



IPO TRADEMARK LAW COMMITTEE

DILUTION SUBCOMMITTEE (2011)

Review of Decisions on Key Issues under Federal Dilution Law

This paper was created by the authors for the Intellectual Property Owners Association Dilution Subcommittee of the U.S. Trademark Law Committee to provide background to IPO members. It should not be construed as providing legal advice or as representing the views of IPO.

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Introduction

The Trademark Dilution Revision Act of 2006 (“TDRA”), Section 45(c) of the Lanham Act, 15 U.S.C. § 1125(c), marked a wholesale revision of the previous federal trademark dilution statute, the Federal Trademark Dilution Act of 1995 (“FTDA”). Enacted in the wake of the Supreme Court’s decision in *Moseley v. V Secret Catalogue, Inc.*, 537 U.S. 418 (2003), which upended the trademark world by declaring that the FTDA required a plaintiff to prove “actual dilution,” the new statute made a number of other substantial changes to clarify what dilution is and provide courts more direct guidance for evaluating dilution claims. In addition to changing the key test for liability to “likelihood of dilution,” the TDRA also defined two types of dilution (blurring and tarnishment), defined what a “famous” mark is (eliminating “niche” fame) and listed factors for determining fame, provided a multi-factor test for dilution by blurring, and codified various exclusions from liability.

Despite the new statute’s specific guidance on these various issues, in the first few years after enactment of the TDRA courts continued to follow precedent construing the FTDA even where that prior precedent was inconsistent with the new law (most notably in requiring that the parties’ marks be “identical or nearly identical”). As a result, the Subcommittee conducted an extensive review of court decisions in dilution cases under both statutes, in order to determine the state of the law and identify conflicts among circuits and trends. The Subcommittee focused on the following six issues:

1. Whether **parody** is relevant to dilution by blurring;
2. Whether **substantial similarity** is required to find likelihood of dilution;
3. How courts determine **proof of fame** in the general consuming public;
4. Whether **expert testimony** is necessary to show likelihood of dilution;
5. Whether dilution claims can be determined on **summary judgment**; and

6. What **damages** are being awarded in dilution cases.

As discussed in the following sections, although some of the early decisions under the TDRA reflect some erroneous adherence to principles laid down under the FTDA, leading to confusion and inconsistency, as cases continue to reach the appellate level these errors are being corrected. The more recent appellate decisions have begun to construe the TDRA more consistently with the language of the statute and thus the drafters' intent, improving the body of case law and benefiting trademark owners.

I. Parody and the Analysis of Likelihood Of Dilution by Blurring

The TDRA recognizes “parody” as a defense to a claim for dilution by blurring or by tarnishment. More specifically, the TDRA states that use of a famous mark, other than as a designation of source for the person’s own goods or services, including “use in connection with. . . ‘identifying and parodying, criticizing, or commenting upon the famous mark owner or the goods or services of the famous mark owner’” is not actionable as dilution by blurring or dilution by tarnishment. 15 U.S.C. § 1125(c)(3)(a)(ii).

A defendant’s claim that its challenged use is a parody does not end the case for either party. It does not constitute an admission that there is actionable dilution; plaintiff must still prove its claim. And it does not absolve a defendant of liability if the defendant is using the mark purely for commercial speech.¹ But even where parody doesn’t end the inquiry of whether there is dilution it can still be considered in the dilution analysis.

In analyzing whether dilution by blurring has occurred, courts must consider six non-exclusive factors including the degree of similarity between the defendant’s mark and the famous

¹ See, e.g., *Smith v. Wal-Mart Stores, Inc.*, F. Supp. 2d 1302 (N.D.Ga. 2008) (t-shirts carrying a social message fall into non-commercial speech and therefore parody is a complete defense to dilution claims).

mark; the degree of inherent or acquired distinctiveness of the famous mark; the extent to which the owner of the famous mark is engaging in substantially exclusive use of the mark; the degree of recognition of the famous mark; whether the user of the objected-to mark or trade name intended to create an association with the famous mark; and any actual association between the objected-to mark or trade name and the famous mark. 15 U.S.C. § 1125(c)(2)(B)(i)-(vi). Nothing in the TDRA exempts the courts from applying these factors to a parody or from considering parody as part of the totality of circumstances to be considered in assessing if there is dilution.

