The Burger Court Opinion Writing Database

Park 'N Fly, Inc. v. Dollar Park & Fly, Inc.

469 U.S. 189 (1985)

Paul J. Wahlbeck, George Washington University
James F. Spriggs, II, Washington University in St. Louis
Forrest Maltzman, George Washington University

Supreme Court of the United States
Washington, D. C. 20543

CHAMBERS OF
THE CHIEF JUSTICE

November 29, 1984

Re: 83-1132 - Park' N Fly, Inc. v. Dollar Park and Fly, Inc.

Dear Sandra:

I join.

Regards,

WEB

Justice O'Connor

Copies to the Conference

Supreme Court of the United States
Washington, D. C. 20543

CHAMBERS OF
JUSTICE WM. J. BRENNAN, JR.

October 30, 1984

No. 83-1132

Park 'N Fly, Inc.
v. Dollar Park and Fly, Inc.

Dear Sandra,

I agree.

Sincerely,

Bill

Justice O'Connor

Copies to the Conference

Supreme Court of the United States
Washington, D. C. 20543

CHAMBERS OF
JUSTICE BYRON R. WHITE

October 30, 1984

83-1131 -

Park 'n Fly, Inc. v.
Dollar Park and Fly, Inc.

Dear Sandra,

Please join me.

Sincerely yours,

Byron

Justice O'Connor

Copies to the Conference

Supreme Court of the United States
Washington, D. C. 20543

CHAMBERS OF
JUSTICE THURGOOD MARSHALL

October 30, 1984

Re: No. 83-1132-Park'N Fly, Inc. v. Dollar Park and Fly, Inc.

Dear Sandra:

I am not yet at rest on this one.

Sincerely,

T.M.

Justice O'Connor

cc: The Conference

Supreme Court of the United States
Washington, D. C. 20543

CHAMBERS OF
JUSTICE THURGOOD MARSHALL

November 30, 1984

Re: No. 83-1132 - Park 'N Fly, Inc. v. Dollar Park and Fly, Inc.

Dear Sandra:

Please join me.

Sincerely,

T.M.

Justice O'Connor

The Conference

(5)

Supreme Court of the United States
Washington, D. C. 20543

CHAMBERS OF
JUSTICE HARRY A. BLACKMUN

October 31, 1984

Re: No. 83-1132 - Park 'N Fly, Inc.
v. Dollar Park and Fly, Inc.

Dear Sandra:

Please join me.

We have one minor suggestion for your consideration. My clerk will discuss this with your clerk. My vote is firm, whether or not you accept this suggestion.

Sincerely,

Harry

Justice O'Connor

cc: The Conference

CHAMBERS OF
JUSTICE LEWIS F. POWELL, JR.

Supreme Court of the United States
Washington, D. C. 20543

October 29, 1984

83-1132 Park'N Fly, Inc. v. Dollar Park & Fly, Inc.

Dear Sandra:

Please join me.

Sincerely,

Lewis

Justice O'Connor

Copies to the Conference

LFP/vde

Supreme Court of the United States
Washington, D. C. 20543

CHAMBERS OF
JUSTICE WILLIAM H. REHNQUIST

October 30, 1984

Re: No. 83-1132 Park 'N Fly, Inc. v. Dollar Park and Fly, Inc.

Dear Sandra:

Please join me.

Sincerely,

WHR

Justice O'Connor

cc: The Conference

Supreme Court of the United States
Washington, D. C. 20543

CHAMBERS OF
JUSTICE JOHN PAUL STEVENS

October 29, 1984

Re: 83-1132 - Park 'N Fly, Inc. v. Dollar Park And Fly, Inc.

Dear Sandra:

This case continues to trouble me. I think we must make an assumption that I do not believe your opinion ever expressly confronts, namely that the "Park 'N Fly" trademark was not entitled to registration under the Act.

