



10-1984

## Park 'N Fly, Inc. v. Dollar Park and Fly, Inc.

Lewis F. Powell Jr.

Follow this and additional works at: <https://scholarlycommons.law.wlu.edu/casefiles>



Part of the [Intellectual Property Law Commons](#)

---

### Recommended Citation

Lewis F. Powell Jr. Papers, box 630/folder 9-11

This Manuscript Collection is brought to you for free and open access by the Lewis F. Powell Jr. Papers at Washington and Lee University School of Law Scholarly Commons. It has been accepted for inclusion in Supreme Court Case Files by an authorized administrator of Washington and Lee University School of Law Scholarly Commons. For more information, please contact [christensena@wlu.edu](mailto:christensena@wlu.edu).

Probably Grant  
Direct conflict  
with CA7

Petr. had a valid, incontestable  
title to a Trademark registered  
under Lanham Act.

Resp. adopted an infringing  
mark. CA9, nevertheless,  
refused to enjoin Resp's use.  
(not clear why)

Preliminary Memo

March 2, 1984 Conference  
List 1, Sheet 2

No. 83-1132

PARK 'N FLY, INC. <sup>OK</sup>

Cert to CA9 (Kennedy,  
Tang, Poole)

v.

DOLLAR PARK AND FLY, INC. <sup>OK</sup>

Federal/Civil

Timely

SUMMARY: Whether a plaintiff whose trademark has achieved  
incontestable status under the Lanham Act is entitled to enjoin  
others from using the mark on that basis.

FACTS AND DECISION BELOW: Under § 15 of the Lanham Act, 15  
U.S.C. § 1065, a trademark registered with the U.S. Patent and  
Trademark Office can attain incontestable status under certain  
conditions. The owner of the mark must file an affidavit  
testifying that the mark has been registered for five years, that  
it has been used continuously during that time, that it is not

Grant  
David

the subject of a final, adverse decision as to its ownership or registration, and that no such proceeding is pending. Under § 1115(b), once a mark has become incontestable, registration is conclusive evidence of the registrant's exclusive right to use the mark subject only to the cancellation provisions of § 1064 and the defenses enumerated in § 1115(b).<sup>1</sup>

In 1969, petr, the operator of long term parking lots near airports in St. Louis, Cleveland, Boston, Atlanta, Houston, Memphis, and San Francisco, filed an application with the Patent and Trademark Office to register a service mark consisting of an airplane logo and the words, "Park 'N Fly." After the application was initially denied, the registration issued in 1971. In 1977, petr obtained incontestable status for the mark.<sup>2</sup>

Resp operates a long term parking lot near an airport in Portland, Oregon, using the term "Dollar Park and Fly." Petr filed suit against resp, requesting that resp be enjoined from using the words "Park and Fly." Resp counterclaimed, asking that petr's mark be cancelled. The DC entered judgment for petr,

---

<sup>1</sup>The seven defenses listed in § 1115(b) are: (1) fraudulent registration; (2) abandonment; (3) use with permission of the registrant "so as to misrepresent the source of the goods or services in connection with which the mark is used;" (4) the alleged infringer is using the mark "otherwise than as a trade or service mark;" (5) prior innocent adoption and use; (6) prior registration and use; and (7) prior or current use to violate the federal antitrust laws.

<sup>2</sup>In 1977, petr filed an application to register only the words "Park 'N Fly." The registration issued, but it has not become incontestable. The CA9 determined that it did not need to pass on the validity of this registration. App., at A-5 n. 3.

concluding that resp had not shown that the mark should be cancelled and that petr was therefore entitled to an injunction.

On appeal, the CA9 first affirmed the DC's conclusion that resp had failed to produce enough evidence to show that the mark should be cancelled. The court observed that if an incontestable mark becomes "generic" (i.e., "it comes to be understood as referring to the genus of which the product or service is a species"), it may be cancelled pursuant to 15 U.S.C. § 1064(c). However, an incontestable mark cannot be cancelled because it is merely "descriptive" (i.e., "it describes a characteristic or ingredient of an article or service") even though a mark that is descriptive cannot be registered unless the owner shows that it has acquired a secondary meaning (i.e., "it becomes distinctive of the applicant's goods or services"). In the present case, the CA9 held, resp had not shown that petr's mark was generic. Therefore, the DC had not erred in refusing to invalidate the mark.

However, the CA9 reversed the DC's decision to grant an injunction to petr. The court rejected petr's argument that the incontestability of its mark automatically entitled it to injunctive relief unless one of the seven defenses listed in § 1115(b) applied. Noting that petr's argument was supported by Union Carbide Corp. v. Ever-Ready, Inc., 531 F.2d 366 (CA7), cert. denied, 429 U.S. 830 (1976), the court stated that "[t]he law in this circuit ... is different." The court found that under Tillamook County Cream Ass'n v. Tillamook Cheese & Dairy Ass'n, 345 F.2d 158, 163 (CA9), cert. denied, 382 U.S. 903 (1965), "a

*conflict*

registrant can use the incontestable status of its mark defensively, as a shield to protect its mark against cancellation, but it cannot use it offensively, as a sword to enjoin another's use." The court then concluded that petr's mark was merely descriptive and that petr had not shown that it had acquired any secondary meaning. Therefore, since petr's "mark would not be entitled to continued registration but for its incontestable status, and [since] its federal registration is of no import" in determining whether an injunction should issue, the court ruled that petr was not entitled to have resp enjoined from using the name "park and fly."

CONTENTIONS: Petr contends that the CA9's ruling is in direct conflict with the CA7's ruling in Union Carbide. In Union Carbide, the CA7 expressly rejected its earlier adoption of the defensive/offensive distinction utilized by the CA9 in this case. 531 F.2d, at 377. The CA7's approach has been followed by the CA5, John R. Thompson Co. v. Holloway, 366 F.2d 108, 113-116 (CA5 1966) and the CA3, United State Jaycees v. Philadelphia Jaycees, 639 F.2d 134 (CA3 1981). Indeed, one district court has expressly rejected the CA9 approach in favor of the CA7 approach in granting injunctive relief to petr on the basis of the incontestability of its mark. Park 'N Fly, Inc. v. Park & Fly, Inc., 489 F. Supp. 422 (D. Mass. 1979). Thus, petr argues, its mark is entitled to more protection in one part of the country than in another. This directly undermines the Lanham Act, which was designed to unify trademark law on a national basis.

Petr contends that the Court should resolve the conflict in favor of the CA7 approach because nothing in the Act states or implies that incontestability can only be used to defend the mark. Section 1115(b) expressly states that "the registration shall be conclusive evidence of the registrant's exclusive right to use the registered mark" subject only to the seven listed defenses. The descriptive nature of the trademark is not one of the listed defenses. The CA9's efforts to judicially engraft such a provision into the Act should be reversed because it denies trademark owners the right to the exclusive use provided by § 1115(b).

Resp notes that the CA9 opinion is consistent with the approach of the CA8 in Wrist-Rocket Mfg. Co., Inc. v. Saunders Archery Co., 516 F.2d 846, 851 (CA8 1975), cert. denied, 423 U.S. 870 (1975) and Prudential Insurance Co. v. Gibraltar Financial Corp., 694 F.2d 1150 (CA9 1982), cert. denied, No. 82-1789 (June 27, 1983). Union Carbide is distinguishable because the mark in that case was not shown to be descriptive, as in this case.

Resp also contends that a reversal of the CA9's ruling will not change the result in this case because there is evidence that resp was in privity with a Seattle corp. which, without knowledge of petr's prior use of the mark, used the term "park and fly" before the mark was registered. Thus, resp is entitled to use the defense listed in § 1115(b) (5). Moreover, resp uses its mark in a market that is geographically distinct from that in which petr uses its mark. Under existing law, the owner of a mark is not entitled to an injunction against one using the mark

in a different market area. Dawn Donut Co. v. Hart's Food Stores, Inc., 267 F.2d 358 (CA2 1959). Finally, resp contends that the defenses contained in § 1115(b) are not the sole basis for refusing to grant an injunction to the owner of an incontestable mark. The incontestability section (§ 1065) itself contains limits on the meaning of incontestability.

DISCUSSION: The conflict with Union Carbide is direct, as the CA9 itself admits and as commentators have noted. See 4A Callman, Unfair Competition, Trademarks and Monopolies, Preface at iii, § 25.08 (4th ed.). Moreover, the issue seems to be one of some importance since, as this case shows, the owner of an incontestable mark may have different rights for the same mark in different jurisdictions.

Resp's contentions concerning the alternative bases for upholding the CA9's decision raise issues expressly reserved by the CA9. App. at A-7 n. 4. Thus, if the Court wants to review the issue raised by petr, it can do so without rendering an advisory opinion. If the Court rules in petr's favor, it can remand the case for further proceedings.

Last term the Court denied cert in a case raising a similar issue. Prudential Insurance Co., No. 82-1789, cert. denied, (June 23, 1983). However, the conflict was not as direct since Prudential Insurance addressed the availability of non-statutory equitable defenses to defeat the effect of incontestability, something the CA7 did not rule out in Union Carbide. 531 F.2d, at 388-389. Given the direct nature of the conflict in this case, I recommend a grant.

