

Washington

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A. State Trademark Registration Statute

1. Code Section

The registration of a trademark in Washington is governed by RCW 19.77.010 *et seq.*

2. Model Act Provisions

The Washington registration statute, adopted in 1955, and amended in 1982, 1989, 1994, 1998, 2003, 2010, and 2011 generally follows the Model Act.

3. Administrator

All communications, correspondence and documents should be addressed to:

Office of the Secretary of State
Corporations Division
PO Box 40234
Olympia, WA 98504-0234
(360) 725-0377
e-mail: corps@sos.wa.gov
website: www.sos.wa.gov/corps/default.aspx

*A leading intellectual property law firm in the Pacific Northwest for over 90 years, Christensen O'Connor Johnson Kindness PLLC specializes in all aspects of patent, trademark, copyright, and other intellectual property law matters. The firm also handles intellectual property litigation on a regional, national, and international basis. COJK effectively builds and maintains strong, long-term relationships with clients by defending and encouraging their ideas and the inventions upon which their businesses are based. Everett E. Fruehling, a member in the firm, prepared this entry with the assistance of Alina S. Morris, an associate with the firm. Other members in the firm include Margie B. Aoki, Matthew D. Balint, D.C. Peter Chu, Cory G. Claassen, Laura A. Cruz, John D. Denkenberger, Ryan E. Dodge, Casey Fitzpatrick, James Y. Go, L. Rhys Lawson, Brian F. McMahon, J. Adrian Mihailovic, Jerald E. Nagae, Melissa A. Nowak, Emily C. Peyser, Brian W. Poor, George E. Renzoni, David P. Sheldon, and Brandon C. Stallman.

4. Procedure for Applying for Registration

The registration procedure is set forth in RCW 19.77.030.

a. Forms

The use of a state-provided form is required.

b. Number of Copies

A single copy of the application is required.

c. Fee

The filing fee is set by rule by the Secretary of State. The fee established by the Secretary may vary based upon the number of categories listed in the application. The fee is currently \$55 per classification number.

d. Specimens

Three specimens or facsimiles, including one original, are required for each of the goods or services for which registration is requested.

e. Drawing

The Act does not include any provisions relating to special drawings.

5. Intent to Use Provision

The Washington statute includes a provision for the reservation of a mark with intent to register it in the future. The exclusive right to use a trademark may be reserved by a person intending to register a trademark, or a foreign or domestic corporation intending to change its trademark. The reservation can be made by filing an application to reserve a specified trademark or service mark with the Secretary of State. However, the reservation is limited to one filing. The term of reservation is one hundred eighty (180) days. RCW 19.77.015.

6. Classification

The classification of goods and services is established by the Secretary of State and should conform to the U.S. classification system. A single application may include any or all goods/services upon which the mark is being used indicating the appropriate class or classes. When one application includes goods/services that fall within multiple classes, payment of a fee for each class may be required. RCW 19.77.115.

7. Search Prior to Application

The state will conduct a search for potential marks prior to filing an application for registration.

8. Search Prior to Registration

The Office of the Secretary of State conducts a search prior to issuance

of a registration. The search includes only trademarks previously registered in Washington. Design marks are indexed by means of a word or words describing the design. The records are searched by mark regardless of class.

9. Doing Business Requirement

Washington does not have a doing business requirement for registration of a trademark; however, the application for trademark registration must include a statement that the trademark is presently in use in Washington by the applicant. RCW 19.77.030(1)(e).

10. Types of Marks Registrable

The statute provides for registration only of trademarks and service marks. There are no provisions for the registration of certification and collective marks.

11. Restrictions

The restrictions in Washington relating to the registrability of marks containing certain words or terms are set forth in RCW 19.77.020. The restrictions are nearly identical to the restrictions set forth in Section 2 of the Model Act, except with regard to marks which are merely descriptive, geographically descriptive, or primarily merely a surname

12. Use in State

RCW 19.77.030(1)(e) requires a statement in the application for registration that the trademark is presently in use in Washington by the applicant.

13. Term of Registration

Five years from the date of registration. RCW 19.77.050.

14. Renewal

An application for renewal of a registration may be filed with the Secretary of State six months prior to the date of expiration of the registration and must be accompanied by three samples, including one original as currently used. The renewal application requires all the allegations of an application for original registration. The registration may only be renewed for goods or services for which the trademark is still in use in Washington for successive terms of five years. Notification of the necessity for renewal is sent to the registrant, or to its agent for service of record, within the year but not less than six months next preceding the expiration of the original registration or renewal term. RCW 19.77.050 states that neither the Secretary of

State's failure to notify a registrant nor the registrant's nonreceipt of notice will extend the registration term or excuse registrant's failure to renew.

15. Renewal Forms

The application for registration and the application for renewal of a registration are made on the same form provided by the Secretary of State. The distinction between registration and renewal of registration is indicated by filling out the appropriate box. The renewal fee is set by rule by the Secretary of State, and is currently \$50 per classification number. The trademark registration/renewal form is available electronically at <http://www.sos.wa.gov/corps/forms.aspx>

16. Other Forms

Forms are currently provided for U.S. and foreign trademark application and renewal. Correction and amendment forms are also made available by the Secretary of State.

17. Post-Registration Forms

Use of the official registration and renewal form is required.

18. Fees After Registration

The fee for recording an assignment of a trademark, registration, or application is set by rule by the Secretary of State. Filing Fee, \$10. Issuing new registration certificate to assignee, \$5. RCW 19.77.060. The assignment of registration of trademark form is available electronically at: <http://www.sos.wa.gov/corps/forms.aspx>

19. Use Requirement for Renewal

A renewal application requires all the allegations of an application for original registration, i.e., a renewal application requires a statement that the trademark is presently in use in the State of Washington by the applicant. Furthermore, the renewal application may only issue as to goods or services for which the trademark is still in use in the state.

20. Presumptions

a. In Favor of Registrant

The certificate of registration is prima facie evidence of the validity of the registration, registrant's ownership of the trademark, and registrant's exclusive right to use the trademark within the state in connection with the goods or services specified. RCW 19.77.040.

b. Presumption of Doing Business

There is no statutory presumption to the effect that trademark registration creates a presumption of doing business in Washington.

