

snippets®

Fall 2015 Vol. 13, Issue 4

A review of developments in Intellectual Property Law

Unleash the Power of Your Trademark Portfolio, Maximize ROI, and Change the World



By James M. McCarthy
By the time this 2015 Fall edition of *snippets*® hits your inbox, our readers in the United States will already have been inundated with articles and thoughts about

Thanksgiving—a time to take a step back and be thankful for what we have. At the same time, many of us are also involved in planning for a bigger and better 2016—reviewing and approving budgets, setting goals, and formulating action plans. Accordingly, this is the perfect time and environment in which to take a close look at your trademark portfolio. It is the time to be thankful for your brand's position in the market and the investments you have made into searching, registering, maintaining, and enforcing your trademarks. But it is also the time to set goals and develop plans to make better use of your trademark portfolios. With a bit of guided, strategic thinking, we hope that this article will help

you maximize the return on your investment in intellectual property in the new year.

More Than An Audit

The first step toward maximizing the return on a trademark portfolio is to appreciate the current status of the portfolio and to honestly assess the strengths, weaknesses, and value of the brands within it. While a traditional trademark audit is often thought of for this purpose (and is always valuable and certainly recommended on an annual basis), an audit is often viewed as either an "investment" or an avoidable cost. Therefore, in order to generate a measurable, financial return on intellectual property investments, a more creative approach is required. Specifically, companies and clients need to find ways to utilize their primary brands to either develop new customers or deepen engagement with current customers. This can be accomplished by expanding the reach of a brand through licensing or by setting up corporate social responsibility (CSR) programs.

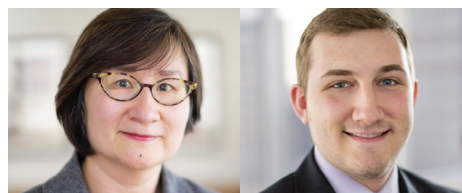
Expand Your Brand

One of the obvious ways to enhance the bottom line of a company is to sell more of a company's branded goods or services. Most of the time, the responsibility for increasing sales rests with the sales and marketing teams, not the legal department. Some of the best opportunities, though, are hidden within the intellectual property portfolio of a company and can be unlocked by working with the legal team to review and assess the portfolio. Procter & Gamble, for example, developed a successful new oral care product line by combining two pre-existing but separate trademarks, Crest® and Scope®¹.

If combining brands is not an option, brands can also expand through licensing or co-branding, like Cinnabon® has done in recent years². As some *snippets*® readers may know, the Cinnabon® brand was built through the distinctive aroma and flavor of Cinnabon® cinnamon rolls that were sold primarily through
(continued on page 2)



Page 3
Seven Points to Consider Regarding Advertising Claims



Page 5
TIFFANY Mark Infringed by Costco's sale of "Tiffany" Rings



Page 8
Issues to Be Aware of When Seeking Trademark Protection

(continued from page 1)

malls and airports. Through an aggressive licensing and co-branding program led by Kat Cole, the distinctive Cinnabon® brand was extended to products containing cinnamon — breakfast cereals, coffee creamers, frostings, and even vodka. In this way, the Cinnabon® brand experience was extended into grocery stores and homes, resulting in sales surpassing \$1 billion.

While hindsight makes it easy to see how famous brands can expand into new channels, brand expansion is possible for any brand, even if your product is currently an unbranded component of another product. Remember, it wasn't so long ago that computer chips, speakers, and the chocolate in a boxed cake mix were merely generic components. Now, every computer has Intel Inside®, Porsche® and General Motors® cars feature premium Bose® speakers, and Betty Crocker® cakes feature Hershey's® chocolate³.

Whether your client or company owns one trademark or thousands, brand extensions that will dramatically impact the company bottom line are available. After clearly articulating your brand's attributes and value, potential partners and licensing opportunities will become apparent. Your trademark lawyer, working with marketing and sales data, can both identify these opportunities and start putting together a detailed licensing plan to generate revenue.

Growing Brands Can Change the World

Another, not so obvious, way to use a trademark portfolio to generate a return on investment is to build a branded corporate social responsibility program. While many CSR programs originated in the 1990s when companies began to focus on the "triple bottom line" (financial, social, and environmental), these programs now have a direct impact on the financial bottom line of a company. A recent Weber Shandwick study found that almost sixty percent of consumers in the United States (and over eighty percent in China) try to buy products from a company that is doing good things for the environment or the community.⁴ Indeed, customers want to know that their purchases make a difference in the world, and they will vote with their wallets.

One Size Does Not Fit All

Part of the demand for branded CSR programs comes from customers demanding consistency

between the product brands that they buy and the associated corporate brand. As a result, CSR programs must be as unique and distinctive as the underlying brands. Examples of CSR programs aimed at enhancing brand distinctiveness include TOMS® shoes and Warby Parker® glasses, which have made the "buy one, give one" model famous.⁵ Patagonia® donates one percent of all sales to help protect the environment.⁶ Kroger®'s CSR program focuses on food safety, education, meal donation, employment of veterans, and sustainability. Goodyear®'s CSR supports STEM education,

One of the obvious ways to enhance the bottom line of a company is to sell more of a company's branded goods or services. Most of the time, the responsibility for increasing sales rests with the sales and marketing teams, not the legal department.

road safety, and environmental stewardship.⁷ Many law firms have ramped up their pro bono practices. Still other companies develop and build charitable foundations, like Virgin Unite®, that are consistent with their respective corporate missions and brand values.⁸

Legal Concerns

Since every branded CSR program is unique, each program also presents distinct legal issues. For this reason, lawyers working with these programs should evaluate the programs both for consistency with brand values as well as traditional trademark and false advertising issues. In addition, legal teams should be aware that the Federal Trade Commission (FTC), the National Association of Attorneys General, and the Environmental Protection Agency all have guides that govern proper environmental marketing. Terms like "green," "recycled,"

"sustainable," and "environmentally friendly" should not be used without consulting these guides. Finally, legal teams must evaluate the absolute truth and consistency of any CSR claims and consider the potential impact of negative publicity for inconsistent actions.

CSR Bottom Line Impact

When the triple bottom line philosophy gained popularity, many companies quickly recognized that investments in social and environmental issues could lead to increased customer loyalty and employee retention. Back then, the long term return on such investments was lower replacement costs, increased sales, and greater profit. A branded CSR program certainly provides these same benefits, but also has a much more direct impact on the bottom line. Just like the underlying brand itself, the clear strategic vision for employees and customers that a branded CSR program communicates acts as a natural differentiator between a brand and its competitors. As a result, employees and customers ultimately have a better understanding of and admiration for the brand. This deeper engagement leads to higher brand recognition and increased revenues, which of course leads to better bottom line profits.

Start Small, Dream Big

A great example and inspiration for unleashing the power of a trademark portfolio both to generate a bottom line return and to change the world is Sir Richard Branson. Branson opened Virgin Records® in 1972. Various brand extensions led to the formation of Virgin® Airlines and Virgin Mobile®, and today the Virgin® brand is used in connection with racing, radio, wines, travel, and investment funds. Branson has even extended the Virgin® brand to CSR through an earth challenge and green fund, as well as the previously mentioned Virgin Unite® charitable foundation.

