

## Trademark Laws: New York

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Status: Law stated as of 03 Dec 2021 | Jurisdiction: New York, United States

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A Q&A guide to New York laws protecting trademarks. This Q&A addresses state laws governing trademark registration, infringement, dilution, counterfeiting, unfair competition, and deceptive trade practices. Answers to questions can be compared across a number of jurisdictions (see Trademark Laws: State Q&A Tool).

### State Trademark Registration Statute

#### 1. Does your state have a state trademark registration statute? If so, please:

- Identify the statute.
- Identify the state agency responsible for administering trademark applications and registrations.
- Describe the key substantive state trademark registration requirements.
- Describe the key benefits of state registration.

New York State has a trademark registration statute that is substantially consistent with the registration provisions of the Lanham Act. Effective January 1, 1997, the law is codified in Section 360 of Article 24 of the New York General Business Law (N.Y. Gen. Bus. Law § 360 to 360-R).

#### State Agency

New York State trademark registrations are administered by the New York Department of State, Division of Corporations, State Records, and UCC. It provides trademark and service mark registration forms and other information on its [website](#).

#### 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).

For a discussion of the Lanham Act statutory bars to registration, including provisions the US Supreme Court recently struck down as unconstitutional, see [Practice Note, Acquiring Trademark Rights and Registrations: Immoral, Scandalous, and Other Restricted Matter](#).

#### Other Key Substantive Registration Requirements

Every application for registration or renewal must be on a current [form](#) supplied by the Department of State (19 NYCRR § 140.1).



The application for trademark registration must include:

- The applicant's:
  - name; and
  - business address.
- If the applicant is:
  - a corporation, the state of incorporation; or
  - a partnership, the state where the partnership is organized and the names of the general partners.

(N.Y. Gen. Bus. § 360-b(a).)
- A description of the goods and services in connection with which the mark is used, including:
  - the mode or manner the mark is used on, or in connection with, such goods or services; and
  - the class of the goods or services.

(N.Y. Gen. Bus. § 360-b(b).)
- The dates the applicant or predecessor in interest first used the mark:
  - anywhere; and
  - in New York.

(N.Y. Gen. Bus. § 360-b(c).)
- A statement that:
  - the applicant is the owner of the mark;
  - the mark is in use; and
  - to the knowledge of the person verifying the application, no other person has registered the mark with the US Patent and Trademark Office or with the New York secretary of state or has the right to use the mark, either in an identical form or in a form so similar as to be likely to cause confusion or mistake or to deceive when used on or with the other person's goods or services.
- Three specimens showing the mark as actually used.
- The application fee payable to the secretary of state, currently \$50 for each classification claimed for registration.

(N.Y. Gen. Bus. § 360-b(d).)

In addition, the secretary of state may require:

- A statement indicating whether an application to register a mark, or portions or composites of a mark, has been filed in the US Patent and Trademark Office, and, if so, the filing date, serial number, and status of

each application (and, if the application was finally refused registration or otherwise did not result in a registration, the reasons why).

- A drawing of the mark.

(N.Y. Gen. Bus. § 360-b(d).)

The application must also be signed and verified by oath, affirmation, or declaration subject to perjury laws by the applicant, a member of the firm, or by an officer of the corporation or association (N.Y. Gen. Bus. § 360-b).

Application forms are available on the New York Department of State, Division of Corporations, State Records, and UCC [website](#) for both trademarks and [service marks](#).

## Key Benefits of State Registration

### Procedural

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

### Substantive

The New York trademark registration statute authorizes awards of enhanced damages and attorneys' fees to the registrant in certain circumstances (see Question 2).

## 2. Indicate the term of a state trademark registration and the key registration renewal requirements.

## Registration Term

A trademark registered under the New York trademark registration statute:

- Has a term of ten years from the date of the registration.
- May be renewed for additional ten-year periods if the law's procedural and statutory renewal requirements are met (see Renewal Requirements).

(N.Y. Gen. Bus. Law § 360-e.)

## Renewal Requirements

Within six months before the expiration of the registration, a New York State trademark registration may be renewed for successive ten-year periods by:

- Filing an application for renewal, which must include:

- a verified statement that the mark has been and is still in use; and
  - a specimen showing actual use of the mark on or in connection with the relevant goods or services.
- Paying a renewal fee.