21. Remedies for Infringement

Injunctions: RCW 19.77.150 provides for injunctive relief for owners of registered marks. *Monetary relief:* An infringer may be required to pay all profits derived from and/or all damages suffered by reason of the unlawful use of the registrant's trademark.

The court may order an infringer to deliver all counterfeits or imitations under its possession or control to an officer of the court or to the registrant, to be destroyed. The court may award reasonable attorney's fees and/or an amount not to exceed three times profits and damages to the prevailing party in cases where it finds wrongful acts in bad faith or otherwise according to the circumstances of the case.

22. Persons Entitled to Sue

The registrant may sue for infringement. RCW 19.77.150.

23. Limitation of Remedies Available to Aliens

Damages or equitable relief may not be awarded in favor of an alien person (non-U.S. citizen) against a domestic person (U.S. citizen) unless: (1) the alien used the mark within the U.S. prior to the domestic person's use in Washington; or (2) the mark was federally registered in the U.S. or reserved by the Secretary of State to the alien at the time the domestic person commenced use. RCW 19.77.170.

B. Dilution

1. Code Section

RCW 19.77.160 governs injury to marks that are "famous" in the state.

2. Judicially Created Dilution Doctrine

Not applicable.

3. Tarnishment

The statute requires dilution.

4. Likelihood of Confusion

Likelihood of confusion or association is not required by the statute.

5. Competition Between the Parties

The statute is applicable notwithstanding the absence of competition

between the parties. However, fair use of a famous mark by another person in comparative commercial advertising or promotion is not actionable.

6. Fame or Distinctiveness

In determining whether a mark is famous and has a distinctive quality, the statute requires a court to consider all relevant factors. The following eight nonexclusive factors are set forth in the statute: inherent or acquired distinctiveness of the mark in the state, duration and extent of use in connection with the goods or services with which the mark is used, advertising and publicity in the state, geographical trading area, channels of trade, degree of recognition in the trading areas and channels of trade in the state of Washington used by the mark's owner and the other party, use of the same or similar marks by third parties, and state or federal registration. RCW 19.77.160.

7. Remedies

The statute provides only for injunctive relief against another person's commercial use. However, if willful intent is proven, the owner shall be entitled to other remedies set forth in the trademark chapter. No cases have been decided solely under the revised statute. The trademark claim was dismissed in the most recent case involving RCW 19.77.160. See *JZK, Inc. v. Glandon*, 95 Wash. App. 1030 (Div. 2 1999). In the other reported cases to date, alleged violations of RCW 19.77.160 were also pleaded as violations of the Lanham Act §43 (federal unfair competition statute). See *Nautilus Group, Inc. v. Icon Health & Fitness, Inc.*, 2006 WL 3761367 (W.D. Wash.); *eAcceleration Corp. v. Trend Micro, Inc.*, 408 F. Supp. 2d 1110 (W.D. Wash. 2006); *Hasbro, Inc. v. Internet Entertainment Group, Ltd.*, 40 U.S.P.Q. 2d 1479 (W.D. Wash. 1996); *Lamb-Weston, Inc. v. McCain Foods, Inc.*, 818 F. Supp. 1376 (E.D. Wash. 1993); *Hard Rock Café Licensing Corp. v. Pacific Graphics, Inc.*, 776 F. Supp. 1454 (W.D. Wash. 1991).

C. Unfair Business Practices Acts (Little FTC Acts)

1. Code Section

The Washington statute relating to unfair business practices is entitled "Unfair Business Practices - Consumer Protection," and is codified in RCW 19.86.010 *et seq.*

2. Scope

The prohibitions under the Washington statute are similar to those set forth in related federal statutes. In particular, RCW 19.86.020 is similar

to Section 5(a)(1) of the Federal Trade Commission Act, 15 U.S.C. §45(a)(1); RCW 19.86.030 is similar to Section 1 of the Sherman Antitrust Act, 15 U.S.C. §1; and RCW 19.86.040 is similar to sections of the Clayton Act, 15 U.S.C. §14. Other provisions of the Washington Act include RCW 19.86.050 relating to agreements not to use or deal in a competitor's goods or services, and RCW 19.86.060 relating to the acquisition of corporate stock by another corporation to lessen competition.

3. Prohibited Activities

The Washington statute was enacted in 1961, and originally provided only for actions by the Washington Attorney General. In 1970, the statute was amended to provide standing to a private party "who is injured in his business or property" by unfair methods of competition or unfair deceptive acts or practices. In *Nordstrom, Inc. v. Tampourlos*, 107 Wash. 2d 735, 733 P.2d 208 (1987), the Washington Supreme Court has held that the wrongful appropriation of a trade name of another business is an unfair practice in violation of RCW 19.86.020. See also *Fish v. Koldkist Beverage Ice*, 60 Wash. App. 122 (1991). In *Fisher v. World-Wide Trophy Outfitters*, 15 Wash. App. 742, 551 P.2d 1398 (1976), the Washington Court of Appeals held that the placement of deceptive advertisements in a magazine of general circulation was privately actionable under RCW 19.86.020. It is a violation of the Consumer Protection Act to label any agricultural commodity with the words "Washington State grown" when the labelled commodity was not, in fact, grown or raised in Washington. RCW 15.04.410.

4. Remedies

a. State Administrative Enforcement

In an action brought by the Attorney General, in the name of the state when injured directly or indirectly, or as *parens patriae* on behalf of persons residing in the state, the court may act to restrain and prevent any unlawful act and to restore to any person in interest any monies or property that were acquired by means of the unlawful acts. RCW 19.86.080, 090.

b. Criminal Enforcement

None.

c. Civil Penalties

RCW 19.86.140 provides for a civil penalty of not more than \$2,000 for each violation of RCW 19.86.020 and not more than \$25,000 for violation of an injunction under RCW 19.86.010 *et seq.* RCW 19.86.140 provides a civil penalty of not more than \$100,000 for any person who

violates RCW 19.86.030 or RCW 19.86.040, and a civil penalty of not more than \$500,000 for any corporation that violates RCW 19.86.030 or RCW 19.86.040.

