



Trademark Case Decisions: The Past Year in the Courts

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Highlights of the Trailing Twelve Months



They include:

- four trademark-related cases decided by the Supreme Court;
- continued post-*Romag Fasteners* disagreement among the lower courts on the prerequisites for accountings of profits;
- significant applications of the First Amendment;
- numerous findings of nonactionable puffery as a matter of law; and
- emerging trademark-related cannabis case law outside the registration process.

Prerequisites for Protectable Rights: Distinctiveness



Can the combination of an arguably generic word and a generic top-level domain qualify as a descriptive (and therefore potentially protectable) mark?

- No. See *Advertise.com, Inc. v. AOL Advertising, Inc.*, 613 F.3d 974 (9th Cir. 2010).
- No. See *In re Hotels.com, L.P.*, 573 F.3d 1300 (Fed. Cir. 2009).
- Yes. See *Booking.com B.V. v. United States Patent & Trademark Office*, No. 19-46, 2020 WL 3518365 (U.S. June 30, 2020).

***Booking.com B.V. v. United States
Patent & Trademark Office, No. 19-46,
2020 WL 3518365 (U.S. June 30, 2020)***



Prerequisites for Protectable Rights: Distinctiveness



A “generic.com” term might ... convey to consumers a source-identifying characteristic: an association with a particular website.... [O]nly one entity can occupy a particular Internet domain name at a time, so a consumer who is familiar with that aspect of the domain-name system can infer that BOOKING.COM refers to *some* specific entity. Thus, consumers could understand a given “generic.com” term to describe the corresponding website or to identify the website’s proprietor.

Booking.com, 2020 WL 3518365, at *6 (alteration accepted) (citations omitted).

Prerequisites for Protectable Rights: Distinctiveness



While we reject the rule proffered by the PTO that “generic.com” terms are generic names, we do not embrace a rule automatically classifying such terms as nongeneric. Whether any given “generic.com” term is generic, we hold, depends on whether consumers in fact perceive that term as the name of a class or, instead, as a term capable of distinguishing among members of the class.

Booking.com, 2020 WL 3518365, at *6.

Prerequisites for Protectable Rights: Distinctiveness



Evidence informing that inquiry can include not only consumer surveys, but also dictionaries, usage by consumers and competitors, and any other source of evidence bearing on how consumers perceive a term's meaning. Surveys can be helpful evidence of consumer perception but require care in their design and interpretation. Moreover, difficult questions may be presented when a term has multiple concurrent meanings to consumers or a meaning that has changed over time.

Booking.com, 2020 WL 3518365, at *6 n.6.

Procedure: Claim Preclusion



If a plaintiff asserts a new claim in a second case between the same parties, do federal claim-preclusion (res judicata) principles bar the defendant from raising a defense to the new claim that was not actually litigated and resolved in the first case between the parties?

- No. See *Lucky Brand Dungarees, Inc. v. Marcel Fashions Grp.*, 140 S. Ct. 1589 (2020).

Remedies: Monetary Relief



Must a plaintiff asserting claims of infringement, unfair competition, or cybersquatting demonstrate willful misconduct by a defendant to receive an accounting of profits under Section 35(a) of the Lanham Act?

- Yes. See *4 Pillar Dynasty LLC v. N. Y. & Co.*, 933 F.3d 202 (2d Cir. 2019).
- Yes. See *Safeway Transit LLC v. Disc. Party Bus, Inc.*, 954 F.3d 1171 (8th Cir. 2020).
- No. See *Retractable Techs., Inc. v. Becton Dickinson & Co.*, 919 F.3d 869 (5th Cir. 2019).
- Maybe. See *PlayNation Play Sys., Inc. v. Velez Corp.*, 924 F.3d 1159 (11th Cir. 2019).

Remedies: Monetary Relief



Must a plaintiff asserting claims of infringement, unfair competition, or cybersquatting demonstrate willful misconduct by a defendant to receive an accounting of profits under Section 35(a) of the Lanham Act?

- No. See *Romag Fasteners, Inc. v. Fossil, Inc.*, 140 S. Ct. 1492 (2020).