(N.Y. Gen. Bus. Law § 360-e.)

### 3. Describe the key requirements for assignment of state trademark applications and registrations.

New York allows the assignment of state trademarks and their registrations as long as the assignment includes either:

- The goodwill of the business that uses the mark.
- That part of the goodwill of the business connected with the use of, and symbolized by, the mark.

(N.Y. Gen. Bus. § 360-f(a).)

Pending trademark applications may be assigned by filing a certificate of change of name of the applicant and paying the appropriate fee (N.Y. Gen. Bus. § 360-f(b)). The assignment form must:

- Be in writing.
- Be executed and properly acknowledged.

(N.Y. Gen. Bus. § 360-f(a).)

A New York trademark owner may record the assignment of the state-registered trademark by:

- Recording an assignment form with the New York secretary of state.
- Paying a recording fee (currently \$25).

(N.Y. Gen. Bus. § 360-f(a); [Department of State: State Records Fee Schedule](#).)

On recording the assignment, the secretary of state issues a new certificate in the assignee's name. The certificate lasts for the rest of the registration or renewal term. (N.Y. Gen. Bus. § 360-f(b).)

A trademark assignment is not valid against any subsequent purchaser for value without notice of the assignment unless either:

- The assignment was recorded within three months of its execution.
- The assignment was recorded before the subsequent purchase.

(N.Y. Gen. Bus. § 360-f(a).)

Recordation of an assignment with the secretary of state is prima facie evidence of the assignment's execution (N.Y. Gen. Bus. § 360-f(d)).

The New York Department of State does not appear to offer a form for the assignment of a trademark.

## State Statutory and Common Law Trademark Infringement Causes of Action

### 4. Does your state have a statute that provides a trademark infringement cause of action? If so, describe:

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

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

### Elements of the Cause of Action

The New York statute provides state trademark registrants with an infringement cause of action against any person who either:

- Without the registrant's consent, 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 of 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.

(N.Y. Gen. Bus. Law § 360-k.)

### Remedies

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

- Injunctive relief.
- Destruction of infringing products.

- Damages and disgorgement of profits, where the infringing acts:
  - are committed with the intent to cause confusion or mistake or to deceive; or
  - consist of counterfeits or imitations (see Question 6).
- Where the infringing acts were committed with knowledge or bad faith, the court has discretion to award both:
  - up to three times damages and profits; and
  - 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 N.Y. Gen. Bus. Law § 360-l. Section 360-l is New York's anti-dilution law (see Question 5). Remedies are set out in Section 360-m. (N.Y. Gen. Bus. Law §§ 360-k and 360-m.)

### Statutory Defenses or Exemptions

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

#### 5. Does your state recognize a claim for common law trademark infringement? If so, describe:

- The elements of the cause of action.
- Any significant differences between the state common law claim and a claim for infringement of an unregistered mark 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 Cause of Action

To prevail on a common law trademark infringement claim a plaintiff must show:

- That it has a valid and legally protectable mark.
- 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 applying New York law 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 (S.D.N.Y. 2004)). Secondary meaning must be shown to prevail in product design trade dress infringement actions under Section 43(a) of the Lanham Act (15 U.S.C. § 1125(a)).

### State Anti-Dilution Law

#### 6. Does your state have an anti-dilution statute or recognize a dilution cause of action under common law? If so, please 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 in your jurisdiction.

### Statute

New York has an anti-dilution statute, codified in N.Y. Gen. Bus. Law § 360-l.

### Registration Requirements

There are no registration requirements, as New York anti-dilution law protects:

- Both registered and unregistered marks (N.Y. Gen. Bus. Law § 360-l).
- 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. v. Allied Mech. Trades, Inc.*, 42 N.Y.2d 538, 544 (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.

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

The US Court of Appeals for 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 unique product identifier for the plaintiff (see *Deere & Co. v. MTD Prods., Inc.*, 41 F.3d 39, 43 (2d Cir. 1994)).

The Second Circuit found that dilution by tarnishment can arise under the New York anti-dilution law when a mark is either:

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

(See *Deere*, 41 F.3d 39 at 43.)

The key inquiry for assessing dilution by tarnishment, according to the Second Circuit, 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)).

### **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, which are marks that either:

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

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

New York federal courts applying the statute have equated a mark’s “distinctive quality” in the dilution analysis

with 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); *Mead Data Cent.*, 875 F.2d at 1030).