d. Private Actions and Remedies

RCW 19.86.090 provides a private cause of action to any person injured by means of an unfair method of competition or unfair deceptive acts or practices. In a private action, the court may issue an injunction and/or award actual damages sustained by the injured party. The court may also award costs of the suit, including reasonable attorney's fees, and the court may also increase the award of damages up to an amount not to exceed three times the actual damages, provided that the increased damage award does not exceed \$10,000. For causes of action that accrue on or after July 26, 2009, the amount may not exceed \$25,000. If the private action is brought in a state court of limited jurisdiction in Washington (district court), then the actual damage award may not exceed \$75,000. RCW 3.66.020. Generally, the statute of limitations for an action brought under RCW 19.86.090 is four years after the cause of action accrues. RCW 19.86.120.

e. Class Actions

There are no statutory provisions for class actions. There is no indication, in either Washington statutes or case law, that class actions would not be allowable under the general civil practice of the state.

f. Notice

If a person outside the state has engaged in conduct that has had an impact in Washington which RCW 19.86 prohibits, that person has submitted to the jurisdiction of Washington courts. Personal service of any process may then be made upon that person. RCW 19.86.160.

g. Standing

Private actions may be brought by competitors.

h. Consumer Products

The statute is not explicitly limited to consumer products. However, the statute has been limited by the Washington courts to conduct that affects the public interest. *See Segal Co. v. Amazon.com*, 280 F. Supp. 2d 1229 (W.D. Wash. 2003).

i. Jurisdiction of Courts

Both the superior courts and district courts have jurisdiction over actions brought under the statute.

j. Rules

No authorization to promulgate regulations exists in the statute.

k. Administrative Investigative Authority

The Office of the Attorney General has the power to investigate and to bring an action in the name of the state or as *parens patriae* on behalf of persons residing in the state against any person violating the statute.

5. Administrator

The Attorney General's Office has the power to make investigations and to seek relief under the statute.

6. Leading Cases

See C.3, above.

D. Uniform Deceptive Trade Practices Act

Washington has not adopted the UDTPA, or any variation thereof.

1.-5. Not applicable.

E. Trademark Counterfeiting

Washington has no trademark counterfeiting statute aside from the trademark registration statute, described in A, above, and the criminal statute described in L, below. RCW 19.77.140 and RCW 19.77.150 prohibit trademark imitation and counterfeiting and provide remedies for such acts.

1.-5. Not applicable.

F. False Advertising

1. Statute

RCW 9.04.010 *et seq.* makes "false advertising" a misdemeanor.

2. Prohibited Practices

RCW 9.04.010 *et seq.* prohibits the making, publishing, disseminating, circulating, or placing before the public an advertisement regarding merchandise, securities, services, or anything so offered to the public, which contains any assertion, representation, or statement of fact which is untrue, deceptive, or misleading, with the requisite intent or scienter to induce the public to enter any obligation or transaction relating thereto.

3. Limitations

RCW 9.04.010 *et seq.* applies to any goods or services offered to the public. Exceptions are provided for parties who make, publish,

disseminate, circulate, or place before the public a false advertisement in good faith without knowledge of its falsity.

4. Who Can Sue

RCW 9.04.060 provides that the Attorney General or the prosecuting attorneys may bring an action to restrain and prevent false advertising.

5. Remedies

Any person who violates an order or injunction issued pursuant to RCW 9.04.010 *et seq.* shall be subject to a fine of not more than \$5,000, or imprisonment for not more than 90 days, or both. RCW 9.04.070.

G. Corporate Name Reservation Prior to Incorporation

1. Statute

The Washington Business Corporation Act is codified in Title 23B of the Revised Code of Washington. The Uniform Business Organizations Code – General is codified in Title 23 of the Revised Code of Washington. The statutes relating to reservation of a corporate name are RCW 23B.04.020 and RCW 23.85.310. The statutes relating to registration and renewal of a corporate name are RCW 23B.04.030 and RCW 23.85.315. Substantially similar provisions apply to nonprofit corporations. RCW 24.03.046-048 and RCW 24.06.046-048.

2. Reservation

a. Time Period

The name of a for-profit or a nonprofit corporation may be reserved for a nonrenewable period of one hundred eighty days. RCW 23B.04.020, RCW 24.03.046, RCW 23.85.310.

b. Renewal

Not applicable.

c. Fee

There is a \$30 fee for reservation of a corporate name. The nonprofit name registration fee is \$20. For registration with expedited service, there is an additional fee of \$50.

d. Prerequisite to Incorporation

Reservation prior to incorporation is not required.

3. Conflicting Names

RCW 23B.04.010 and RCW 23.95.300(1) specifies that a corporate name

must be distinguishable from the corporate name of a corporation authorized to do business in the state, or any corporate name that has been reserved or registered by another corporation. RCW 23B.15.060 and RCW 23.95.525 specify that the name under which a foreign corporation applies for a certificate of authority to transact business in the state must be distinguishable from the name of any domestic corporation or any foreign corporation authorized to transact business in the state, or to any name that has been reserved or registered by another corporation.

RCW 23.95.300(3) specifies that a corporate name shall not be considered distinguishable from an earlier reserved or registered corporate name by virtue of a variation in the use of "Corporation," "incorporated," "Company," "Limited," "partnership," "limited partnership," "limited liability company," "limited liability partnership," "social purpose corporation," "corp.," "inc.," "co.," "Ltd.," "LP," "L.P.," "LLP," "L.L.P.," "LLC," "L.L.C." "SPC," or "S.P.C." Furthermore, the addition or deletion of an article such as "the" or "and" from the name will not suffice. Punctuation, capitalization, special characters or symbols, or use of abbreviation or the plural form of a word in the same name will not be considered to distinguish the name from earlier reserved or registered names. RCW 24.03.045 states similar nonconflicting name rules for nonprofit corporations.

4. Restrictions on Use of "Corp." and Similar Terms

There is no provision in the Washington Business Corporation Act restricting the use of "Corporation" or "Inc.," etc., for businesses that are not incorporated. However, use of such terms by a nonprofit corporation is prohibited. RCW 24.03.045; RCW 24.06.045.