While there is no limit in the TDRA on a court's consideration of parody in determining if dilution by blurring has occurred, few have. Indeed, as of this writing, the First, Third, Fifth, Seventh, Eighth, Ninth, Tenth, Eleventh and Federal Circuits have not addressed this issue under either the TDRA or the FTDA.

Second Circuit

The Second Circuit in *Starbucks Corp. v. Wolfe's Burrough Coffee, Inc.*, 588 F.3d 97 (2nd Cir. 2009) in considering whether CHARBUCKS and MISTER CHARBUCKS used for coffee diluted the STARBUCKS mark vacated the lower court's opinion finding no dilution and remanded the case for further consideration. Because defendant was using its CHARBUCKS mark commercially for its own line of coffee, the parody defense was not available. And so the issue became whether the fact that CHARBUCKS was intended as a parody of STARBUCKS would be considered in determining if there was a likelihood of dilution.

The court acknowledged that the Fourth Circuit in the *Louis Vuitton* case discussed below considered parody in assessing the likelihood of dilution by blurring factors. Without stating whether it accepted the Fourth Circuit's analysis, the Second Circuit noted that if it were to do

so, defendant's use of the CHARBUCKS marks "is not a parody of the kind which would favor [defendant] in the dilution analysis. . . ." The court's opinion suggests that for parody to effect the statutory factors in defendant's favor, it must be "a clear parody" as opposed to a "subtle satire" so that the marks are clearly differentiated; the defendant's mark must be promoted as a satire or a commentary of a famous mark as opposed to being promoted as the defendant's own mark used for competitive products; and the defendant's parody must effect an increase in the public identification of the plaintiff's famous mark with the plaintiff. This may be another way of saying that only an obvious (and therefore successful) parody creates sufficient distinctions between the parties' marks so as to ensure that the association created by the parody is sufficient to allow for the defendant to mimic the famous mark while simultaneously communicating that it is not the famous mark and therefore to avoid dilution.

Fourth Circuit

In *Louis Vuitton Malletier S.A. v. Haute Diggity Dog, LLC*, 507 F.3d 252 (4th Cir. 2007), the defendant offered dog chew toys under the mark CHEWY VUITTON which did not sit well with the plaintiff, owner of the LOUIS VUITTON mark. The defendant was not able to take advantage of parody as a defense because it was using CHEWY VUITTON as a trademark for its goods. Nevertheless, the Fourth Circuit held that the defendant's parody may "be considered in determining whether the plaintiff-owner of a famous mark has proved its claim that the defendant's use of a parody mark is likely to impair the distinctiveness of the famous mark." *Id.* at 267.

The court went on to hold the parodic nature of defendant's CHEWY VUITTON mark "specifically relevant" to whether the defendant intended to create an association with the famous mark, whether there exists an actual association between the defendant's mark and the

famous mark, the degree of similarity between the marks, the degree of distinctiveness of the famous mark and the recognition of the famous mark. In applying parody to these statutory factors the Court found that because the parody was successful (1) the marks were “not so similar” as to be likely to impair the distinctiveness of plaintiff’s famous marks; (2) defendant did not “use” plaintiff’s mark but only suggested and imitated it; and (3) the association created between the parties’ marks was only partial and imperfect so as not to impair the distinctiveness of plaintiff’s marks. Under the Fourth Circuit’s analysis, a successful parody, which suggests but does not copy the famous mark and which requires consumers to recognize that defendant’s goods and mark are separate from plaintiff’s, should result in a finding of no actionable dilution regardless of the availability of parody as an absolute defense.

Sixth Circuit

In *Hershey Co. v. Art Van Furniture, Inc.*, 2008 WL 472-4756 (E.D. Mich. 2008) (not recorded in F. Supp. 2d), defendant, in connection with an advertising campaign, posted ten truck decorations on its website and invited visitors to vote for their favorite design. The winning design would be emblazoned on all of the defendant’s delivery trucks. One, called the “Couch Bar” design, was alleged to resemble Hershey’s candy bar packaging. The issue of parody appears to have been raised solely as a defense by the defendant, a defense rejected by the court.

In addressing the issue of parody, the court made reference to some of the statutory dilution factors. First, the court suggested that because the parody was not particularly successful, and because the Couch Bar was “funny,” but not “biting,” its resemblance to plaintiff’s trade dress was not sufficiently differentiated to avoid dilution by blurring. As the Court noted, defendant’s “design is neither similar nor different enough to convey a satirical

message.” The court also noted that a parody must convey two simultaneous and contradictory messages, namely that it is the original, but also that it is not the original. This requirement appears to correspond to the dilution factors of whether the user of the mark or trade name intended to create an association with the famous mark and whether any actual association in fact was created. The case shows how application of the statutory factors to an unsuccessful parody would support dilution, while application of the factors to a successful parody would establish a lack of dilution.