### **Common Law**

New York law is not well developed on common law dilution. However, the District Court for the Southern District of New York suggested in a pre-Trademark Dilution Revision Act case that New York recognizes a common law dilution cause of action with essentially the same standards as 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)).

#### **7. For the anti-dilution law listed in Question 6, please list the elements of a cause of action, including whether a claim requires any of:**

- Actual or likelihood of dilution.
- Likelihood of confusion.
- Competition between the parties.

### **Statute**

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*, 41 F.3d at 42.)

### **Likelihood of Confusion**

New York’s anti-dilution law expressly excludes confusion as a condition for bringing a claim (N.Y. Gen. Bus. Law § 360-l).

### **Competition Between the Parties**

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). However, the Second Circuit has indicated that it is more likely to find dilution by tarnishment where the parties are competitors (see *Hormel*, 73 F.3d at 507-08).

### Substantial Similarity Required

The Second Circuit held that the marks must be at least substantially similar for liability under the anti-dilution statute (*Tiffany (NJ) Inc. v. eBay Inc.*, 600 F.3d 93, 111 (2d Cir. 2010)).

### Common Law

New York law is not well developed on common law dilution (see Question 6: Common Law).

**8. For the anti-dilution law listed in Question 6, please describe any tests set out in the statute or applied by courts to assess likely or actual dilution.**

### Statute

#### Dilution by Blurring Test

To assess likelihood of dilution by blurring, New York federal courts interpreting the New York law often use a six-factor test set out by Judge Sweet in his concurring opinion in *Mead*. This test examines:

- The similarity of the marks.
- The similarity of the products covered by the marks.
- Consumer sophistication.
- Predatory intent.
- The renown of the senior mark.
- The renown of the junior mark.

(*Mead*, 875 F.2d at 1035.)

### Common Law

New York law is not well developed on common law dilution (see Question 6: Common Law).

**9. For the anti-dilution law listed in Question 6, please describe any available remedies for violations.**

### Statute

Injunctive relief is the sole remedy for dilution under the New York anti-dilution law (N.Y. Gen. Bus. Law § 360-l; *Patsy's Italian Rest., Inc. v. Banas*, 575 F. Supp. 2d 427, 456 (E.D.N.Y. 2008)).

The Second Circuit approved an injunction from the Southern District of New York that was limited to New York state, reasoning that:

- New York's anti-dilution law may conflict with the laws of other states.
- Not all states have anti-dilution laws.

(See *Deere*, 41 F.3d at 46.)

### Common Law

New York law is not well developed on common law dilution (see Question 6: Common Law).

**10. For the anti-dilution law listed in Question 6, what statutory exemptions or defenses are available to defend against these claims?**

### Statute

The New York anti-dilution statute does not provide any specific exemptions or defenses to dilution claims.

### Common Law

New York law is not well developed on common law dilution (see Question 6: Common Law).

**11. For the anti-dilution law listed in Question 6, please describe any significant distinctions between the applicable state law and the federal Trademark Dilution Revision Act, including differences in the available remedies.**

### Statute

#### Distinctiveness, Strength, and Fame Standards

To be protected from dilution under the Lanham Act, a mark must be famous. The federal statute defines famous as "widely recognized by the general consuming public of the United States as a designation of source of the goods or services of the mark's owner." (15 U.S.C. § 1125(c)(2)(A).) Protection from dilution under the New York statute requires only that a mark have distinctiveness or secondary meaning (see Question 6: Distinctiveness, Strength, or Fame).



### Similarity Required

Courts have held that marks need not be substantially similar for a dilution claim under the Lanham Act (*Levi Strauss & Co. v. Abercrombie & Fitch Trading Co.*, 633 F.3d 1158, 1172 (9th Cir. 2011); *Starbucks Corp.*, 588 F.3d at 107-08). However, substantial similarity is required for a claim under the New York anti-dilution statute (see Question 8: Dilution by Blurring Test).

### Likelihood of Dilution Factors

The factors considered in assessing dilution by blurring under the New York statute are not coextensive with the Lanham Act factors. In New York, courts use the following factors to analyze the likelihood of blurring:

- The similarity of the marks.
- The similarity of the products covered.
- Sophistication of the consumers.
- Predatory intent.
- The renown of the senior mark.
- The renown of the junior mark.

