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## INTELLECTUAL PROPERTY NEWSLETTER

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## USE DECLARATION DEADLINE FOR EXISTING TRADEMARK REGISTRATIONS

### **Puerto Rico Trademark Registrations— Intent to Use Modality:**

Puerto Rico's counter-part to the federal trademark statute (the Lanham Act) is Act 63 of August 14, 1991, 10 L.P.R.A. §171, *et seq.* ("Puerto Rico's Trademarks Act"). This local statute provides that any person may seek the registration of a trademark or service mark at the Puerto Rico Department of State.

In order to seek such registration, the Puerto Rico's Trademarks Act requires that the applicant submit: (a) a written application; (b) a sworn statement to the effect that, to the applicant's best knowledge, no other person is entitled to use the mark in Puerto Rico; and (c) a facsimile of the mark "as it is used **or shall be used**" in the Puerto Rico market. 10 L.P.R.A. § 171b (emphasis added). Based upon such proposition, it has been generally accepted that the statute permits registrations based upon a future "intent-to-use" in the Puerto Rico market. See, Arribas & Assoc., Inc. v. Santa Clara C. Por A., 2005 TSPR 143 (2005) ("Arribas").

Nevertheless, contrary to the Lanham Act (which has specific use requirements in the statute itself prior to achieving registration), see, 15 U.S.C.A. §1051(d), Puerto Rico's Trademarks Act lacks any express requirement that such eventual use be accredited at the State Department in order to obtain and maintain a trademark registration.

### **Regulatory requirement:**

#### **Use Declaration within Five Years**

This statutory vacuum was filled by the

adoption of the Regulations of the Trademark Registry Procedures of the Puerto Rico State Department ("Reglamento de Procedimientos del Registro de Marcas del Departamento de Estado de Puerto Rico"), Regulation No. 4638, approved on February 21, 1992. Section 42 of such regulation provides:

*Every time that the mark is used in commerce after the date of registration of such mark, a sworn statement of use, 5 loose facsimiles and how it is used on the product or in relation to the services, and the evidence of use that may be requested by the Secretary shall be presented for filing. Such declaration shall be presented within the 5 years subsequent to the date of registration. (Translation ours).*

However, the Regulation itself also had its own legal vacuum, as it failed to expressly state the consequences of failing to submit the required declaration. See, Arribas, supra. This all changed upon the Supreme Court's decision in Arribas, supra.

### **The Impact of Arribas & Assoc., Inc. v. Santa Clara C. Por A**

Arribas involved a battle between two competing trademark applications, both of which were submitted on an intent-to-use basis. In order to resolve this battle between competing applications, the Court expressly held that intent-to-use applicants/registrants must strictly comply with the five-year term for submitting the use-

declaration. In Arribas, failure to submit such use-declaration was held sufficient to preclude registration of the competing intent-to-use applications, disregarding the fact that the legal battle itself may have been the reason why the parties had postponed using the mark in the first place.

As a result of Arribas, the Puerto Rico State Department's Trademark Registry initially issued Circular Letter 2005-DE002 of November 14, 2005, notifying the public that all intent-to-use marks as to which a use-declaration had not been submitted within the 5-year period were to be deemed null and void. While the State Department informed such non-compliance would entail their immediate cancellation, the process for canceling such registrations and removing them from the system apparently did not commence immediately.

### The Transitory Regulatory Provision

Later, though, the Department of State reconsidered its initial position. On November 3, 2006, an amendment to Section 42 of the regulation became effective. *Regulation No. 7223, approved on October 3, 2006*. This amendment provides for a transitory provision allowing applicants to file the required use-declaration - within a 6 months period from the approval of the amendment - as long as they certify that the registrant actually used the mark in commerce within 5 years counting from the date of filing of the pertinent trademark application. Once the transitory period expires, however, no further use-declarations will be allowed beyond the 5-year post-registration term.

Thus, a use declaration may be submitted for all marks that were **actually used** within 5 years from the filing of its intent-to-use registration application, up to and until **May 3, 2007**. By fulfilling the requirement, an existing registration (which may be generally unassailable, except for very limited basis for cancellation, 10 L.P.R.A. § 171q) will continue to be in effect. Once this six-month term expires, any intent-to-use application or registration submitted more than five-years ago, and as to which no use-declaration has been submitted, will be subject to cancellation.

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*Because of the general nature of this newsletter, nothing herein should be considered as legal advice or a legal opinion. For further information about the contents of this newsletter, or should you need further assistance in connection with these matters, please contact the firm's Intellectual Property Practice Group.*

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