As you note on page 4, page 6, and again on page 10, a descriptive mark may be registered only if the registrant shows that it has acquired secondary meaning. Petitioner made no such showing. Instead, it convinced the Examiner that the mark was not descriptive. The Court of Appeals disagreed with that conclusion and I think your opinion assumes that this is indeed a merely descriptive mark. Without any finding on the secondary meaning issue, it necessarily follows that the mark was not entitled to registration.

If you accept this analysis, your treatment of the legislative history on page 10 is flawed because the answer of the proponents of the Act "who noted that a merely descriptive mark cannot be registered unless the commissioner finds that it has secondary meaning" does not deal with the problem that this case presents.

I am also afraid that you have overstated the holding of the Court of Appeals. The court did not hold that an infringer can defend simply because a mark is descriptive. Rather, he can defend on the ground that (1) the mark is descriptive and (2) should not have been registered because it did not acquire a secondary meaning. It surely is at least arguable that there may be some nonstatutory equitable defenses--such as laches or unclean hands--to infringement actions even after a mark has become incontestable. The

respondent argues that there should be room for such an equitable defense if the record discloses that the mark was registered as a result of plain error committed by the Examiner. I am not sure your opinion fully responds to that argument.

Finally, I think there is more force in the Rand McNally precedent than the opinion acknowledges. If we take the comment of the Assistant Commissioner of Patents at face value, it does support respondent. For it is clear that the Park 'N Fly mark could not have been used as an "offensive weapon" immediately after registration without proof of secondary meaning, but now it may be enforced even if the infrigner proves that the mark never acquired secondary meaning. Thus, in direct contrast to the Assistant Commissioner's comment, incontestability has provided this

> registrant "with an 'offensive weapon' of any greater magnitude than that which it has had since the registration issued...." (Draft op., at 10, quoting from 105 U.S.P.Q., at 501.

In sum, I cannot join your opinion as presently drafted. I will try my hand at a different approach and, frankly, am still in some doubt as to how I will eventually come out.

Respectfully,

Justice O'Connor

Copies to the Conference

Supreme Court of the United States
Washington, D. C. 20543

CHAMBERS OF
JUSTICE JOHN PAUL STEVENS

October 30, 1984

Re: 83-1132 - Park 'N Fly, Inc. v. Dollar Park And Fly, Inc.

Dear Sandra:

Thank you for your prompt reply to my letter. With all due respect, however, I am afraid that your new footnote will just compound the confusion. If you assume that the mark never acquired secondary meaning, that assumption certainly does imply that the registration issued improperly. For I do not understand your opinion to disagree with the Court of Appeals' conclusion that the mark is merely descriptive, and, of course, the statute plainly provides that a merely descriptive mark may not be registered unless it has acquired secondary meaning.

You are, of course, entirely correct in noting that in view of the fact that Congress intended the inconstestability provisions to provide a means to quiet title in trademarks, it necessarily follows that incontestable marks cannot be challenged in an infringement action on the ground that the mark was erroneously issued. But, as the Rand McNally case demonstrates, the fact that an alleged infringer is not entitled to have a mark canceled--i.e., to challenge the mark--does not answer the question whether the owner of the mark is entitled to obtain injunctive relief against the infringer.

I recognize that your footnote 6 states that we do not address the availability of equitable defenses in an action enforcing an incontestable mark. But if you are willing to assume that the use of the word "exclusive" in § 33(b) does not necessarily require rejection of equitable defenses, I do not understand why that word should carry enough force to require rejection of a defense that the mark should never have issued in the first instance.

Perhaps the heart of the problem is our disagreement about the correct phrasing of the issue before the Court. In the first sentence of your opinion--and the second sentence of your letter--you state the issue as whether the infringement can be defended on the ground that the mark is merely descriptive. I agree completely that such a defense is insufficient. But the question, as I see it, is whether the action may be defended on the ground that the mark is (1) merely descriptive and (2) never acquired secondary meaning, and therefore was never entitled to registration.