(*Katz v. Modiri*, 283 F. Supp. 2d 883, 900-01 (S.D.N.Y. 2003).)

### Remedies

The sole remedy under the New York statute is injunctive relief (see Question 9). Under the Lanham Act, money damages are available in willful cases (15 U.S.C. § 1117(a)).

### Common Law

New York law is not well developed on common law dilution (see Question 6: Common Law).

## Anti-Counterfeiting Statute

**12. Does your state have a civil anti-counterfeiting statute with a private right of action? If so, please identify the statute and describe:**

- Standing requirements.
- 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 state registration statute (N.Y. Gen. Bus. Law § 360-m).

### Standing Requirements

Only the owner of a mark registered under the New York trademark registration statute may sue under 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.
- An award of the plaintiff's damages.
- An order for the destruction of the infringing items.
- An award of either or both:
  - up to three times the amount of profits and damages; and
  - reasonable attorneys' fees to the prevailing party where the court finds that the other party committed the wrongful acts with knowledge or in bad faith.

(N.Y. Gen. Bus. Law § 360-m.)

### Statutory Exemptions or Defenses

The New York statute does not provide any specific exemptions or defenses.

## State Unfair Competition and Deceptive Trade Practices Statutes

**13. Does your state have any unfair competition or deceptive trade practices statutes with a private right of action? If so, please identify the statute(s) and describe for each:**

- The types of acts or practices it prohibits.
- The standing requirements for a private action.
- The remedies available for violations.
- Any statutory exemptions or defenses to private claims.

New York's Unlawful Deceptive Acts and Practices statute is codified in N.Y. Gen. Bus. Law § 349(a).

New York does not have an unfair competition statute but recognizes a common law cause of action (see Question 16).

### Unlawful Deceptive Acts and Practices: N.Y. Gen. Bus. Law § 349

#### Prohibited Conduct

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

- 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." Violations may arise from affirmative acts, representations, and omissions. (*Oswego Laborer's Local 214 Pension Fund v. Marine Midland Bank*, 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 FTC action under the FTC Act (15 U.S.C. § 45; *Genesco Entm't v. Koch*, 593 F. Supp. 743, 751-52 (S.D.N.Y. 1984)).

#### Standing Requirements for a Private Action

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, but to sustain a claim, there must be 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. v. Sanofi Beaute, Inc.*, 963 F. Supp. 318, 328 (S.D.N.Y. 1997)).

#### Remedies

Successful plaintiffs may be awarded:

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

Where the violation is willful or knowing, the court has discretion to increase a damage award to an amount not to exceed three times the actual damages, up to a maximum of \$1,000. (N.Y. Gen. Bus. Law § 349(h).)

#### Statutory Exemptions or Defenses to Private Claims

New York's deceptive businesses statute expressly exempts from liability for private claims the broadcasting, publishing, or printing of an advertisement by:

- Any television or radio broadcasting station.
- Any publisher or printer of a newspaper, magazine, or other form of printed advertising.

(N.Y. Gen. Bus. Law § 349(e).)

**14. For each statute listed in Question 13, please describe the elements of a cause of action.**

### Unlawful Deceptive Acts and Practices: N.Y. Gen. Bus. Law § 349

The Second Circuit has held that 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).)

**15. For each statute listed in Question 13, please describe the statute's applicability to trademark infringement and dilution claims.**

### Unlawful Deceptive Acts and Practices: N.Y. Gen. Bus. Law § 349

While competitors may bring claims under New York's deceptive business practices statute as long as there is sufficient public harm (see Question 13: Unlawful Deceptive Acts and Practices: Standing Requirements for a Private Action), acts of trademark infringement and dilution alone typically do not harm the public interest in a manner sufficient to state a claim under the statute (*Luv N' Care, Ltd. v. Walgreen Co.*, 695 F. Supp. 2d 125, 135-



36 (S.D.N.Y. 2010); *DO Denim, LLC v. Fried Denim, Inc.*, 634 F. Supp. 2d 403, 409 (S.D.N.Y. 2009).

However, trademark infringement or dilution paired with a threat to public health or safety may be sufficient (see *DePinto v. Ashley Scott, Inc.*, 635 N.Y.S.2d 215, 217 (1st Dep't 1995); *Gameologist Grp. v. N.Y. Div. of Lottery*, 2009 WL 4927169 (N.Y. Sup. Ct. Dec. 16, 2009)).

