

Mr. CONYERS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the Copyright Royalty Technical Corrections Act is just that. It is a major accomplishment of the Subcommittee on Courts and makes a number of technical corrections.

Two substantive improvements I would bring to the floor's attention at this point:

It clarifies the decisions of the new copyright tribunal will serve as precedent for later decisions, establishes consistency for written statements to the tribunal, and provides for fee waivers for those claiming royalties in excess of \$1,000.

The other major substantive change resolves the ambiguity about when partial payments or distributions of royalties to content owners are allowed.

This measure before us would permit Copyright Royalty Judges, upon the motion of a claimant and after publication of a request for responses, to make a partial distribution of cable and satellite royalty fees at any time after the filing of claims for distribution if no eligible claimant has stated a reasonable objection.

I think the committee is in accord with this bill. I urge that Members of the House support this legislation.

Mr. Speaker, I yield back the balance of my time.

Mr. SENSENBRENNER. Mr. Speaker, I yield 3 minutes to the gentleman from Texas (Mr. SMITH).

Mr. SMITH of Texas. Mr. Speaker, I would like to thank the gentleman from Wisconsin (Mr. SENSENBRENNER), the chairman of the Committee on the Judiciary, for yielding me this time.

Mr. Speaker, as Chairman SENSENBRENNER just stated, H.R. 1036, the Copyright Royalty Judges Program Technical Corrections Act, amends certain technical aspects of the Copyright Act which itself was amended by the Copyright Royalty and Distribution Reform Act of 2004.

A chief objective of the Copyright Reform Act was to delineate between functions of the Copyright Office and the functions of the newly established Copyright Royalty Judges, or CRJs.

Unfortunately, during the bill enrollment process, the law was written to state that the Librarian of Congress was charged with authorizing the distribution of funds. The language could be subject to an interpretation that Congress wanted the Librarian to retain a role that had clearly been intended to be exercised only by the new CRJs.

The purpose behind this bill is to correct errors such as this and to enable the reform act to operate as Congress originally intended.

In addition, the bill contains a number of other noncontroversial stylistic, technical, clarifying, and conforming changes that have been considered and agreed to by Members on both sides of the aisle.

As Chairman SENSENBRENNER noted, H.R. 1036 has already passed the House

of Representatives without objection on November 16, 2005.

The reason the bill has returned is because the other body amended it to include language from H.R. 5593, the Royalty Distribution Clarification Act of 2006, which was a bill I authored and introduced along with Ranking Members CONYERS and BERMAN. The purpose of that bill and the incorporated language is to provide the CRJs with explicit statutory language to distribute, prior to the end of a royalty distribution proceeding, part of the royalty pool when it is established who the rightful claimants are.

Mr. Speaker, I urge Members to support the amended Copyright Royalty Judges Program Technical Corrections Act and send the bill directly to the President for his signature.

Mr. SENSENBRENNER. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin (Mr. SENSENBRENNER) that the House suspend the rules and concur in the Senate amendment to the bill, H.R. 1036.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate amendment was concurred in.

A motion to reconsider was laid on the table.

TRADEMARK DILUTION REVISION ACT OF 2006

Mr. SENSENBRENNER. Mr. Speaker, I move to suspend the rules and concur in the Senate amendment to the bill (H.R. 683) to amend the Trademark Act of 1946 with respect to dilution by blurring or tarnishment.

The Clerk read as follows:

Senate amendment:

Strike out all after the enacting clause and insert:

SECTION 1. SHORT TITLE.

(a) *SHORT TITLE.*—This Act may be cited as the “Trademark Dilution Revision Act of 2006”.

(b) *REFERENCES.*—Any reference in this Act to the Trademark Act of 1946 shall be a reference to the Act entitled “An Act to provide for the registration and protection of trademarks used in commerce, to carry out the provisions of certain international conventions, and for other purposes”, approved July 5, 1946 (15 U.S.C. 1051 et seq.).

SEC. 2. DILUTION BY BLURRING; DILUTION BY TARNISHMENT.

Section 43 of the Trademark Act of 1946 (15 U.S.C. 1125) is amended—

(1) by striking subsection (c) and inserting the following:

“(c) *DILUTION BY BLURRING; DILUTION BY TARNISHMENT.*—

“(1) *INJUNCTIVE RELIEF.*—Subject to the principles of equity, the owner of a famous mark that is distinctive, inherently or through acquired distinctiveness, shall be entitled to an injunction against another person who, at any time after the owner's mark has become famous, commences use of a mark or trade name in commerce that is likely to cause dilution by blurring or dilution by tarnishment of the famous mark, regardless of the presence or absence of actual or likely confusion, of competition, or of actual economic injury.