Remedies: Monetary Relief



When a violation of [section 32], a violation under section [43(a)] or (d) ... , or *a willful violation* under section [43(c)] ... , shall have been established ... , the plaintiff shall be entitled, ... subject to the principles of equity, to recover [the] defendant's profits

Section 35(a) of the Lanham Act, 15 U.S.C. § 1117(a) (emphasis added).

Remedies: Monetary Relief



Per the Court, Congress did not intend to codify a preexisting historical rule requiring showings of willfulness because:

- “from the record the parties have put before us, it’s far from clear whether trademark law historically required a showing of willfulness before allowing a profits remedy,” 140 S. Ct. at 1496; rather,
- “the vast majority of the cases both [parties] cite simply failed to speak clearly to the issue one way or another.” *Id.* at 1497.

Remedies: Monetary Relief



[W]e do not doubt that a trademark defendant's mental state is a highly important consideration in determining whether an award of profits is appropriate. But acknowledging that much is a far cry from insisting on [it as an] inflexible precondition to recovery

Romag Fasteners, 140 S. Ct. at 1497.

Remedies: Monetary Relief



Is a showing of actual confusion a prerequisite for an accounting of a defendant's profits in an infringement action?

- No. See *4 Pillar Dynasty LLC v. N.Y. & Co.*, 933 F.3d 202 (2d Cir. 2019).
- Apparently yes. See *Safeway Transit LLC v. Disc. Party Bus, Inc.*, 954 F.3d 1171 (8th Cir. 2020).

Iancu v. Brunetti, 139 S. Ct. 2294 (2019)



Local Zoning Law: Significance of the First Amendment



Do local governments have a legitimate interest in preventing residents from being exposed to offensive marks on signs?

- Yes. See *Broke Ass Phone v. Boardman Twp. Zoning Bd. of Appeals*, No. 18 MA 0115, 2019 WL 6464131 (Ohio Ct. App. Nov. 15, 2019).

**Broke Ass Phone v. Boardman Twp.
Zoning Bd. of Appeals, No. 18 MA 0115,
2019 WL 6464131 (Ohio Ct. App. Nov.
15, 2019)**



United States of America
United States Patent and Trademark Office

BROKE ASS PHONE

Reg. No. 4,926,318

B. A. P. HOLDINGS, LTD (OHIO LIMITED LIABILITY COMPANY)
133 BOARDMAN-POLAND RD.
BOARDMAN, OH 44512

Registered Mar. 29, 2016

Int. Cl.: 37

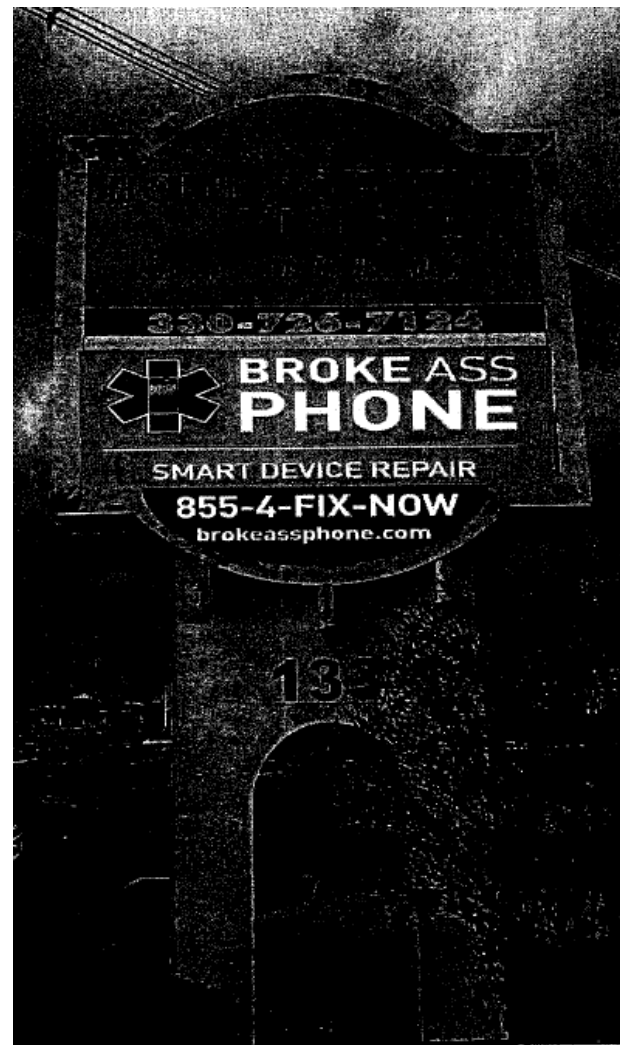
FOR: REPAIR OF ELECTRONIC APPARATUS, IN CLASS 37 (U.S. CLS. 100, 103 AND 106).

