

Use in commerce for federal trademark registration: the Federal Circuit slowly moves towards the Supreme Court

June 29, 2017 – The TMCA

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Is there any use of a trademark within the United States that is insufficient to support federal trademark registration?

The federal trademark laws are based on the Commerce Clause of the United States Constitution, and trademark registrations granted under Section 1 of the Trademark Act require use in “commerce that can be regulated by Commerce.” See 15 U.S.C. §§ 1051, 1125. At least since the early 1940s, the United States Supreme Court has taken an enormously expansive

view of Congress’ powers under the Commerce Clause. See, e.g., *Wickard v. Filburn*, 317 U.S. 111 (1942). The United States Patent and Trademark Office, while paying lip service to *Wickard* and its progeny, suggests that “use in commerce” requires commerce that is interstate, territorial (e.g., within Washington, D.C.) or between the U.S. and a foreign country, and casts doubt on the sufficiency of intrastate use unless it is of a type that “taken in the aggregate, would cause a substantial effect on interstate commerce.” See *Trademark Manual of Examining Procedure* § 901.03, quoting *Christian Faith Fellowship Church v. Adidas AG*, 841 F.3d 986, 993 (Fed. Cir. 2016).

In *Christian Faith Fellowship Church*, the Federal Circuit reversed a Trademark Trial and Appeal Board decision invalidating a trademark registration for a lack of use in commerce, even though the applicant had made two sales to an out-of-state resident. In what can be seen as either judicial restraint or timidity, while the court concluded that the applicant’s sales to an out-of-state resident was regulatable by Congress, it declined to

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“define[] the outer contours of Congress’s Commerce Clause” powers with respect to trademark registrations, thereby giving little guidance to trademark applicants as what type of use is “in commerce.” *Id.* at 992-93. In particular, what would the result be if the applicant hadn’t made any out-of-state sales?

In this author’s view, Supreme Court precedent analyzed by the *Christian Faith Fellowship* court establishes that any use of a trademark in the United States can be regulated by Congress, without regard to whether that particular use may “directly affect” interstate commerce as suggested by the Trademark Manual of Examining Procedure, and the Federal Circuit should have taken the opportunity to more clearly set forth the law.

In *Gonzales v. Raich*, the Court upheld the federal prohibition of marijuana under Congress’ Commerce Clause power, even as to a medical marijuana patient who grew marijuana for her own use and not for sale or distribution to anyone. See 545 U.S. 1, 1-10 (2005). The Court explained that when “a general regulatory statute bears a substantial relation to commerce, the *de minimis* character of individual instances arising under that statute is of no consequence.” *Id.* at 17 (internal quotations omitted). The Court further explained that “[o]ur case law firmly establishes Congress’ power to regulate purely local activities that are part of an economic ‘class of activities’ that have a substantial effect on interstate commerce.” *Id.*; see also *Taylor v. US*, 136 S. Ct. 2074, 2081 (2016) (“And it makes no difference under our cases that any actual or threatened effect on commerce in a particular case is minimal.”).

As it is beyond reasonable dispute that Congress’ power to regulate trademarks in the aggregate affects interstate commerce, Congress likewise has the power to regulate even purely local trademark uses. Consider that a purely local trademark user may prevent a subsequent federal registrant from using its mark in the local user’s trading area. See 15 U.S.C. §1065. Accordingly, in the author’s view, any use of a mark within the United States should be sufficient to support a federal trademark registration.