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THE PAN-AMERICAN TRADEMARK CONVENTION OF 1929:
A BOLD VISION OF EXTRATERRITORIAL MEETS CURRENT REALITIES

Christine Haight Farley *

INTRODUCTION

In 1990, the Federal Circuit considered an international trademark dispute brought by a sympathetic plaintiff who ultimately lost based on a non-controversial reaffirmation of basic principles of U.S. trademark law. Larry Christman, a U.S. citizen and an employee of a sportswear wholesaler, took a business trip to Japan. While there, he visited a Person’s Co. clothing store. Christman purchased several items of clothing bearing the Person’s logo. When he returned home, he developed a clothing line based on the products he purchased from Person’s Co. Many items were copied wholesale. The resulting clothing items were marked with the Person’s logo bearing the same globe design used by the Person’s Co. Christman obtained a registration for the Person’s mark in the U.S. a few years later.

During that same period, the Japanese Person’s mark had become a well-known mark in Japan. Additionally, Person’s Co. was in the process of expanding its business to the U.S., apparently unbeknownst to Christman. Significantly, Christman’s goods made it to market seven months before the Japanese goods, and Christman preceded the Person’s Co. to the trademark office. Nevertheless, the Person’s Co. sought to cancel Christman’s mark Person’s based on its prior foreign use, and due to the registrant’s bad faith.

The Federal Circuit refused to cancel Christman’s mark, finding that the Person’s Co. use of the mark in Japan did not establish its priority.1 Citing the principle of territoriality, the court held that foreign trademark use cannot form the basis for U.S. priority. Additionally, the court held that the territoriality of trademark law also negated the Person’s Co.’s argument of bad faith since Christman is the senior user in the U.S. and the senior user cannot be charged with bad

* Professor, American University Washington College of Law. Please send comments to cfarley@wcl.american.edu. I wish to dedicate this article to the memory of Debra Evenson, one of the few U.S. trademark attorneys who was an expert on the Inter-American Convention. I am indebted to American University law students Kavita DeVaney and Ellie Atkins for their superb research assistance. I am also grateful for the helpful comments received at scholarly colloquia at Arizona State University, Marquette Law School and American University.

1 Person’s Co. v. Christman, 900 F.2d 1565 (Fed. Cir. 1990).
faith. Moreover, the court stated that “[k]nowledge of a foreign use does not preclude good faith adoption and use in the United States.”

While these rulings are unfortunate for the Person’s Co., they are nonetheless just and founded on settled trademark principles. The concept of territoriality is fundamental in trademark law such that trademark rights exist country by country according to the laws of that country.

Except that there are exceptions. These exceptions are very important to keep in mind.

The primary purpose of this chapter is to reveal an interesting and important exception to territoriality in U.S. law. That exception can be found in the little-known 1929 General Inter-American Convention for Trade Mark and Commercial Protection (“Pan-American Convention”).

It is notable that the convention is unfamiliar to most U.S. trademark practitioners and scholars. There are very few substantive trademark treaties in existence so this one is certainly not getting lost in the crowd. Moreover, it is not that this convention has been superseded or denounced. This convention remains valid and in force today in the United States and in all of the original contracting countries. Furthermore, this convention is self-executing. This means that the convention’s substantive provisions can be given legal effect in U.S. courts. But what makes it most remarkable that the Pan-American Convention is unfamiliar, is that this convention provides some fairly radical trademark rights, especially its exceptions to territoriality.

HISTORY OF THE INTER-AMERICAN CONVENTION

The historical roots of the treaty explain some of its unusual features. The first major trademark treaty was the Paris Convention. On the heels of the ratification of the Paris Convention of 1883—a mere six years later—international negotiations began for a regional trademark agreement for the Americas. These negotiations were not swift. Between 1889 and 1930, six international meetings were convened and five separate conventions were adopted. These efforts were undertaken by the governments of the American countries toward the larger goal of creating a customs union in the Americas. The culmination of these meetings was the final adoption of the Pan-American Convention, which occurred on February 20, 1929, at Washington, D.C.
The Pan-American Convention was initially negotiated in the shadow of the Paris Convention. Since the large majority of Latin American states were not members of the Paris Union, the primary objectives were to provide national treatment within the new union and to create a uniform system for the protection of foreign trademarks.

In 1889, at the International Congress of American states at Montevideo, the first Inter-American trademark treaty was signed. The main feature of this convention was to secure reciprocal national treatment for trademark owners in the contracting countries. A second Inter-American trademark convention was adopted in Mexico City in 1902. The text of the 1902 convention largely reproduced the previous text, but added some language taken from the Paris Convention on national treatment and priority. One thing that this text did not borrow was the principle of independence. The 1902 convention provided that any state that cancelled a mark had to inform all of the contracting states so that they could decide if they too would cancel the mark.