“(2) *DEFINITIONS.*—(A) For purposes of paragraph (1), a mark is famous if it is widely recog-

nized by the general consuming public of the United States as a designation of source of the goods or services of the mark's owner. In determining whether a mark possesses the requisite degree of recognition, the court may consider all relevant factors, including the following:

“(i) The duration, extent, and geographic reach of advertising and publicity of the mark, whether advertised or publicized by the owner or third parties.

“(ii) The amount, volume, and geographic extent of sales of goods or services offered under the mark.

“(iii) The extent of actual recognition of the mark.

“(iv) Whether the mark was registered under the Act of March 3, 1881, or the Act of February 20, 1905, or on the principal register.

“(B) For purposes of paragraph (1), ‘dilution by blurring’ is association arising from the similarity between a mark or trade name and a famous mark that impairs the distinctiveness of the famous mark. In determining whether a mark or trade name is likely to cause dilution by blurring, the court may consider all relevant factors, including the following:

“(i) The degree of similarity between the mark or trade name and the famous mark.

“(ii) The degree of inherent or acquired distinctiveness of the famous mark.

“(iii) The extent to which the owner of the famous mark is engaging in substantially exclusive use of the mark.

“(iv) The degree of recognition of the famous mark.

“(v) Whether the user of the mark or trade name intended to create an association with the famous mark.

“(vi) Any actual association between the mark or trade name and the famous mark.

“(C) For purposes of paragraph (1), ‘dilution by tarnishment’ is association arising from the similarity between a mark or trade name and a famous mark that harms the reputation of the famous mark.

“(3) *EXCLUSIONS.*—The following shall not be actionable as dilution by blurring or dilution by tarnishment under this subsection:

“(A) Any fair use, including a nominative or descriptive fair use, or facilitation of such fair use, of a famous mark by another person other than as a designation of source for the person's own goods or services, including use in connection with—

“(i) advertising or promotion that permits consumers to compare goods or services; or

“(ii) identifying and parodying, criticizing, or commenting upon the famous mark owner or the goods or services of the famous mark owner.

“(B) All forms of news reporting and news commentary.

“(C) Any noncommercial use of a mark.

“(4) *BURDEN OF PROOF.*—In a civil action for trade dress dilution under this Act for trade dress not registered on the principal register, the person who asserts trade dress protection has the burden of proving that—

“(A) the claimed trade dress, taken as a whole, is not functional and is famous; and

“(B) if the claimed trade dress includes any mark or marks registered on the principal register, the unregistered matter, taken as a whole, is famous separate and apart from any fame of such registered marks.

“(5) *ADDITIONAL REMEDIES.*—In an action brought under this subsection, the owner of the famous mark shall be entitled to injunctive relief as set forth in section 34. The owner of the famous mark shall also be entitled to the remedies set forth in sections 35(a) and 36, subject to the discretion of the court and the principles of equity if—

“(A) the mark or trade name that is likely to cause dilution by blurring or dilution by tarnishment was first used in commerce by the person against whom the injunction is sought after the date of enactment of the Trademark Dilution Revision Act of 2006; and

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“(B) in a claim arising under this subsection—
“(i) by reason of dilution by blurring, the person against whom the injunction is sought willfully intended to trade on the recognition of the famous mark; or

“(ii) by reason of dilution by tarnishment, the person against whom the injunction is sought willfully intended to harm the reputation of the famous mark.

“(6) OWNERSHIP OF VALID REGISTRATION A COMPLETE BAR TO ACTION.—The ownership by a person of a valid registration under the Act of March 3, 1881, or the Act of February 20, 1905, or on the principal register under this Act shall be a complete bar to an action against that person, with respect to that mark, that—

“(A)(i) is brought by another person under the common law or a statute of a State; and

“(ii) seeks to prevent dilution by blurring or dilution by tarnishment; or

“(B) asserts any claim of actual or likely damage or harm to the distinctiveness or reputation of a mark, label, or form of advertisement.

“(7) SAVINGS CLAUSE.—Nothing in this subsection shall be construed to impair, modify, or supersede the applicability of the patent laws of the United States.”; and

(2) in subsection (d)(1)(B)(i)(IX), by striking “(c)(1) of section 43” and inserting “(c)”.

SEC. 3. CONFIRMING AMENDMENTS.