SERVICE MARK

FIRST USE 1-31-2012; IN COMMERCE 1-31-2012.

PRINCIPAL REGISTER

THE MARK CONSISTS OF STANDARD CHARACTERS WITHOUT CLAIM TO ANY PARTICULAR FONT, STYLE, SIZE, OR COLOR.



Local Zoning Law: Significance of the First Amendment



When we view the word “ass” in context, it is clear that it is neither obscene nor immoral when used on the sign “Broke Ass Phone.” In this context, the word ass is not used to describe part of the body and is not in reference to any type of crude or offensive behavior. Instead, the term “ass” when used in a phrase like “Broke Ass Phone,” has become commonly used as a slang term to say that the phone is “really” or “badly” broken.

Broke Ass Phone, 2019 WL 6464131, at *4.

Prerequisites for Protectable Rights: Significance of Federal Registrations



Does the “prima facie evidence” of mark validity represented by a registration for which a declaration of incontestability has not been filed shift the burden of *proof* or the burden of *production* to a defendant challenging the mark’s validity?

- The burden of proof. *See Eng’d Tax Servs., Inc. v. Scarpello Consulting, Inc.*, 958 F.3d 1323 (11th Cir. 2020).
- The burden of proof. *See Royal Palm Props., LLC v. Pink Palm Props., LLC*, 950 F.3d 776 (11th Cir. 2020).
- The burden of proof. *See Vietnam Reform Party v. Viet Tan - Vietnam Reform Party*, 416 F. Supp. 3d 948 (N.D. Cal. 2019).

Prerequisites for Protectable Rights: Significance of Federal Registrations



Does the “prima facie evidence” of mark validity represented by a registration for which a declaration of incontestability has not been filed shift the burden of *proof* or the burden of *production* to a defendant challenging the mark’s validity?

- The burden of production. See *CTB, Inc. v. Hog Slat, Inc.*, 954 F.3d 647 (4th Cir. 2020).
- The burden of production. See *Pearson’s Inc. v. Ackerman*, No. 7:18-CV-00013-BP, 2019 WL 3413501 (N.D. Tex. July 29, 2019).

Prerequisites for Protectable Rights: Significance of Federal Registrations



Does the “conclusive evidence” of mark validity represented by a registration for which a declaration of incontestability has been filed shift the burden of *proof* or the burden of *production* to a defendant challenging the mark’s validity?

- The burden of production. See *Flexible Steel Lacing Co. v. Conveyor Accessories, Inc.*, 955 F.3d 632 (7th Cir. 2020).

Prerequisites for Protectable Rights: Significance of Federal Registrations



[A] registered mark cannot be asserted against a person who used an otherwise infringing mark in commerce before the priority date of the registered mark.

Stone Brewing Co. v. MillerCoors LLC, No. 3:18-CV-00331-BEN-LL, 2020 WL 1508489, at *16 (S.D. Cal. Mar. 27, 2020).

Liability: Likelihood of Confusion



Under *Rogers v. Grimaldi*, 875 F.2d 994 (2d Cir. 1989), the First Amendment protects the title or content of a creative or expressive work against liability unless the plaintiff can prove one of two circumstances:

- the title or content has no artistic relevance to the underlying work whatsoever; or
- if the title or content *does* have some artistic relevance, it's explicitly misleading as to the source or the content of the work.

