



STATE OF KANSAS

Office of the Attorney General

1st Floor, State Capitol Bldg. (913) 296-2215 Topeka, Kansas 66612

Curt T. Schneider
Attorney General

August 1, 1978

ATTORNEY GENERAL OPINION NO. 78- 250

Mr. Sherman A. Parks, Jr.
Deputy Assistant Secretary of State
Office of the Secretary of State
2nd Floor - State Capitol
Topeka, Kansas 66612

Re: Trademarks--Registration--Cancellation

Synopsis: When a corporation has executed a consent to the use of a trademark by another corporation, which consent has been duly recorded with the Secretary of State, and the trademark in question has been duly registered in the name of such other corporation, that registration is conclusive upon the Secretary of State and this office as to the ownership of the trademark, whether such consent was in fact an assignment or otherwise, unless and until ownership of the trademark is determined by a court of competent jurisdiction.

* * *

Dear Mr. Parks:

You advise that the trademark "Rush" was issued to Rush, Inc., a Kansas corporation. On November 12, 1977, the board of directors of Rush, Incorporated, adopted a resolution stating thus:

"RESOLVED that RUSH, INC. gives its consent to Pacific Western Distributing Corp. to the use of the trademark RUSH on its liquid room odorizer product."

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Upon the filing of this resolution and application by Pacific Western Distributing Corporation with your office, the trademark "Rush" was registered in the name of Pacific Western. Subsequently, you state, counsel for Rush, Inc., has advised your office that the corporation desires to withdraw their consent for Pacific Western to use this trademark. You request our opinion whether the resolution quoted above constitutes an assignment pursuant to K.S.A. 81-116 or merely a written consent which is subject to withdrawal at the request of Rush, Inc. and whether your office should change your records to comply with the request of Rush, Inc., to withdraw use of the trademark "Rush" by Pacific Western.

K.S.A. 81-116 provides in pertinent part thus:

"Any mark and its registration hereunder shall be assignable with the good will of the business in which the mark is used, or with that part of the good will of the business connected with the use of and symbolized by the mark. Assignment shall be by instruments in writing duly executed and may be recorded with the secretary of state upon the payment of a fee . . . who, upon recording of the assignment, shall issue in the name of the assignee a new certificate for the remainder of the term of the registration or of the last renewal thereof."

At 6 Am.Jur.2d *Assignments* § 82, the writer states thus:

"A valid assignment must comply with the fundamental requisites which are applicable to contracts generally, with respect to legality of object, capacity of parties, consideration, and consent Any language, however informal, which indicates the intention of the owner of a claim or chose in action to transfer it, will be sufficient to vest the property in the assignee."

The language of the resolution, granting "consent . . . to the use of the trademark" is not language which might ordinarily be used to convey absolutely the right of Rush, Inc., to the use

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of the trademark in question. However, it is difficult to determine the intention of the parties from the mere language alone, without the aid of facts and circumstances surrounding the adoption of the resolution. It is impossible for us to offer an opinion, purely as a matter of law, concerning the intention of the parties.

From your letter, however, it clearly appears that upon the receipt of this resolution, and the payment of the appropriate fee, the trademark "Rush" was duly registered in the name of Pacific Western. The grounds for cancellation of a trademark are set forth in K.S.A. 81-118. Pursuant to subsection (3) thereof, the Secretary of State may cancel the trademark registration upon a finding by a court of competent jurisdiction that the registrant is not the owner of the mark. Neither the Secretary of State nor our office is authorized to determine administratively the ownership of a registered trademark as a basis for cancellation of its registration. It may be that the resolution in question does not constitute an assignment. However, it was offered for filing, apparently, as one, and the registration of the trademark was transferred to Pacific Western, accordingly. That registration is conclusive upon both your office and mine, as to the ownership of the trademark, unless and until a finding of ownership in another is rendered by a court of competent jurisdiction. Thus, it is my opinion that you should not comply with the request of Rush, Inc., to change the registration of the trademark, and that you should leave the current registration unaltered. If Rush, Inc., established by a judicial determination that it is indeed the owner of the trademark, and that the resolution in question did not in fact constitute an assignment, then and only then may you amend the registration accordingly.

Yours truly,



CURT T. SCHNEIDER
Attorney General

CTS:JRM:kj