Behind Branson's brand extensions and growth is a deep desire to change the world. In fact, Branson claims that striving to be profitable provides the strength to continuously discover better ways to be a force for good. The bottom line impact of this philosophy? Virgin® companies recently generated over \$22 billion in annual revenues.⁹

Companies that are trying to make a profit while being a force for good are changing the

(continued on page 10)

Seven Points to Consider Regarding Advertising Claims

By Eric R. Moran

Under the Federal Trade Commission (“FTC”) Act, advertising must be truthful and non-deceptive, advertisers must have evidence to back up their claims, and advertisements cannot be unfair.¹ An advertisement is deceptive if it misleads reasonable consumers and is material to a consumer’s decision to purchase a product.² An advertisement is unfair if it causes substantial unavoidable injury that is not outweighed by its benefit to consumers.³

Below we discuss seven points to consider when making or reviewing advertising materials or claims.

(1) The Primary Objective:

Truth in Advertising

A determination of the truthfulness and non-deceptiveness of an advertisement is determined based on the entire impression that the advertisement conveys.

Express and implied claims are equally important, and even implications made by advertisers must be truthful, non-deceptive, substantiated, and not unfair. The FTC provides examples of express and implied advertising claims⁴:

- **Express:** “‘ABC Mouthwash prevents colds’ is an express claim that the product will prevent colds.”
- **Implied:** “‘ABC Mouthwash kills the germs that cause colds’ contains an implied claim that the product will prevent colds.”

In the examples above, both claims require the same substantiation.

Importantly, an advertiser cannot cure a false claim by use of a disclaimer. Generally speaking, a disclaimer cannot contradict other statements made in the advertisement. Instead, any qualifying information needed to prevent deception “should be presented clearly and conspicuously so that consumers can actually notice and understand it.”⁵

Moreover, the FTC has provided guidance on how to present information in advertisements to prevent an advertisement from being deceptive⁶:

- advertisers should use clear and unambiguous language,
- advertisers should place any qualifying information close to the claim being qualified, and
- advertisers should avoid using small type or any distracting elements that could undercut the disclosure.

(2) Advertisers Need Reasonable Substantiation for Material Claims

An advertiser must have reasonable substantiation for any material claim made in an advertisement, and such substantiation must be available when making the claim. Developing substantiation after making a claim may not be sufficient.

Appropriate substantiation requires objective evidence to support the claim, but the amount and type of evidence depends on the claim made.

At a minimum, if an advertisement claims a particular level of substantiation (for example, “two out of three doctors recommend” or “tests prove”), an advertiser must have that level of substantiation. If the advertisement does not specify a level of support, reasonable substantiation may be based on a number of factors including input from experts in the field.

(3) Claims Regarding Health Benefits Require Heightened Substantiation

Some advertisements, such as those that make claims directed to health or safety, require a higher level of substantiation. The FTC has provided examples of health or safety claims⁷:

- ABC Sunscreen will reduce the risk of skin cancer.
- ABC Water Filters remove harmful chemicals from tap water.
- ABC Chainsaw’s safety latch reduces the risk of injury.

In addition, courts have found that claims directed to “pain” relief require a heightened level of substantiation.⁸

Regarding the level of substantiation required, the FTC has stated⁹: ads that make health or safety claims must be supported by “competent and reliable scientific evidence” - tests, studies, or other scientific evidence that has been evaluated by people qualified to review it. In addition, any tests or studies must be conducted using methods that experts in the field accept as accurate.

In addition, at least one court has specified the heightened level of substantiation required for health-related claims: “In the instant case, with medical, health-related claims, a well-conducted, placebo-controlled, randomized, doubleblind study, the gold standard, should have been conducted.”¹⁰

(4) Proper Use of Trademarks

Advertising claims including trademarks generally involve two situations: (i) use of the advertiser’s own trademarks or (ii) use of third-party trademarks. When using its own trademarks, an advertiser should be sure to adhere to its own internal guidelines for use of its trademarks. Such guidelines may instruct, for example, on consistent methods of use, on use of a trademark as an adjective and not a noun, and whether a “®” or “™” designation should be used with the mark.

When using trademarks of third parties, additional care must be taken to avoid consumer confusion as to origin or endorsement of the advertised products or services. Generally, an advertiser can use a simple disclaimer to clarify third-party trademark ownership and non-affiliation.

An advertiser must take still more care regarding use of a third-party mark in comparative advertising. A competitor would surely examine very closely any such use and any claims associated with such use. Advertisers must not make any misrepresentations about either a competitor’s product or the advertiser’s own product.¹¹

(5) Regulation of “Green” or Environmental Claims

The FTC has published detailed “guides” on claims regarding purported environmental benefits of products.¹² These guides:

apply to claims about the environmental

(continued on page 4)

(continued from page 3)

attributes of a product, package, or service in connection with the marketing, offering for sale, or sale of such item or service to individuals. . . . The guides apply to environmental claims in labeling, advertising, promotional materials, and all other forms of marketing in any medium, whether asserted directly or by implication, through words, symbols, logos, depictions, product brand names, or any other means.¹³

In particular, the FTC “Green” guides focus on the following types of environmental claims:

- Carbon offsets¹⁴
- Certifications and seals of approval¹⁵
- Compostable claims¹⁶
- Degradable claims¹⁷
- Free-of claims¹⁸
- Non-toxic claims¹⁹
- Ozone-safe and ozone-friendly claims²⁰
- Recyclable claims²¹
- Recycled content claims²²
- Refillable claims²³
- Renewable energy claims²⁴
- Renewable materials claims²⁵
- Source reduction claims²⁶

In general, the FTC “Green” guides discourage general environmental claims: “It is deceptive to misrepresent, directly or by implication, that a product, package, or service offers a general environmental benefit.”²⁷ Instead, advertisers should seek to “qualify general environmental benefit claims to prevent deception about the nature of the environmental benefit being asserted.”²⁸

According to the FTC, any qualification made to avoid deceptive advertising “should be clear, prominent, and understandable,” using “plain language and sufficiently large type” in “close proximity to the qualified claim.”²⁹ Advertisers should also “avoid making inconsistent statements or using distracting elements that could undercut or contradict the disclosure.”³⁰

(6) “Made in U.S.A.” Claims: When Appropriate, Substantiation Required

With some products, such as automobiles, and textile, wool, and fur products, an advertiser must disclose U.S. content; with other products, an advertiser may choose to make a “Made in

U.S.A.” claim. As with other claims, origin claims may be either express or implied³¹:

- **Express:** “Made in U.S.A.”; “American-made”; “USA.”
- **Implied:** Use of U.S. symbols or geographic references (such as U.S. flags, outlines of U.S. maps, or references to U.S. locations of headquarters or factories).

In any case, a product advertised as made in the United States must be “all or virtually all” made in the United States. According to the FTC, “[a]ll or virtually all” means that all significant parts and processing that go into the product must be of U.S. origin. That is, the product should contain no—or negligible—foreign content.³²

The FTC looks at a number of factors in determining whether a product is “all or virtually all” made in the United States.³³ At minimum, the final assembly or processing of the product must take place in the United States. Other factors may include the amount of manufacturing costs allocated to the United States and whether any foreign content is integral to—or far removed from—the finished product.

In some cases, an advertiser may make a qualified “Made in U.S.A.” claim, such as “60% U.S. content,” “Made in USA of U.S. and imported parts,” or “Couch assembled in USA from Italian Leather and Mexican Frame.”³⁴

In any case, as with other advertising, an advertiser must have a “reasonable basis,” including competent and reliable evidence, to support the claim at the time of making the claim.³⁵

Lastly, all products of foreign origin imported into the United States must designate the name of the country of origin.