A plaintiff satisfying either of these prongs also must make a showing of likely confusion.

AM Gen. LLC v. Activision Blizzard, Inc., No. 17 CIV. 8644 (GBD), 2020 WL 1547838 (S.D.N.Y. Mar. 31, 2020)



Liability: Likelihood of Confusion



The *AM General* methodology:

- apply the first prong of *Rogers* to determine whether the defendant's imitation of the plaintiff's mark has any artistic relevance to the underlying work; and, if it does,
- use the standard multifactored *Polaroid* test for likely confusion to determine whether the defendant's imitation of the plaintiff's mark is explicitly misleading under the second prong of *Rogers*.

VIP Prods. LLC v. Jack Daniel's Props., Inc., 953 F.3d 1170 (9th Cir. 2020)



Liability: Likelihood of Confusion



Are trademark uses by a defendant eligible for protection under *Rogers*?

- Apparently yes. See *VIP Prods. LLC v. Jack Daniel's Prods., Inc.*, 953 F.3d 1170 (9th Cir. 2020).
- Apparently no. See *Harley-Davidson, Inc. v. Grottanelli*, 163 F.3d 806 (2d Cir. 1999).
- No. See J. Thomas McCarthy, *McCarthy on Trademarks and Unfair Competition* § 31:153 (5th ed. 2018).

Liability: Likelihood of Confusion



Can its external packaging or labeling render an ordinary household good an expressive work under *Rogers* meriting heightened constitutional protection?

- Apparently yes. See *VIP Prods. LLC v. Jack Daniel's Prods., Inc.*, 953 F.3d 1170 (9th Cir. 2020).
- Apparently no. See *Louis Vuitton Malletier, S.A. v. My Other Bag, Inc.*, 674 F. App'x 16 (2d Cir. 2016)

Louis Vuitton Malletier, S.A. v. My Other Bag, Inc., 674 F. App'x 16 (2d Cir. 2016)



Liability: Likelihood of Confusion



The *VIP Products* methodology:

- the plaintiff must first satisfy either prong of *Rogers*; and then
- the plaintiff must make an independent showing of likely confusion under the standard multifactored test.

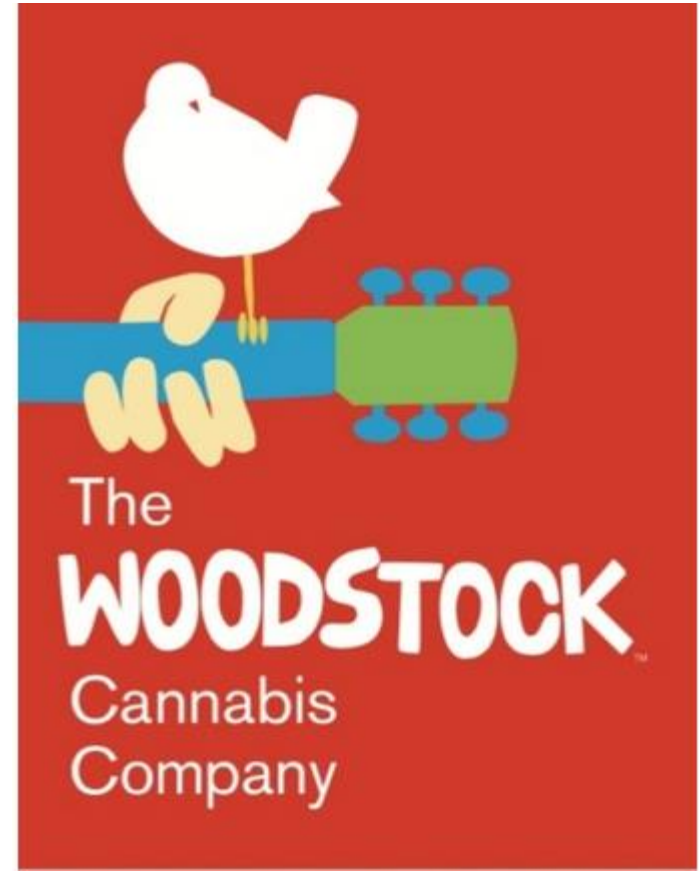
Liability: Likelihood of Confusion



Can a plaintiff avail itself of federal law based on the theory that the recreational cannabis market lies within its zone of natural expansion?