(a) MARKS REGISTRABLE ON THE PRINCIPAL REGISTER.—Section 2(f) of the Trademark Act of 1946 (15 U.S.C. 1052(f)) is amended—

(1) by striking the last two sentences; and

(2) by adding at the end the following: “A mark which would be likely to cause dilution by blurring or dilution by tarnishment under section 43(c), may be refused registration only pursuant to a proceeding brought under section 13. A registration for a mark which would be likely to cause dilution by blurring or dilution by tarnishment under section 43(c), may be canceled pursuant to a proceeding brought under either section 14 or section 24.”.

(b) OPPOSITION.—Section 13(a) of the Trademark Act of 1946 (15 U.S.C. 1063(a)) is amended in the first sentence by striking “as a result of dilution” and inserting “the registration of any mark which would be likely to cause dilution by blurring or dilution by tarnishment”.

(c) CANCELLATION.—Section 14 of the Trademark Act of 1946 (15 U.S.C. 1064) is amended, in the matter preceding paragraph (1) by striking “, including as a result of dilution under section 43(c),” and inserting “, including as a result of a likelihood of dilution by blurring or dilution by tarnishment under section 43(c),”.

(d) MARKS FOR THE SUPPLEMENTAL REGISTER.—The second sentence of section 24 of the Trademark Act of 1946 (15 U.S.C. 1092) is amended to read as follows:

“Whenever any person believes that such person is or will be damaged by the registration of a mark on the supplemental register—

“(1) for which the effective filing date is after the date on which such person’s mark became famous and which would be likely to cause dilution by blurring or dilution by tarnishment under section 43(c); or

“(2) on grounds other than dilution by blurring or dilution by tarnishment, such person may at any time, upon payment of the prescribed fee and the filing of a petition stating the ground therefor, apply to the Director to cancel such registration.”.

(e) DEFINITIONS.—Section 45 of the Trademark Act of 1946 (15 U.S.C. 1127) is amended by striking the definition relating to the term “dilution”.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Wisconsin (Mr. SENSENBRENNER) and the gentleman from Michigan (Mr. CONYERS) each will control 20 minutes.

The Chair recognizes the gentleman from Wisconsin.

Mr. SENSENBRENNER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 683 currently under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. SENSENBRENNER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 683, the Trademark Dilution Revision Act of 2006.

The foundation of trademark law is that certain words, images and logos convey meaningful information to the public, including the source, quality and goodwill of a product or service.

Unfortunately, there are those in both commercial and noncommercial settings who would seize upon the popularity of a trademark at the expense of the rightful owner and the public. Dilution refers to conduct that lessens that distinctiveness and value of a mark. This conduct can debase the value of a famous mark and mislead the consuming public.

A 2003 Supreme Court decision, *Mosely v. V Secret Catalogue, Inc.*, compelled the Committee on the Judiciary to review the Federal Trademark Dilution Act. H.R. 683 was drafted based on this review and is intended to clarify what Congress meant when it passed the dilution statute a decade ago. Enactment of this bill will eliminate confusion on key dilution issues that have increased litigation and resulted in uncertainty among the regional circuits.

H.R. 683 provides that the owner of a famous distinctive mark is entitled to an injunction against any person who uses in commerce a mark that is likely to cause dilution by blurring or tarnishment. The bill states that a mark may only be “famous” if it is widely recognized by the general consuming public in the United States. In determining whether a mark is famous, a court is permitted to consider all relevant factors, including the duration, extent, and geographic reach of advertising and publicity of the mark.

Finally, the bill provides that the owner of a famous mark is only entitled to injunctive relief under the bill, unless the defendant acted willfully. In the case of a willful act, the owner may also seek damages, costs, and attorneys’ fees as well as destruction of the infringing articles under separate Lanham Act provisions.

Mr. Speaker, the House passed this bill on April 19, 2006, by a roll call vote of 411–8. The other body amended the bill on March 8, 2006, and passed the version before us by unanimous consent. The amendments narrow the application of the dilution statute to trademark dress law; creates a free-speech exclusion for noncommercial

use of a mark; and shifts the burden of proof in certain trade-dress actions to the plaintiff. These changes were negotiated with the full participation of interested legislators and stakeholders, including Internet service providers and the American Civil Liberties Union.

I urge my colleagues to support this important legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. CONYERS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I support House passage of this measure, H.R. 683, as amended and passed by the Senate. An almost identical version of this bill passed this Congress with a roll call vote of 411–8 and subsequently passed the other Chamber as amended by unanimous consent.

The measure makes a number of changes to the Federal Trademark Dilution Act of 1995. The primary change amends the required standard of proof so that owners of famous trademarks can maintain protection of their trademark before actual harm occurs to the mark.