Respectfully,

John

Justice O'Connor

Copies to the Conference

Supreme Court of the United States
Washington, D. C. 20543

CHAMBERS OF
JUSTICE JOHN PAUL STEVENS

November 1, 1984

Re: 83-1132 - Park 'N Fly, Inc. v. Dollar Park and Fly, Inc.

Dear Sandra:

Although you are right that our exchange of letters must come to a close, I want you to know that your "one last effort" has borne some fruit. I think you are correct that it is at least theoretically possible that the mark might not have been descriptive in 1967 when it issued but that it has become descriptive with the passage of time. In this case, however, it seems rather clear that the mark is and always has been merely descriptive; without proof of secondary meaning, it should not have issued and, apart from the incontestability protection, would be subject to cancellation today. But even accepting the theoretical possibility that the mark was properly issued in the first instance, this would merely mean that the question in this case is whether a mark which is incontestable but which could not be obtained today can properly provide the basis for an infringement action?

I am still inclined to think that is a difficult question and that the provisions of the statute that allow an infringer to have an incontestable mark cancelled are not necessarily controlling on the rather different question of whether incontestability provides an adequate basis for equitable relief against an infringer. Thus, although it is necessary to prove fraud in order to cancel an incontestable mark, it may well be true that unclean hands would preclude enforcement of such a mark. Similarly, it surely is not frivolous to suggest that a mark whose incontestability protects it from cancellation may nevertheless not support equitable relief against an infringer if the mark is, at the time of the lawsuit,

obviously descriptive and without any secondary meaning. Indeed, if there is significance in the fact that the nature of a particular trademark is not static, as you point out, it would seem especially appropriate to allow the chancellor some measure of discretion in determining whether or not to grant equitable relief against infringement.

You are right that Rand McNally did not involve an incontestable mark, but the question that was decided was whether it should be cancelled before it became incontestable, and the reason that the assistant commissioner did not do so was because he was convinced that incontestability would merely protect the mark from future cancellation without giving its owner any greater right to enjoin infringement than if it were not incontestable. In other words, the holding is squarely inconsistent with your disposition of this case.

I would also agree with you that if incontestability only protects an incontestable mark against cancellation, it follows that incontestability is superfluous "under the circumstances of this case." But that merely poses the question. We both are assuming that incontestability is superfluous in some cases--i.e., whenever an equitable defense is recognized--and we both recognize that it is not superfluous in cancellation proceedings. The issue, thus, is whether it is superfluous in this case.

Finally, I am particularly grateful for your last paragraph because I think the language of § 34 really does point up the correct issue. If the District Court is merely authorized to grant an injunction "according to the principles of equity" even when the owner of the mark has an incontestable mark, does that not mean that the issue before us is whether "the principles of equity" are satisfied by allowing the holder of a mark that would not now be entitled to registration to take the words "Park 'N Fly" out of the public domain?

In sum, I appreciate your willingness to engage in this continuing dialogue even though we have not by any means reached a point of total agreement.

Respectfully,

John

Justice O'Connor

Copies to the Conference

To: The Chief Justice
Justice Brennan
Justice White
Justice Marshall
Justice Blackmun
Justice Powell
Justice Rehnquist
Justice O'Connor

From: **Justice Stevens**

Circulated: DEC 19 19--

Recirculated: _____

1st DRAFT

SUPREME COURT OF THE UNITED STATES

No. 83-1132

PARK 'N FLY, INC., PETITIONER *v.*
DOLLAR PARK AND FLY, INC.

ON WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE NINTH CIRCUIT

[December ——, 1984]

JUSTIC STEVENS, dissenting.

In trademark law, the term "incontestable" is itself somewhat confusing and misleading because the Lanham Act expressly identifies over twenty situations in which infringement of an allegedly incontestable mark is permitted.[1] Moreover, in § 37 of the Act, Congress unambiguously authorized judicial review of the validity of the registration "in any action involving a registered mark."[2] The problem in this case arises because of petitioner's attempt to enforce as "inconstestable" a mark that Congress has plainly stated is inherently unregistrable.

