

Corporate Law Practice Group

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AALRR Alert



Traps for the Unwary (a series) 5 is the Magic Number for Renewals...OR... You Mean That Filing's Not Good Forever?

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1. Have you registered a trademark or service mark with the United States Patent and Trademark Office and/or California Secretary of State?

2. Have you registered a Fictitious Business Name with a County Clerk in one or more California counties?

3. Have you filed a Uniform Commercial Code ("UCC") Financing Statement or other lien document with the California Secretary of State?

If you answered "yes" to any of the above questions and are not aware of when your registration or filing requires renewal, then you may have fallen into a Trap for the Unwary and should READ ON...

Although Trade and Service Marks, Fictitious Business Name Statements, and UCC Financing Statements are not all registered and filed with the same governmental agencies, one thing they all have in common is that renewal of the

registration or filing is due within five (5) years of the original registration or filing date. The following is a brief summary of the renewal requirements.

Trademarks and Service Marks

A trademark or service mark (a "mark") is a distinctive sign or indicator used or intended to be used by an individual or entity to identify and distinguish the goods and/or services of one seller or provider from those of others, and to indicate the source of the goods and/or services.

United States Patent and Trademark Office ("USPTO")

Once a mark is registered with the USPTO, the owner of the mark must file specific documents and pay fees at regular intervals to keep the registration "alive" or valid.

A Declaration of Continued Use (or Excusable Nonuse) under Section 8 of the Trademark Act ("§8 Declaration") is required to

115 U.S.C. §1058

be filed between the 5th and 6th years after the date of registration of the mark. The §8 Declaration is a sworn statement by the owner of the mark that either (i) the mark is in use in commerce or (ii) the owner is claiming excusable nonuse of the mark. In addition, the owner of the mark is required to file a §8 Declaration and an Application for Renewal between the 9th and 10th years after the registration date, and between every 9th and 10th year after the registration date thereafter.

The §8 Declaration will be accepted as timely if filed within six months after the deadline with the payment of an additional fee. The current fee

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for filing a §8 Declaration is \$100 per class of goods/services, and there is an additional surcharge of \$100 per class of goods/services for filing during the 6-month grace period.

California Secretary of State

The duration of a mark registered in California is five (5) years and the renewal application requires submission of one original specimen showing actual current use of the mark. Application for renewal must be received by the Secretary of State within (but not before) the six month period prior to the date of expiration of the current registration together with the renewal fee of \$30.00.

Fictitious Business Name Statements

A fictitious business name statement (dba or “doing business as”) must be registered with the county clerk of the county of the registrant’s principal place of business if the business is any of the following: (i) Sole proprietorship doing business under a name not containing the owner’s surname; (ii) Partnership; or (iii) Corporation doing business under a name other than its legal name.

A fictitious business name statement expires five (5) years from the date it is filed in the office of the county clerk. A new fictitious business name statement must be filed prior to that date if the owner

intends to continue doing business under that name. A registration renewal requires completion and filing of the application along with the applicable filing fee. A renewal does not require publication (certain publication requirements must be met for every new fictitious business name application). Each county has its own form and fees, but the fees are typically in the \$20.00 to \$50.00 range.

UCC Financing Statements

The California Secretary of State’s office is the central filing office for certain financing statements and other lien documents provided for in the UCC. Filing with the Secretary of State serves to perfect a security interest in named collateral and establish priority in case of debtor default or bankruptcy.

Generally, the active duration for a financing statement is five (5) years², at which time it lapses unless it is continued. It remains active in the Secretary of State’s files for one year after it lapses and is searchable in its database for that period of time.

To continue the effectiveness of a financing statement for additional five (5) year periods, the secured party must file a Form UCC3, *National Financing Statement Amendment*, with the Secretary of State and pay the applicable filing

fee, which ranges from \$10.00 to \$20.00.

Need More Information?

If you would like further information or if you would like assistance in making an initial filing or processing a renewal for any of the registrations or filings discussed, please contact the attorneys listed above.

² Except for certain specific filings related to manufactured home transactions, public finance transactions, and statements covering transmitting utilities.