In addition, the bill clearly codifies the cause of action of dilution by tarnishment in order to prevent harm to a trademark owner’s reputation, resulting, for example, from a disparaging usage of a same or similar mark by others.

Finally, this measure narrows the scope of what may be considered a famous mark by elucidating the specific factors necessary to meet the definition of a famous trademark.

There was support, I think it was unanimous for this measure, in the Judiciary Committee. I am happy to urge its favorable vote under the suspension of the rules proceedings today.

Mr. Speaker, I yield back the balance of my time.

Mr. SENSENBRENNER. Mr. Speaker, I yield 3½ minutes to the gentleman from Texas (Mr. SMITH).

Mr. SMITH of Texas. Mr. Speaker, I thank the gentleman from Wisconsin (Mr. SENSENBRENNER), the chairman of the Judiciary Committee, for yielding me this time.

Mr. Speaker, trademark law is relevant to the life of every consumer in America. Trademarks give consumers assurance that the goods or services they are buying are the product that the trademark represents.

If a customer has purchased items in the past from a specific company that bears a specific mark or logo, the customer has an impression of that company and the goods or services it produces. So trademark law empowers consumers by giving them information that is often critical to their purchasing decisions.

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Dilution alters the public perception of a trademarked product or service by diminishing its uniqueness over time. The idea of protecting famous trademarks from dilution surfaced in the

1920s. Since then, roughly half of the States have enacted dilution statutes, and Congress passed the Federal Trade Dilution Act nearly a decade ago.

As Chairman SENSENBRENNER noted, the Federal dilution statute is being amended for two main reasons: first, a 2003 Supreme Court decision involving Victoria's Secret ruled that the standard of harm in dilution cases is actual harm. Based on testimony taken at our two hearings, this is contrary to what Congress intended when it passed the dilution statute and is at odds with the concept itself of dilution. Diluting needs to be stopped at the outset. Once it occurs, the goodwill of a mark cannot be restored.

Second, the regional circuits have split as to the meaning of what constitutes a "famous" mark, "distinctiveness," "blurring," and "tarnishment." This bill more clearly defines these terms. This will clarify rights and eliminate unnecessary litigation, an outcome that especially benefits smaller businesses that cannot afford to have a misunderstanding of what is permissible under the Federal dilution statute.

Finally, amendments developed by the subcommittee and the other body will more clearly protect traditional first amendment uses, such as parody and criticism. These amendments provide balance to the law by strengthening traditional fair-use defenses.

In sum, Mr. Speaker, H.R. 683 clarifies a muddled legal landscape and enables the Federal Trademark Dilution Act to operate as Congress intended.

Mr. WU. Mr. Speaker, I rise once again to oppose the Trademark Dilution Revision Act.

Trademark law was originally about consumer protection, ensuring consumers were not confused or harmed by the misuse of a famous trademark. However, with the passage of the Federal Trademark Dilution Act in 1995, the issue of trademark dilution became more an issue of property protection. The purpose of that law was to enable businesses to protect the investment that companies have made in branding their products. Consumer confusion was no longer required to establish "dilution." Not surprisingly, private lawsuits in this area jumped from 2,405 in 1990 to 4,187 in 2000.

For example, Starbucks went after a local coffee shop in my district that was named after its owner, Samantha Buck Lundberg. The coffee shop bore the nickname given to her by her family and friends—Sambuck. Ringling Bros.-Barnum and Bailey Circus sued the State of Utah over Utah's advertising slogan that it had "The Greatest Snow on Earth." To the circus this slogan was an obvious play on the long time identification of the circus as "The Greatest Show on Earth." Microsoft sued to prevent use of the term "Lindows" for the Linux operating system software and website produced by Lindows, Inc., arguing that it was clearly an attempt to play on the Windows designation of its own operating system. Lindows eventually changed the name of the product and website to "Linspire" after losing court cases. Best Western International (the hotel/motel chain) appears to be trying to claim sole right to the word "Best" when it

comes to using the word in names of hotels or motels. It has sued both Best Inns and Best Value Inns, contending that those names infringe on its trademark.

In recent years, the Supreme Court addressed these lawsuits in *Moseley, et al., DBA Victor's Little Secret v. V Secret Catalogue, Inc., et al.*, in which Victoria's Secret sued a small business in Kentucky. In its opinion, the Court ruled that companies under the Federal Trademark Dilution Act have to prove that their famous brand is actually being damaged before they can use dilution law to force another person or company to stop using a word, logo, or color.