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[1] Section 33(b) enumerates seven categories of defenses to an action to enforce an incontestable mark. See 15 U. S. C. § 1115(b), quoted *ante*, at 5 n. 3. In addition, a defendant is free to argue that a mark should never have become incontestable for any of the four reasons enumerated in § 15. 15 U. S. C. § 1065. Moreover, § 15 expressly provides that an incontestable mark may be challenged on any of the grounds set forth in subsections (c) and (e) of § 14, 15 U. S. C. § 1064, and those sections, in turn, incorporate the objections to registrability that are defined in §§ 2(a), 2(b), and 2(c) of the Act. 15 U. S. C. § 1052(a), (b), (c).

[2] Section 37, in pertinent part, provides:

"In any action involving a registered mark the court may determine the right to registration, order the cancelation of registrations in whole or in part, restore canceled registrations, and otherwise rectify the register with respect to the registration of any party to the action." 15 U. S. C. § 1119.

corrections on
07. 2, 3, 4, 5, 6

To: The Chief Justice
Justice Brennan
Justice White
Justice Marshall
Justice Blackmun
Justice Powell
Justice Rehnquist
Justice Stevens

From: **Justice O'Connor**

Circulated: OCT 27 1984

Recirculated: _____

1st DRAFT

SUPREME COURT OF THE UNITED STATES

No. 83-1132

PARK 'N FLY, INC., PETITIONER *v.*
DOLLAR PARK AND FLY, INC.

ON WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE NINTH CIRCUIT

[October ——, 1984]

JUSTICE O'CONNOR delivered the opinion of the Court.

In this case we consider whether an action to enjoin the infringement of an incontestable trade or service mark may be defended on the grounds that the mark is merely descriptive. We conclude that neither the language of the relevant statutes nor the legislative history supports such a defense.

I

Petitioner operates long-term parking lots near airports. After starting business in St. Louis in 1967, petitioner subsequently opened facilities in Cleveland, Houston, Boston, Memphis, and San Francisco. Petitioner applied in 1969 to the United States Patent and Trademark Office (Patent Office) to register a service mark consisting of the logo of an airplane and the words "Park 'N Fly."[1] The registration issued in August 1971. Nearly six years later, petitioner filed

[1] The Trademark Act of 1946 (Lanham Act), 60 Stat. 427, as amended, 15 U. S. C. § 1051 *et seq.*, generally applies the same principles concerning registration and protection to both trade and service marks. See § 3, 15 U. S. C. § 1053. The Lanham Act defines a trademark to include "any word, name, symbol, or device or any combination thereof adopted and used by a manufacturer or merchant to identify his goods and distinguish them from those manufactured or sold by others." § 45, 15 U. S. C. § 1127. A service mark is "a mark used in the sale or advertising of services to identify the services of one person and distinguish them from the services of others." *Ibid.*

1

Supreme Court of the United States
Washington, D. C. 20543

CHAMBERS OF
JUSTICE SANDRA DAY O'CONNOR

October 29, 1984

No. 83-1132 Park 'N Fly v. Dollar Park and Fly, Inc.

Dear John,

With respect to your concerns, I first observe that it is unnecessary to assume that Park 'N Fly was not originally entitled to registration under the Act. The issue as presented by the holding below is whether the infringement action can be defended on the grounds that the mark is now merely descriptive. The draft opinion does not address the question whether the mark properly issued initially. This point might be clarified by the addition of a footnote which I will add to the first sentence of the first full paragraph on page 9 of the draft as follows:

> Respondent contends that petitioner never claimed secondary meaning for the mark. Assuming that this proposition is true, it does not imply that registration improperly issued. Petitioner could, and apparently did, achieve registration by persuading the Patent Office that the mark was not merely descriptive. App. 54-57.