Additionally, some courts have found liability under Section 349 in trademark counterfeiting actions (see *Burberry Ltd. v. Designers Imps., Inc.*, 2010 WL 199906, at \*8 (S.D.N.Y. Jan. 19, 2010)). The US District Court for the Southern District of New York found no harm to the public interest in a case involving counterfeit apparel (*Gucci Am., Inc. v. Duty Free Apparel, Ltd.*, 277 F. Supp. 2d 269, 274-75 (S.D.N.Y. 2003)).

**16. Please identify the principal common law unfair competition causes of action in your state that are available to trademark owners and for each cause of action describe:**

- The elements of the cause of action.
- Any significant distinctions between claims under state common law and claims under the 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 another's:
  - Skill.
  - Expenditure.
  - Labors.

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

### Elements of a Common Law Unfair Competition Cause of Action

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

- Actual confusion, in an action for damages.
- Likelihood of confusion, in an action for injunctive relief.
- Bad faith or intent.

(*Jeffrey Milstein, Inc. v. Greger, Lawlor, Roth, Inc.*, 58 F.3d 27, 35 (2d Cir. 1995).)

New York federal courts applying the New York law held that:

- 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)).
- 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 additional key Lanham Act distinctions in New York.

## Other Significant State Statutory and Common Law Trademark-related Claims

**17. Please describe any significant statutory or common law causes of action in your state available to trademark owners that are not already described in the preceding questions (for example, false advertising and trade libel).**

### False Advertising

In New York, false advertising is prohibited in:

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

(N.Y. Gen. Bus. Law § 350.)

To state a claim for false advertising, a plaintiff must show that:

- The advertising was "misleading in a material respect."
- The plaintiff was injured by the advertising.

(*McDonald v. N. Shore Yacht Sales, Inc.*, 513 N.Y.S.2d 590, 593 (Sup. Ct. 1987).)

Similar to claims under Section 349 for deceptive business practices (see Question 6), New York federal courts interpreting the statute held that:

- A competitor's right to sue for false advertising requires injury to the public.
- Trademark infringement claims typically fall outside the scope of the statute.

(See *Galerie Furstenberg v. Coffaro*, 697 F. Supp. 1282, 1291 (S.D.N.Y. 1988).)

### Product Disparagement

New York recognizes a common law claim for product disparagement, which is described as words or conduct that tend to disparage or reflect negatively on a product's:

- Quality.
- Condition.
- Value.

(*Kirby v. Wildenstein*, 784 F. Supp. 1112, 1115 (S.D.N.Y. 1992)).

To prevail on a product disparagement claim, a plaintiff must show:

- A false statement.
- Publication of the statement to a third party.
- Malice.
- Special damages in the form of actual losses of pecuniary or economic value.

(*Kirby*, 784 F. Supp. at 1115; *Drug Rsch. Corp. v. Curtis Publ'g Co.*, 7 N.Y.2d 435, 440 (1960).)

### Unjust Enrichment

To prevail on a common law unjust enrichment claim, a plaintiff must show that:

- The defendant was enriched at the plaintiff's expense.
- It is against good equity and conscience to permit the defendant to retain what the plaintiff seeks to recover.

(*Lake Minnewaska Mountain Houses, Inc. v. Rekis*, 686 N.Y.S.2d 186, 187 (3d Dep't 1999).)

### Use of Name with Intent to Deceive

In New York, a person, firm, or corporation cannot, with intent to deceive or mislead the public, assume, adopt, or use as (or as part of) a corporate, assumed, or trade name, any name that may deceive or mislead the public about the person's, firm's, or corporation's:

- Identity.
- Connection with any other person, firm, or corporation.
- Address or location.

(N.Y. Gen. Bus. Law § 133.)

Injunctive relief is available for actual or threatened violations of this statute, without requiring proof that any person has in fact been deceived or misled. A violation of this law is a misdemeanor. (N.Y. Gen. Bus. Law § 133.)