Since trademark laws have an effect not only on famous companies but also on the many small businesses with legitimate business interests, any antidilution legislation should be very carefully considered so as not to interfere with the rights of small businesses. The goal must be to protect trademarks from subsequent uses that blur, dilute or tarnish that trademark, but it must also be the protection of small business interests from its more powerful corporate counterparts.

Unfortunately, this bill will change trademark law to make it easier for large companies to sue individuals and businesses for trademark dilution, thus potentially creating rights in perpetuity for trademarks. This bill states that no actual harm will have to be proven; large companies will be able arbitrarily to file lawsuits against small businesses and private citizens.

I agree with the Supreme Court in its unanimous decision in *Moseley*. I think that companies in seeking to impose their trademarks upon the public must show actual harm. If not, we run the risk of trademark owners being able to lock up large portions of our shared language. This open-ended invitation to litigate is especially troubling at a time when even colors and common words can be granted trademark protection.

I urge my colleagues to oppose this bill.

Mr. SENSENBRENNER. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin (Mr. SENSENBRENNER) that the House suspend the rules and concur in the Senate amendment to the bill, H.R. 683.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate amendment was concurred in.

A motion to reconsider was laid on the table.

PRIVATE PROPERTY RIGHTS IMPLEMENTATION ACT OF 2006

Mr. SENSENBRENNER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4772) to simplify and expedite access to the Federal courts for injured parties whose rights and privileges under the United States Constitution have been deprived by final actions of Federal agencies or other government officials or entities acting under color of State law, and for other purposes, as amended.

The Clerk read as follows:

H.R. 4772

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Private Property Rights Implementation Act of 2006".

SEC. 2. JURISDICTION IN CIVIL RIGHTS CASES CONCERNING REAL PROPERTY.

Section 1343 of title 28, United States Code, is amended by adding at the end the following:

"(c) Whenever a district court exercises jurisdiction under subsection (a) in an action in which the operative facts concern the uses of real property, it shall not abstain from exercising or relinquish its jurisdiction to a State court if the party seeking redress does not allege a violation of a State law, right, or privilege, and no parallel proceeding is pending in State court, at the time the action is filed in the district court, that arises out of the same operative facts as the district court proceeding.

"(d) In an action in which the operative facts concern the uses of real property, the district court shall exercise jurisdiction under subsection (a) even if the party seeking redress does not pursue judicial remedies provided by a State or territory of the United States.

"(e) If the district court has jurisdiction over an action under subsection (a) in which the operative facts concern the uses of real property and which cannot be decided without resolution of an unsettled question of State law, the district court may certify the question of State law to the highest appellate court of that State. After the State appellate court resolves the question so certified, the district court shall proceed with resolving the merits. The district court shall not certify a question of State law under this subsection unless the question of State law—

"(1) is necessary to resolve the merits of the Federal claim of the injured party; and

"(2) is patently unclear.

"(f)(1) Any claim or action brought under section 1979 of the Revised Statutes of the United States (42 U.S.C. 1983) to redress the deprivation of a property right or privilege secured by the Constitution shall be ripe for adjudication by the district courts upon a final decision rendered by any person acting under color of any statute, ordinance, regulation, custom, or usage, of any State or territory of the United States, which causes actual and concrete injury to the party seeking redress.

"(2) For purposes of this subsection, a final decision exists if—

"(A) any person acting under color of any statute, ordinance, regulation, custom, or usage, of any State or territory of the United States, makes a definitive decision regarding the extent of permissible uses on the property that has been allegedly infringed or taken, without regard to any uses that may be permitted elsewhere; and

"(B) one meaningful application to use the property has been submitted but denied, and the party seeking redress has applied for but is denied one waiver and one appeal, if the applicable statute, ordinance, regulation, custom, or usage provides a mechanism for waiver by or appeal to an administrative agency.

The party seeking redress shall not be required to apply for a waiver or appeal described in subparagraph (B) if such waiver or appeal is unavailable or can not provide the relief requested, or if pursuit of such a mechanism would otherwise be futile."

SEC. 3. UNITED STATES AS DEFENDANT.

Section 1346 of title 28, United States Code, is amended by adding at the end the following:

"(h)(1) Any claim brought under subsection (a) that is founded upon a property right or privilege secured by the Constitution, but was allegedly infringed or taken by the United States, shall be ripe for adjudication upon a final decision rendered by the United States, which causes actual and concrete injury to the party seeking redress.

"(2) For purposes of this subsection, a final decision exists if—