II. The Level of Similarity Required to Establish a Likelihood of Dilution

Although the FTDA did not include similarity of the parties’ marks as an express factor to consider, many courts interpreted the statute to require that the parties’ marks be “substantially similar” or “identical or nearly identical” before there could be a finding of liability. The TDRA, however, expressly lists the “degree of similarity” – not “substantial” similarity or near identity – as a factor to be considered in determining likelihood of dilution by blurring. Whether the pre-TDRA case law that imposes a requirement of heightened similarity remains valid under the new law is still being sorted out by the courts, with a number of circuits, beginning with the Second and Ninth Circuits, holding that there is no longer any such requirement.

The Supreme Court discussed the importance of the similarity of marks to claims under the FTDA in *Moseley v. V Secret Catalogue, Inc.*, where it noted that identity of the junior and senior marks could constitute circumstantial evidence of actual dilution. 537 U.S. 418, 432 (2003). The Court also suggested that consumers’ mental association between two marks might be sufficient to show actual dilution if the marks were identical. *Id.*

Citing *Moseley* as well as the legislative history surrounding the enactment of some state dilution statutes, most lower courts required the marks at issue to be very similar or identical in order for a FTDA to proceed. See *Levi Strauss & Co. v. Abercrombie & Fitch Trading Co.*, 633 F.3d 1158, 1164 (9th Cir. 2011) (observing that “the requirement of identity, or substantial similarity, pre-dates the adoption of the FTDA in 1996 and has its origins in state dilution law, specifically that of the State of New York”). And even after the TDRA’s enactment and its “degree of similarity” factor, many lower courts nonetheless continued to require a heightened level of similarity for dilution claims under the new statute.

The Second Circuit was the first circuit to address head-on the question of whether heightened similarity is a threshold requirement under the TDRA. In *Starbucks Corp. v. Wolfe's Borough Coffee, Inc.*, 588 F.3d 97, 108 (2d Cir. 2009) the court rejected the "substantially similar" standard it had established under the FTDA, noting that the new statute does not quantify the degree of similarity necessary to find blurring and that requiring a showing of substantial similarity would seriously diminish the impact of the other five factors.

The Ninth Circuit, in *Levi Strauss & Co.*, followed *Starbucks* in holding that its previous “identical or nearly identical” standard did not survive enactment of the TDRA. 633 F.3d at 1170-73. In keeping with this trend, the Trademark Trial and Appeal Board has become the most recent jurisdiction to expressly discard its previous heightened similarity requirement when analyzing dilution claims. *Nike, Inc. v. Maher*, 100 U.S.P.Q. 2d 1018 (T.T.A.B. 2011). Thereafter, the Seventh Circuit fell in line in *Facebook, Inc. v. Teachbook.com LLC*, 2011 WL 4449686 (N.D. Ill. Sept. 26, 2011), citing *Levi Strauss & Co.*

Some other circuits, such as the Fourth and Fifth, appear to be considering similarity as a factor rather than a threshold requirement. On the other hand, district courts in some circuits,

such as the Sixth, where there has been no appellate decision on the point continue to follow pre-TDRA authority requiring a heightened level of similarity. The following is a summary of relevant case law for each circuit.

FIRST CIRCUIT

The First Circuit did not address this issue under the FTDA and has yet to confront it since the TDRA's enactment.

SECOND CIRCUIT

All Second Circuit opinions since the enactment of the TDRA have held that the similarity of the marks is a factor, not a requirement, in determining whether there is a likelihood of dilution. See, e.g. *Starbucks Corp. v. Wolfe's Borough Coffee, Inc.*, 588 F.3d 97 (2d Cir. 2009); *Tiffany Inc. v. eBay, Inc.*, 600 F.3d 93 (2d Cir. 2010); *Miss Universe, L.P., LLLP v. Villegas*, 672 F. Supp. 2d 575 (S.D.N.Y. 2009).