I recommend a grant.

There is a response.

February 22, 1984

Worthen

Opin in petn.



lfp/ss 08/20/84

83-1132 Park 'N Fly, Inc. v. Dollar Park and Fly, Inc.

This is a trademark case we took to resolve a flat conflict between CA9 (that decided this case) and decisions in CA2, CA5, CA7 and CA10. The petitioner corporation has been in business since 1969, and operates in a number of major cities including San Francisco. Respondent has been in business since 1973, and operates only in Portland, Oregon. In 1969 petitioner filed an application with the U.S. Patent and Trademark Office seeking a registration of its mark then consisting of an airplane logo and the words "Park 'N Fly". Registration was issued in 1971, and it is conceded that petitioner obtained "incontestable status for that mark in 1977". See Pet. A-2; see also respondent's brief p. 2. Later in 1977 a second application was filed consisting solely of the words "Park N Fly", and registration was issued in 1979. Section 1065 of the Lanhan Act provides explicitly that, subject to seven specified exceptions set forth in §1115, <sup>2</sup>that when a "registered mark has been in continuous use for five consecutive years subsequent to the date of such registration and is still in use in commerce, (it) shall be incontestable". It also is conceded, as I

understand it, that none of the seven specified exceptions is applicable in this case (for the provisions of §1115, see p. 3,4 of the petition for cert).

#### CA9's Decision

Petitioner filed this suit seeking an injunction against respondent's using the name "Park and Fly". Respondent filed a counterclaim requesting cancellation of petitioner's registered marks. The District Court held that petitioner's registered marks were valid and that respondent had infringed, and entered an injunction.

The Court of Appeals affirmed in part and reversed in part. The Court said:

"Given the incontestable status of Park 'N Fly's registration and respondent's failure to show that the mark is generic (the Court noted a failure of evidence in this respect), we conclude that on this record the DC did not err in refusing to invalidate that mark." Pet. A-5.

But CA9 reversed the grant of injunctive relief by the DC. It noted that under the holding of CA7 in Union Carbide v. Ever-Ready, 531 F.2d 366, cert. den. 428 U.S. 830 (1976), that "a plaintiff in an infringement action establishes conclusively, under §1115(b), his exclusive right to use a trademark to the extent he shows

his trademark has become incontestable under §1065. My understanding is that three other circuits have held to the same effect.

But CA9 went on to say that "the law in this circuit, however, is different". Citing a 1965 decision, it held:

"A registrant can use the incontestable status of its mark defensively, as a shield to protect its mark against cancellation and to protect its right to continued use of the mark, but not offensively, as a sword to enjoin another's use." Pet. A-6.

CA9 did not end its opinion at this point. It noted that respondent argued that its mark is "suggestive with respect to airport parking lots". CA9 stated that it was "unpersuaded" because the words "park and fly" are a "clear and concise description of a characteristic or ingredient of the service offered - the customer parks his car and flies from the airport". CA9 therefore concluded that the "Park and Fly mark . . . is at best a merely descriptive mark". Pet. A-7. Moreover, CA9 observed that no claim was made that the mark had acquired a secondary meaning.

#### Argument of the Parties

Petitioner relies essentially on the statutory language providing for incontestability, and on the weight of authority contrary to CA9's unique position.

Respondent, of course, argues that CA9's decision is correct, but does not seem to rely on CA9's distinction between "offensive" and "defensive" use of an incontestable mark. Rather, respondent says:

"The decision of the Ninth Circuit Court of Appeals is correct because it refused to enforce a merely descriptive mark which erroneously became 'incontestable' without any showing of secondary meaning. Merely descriptive marks are inherently unregistrable on the Principal Register because they do not comply with the requirements of 15 U.S.C. §1052(e) of the Lanham Act."  
Br. 9, 10.

CA9, as I read its opinion, accepted the fact that the mark was duly registered and therefore was incontestable under the Act. Respondent's position therefore appears to be inconsistent with CA9's basic rationale. Yet, in the next to final paragraph of its opinion, CA9 after expressing doubt as to the mark, concluded "that Par 'N Fly's mark used in the context of airport parking is, at best, a merely descriptive mark", and further noted that no claim had been made of a secondary meaning.

Petitioner's brief, as noted above, is directed specifically against CA9's distinction between offensive and defensive use of a mark conceded to be incontestable. I will be interested in seeing, therefore, how petitioner's reply brief (not yet in hand) answers respondent's broader and perhaps more persuasive argument.

\* \* \*

This is not an area in which I am knowledgeable. I therefore will welcome a summary type bench memo.

L.F.P., Jr.

SS

March 2, 1984

Court .....  
Argued ....., 19...  
Submitted ....., 19...

Voted on....., 19...  
Assigned ....., 19...  
Announced ....., 19...

No. 83-1132

PARK 'N FLY, INC.

vs.

DOLLAR PARK & FLY, INC.

*Docket complete*

*Grant*

	HOLD FOR	CERT.		JURISDICTIONAL STATEMENT			MERITS		MOTION		ABSENT	NOT VOTING
		G	D	N	POST	DIS	AFF	REV	AFF	G		
Burger, Ch. J. ....			✓									
Brennan, J. ....			✓									
White, J. ....		✓										
Marshall, J. ....												
Blackmun, J. ....		✓										
Powell, J. ....		✓										
Rehnquist, J. ....		✓										
Stevens, J. ....			✓									
O'Connor, J. ....												

*Out*

*Jan 3*

1  
Reviewed 10/6

ml 09/28/84

Well organized & reasoned.

Annamarie would reverse CA 9  
& I think she is right.

BENCH MEMORANDUM

To: Justice Powell

September 28, 1984

From: Annmarie

Re: Park 'N Fly, Inc. v. Dollar Park and Fly, Inc.

No. 83-1132

Question Presented

Did CA9 err in refusing to enforce a trademark on the ground that it was merely descriptive, when the mark had become "incontestable" under the Lanham Act?

I. Background

A. Statutory Background

The Lanham Act provides that under certain conditions, the right to use a mark registered with the Patent and Trademark Office [ hereafter "PTO" ] becomes incontestable. Under 15 U.S.C.

*conditions to incontest-ability*

§1065, if a mark has been used continuously for five consecutive years subsequent to the date of its registration and is still in use, "the right of the registrant to use such registered mark in commerce . . . shall be incontestable," provided that certain conditions obtain.<sup>1</sup> The Act specifies these conditions: (1) that there is no final decision adverse to the registrant's claim of ownership of the mark or to the registrant's right to register or keep the registration of the mark; (2) that there is no pending proceeding in the PTO or any court involving rights to the mark; (3) that the registrant file an affidavit with the PTO within one year of the expiration of the five year period, which attests that the two preceding conditions exist, describes the goods and services on which the mark has been used for the five year period, and attests that the mark is still being used; (4) that "no incontestable right shall be acquired in a mark which is the common descriptive name of any article or substance . . . ." <sup>2</sup>

The Act also details the evidentiary value of registration and incontestable status. Under 15 U.S.C. §1115(a), registration is prima facie evidence of the registrant's exclusive right to use the mark, but "shall not preclude an opposing party from

<sup>1</sup>There are exceptions to incontestability, however, for cases where there is a ground on which an application to cancel a registration may be filed under § 1064(c) and (e) and where a registered mark infringes a valid right acquired under state law prior to registration. These exceptions are not applicable here.

<sup>2</sup>A "common descriptive" mark, also known as a generic mark, refers to one that is commonly understood as referring to the genus of which the particular product or service is a species. See Surgicenters of America, Inc. v. Medical Dental Surgeries Co., 601 F.2d 1011, 1014-15 (CA9 1979); Abercrombie & Fitch v. Hunting World, Inc., 537 F.2d 4, 9-11 (CA2 1976).



proving any legal or equitable defense or defect which might have been asserted if such mark had not been registered." Subsection (b) provides, however, that if the right to use a mark has become incontestable under §1065, "the registration shall be conclusive evidence of the registrant's exclusive right to use the registered mark in commerce on or in connection with the goods or services specified in the affidavit," except when one of seven defenses are established: (1) that the registration or incontestable right was obtained fraudulently; (2) that the registrant has abandoned the mark; (3) that the mark is being used by the registrant or a person in privity with the registrant to misrepresent the source of the goods or services; (4) that the use charged to be infringing is a "fair use" "otherwise than as a trade or service mark;" (5) that the party or one in privity with him has continuously used the challenged mark from a date before the registration of the mark under the Act; (6) that the mark whose use is charged as an infringement was registered and used prior to the registration under the Act and not abandoned; (7) that the mark is or has been used to violated the antitrust laws. 15 U.S.C. §1115(b).

B. Prior Proceedings

Petr has two registered trademarks: the words "Park 'N Fly" accompanied by the logo of an airplane and the words "Park 'N Fly" without the logo. The former was registered in 1971 after the PTO initially denied registration on the ground that the phrase was merely descriptive. The latter was registered in 1979 without opposition. In March, 1977, petr executed an affidavit

pursuant to 15 U.S.C. §1065 to establish the incontestability of the first mark.