5. Required or Authorized Use of "Corp." or Similar Term

Except in the case of a social purpose corporation, the corporate name must include the word "Corporation," "Company," "Incorporated," or "Limited," or an abbreviation of one of such words. In the case of a foreign corporation not having such words or abbreviations in its name, the foreign corporation must add one or more of such words or abbreviations to its name for use in Washington. RCW 23.95.305(1)(a)(i)(A).

6. Search Provision

A search is conducted by the Secretary of State.

7. Policy Regarding Identical Words

The Secretary of State's Office may permit identical words in the

names of different corporations, so long as the names as a whole are not substantially identical.

8. Substantive Rights

There are no statutes or case law to the effect that substantive trademark or service mark rights are created by incorporation.

9. Prohibited Terms

RCW 23.95.305(1)(a)(ii) prohibits the use of any of the following words or phrases in corporate names: “bank,” “banking,” “banker,” “trust,” “cooperative,” or any combination of the words “Industrial” and “Loan” or any two or more of the following words: “building,” “savings,” “loan,” “home,” “association,” “society,” or any word or phrase otherwise prohibited by statute.

10. Administrative Agency

All communications, correspondence, and documents should be directed to: Secretary of State, Corporations Division, 801 Capitol Way S., P.O. Box 40234, Olympia, Washington 98504-0234, (360) 725-0377, 8:00 A.M. - 5:00 P.M. Website: <http://www.sos.wa.gov/corps>; email: corps@sos.wa.gov.

11. Forms

Application for reservation/renewal of corporate name is available from the Secretary of State. The form is available online at <http://www.sos.wa.gov/corps/Forms.aspx>

12. Fees

Reservation of corporate name is \$30, of non-profit name is \$20.

H. Trade Name Registration (Fictitious Name Statutes)

1. Purpose

Washington’s trade name registration statute was enacted in 1984, and is codified as RCW 19.80.001 *et seq.* The purpose of the statute is to require each person who is conducting business in the state of Washington under a trade name to disclose the true and real name of each person conducting that business, and to provide a central registry of businesses operating under a trade name in the State of Washington. RCW 19.80.001. The statute uses the term “trade name” to designate only a fictitious or assumed business name. The Washington courts have stated that the purpose of Washington’s prior trade name registration statute was to advise anyone extending credit to a business that operated under an assumed name of the names of

the real persons conducting the business. *See Hanson v. Roesch*, 104 Wash. 257, 176 P. 349 (1918).

2. Entities Required to File

The statute requires registration by any person who shall carry on, conduct, or transact business in the state under any trade name. RCW 19.80.010. "Trade name" is defined as a word or a name, or any combination of word or name, used by a person to identify the person's business, that does not include the true and real names of all persons conducting the business, or that does include words that suggest additional parties of interest such as "Company," "and Sons," or "and Associates." RCW 19.80.005(4). The expression "true and real name" means: (1) the surname of an individual coupled with one or more of the individual's other names, one or more of the individual's initials, or any combination thereof; (2) the designation or appellation by which an individual is best known and called in the business community where that individual transacts business, if this is used as that individual's signature; (3) the registered corporate name of a domestic or foreign corporation as filed with the Secretary of State; (4) the registered partnership name of a domestic or foreign limited partnership as filed with the Secretary of State; or (5) the name of a general partnership which includes in its name the true and real names, as defined above, of each general partner. RCW 19.80.005(5).

3. Limited Partnerships

Limited partnerships are required to register. *See* H.2, above.

4. Where to File

Washington has a single, centralized filing system in which registration of trade names is made with the Department of Revenue. Registration forms may be obtained from, and should be filed with, State of Washington

Business Licensing Service

PO Box 9034

Olympia, WA 98507-9034

Telephone: 1-800-451-7985

Fax: 1-360-705-6699

Email: POLS@dor.wa.gov

web site: <http://bls.dor.wa.gov>

All forms necessary to file a trade name are also available electronically at <http://bls.dor.wa.gov/forms>.

5. Fees

The registration fee is \$5 with an application fee of \$19.

6. Publication

There are no publication requirements in Washington.

7. Foreign Corporations

The trade name registration statute applies to any foreign corporation that is carrying on, conducting, or transacting business in the state under any trade name. *See* H.2, above.

8. Civil Penalties

No person transacting business under a trade name is entitled to maintain a suit in any of the courts of the state until the person has properly completed a trade name registration. Failure to register does not impair the validity of any contract or act, and does not prevent a person from defending a suit. The Washington Court of Appeals has held that under a prior trade name registration statute, failure to register a trade name must be raised by the defendant in its answer or in an earlier pleading, or else it is waived. *See Dearborn Lumber Co. v. Upton Enterprises, Inc.*, 34 Wash. App. 490, 662 P.2d 76 (1983).

9. Criminal Penalties

There are no criminal penalties for failure to register a trade name.

10. Certificate

No certificate is issued upon registering a trade name.

11. Renewal or Deletion

RCW 19.80.025(2) provides that a notice of cancellation is to be filed with the Department of Revenue when use of a trade name is discontinued. The statute also provides for filing an amendment when a change occurs in the true and real names of persons conducting a business under a trade name, or in any mailing address set forth in the registration, or in a subsequently filed amendment. A notice of cancellation is to be filed, together with a new registration, when a change of person or persons conducting business under a registered trade name occurs, or when there is a change in the wording or spelling of a registered trade name.

12. Substantive Rights

Registering a trade name does not create any substantive rights.

13. Search

No search is conducted unless requested. A search may be conducted online at https://secure.dor.wa.gov/gteunauth/_/ or by calling 1-800-451-7985 for more information.

14. Agent

The trade name registration statute does not require designation of a registered agent for service of process.

15. Mail Registration

Registration can be accomplished by mail.

**I. State Statutory and/or Common Law Unfair Competition
or Passing Off Provisions**

There is no Washington statute prohibiting unfair competition or passing off, aside from RCW 19.86.010 *et seq.* discussed in C, above.

1.-5. Not applicable.

6. Common Law Action for Unfair Competition

The Washington courts have recognized a state common law action for imitation of unregistered trade names and trademarks.