The 1906 convention incorporated the 1902 convention and added a number of important new features. The 1906 convention in Rio de Janeiro established a registration regime modeled on the 1891 Madrid Agreement for the international registration of trademarks whereby registration offices were set up in Havana and Rio. In the establishment of these bureaus, the 1906 convention followed the Madrid arrangement, yet it went much further in purporting to centralize the registrations of trademarks as well as literary and artistic works, patents, and designs and models. The next convention that was adopted in 1923 in Santiago was not a general agreement for the protection of trademarks in the way that the Paris Convention is. Instead, its objective would rather appear to duplicate the Madrid Agreement for the Americas. As such, unlike previous Pan-American conventions, it contained no provisions concerning the

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6 Only Brazil, Cuba and Mexico became members of the Paris Union by 1929. Brazil ratified the Paris Convention in 1883, Mexico ratified in 1903, and Cuba ratified in 1904. The U.S. ratified the Paris Convention in 1887. A few other Latin American states ratified the Paris Convention only to denounce the treaty shortly thereafter. For instance, the Dominican Republic ratified in 1884, but denounced in 1888. Likewise, Guatemala ratified in 1883, but denounced in 1894. Ecuador denounced in 1885. During the 1929 Pan-American conference it was stated that Brazil and Cuba intended to withdraw from the Paris Convention. PAN AMERICAN TRADEMARK CONFERENCE, MINUTES OF THE PLENARY SESSIONS AND OF THE COMMITTEES OF THE CONFERENCES, 5 (1929). Brazil, Cuba, and Mexico were also members of the Madrid Agreement of 1891.

In 1906 Argentina invited the USTA to comment on its domestic trademark law. Similarly, in 1908, Ecuador asked the USTA to propose a trademark law which was to become the model for other Latin American countries. About INTA History, INTERNATIONAL TRADEMARK ASSOCIATION, www.inta.org/history/pages/history.aspx (last visited Jan. 22, 2013).

7 STEPHEN P. LADAS, THE INTERNATIONAL PROTECTION OF TRADE MARKS BY THE AMERICAN REPUBLICS 11 (1929). The contracting countries of this convention were Argentina, Bolivia, Chile, Paraguay, Peru, and Uruguay. Bolivia and Chile did not ratify. A corollary patent treaty was also adopted that gave patent owners a one year priority.

national treatment of foreign trademark owners or a right of priority for filing applications for the registration of trademarks in the contracting countries.\textsuperscript{9}

Since none of the conventions succeeded in securing widespread adoption in the region,\textsuperscript{10} a final attempt was made. The 1929 convention ultimately had nineteen signatory countries: Bolivia; Brazil; Chile; Colombia; Costa Rica; Cuba; Dominican Republic; Ecuador; Guatemala; Haiti; Honduras; Mexico; Nicaragua; Panama; Paraguay; Peru; United States; Uruguay; and Venezuela. The Convention entered into force on April 2, 1930. There are ten member states: Colombia; Cuba; Guatemala; Haiti; Honduras; Nicaragua; Panama; Paraguay; Peru; and the United States.

In contrast to the Paris Convention, which was essentially negotiated by the European states, the Pan-American Convention was negotiated between the United States and eighteen Latin American states. The Paris Convention negotiating states were largely in harmony in their approach to protecting trademarks and in their appreciation of what the problems were. The foundation for the Pan-American Convention negotiations was vastly different.

A major conflict between the U.S. and the other American countries was over the fundamental source of rights in trademarks. The U.S. view was that the common law created the right based on use of the mark and that the registration of the mark was merely evidence of that right.\textsuperscript{11} In contrast, throughout Latin America, the registration creates the trademark right. Important corollaries of that principle are that unless and until the mark is registered, it is available for use by anyone, and if it is registered, it is incontestable.\textsuperscript{12} Apparently, some U.S.

\textsuperscript{9}STEPHEN P. LADAS, THE INTERNATIONAL PROTECTION OF TRADE MARKS BY THE AMERICAN REPUBLICS 20, 29 (1929). The Pan-American convention of 1923 remains in effect between Brazil, Chile, Cuba, the Dominican Republic, Guatemala, Haiti, Paraguay, and the United States.