(7) Guarantees and Warranties Must Meet Certain Requirements

The Magnuson-Moss Warranty/FTC Improvement Act³⁶ includes provisions governing guarantees and warranties.

For example, materials providing warranties or guarantees, such as by use of the terms “Satisfaction Guarantee,” “Money Back Guarantee,” or “Free Trial Offer,” should disclose, “with such clarity and prominence as will be noticed and understood by prospective purchasers,” any material limitations or conditions that apply to the “guaranteed”

representation.³⁷ For example: “If not completely satisfied with the product, return the product within 30 days for a full refund.”

In addition, prior to sale of the product, at the place where the product is sold, prospective purchasers should be able to see the written warranty or guarantee for complete details of the warranty coverage.³⁸

Moreover, the term “guarantee” has a particular legal meaning, which generally requires the seller to refund the full purchase price of the advertised product at the purchaser’s request.³⁹

* * *

The above points are not exhaustive of all potential issues that could arise when preparing or reviewing advertising materials. A general rule of thumb, however, emerges: would a reasonable consumer (or your closest competitor) find an advertisement objectively misleading or unfair? If so, strongly consider revising.

Eric R. Moran, an MBHB partner, has experience in all areas of intellectual property law, with particular emphases on litigating and counseling clients on patent, trademark, and domain name issues. moran@mbhb.com

Endnotes

- 1 15 U.S.C. § 41 et seq.
- 2 See Advertising FAQ’s: A Guide for Small Businesses, available at <https://www.ftc.gov/tips-advice/business-center/guidance/advertising-faqs-guide-small-business>.
- 3 See *id.*
- 4 See *id.*
- 5 See *id.*
- 6 See *id.*
- 7 See *id.*
- 8 *FTC v. QT, Inc.*, 448 F. Supp. 2d 908, 961-62 (N.D. Ill. 2006); see also *id.* at 955 (noting that pain-reduction claims directed to beds were health-related claims) (emphasis added).
- 9 See Advertising FAQ’s: A Guide for Small Businesses.
- 10 *FTC*, 448 F. Supp. 2d at 961-62 (claim directed to “immediate, significant, or complete pain relief”).
- 11 See Statement of Policy Regarding Comparative Advertising, available at <https://www.ftc.gov/public-statements/1979/08/statement-policy-regarding-comparative-advertising>.
- 12 See 16 CFR § 260.
- 13 16 CFR § 260.1.
- 14 16 CFR § 260.5.
- 15 16 CFR § 260.6.
- 16 16 CFR § 260.7.
- 17 16 CFR § 260.8.
- 18 16 CFR § 260.9.
- 19 16 CFR § 260.10.
- 20 16 CFR § 260.11.
- 21 16 CFR § 260.12.
- 22 16 CFR § 260.13.
- 23 16 CFR § 260.14.
- 24 16 CFR § 260.15.
- 25 16 CFR § 260.16.
- 26 16 CFR § 260.17.
- 27 16 CFR § 260.4.
- 28 *Id.*
- 29 16 CFR § 260.3.
- 30 *Id.*
- 31 See Complying with the Made in USA Standard, available at <https://www.ftc.gov/tips-advice/business-center/guidance/complying-made-usa-standard>.
- 32 See *id.*
- 33 See *id.*
- 34 See *id.*
- 35 See *id.*
- 36 15 U.S.C. § 2301 et seq.; see also 16 CFR § 239 (“The Guides for the Advertising of Warranties and Guarantees”).
- 37 16 CFR § 239.3.
- 38 16 CFR § 239.2.
- 39 16 CFR § 239.3(a).

Tiffany and Co. v. Costco Wholesale Corp.:

TIFFANY Mark Infringed by Costco's Sales of "Tiffany" Rings

By Emily Miao, Ph.D. and Daniel L. Organ

In a recent decision,¹ Judge Swain of the U.S. District Court of the Southern District of New York ruled in favor of the luxury retailer Tiffany and Co. ("Tiffany"), deciding that Costco Wholesale Corp. ("Costco"), the largest U.S. warehouse club chain, willfully infringed Tiffany's trademark. According to the court, Costco sold counterfeit diamond engagement rings bearing the Tiffany name and confused relevant consumers by using the word "Tiffany" in display case signage. The court rejected Costco's fair use defense and assertion that Tiffany's trademarks were invalid because they sought to prevent others from using the word "Tiffany" as a generic description of a type of ring setting. Under the ruling, Tiffany can now take Costco before a jury to seek damages, including recovery of Costco's profits from the sale of the diamond rings and punitive damages. In this follow-up article,² we discuss the details of the decision as well as its practical implications.

Facts

Tiffany discovered that Costco was using the TIFFANY mark to sell diamond engagement rings in November 2012, after a customer shopping at a Costco store in Huntington Beach, California saw signs in a jewelry display case and complained to Tiffany.³ The signs included the word Tiffany in the description and read, for example: "PLATINUM TIFFANY .70 VS2, 1 ROUND DIAMOND RING."⁴ The rings being sold by Costco, however, were not Tiffany rings.⁵ Costco had allegedly used the TIFFANY mark to sell diamond engagement rings in its stores nationwide for years.⁶ Costco avoided detection from Tiffany's trademark policing procedures because Costco did not use the TIFFANY mark to sell the same diamond rings online.⁷ According to Tiffany, "[t]here are now hundreds if not thousands of people who mistakenly believe they purchased and own a Tiffany engagement ring from Costco."⁸

On February 14, 2013, Tiffany filed its complaint against Costco, alleging

eight causes of action including trademark infringement, federal false designation of origin and unfair competition, dilution, and counterfeiting under the Lanham Act, as well as violations of New York General Business Law and New York common law trademark infringement.⁹ Tiffany also asserted that its marks have achieved incontestable status.¹⁰ Costco responded by denying infringement and seeking a judgment to declare Tiffany's mark invalid.¹¹ Costco also counterclaimed with three affirmative defenses: i) the TIFFANY mark was only used to describe the products under 15 U.S.C. § 1115(b)(4) (*i.e.*, not used as a trademark), ii) the TIFFANY mark has become generic for a multi-prong, solitaire ring setting, and iii) Tiffany is barred by the New York statute of limitations for complaining of acts that occurred before February 14, 2007.¹² Costco sought dismissal of Tiffany's complaint with prejudice.

Tiffany filed a reply and clarified that its original complaint alleged that defendants illegally used the TIFFANY mark, not the term "Tiffany Setting."¹³ Tiffany noted that Costco's point of sale signs contained the term "Tiffany" and not "Tiffany Setting."¹⁴ Tiffany argued that Costco's counterclaim improperly focused on the phrase "Tiffany Setting" for the "purpose of deflecting public attention from what it was that defendant actually did."¹⁵

Ultimately, the parties filed cross-motions for summary judgment and responsive motions in opposition to the respective motions for summary judgment. Tiffany sought summary judgment with respect to (i) Costco's liability for trademark infringement and counterfeiting, (ii) dismissal of Costco's fair use affirmative defense, and (iii) dismissal of Costco's counterclaim that the TIFFANY mark had become generic. Costco sought summary judgment striking (i) Tiffany's claims for an accounting of profits earned on the sales of various categories of goods, (ii) Tiffany's punitive damages claim, (iii) any claims arising from certain sales that Costco alleges are time-barred, (iv) Tiffany's claim

for monetary recovery based on its trademark dilution claim, and (v) Tiffany's demand for a jury trial.