**18. For each statute or common law claim identified in Questions 4, 5, 6, 12, and 13, identify any applicable statute of limitations and how it is calculated.**

### Statutory and Common Law Trademark Infringement

There are no specific statutes of limitation for New York statutory and common law infringement claims. However, federal courts assessing a laches defense against claims seeking injunctive relief for infringement and unfair competition under the Lanham Act and New York state law applied a presumption against laches where the claims were asserted before New York's six-year fraud statute of limitations (*Gross v. Bare Escentuals Beauty*, 641 F. Supp. 2d 175, 196 (S.D.N.Y. 2008)). The limitations period for fraud claims runs from the time the plaintiff discovered the fraud or could have discovered it with reasonable diligence (*Charles Atlas, Ltd. v. DC Comics, Inc.*, 112 F. Supp. 2d 330, 334 (S.D.N.Y. 2000)).

### Dilution

The statute of limitations for New York's 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 period for claims under the New York anti-counterfeiting statute. However, courts may apply the six-year statute of limitations period for fraud to assess the equitable defense of laches (see Statutory and Common Law Trademark Infringement).

### Unfair Competition and Deceptive Trade Practices

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

Civil actions for deceptive trade practices under N.Y. Gen. Bus. Law § 349 must start within three years from when the plaintiff is injured by the deceptive act (*Gaidon v. Guardian Life Ins. Co. of Am.*, 727 N.Y.S.2d 30, 35 (2001)).

### State Criminal Trademark Laws

**19. Does your state have any criminal trademark protection statutes? If so, please identify the statute and describe the offense.**

#### Trademark Counterfeiting: N.Y. Penal Law §§ 165.70 to 165.74

In New York, the following are the criminal counterfeiting offenses:

- **Trademark counterfeiting in the third degree.** Trademark counterfeiting in the third degree is a class A misdemeanor. It applies to all acts of counterfeiting as defined by the statute, regardless of the value of the counterfeit goods. (N.Y. Penal Law § 165.71.)
- **Trademark counterfeiting in the second degree.** Trademark counterfeiting in the second degree is a class E felony. It applies to acts of counterfeiting as defined by the statute where the value of all of the counterfeit goods exceeds \$1,000. (N.Y. Penal Law § 165.72.)
- **Trademark counterfeiting in the first degree.** Trademark counterfeiting in the first degree is a class C felony. It applies to acts of counterfeiting as defined by the statute where the value of all of the counterfeit goods exceeds \$100,000. (N.Y. Penal Law § 165.73.)

Any goods manufactured, sold, offered for sale, distributed, or produced in violation of the statute may be:

- Seized by a police officer.
- Retained as evidence pending trial where probable cause exists to believe that the statute has been violated.
- Destroyed or donated if the defendant is convicted. (N.Y. Penal Law § 165.74.)

#### Offenses Against Trademarks: N.Y. Arts and Cultural Affairs Law §§ 33.01 to 33.15

Article 33 of the New York Cultural Affairs Law, Offenses Against Trademarks, provides that the following activities are misdemeanors:

- **Acts of counterfeiting.** The statute protects both registered and unregistered marks (see Question 5).
- **Acts relating to selling and re-filling bottles and vessels.** This includes, among other things, selling and re-filling beverage bottles and vessels bearing trademarks specifically registered with the secretary of state and local county clerk, and published in a local county newspaper. The statute also provides a civil cause of action to the trademark owner.

(N.Y. Arts & Cult. Aff. Law §§ 33.09 to 33.15.)

#### Use of Name with Intent to Deceive: N.Y. Gen. Bus. Law § 133

It is a misdemeanor to use a name with the intent to deceive about the identity of a person, firm, or corporation (N.Y. Gen. Bus. Law § 133; Question 17).

#### False Labels and Misrepresentations: N.Y. Gen. Bus. Law § 392-b(3)

It may be a misdemeanor to, with the intent to defraud, sell goods in bulk with a trademark or name and represent that the goods are made or produced by someone other than the actual manufacturer or producer (N.Y. Gen. Bus. Law § 392-b(3)).

#### Obliteration of Marks of Origin: N.Y. Gen. Bus. Law § 392-c

It is a misdemeanor to remove or conceal the mark of origin from any merchandise or to knowingly sell merchandise with the mark of origin removed or concealed (N.Y. Gen. Bus. Law § 392-c(2)).

### Using False Marks to Manufacture: N.Y. Gen. Bus. Law § 392-d

It is a misdemeanor to, with the intent to defraud, manufacture, or knowingly sell any article with a mark that is not the mark of the actual manufacturer (N.Y. Gen. Bus. Law § 392-d).