\textsuperscript{10}STEPHEN P. LADAS, 3 PATENTS, TRADEMARKS, AND RELATED RIGHTS NATIONAL AND INTERNATIONAL PROTECTION at 1752 (1975) (stating that despite repeated attempts for more than forty years to create an American union for the protection of industrial property, the American states had yet to arrive at a workable resolution, acceptable to all states), see also LADAS, 3 PATENTS TRADEMARKS AND RELATED RIGHTS NATIONAL AND INTERNATIONAL PROTECTION at 1745-51 (providing that the following states recognized the precedent conventions: Montevideo Conventions of 1889 - Argentina, Bolivia, Brazil, Chile, Paraguay, Peru and Uruguay; Second Pan American Convention of 1902 - Argentina, Bolivia, Colombia, Costa Rica, Chile, Ecuador, El Salvador, Guatemala, Haiti, Honduras, Mexico, Nicaragua, Paraguay, Peru, Dominican Republic and Uruguay; Pan-American Convention of 1906 - Honduras, Guatemala, Salvador, Nicaragua, Costa Rica, Chile, Ecuador, Brazil and Panama; Pan-American Convention of 1919 - Brazil, Costa Rica, Cuba, the Dominican Republic, Ecuador, Guatemala, Haiti, Honduras, Nicaragua, Panama, Paraguay, the United States and Peru, however the governments of Costa Rica, Guatemala, Honduras, and Nicaragua subsequently denounced the trademark convention which resulted from this meeting; Pan-American Trademark Convention of 1923 - Brazil, Cuba, Dominican Republic, Haiti, Paraguay, United States, and Uruguay).

\textsuperscript{11}Edward S. Rogers, Some Suggestions Concerning a Trademark Registration Act, 43 ANN. REP. A.B.A. 412, 413 (1920).

\textsuperscript{12}Id.
trademark owners believed that the different system existing in Latin America left their trademarks vulnerable.\footnote{A 1920 article written for the ABA by Edward Rogers mentions “much loose talk condemnatory” of the Latin American trademark system, and “[h]orrible examples [] cited where valuable marks owned . . . by American citizens, have been pirated and appropriated by foreigners for their own benefit.” \textit{Id.} at 414. Rogers accuses these detractors as displaying “a singular insularity of view” and defends that system as efficient.}

In the early 1900s, there was not a vibrant trademark practice in any of the Latin American states involved in the Pan-American Convention negotiations. As a result, some of the negotiators lamented the lack of expertise they were able to bring to the table.\footnote{\textit{See Stephen P. Ladas, 3 Patents, Trademarks, and Related Rights National and International Protection} at 1753 n. 34 (1975) (citing the Argentine delegate as stating that he had never encountered a case involving trademarks during his career).} Representing the United States in these negotiations were Stephen P. Ladas and Edward S. Rogers. Ladas and Rogers were two of the foremost experts in both U.S. and international trademark law. They would have been in a perfect understanding of how the rights established in this convention would have extended protection beyond existing U.S. law.

Stephen Ladas published an influential book in advance of the 1929 Washington Conference in an effort to “facilitate the work of the conference of trademark experts and specialists of the American countries, meeting at Washington, February 11, 1929.”\footnote{\textit{Stephen P. Ladas, The International Protection of Trademarks by the American Republics} TBD (1929).} Ladas was a member of the firm that eventually became known as Ladas & Parry. Not only was the firm specialized in intellectual property, but it was initially focused on seeking protection for American inventions and trademarks in foreign countries. In addition to practicing law, Ladas also worked as a business consultant for the Coca-Cola Company. Stephen Ladas wrote several books on the international protection of trademarks including “The International Protection of Trademarks by the American Republics” (1929), “The International Protection of Industrial Property” (1930), and “Patents, Trademarks and Related Rights - National and International Protection” (1975).\footnote{He also wrote a book on international copyright protection: \textit{Stephen P. Ladas, The International Protection of Literary and Artistic Property} (1938).} Ladas participated in the 1958 revision of the Paris Convention as a member of the United States delegation.\footnote{Ladas’ partner, Lawrence Langner, was involved in the drafting of the trademark provisions of the Treaty of Versailles.}

Edward Rogers, one of the chief architects of the Lanham Act, acted as the most engaged delegate to the conference that drafted the Pan-American Convention. In 1914, Rogers published “Good Will, Trade-Marks and Unfair Trading,” which became for many decades the leading text in trademark law. By the 1920s, Rogers had become known as the “Dean of the Trademark Bar.” He began drafting a new Federal trademark law which eventually was enacted as the Lanham Act. Roger’s firm, which has come to be known as Pattishall McAuliffe, also developed a reputation in international trademark practice and worldwide brand protection programs. Ladas
and Rogers continued their interest in this convention beyond its ratification and in a joint publication in 1950, proposed a revision in order to attract additional parties.\textsuperscript{18}

Because this treaty followed the Paris Convention, the rights contained were anticipated to go beyond the minimum protections mandated by the Paris Convention. In an article published in 1950, Ladas and Rogers state that the Pan-American Convention is “in some respects superior to that achieved by the [Paris Convention].”\textsuperscript{19}

EXCEPTIONS TO TERRITORIALITY

In these negotiations, the U.S. not only had the most expertise, but it also had the clearest objectives. Primarily, its objective was to provide U.S. corporations with trademark rights in advance for when and if they should choose to do business in one of the contracting states. Specifically, it was desired that these corporations should have trademark rights in cases where they did not register, use or advertise their mark if the party they sought to enjoin had knowledge of their trademark rights in the U.S. To be clear, this was a knowledge standard, not a bad faith standard.