In February, 1977, petr wrote resp, a business similar to its own, which operated under the name "Dollar Park and Fly." Petr demanded that resp cease using the words "park" and "fly" in its name. When resp refused, petr filed suit in federal court (D.Or.), charging resp with infringement of its registered service mark "Park 'N Fly" and seeking injunctive relief. Resp counterclaimed, and sought a declaration that petr's marks were invalid and subject to cancellation because they were merely descriptive.

After a trial on the merits, the DC found in favor of petr *DC* and enjoined resp from further use of the same or similar marks. The DC held that because petr's 'first' mark was incontestable under the terms of the Lanham Act, resp could only defend against infringement by establishing one of the defenses specified in §1115(b). Thus, the court ruled, resp could not challenge the mark on the ground that it was merely descriptive.<sup>3</sup> Because the "second" mark was so close to the first, the court concluded that any infringement of one would necessarily be an infringement of the other. Accordingly, the fact that petr's second mark had not yet become incontestable in its own right was irrelevant. *2nd not in-contestable*

The DC also rejected all of resp's other contentions, most importantly two statutory defenses: (1) that petr's mark was

<sup>3</sup>A "merely descriptive" mark is one which specifically describes a characteristic or ingredient of an article or service. 601 F.2d at 1014-15; 537 F.2d at 9-11.

generic and thus not entitled to protection, and (2) that resp was in privity was another company using the name "Park and Fly" prior to petr's registration. The court specifically found that petr's mark was not generic and that there was "no evidence" of privity between the two corporations.

On appeal, CA9 affirmed in part and reversed in part. The CA upheld the DC's ruling that petr's trademarks are valid, but reversed the DC's grant of injunctive relief. CA9 held that the incontestable status of a mark could only be used "defensively" to protect the mark against cancellation, not offensively to support an injunction. In reaching this conclusion the court recognized that its decision conflicted with CA7's in Union Carbide v. Ever-Ready, Inc., 531 F.2d 366, cert. denied, 429 U.S. 830 (1976).

CA9

## II. Discussion

CA9's decision raises two questions about the proper interpretation of the incontestable status provisions of the Lanham Act. First, is CA9 correct that incontestable status may be used only defensively as conclusive evidence of the registrant's right to use the mark? Second, is CA9 correct that an alleged infringer may defend on the ground that an incontestable mark is merely descriptive and thus not properly registrable at all?

### A. Statutory Language

1. Offensive/Defensive Uses of Incontestable Status. CA9 makes no attempt to base its distinction between offensive and defensive uses of incontestable status on the language of the statute, and it seems to me that there are no grounds for doing

CA9 did not  
rely on terms  
of statute

so. The subsection of the Act which provides that incontestable status shall be conclusive evidence of the right to exclusive use of a mark, 15 U.S.C. §1115(b), appears in a part of the Lanham Act entitled, "Registration on principal register as evidence of exclusive right to use mark; defenses." It is preceded by the subsection which makes the fact of registration prima facie evidence of the registrant's right to exclusive use of the mark in question. 15 U.S.C. §1115(a). The prima facie evidence provision applies by its terms to registrations under the Act "owned by a party to an action." Subsection (b) does not include this language, but simply provides that an incontestable mark shall be "conclusive evidence" of the registrant's exclusive right to use it.

It is difficult to accept CA9's interpretation that the effect of incontestable status depends on whether the owner of the mark is using it offensively or defensively. In the first place, the statute does not distinguish between offensive and defensive uses of such status, and its plain language -- that incontestable status shall be conclusive evidence of the registrant's right to use the mark -- is logically applicable whether the registrant is a plaintiff or a defendant.

Second, §1115 as a whole is directed to the evidentiary value of registration generally, with subsection (a) governing prior to a mark's becoming incontestable, and subsection (b) governing thereafter. It seems to me that the two subsections *yes* should be read together, because they describe the sequence in which the evidentiary value of registration develops. So viewed,

subsection (a)'s reference to "a party to an action" implicitly applies to subsection (b) as well, since subsection (b) addresses the same issue (the evidentiary value of registration) at a later point in time.

In addition, three of the statutory defenses available to defeat the conclusive effect of incontestable status assume that such status may be used offensively. With respect to the defenses of fair use, prior registration and use of the mark, and prior use without registration of the mark, the statute speaks of use "charged as an infringement." 15 U.S.C. §1115(b)(4), (5), (6). Thus, the Act apparently contemplates that the owners of marks with incontestable status will sue other users for infringement, raising such status as conclusive evidence. CA9's interpretation renders these three defenses meaningless. If one could not use incontestable status offensively, then there would be no need to provide any defenses applicable to a use "charged as an infringement." Moreover, the provision of these defenses as exceptions to the conclusive effect rule implies that when they do not apply, a plaintiff may use incontestability as conclusive evidence. Union Carbide Corp. v. Ever-Ready, 531 F.2d 366, 373 (CA7) , cert. denied, 429 U.S. 830 (1976).

2. "Mere Descriptiveness" as a Defense. CA9's decision also raises a question whether a party charged with infringement can defend his use on the ground that the incontestable mark is merely descriptive and thus not entitled to trademark protection at all. Once again, however, the plain language of the statute suggests that this interpretation is untenable. The statute

CA9  
again  
dis-  
regard  
plain  
language  
of Act

makes incontestable marks conclusive evidence "except when one of the following defenses or defects is established . . . ." Mere descriptiveness is not among the enumerated defenses or defects and thus I think the statute precludes reliance on such a defense in the case of an incontestable mark.

B. Case Law Interpreting §1115(b)

CA9's interpretation of §1115(b) is the minority position. CA9 originally adopted its position by following CA7's decision in John Morrell & Co. v. Reliable Packing Co., 295 F.2d 314 (CA7 1961), a case which CA7 subsequently overruled in Union Carbide Corp. v. Ever-Ready, Inc., 531 F.2d 366, cert. denied, 429 U.S. 830 (1976). In reaching its decision to overrule Morrell, CA7 cited the plain language of §1115(b) discussed above and noted that its earlier decision in Morrell was based on dicta.

Other circuits have adopted the position of Union Carbide, holding that once a registrant establishes that his mark is incontestable under §1065, it cannot be challenged on the ground of mere descriptiveness. E.g., Beer Nuts, Inc. v. Clover Club Foods Co., 711 F.2d 934, 940 n.7 (CA10 1983); United States Jaycees v. Philadelphia Jaycees, 639 F.2d 134 (CA3 1981); Soweco, Inc. v. Shell Oil Co., 617 F.2d 1178 (CA5 1980); Park 'N Fly v. Park & Fly, Inc., 489 F. Supp. 422 (D. Mass. 1979); Salton, Inc. v. Cornwall, 477 F. Supp. 975, 987-988 (D.N.J. 1979).

C. Resp's Arguments

Resp raises six arguments supporting CA9's decision in its favor. First, resp argues that "Park 'N Fly" is a merely descriptive mark and thus is inherently unenforceable. As your

*Other circuit agree that once mark becomes incontestable it can't be challenged as merely descriptive*

memo notes, this position seems inconsistent with CA9's. CA9 affirmed the DC's decision that petr's mark could not be invalidated because it had achieved incontestable status. It thus implicitly rejected the notion that the registration was void ab initio.

Moreover, on the merits, I think resp's view is wrong. It is true that merely descriptive marks are normally not entitled to protection absent proof of secondary meaning. E.g., *Abercrombie & Fitch v. Hunting World, Inc.*, 537 F.2d 4 (1976). Accordingly, as a matter of policy, the resp's position makes sense. Still, I do not think that this it is not the position adopted by the Lanham Act. By not including it among the defenses available under §1115(b), or among the exceptions to incontestability under §1065, the Act adopted a policy of laches with respect to merely descriptive marks. A potential infringer has five years in which to challenge the registration as merely descriptive or thereafter live with the consequences. See Fletcher, "Incontestability and Constructive Notice: A Quarter Century of Adjudication," 63 *Trade-Mark Reporter* 71, 97 (1973). Congress could have prohibited merely descriptive marks from achieving incontestable status, as it did with generic terms, see §1065(4), but it did not.

Resp also argues, without citing authority, that registration is a purely ministerial act which creates no substantive rights. It maintains that to refuse to allow mere descriptiveness as a defense enforcement of a mark is inconsistent with basic trademarks principles; the Court should

be reluctant to allow merely descriptive marks to be taken out of the public domain on the basis of ex parte affidavits filed with the PTO.

As a matter of policy, resp makes a persuasive point. Once again, however, I think the answer is simply that Congress adopted a different policy. The Lanham Act allows the purely ministerial act of registration to ripen into a substantive evidentiary privilege on the terms of §1115(b). Moreover, as the Amici point out, the statute provides quite a few ways to avoid the result of the incontestability provisions in particular cases. There are, of course, the seven defenses provided in §1115(b). In addition, §1065, which provides for the establishment of incontestable status, incorporates two of the exceptions to registration in general (§1064(c) & (e)) and precludes generic names from obtaining such status. Section 1116 authorizes courts to issue injunctions to enforce trademark rights "according to the principles of equity and upon such terms as the court may deem reasonable," thus apparently ensuring that the courts have discretion to recognize equitable defenses to incontestability. Finally, as even the Ninth Circuit recognized recently, there can be no liability for infringement, even with respect to an incontestable mark, in the absence of proof of likelihood of confusion. Lindy Pen Co. v. Bic Pen Corp., 725 F.2d 1240 (CA9 1984).