The Court of Appeals did not conclude that the mark improperly issued originally, but instead held that the mark at present is merely descriptive and observed that petitioner has not claimed that it has acquired secondary meaning. 718 F.2d, at 331. Thus, the holding of the Court of Appeals is not that an infringer can defend on the grounds that the mark was improperly issued because of plain error by Examiner, and we need not determine in this case whether such a defense may be asserted against an incontestable mark. Footnote 6 of the draft opinion expressly notes that we do not address the availability of equitable defenses. I add, however, that it is difficult to believe that Congress intended that the incontestability provisions would provide a means to quiet title in trademarks, but that incontestable marks could be challenged in an infringement action on the grounds that the Examiner erred in issuing the mark.

With respect to the legislative history, the point made in the draft opinion is that opponents of the incontestability provisions expressed concerns that merely descriptive marks might become incontestable, and that Congress addressed these concerns by providing particular statutory safeguards. These safeguards do not include the right to defend an infringement action on the grounds that an incontestable mark either was orginally or has become merely descriptive. I note that Congress expressly allowed a defense on the grounds that the registration was obtained fraudulently and permitted a mark to be challenged at any time on the grounds that it has become generic.

Rand McNally's statement concerning the use of incontestability as an "offensive weapon" cannot be characterized as precedent having persuasive force in the instant case. As the draft notes, the statement was dicta made in the context of a petition to cancel a descriptive mark that did possess secondary meaning. Moreover, even if the statement were interpreted to declare that an infringement action can be defended on the grounds that an incontestable mark is merely descriptive, that conclusion, as the draft explains, would conflict with the language and legislative history of the statute. Thus, I think that the draft opinion accords Rand McNally all the weight it deserves.

Sincerely,

Sandra

Justice Stevens

Copies to the Conference

Stylistic and
p. 9

To: The Chief Justice
Justice Brennan
Justice White
Justice Marshall
Justice Blackmun
Justice Powell
Justice Rehnquist
Justice Stevens

From: **Justice O'Connor**

Circulated: _____

Recirculated: _____

2nd DRAFT

SUPREME COURT OF THE UNITED STATES

No. 83–1132

PARK 'N FLY, INC., PETITIONER *v.*
DOLLAR PARK AND FLY, INC.

ON WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE NINTH CIRCUIT

[October ——, 1984]

JUSTICE O'CONNOR delivered the opinion of the Court.

In this case we consider whether an action to enjoin the infringement of an incontestable trade or service mark may be defended on the grounds that the mark is merely descriptive. We conclude that neither the language of the relevant statutes nor the legislative history supports such a defense.

I

Petitioner operates long-term parking lots near airports. After starting business in St. Louis in 1967, petitioner subsequently opened facilities in Cleveland, Houston, Boston, Memphis, and San Francisco. Petitioner applied in 1969 to the United States Patent and Trademark Office (Patent Office) to register a service mark consisting of the logo of an airplane and the words "Park 'N Fly."[1] The registration issued in August 1971. Nearly six years later, petitioner filed

[1] The Trademark Act of 1946 (Lanham Act), 60 Stat. 427, as amended, 15 U. S. C. § 1051 *et seq.*, generally applies the same principles concerning registration and protection to both trade and service marks. See § 3, 15 U. S. C. § 1053. The Lanham Act defines a trademark to include "any word, name, symbol, or device or any combination thereof adopted and used by a manufacturer or merchant to identify his goods and distinguish them from those manufactured or sold by others." § 45, 15 U. S. C. § 1127. A service mark is "a mark used in the sale or advertising of services to identify the services of one person and distinguish them from the services of others." *Ibid.*

Supreme Court of the United States
Washington, D. C. 20543

CHAMBERS OF
STICE SANDRA DAY O'CONNOR

November 1, 1984

No. 83-1132, Park 'N Fly, Inc. v. Dollar Park and Fly, Inc.

Dear John,

I suppose little more can be gained from a further exchange of letters in this case, but I will make one last effort. Even if we assume that the mark is now merely descriptive, it does not follow that it improperly issued in 1967. Petitioner apparently persuaded the Patent Office that the mark was registrable because it was suggestive and not merely descriptive. See app. 54-57. The nature of a particular trademark is not static, as evidenced by the fact that Congress expressly provided that a mark may be cancelled at any time if it becomes generic.