Thus, the Pan-American Convention priority right was something new and it remains unique in international trademark law. Unlike the Paris Convention priority right, it is neither limited in time nor applied as of right. It is unlike the Paris Convention’s “well-known marks” protection in that the senior user does not have to prove fame in the country in which it seeks protection, but merely that junior user was aware of senior user’s rights in a member country.

The priority provisions are found in Articles 7 and 8. Article 7 provides:

Any owner of a mark protected in one of the Contracting States in accordance with its domestic law, who may know that some other person is using or applying to register or deposit an interfering mark in any other of the Contracting States shall have the right to oppose such use, registration or deposit and shall have the right to employ all legal means, procedure or recourse provided in the country in which such interfering mark is being used or where its registration or deposit is being sought, and upon proof that the person who is using such mark or applying to register or deposit it, had knowledge of the existence and continuous use in any of the Contracting States of the mark on which opposition is based upon goods of the same class, the opposer may claim for himself the preferential right to use such mark in the country where the opposition is made or priority to register or


deposit it in such country, upon compliance with the requirements established by the domestic legislation in such country and by this Convention.\textsuperscript{20}

Thus, Article 7 provides the owner of a mark in a contracting state the right to challenge the use and registration of an interfering mark in another contracting state upon proof that the interfering party had knowledge of the existence and continuous use of the mark and upon compliance with the domestic requirements in that contracting state. Article 7 entitles the owner of the mark to "the preferential right to use such mark . . . or priority to register . . . ."

In terms of the relationship with U.S. statutory law, Article 7 merely establishes as a prerequisite to assertion of a claim or defense under Article 7 compliance with the domestic legislation in the country where the actionable conduct takes place.

So the elements required in order to prevail on the issue of priority pursuant to Article 7 of the Pan-American Convention are as follows: (1) plaintiff is the owner of a mark protected in one of the member states; (2) defendant is using or applying to register an "interfering mark" in the United States; (3) defendant had knowledge of the existence and continuous use in a member state of plaintiff’s mark in connection with goods in the same class, prior to its use of the mark in the United States; and (4) plaintiff has complied with the requirements of the domestic law in both member states.

The Cuban draft that was presented at the 1929 Washington conference, in Article 5, first introduced the rights that later were developed into Articles 7 and 8. Article 5 provided that

Any owner of a mark legally protected in one of the contracting States in accordance with its domestic legislation who may know that some other person or entity is using or endeavoring to register or deposit a mark substantially the same as his or likely to cause confusion . . . shall have the right to object to the use, registration or deposit . . . upon proving that the person who is using it or attempting to register or deposit it had knowledge of the existence and use of the marks on which the opposition is based, in any of the contracting State . . . and may claim for himself the right to use his mark preferentially . . . .\textsuperscript{21}

Similarly, the draft Article 6 provided that “the owner of a mark” has the right to cancel a conflicting registration if his mark enjoyed legal protection in a contracting State at the filing date, and the registrant had knowledge of the use or registration in a contracting State for the same goods, or that his goods have circulated in the country of registration by the filing date.\textsuperscript{22}

\textsuperscript{21} PAN AMERICAN TRADEMARK CONFERENCE, MINUTES OF THE PLENARY SESSIONS AND OF THE COMMITTEES OF THE CONFERENCES, 17 (1929).
\textsuperscript{22} PAN AMERICAN TRADEMARK CONFERENCE, MINUTES OF THE PLENARY SESSIONS AND OF THE COMMITTEES OF THE CONFERENCES, 18 (1929).
Edward Rogers, serving as a U.S. delegate to the Washington conference, made numerous amendments to the draft text in the first meeting, some of which were rejected. One of his interventions concerned the knowledge standard in what became Articles 7 and 8. Mr. Rogers proposed that either actual or constructive knowledge would be sufficient, but that both requirements would be unnecessarily burdensome. The Cuban delegate who authored the provision pushed back just a bit and reminded Mr. Rogers of the great stretch it was for Latin American States to recognize use, but quickly accepted the edit proposed.