### Use of Specific Names

New York has several statutory provisions that restrict the use of specific names. A violation of these laws is a misdemeanor. Some of the laws provide civil remedies. The laws restrict use of:

- The name or title of a secret fraternity (N.Y. Gen. Bus. Law § 134).
- The names of certain benevolent, humane, or charitable corporations (N.Y. Gen. Bus. Law § 135).
- Certain governmental, military, or naval names (N.Y. Gen. Bus. Law § 138).
- The name, abbreviation, or symbols or insignia of the United Nations (N.Y. Gen. Bus. Law § 141).
- The names of certain nonprofit organizations (N.Y. Gen. Bus. Law § 397).

### Pending Legislation

#### 20. Please describe any legislation pending in your state that would materially impact civil trademark enforcement and protection.

**2019 NY S.B. No. 597:** Introduced and put before the New York Senate Committee on Codes on January 9, 2019. This bill proposes to amend the New York penal law to change trademark counterfeiting classifications, decrease the required retail value of counterfeit goods, and add a first-degree classification for willful counterfeiting.

**2019 NY S.B. 1585:** Introduced and put before the Senate Committee on Consumer Protection on January 15, 2019. This bill proposes to add discretionary treble damages and the recovery of attorneys' fees for injury by trademark dilution.

**2019 NY S.B. 2111:** Introduced and put before the Senate Committee on Consumer Protection on January 22, 2019. This bill proposes to increase the remedy for trademark counterfeiting by removing the cap on judgments comprised of damages, profits, and/or reasonable

attorneys' fees and removing the "knowledge" or "bad faith" requirement.

**2019 NY S.B. 2112:** Introduced and put before the Senate Committee on Consumer Protection on January 22, 2019. This bill proposes to increase the trademark registration and renewal fee from \$50 to \$100.

**2019 NY A.B. 918:** Introduced and put before the Assembly Committee on Codes on January 14, 2019. This bill proposes to amend the penal law to change trademark counterfeiting classifications, decrease the required retail value of counterfeit goods, and add a first-degree classification for willful counterfeiting.

**2019 NY A.B. 1576:** Introduced and put before the Assembly Committee on Economic Development, Job Creation, Commerce and Industry on January 15, 2019, this bill proposes to increase the remedy for trademark counterfeiting by removing the cap on judgments comprised of damages, profits, and/or reasonable attorneys' fees.

**2019 NY A.B. 1643:** Introduced and put before the Assembly Committee on Economic Development, Job Creation, Commerce and Industry on January 16, 2019. This bill proposes to increase the remedy for trademark counterfeiting by removing the cap on judgments comprised of damages, profits, and/or reasonable attorneys' fees and removing the "knowledge" or "bad faith" requirement.

**2019 NY A.B. 1644:** Introduced and put before the Assembly Committee on Economic Development, Job Creation, Commerce and Industry on January 16, 2019. This bill proposes to increase the trademark registration and renewal fee from \$50 to \$100.

**2019 NY A.B. 1765:** Introduced and put before the Assembly Committee on Economic Development, Job Creation, Commerce and Industry on January 17, 2019. This bill proposes to add discretionary treble damages and the recovery of attorneys' fees for injury by trademark dilution.

**2019 NY S.B. 366:** Introduced and put before the Senate Committee on Codes on January 9, 2019. This bill proposes to amend the penal law to provide for seizure of vehicles, vessels, and aircraft that are used in connection with counterfeit goods and are not common carriers engaged in business.

**2021 NY A.B. 61:** Introduced and put before the Assembly Committee on Codes on January 6, 2021. The bill proposes to amend the penal law to create the offense

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of counterfeiting in the fourth degree and modifies the monetary thresholds applicable to the various degrees of counterfeiting offenses.

**2021 NY S.B. 3249:** Introduced and put before the Senate Committee on Consumer Protection on January 28, 2021. The bill proposes to increase the trademark registration and renewal fee from \$50 to \$100.

**2021 NY A.B. 3879:** Introduced and put before the Assembly Committee on Economic Development on January 28, 2021. The bill proposes to amend the general business law to allow damages and attorney's fees as a remedy for dilution claims in addition to injunctive relief.

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