

PENNSYLVANIA'S ANTI-COUNTERFEITING LAW IS DECLARED UNCONSTITUTIONALLY BROAD

By: Alex Butterman

The Supreme Court of the State of Pennsylvania has overturned the state's trademark protection law declaring that its anti-counterfeiting statute is unconstitutionally broad. In *Commonwealth v. Omar* and *Commonwealth v. O'Connor* (2009 Pa. LEXIS 2104 (Pa. Oct. 5, 2009)), Omar and O'Connor were each arrested and charged under the state's anti-counterfeiting law for separate crimes resulting from the possession and sale of merchandise bearing counterfeit trademarks, namely, boxes of counterfeit "Nike" sneakers in Omar's case, and hats bearing Penn State University's logo sold by O'Connor outside of the university's football stadium.

Pennsylvania's highest court found that the limiting phrase, "intent to sell or distribute," in the statute applies only to the verb "possesses" immediately preceding it and not to other acts specified earlier in that clause of the statute such as "manufactures, uses, displays, advertises, distributes, offers for sale, sells." The court reasoned that the language was so broad, it could criminalize constitutionally protected speech, including "the use of words on a sign praising or protesting any entity with a trademarked name." The Pennsylvania Supreme Court decision was a 4-3 decision with one dissenting justice stating that the legislature's "clumsy grammar" should not be the basis for overturning a law whose intent is clear.

A bill to revise the statute was passed by the Pennsylvania House of Representatives in March, 2009 and referred to the Senate Judiciary Committee but has not seen any further action. In the meantime, Pennsylvania technically does not have an enforceable anti-counterfeiting statute but aggrieved parties should be able to find remedies in other civil and criminal laws providing for the seizure of counterfeit goods.