Article 8 seems to go beyond Article 7 in detailing the right and procedure to cancel an interfering mark. Article 8 provides:

When the owner of a mark seeks the registration or deposit of the mark in a Contracting State other than that of origin of the mark and such registration or deposit is refused because of the previous registration or deposit of an interfering mark, he shall have the right to apply for and obtain the cancellation or annulment of the interfering mark upon proving, in accordance with the legal procedure of the country in which cancellation is sought, the stipulations in Paragraph (a) and those of either Paragraph (b) or (c) below:

(a) That he enjoyed legal protection for his mark in another of the Contracting States prior to the date of the application for the registration or deposit which he seeks to cancel; and

(b) that the claimant of the interfering mark, the cancellation of which is sought, had knowledge of the use, employment, registration or deposit in any of the Contracting States of the mark for the specific goods to which said interfering mark is applied, prior to adoption and use thereof or prior to the filing of the application or deposit of the mark which is sought to be cancelled; or

(c) that the owner of the mark who seeks cancellation based on a prior right to the ownership and use of such mark, has traded or trades with or in the country in which cancellation is sought. and

that goods designated by his mark have circulated and circulate in said country from a date prior to the filing of the application for registration or deposit for the

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23 Rogers published an article in 1920 that lambasted the current U.S. Trademark Act as “a slovenly piece of legislation.” “Is draftsmen had a talent for obscurity amounting to genius.” At 414. “A virtuoso in vagueness must have conceived it.” At 416. “Possibly the whole thing was intended as a practical joke.” At 417.


mark, the cancellation which is claimed, or prior to the adoption and use of the same.26

Perhaps to many, the approach of Articles 7 and 8 may sound reasonable. At least this policy would prevent intermeddlers who try to preempt trademark owners’ rights in order to force a transaction. Moreover because of the knowledge requirement, it does not create a trap for the “innocent filer” as the Paris Convention priority right does.27

Whether or not this may be an effective strategy to deal with a pernicious problem, it must be noted that these articles advance rights that are anathema to the fundamental principles of U.S. trademark law. First, trademark rights are territorial. As was seen in the Person’s case, the doctrine of territoriality means that rights to a mark in a foreign country do not create rights in other countries. The Pan-American Convention priority provisions represent a major exception to territoriality under which trademark rights exist according to each country’s statutes. Second, at least in the U.S., there are no rights in gross for trademarks.

The chances that these rights would be asserted by a Latin American party in U.S. court were nil at the time the convention was adopted. Perhaps it was not anticipated that these provisions would ever need to confront U.S. law. If these rights were seen as a one-way street heading south, why did the Latin American countries ratify? Perhaps these Latin American countries thought that by providing these rights, they would be successful in attracting U.S. businesses to the region. At the time, the dominant economic interest in Latin America, which was comprised exclusively of raw material exporters, was commercial trade with the United States.28

The Pan-American Convention can be viewed as providing a novel approach to the protection of well-known marks. Because it is not a further iteration of the Paris Convention’s well-known marks protections, there is no requirement that fame of the mark be demonstrated. This strategy to protect well-known marks also has the advantage that there is no bad faith element that must be proven.

IMPLEMENTING TREATIES IN THE U.S.

27 See SCM Corp. v. Langis Foods Ltd., 539 F.2d 196 (D.C. Cir. 1976) (the “LEMON TREE case” is the seminal case enforcing Paris Convention priority against the “unaware” U.S. applicant).
This treaty is more than mere historical curiosity. The Pan-American Convention is self-executing. Or to be more precise, certain of the treaty provisions are “self-executing,” meaning that these rights are immediately operative in U.S. courts.

Self-executing means that simply by ratifying the instrument, its provisions become applicable in that jurisdiction and the legislature does not need to act in order to make the treaty applicable. If a treaty is self-executing, it becomes the law of the land upon ratification, as if Congress has passed the law. If a treaty dealing with trademarks is self-executing, it would behoove a practitioner to be familiar with the rights therein.

Sometimes treaties contain language indicating that they are not self-executing. There is no language in the Pan-American Convention suggesting that it is not self-executing. In addition, in respect of the priority provisions, the rights are so specific and detailed that no legislative implementation is necessary.

In addition to reliance on the convention’s status as self-executing, a provision in the Lanham Act could be utilized to give effect to the Pan-American Convention’s priority provisions. Specific language in the trademark act in the “international law section” would appear to grant treaty rights to members of treaty countries if those treaty rights are more extensive than the U.S. trademark act otherwise provides.

Section 44 (b) of the Lanham Act provides:

Any person whose country of origin is a party to any convention or treaty relating to trademarks, trade or commercial names, or the repression of unfair competition, to which the United States is also a party, or extends reciprocal rights to nationals of the United States by law, shall be entitled to the benefits of this section under the conditions expressed herein to the extent necessary to give effect to any provision of such convention, treaty or reciprocal law, in addition to the rights to which any owner of a mark is otherwise entitled by this chapter. 29

Previously, this provision had made explicit reference to the Pan-American Convention and the Paris Convention. That language was omitted in 1962 when subsection (b) of section 44 was amended in a housekeeping revision. Nevertheless, the meaning—and the relationship with the Pan-American Convention—remains unchanged. Thus, under the Lanham Act § 44, any signatories of the Pan-American Convention receive not only the rights granted under the Lanham Act but also any additional rights granted under the Convention.