In the *Starbucks* opinion, the Second Circuit noted that prior to the TDRA, Second Circuit courts would not allow a dilution plaintiff to prevail unless the marks at issue were “very” or “substantially similar.” 588 F.3d at 107 (citing *Playtex Prods., Inc. v. Georgia-Pacific Corp.*, 390 F.3d 158, 167 (2d Cir. 2004)). The Second Circuit's adoption of a “substantially similar” requirement for federal dilution claims, the court noted, was likely attributable “to the lack of guidance under the former federal statute and the existence of a “substantially similar” requirement under state dilution statutes, which were better defined.” *Id.* at 108 (citing *Federal Express Corp. v. Federal Espresso, Inc.*, 201 F.3d 168, 174-76 (2d Cir. 2000); *Mead Data Cent., Inc. v. Toyota Motor Sales, Inc.*, 875 F. 2d 1026, 1028-29 (2d Cir. 1989)).

Among the *Starbucks* court's reasoning for eliminating the “substantially similar” requirement were: (1) the TDRA does not utilize the words “very” or “substantial” in connection

with the similarity factor to be considered in examining a federal dilution claim; (2) the consideration of the “degree” of similarity of the subject marks in a dilution analysis cannot logically coexist with a strict requirement that the marks at issue be “very” or “substantially similar” in order for a dilution analysis to even proceed; and (3) adhering to a substantial similarity requirement would diminish the other five factors propounded by Congress in the TDRA because they would have no bearing on a dilution analysis unless the degree of similarity between the marks was initially determined to be “substantial.” *Id.* In light of these considerations, the Second Circuit abandoned its former substantial similarity requirement in favor of analyzing the similarity of the subject marks in the context of the six statutory factors to be considered during the likelihood of dilution analysis. *Id.*

It is therefore well settled in the Second Circuit that similarity of the marks is only a factor in a likelihood of dilution analysis and not a requirement.

THIRD CIRCUIT

A review of the Third Circuit cases did not provide clear guidance as to what the standard will be under the TDRA. In *Haynes Int’l, Inc. v. Electralloy*, 2009 WL 789918 (W.D. Pa., March 24, 2009), the court found that the marks were “substantially similar” to each other, but this statement was in the analysis regarding monetary damages, which the court determined were controlled by the FTDA. *Id.* at *18.

FOURTH CIRCUIT

Since the enactment of the TDRA, the Fourth Circuit appears to be using “similarity” as one of the factors in the flexible test for blurring, rather than requiring the marks to be identical or nearly identical. In *Super Duper, Inc. v. Mattel, Inc.*, 382 Fed. Appx. 308 (4th Cir. 2010);

2010 U.S. App. LEXIS 11853, the court explained that a jury is “well situated” to determine whether there exists “sufficient similarity” between two marks for a finding of likelihood of dilution. *Id.* at 314. The jury instructions at the district court level list the TDRA’s six factors to be considered in a likelihood of dilution analysis, including the similarity of the marks, and do not explicitly state that the marks must be identical or nearly identical. *Id.* Although Super Duper (the DJ Plaintiff and appellant) appealed several of the jury instructions regarding likelihood of confusion, it is unclear whether the dilution instructions were appealed. The Court of Appeals did not find error regarding the jury instructions and affirmed the jury’s finding of dilution. *Id.* at 312.

FIFTH CIRCUIT

It appears that while the marks need not be identical, a “high degree of similarity” is a factor strongly considered by courts within the Fifth Circuit. See *Dallas Cowboys Football Club Ltd. v. America’s Team Props. Inc.*, 92 U.S.P.Q. 2d 1325 (N.D. Tex. 2009); *Pet Silk, Inc. v. Jackson*, 481 F. Supp. 2d 824 (S.D. Tex. 2007).

In *Dallas Cowboys*, the Court instructed that “[t]o determine dilution by blurring, a court ‘may consider all relevant factors’ including: the degree of similarity between the mark or trade name and the famous mark” 92 U.S.P.Q. 2d 1325, 1337. In assessing the factors of dilution by blurring, the court noted that the parties’ marks had a “high degree of similarity”. *Id.* at 1338. While the marks at issue in this case (AMERICA’S TEAM) were identical, the court indicates with these statements that the similarity of marks is a factor in the test for dilution and that the marks in question need not be identical for dilution to be established.