7. Elements of a Common Law Cause of Action

The Washington courts follow and frequently cite the following eight rules in cases involving common law trade name infringement. (1) The right to use a particular name as a trade name belongs to the one who first appropriates and uses it in connection with a particular business. (2) A person, whether individual or corporate, may not use any name, not even his or its own, which is the distinctive feature of a trade name already in use by another, if such use by the one person tends to confuse, in the public mind, the business of such person with that of the other. (3) The prior user may be entitled to relief regardless of actual fraud or intent to deceive on the part of a subsequent appropriator. (4) To acquire the right to use a particular name, it is not necessary that the name be used for any considerable length of time. It is enough to show that one was actually using it before it was begun to be used by the other. (5) A trade name may be abandoned or given up by the original proprietor and, when it is so abandoned or given up, any other person has the right to seize upon it immediately, and make use of it, and thus acquire a right to it superior not only to the right of the original user, but to all the world. (6) A trade name, in order to be an infringement upon another, need not be exactly like it in form and sound. It is enough if the one so resembles another as to deceive or mislead persons of ordinary caution into the belief that they are dealing with one concern when, in fact, they are dealing with the other. (7) The rule is no different when the name, or some part thereof, is a geographical name, or contains descriptive words which

have acquired a second meaning. (8) Prior right to the use of a name will be protected by injunction against others using it unfairly.

These eight rules were initially set forth by the Washington Supreme Court in *Seattle Street Railway & Municipal Employees Relief Ass'n v. Amalgamated Ass'n of Street, Electric Railway & Motor Coach Employees of America*, 3 Wash. 2d 520, 101 P.2d 338 (1940). A number of cases cited by the court in *Seattle Street Railway* were trademark cases or mixed trademark/trade name cases. See, e.g., *Queen Anne Candy Co. v. F.W. Woolworth Co.*, 165 Wash. 143, 4 P.2d 844 (1931); and *Olympia Brewing Co. v. Northwest Brewing Co.*, 178 Wash. 533, 35 P.2d 104 (1934). It therefore appears likely that the Washington courts would apply the above rules in trademark cases as well as in trade name cases.

The Washington Court of Appeals has stated that an action for trade dress infringement is actionable in Washington, although no infringement was found under the facts of the particular case. *Cedar-Al Products, Inc. v. Chamberlain*, 38 Wash. App. 626, 687 P.2d 880 (1984). The *Cedar-Al* case also held that color alone cannot be used to distinguish a product.

8. Remedies

Injunctions are available for infringement of a trade name or trademark. The scope of an injunction in a trade name case is governed by four factors: (1) whether the trade name was vaguely descriptive or clearly nondescriptive, i.e., the appropriability of the name; (2) the originality of the name; (3) whether or not the defendant acted in good faith; and (4) the extent of competition between plaintiff's and defendant's businesses. See *Bishop v. Hanenburg*, 39 Wash. App. 734, 695 P.2d 607 (1985).

Similar factors would probably be applicable in a trademark case. There is a strong tendency in common law trade name infringement cases to grant a limited injunction that requires the defendant to add one or more qualifying words to its trade name. For example, in a case in which the plaintiff's trade name was "Puget Sound Rendering, Inc.," the defendant's trade name was "Puget Sound By-Products," the parties were engaged in substantially identical businesses, and significant evidence of actual confusion was presented, the Washington Court of Appeals held that even where the public has been confused because certain key words are identical, Washington courts have allowed continued use of identical words subject to safeguards designed to avoid confusion. *Puget Sound Rendering, Inc. v. Puget Sound By-Products*, 26 Wash. App. 724, 615 P.2d 504 (1980). The court further stated that the factors listed above might in some instances

support totally prohibiting the use of certain words, although such extreme relief was not warranted in the case at hand. There is no Washington common law dealing with the awarding of damages.

9. Leading Cases

See I.7, .8, above. In *Pioneer First Federal Savings & Loan Ass'n v. Pioneer National Bank*, 30 Wash. App. 597, 637 P.2d 661 (1981), *aff'd in part, rev'd in part*, 98 Wash. 2d 853, 659 P.2d 481 (1983), the Washington Supreme Court held that state unfair competition laws relating to national bank names were preempted by the National Banking Act, 12 U.S.C. ch. 2. In *Pioneer*, the court also indicated that trade name protection was limited to the extent of competition in a given market area, and therefore presumably held that the right of expansion does not exist in Washington.

J. Statutes of Special Application and Personal Name Statutes

1. Special Statutory Sections*

(a) The use of false or assumed names in connection with the practice of optometry is prohibited under RCW 18.53.140(5), which also makes it unlawful to misrepresent any goods or services, including the trademark of such goods or services. Any person violating this statute is guilty of a misdemeanor. RCW 18.53.150.

(b) Washington's Pesticide Control Act is RCW 15.58.010 *et seq.* RCW 15.58.130 defines misbranded pesticides. RCW 15.58.150(1)(e) states that it is unlawful to distribute any misbranded pesticide. Violation is a misdemeanor according to RCW 15.58.330. The civil penalties and injunctions are provided for under RCW 15.58.335 and RCW 15.58.340, respectively.

(c) RCW 19.76 was an Act relating to beverage bottles. The bulk of the Act was repealed at the time the Model Trademark Act was adopted. However, three sections of the Act remain in force. RCW 19.76.100 provides that all persons engaged in the manufacture, bottling, or selling of beverages in casks, bottles, or other specified containers with their names or marks of ownership stamped thereon, may file in the Office of the Secretary of State the description of the names or marks used, and cause them to be published for six successive weeks in a newspaper. RCW 19.76.110-120 provide that when the requirements of RCW 19.76.100 have been complied with,

*The statutes referred to in this section are a representative sample of a number of provisions of Washington law. Please refer to the Revised Code of Washington for a complete listing.

the unauthorized refilling or trafficking in such containers is a misdemeanor.

(d) Approval by the state patrol of vehicle lighting fixtures is provided for in RCW 46.37.310-330. RCW 46.37.310(2) provides that no person shall sell or use any vehicle lamp or the like that has been approved unless the lamp or device bears the trademark or name under which it has been approved so as to be legible when installed.

(e) The use or registration of the term "Grange" by a person doing business in the state as either part of the business or in connection with its products or services is prohibited by RCW 24.28.040, unless he has complied with RCW 24.28.010 *et seq.* relating to granges, or has obtained written consent of the Washington State Grange.