Moreover, further language in that section extends the benefits of these external treaty rights to U.S. parties. Section 44 (i) of the Lanham Act provides:

“Citizens or residents of the United States shall have the same benefits as are granted by this section to persons described in subsection (b) of this section.”

This chapter may therefore provide a good litigation strategy to foreign and domestic parties in the U.S. However, should the revelation of this strategy result in large-scale application of the convention in U.S. courts, it would have the effect of turning U.S. trademark law on its head.

Under the Supremacy Clause of the Constitution, self-executing treaties and federal statutes have essentially equal status under U.S. law. Moreover, federal statutes must be construed so as not to conflict with international law. The Supreme Court has long held that in the event of a conflict between a treaty and a federal statute, the latter in time will prevail under U.S. law. In the event that a seemingly conflicting federal statute is the last in time law, courts will always endeavor to construe a treaty and federal law on the same subject so as to give effect to both if that can be done without violating the language of either. Thus, it is a solid canon of statutory interpretation that a court will not construe an act of Congress to be inconsistent with international law if another construction is possible.

Moreover, a state cannot get out of its treaty commitments simply by overriding them with conflicting domestic legislation. A state cannot invalidate a treaty by passing an inconsistent federal statute. Such an act does not terminate the international obligations of the state to its treaty partners. That state’s obligations remain intact. Rather, a state can free itself from obligations under a treaty by withdrawing from it, according to the treaty’s provisions. A treaty will not be deemed to have been abrogated or modified by a later statute unless such purpose on the part of Congress has been clearly expressed.

The United States cannot ignore its obligations under this treaty. Renunciation by silence is not an option under international law. The Pan-American Convention used to have a Protocol. That Protocol was later denounced by the U.S. So evidently the U.S. does know how to properly denounce a treaty. Finally, the last alternative is for the U.S. to maintain its obligations under the Pan-American Convention, but not give them effect in U.S. courts. Clearly, this would be a breach of the bargain struck in 1929.

U.S. Disputes That Have Invoked the Convention

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31 Murray v. The Charming Betsey, 6 U.S. 62 (1804) (“It has also been observed that an act of Congress ought never to be construed to violate the law of nations if any other possible construction remains . . .”).
33 Whitney v. Robertson, 124 U.S. 190, 194 (1888).
34 The Charming Betsy, 6 U.S. 2 (Cranch 64) (1804).
Although the convention remains unfamiliar to most U.S. litigants, three Trademark Trial and Appeal Board decisions have been decided on the merits under the Pan-American Convention. To this date, no federal district court has ruled on the merits under the convention, although two courts have ruled on the convention.

**TTAB Cases**

The first case in the United States to be decided under the Pan-American Convention was in 2000, and it was in the Trademark Trial and Appeal Board. In *British-American Tobacco Co. Ltd. v. Philip Morris Inc.* 35 the board held that the Inter-American Convention is self-executing and has the same force of law as the Lanham Act. It furthermore held that the Pan-American Convention is independent of the Lanham Act and gives the board the jurisdiction to cancel a registration for being in violation of the Convention. In this case, a Panamanian company sought to cancel BELMONT for cigarettes based on priority in Panama under Article 8 of the Inter-American Convention. The marks were incontestable in the U.S. The Board also concluded that it had jurisdiction to consider a claim (for cancellation) brought under Article 8 of the Convention.

The next case came seven years later, and was also decided by the Trademark Trial and Appeal Board. In *Diaz v. Servicios De Franquicia Pardo’s S.A.C.* 36 the applicant for the mark Pardo’s was the junior user of the mark in U.S., but asserted priority under Article 7 of the Inter-American Convention based on prior use of the mark in Peru. The application was opposed by the senior user of the mark who had used the mark in Florida previous to the November 2002 application.

The board held that the clear purpose of the Convention is to protect the foreign trademarks that fall within the treaty's purview; and the intent of the treaty is to confer a substantive right to the protection of the foreign mark. It held that its jurisdiction over the matter did not violate the doctrine of territoriality because the Convention explicitly created an exception to the doctrine.