In *Pet Silk*, the court held that in determining whether a mark is likely to cause dilution by blurring, the court may consider all relevant factors, including the following: (i) the degree of

similarity between the mark or trade name and the famous mark.” 481 F. Supp. 2d 824, 831. The court found that the marks in question were “similar because they are, in fact, the same mark.” *Id.* Although the marks at issue in this case (PET SILK) were identical, the court’s statements imply that the similarity of marks is a factor in the test for dilution and that the marks in question need not be identical for dilution to be established.

SIXTH CIRCUIT

In a pre-TDRA decision, the Sixth Circuit observed: “[E]very federal court to decide the issue has ruled that a high degree of similarity, ranging from ‘nearly identical’ to ‘very similar,’ is required for a dilution claim to succeed.” *AutoZone, Inc. v. Tandy Corp.*, 373 F.3d 786, 806 (6th Cir. 2004). It then held: “Following our precedent and the guidance of other circuits, we require a plaintiff to demonstrate a higher degree of similarity than is necessary in infringement claims in order to prove that *actual* dilution has occurred.” *Id.* (emphasis added). While there is presently no post-TDRA decision from the Sixth Circuit itself on this issue, in 2008 the district court hearing the *V. Secret Catalogue v. Moseley* case on remand from that court held that the TDRA did not eliminate the heightened similarity requirement, holding:

The marks in issue must be “identical” or “nearly identical” or “substantially similar.” While the TDRA does not require that the marks be “identical” or “nearly identical,” it does not appear that the Act eliminated this requirement previously established in the law.

V Secret Catalogue, Inc. v. Moseley, 558 F.Supp.2d 734, 744-45 (W.D. Ky. 2008) (citing *Nike, Inc. v. Nikepal Int’l, Inc.*, 2007 WL 2782030, at *6 (E.D. Cal. 2007)). On appeal, the Sixth Circuit only addressed V Secret’s dilution-by-tarnishment claim on other grounds, so it had no occasion to address the district court’s holding on the similarity requirement. *V Secret Catalogue, Inc. v. Moseley*, 605 F.3d 382, 386 (6th Cir. 2010).

SEVENTH CIRCUIT

Prior to the TDRA, the Seventh Circuit only considered two factors in determining the likelihood of dilution: similarity between the parties' marks and the renown of the senior party's mark. *Eli Lilly & Co. v. Natural Answers Inc.*, 233 F.3d 456 (7th Cir. 2000). In analyzing the degree of similarity between the parties' marks, the Seventh Circuit used the same test of mark similarity for a dilution claim and an infringement claim. *Id.* at 469. The *Eli Lilly* court held that the plaintiff succeeded in proving likelihood of success in its likelihood of dilution claim in part because the marks at issue, PROZAC and HERBPROZAC, were "highly similar." *Id.*

Since the enactment of the TDRA, the Seventh Circuit has made clear that, in its view, the TDRA abolished any "heightened similarity" requirement that may have previously been compulsory in dilution cases. *Facebook, Inc. v. Teachbook.com LLC*, No. 11-cv-3052, 2011 WL 4449686, slip op. at 31 (N.D. Ill. Sept. 26, 2011). In denying the defendant's motion to dismiss, the *Facebook* court stated in no uncertain terms that Facebook was not required to prove a heightened level of similarity between the marks at issue in order to prevail on a likelihood of dilution claim. *Id.* at 31, n. 3 (citing *Levi Strauss & Co. v. Abercrombie & Fitch Trading Co.*, 633 F.3d 1158, 1172 (9th Cir. 2011)).

EIGHTH CIRCUIT

Prior to the enactment of the TDRA, the Eighth Circuit required the marks to be "similar enough that a significant segment of the target group of customers sees the two marks as essentially the same." *Luigino's, Inc. v. Stouffer Corp.*, 170 F.3d 827, 832 (8th Cir. 1999). Using this standard, an Eighth Circuit court held that mere similarity in the marks, even a close similarity, will not suffice to establish per se evidence of actual dilution, which was required for

successful dilution claims prior to the TDRA. *Everest Capital Ltd. v. Everest Funds Management LLC*, 73 U.S.P.Q.2d 1580 (8th Cir. 2005).

As of this writing, the Eighth Circuit has not weighed in on this issue since the enactment of the TDRA in 2006. A district court in the Eighth Circuit, however, has continued to require proof of actual dilution and that the marks in question be identical in order to find dilution by blurring as late as 2008. *Anheuser-Busch, Inc. v. VIP Prods., LLC*, 666 F. Supp. 2d 974, 987 (E.D. Mo. 2008) (holding BUDWEISER and BUTTWIPER “similar but not identical,” and therefore finding that BUTTWIPER does not dilute the famous BUDWEISER mark).