Trademark Infringement

The court first considered Tiffany's Lanham Act infringement claim. In analyzing the claim, the court applied a two-prong infringement test, requiring Tiffany to demonstrate: (1) that its TIFFANY mark is entitled to protection; and (2) that Costco's use of the TIFFANY mark is likely to cause consumer confusion.¹⁶

Tiffany proffered evidence of a listing of 97 separate trademark registrations related to its name, including Registration No. 1,228,409 for the TIFFANY mark which was first used in commerce in 1868, in support of validity of its mark. Costco argued that the word Tiffany had become generic but, according to the court, Costco did not provide admissible evidence to challenge the validity and ownership of the registrations. The court concluded that Tiffany made a *prima facie* showing of the mark's validity, thus satisfying the first prong of the infringement test.

Under the second prong of the test, the court considered the Second Circuit's "Polaroid" factors which include: (1) the strength of the TIFFANY mark, (2) the degree of similarity between Tiffany's mark and Costco's mark, (3) the proximity of the parties, products, or services in the marketplace, (4) evidence of actual confusion, (5) Costco's good faith in adopting its own mark, (6) the quality of Costco's product, and (7) the sophistication of the relevant consumers.¹⁷ With respect to many of these factors, the court concluded that Costco failed to offer any evidence that raised a disputed issue of material fact.

With respect to the "strength of the mark," Costco offered dictionary entries to support its argument that the word Tiffany is used in a descriptive manner. The court was not persuaded, stating that Costco failed to provide evidence that "Tiffany," when used as a mark, is not strong and that any potential generic use

(continued on page 6)

(continued from page 5)

of “Tiffany” has undermined the strength of the TIFFANY mark.

In support of the Polaroid “actual confusion” factor, Tiffany provided portions of depositions from six Costco customers and results of a consumer confusion survey report created by one of its experts. In response, Costco submitted evidence that attacked the reliability of Tiffany’s expert and survey report but did not refute the deposition testimony of the six customers, did not offer its own survey, and did not provide evidence demonstrating that consumers were not confused.

With respect to the Polaroid “good faith” factor, Tiffany proffered evidence to demonstrate Costco’s bad faith and intent to deceive the relevant purchasing public. This evidence included an email from a Costco employee wanting Costco’s jewelry boxes to have a more Tiffany or upscale look, and a deposition of Costco’s jewelry buyer acknowledging actual confusion of a Costco customer confused over the source of Costco’s ring and admitting that no changes were made to alleviate the confusion. Costco countered that it had not adopted the Tiffany mark at all but simply used the generic term “Tiffany” to describe a particular type of pronged diamond setting on its unbranded rings, proffering evidence of multiple dictionary entries, an excerpt of a publication, an affidavit from a Costco diamond buyer, and a declaration from an Assistant General Merchandise Manager at Costco purporting that “Tiffany” is a descriptive term. While the court noted that Costco’s evidence did attempt to raise an issue of fact regarding Costco’s intent and good faith, the court ultimately found that “no reasonable finder of fact could reach the conclusion that Costco acted in good faith when it used the Tiffany mark in its display case signs.”¹⁸

In light of those conclusions, the court found that Tiffany had shown a likelihood of consumer confusion and granted Tiffany’s motion for summary judgment with respect to Costco’s liability for trademark infringement.

Counterfeiting

The court then considered Tiffany’s counterfeiting claim. Under the Lanham Act, a counterfeit mark is defined as “a spurious mark which is identical with, or substantially indistinguishable from, a registered mark.”¹⁹

The use of such a mark must be “likely to cause confusion, to cause mistake, or to deceive.”²⁰

Tiffany proffered evidence in support of its counterfeiting claim, including Costco employee emails, photographs of Costco’s signage showing the strategic placement of the word “Tiffany,” as well as deposition testimony of Costco’s Executive Vice President stating “generally we like to have the brand name of the product on the first line of the sign”²¹

Costco denied that its use of the word Tiffany was “spurious” or “fake” or deceptively suggested an “erroneous origin,” and submitted evidence in the form of a Declaration from the president (Donald Palmieri) of the Gem Certification and Assurance Lab. The Palmieri declaration noted that the Costco rings had non-Tiffany trademarks, were delivered in non-Tiffany packaging with non-Tiffany paperwork, and therefore the Costco rings could not be considered counterfeits.²²

The court was unpersuaded, stating that Tiffany had already established actual confusion, that Costco used a word mark identical to Tiffany’s registered mark, and that Costco was not acting in good faith when it adopted the TIFFANY mark, which established Costco’s intent to confuse customers. The fact that the TIFFANY mark was not on the rings was not dispositive, according to the court, because there is no statutory requirement that the counterfeit mark be placed on the product itself.²³ Furthermore, the court observed that Costco failed to provide any evidence showing that stamping the rings with generic marks did anything to alleviate consumer confusion. For these reasons, the court granted Tiffany’s motion for summary judgment with respect to finding liability for Costco’s trademark counterfeiting.

Dilution

The court noted that to recover damages based on dilution of its mark under the Lanham Act, Tiffany must have used its mark in commerce for the first time after October 6, 2006.²⁴ Tiffany, however, had asserted that its TIFFANY mark was first used in commerce in 1868. Thus, the court granted Costco’s summary judgment motion on this issue.

Costco’s Fair Use Defense

In adjudicating the fair use affirmative defense, the court analyzed whether the use of the mark was “(1) other than as a mark, (2) in a descriptive sense, and (3) in good

faith.”²⁵ Because the court found that Costco failed to establish it acted in good faith, the court granted Tiffany’s Motion for Summary Judgment to strike Costco’s affirmative Fair Use Defense as a matter of law.

Costco’s Genericism Counterclaim

Tiffany sought summary judgment on Costco’s counterclaim that the TIFFANY mark had become generic. The court noted that: (1) to be deemed generic, the principal significance of a word must be its indication of the nature or class of an article, rather than an indication of its origin, and (2) when considering whether a mark is generic, the key determination to be made is the primary significance of the registered mark to the relevant public.²⁶

Tiffany proffered an expert report based on a survey of consumers who said that they would consider purchasing jewelry in the next two years, and who considered the term Tiffany as a brand or source identifier. On the basis of the report, Tiffany urged that its mark cannot be considered generic. Costco countered with its own expert report attacking the methodology used in generating Tiffany’s expert report, and providing a lexicographical study of the word Tiffany to support the argument that “Tiffany” can exist as a brand name, as well as a generic name.

The court was not persuaded by Costco’s arguments, stating that Costco offered no legal authority that “Tiffany” can exist as both a registered mark and as a generic word. Significantly, the court noted that the Second Circuit recognized the “dual usage” doctrine in trademark law, where a mark can begin as a proprietary word but then become generic to some segments of the public.²⁷ However, the court observed that Costco did not address this line of authority and failed to make any factual demonstration to support dual usage. The court declined to explore this dual useage argument *sua sponte*.

Furthermore, the court observed that Costco did not provide any evidence raising an issue of material fact with respect to whether the primary significance of the TIFFANY mark was as a “generic descriptor” or a “brand identifier”. According to the court, the question of “primary significance” was key to a determination of genericism.²⁸

For these reasons, the court decided that Costco did not raise an issue of material fact

with respect to the generic character of the TIFFANY mark, and granted summary judgment in favor of Tiffany on Costco's genericism counterclaim.