As to the knowledge requirement, the board held that pursuant to Article 7, applicant is not required to establish that opposer knew that applicant was the owner of the foreign mark, only that the opposer had knowledge of the continuous use and existence of the mark. In this case, there was no evidence of actual knowledge of the use of the mark in Peru, but instead evidence of constructive knowledge satisfied the board. The evidence showed that Applicant Diaz is a Peruvian citizen born in Peru, who lived in Peru prior to moving to the United States, and who has travelled to Peru in the past ten years. He lived in Peru at an address less than 20 blocks from one of Applicant's restaurants. And prior to opening his restaurant in Florida, Diaz erected a sign bearing the words PARDO'S CHICKEN in the same stylization and color as that

used by Applicant in Peru. The board therefore concluded that there was no genuine issue of material fact regarding Diaz's knowledge of Applicant's use of the PARDO'S CHICKEN mark in Peru prior to his first use in the U.S.

In Corp. Cimex S.A. v. D.M. Enterprises & Distributors Inc.\(^{37}\) the board granted opposer’s motion for summary judgment in the application for CUBITA for coffee under article 7 of the Inter-American Convention. Opposer owned the mark in Cuba. In this case, Applicant DM conceded that it knew of the existence and use of the CUBITA mark in Cuba by Opposer and its predecessor.

In addition to these three TTAB cases, there is a fourth TTAB case that deals with a related convention. In Franpovi S.A. v. Wessin\(^{38}\) the board held that the Santiago Convention of 1923, a predecessor to the Pan-American Convention, is in effect with a state that did not ratify the Inter-American Convention. In this case, Opposer sought to prevent the registration of Applicants' mark POLLOS VICTORINA based on Opposer's alleged rights under the Santiago Convention. The parties filed cross-motions for summary judgment on Opposer's claim under the Santiago Convention. The board explained that one of the Santiago Convention's conditions for such an opposition was that the party must apply for protection through an Inter-American Bureau ("IAB"). However, the IAB closed in 1949. Because this condition could not be satisfied, the board found that Opposer could not bring an opposition based on the Santiago Convention in the United States, and granted summary judgment for Applicants on that claim.

**Cohiba and Havana Club Cases**

In a dispute between a Cuban and a U.S. rum producer over the rights to the “Havana Club” trademark and trade name in the U.S., a federal court had its first opportunity—in 1997—to consider the application of Pan-American Convention. In two of its four opinions in Havana Club Holding, S.A. v. Galleon, S.A., the district court for the Southern District of New York considered claims under the Pan-American Convention. In its first ruling on the Convention, the court ruled that the Cuban Assets Control Regulations are a temporary substitute for the Pan-American Convention rights with regard to the effect of trademark assignments in member states.\(^{39}\) In its second ruling on the Convention, the court held that the then just enacted § 211 of the Omnibus Appropriations Act,\(^{40}\) which was essentially directed at the plaintiffs in that case, explicitly prevented it from recognizing any trade name rights to which plaintiffs would otherwise be entitled under any treaty, including the Pan-American Convention.\(^{41}\) Thus, the court did not reach the merits of the treaty claim. The court did, however, unambiguously state:

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“The Inter-American Convention, which was adopted at a special conference held in February 1929, is a self-executing treaty, and thus it became law in the United States without the necessity for implementing legislation.”

On appeal, the court of appeals for the Second Circuit affirmed agreeing with the district court on both of its rulings pertaining to the Pan-American Convention. The court held that the plaintiffs’ Pan-American Convention rights were abrogated by the Cuban Assets Control Regulations, and that the statute precluded it from enforcing its treaty rights under the Pan-American Convention. The Second Circuit did express one further statement about the Pan-American Convention that went beyond what the district court had held. It held that a plaintiff must assert its rights under the Pan-American Convention “pursuant to section 44 (b) of the Lanham Act.” This suggests that a plaintiff asserting rights under the Pan-American Convention must make its claim for relief under the Lanham Act.

In addition to trademark and trade name claims, the plaintiff asserted unfair competition claims under section 44 (h) of the Lanham Act and the Pan-American Convention. Because these claims were not addressed by the Omnibus Appropriations Act, the court was free to enforce these treaty rights. Instead, the court found that plaintiff’s “section 44 (h) claim amounts to little more than the re-assertion of its section 43 (a) claim because article 21 (c) of the [Pan-American Convention] prohibits a subset of the conduct already effectively prohibited under American law by section 43 (a).” The court held that the same standing rules applicable to a 43 (a) claim were required for a 44 (h) claim. Additionally, the court held that the plaintiff was not entitled to the substantive provisions of Article 23, concerning “Repression of False Indications of Geographical Origin or Source” because Section 44 (h) of the Lanham Act only reaches substantive provisions of the Pan-American Convention that are “related to the repression of unfair competition.”