I think resp's other arguments are without merit. Petr is not required to show a secondary meaning once it establishes that its mark is incontestable. Although resp correctly cites a



number of cases in which courts have found that an incontestable descriptive mark had a secondary meaning, there is nevertheless no justification for requiring such proof under the statute. Similarly, resp's claim that it has a privity defense under §1115(b)(5) is not persuasive. The DC found "no evidence" that resp was in fact in privity with a prior user of the name "Park and Fly." Although the CA did not reach this issue, the DC's finding seems clearly correct.

### III. Conclusion

Resp's basic argument is one of policy: it seems incongruous to allow a merely descriptive mark to achieve incontestable status and then serve as conclusive evidence in an infringement action absent any proof of secondary meaning. Still, I think this result is the one mandated by the statute.

Moreover, I suspect that the result here is somewhat anomalous. The real problem in this case seems to be that resp presented a very poor defense in the DC. Resp should have been able to prove that petr was not entitled to incontestable status in the first place because the mark "Park 'N Fly" is generic, i.e., a term which is widely understood as referring to the genus of airport parking services. But as CA9 pointed out, resp presented absolutely no evidence with respect to consumers' perceptions of the term. Accordingly, it concluded: "Without evidence that to the consuming public the primary significance of the term is to denote the service Park 'N Fly offers and not its source, we are without a sufficient evidentiary basis to find

9 copy  
agree

Park 'N Fly's mark generic." JA at 84. Thus, while the result here is unfortunate, I doubt that most cases involving incontestable marks, even merely descriptive ones, are likely to end up protecting marks as weak as this one is.

I recommend that you vote to reverse.

10/6

83-1132 Park 'N Fly Inc v. Dollar Pk & Fly, Inc  
(CA9 - conflict with other circuits)

Petr. registered its name (& logo) under  
Lanham Act, & after the specified 5 yrs  
it became incontestable.

Resp. - a competitor - used its name.  
This prompted Petr. to seek injunctive  
relief. Resp. counter-claimed, arguing  
that the mark was "merely descriptive"  
& should be cancelled.

DC held Petr's mark incontestable. ~~CA9~~  
CA9 ~~reversed~~ agreed the mark was  
valid, but reversed as to injunctive  
relief. ~~CA9~~ concluded that ~~the~~  
incontestable ~~status~~ status of a mark  
is <sup>merely</sup> ~~more~~ a "defense" to protect mark  
from cancellation; its incontestability  
cannot be used "offensively" to obtain  
an injunction. Also mark was "descriptive"

Respondent failed to allege or prove that  
mark had no "secondary meaning."  
There may well be true. Counsel "blew it"!

CA9 erred: (Plain language of Act, <sup>centrally</sup>)

I. Plain language of Act lends  
no support to this distinction.

Not is it reasonable.

~~At least 4 circuits~~

II. Also erred in holding mark  
was invalid as merely descriptive.

Thus Patent Office ~~to~~ found to the contrary  
when it registered the mark, & this  
is now "incontestable" under the Act.

83-1132 PARK'N FLY v. DOLLAR PARK AND FLY

Argued 10/9/84

No allegation  
that the "mark"  
had acquired no  
secondary meaning

Popkin (Petr) (excellent lawyer)

Construction of Lanham Act

Petr. operates in a number of states

CA9 held mark could it be  
"cancelled" ~~that~~ because incontestable  
But Petr. could not enjoin  
its use by others

Issue whether mark is  
"descriptive" is not one of  
the seven defenses authorized  
by Lanham Act. ~~The~~ Thus  
~~must~~ this quest. - argued  
by Resp - ~~is~~ answered by  
language of Act.

Lanham Act provides that  
the registration is admissible  
evidence ~~as "conclusive"~~  
as "conclusive evidence" of  
incontestability. See 3115(b) of  
Act (p 3, 4 of ~~the~~ Petr's Br,

→ ~~§~~ Defense of "secondary meaning"  
is not one of the seven ~~defenses~~  
& could not have been relied on.

Papkin (cont.)

Answering Qs, counsel agreed that ~~the~~ a valid mark may become "generic". Altho this is not specifically included among the "seven defenses", I understand counsel to say could be advanced to defeat a Lanham Act mark.

See answer to J.P.'s question

McCormack (Resp.)

Mark [§ 1052(d)] was "descriptive" <sup>unforeseeable</sup> at the outset & ~~is~~ <sup>is</sup> ~~not~~ <sup>is</sup> registrable. Patent Office ~~examined~~ made no investigation & submitted no evidence of registrability.

Decisions of Patent Office are always open.

~~Descriptiveness~~

Conceder mark can be <sup>not</sup>

"cancelled", but the holder of a mark that ~~is~~ <sup>was</sup> descriptive - & that has not acquired a secondary meaning - cannot use it offensively; that it can't prevent others from using the mark

check transcript of argument

McCormack (Cont)

"Right to register does not confer a right to exclusive use."

As I understand this counsel, he argues that Lanham Act did not disturb the substantive law of trademark.

(See Question on this statement by BRW & SO'C)

Counsel continues to argue that a Patent Office ~~error~~ ~~is~~ mistake always may be challenged - despite Lanham Act. Defense of "descriptiveness" always may be raised ~~and~~ even though not one of seven defenses. (see <sup>pp. 2, 9</sup> of Br.).

See brief Reply by counsel on Petr. This summary is helpful

B.R.W. says Examiner must have found that mark was not merely descriptive - at least we must so assume

~~"Offensive/descriptive" etc~~

Conceder no legislative history supports Petr's position. Position is equitable.

Rev 8-0

985 not at rest

No. 83-1132, Park'n Fly v. Dollar Park and Fly

Conf. 10/12/84

The Chief Justice

Rev. & Remand

§ 33 lets exception but descriptiveness  
is not one of them.

CA 9 ignored plain language of  
statute.

Mark not void from inception

Public interest is involved. Consumers  
should not be confused. No proof  
of that here

Justice Brennan

Rev. & R

Distinction bet. offensive & defensive  
use is unwound.

Agree with ~~the~~ C.J.

Five years to object.

Result unfortunate but  
this is for Congress

Justice White

Rev & R

Congress identified only defensive



---

Justice Marshall *Rev.*

---

Justice Blackmun *Reverse*

*Agree with C & W & B*

---

Justice Powell *Reverse & R.*

*See my notes*

*Agree with C & W & B*

Justice Rehnquist

Rev

Justice Stevens

Parred

Case is difficult.

Unlike patents, there is no  
jud. review for trade marks.  
Plain language is removed  
from public domain.

J.P.S. agrees, however, that  
plain language seems to control

Justice O'Connor

Rev + Remand

Agree with C.J.

conclusions  
pp. 2, 3, 5, 6

To: The Chief Justice  
Justice Brennan  
Justice White  
Justice Marshall  
Justice Blackmun  
Justice Powell  
Justice Rehnquist  
Justice Stevens

LJP

From: Justice O'Connor

Circulated: OCT 27 1984

Recirculated: \_\_\_\_\_

1st DRAFT

SUPREME COURT OF THE UNITED STATES

No. 83-1132

PARK 'N FLY, INC., PETITIONER v.  
DOLLAR PARK AND FLY, INC.

ON WRIT OF CERTIORARI TO THE UNITED STATES COURT OF  
APPEALS FOR THE NINTH CIRCUIT

[October —, 1984]

Reviewed  
10/28

Join

JUSTICE O'CONNOR delivered the opinion of the Court.

In this case we consider whether an action to enjoin the infringement of an incontestable trade or service mark may be defended on the grounds that the mark is merely descriptive. We conclude that neither the language of the relevant statutes nor the legislative history supports such a defense.

I

Petitioner operates long-term parking lots near airports. After starting business in St. Louis in 1967, petitioner subsequently opened facilities in Cleveland, Houston, Boston, Memphis, and San Francisco. Petitioner applied in 1969 to the United States Patent and Trademark Office (Patent Office) to register a service mark consisting of the logo of an airplane and the words "Park 'N Fly."<sup>1</sup> The registration issued in August 1971. Nearly six years later, petitioner filed

<sup>1</sup>The Trademark Act of 1946 (Lanham Act), 60 Stat. 427, as amended, 15 U. S. C. § 1051 *et seq.*, generally applies the same principles concerning registration and protection to both trade and service marks. See § 3, 15 U. S. C. § 1053. The Lanham Act defines a trademark to include "any word, name, symbol, or device or any combination thereof adopted and used by a manufacturer or merchant to identify his goods and distinguish them from those manufactured or sold by others." § 45, 15 U. S. C. § 1127. A service mark is "a mark used in the sale or advertising of services to identify the services of one person and distinguish them from the services of others." *Ibid.*

2 PARK 'N FLY, INC. *v.* DOLLAR PARK & FLY, INC.

an affidavit with the Patent Office to establish the incontestable status of the mark.<sup>2</sup> As required by § 15 of the Trademark Act of 1946 (Lanham Act), 60 Stat. 433, as amended, 15 U. S. C. § 1065, the affidavit stated that the mark had been registered and in continuous use for five consecutive years, that there had been no final adverse decision to petitioner's claim of ownership or right to registration, and that no proceedings involving such rights were pending. Incontestable status provides, subject to the provisions of § 15 and § 33(b) of the Lanham Act, "conclusive evidence of the the registrant's exclusive right to use the registered mark . . . ." § 33(b), 15 U. S. C. § 1115(b).