- No. See *Woodstock Ventures LC v. Woodstock Roots, LLC*, 387 F. Supp. 3d 306 (S.D.N.Y. 2019).

Woodstock Ventures LC v. Woodstock Roots, LLC, 387 F. Supp. 3d 306 (S.D.N.Y. 2019)



Liability: False Advertising



Is a finding of nonactionable puffery as a matter of law appropriate on a motion to dismiss for failure to state a claim?

- Yes. See *Lugones v. Pete & Gerry's Organic, LLC*, 440 F. Supp. 3d 226 (S.D.N.Y. 2020).
- Yes. See *N. Am. Olive Oil Ass'n v. D'Avolio Inc.*, No. 16CV6986SJFARL, 2020 WL 2079421 (E.D.N.Y. Apr. 30, 2020), *appeal docketed*, No. 20-1688 (2d Cir. May 29, 2020).
- Yes. See *Weight Watchers Int'l, Inc. v. Noom, Inc.*, 403 F. Supp. 3d 361 (S.D.N.Y. 2019).
- Yes. See *Prager Univ. v. Google LLC*, 951 F.3d 991 (9th Cir. 2020).

Lugones v. Pete & Gerry's Organic, LLC, 440 F. Supp. 3d 226 (S.D.N.Y. 2020)



[OUR PRODUCTS](#) [OUR HENS](#) [ABOUT US](#)



[EGG RECIPES](#) [BLOG](#) [WHERE TO BUY](#)



Liability: False Advertising



Is harm to the general public a prerequisite for claims under GBL Sections 349 and 350?

- Yes. See *N. Am. Olive Oil Ass'n v. D'Avolio Inc.*, No. 16CV6986SJFARL, 2020 WL 2079421 (E.D.N.Y. Apr. 30, 2020), *appeal docketed*, No. 20-1688 (2d Cir. May 29, 2020).
- Yes. See *Rosenshine v. A. Meshi Cosmetics Indus. Ltd.*, No. 18-CV-3572 (LDH), 2020 WL 1914648 (E.D.N.Y. Mar. 30, 2020).
- Yes. See *Adina's Jewels, Inc. v. Shashi, Inc.*, No. 19 CIV. 8511 (AKH), 2020 WL 950752 (S.D.N.Y. Feb. 27, 2020).

Defenses: Prior Use



Can a vendor of branded cannabis-related products avail itself of Section 33(b)(5)'s prior use defense based on the purely intrastate use of its mark in a state in which cannabis is lawful?

- No. See *Kiva Health Brands LLC v. Kiva Brands Inc.*, 402 F. Supp. 3d 877 (N.D. Cal. 2019).

Kiva Health Brands LLC v. Kiva Brands Inc., 402 F. Supp. 3d 877 (N.D. Cal. 2019)



Defenses: Prior Use



To hold that [the lead defendant's] prior use of the [disputed] mark on a product that is illegal under federal law is a legitimate defense to [the lead defendant's] federal trademark [claim] would put the government in the anomalous position of extending the benefits of trademark protection to a seller based upon actions the seller took in violation of that government's own laws.

Kiva Health Brands, 402 F. Supp. 3d at 888 (internal quotation marks omitted).

Thank You!



Locations

ANCHORAGE
ATLANTA
AUGUSTA
BEIJING
CHARLOTTE
DALLAS
DENVER
HOUSTON
LOS ANGELES
NEW YORK
RALEIGH
SAN DIEGO
SAN FRANCISCO
SEATTLE
SHANGHAI
SILICON VALLEY
STOCKHOLM
TOKYO
WALNUT CREEK
WASHINGTON D.C.
WINSTON-SALEM