Just a couple of years after the Second Circuit’s opinion in Havana Club, the Southern District had another opportunity to consider claims under the Pan-American Convention. Again, the dispute involved competing claims to a U.S. mark by Cuban and U.S. traders—this time for COHIBA cigars. Closely following the Second Circuit’s opinion, the district court in Empresa Cubana Del Tabaco v. Culbro Corp., narrowly construed the plaintiff’s viable treaty claims to be those that related to the repression of unfair competition. Finding no meaningful way to determine that the claims under Articles 7 and 8 of the Pan-American Convention could be construed as claims related to the repression of unfair competition, and finding the implication of

these rights to be counter to U.S. trademark policy, the court held that they “are not ‘related to the repression of unfair competition’ and are not within the ambit of Section 44 (h).”

In a subsequent opinion, the court added some clarification and precision to its earlier ruling on the Pan-American Convention. It stated quite plainly that “a party must enforce its rights under an international convention through Section 44 (b) and some other subsection of Section 44.” It suggested that rather than Section 44 (h), “there are other provisions of the Lanham Act under which Articles 7 and 8 of the IAC may be enforced.” Then it advised that as Articles 7 and 8 are related to the priority of marks, Section 44 (d) is the appropriate vehicle. The court reasoned that since the treaty grants rights in these articles "upon compliance with the requirements established by the domestic legislation in such country . . . " a claimant under Articles 7 or 8 must comply with Section 44 (d). According to the court, “[b]ecause Articles 7 and 8 mandate compliance with the domestic legislation, i.e. Section 44 (d), the United States would be out of compliance with those convention articles only if it refused to recognize the rights of parties that had duly complied with Section 44(d).”

In addition to the above cases, there is also U.S. Supreme Court dictum from 1940 indicating that the Pan-American Convention is self-executing. In *Bacardi v. Domench*, the Supreme Court stated that a central goal of the Pan-American Convention was to create uniform trademark protection among countries. The Court found this treaty to be self-executing, saying it bound Puerto Rico and could not be overridden by the Puerto Rican legislature, even where the Puerto Rican rule was applicable to its own citizens and not just foreigners. The Puerto Rican law's hostility toward the treaty and discrimination against foreign parties was clear, and thus the court found the legislation invalid.

**APPLICATION OF THE EXTRATERRITORIAL PROVISIONS**

As a result of the *Cohiba* and *Havana Club* cases, there may be additional obstacles to asserting a Pan-American Convention claim in the second circuit. Nevertheless, it would appear that unless these embargo laden cases are followed, these claims will at least be viable in other circuits.

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51 311 U.S. 150 (1940).
52 Id. at 157-58.
53 Id. at 161-63.
54 Id. at 166.
What would be the effect of asserting a claim under the convention? Consider the Person’s case with one fact changed. Imagine the foreign company was located not in Japan, but in Peru. So U.S. citizen Larry Christman took his business trip to Peru, where he visited a Person’s Co. clothing store. Again Christman purchased items of clothing bearing the Person’s logo, and upon his return, he developed a clothing line by copying the products he purchased. He then sold his clothing with the same Person’s logo and registered the Person’s mark in the U.S. Subsequently, the foreign Person’s Co. sold its goods in the U.S. and applied to register the mark in the U.S.

Now consider an action brought by the Peruvian Person’s Co. in the U.S. If brought under Articles 7 and 8 of the Pan-American Convention, the Peruvian company could seek to cancel Christman’s registration and “oppose” Christman’s use of the mark in the U.S. The Peruvian company should be successful because it can establish that a) Christman’s mark is an “interfering mark;” b) it is the owner of a mark protected in a member state (Peru) prior to the date of the application for registration in the U.S.; c) Christman had knowledge of the use of the mark in Peru for the specific goods for which he applied prior to the filing of his application; d) it has sold goods designated by the mark prior to its application for registration; and e) it has complied with the requirements of the domestic law in both member states. So under the same facts with only the foreign location being changed to a member state, the heretofore vital principle of territoriality, which was the basis of the Federal Circuit’s holding, is immaterial.

**CONCLUSION**

This revelation of the Pan-American Convention should serve as a reminder to U.S. trademark attorneys when they are faced with issues of territoriality originating from Latin America. As the protections achieved under the Convention go beyond those of the Paris Convention, the priority rights contained in Articles 7 and 8 can provide protections for U.S. marks even when the mark would not qualify as a well-known mark. The substantive rights offered under Article 8 would also offer U.S. trademark owners concrete protections against acts of unfair competition that occur in Latin America. Additionally, through the knowledge requirement under Article 7, innocent filers of previously registered trademarks in signatory countries could avoid the liabilities imposed upon them by the Paris Convention.

At a more macro level, this reminder of the Pan-American Convention should signal courts and policy makers that the U.S. does have an obligation under the Convention to recognize the international obligations assumed by the U.S. at the time of the signing of the treaty. While the limited use of the Convention has perhaps precluded policy makers from considering the impact of the Convention, they should be mindful that international norms mandate either that the Convention be fully applied or that it needs to be properly denounced.