Punitive Damages

Tiffany sought punitive damages in light of Costco's alleged infringement under both Federal and State law. Under Federal law, the court held that the Lanham Act prevents the collection of punitive damages. Under State law, the court noted that New York state law sets an exceptionally high bar for awarding punitive damages. However, the court also noted that Tiffany proffered evidence upon which a finder of fact could conclude that Costco's behavior satisfied the New York state law standard. As a result, the court granted Costco's motion for summary judgment insofar as it sought dismissal of Tiffany's claim for punitive damages based on Costco's Lanham Act violations, but denied the motion seeking to dismiss Tiffany's punitive damages claim based on state law violations.

Statute of Limitations

Costco sought to bar Tiffany from seeking damages prior to February 14, 2007 (*i.e.*, 6 years prior to Tiffany filing suit) based on New York's statute of limitations. The court granted Costco's motion for summary judgment on this issue finding that, as a matter of law, Tiffany is barred from recovery based on sales earlier than 6 years before filing suit.

Demand for Jury Trial

Tiffany demanded a jury trial, which Costco sought to prevent. Costco argued that Tiffany's claims were entirely equitable, meaning they do not fall within the province of a jury. However, the court disagreed, noting that Tiffany's punitive damages claim is triable to a jury because it involves questions of willfulness. As such, the court denied Costco's motion for summary judgment on this issue.

Accounting of Profits

Tiffany sought an accounting of profits based on the sale of both non-subject goods (*e.g.*, Costco memberships and goods other than diamond rings) as well as subject goods (*e.g.*, diamond rings). The Second Circuit has held that in calculating "defendant's profits," a court is to base its analysis on "infringing

sales," or on sales that can in some way be tied to the alleged Lanham Act violation.²⁹ The court held that Tiffany presented no evidence tying the non-subject goods to Costco's alleged infringement of the Tiffany mark, and therefore granted Costco's motion to strike the demand for an accounting on non-subject goods. Regarding the subject goods, however, the court held that Costco did not act in good faith, and therefore Tiffany would be allowed to seek an accounting for profits from the sale of subject goods.³⁰

Practical Implications

Throughout this case, Costco argued that the phrase "Tiffany setting" has become generic, and therefore it had the right to use the word Tiffany generally. The main problem with this argument was that Costco's jewelry case signage used the word "Tiffany" rather than "Tiffany setting." It was Costco's use of the word Tiffany in conjunction with its engagement rings that was at issue in this case, and which resulted in Costco's liability.

The court acknowledged that a registered mark can become generic, and that courts have recognized a "dual usage" doctrine in trademark law where a mark may begin as proprietary and gradually can become generic to some segments of the public.³¹ That is, a "dual usage" mark may have trademark significance to a class of customers but serve as a generic word to another class of customers.³² Unfortunately for Costco and as the court observed, Costco failed to address the "dual usage" line of authority and did not present any evidence to support trademark dual usage. However, it seems unlikely that Costco could have presented evidence to support "dual usage" of the TIFFANY mark since much of the evidence that Costco provided in this case to support its fair use defense and genericism counterclaim were related to the use of the expression "Tiffany setting," not to the word "Tiffany" alone.

Costco's evidence, as well as other evidence,³³ has shown that the expression "Tiffany setting" was generically used in the jewelry business for many years to indicate a style of ring setting. Tiffany has not been diligent in policing the use of their trademark in conjunction with a distinguishing modifier such as "Tiffany setting" in the jewelry industry. In fact, in their reply brief, Tiffany did not object to the use of the expression "Tiffany setting" but only to the use of "Tiffany" alone in conjunction

with engagement rings.³⁴ Therefore, jewelers can arguably still use the expression "Tiffany setting" or other distinguishing modifiers such as Tiffany-style or Tiffany-inspired to describe a style of ring setting. However, jewelers cannot use "Tiffany" alone in any way to imply that a ring is made by Tiffany & Co. when it is not. Finally, it behooves jewelers to train employees or at least actively oversee how their products are labeled and described in their stores and online to avoid becoming embroiled in similar trademark disputes.

The legal drama is not quite over yet.³⁵ Judge Swain set a pre-trial conference for November 3, 2015, and directed Tiffany and Costco to "make good faith efforts to settle the outstanding issues." Because of the high stakes, it remains to be seen whether the parties will settle anytime soon. After the court granted partial summary judgment to Tiffany on infringement and counterfeiting, Costco filed an appeal and an emergency motion for expedited briefing and argument.³⁶ Tiffany filed a motion to dismiss, and memorandum in opposition to the motion for expedited appeal.³⁷ On November 10, Tiffany's motion to dismiss was granted because no final order or appealable interlocutory order had been issued by the district court.³⁸ Stay tuned for further updates.

Emily Miao, Ph.D., an MBHB partner, has over 20 years of experience in all aspects of intellectual property practice, including patent, trademark and copyright procurement and portfolio management; client counseling on validity, infringement, freedom-to-operate (FTO), due diligence reviews, and patent strategy matters; and licensing/secretory agreements. miao@mbhb.com

Daniel L. Organ, an MBHB associate, has experience preparing and prosecuting U.S. and foreign patents in a variety of technical fields, including electrical, software and telecommunications. organ@mbhb.com

Endnotes

- 1 Tiffany and Co. v. Costco Wholesale Corp., No. 13CV1041, 2015 WL 5231240 (S.D.N.Y. Sept. 8, 2015).
- 2 Emily Miao and Nicole E. Grimm, *Tiffany & Co. v. Costco Wholesale Corp.: Has the TIFFANY trademark become generic?*, Snippets, Spring 2013, at 11, available at <http://www.mbhb.com/snippets/>.
- 3 Complaint at ¶ 4, Tiffany and Co. v. Costco Wholesale Corp., 2015 WL 5231240 (S.D.N.Y. Sept. 8, 2015) (No. 13CV1041).
- 4 *Id.* at ¶ 5.
- 5 *Id.* at ¶ 6.
- 6 *Id.*
- 7 *Id.* at ¶¶ 6–7.
- 8 *Id.* at ¶ 8.
- 9 *Id.* at ¶¶ 45–96.
- 10 *Id.* at ¶ 21. *See infra* notes 29–32.
- 11 Counterclaim at p. 2, Tiffany and Co. v. Costco Wholesale Corp., 2015 WL

(continued on page 10)

Issues to Be Aware of When Seeking Trademark Protection

By Sydney R. Kokjohn, Nicole E. Reifman and Brett W. Scott

Trademarks are valuable tools for businesses since they allow a trademark holder to identify and distinguish its goods from those manufactured or sold by others. However, there are many issues to be aware of when seeking trademark protection.

How to Select a Trademark

When selecting a trademark, it is important to select a registerable and protectable mark, *i.e.*, a mark that distinguishes the goods or services of one seller or provider from those of others. Whether a mark is protectable under Federal law depends in part on how it is categorized by the United States Patent and Trademark Office (USPTO). Marks generally fall within one of four categories: arbitrary or fanciful, suggestive, descriptive, or generic.

Marks that are arbitrary or fanciful typically include words that have no relation to the goods or services being offered for sale.¹ For example, “Kodak” was an invented word that had no meaning before its use as a trademark and was, therefore, a fanciful mark. Similarly, the word “Apple,” while an actual word with meaning, had no relation to personal computers and was, therefore, an arbitrary mark. Arbitrary or fanciful marks are the strongest marks and are presumed to be protectable under federal trademark law.