Respondent also provides long-term airport parking services, but only has operations in Portland, Oregon. Respondent calls its business "Dollar Park and Fly." Petitioner filed this infringement action in 1978 in the United States District Court for the District of Oregon and requested the court permanently to enjoin respondent from using the words "Park and Fly" in connection with its business. Respondent counterclaimed and sought cancellation of petitioner's mark on the grounds that it is a generic term. See § 14(c), 15 U. S. C. § 1064(c). Respondent also argued that petitioner's mark is unenforceable because it is merely descriptive. See § 2(e), 15 U. S. C. § 1052(e). As two additional defenses, respondent maintained that it is in privity with a Seattle corporation that has used the expression "Park and Fly" since a date prior to the registration of petitioner's mark, see § 33(b)(5), 15 U. S. C. § 1115(b)(5), and that it had not infringed because there is no likelihood of confusion. See § 32(1), 15 U. S. C. § 1114(1). 9/5

After a bench trial, the District Court found that petitioner's mark is not generic and observed that an incontestable

---

<sup>2</sup> Petitioner also applied in 1977 to register a mark consisting only of the words "Park 'N Fly." That mark issued in 1979, but has not become incontestable. The existence of this mark does not affect our resolution of the issues in this case.

9 / there  
mark cannot be challenged on the grounds that it is merely descriptive. App. 75. The District Court also concluded that ~~that~~ there was no evidence of privity between respondent and the Seattle corporation. App. 76. Finally, the District Court found sufficient evidence of likelihood of confusion. App. 76. The District Court permanently enjoined respondent from using the words "Park and Fly" and any other mark confusingly similar to "Park 'N Fly." App. 77.

The Court of Appeals for the Ninth Circuit reversed. 718 F. 2d 327 (1983). The District Court did not err, the Court of Appeals held, in refusing to invalidate petitioner's mark. *Id.*, at 331. The Court of Appeals noted, however, that it previously had held that incontestability provides a defense against the cancellation of a mark, but it may not be used offensively to enjoin another's use. *Ibid.* Petitioner, under this analysis, could obtain an injunction only if its mark would be entitled to continued registration without regard to its incontestable status. Thus, respondent could defend the infringement action by showing that the mark was merely descriptive. Based on its own examination of the record, the Court of Appeals then determined that petitioner's mark is in fact merely descriptive, and therefore respondent should not be enjoined from using the name "Park and Fly." *Ibid.*

The decision below is in direct conflict with the decision of the Court of Appeals for the Seventh Circuit in *Union Carbide Corp. v. Ever-Ready Inc.*, 531 F. 2d 366, *cert. denied*, 429 U. S. 830 (1976). We granted certiorari to resolve this conflict, and we now reverse.

## II

Congress enacted the Lanham Act in 1946 in order to provide national protection for trademarks used in interstate and foreign commerce. Sen. Rep. No. 1333, 79th Cong., 2d Sess., 5 (1946). Previous federal legislation, such as the Federal Trademark Act of 1905, 33 Stat. 724, reflected the view that protection of trademarks was a matter of state concern and that the right to a mark depended solely on the com-

mon law. *Ibid.* Consequently, rights to trademarks were uncertain and subject to variation in different parts of the country. Because trademarks desirably promote competition and the maintenance of product quality, Congress determined that “a sound public policy requires that trademarks should receive nationally the greatest protection that can be given them.” *Id.*, at 6. Among the new protections created by the Lanham Act were the statutory provisions that allow a federally registered mark to become incontestable. §§ 15, 33(b), 15 U. S. C. §§ 1065, 1115(b).

The provisions of the Lanham Act concerning registration and incontestability distinguish a mark that is “the common descriptive name of an article or substance,” from a mark that is “merely descriptive.” §§ 2(e), 14(c), 15 U. S. C. §§ 1052(e), 1064(c). Marks that constitute a common descriptive name are referred to as generic. A generic term is one that refers to the genus of which the particular product is a species. *Abercrombie & Fitch Co. v. Hunting World, Inc.*, 537 F. 2d 4, 9 (CA2 1976). Generic terms are not registrable, and a registered mark may be cancelled at any time on the grounds that it has become generic. See §§ 2, 14(c), 15 U. S. C. §§ 1052, 1064(c). A “merely descriptive” mark, in contrast, describes the qualities or characteristics of a good or service, and this type of mark may be registered only if the registrant shows that it has acquired secondary meaning, *i. e.*, it “has become distinctive of the applicant’s goods in commerce.” §§ 2(e), (f), 15 U. S. C. 1052(e), (f).

This case requires us to consider the effect of the incontestability provisions of the Lanham Act in the context of an infringement action defended on the grounds that the mark is merely descriptive. Statutory construction must begin with the language employed by Congress and the assumption that the ordinary meaning of that language accurately expresses the legislative purpose. See *American Tobacco Co. v. Patterson*, 456 U. S. 63, 68 (1982). With respect to incontestable trade or service marks, § 33(b) of the Lanham Act states

that "registration shall be conclusive evidence of the registrant's exclusive right to use the registered mark" subject to the conditions of § 15 and certain enumerated defenses.<sup>3</sup> Section 15 incorporates by reference subsections (c) and (e) of

<sup>3</sup> Section 33(b) of the Lanham Act, as set forth in 15 U. S. C. § 1115(b), provides:

"If the right to use the registered mark has become incontestable under section 1065 of this title the registration shall be conclusive evidence of the registrant's exclusive right to use the registered mark in commerce or in connection with the goods or services specified in the affidavit filed under the provisions of said section 1065 subject to any conditions or limitations stated therein except when one of the following defenses or defects is established:

(1) That the registration or the incontestable right to use the mark was obtained fraudulently; or

(2) That the mark has been abandoned by the registrant; or

(3) That the registered mark is being used, by or with the permission of the registrant or a person in privity with the registrant, so as to misrepresent the source of the goods or services in connection with which the mark is used; or

*e/* (4) That the use of the name, term, or device charged to be an infringement is a use, otherwise than as a trade or service mark, of the party's individual name in his own business, or of the individual name of anyone in privity with such party, or of a term or device which is descriptive of and used fairly and in good faith only to describe to users the goods or services of such party, or their geographic origin; or

(5) That the mark whose use by a party is charged as an infringement was adopted without knowledge of the registrant's prior use and has been continuously used by such party or those in privity with him from a date prior to registration of the mark under this chapter or publication of the registered mark under subsection (c) of section 1062 of this title: *Provided, however,* That this defense or defect shall apply only for the area in which such continuous prior use is proved; or

(6) That the mark whose use is charged as an infringement was registered and used prior to the registration under this chapter or publication under subsection (c) of section 1062 of this title of the registered mark of the registrant, and not abandoned: *Provided, however,* That this defense or defect shall apply only for the area in which the mark was used prior to such registration or such publication of the registrant's mark; or

(7) That the mark has been or is being used to violate the antitrust laws of the United States."

6 PARK 'N FLY, INC. v. DOLLAR PARK &amp; FLY, INC.

§ 14, 15 U. S. C. 1064. An incontestable mark that becomes generic may be cancelled at any time pursuant to §14(c). That section also allows cancellation of an incontestable mark at any time if it has been abandoned, if it is being used to misrepresent the source of the goods or services in connection with which it is used, or if it was obtained fraudulently or contrary to the provisions of §4, 15 U. S. C. §1054, or §§2(a)–(c), 15 U. S. C. §§1052(a)–(c).<sup>4</sup>

One searches the language of the Lanham Act in vain to find any support for the ~~offensive~~/defensive distinction applied by the Court of Appeals. The statute nowhere distinguishes between a registrant's offensive and defensive use of an incontestable mark. On the contrary, §33(b)'s declaration that the registrant has an "exclusive right" to use the mark indicates that incontestable status may be used to enjoin infringement by others. A conclusion that such infringement cannot be enjoined renders meaningless the "exclusive right" recognized by the statute. Moreover, the language in three of the defenses enumerated in §33(b) clearly contemplates the use of incontestability in infringement actions by plaintiffs. See §§33(b)(4)–(6), 15 U. S. C. §§1115(b)(4)–(6).

The language of the the Lanham Act also refutes any conclusion that an incontestable mark may be challenged as merely descriptive. A mark that is merely descriptive of an applicant's goods or services is not registrable unless the mark has secondary meaning. Before a mark achieves incontestable status, registration provides *prima facie* evidence of the registrant's exclusive right to use the mark in commerce. §33(a), 15 U. S. C. §1115(a). The Lanham Act expressly provides that before a mark becomes incontestable an opposing party may prove any legal or equitable defense which might have been asserted if the mark had not been reg-

<sup>4</sup>Sections 2(a)–(c) prohibit registration of marks containing specified subject matter, *e. g.*, the flag of the United States. Sections 4 and 14(e) concern certification marks and are inapplicable to this case.

no  
offensive/  
defensive  
distinction



istered. *Ibid.* Thus, § 33(a) would have allowed respondent to challenge petitioner's mark as merely descriptive if the mark had not become incontestable. With respect to incontestable marks, however, § 33(b) provides that registration is *conclusive* evidence of the registrant's exclusive right to use the mark, subject to the conditions of § 15 and the seven defenses enumerated in § 33(b) itself. Mere descriptiveness is not recognized by either § 15 or § 33(b) as a basis for challenging an incontestable mark.