(f) Regulations for the use of "CPA" and related name and abbreviations are set forth in RCW 18.04.345. Violation of any provision of RCW 18.04 is a misdemeanor and subject to a fine of not more than \$30,000, or to imprisonment for not more than six months, or both. RCW 18.04.370. The use of a professional title intended to deceive the public by a person in violation of RCW 18.04.345 after having entered into a stipulated agreement and order of assurance with the Board of Accountancy is a felony and subject to a fine of not more than \$30,000, or to imprisonment for not more than two years, or both. RCW 18.04.370. The Board of Accountancy may apply to a court for an order enjoining any prohibited activities. RCW 18.04.360.

(g) A licensee under RCW 19.16 relating to collection agencies must give written notice to the Department of Licensing of a proposed change of his or its trade name under RCW 19.16.170.

(h) A contract between an employment agency and an applicant must contain the trade name, if any, of the employment agency under RCW 19.31.040.

(i) Provisions relating to the names of banks and trust companies are set forth in RCW 30.04.010 *et seq.*

(j) Provisions relating to the names of savings and loan associations are set forth in RCW 33.08.010 *et seq.*

(k) Provisions relating to the names of industrial loan companies are set forth in the state Consumer Loan Act. RCW 31.04.015 *et seq.*

(l) Prior to July 1, 2009, a license to practice as an insurance agent, broker, solicitor, or adjuster may have been issued in a trade name upon proof that the trade name has been lawfully registered. Effective July 1, 2009, an insurance producer or title insurance agent doing business under any name other than their legal name is required to register the name in accordance with chapter 19.80 RCW and notify the Insurance Commissioner before using the assumed name, as provided for in RCW 48.17.180.

(m) The use of trade names and labeling that create the impression that a product is made by the blind is provided for in RCW 19.06.010.

(n) All motor fuel shall be registered by the name, brand, or trademark under which it will be sold at the terminal. RCW 19.112.040.

(o) Provisions relating to the names of contractors and the use of such names in advertising are set forth in RCW 18.27.010 *et seq.*

2. Use of Personal Name

See Section K.

K. Right of Publicity

1. Recognition

The principal Washington case relating to the right of publicity is *State ex rel. La Follette v. Hinkle*, 131 Wash. 86, 229 P. 317 (1924). In this case, the court held that the plaintiff, who was the Progressive Party candidate for the presidency of the United States, had the right to prevent a second party, known as the La Follette State Party, from nominating candidates for state office under the La Follette State Party designation. The court held that the persons organizing the La Follette State Party had no right to use Mr. La Follette's name in that connection against his wishes, stating that nothing so exclusively belongs to a man or is so personal and valuable to him as his name. The court further stated that in such a case, it is not necessary to allege or prove that such unauthorized use will damage the plaintiff, and that the law will presume such damage.

2. Applicable Statute

RCW 63.60.010 *et seq.*, adopted in 1998, established a statutory basis for personality rights in Washington state.

3. Elements of a Cause of Action

RCW 63.60.010 defines the use of a person's name, voice, signature, photograph, or likeness as a property right. The statute prohibits any person from using the voice, name, signature, photograph, or likeness of anyone, living or deceased, in or on goods, merchandise, products, or advertising for any of the above, or for fundraising or solicitation of donations in the state, without consent of the owner of the right. RCW 63.60.050. Consent includes both written and oral, express and implied consent. In order to be a violation of the statute, the infringer must make more than an insignificant, de minimus, or incidental use. RCW 63.60.070.

4. Survivability

The statute does differentiate between “individuals” and “personalities.” According to the statute, an individual is any person, living or dead, who died after January 1, 1988. A personality is a person whose name, voice, signature, photograph, or likeness had a commercial value at the time of death and who died after January 1, 1948. The right to publicity extends to both individuals and personalities after their death, and extends to both whether they died before or after enactment of the statute. RCW 63.60.040. In 2008, the statute was amended to specify that the right of publicity continues after the person’s death. This is regardless of where the person was domiciled when they died, or whether the jurisdiction that they were domiciled in at the time of death recognized a right in publicity. In 2011, the 2008 amendments to the statute were held unconstitutional. *Experience Hendrix, L.L.C. v. HendrixLicensing.com., LTD*, 766 F. Supp 2d 1122 (W.D. Wash. Feb. 08, 2011). On appeal, the 9th Circuit reversed the decision on the grounds that it was not fair to apply the statute in this particular case, finding that Washington had a sufficient interest in applying its own law to transactions occurring within the state. *Experience Hendrix, L.L.C. v. HendrixLicensing.com, Ltd.*, 742 F.3d 377 (9th Cir. 2014). The 9th Circuit did not reach a decision as to whether the amended statute is constitutional as applied to other cases.

5. Term of Survival

The term of survival is 10 years after death for an individual, and 75 years after death for a personality. RCW 63.60.040.

6. Secondary Meaning Requirement

There is no secondary meaning requirement.

7. Remedies

The courts may grant injunctions to prevent and/or restrain unauthorized use of personality rights. The court may even authorize the destruction or other reasonable disposition of any materials made in violation of the injured party’s rights. The infringer will be liable for up to \$1500 or the actual damages due to the result of the infringement, whichever is larger, and all profits made from the infringement. The prevailing party in an action brought under this section may recover attorney’s fees and costs along with the other remedies to which they are entitled. RCW 63.60.060.

8. Limitations

It is not a violation of the statute if a person’s personality rights are used for cultural, historical, political, religious, educational, newswor-

thy, or public interest matters, including matters of comment, criticism, satire, and parody. RCW 63.60.70(1). The statute also does not apply to using those rights in single, not widely reproduced, works of fine art, literary, theatrical, film, radio, musical, online, television, magazine works or news stories, public affairs reports, sports broadcasts, and political campaigns, where the use does not inaccurately claim or state an endorsement by the individual or personality. Personality rights may also be used for the advertisement of non-infringing uses without gaining consent from the owner of the rights. RCW 63.60.070(2).

The statute also does not apply to uses of a name, when that name is used fairly and in good faith for a merely descriptive purpose for the identification or description of something other than the individual or personality, such as to denote a style, theory, or place. RCW 63.60.070(5).