Next in line are suggestive marks, which provide consumers with an indication of the character of a good or service without directly describing it.² For example, the word “Facebook” is indicative of the user experience of the social media website, which is similar in some ways to viewing a school yearbook or photo album, but it does not directly describe the website, since it is not actually a book of faces. Suggestive marks, like arbitrary and fanciful marks, are presumed to be protectable under federal trademark law.

On the other hand, marks that are descriptive merely describe a good or service or an attribute thereof.³ For example, “One-A-Day” is descriptive of a daily multivitamin that is designed to be taken once every day. Descriptive marks are not immediately

protectable and can only be registered if they are distinctive, as discussed in more detail below.

Finally, marks that are generic merely represent the common name of a good or service and can never be protected under trademark law.⁴ For example, the word “Apple,” while arbitrary when associated with personal computers, cannot be protected as a trademark for the sale of apples. Similarly, when a mark that was once protectable becomes so widely associated with a particular good or service rather than with the owner of the trademark, it may become generic and, thus, non-protectable.⁵ For example, the word “aspirin,” which was once a registered trademark, has become the common name for acetylsalicylic acid and is no longer protectable under trademark law.

Furthermore, when selecting a trademark, it is important to avoid marks that fall within certain miscellaneous categories that are denied protection under federal trademark law. For example, immoral, deceptive, or scandalous marks are not protectable.⁶ Other categories of non-protectable marks include words that are primarily a surname, national symbols, or names or images of living people used without their permission.⁷

Marks found to be deceptively misdescriptive or geographically misdescriptive will also be denied protection.⁸ Deceptively misdescriptive marks misrepresent some character of a good or service such that a consumer would be likely to believe the misrepresentation and purchase the good or service in reliance on the misrepresentation (*e.g.*, associating the mark “Lovee Lamb” with automobile seat covers that are not made from lamb skin).⁹ Geographically misdescriptive marks improperly associate a geographic location with a good or service in such a way that a consumer would be likely to believe that the good or service originated there when it really did not (*e.g.*, associating the mark “The Venice Collection” with goods that are not made in Venice, Italy).¹⁰ While geographically misdescriptive marks can never receive trademark protection, deceptively misdescriptive marks may be protected

if they are distinctive, as discussed in more detail below.¹¹

One further consideration when selecting a mark is how it will be viewed by various cultures or ethnicities. For example, when Coca-Cola entered the Chinese market, vendors in China labeled the soft drink with Chinese characters based on the phonetic transliteration of “Coca-Cola.”¹² While it is desirable for Coca-Cola to preserve the pronunciation of its name, the literal translation of one of the Chinese labels was “bite the wax tadpole,” which may not be the most desirable name to associate with a soft drink.¹³

Trademark Distinctiveness/ Likelihood of Confusion

Once a mark is selected, federal registration of that mark may be obtained by filing and prosecuting an application with the USPTO.¹⁴ However, as discussed above, certain marks, such as descriptive marks or deceptively misdescriptive marks, must be distinctive in order to be registered and protected.¹⁵ Such a mark is distinctive only if it has a secondary meaning, that is, if consumers associate the mark with a particular source of goods or services despite the mark on its face being only descriptive of such goods or services.¹⁶ It is often troublesome to show that a mark has an established secondary meaning, since it is often difficult and costly to establish what consumers actually associate with the mark.

Furthermore, when attempting to register a mark that is similar to some other registered (senior) trademark, the new (junior) mark must pass the likelihood of confusion test, which is related to whether it is likely that a consumer will be confused as to the source of goods or services associated with the two marks.¹⁷ To find a likelihood of confusion between two marks, they need not be identical, nor do the goods or services need to be exactly the same.¹⁸ Rather, a likelihood of confusion may be found when the marks are similar and the goods or services are related.¹⁹ When making this determination, several factors are considered, such as the strength of the senior mark, the similarity of the marks, the proximity of

the goods or services represented by the marks, whether there is evidence of actual consumer confusion, whether there is intent by the junior mark holder to capitalize on the reputation of the senior mark, and the sophistication level of consumers in the relevant market.²⁰ Ultimately, it is the combination of all of these factors that helps determine whether a consumer would confuse the source of the goods or services sold under the respective marks.

Trademark Use as a Requirement for Registration

In order to obtain a trademark registration, the trademark must be used in connection with associated goods or services. The use must be a “bona fide use of [the] mark in the ordinary course of trade, and not made merely to reserve a right in [the] mark.”²¹ For example, a mark may be used in commerce for goods when “it is placed in any manner on the goods or their containers or the displays associated therewith or on the tags or labels affixed thereto.”²² A mark may be used in commerce for services “when it is used or displayed in the sale or advertising of services and the services are rendered in commerce.”²³

In addition, if the USPTO determines that a mark is merely descriptive, then it is not registrable unless it acquires distinctiveness.²⁴ Distinctiveness may be demonstrated through proof of secondary meaning, as discussed above. However, another way to show distinctiveness is through substantially continuous and exclusive use of the mark in commerce for five years prior to registration.²⁵ Satisfying this use requirement creates a presumption that the mark is distinctive.²⁶

Benefits of Registration

While trademark protection may be obtained without federally registering a mark, there are several added benefits of federal registration. First, federal registration provides nationwide protection unlike state or common law trademark protection regimes, which might only protect a mark within a particular state or other limited geographic area.²⁷ Federal registration of a mark is *prima facie* evidence of the registrant’s exclusive right to use the mark throughout the entire United States.²⁸

Federal registration also provides other benefits, such as allowing the registrant to bring trademark infringement claims in federal

court,²⁹ putting the entire United States on notice of rights in the mark,³⁰ providing customs protection,³¹ creating a presumption of validity and ownership of the mark,³² and granting the right to use the registered “®” symbol in connection with the mark.³³ Additionally, if a registered mark has been in continuous use for five consecutive years, it is considered incontestable.³⁴ Incontestable status prevents a trademark from being canceled for being merely descriptive and provides conclusive evidence, rather than a mere presumption, of the validity of the mark, ownership of the mark, and the exclusive right to use the mark.³⁵

Proper Use of Trademarks

Once trademark protection is obtained, it is important to use the trademark properly. Trademarks should always be used as an adjective rather than as a noun or a verb. For example, the Xerox company sells Xerox copy machines; they do not sell Xeroxes, and a consumer does not Xerox a copy of paper. Using trademarks as adjectives helps prevent them from becoming unprotected generic words. Trademarks should also be used consistently. Whether the mark is a word, a design, or a combination thereof, it is important to represent the mark the same way each time it is used.

Additionally, registered trademarks should be denoted by the registered “®” symbol. This notifies the public that the trademark is federally protected and helps to provide credibility among consumers. Finally, trademarks should be displayed in a distinctive manner. For example, trademarked words may be presented in a distinctive font or typeface to distinguish them from any surrounding text.