The statutory provisions that prohibit registration of a merely descriptive mark but do not allow an incontestable mark to be challenged on this ground cannot be attributed to inadvertence by Congress. The Conference Committee rejected an amendment that would have denied registration to any descriptive mark, and instead retained the provisions allowing registration of a merely descriptive mark that has acquired secondary meaning. See H. R. Conf. Rep. No. 2322, 79th Cong., 2d Sess., 4 (1946) (explanatory statement of House managers). The Conference Committee agreed to an amendment providing that no incontestable right can be acquired in a mark that is a common descriptive, *i. e.*, generic, term. *Id.*, at 5. Congress could easily have denied incontestability to merely descriptive marks as well as to generic marks had that been its intention.

The Court of Appeals in discussing the offensive/defensive distinction observed that incontestability protects a registrant against cancellation of his mark. 710 F. 2d, at 331. This observation is incorrect with respect to marks that become generic or which otherwise may be cancelled at any time pursuant to §§ 14(c) and (e). Moreover, as applied to marks that are merely descriptive, the approach of the Court of Appeals makes incontestable status superfluous. Without regard to its incontestable status, a mark that has been registered five years is protected from cancellation except on the grounds stated in §§ 14(c) and (e). Pursuant to § 14, a mark may be cancelled on the grounds that it is merely descriptive

only if the petition to cancel is filed within five years of the date of registration. § 14(a), 15 U. S. C. § 1064(a). The approach adopted by the Court of Appeals implies that incontestability adds nothing to the protections against cancellation already provided in § 14. The decision below not only lacks support in the words of the statute, but it effectively emasculates § 33(b) under the circumstances of this case.

### III

Nothing in the legislative history of the Lanham Act supports a departure from the plain language of the statutory provisions concerning incontestability. Indeed, a conclusion that incontestable status can provide the basis for enforcement of the registrant's exclusive right to use a trade or service mark promotes the goals of the statute. The Lanham Act provides national protection of trademarks in order to secure to the owner of the mark the good will of his business and to protect the ability of consumers to distinguish among competing producers. See S. Rep. No. 1333, *supra*, at 3, 5. National protection of trademarks is desirable, Congress concluded, because trademarks foster competition and the maintenance of quality by securing to the producer the benefits of good reputation. *Id.*, at 4. The incontestability provisions, as the proponents of the Lanham Act emphasized, provide a means for the registrant to quiet title in the ownership of his mark. See Hearings on H. R. 82 before the Subcommittee of the Senate Committee on Patents, 78th Cong., 2d Sess., 21 (1944) (remarks of Rep. Lanham); *id.*, at 21, 112 (testimony of Daphne Robert, ABA Committee on Trade Mark Legislation); Hearings on H. R. 102 et al. before the Subcommittee on Trade-Marks of the House Committee on Patents, 77th Cong., 1st Sess., 72 (1941) (remarks of Rep. Lanham). The opportunity to obtain incontestable status by satisfying the requirements of § 15 thus encourages producers to cultivate the good will associated with a particular mark. This function of the incontestability provisions would be utterly frus-

trated if the holder of an incontestable mark could not enjoin infringement by others so long as they established that the mark would not be registrable but for its incontestable status.

Respondent argues, however, that enforcing petitioner's mark would conflict with the goals of the Lanham Act because the mark is merely descriptive and should never have been registered in the first place. Representative Lanham, respondent notes, explained that the defenses enumerated in § 33(b) were "not intended to enlarge, restrict, amend, or modify the substantive law of trademarks either as set out in other sections of the act or as heretofore applied by the courts under prior laws." 92 Cong. Rec. 7524 (1946). Respondent reasons that because the Lanham Act did not alter the substantive law of trademarks, the incontestability provisions cannot protect petitioner's use of the mark if it were not originally registrable. Moreover, inasmuch as petitioner's mark is merely descriptive, respondent contends that enjoining others from using the mark will not encourage competition by assisting consumers in their ability to distinguish among competing producers.

These arguments are unpersuasive. Representative Lanham's remarks, if read in context, clearly refer to the effect of the *defenses* enumerated in § 33(b).<sup>5</sup> There is no question that the Lanham Act altered existing law concerning trademark rights in several respects. For example, § 22, 15 U. S. C. § 1072, provides for constructive notice of registration and modifies the common law rule that allowed ac-

---

<sup>5</sup> Representative Lanham made his remarks to clarify that the seven defenses enumerated in § 33(b) are not substantive rules of law which go to the validity or enforceability of an incontestable mark. 92 Cong. Rec. 7524 (1946). Instead, the defenses affect the evidentiary status of registration where the owner claims the benefit of a mark's incontestable status. If one of the defenses is established, registration constitutes only *prima facie* and not conclusive evidence of the owner's right to exclusive use of the mark. *Ibid.* See also H. R. Conf. Rep. No. 2322, 79th Cong., 2d Sess., 6 (1946) (explanatory statement of House managers).

quisition of concurrent rights by users in distinct geographic areas if the subsequent user adopted the mark without knowledge of prior use. See *Hanover Star Milling Co. v. Metcalf*, 240 U. S. 403, 415-416 (1916) (describing pre-Lanham Act law). Similarly, §14 cuts off certain grounds for cancellation five years after registration and thereby modifies the previous rule that the validity of a trademark could be attacked at any time. See *White House Milk Products Co. v. Dwinell-Wright Co.*, 111 F. 2d 490 (CCPA 1940). Most significantly, Representative Lanham himself observed that incontestability was one of "the valuable new rights created by the act." 92 Cong. Rec. 7524 (1946).

Respondent's argument that enforcing petitioner's mark will not promote the goals of the Lanham Act is misdirected. Arguments similar to those now urged by respondent were in fact considered by Congress in hearings on the Lanham Act. For example, the United States Department of Justice opposed the incontestability provisions and expressly noted that a merely descriptive mark might become incontestable. Hearings on H. R. 82, *supra*, at 59-60 (statement of the U. S. Dept. of Justice). This result, the Department of Justice observed, would "go beyond existing law in conferring unprecedented rights on trade-mark owners," and would undesirably create an exclusive right to use language that is descriptive of a product. *Id.*, at 60; see also Hearings on H. R. 102, *supra*, at 106-107, 109-110 (testimony of Prof. Milton Handler); *id.*, at 107, 175 (testimony of attorney Louis Robinson). These concerns were answered by proponents of the Lanham Act, who noted that a merely descriptive mark cannot be registered unless the Commissioner finds that it has secondary meaning. *Id.*, at 108, 113 (testimony of Karl Pohl, U. S. Trade Mark Assn.). Moreover, a mark can be challenged for five years prior to its attaining incontestable status. *Id.*, at 114 (remarks of Rep. Lanham). The supporters of the incontestability provisions further observed that a generic mark cannot become incontestable and that

§ 33(b)(4) allows the non-trademark use of descriptive terms used in an incontestable mark. *Id.*, at 110–111 (testimony of Wallace Martin, chairman, ABA Committee on Trade Mark Legislation).

The alternative of refusing to provide incontestable status for descriptive marks with secondary meaning was expressly noted in the hearings on the Lanham Act. *Id.*, at 64, 69 (testimony of Robert Byerley, New York Patent Law Assn.); Hearings on S. 895 before the Subcommittee of the Senate Committee on Patents, 77th Cong., 2d Sess., 42 (1942) (testimony of Elliot Moyer, Special Asst. to the Attorney General). Also mentioned was the possibility of including as a defense to infringement of an incontestable mark the “fact that a mark is a descriptive, generic, or geographical term or device.” *Id.*, at 45, 47. Congress, however, did not adopt either of these alternatives. Instead, Congress expressly provided in §§ 33(b) and 15 that an incontestable mark could be challenged on specified grounds, and the grounds identified by Congress do not include mere descriptiveness.

#### IV

Respondent argues that the decision by the Court of Appeals should be upheld because trademark registrations are issued by the Patent Office after an *ex parte* proceeding and generally without inquiry into the merits of an application. Enforcing incontestable marks that are merely descriptive, respondent contends, will improperly “take[] out of the language” ideas that should remain part of the public domain. Brief for Respondent 27. This argument also unravels upon close examination. The facts of this case belie the suggestion that registration is virtually automatic. The Patent Office initially denied petitioner’s application because the examiner considered the mark to be merely descriptive. Petitioner sought reconsideration and successfully persuaded the Patent Office that its mark was registrable.