Owners or employees of a medium used for advertising who have published or disseminated any infringing advertisements or solicitations, unless the advertisements or solicitations were intended to promote the medium itself, are not liable. RCW 63.60.070(4).

L. Criminal Statutes

1. Statutory Provision

RCW 9.16.005 *et seq.* was the chapter of the Washington Criminal Code dealing with crimes relating to brands and trademarks, but effective July 25, 1999, it was amended to be a more general counterfeiting statute. For crimes relating to the use of a counterfeit trademark or trade name in connection with a controlled substance, *see* RCW 69.50.416. Washington decriminalized recreational marijuana in 2013, and marks relating to marijuana products are registrable as trademarks in Washington State.

For miscellaneous criminal statutes relating to trademarks, trade names, etc., *see* J, above. RCW 9.16.020 relates to the imitation of brands. RCW 9.16.030 states that any person who wilfully and knowingly, and for financial gain, manufactures, uses, displays, advertises, distributes, offers for sale, sells or possesses with intent to sell or distribute any item, or offers any services, bearing or identified by a counterfeit mark, is guilty of the crime of counterfeiting. Any state or federal certificate of registration of any intellectual property is *prima facie* evidence of the facts stated in the certificate. Counterfeiting can be a misdemeanor up to a class C felony according to criteria laid out in RCW 9.16.035. RCW 9.16.060 relates to fraudulent registration of a trademark. Violation is a misdemeanor. RCW 9.16.100

and 9.16.120 relate to the improper use of the words “sterling silver” and “coin silver.” Violation is a gross misdemeanor. RCW 9.16.110 and 9.16.130 relate to the improper use of the words “coin silver.” Violation is a gross misdemeanor. RCW 9.16.140 relates to the unlawful marking of gold articles. Violation is a gross misdemeanor.

The criminal statutes do not refer to civil statutes, other than as indicated above. Washington does not have a RICO statute, per se, but does have the Criminal Profiteering Act, RCW 9A.82, which allows persons who have sustained personal, business, or property damage by an act of criminal profiteering to file for recovery of damages and cost of litigation.

M. Trade Disparagement or Trade Libel

1. Statute or Common Law Doctrine

There is no Washington statute relating directly to trade libel or trade disparagement. Washington’s general libel statute may be applicable in trade disparagement and trade libel cases. RCW 9.58.010 *et seq.* A common law action for trade disparagement does exist in Washington. See *Waechter v. Carnation Co.*, 5 Wash. App. 121, 485 P.2d 1000 (1971). While *Waechter* is no longer good law for its treatment of defamation, it is still relied upon for the idea that the tort of disparagement is held to a higher standard than defamation. *Auvil v. CBS 60 Minutes*, 800 F. Supp. 928 (E.D. Wash. 1992).

2. Elements of Cause of Action

The *Waechter* case, M.1, above, cited the Restatement of Torts in discussing disparagement, and indicated that special damages must be pleaded and proved.

3.–6. Not applicable. Washington courts have not addressed these issues.

7. Defenses

Washington courts have not addressed the issue of defenses in a disparagement case. In libel cases, the Washington courts recognize a qualified privilege to publish a false statement when the parties share a legitimate business interest and the statement is made in an attempt to further the interests of such a business. However for the privilege to exist, the party publishing the libelous statement must have made a good faith reasonable investigation into the truth of the statement. *Walker & Assoc. v. Remie Jaussaud & Assoc.*, 7 Wash. App. 70, 497 P.2d 949 (1972).

N. Franchising or Business Opportunity Statutes

1. Statute

The Washington statute relating to the sale or offering for sale of franchises is the Washington Franchise Investment Protection Act, RCW 19.100.010 *et seq.* The selling of business opportunities, other than franchises, is governed by RCW 19.110.010 *et seq.*

2. Registration

RCW 19.100.020 makes it unlawful for a franchisor or subfranchisor to sell or offer to sell any franchise, unless the offer has been registered or is exempted. Registration and other filings for franchising and business opportunities are made with the Director of Financial Institutions. The requirements of an application for registration are set forth in RCW 19.100.040 and in Washington Administrative Code (WAC) 460-80-125.

3. Forms

The first page of the application must be on a form provided by the Department of Licensing. WAC 460-80-110.

4. Fees

The fees under the Washington Franchise Investment Protection Act are set forth in RCW 19.100.240 and are as follows: Filing application for registration, \$600; Filing application for renewal of registration, \$100; Filing amendment of application, \$100; Registration of a franchise broker, \$50; Annual renewal of registration of a franchise broker, \$25; Filing a notice of claim of exemption, \$100; Annual renewal of claim of exemption, \$100.

5. Approval Procedure

There is no formal examination or approval procedure set forth in the applicable statute or rules. The Director may issue a stop order denying the effectiveness of a registration (RCW 19.100.120) and may also require the escrow or impounding of franchise fees as a condition to the effectiveness of a registration (RCW 19.100.050). RCW 19.100.242 provides that the Director may make an investigation to determine whether any registration should be granted, denied, revoked, or suspended, or whether any person has violated or is about to violate any applicable statute, rule, or order. In making such an investigation, the Director may subpoena witnesses and require the production of documents (RCW 19.100.245), and may issue a cease and desist order (RCW 19.100.248).

6. Bond

The posting of a bond is not required.

7. Waiting Period

A registration becomes effective at 3:00 p.m. Pacific Standard Time on the afternoon of the fifteenth business day after the filing of the registration statement or last amendment, assuming no stop order has issued or proceeding to issue a stop order is pending. The Director can accelerate the effective date. RCW 19.100.060.

8. Penalties

The Attorney General or Director may bring an action against a person to restrain the doing of any act prohibited by the statute. Upon a proper showing, an injunction shall be granted and a receiver or conservator may be appointed for the defendant's assets. The prevailing party may recover costs including a reasonable attorney fee. Violation of an injunction carries a civil penalty of not more than \$25,000. The statute also provides for a civil penalty of not more than \$2,000 for each violation of the Act. Willful violation of the statute is a class B felony and punishable by a fine of up to \$5,000 and imprisonment for up to ten years, or both. Imprisonment requires knowledge of the rule or order violated. RCW 19.100.210. RCW 19.100.190 provides for a private civil action by a franchisee or subfranchisor against any person who sells or offers to sell a franchise in violation of the Act. The franchisee or subfranchisor can sue for damages or rescission. In a suit for damages, the court may award up to treble damages, and the prevailing party may recover costs including a reasonable attorney fee.