What Should You Do if Someone Is Infringing Your Trademark Rights

If you believe that someone is infringing your trademark rights, several options are available for protecting your rights. First, if a competitor is attempting to register a mark that is similar to yours, you may initiate opposition proceedings with the USPTO.³⁶ These proceedings allow challenges to pending trademark registrations based on a variety of grounds. Perhaps the most common ground is to challenge an application of an offending mark based on likelihood of confusion if you believe consumers

might mistake goods or services marketed under the offending mark as being associated with your company. However, applications may also be challenged on virtually any other ground that would prevent registration of a mark, including descriptiveness, genericity, deceptiveness, and lack of a bona fide intent to use the mark, among many others. Similar to opposition proceedings, if an infringing mark has already been registered, you may initiate cancellation proceedings in order to have the registration of the infringing mark canceled.³⁷

Additionally, entities using potentially infringing marks may be sued for infringement.³⁸ However, before bringing a lawsuit, which may be costly and time consuming, it may be effective to engage an attorney to send the potential infringer a cease and desist letter. The threat of a lawsuit is often sufficient to stop or mitigate infringing uses of a mark. But if the infringer does not cease and desist, a lawsuit may be brought in federal or state court. When determining whether there is infringement, the court will apply the likelihood of confusion test discussed above.³⁹ If the court finds infringement, the defendant is typically enjoined from further use of the mark, and monetary damages may be awarded to the plaintiff as well.⁴⁰

Sydney R. Kokjohn, an MBHB partner, has experience in patent procurement and enforcement. Her litigation experience focuses upon pharmaceuticals and medical devices. She also counsels clients on patent, trademark, copyright, and unfair competition issues. kokjohn@mbhb.com

Nicole R. Reifman, an MBHB partner, has experience in all phases of patent preparation and prosecution and reliably guides clients in a wide range of mechanical, materials science, and electro-mechanical technologies, building from her training and prior work experience in mechanical engineering. reifman@mbhb.com

Brett W. Scott, an MBHB associate, concentrates his practice on intellectual property matters, including patent preparation and prosecution in the electrical and software areas. scott@mbhb.com

Endnotes

- ¹ See TMEP 1209.01(a) (July 2015).
- ² See *id.*
- ³ TMEP § 1209.01(b).
- ⁴ TMEP § 1209.01(c).

(continued on page 10)

(continued from page 2)

world. TOMS®, Warby Parker®, Patagonia®, Virgin®, and brands like them are replacing luxury brands as the status symbols of the new generation. As this year winds down, take some time to review your trademark portfolio and make some plans for the new year. What brand extensions make sense? Is it time to implement or improve your company's or your client's branded CSR program? How can your brand be a force for good in the world? If you can answer that question, the power of your trademark portfolio will begin to be unleashed.

James M. McCarthy, an MBHB partner, has extensive experience in all areas of intellectual property law. He has coordinated complex litigations involving patent, design patent, trademark, trade dress, copyright, trade secret, and unfair competition issues.

mccarthy@mbhb.com

(continued from page 7)

- 5231240 (S.D.N.Y. Sept. 8, 2015) (No. 13CV1041).
- 12 *Id.* at pp. 6–7.
- 13 Reply to Counterclaim at p. 2, ¶ 2, Tiffany and Co. v. Costco Wholesale Corp., 2015 WL 5231240 (S.D.N.Y. Sept. 8, 2015) (No. 13CV1041) [hereinafter "Reply"].
- 14 *Id.* at p. 4, ¶ 8.
- 15 *Id.*
- 16 See *Tiffany*, 2015 WL 5231240, at *3.
- 17 *Id.* at *4.
- 18 *Id.* at *9.
- 19 15 U.S.C. § 1127.
- 20 15 U.S.C. § 1114(1)(a).
- 21 *Tiffany*, 2015 WL 5231240, at *11.
- 22 *Id.* at *11 (referencing Palmieri Decl. ¶ 4).
- 23 *Id.* at *12.
- 24 *Id.* at *19.
- 25 *Id.* at *12 (citing *JA Apparel Corp. v. Abboud*, 568 F.3d 390, 400 (2d Cir. 2009)).
- 26 *Id.* at *13.
- 27 *Id.* at *14.
- 28 *Id.* at *15.
- 29 *Id.* at *16 (referencing *Am. Honda Motor Co. v. Two Wheel Corp.*, 918 F.2d 1060, 1063–64 (2d Cir. 1990)).
- 30 *Id.* at *18.
- 31 *Id.* at *14 (referencing *Harley Davidson, Inc. v. Grottanelli*, 164 F.3d 806 (2d Cir. 1999)).
- 32 2 THOMAS MCCARTHY, MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION § 12:51 (4th ed. 2010).

(continued from page 9)

- 5 15 U.S.C. § 1064(3) (2012).
- 6 15 U.S.C. § 1052(a).
- 7 15 U.S.C. § 1052(b)–(c), (e).
- 8 15 U.S.C. § 1052(e).
- 9 See *In re Budge Mfg. Co., Inc.*, 857 F.2d 773, 775 (Fed. Cir. 1988).
- 10 See *In re Save Venice New York, Inc.*, 259 F.3d 1346, 1355 (Fed. Cir. 2001).
- 11 15 U.S.C. § 1052(f).
- 12 PHIL MOONEY, BITE THE WAX TADPOLE? (Mar. 6, 2008), <http://www.coca-colacompany.com/history/2008/03/bite-the-wax-ta.html>.
- 13 *Id.*
- 14 15 U.S.C. § 1051.
- 15 15 U.S.C. § 1052(f).
- 16 See TMEP § 1212.
- 17 15 U.S.C. § 1052(d).
- 18 See TMEP § 1207.01.
- 19 *Id.*
- 20 See *Polaroid Corp. v. Polarad Elecs. Corp.*, 287 F.2d 492, 495 (2d Cir. 1961).
- 21 15 U.S.C. § 1127.

Endnotes

- 1 Crest® and Scope® are registered trademarks owned by The Procter & Gamble Company.
- 2 Cinnabon® is a registered trademark owned by Cinnabon, Inc.
- 3 Intel Inside® is a registered trademark owned by Intel Corporation; Porsche® is a registered trademark owned by Dr. Ing. H. c. F. Porsche Aktiengesellschaft; General Motors® is a registered mark owned by General Motors LLC; Bose® is a registered trademark owned by Bose Corporation; Betty Crocker® is a registered trademark owned by General Mills Marketing, Inc.; and Hershey's® is a registered trademark owned by Hershey Chocolate & Confectionery Corporation.
- 4 Weber Shandwick, *The Company Behind the Brand: In Reputation We Trust*, available at http://www.webershandwick.com/uploads/news/files/InRepWeTrust_ExecutiveSummary.pdf.
- 5 TOMS® is a registered trademark owned by Mycoskie, LLC; Warby Parker® is a registered trademark owned by JAND, Inc.
- 6 Patagonia® is a registered trademark owned by Patagonia, Inc.
- 7 Kroger® is a registered trademark owned by The Kroger Co. of Michigan, and Kroger's CSR program is described here: <https://www.kroger.com/topic/community>; Goodyear® is a registered trademark owned by The Goodyear Tire & Rubber Company and Goodyear's CSR program is described here: <https://corporate.goodyear.com/en-US/>.
- 8 Virgin Unite® is a registered trademark owned by Virgin Enterprises Limited.; see also <http://www.virgin.com/unite>
- 9 <http://www.ft.com/cms/s/2/4d4fb05e-64cd-11e4-bb43-00144feabdc0.html>
- 33 See, e.g., Lisa Laramore Ouellette, *The Google Shortcut to Trademark Law*, 102 Cal. L. Rev. 351, 397 (April 2014) (arguing that there is some support for Costco's argument that "Tiffany" is generic because the results of a Google search of the term "Tiffany" include articles defining "Tiffany mount" as a common setting for a diamond solitaire engagement ring, and arguing that "Tiffany setting" has reached "Kleenex status" regarding the colloquial use of the term in the jewelry industry).
- 34 See Reply at p. 6, ¶ 15.
- 35 On October 28, 2015, Costco filed a letter with the court arguing that Tiffany's damages should be limited to \$200,000. See, Letter from Costco to Judge Swain, document no. 198, Tiffany and Co. v. Costco Wholesale Corp., 2015 WL 5231240 (S.D.N.Y. Sept. 8, 2015) (No. 13CV1041).
- 36 Costco Motion to Expedite Appeal, Tiffany and Co. v. Costco Wholesale Corp., No. 15-2916 (2d Cir. Sept. 15, 2015), ECF No. 29.
- 37 Tiffany Memorandum in Opposition to Motion to Expedite Appeal, Tiffany and Co. v. Costco Wholesale Corp., No. 15-2916 (2d Cir. Sept. 15, 2015), ECF No. 60.
- 38 Order on Motion to Dismiss Appeal, Tiffany and Co. v. Costco Wholesale Corp., No. 15-2916 (2d Cir. Sept. 15, 2015), ECF No. 77.
- 22 *Id.*
- 23 *Id.*
- 24 15 U.S.C. § 1052(f).
- 25 *Id.*
- 26 *Id.*
- 27 See 15 U.S.C. §§ 1114, 1127.
- 28 15 U.S.C. § 1115(a).
- 29 15 U.S.C. § 1121(a).
- 30 15 U.S.C. § 1072.
- 31 15 U.S.C. § 1124.
- 32 15 U.S.C. § 1115(a).
- 33 15 U.S.C. § 1111.
- 34 15 U.S.C. § 1065.
- 35 15 U.S.C. § 1115(b).
- 36 15 U.S.C. § 1063.
- 37 15 U.S.C. § 1064.
- 38 15 U.S.C. § 1114(1).
- 39 See *Polaroid Corp. v. Polarad Elecs. Corp.*, 287 F.2d 492, 495 (2d Cir. 1961).
- 40 15 U.S.C. § 1116–17.