More generally, respondent is simply wrong to suggest that third parties do not have an opportunity to challenge applications for trademark registration. If the Patent Office examiner determines that an applicant appears to be entitled to registration, the mark is published in the Official Gazette. § 12(a), 15 U. S. C. § 1062(a). Within thirty days of publication, any person who believes that he would be damaged by registration of the mark may file an opposition. § 13, 15 U. S. C. § 1063. Registration of a mark provides constructive notice throughout the United States of the registrant's claim to ownership. § 22, 15 U. S. C. § 1072. Within five years of registration, any person who believes that he is or will be damaged by registration may seek to cancel a mark. § 14(a), 15 U. S. C. § 1064(a). A mark may be cancelled at any time for certain specified grounds, including that it was obtained fraudulently or has become generic. § 14(c), 15 U. S. C. § 1064(c). In effect, respondent argues that these detailed statutory provisions offer insufficient protection against improper registration of a merely descriptive mark, and therefore the validity of petitioner's mark may be challenged notwithstanding its incontestable status. Our responsibility, however, is not to evaluate the wisdom of the legislative determinations reflected in the statutes, but is instead to construe and apply the provisions that Congress enacted.

## V

The Court of Appeals did not attempt to justify its decision by reference to the language or legislative history of the Lanham Act. Instead, the court relied on its previous decision in *Tillamook County Creamery v. Tillamook Cheese & Dairy Assn.*, 345 F. 2d 158, 163 (CA9), cert. denied, 382 U. S. 903 (1965), for the proposition that a registrant may not rely on incontestability to enjoin the use of the mark by others. Examination of *Tillamook*, however, reveals that there is no persuasive justification for the judicially-created distinc-

tion between offensive and defensive use of an incontestable mark.

*Tillamook* discussed in dicta the offensive/defensive distinction and observed that incontestability protects a registrant against cancellation but cannot be used to obtain relief from an infringing use. *Tillamook's* authority for this proposition was *John Morrell & Co. v. Reliable Packing Co.*, 295 F. 2d 314, 316 (CA7 1961), which did reverse a finding of infringement on the grounds that incontestable status confers only defensive rights. The Court of Appeals for the Seventh Circuit based its holding in *John Morrell* on *Rand McNally & Co. v. Christmas Club*, 105 U. S. P. Q. 499 (1955), *aff'd* 242 F. 2d 776 (CCPA 1957), but the latter case did not in fact involve the use of an incontestable mark in an enforcement action.

The Patent Office in *Rand McNally* denied a petition to cancel a mark challenged as merely descriptive. The petitioner feared that if the mark became incontestable, use of the same mark in connection with a service different from the one specified in the registration could be enjoined. 105 U. S. P. Q., at 500. The Assistant Commissioner of Patents answered this concern by observing that an incontestable mark does not provide the registrant "with an 'offensive weapon' of any greater magnitude than that which it has had since the registration issued. . . ." 105 U. S. P. Q., at 501. These comments do not suggest that incontestability may never provide the basis for injunctive relief, but instead indicate that a mark may not be expanded beyond the good or service for which it was originally designated.

*John Morrell*, the judicial authority providing the most direct support for the decision below, was subsequently overruled in *Union Carbide Corp. v. Ever-Ready Inc.*, 531 F. 2d 366 (CA7), *cert. denied*, 429 U. S. 830 (1976). In *Union Carbide* the Court of Appeals for the Seventh Circuit acknowledged that its earlier decision in *John Morrell* was unsupported by the language or legislative history of the Lanham

Act and had been based on a misreading of *Rand McNally*, 531 F. 2d, at 373, 377. A registrant may rely on the incontestable status of the mark in an infringement action, *Union Carbide* concluded, and a “[d]efendant faced with an incontestable registered mark cannot defend by claiming that the mark is invalid because it is descriptive.” *Id.*, at 377 (quoting 1 J. McCarthy, *Trademarks and Unfair Competition* § 11.16, p. 377 (1st ed. 1973)).

Other courts have subsequently followed *Union Carbide* and concluded that a plaintiff may rely on the incontestable status of a trade or service mark in an infringement action. See, e. g., *United States Jaycees v. Philadelphia Jaycees*, 639 F. 2d 134, 137 (CA3 1981); *Soweco, Inc. v. Shell Oil Co.*, 617 F. 2d 1178, 1184–1185 (CA5 1980), *cert. denied*, 450 U. S. 981 (1981). The Patent Office has also rejected any offensive/defensive distinction with respect to the use of an incontestable mark. See *Ansul Co. v. Malter Int’l Corp.*, 199 U. S. P. Q. 596, 599–600 (TTAB 1978). Thus, the doctrine relied on by the Court of Appeals in this case is best described as flawed in its origin and subsequently discredited by its progenitors.

## VI

We conclude that the holder of a registered mark may rely on incontestability to enjoin infringement and that such an action may not be defended on the grounds that the mark is merely descriptive.<sup>6</sup> Respondent urges that we nevertheless affirm the decision below based on the “prior use” defense recognized by § 33(b)(5) of the Lanham Act. Alternatively, respondent argues that there is no likelihood of confusion and therefore no infringement justifying injunctive relief. The District Court rejected each of these arguments, but they were not addressed by the Court of Appeals. 718

<sup>6</sup>This case does not present, and we do not address, the issue of the availability of equitable defenses in an action to enforce an incontestable mark. See generally Comment, *Incontestable Trademark Rights and Equitable Defenses in Infringement Litigation*, 66 Minn. L. Rev. 1067 (1982).



83-1132—OPINION

PARK 'N FLY, INC. *v.* DOLLAR PARK & FLY, INC. 15

F. 2d, at 331-332 n. 4. That court may consider them on remand. The judgment of the Court of Appeals is reversed and the cause is remanded for further proceedings consistent with this opinion.

*It is so ordered.*

October 29, 1984

83-1132 Park'N Fly, Inc. v. Dollar Park & Fly, Inc.

Dear Sandra:

Please join me.

Sincerely,

Justice O'Connor

Copies to the Conference

LFP/vde

Supreme Court of the United States  
Washington, D. C. 20543

CHAMBERS OF  
JUSTICE SANDRA DAY O'CONNOR

October 29, 1984

No. 83-1132 Park 'N Fly v. Dollar Park and Fly, Inc.

Dear John,

With respect to your concerns, I first observe that it is unnecessary to assume that Park 'N Fly was not originally entitled to registration under the Act. The issue as presented by the holding below is whether the infringement action can be defended on the grounds that the mark is now merely descriptive. The draft opinion does not address the question whether the mark properly issued initially. This point might be clarified by the addition of a footnote which I will add to the first sentence of the first full paragraph on page 9 of the draft as follows:

Respondent contends that petitioner never claimed secondary meaning for the mark. Assuming that this proposition is true, it does not imply that registration improperly issued. Petitioner could, and apparently did, achieve registration by persuading the Patent Office that the mark was not merely descriptive. App. 54-57.

The Court of Appeals did not conclude that the mark improperly issued originally, but instead held that the mark at present is merely descriptive and observed that petitioner has not claimed that it has acquired secondary meaning. 718 F.2d, at 331. Thus, the holding of the Court of Appeals is not that an infringer can defend on the grounds that the mark was improperly issued because of plain error by Examiner, and we need not determine in this case whether such a defense may be asserted against an incontestable mark. Footnote 6 of the draft opinion expressly notes that we do not address the availability of equitable defenses. I add, however, that it is difficult to believe that Congress intended that the incontestability provisions would provide a means to quiet title in trademarks, but that incontestable marks could be challenged in an infringement action on the grounds that the Examiner erred in issuing the mark.

With respect to the legislative history, the point made in the draft opinion is that opponents of the incontestability provisions expressed concerns that merely descriptive marks might become incontestable, and that Congress addressed these concerns by providing particular statutory safeguards. These safeguards do not include the right to defend an infringement action on the grounds that an incontestable mark either was originally or has become merely descriptive. I note that Congress expressly allowed a defense on the grounds that the registration was obtained fraudulently and permitted a mark to be challenged at any time on the grounds that it has become generic.

Rand McNally's statement concerning the use of incontestability as an "offensive weapon" cannot be characterized as precedent having persuasive force in the instant case. As the draft notes, the statement was dicta made in the context of a petition to cancel a descriptive mark that did possess secondary meaning. Moreover, even if the statement were interpreted to declare that an infringement action can be defended on the grounds that an incontestable mark is merely descriptive, that conclusion, as the draft explains, would conflict with the language and legislative history of the statute. Thus, I think that the draft opinion accords Rand McNally all the weight it deserves.

Sincerely,



Justice Stevens

Copies to the Conference

Supreme Court of the United States  
Washington, D. C. 20543

CHAMBERS OF  
JUSTICE JOHN PAUL STEVENS



October 29, 1984

Re: 83-1132 - Park 'N Fly, Inc. v. Dollar  
Park And Fly, Inc.

Dear Sandra:

This case continues to trouble me. I think we must make an assumption that I do not believe your opinion ever expressly confronts, namely that the "Park 'N Fly" trademark was not entitled to registration under the Act.

As you note on page 4, page 6, and again on page 10, a descriptive mark may be registered only if the registrant shows that it has acquired secondary meaning. Petitioner made no such showing. Instead, it convinced the Examiner that the mark was not descriptive. The Court of Appeals disagreed with that conclusion and I think your opinion assumes that this is indeed a merely descriptive mark. Without any finding on the secondary meaning issue, it necessarily follows that the mark was not entitled to registration.

