



## **ARE Trademark Law Alert: A New York District Court Requires Foreign Trademark Registrant to Cancel Registered Goods Filed Under Madrid Protocol for which No Bona Fide Intent-to-Use Can Be Shown**

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In *Sandro Andy, S.A., v. Light Inc. and Alice Sim*, the Southern District of New York concluded that a foreign trademark registrant must cancel registered goods filed under The Madrid Protocol, where no *bona fide* intent-to-use in the U.S.A. can be shown. Under the Madrid Protocol, a party can file an application for an International Registration of a mark and obtain registration for that mark in the United States of America without use, by requesting extension of the International Registration to the U.S.A. Such application will be subject to most of the rules of the United States Patent and Trademark Office ("USPTO"). One such rule requires that the request to extend to the U.S.A. include a declaration of a *bona fide* intent to use the mark in commerce in the U.S.A.

Sandro Andy, S.A. ("Sandro") obtained such a U.S.A. registration for the SANDRO trademark as a Madrid Protocol extension, for over 250 items. Sandro initiated a trademark infringement suit based on the U.S.A. registration for SANDRO against Light, Inc. ("Light") in the United States District Court for the Southern District of New York. Light filed several counterclaims, including a counterclaim to cancel Sandro's SANDRO trademark registration on the grounds that Sandro did not have a *bona fide* intent to use the SANDRO mark on all of the goods and services listed in the registration.

Sandro argued that, with respect to an applicant's extending an International Registration to the U.S.A., the *bona fide* intent-to-use requirement does not require demonstration of an intent to use that is specific to particular goods, only that the applicant have an intent to use the mark itself. The Southern District of New York disagreed and held that a petition to cancel the registration can be based on lack of a *bona fide* intent to use the mark for some or all of the listed goods.

Since Sandro had used the mark in the U.S.A. on at least some of the goods (but not all of the 250 in the U.S.A. SANDRO registration), the Court followed recent USPTO Trademark Trial and Appeal Board holdings and did not order the entire SANDRO registration cancelled. Instead, the Court permitted Sandro to file a Motion To Amend its certificate of extension to delete those goods on which it could not demonstrate a *bona fide* intent to use the mark in the U.S.A.



Practice Pointers:

Even though it is possible to file for and obtain a registration of a mark in the U.S.A. based on a large number of goods and/or services contained in an International Registration, which can then be extended under the Madrid Protocol to the U.S.A., foreign applicants would be well advised to carefully scrutinize which of the goods in the International Registration are to be contained in the certificate of extension to the U.S.A. Applicant's certificate of extension should only include those goods on which it can demonstrate a *bona fide* intent to use the mark in the U.S.A. Doing so will make it much less likely that a cancellation petition filed in the USPTO will succeed or that a counterclaim filed by an accused infringer will succeed.

Also, in light of the above decision, before enforcement of a registration obtained in the U.S.A. under extension of a Madrid Protocol registration or one based on a home country registration, it should be reviewed. Consideration should be given to cancellations of any goods on which a *bona fide* intention to use in the U.S.A. cannot be demonstrated.

Please feel free to contact us if you would like further information regarding this recent holding or related issues.

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