. of Am.*, 96 N.Y.2d 201, 210-11 (2001)).



Search [Trademark Laws: New York](#) for information on other significant statutory and common law trademark-related claims in New York, including claims for false advertising, disparagement, unjust enrichment, and the use of a name with the intent to deceive, as well as information on criminal trademark laws.