If you accept this analysis, your treatment of the legislative history on page 10 is flawed because the answer of the proponents of the Act "who noted that a merely descriptive mark cannot be registered unless the commissioner finds that it has secondary meaning" does not deal with the problem that this case presents.

I am also afraid that you have overstated the holding of the Court of Appeals. The court did not hold that an infringer can defend simply because a mark is descriptive. Rather, he can defend on the ground that (1) the mark is descriptive and (2) should not have been registered because it did not acquire a secondary meaning. It surely is at least arguable that there may be some nonstatutory equitable defenses--such as laches or unclean hands--to infringement actions even after a mark has become incontestable. The

respondent argues that there should be room for such an equitable defense if the record discloses that the mark was registered as a result of plain error committed by the Examiner. I am not sure your opinion fully responds to that argument.

Finally, I think there is more force in the Rand McNally precedent than the opinion acknowledges. If we take the comment of the Assistant Commissioner of Patents at face value, it does support respondent. For it is clear that the Park 'N Fly mark could not have been used as an "offensive weapon" immediately after registration without proof of secondary meaning, but now it may be enforced even if the infringer proves that the mark never acquired secondary meaning. Thus, in direct contrast to the Assistant Commissioner's comment, incontestability has provided this

registrant "with an 'offensive weapon' of any greater magnitude than that which it has had since the registration issued...." (Draft op., at 10, quoting from 105 U.S.P.Q., at 501.

In sum, I cannot join your opinion as presently drafted. I will try my hand at a different approach and, frankly, am still in some doubt as to how I will eventually come out.

Respectfully,



Justice O'Connor

Copies to the Conference

Supreme Court of the United States  
Washington, D. C. 20543

CHAMBERS OF  
JUSTICE BYRON R. WHITE

October 30, 1984

83-1131 -

Park 'n Fly, Inc. v.  
Dollar Park and Fly, Inc.

---

Dear Sandra,

Please join me.

Sincerely yours,



Justice O'Connor

Copies to the Conference

Supreme Court of the United States  
Washington, D. C. 20543

CHAMBERS OF  
JUSTICE WILLIAM H. REHNQUIST

October 30, 1984

Re: No. 83-1132 Park 'N Fly, Inc. v. Dollar Park and Fly, Inc.

Dear Sandra:

Please join me.

Sincerely,

*wm*

Justice O'Connor

cc: The Conference



Supreme Court of the United States  
Washington, D. C. 20543

CHAMBERS OF  
JUSTICE Wm. J. BRENNAN, JR.

October 30, 1984

No. 83-1132

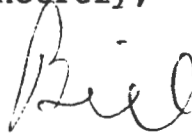
Park 'N Fly, Inc.  
v. Dollar Park and Fly, Inc.

---

Dear Sandra,

I agree.

Sincerely,



Justice O'Connor

Copies to the Conference

Supreme Court of the United States  
Washington, D. C. 20543



CHAMBERS OF  
JUSTICE THURGOOD MARSHALL

October 30, 1984

Re: No. 83-1132-Park'N Fly, Inc. v. Dollar Park  
and Fly, Inc.

Dear Sandra:

I am not yet at rest on this one.

Sincerely,

T.M.

Justice O'Connor

cc: The Conference

Supreme Court of the United States  
Washington, D. C. 20543

CHAMBERS OF  
JUSTICE JOHN PAUL STEVENS



October 30, 1984

Re: 83-1132 - Park 'N Fly, Inc. v. Dollar  
Park And Fly, Inc.

Dear Sandra:

Thank you for your prompt reply to my letter. With all due respect, however, I am afraid that your new footnote will just compound the confusion. If you assume that the mark never acquired secondary meaning, that assumption certainly does imply that the registration issued improperly. For I do not understand your opinion to disagree with the Court of Appeals' conclusion that the mark is merely descriptive, and, of course, the statute plainly provides that a merely descriptive mark may not be registered unless it has acquired secondary meaning.

You are, of course, entirely correct in noting that in view of the fact that Congress intended the incontestability provisions to provide a means to quiet title in trademarks, it necessarily follows that incontestable marks cannot be challenged in an infringement action on the ground that the mark was erroneously issued. But, as the Rand McNally case demonstrates, the fact that an alleged infringer is not entitled to have a mark canceled--i.e., to challenge the mark--does not answer the question whether the owner of the mark is entitled to obtain injunctive relief against the infringer.

I recognize that your footnote 6 states that we do not address the availability of equitable defenses in an action enforcing an incontestable mark. But if you are willing to assume that the use of the word "exclusive" in § 33(b) does not necessarily require rejection of equitable defenses, I do not understand why that word should carry enough force to require rejection of a defense that the mark should never have issued in the first instance.

Perhaps the heart of the problem is our disagreement about the correct phrasing of the issue before the Court. In the first sentence of your opinion--and the second sentence of your letter--you state the issue as whether the infringement can be defended on the ground that the mark is merely descriptive. I agree completely that such a defense is insufficient. But the question, as I see it, is whether the action may be defended on the ground that the mark is (1) merely descriptive and (2) never acquired secondary meaning, and therefore was never entitled to registration.

Respectfully,



Justice O'Connor

Copies to the Conference

Supreme Court of the United States  
Washington, D. C. 20543

CHAMBERS OF  
JUSTICE SANDRA DAY O'CONNOR

November 1, 1984

No. 83-1132 Park 'N Fly, Inc. v. Dollar Park and Fly, Inc.

Dear John,

I suppose little more can be gained from a further exchange of letters in this case, but I will make one last effort. Even if we assume that the mark is now merely descriptive, it does not follow that it improperly issued in 1967. Petitioner apparently persuaded the Patent Office that the mark was registrable because it was suggestive and not merely descriptive. See app. 54-57. The nature of a particular trademark is not static, as evidenced by the fact that Congress expressly provided that a mark may be cancelled at any time if it becomes generic.

Moreover, I am convinced that the incontestability provisions do not allow an infringer to defend merely on the grounds that the Patent Office erred in originally issuing the mark. Congress expressly provided that an incontestable mark can be challenged on the grounds that registration or the right to incontestability was fraudulently obtained. 15 U.S.C. §1115(b)(1). To conclude that an infringer may allege that a mark should never have issued in the first instance, for whatever reason, both would ignore the specific defenses selected by Congress and would effectively restore the pre-Lanham Act rule that the validity of a mark can be raised at any time as a defense to an infringement action. I note parenthetically that respondent did claim in its initial answer that the mark at issue here had been fraudulently obtained. App. 17-19. This contention is not mentioned in the pretrial order, see app. 32-33, and was not pursued at trial.

With respect to Rand McNally, it did not, of course, involve an incontestable mark and it establishes nothing even with respect to when such marks may be cancelled. Moreover, as the draft opinion notes at pp. 7-8, to conclude that incontestability only protects an incontestable mark against cancellation makes incontestability superfluous under the circumstances of this case.

Finally, I do not think the draft is inconsistent in suggesting that equitable defenses might be available. I did not intend to imply that such defenses are in fact available, and there is disagreement on this issue among the lower courts. Compare Prudential Ins. Co. v. Gibraltar Financial Corp., 694 F.2d 1150, 1153 (CA9 1982) (incontestability no bar to defense of laches), with United States Jaycees v. Chicago Jr. Assn. of Commerce & Industry, 505 F. Supp. 998, 1001 (N.D. Ill. 1981) (§1115(b) precludes equitable defenses). The best argument that equitable defenses are available rests on the language of §34, 15 U.S.C. §1116, which authorizes district courts to grant injunctions "according to the principles of equity." That this provision might permit a court to refuse to enjoin infringement of an incontestable mark based on equitable defenses does not suggest, however, that a court may consider as a defense challenges to the validity of the mark that are nowhere recognized in the statute.

Sincerely,



Justice Stevens

Copies to the Conference

Supreme Court of the United States  
Washington, D. C. 20543

CHAMBERS OF  
THE CHIEF JUSTICE

November 29, 1984



Re: 83-1132 - Park' N Fly, Inc. v. Dollar Park  
and Fly, Inc.

Dear Sandra:

I join.

Regards,

A handwritten signature, likely of Justice O'Connor, is written in black ink. The signature is stylized and appears to be 'WOB'.

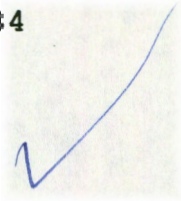
Justice O'Connor

Copies to the Conference

Supreme Court of the United States  
Washington, D. C. 20543

CHAMBERS OF  
JUSTICE THURGOOD MARSHALL

November 30, 1984



Re: No. 83-1132 - Park 'N Fly, Inc. v.  
Dollar Park and Fly, Inc.

Dear Sandra:

Please join me.

Sincerely,

*JM.*  
T.M.

Justice O'Connor  
The Conference



83-1132 Park 'N Fly v. Dollar Park and Fly (Annmarie)

SOC for the Court 10/12/84

1st draft 10/27/84

2nd draft 10/30/84

3rd draft 12/21/84

Joined by LFP 10/29/84

WHR 10/30/84

WJB 10/30/84

BRW 10/30/84

HAB 10/31/84

CJ 11/29/84

TM 11/30/84

JPS dissenting

1st draft 12/19/84

TM not at rest 10/30/84