9. Required Disclosures

RCW 19.100.040 and WAC 460-80-125 through -140 describe the disclosure requirements in connection with an application for registration and include the following: a copy of the franchisor's or subfranchisor's disclosure document; a copy of all agreements to be proposed to franchisees; a consent to service of process; the application for registration of a franchise broker, if any; the applicable filing fees; and such other information as is determined, by rule or order, to be necessary or appropriate to facilitate the administration of the statute. The statute provides that the franchisor may be required to file a financial statement audited by an independent certified public accountant and prepared in accordance with general accepted accounting principles. The disclosure requirements for the disclosure document are set forth in RCW 19.100.080 and in WAC 460-80-300 through -315.

10. Standing to Sue

Suit may be brought by a franchisee or subfranchisor, or by the Attorney General or Director. *See* N.8, above.

11. Remedies

See N.8, above.

12. Contract Requirements

There are no express provisions governing contracts under the Washington Franchise Investment Protection Act.

13. Exceptions

RCW 19.100.010(6) defines a franchise, and provides that none of the following shall be construed as a franchise: the payment of service charges to the issuer of a credit card; actions regulated under laws administered by the Insurance Commissioner; and any motor vehicle dealer franchise subject to the provisions of RCW ch. 46.70. RCW 19.100.030 unconditionally exempts the following from the registration requirements of the Act: the offer, sale, or transfer of a franchise by a franchisee who is not an affiliate of the franchisor for the franchisee's own account, if the franchisee's entire franchise is sold and the sale is not effected by or through the franchisor; the offer or sale of a franchise by an executor, administrator, sheriff, marshal, receiver, trustee in bankruptcy, guardian, conservator, or pursuant to a court-approved offer or sale, on behalf of a person other than the franchisor or the estate of the franchisor; the offer or sale of a franchise to a bank, savings institution, trust company, insurance company, investment company, pension or profit sharing trust, or other financial institution or institutional buyer or to a broker dealer where the purchaser is acting for itself or in some fiduciary capacity. RCW 19.100.030 also provides for conditional exemptions to the registration requirements of the statute. A franchisor is exempt under RCW 19.100.030 if he has met certain disclosure requirements to the franchisee at least 14 calendar days prior to the execution of any binding agreement, or at least 14 calendar days prior to the receipt of any consideration, if the franchisor has not been previously found in violation of the franchise statute or related statutes, and if the franchisor meets the requirements of RCW 19.100.030(4)(b). RCW 19.100.030(4)(b) requires the franchisor to meet at least one of the following conditions: (1) The franchisor has a net worth on a consolidated basis of not less than five million dollars, or who has a net worth of not less than one million dollars and is at least 80 percent owned by a corporation that has a net worth on a consolidated basis

of not less than five million dollars and has at least 25 franchises conducting business at all times during the five-year period immediately preceding the offer or sale, or has conducted business that is the subject of the franchise continuously for not less than five years preceding the offer or sale, or if any corporation that owns at least 80 percent of the franchisor has had at least 25 franchises conducting business at all times during the five-year period immediately preceding the offer or sale or such corporation has conducted business that is the subject of the franchise continuously for not less than five years preceding the offer or sale, and the franchise requires an initial investment of more than \$100,000, and the franchisor files annually with the director a statement, prescribed by rule of the director, giving notice of such claim, and pays a filing fee as set forth by statute; or (2) the franchisor has no outstanding franchises granted for businesses located or to be located outside the State of Washington and has granted or will grant no more than three franchises for franchise businesses to be situated within the State of Washington, does not publish an advertisement or engage in general solicitation for the franchise offering, and the buyer is represented or advised in the transaction by independent legal counsel or certified public accountant; or (3) the franchisor does not charge a franchise fee in excess of \$500. Additional unconditional exemptions from the registration requirements of the Act include the offer or sale of the franchise to an accredited investor, or the offer or sale of an additional franchise to an existing franchisee of the franchisor for the franchisee's own account that is substantially the same as a franchise that the franchisee has operated for at least two years at the time of the offer of sale.

14. Registered Marks Exception

There are no exemptions for licenses or registered trademarks or service marks.

15. Federal Registration

Federal registration is not required to qualify for any exemption.

16. Use of UFOC

The Franchise Disclosure Document (FDD) (formerly known as the Uniform Franchise Offer Circular) has been adopted in WAC 460-80-315. The contents of the FDD are briefly summarized as follows: certain information regarding the franchisor and affiliates, including prior business experience, operation of franchises, pending or prior litigation and involvement in bankruptcy; franchisee's initial fees and investment; other fees; obligation of franchisee to purchase or lease

from designated sources or approved suppliers; financing arrangements; franchisor obligations; exclusive area or territory; trademarks, service marks, trade names, patents, or copyrights; franchisee's obligation to participate in the operation of the business; any restrictions on goods or services; renewal, termination, repurchase, or modification of the franchise agreement; arrangements with public figures; actual, average, projected, or forecasted franchisee sales or profits; financial statement preparation; copies of all relevant contracts and acknowledgement of receipt by the prospective franchisee.

17. Other Forms

See N.16, above.

18. Amendment

RCW 19.100.070(3) requires the filing of a supplemental report in the case of a material adverse change in the condition of a franchisee or franchisor. Such filing shall be made as soon as reasonably possible, and in any case before any further sale of any franchise.

19. Other Franchise Regulations

RCW 19.100.180 sets forth a number of specific rights and prohibitions with respect to the franchisor/franchisee relationship. RCW 19.100.100 requires filing of copies of advertisements of franchises. RCW 19.100.110 provides that the Director may notify the franchisor that an advertisement contains false or misleading statements or omissions, and the statute provides for a hearing at the franchisor's request. RCW 19.100.150 specifies the records and accounts that must be kept by persons offering franchises for sale.

20. Liability of Franchisor for Torts of Franchisee

The Washington courts have not addressed the question of whether a franchisor or trademark licensor may be held liable for the torts of the licensee or franchisee.