snippets Editorial Board

Editor-in-Chief:
Cato Yang

Managing Editors:
Nicole E. Grimm
Cole B. Richter

Articles Editors:
Michael S. Borella, Ph.D.
Nathaniel P.
Chongsiriwatana, Ph.D.
Chad A. Kamler
Daniel C. Pozdol
Jordan J. Pringle

Staff Writer:
Gregory M. Huffman

Alerts Editor:
James V. DeGiulio, Ph.D.

© 2015 McDonnell Boehnen Hulbert
& Berghoff LLP

snippets is a trademark of McDonnell Boehnen Hulbert & Berghoff LLP. All rights reserved. The information contained in this newsletter reflects the understanding and opinions of the author(s) and is provided to you for informational purposes only. It is not intended to and does not represent legal advice. MBHB LLP does not intend to create an attorney–client relationship by providing this information to you. The information in this publication is not a substitute for obtaining legal advice from an attorney licensed in your particular state. snippets may be considered attorney advertising in some states.



McDonnell Boehnen Hulbert & Berghoff LLP

Intellectual Property Law

300 South Wacker Drive
Chicago, Illinois 60606-6709

312 913 0001 phone
312 913 0002 fax
www.mbhb.com
snippets@mbhb.com

McDonnell Boehnen Hulbert & Berghoff LLP recognizes the ever-increasing importance of intellectual property. Our mission is to enhance the value of our clients' businesses by creating and defending their intellectual property assets. We have built our reputation by guiding our clients through the complex web of legal and technical issues that profoundly affect these assets. We are keenly aware of the trust placed in us by our clients—Fortune 100 corporations, universities, individuals, and start-up companies—and we always remain focused on their ultimate business goals.

With offices in Illinois, California and North Carolina, MBHB provides comprehensive legal services to obtain and enforce our clients' intellectual property rights, from navigating the U.S. Patent and Trademark Office procedures to litigating complex infringement actions. We don't merely procure rights and litigate cases; we craft winning strategies that achieve our clients' business objectives.

Our entrepreneurial spirit, combined with the wealth of our legal experience and technological expertise, gives McDonnell Boehnen Hulbert & Berghoff LLP the power to achieve success for our clients.

Partners

Lawrence H. Aaronson
Jeffrey P. Armstrong
Alison J. Baldwin
Paul H. Berghoff
Daniel A. Boehnen
Christina L. Brown
S. Richard Carden
Christopher M. Cavan
David L. Ciesielski
Michael D. Clifford
James V. DeGiulio, Ph.D.
Grantland G. Drutchas
Sarah E. Fendrick, Ph.D.
David M. Frischkorn
Paula S. Fritsch, Ph.D.
Jori R. Fuller
Michael D. Gannon
Patrick G. Gattari
Michael S. Greenfield, Ph.D.
James C. Gumina
David S. Harper, Ph.D.
Joseph A. Herndon
Lisa M. W. Hillman, Ph.D.
A. Blair Hughes
Bradley J. Hulbert
Nicole Keenan
Sydney R. Kokjohn
Jennifer M. Kurcz
James L. Lovsin
Richard A. Machonkin
James M. McCarthy
Michelle L. McMullen-Tack, Ph.D.
Emily Miao, Ph.D.
Scott M. Miller
Eric R. Moran
Jeremy E. Noe
Kevin E. Noonan, Ph.D.

Gavin J. O'Keefe
Andrea K. Orth
Sherri L. Oslick, Ph.D.
Ann C. Palma
Anthoula Pomrening
Daniel C. Pozdol
Nicole E. Reifman
Joshua R. Rich
Kurt W. Rohde
Matthew J. Sampson
Steven J. Sarussi
Leif R. Sigmond, Jr.
James V. Suggs
Kirsten L. Thomson
Marcus J. Thymian
Paul S. Tully, Ph.D.
Dmitriy A. Vinarov, Ph.D.
Thomas E. Wettermann
Andrew W. Williams, Ph.D.
Erin R. Woelker
Cato Yang
Donald L. Zuhn, Jr., Ph.D.

Of Counsel

Thomas A. Fairhall
Thomas J. Loos, Ph.D.
Richard W. Martin, Ph.D.
Joanna Skyles

Associates

Michael D. Anderson
Michael S. Borella, Ph.D.
Nathaniel P. Chongsirawatana, Ph.D.
John E. Conour, Ph.D.
John D. Cravero, Ph.D.
Daniel F. Gelwicks
Aaron V. Gin, Ph.D.
Nicole E. Grimm

Gaurav Gupta
Chad A. Kamler
Brandon J. Kennedy
Jason S. Kray
SooHo Lee
Daniel L. Organ
Jae Y. Pak
Jordan J. Pringle
Cole B. Richter
Brett W. Scott
Benjamin M. Urban
Joey C. Yao

Patent Agents

Al-Yaman Amin Amer
Isadora F. Bielsky, Ph.D.
Joshua D. Bosman, Ph.D.
Scott M. Dyar, Ph.D.
Christine A. Falaschetti, Ph.D.
Alexander D. Georges
David A. Grabelsky, Ph.D.
Gregory M. Huffman
James L. Korenchan
Michael Krasniansky
Nicholas M. Leonard, Ph.D.
Jelena Janjic Libby, Ph.D.
Sherif N. Mahmoud
Jordan T. One
Benjamin A. Rellinger, Ph.D.
Amir Shenouda, Ph.D.
Andrew H. Velzen

Technical Advisors

Mateusz J. Kulesza