

The State of South Carolina

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November 20, 1990

The Honorable John T. Campbell  
Secretary of State  
State of South Carolina  
P. O. Box 11350  
Columbia, South Carolina 29211

Dear Mr. Secretary:

As you are aware, your letter of October 31, 1990 to Attorney General Medlock was referred to me for review. In that letter, you set forth the following pertinent facts: (1) the Blue Ribbon Taxi Cab Corporation is a business corporation duly formed and chartered under the laws of the State of South Carolina; (2) subsequent to the formation of the Blue Ribbon Taxi Cab Corporation, an individual, who is not associated with the corporation, filed with your office an application to register the name Blue Ribbon Cab as a trademark or service mark. Based upon these facts, the question you ask is whether, in light of the existence of the Blue Ribbon Taxi Cab Corporation, the individual may register the name Blue Ribbon Cab as a trademark or service mark.

The registration of trademarks in this State is governed by 1976 S. C. CODE, Ann., Section 39-15-110, et seq. A review of that statute indicates that the right of registration in the matter at hand likely would be controlled by an application of Section 39-15-120(6). Section 39-15-120(6) provides that a trademark or service mark shall not be registered if it:

"... consists of or comprises a mark which so resembles a mark registered in this State or a mark or trade name previously used in this State by another which is not abandoned as to be likely, when applied to the goods of the applicant, to cause confusion or mistake or to deceive." (emphasis supplied).

Essentially, Section 39-15-120(6) permits registration of a

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trademark or service mark by the "first user" of the mark. In that respect, the provision is consistent with the general law on this subject. For example, in 87 CJS, Trademarks, etc., it is stated that:

"The one who first employs a trade-mark in connection with a particular class of goods acquires the prior and exclusive right to use it in connection with that class of goods, notwithstanding the subsequent user first registers the mark and one not the originator or first user thereof is entitled only to the distinctive features added by him." 87 CJS, Trademarks, etc., p. 262.

In addition, it has been held that the incorporation of a business entity under a name or mark similar to that originated by the first user of the name or mark does not vest in the corporation any priority to the name or mark. George Washington Mint, Inc. v. Washington Mint, Inc., 349 F.Supp. 255, (1972). 87 CJS, Trademarks, etc., provides further instruction on this issue. Therein, it is stated that:

"...corporate names have frequently been enjoined on the general principles of trade-marks and unfair competition, where they were sufficiently similar to the names in use by prior traders to produce confusion and injury, and it has been held that the court may prohibit a corporation from invading the territory of a trader using a similar name. A corporate charter grants no immunity in the use of a deceptive name and the adoption by a company of the trade name of its goods a part of its corporate name after knowledge of the use of such name by another has been held to give the company no added rights." 87 CJS, Trademarks, etc., pp. 108-109.

Based upon the above-mentioned principles of law, we would conclude and advise you that the existence of the Blue Ribbon Taxi Cab Corporation does not, in and of itself, prohibit the registration of the name Blue Ribbon Cab as a trademark or service mark. It appears that the name Blue Ribbon Cab may be registered with your office so long as the applicant establishes, to your satisfaction, his "first usage" of the name or mark and complies with the other requirements of statute.

I trust that you will find the foregoing information to be

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responsive to your question. Please contact me if I can be of further assistance.

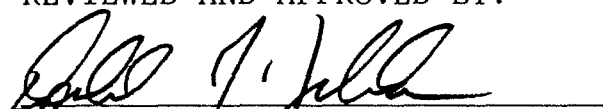
Very truly yours,



Wilbur E. Johnson  
Assistant Attorney General

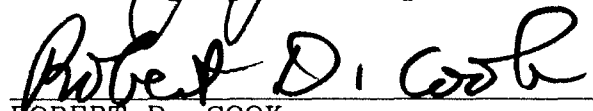
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REVIEWED AND APPROVED BY:



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DONALD J. ZELENIKA  
Chief Deputy Attorney General



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ROBERT D. COOK  
Executive Assistant for  
Opinions