Moreover, I am convinced that the incontestability provisions do not allow an infringer to defend merely on the grounds that the Patent Office erred in originally issuing the mark. Congress expressly provided that an incontestable mark can be challenged on the grounds that registration or the right to incontestabilty was fraudulently obtained. 15 U.S.C. §1115(b)(1). To conclude that an infringer may allege that a mark should never have issued in the first instance, for whatever reason, both would ignore the specific defenses selected by Congress and would effectively restore the pre-Lanham Act rule that the validity of a mark can raised at any time as a defense to an infringement action. I note parenthetically that respondent did claim in its initial answer that the mark at issue here had been fraudulently obtained. App. 17-19. This contention is not mentioned in the pretrial order, see app. 32-33, and was not pursued at trial.

With respect to Rand McNally, it did not, of course, involve an incontestable mark and it establishes nothing even with respect to when such marks may be cancelled. Moreover, as the draft opinion notes at pp. 7-8, to conclude that incontestability only protects an incontestable mark against cancellation makes incontestability superfluous under the circumstances of this case.

Finally, I do not think the draft is inconsistent in suggesting that equitable defenses might be available. I did not intend to imply that such defenses are in fact available, and there is disagreement on this issue among the lower courts. Compare Prudential Ins. Co. v. Gibraltar Financial Corp., 694 F.2d 1150, 1153 (CA9 1982) (incontestability no bar to defense of laches), with United States Jaycees v. Chicago Jr. Assn. of Commerce & Industry, 505 F. Supp. 998, 1001 (N.D. Ill. 1981) (§1115(b) precludes equitable defenses). The best argument that equitable defenses are available rests on the language of §34, 15 U.S.C. §1116, which authorizes district courts to grant injunctions "according to the principles of equity." That this provision might permit a court to refuse to enjoin infringement of an incontestable mark based on equitable defenses does not suggest, however, that a court may consider as a defense challenges to the validity of the mark that are nowhere recognized in the statute.

Sincerely,

Sandra

Justice Stevens

Copies to the Conference

Stylistic Changes Throughout

pp. 8, 9, 11, 12, 13

To: The Chief Justice
Justice Brennan
Justice White
Justice Marshall
Justice Blackmun
Justice Powell
Justice Rehnquist
Justice Stevens

From: **Justice O'Connor**

Circulated: _____

Recirculated: DEC 21

3rd DRAFT

SUPREME COURT OF THE UNITED STATES

No. 83-1132

PARK 'N FLY, INC., PETITIONER *v.*
DOLLAR PARK AND FLY, INC.

ON WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE NINTH CIRCUIT

[January ——, 1985]

JUSTICE O'CONNOR delivered the opinion of the Court.

In this case we consider whether an action to enjoin the infringement of an incontestable trade or service mark may be defended on the grounds that the mark is merely descriptive. We conclude that neither the language of the relevant statutes nor the legislative history supports such a defense.

I

Petitioner operates long-term parking lots near airports. After starting business in St. Louis in 1967, petitioner subsequently opened facilities in Cleveland, Houston, Boston, Memphis, and San Francisco. Petitioner applied in 1969 to the United States Patent and Trademark Office (Patent Office) to register a service mark consisting of the logo of an airplane and the words "Park 'N Fly."[1] The registration issued in August 1971. Nearly six years later, petitioner filed

[1] The Trademark Act of 1946 (Lanham Act), 60 Stat. 427, as amended, 15 U. S. C. § 1051 *et seq.*, generally applies the same principles concerning registration and protection to both trade and service marks. See § 3, 15 U. S. C. § 1053. The Lanham Act defines a trademark to include "any word, name, symbol, or device or any combination thereof adopted and used by a manufacturer or merchant to identify his goods and distinguish them from those manufactured or sold by others." § 45, 15 U. S. C. § 1127. A service mark is "a mark used in the sale or advertising of services to identify the services of one person and distinguish them from the services of others." *Ibid.*