
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 895 Session of
2007

INTRODUCED BY GREENLEAF, COSTA, RAFFERTY, STACK, O'PAKE, BROWNE
AND WASHINGTON, JUNE 6, 2007

REFERRED TO JUDICIARY, JUNE 6, 2007

AN ACT

1 Amending Title 18 (Crimes and Offenses) of the Pennsylvania
2 Consolidated Statutes, further providing for trademark
3 counterfeiting.

4 The General Assembly of the Commonwealth of Pennsylvania
5 hereby enacts as follows:

6 Section 1. Section 4119 of Title 18 of the Pennsylvania
7 Consolidated Statutes is amended to read:

8 § 4119. Trademark counterfeiting.

9 (a) Offense defined.--Any person who knowingly manufactures,
10 uses, displays, advertises, distributes, transports, offers for
11 sale, sells or possesses with intent to sell or distribute any
12 items or services bearing or identified by a counterfeit mark
13 shall be guilty of the crime of trademark counterfeiting.

14 (b) Presumption.--A person having possession, custody or
15 control of more than 25 items bearing a counterfeit mark [may be
16 presumed to possess said items with intent to sell or
17 distribute.] shall be presumed to be in possession of the items
18 with the intent to offer for sale, sell or distribute the items.

1 (c) Penalties.--

2 (1) Except as provided in paragraphs (2) and (3), a
3 violation of this section constitutes a misdemeanor of the
4 first degree.

5 (2) A violation of this section constitutes a felony of
6 the third degree if:

7 (i) the defendant has previously been convicted
8 under this section; or

9 (ii) the violation involves more than 100 but less
10 than 1,000 items bearing a counterfeit mark or the total
11 retail value of all items or services bearing or
12 identified by a counterfeit mark is more than \$2,000, but
13 less than \$10,000[.]; or

14 (iii) the offender knowingly or recklessly causes or
15 attempts to cause the bodily injury of another by the
16 commission of an offense under this section.

17 (3) A violation of this section constitutes a felony of
18 the second degree if:

19 (i) the defendant has been previously convicted of
20 two or more offenses under this section;

21 (ii) the violation involves the manufacture or
22 production of items bearing counterfeit marks; [or]

23 (iii) the violation involves 1,000 or more items
24 bearing a counterfeit mark or the total retail value of
25 all items or services bearing or identified by a
26 counterfeit mark is more than \$10,000[.]; or

27 (iv) the offender knowingly or recklessly causes or
28 attempts to cause the serious bodily injury of another by
29 the commission of an offense under this section.

30 (d) Quantity or retail value.--The quantity or retail value

1 of items or services shall include the aggregate quantity or
2 retail value of all items or services [bearing or identified by
3 every counterfeit mark] the defendant manufactures, uses,
4 displays, advertises, distributes, offers for sale, sells or
5 possesses.

6 (e) Fine.--Any person convicted under this section shall be
7 fined in accordance with existing law or an amount up to three
8 times the retail value of the items or services bearing or
9 identified by a counterfeit mark, whichever is greater.[, unless
10 extenuating circumstances are shown by the defendant.]

11 (f) Seizure, forfeiture and disposition.--

12 (1) Any items bearing a counterfeit mark, any property
13 constituting or derived from any proceeds obtained, directly
14 or indirectly, as the result of an offense under this section
15 and all personal property, including, but not limited to, any
16 items, objects, tools, machines, equipment, instrumentalities
17 or vehicles of any kind, [knowingly employed or] used in
18 connection with a violation of this section [may] shall be
19 seized by [any] a law enforcement officer.

20 (2) All seized personal property referenced in paragraph
21 (1) shall be forfeited in accordance with applicable law.
22 [unless the prosecuting attorney responsible for the charges
23 and the intellectual property owner consent in writing to
24 another disposition.] Upon the conclusion of all criminal and
25 civil forfeiture proceedings, the court shall order that
26 forfeited items bearing or consisting of a counterfeit mark
27 be destroyed or alternatively disposed of in another manner
28 with the written consent of the trademark owners and the
29 prosecuting attorney responsible for the charges.

30 (3) If a person is convicted of an offense under this

1 section, the court shall order the person to pay restitution
2 to the trademark owner and to any other victim of the
3 offense. In determining the value of the property loss
4 involving an offense against the trademark owner, a court
5 shall grant restitution for all amounts, including expenses
6 incurred by the trademark owner in the investigation and
7 prosecution of the offense as well as the disgorgement of any
8 profits realized by a person convicted of the offense.

9 (g) Evidence.--Any Federal or State certificate of
10 registration [of any intellectual property] shall be prima facie
11 evidence of the facts stated therein.

12 (h) Remedies cumulative.--The remedies provided for in this
13 section shall be cumulative to the other civil and criminal
14 remedies provided by law.

15 (i) Definitions.--As used in this section, the following
16 words and phrases shall have the meanings given to them in this
17 subsection:

18 "Bodily injury." The term shall have the same meaning given
19 it under section 2301 (relating to definitions).

20 "Counterfeit mark." [Any of the following:

21 (1) Any unauthorized reproduction or copy of
22 intellectual property.

23 (2) Intellectual property affixed to any item knowingly
24 sold, offered for sale, manufactured or distributed or
25 identifying services offered or rendered, without the
26 authority of the owner of the intellectual property.] A
27 spurious mark that meets all of the following:

28 (1) Is applied to, used or intended to be used in
29 connection with an item or service.

30 (2) Is identical with or substantially indistinguishable

1 from a mark registered and in use in this Commonwealth, any
2 other state or on the principal register in the United States
3 Patent and Trademark Office, whether or not the person knew
4 the mark was registered.

5 (3) The application of which is either:

6 (i) likely to cause confusion, to cause mistake or
7 to deceive; or

8 (ii) otherwise intended to be used on or in
9 connection with the item or service for which the mark is
10 registered.

11 ["Intellectual property." Any trademark, service mark, trade
12 name, label, term, device, design or word adopted or used by a
13 person to identify that person's goods or services.]

14 "Item." Any of the following:

15 (1) Goods.

16 (2) Labels.

17 (3) Patches.

18 (4) Fabric.

19 (5) Stickers.

20 (6) Wrappers.

21 (7) Badges.

22 (8) Emblems.

23 (9) Medallions.

24 (10) Charms.

25 (11) Boxes.

26 (12) Containers.

27 (13) Cans.

28 (14) Cases.

29 (15) Hangtags.

30 (16) Documentation.

1 (17) Packaging.

2 (18) Any other components of a type or nature that are
3 designed, marketed or otherwise intended to be used on or in
4 connection with any goods or services.

5 "Retail value." [The counterfeiter's regular selling price
6 for the item or service bearing or identified by the counterfeit
7 mark. In the case of items bearing a counterfeit mark which are
8 components of a finished product, the retail value shall be the
9 counterfeiter's regular selling price of the finished product on
10 or in which the component would be utilized.] One of the
11 following:

12 (1) The counterfeiter's regular selling price for the
13 item or service bearing or identified by a counterfeit mark,
14 except that it shall be the retail price of the authentic
15 counterpart if the item or service bearing or identified by a
16 counterfeit mark would appear to a reasonably prudent person
17 to be authentic. If no authentic reasonably similar
18 counterpart exists, the retail value shall be the
19 counterfeiter's regular selling price.

20 (2) If the items bearing a counterfeit mark are
21 components of a finished product, the retail value shall be
22 treated as if each component were a finished good and valued
23 under paragraph (1).

24 "Serious bodily injury." The term shall have the same
25 meaning given it under section 2301 (relating to definitions).

26 Section 2. This act shall take effect in 60 days.