NINTH CIRCUIT

The Ninth Circuit in *Playboy Enterprises, Inc. v. Welles*, 279 F.3d 796 (9th Cir. 2002) held that for a claim under the TDRA to succeed, the challenged mark must be “identical or nearly identical” to the plaintiff’s mark. In practice, however, the court applied somewhat of a loose definition of “nearly identical,” finding pairs of marks as TREK/ORBITREK, EBAY/PERFUMBAY, and HOT WHEELS/HOT RIGZ, to meet this standard. *Thane International, Inc. v. Trek Bicycle Corp.*, 305 F.3d 894 (9th Cir. 2002); *Perfumbay.com Inc. v. eBay, Inc.*, 506 F.3d 1165 (9th Cir. 2007); *Jada Toys, Inc. v. Mattel, Inc.*, 518 F.3d 628 (9th Cir. 2008). Until as late as December 2010, courts in the Ninth Circuit applied the “identical or nearly identical” requirement to dilution claims: “To prevail on its dilution claim, MGA would also need to establish that Mattel’s mark was ‘identical, or nearly identical, to the protected mark.’” *Mattel, Inc. v. MGA Entm’t, Inc.* 2010 U.S. Dist. LEXIS 136922, *221 (C.D. Cal. Dec. 27, 2010) (quoting *Nissan Motor Co. v. Nissan Computer Corp.*, 378 F.3d 1002, 1011 (9th Cir. 2004)).

On February 8, 2011, however, the Ninth Circuit, following the Second Circuit's decision in *Starbucks v. Wolfe's Borough Coffee*, held that "similarity" is just one of a non-exhaustive list of six factors to consider in determining whether a mark is likely to cause dilution by blurring under the TDRA. *Levi Strauss & Co. v. Abercrombie & Fitch Trading Co.*, 633 F.3d 1158, 1170-73 (9th Cir. 2011).

TENTH CIRCUIT

The Tenth Circuit has not produced an instructive opinion on this issue.

ELEVENTH CIRCUIT

The law in the Eleventh Circuit is less than clear concerning whether "substantial similarity" is required post-TDRA. In a pre-TDRA decision, the Eleventh Circuit remarked: "If the plaintiff holds a distinctive trademark, it is enough that the defendant has made significant use of a very similar mark." *Freedom Sav. & Loan Ass'n. v. Way*, 757 F.2d 1176, 1186 (11th Cir. 1985) (analyzing whether defendant's FREEDOM REALTY mark diluted plaintiff's FREEDOM SAVINGS mark). While the opinion instructs that a "very similar" mark *may* be liable for dilution, it falls short of expressly stating that such similarity is required. Furthermore, *Freedom Sav. & Loan* addressed liability under a Florida antidilution statute, not under the Lanham Act.

In another pre-TDRA decision, the U.S. District Court for the Southern District of Florida more clearly held: "For dilution to occur, the marks 'must be 'very' or 'substantially' similar and ... absent such similarity, there can be no viable claim of dilution.'" *Michael Caruso & Co. v. Estefan Enter., Inc.*, 994 F. Supp. 1454, 1464 (S.D. Fla. 1998) (quoting *Ringling Bros.-Barnum & Bailey Combined Shows, Inc. v. B.E. Windows Corp.*, 937 F.Supp. 204, 211-12 (S.D.N.Y.1996) (overturned by *Starbucks Corp. v. Wolfe's Borough Coffee, Inc.*, 588 F.3d 97,

108 (2d Cir. 2009)). No post-TDRA decision on this issue, from either the Eleventh Circuit Court of Appeals or from a district court thereunder, has been located to as of this writing.

FEDERAL CIRCUIT

As of this writing there are no Federal Circuit decisions discussing the similarity requirement under the TDRA, but the Trademark Trial and Appeal Board (“the Board”) has addressed it multiple times, only recently eliminating a heightened similarity requirement.

Shortly after the enactment of the TDRA, the Board issued the first of a number of decisions requiring heightened similarity, *7-Eleven Inc. v. Wechsler*, 83 U.S.P.Q.2d 1715 (T.T.A.B. 2007). In *7-Eleven*, the Board held that a “party must prove more than confusing similarity; it must show that the marks are identical or very substantially similar. . . . To support an action for dilution by blurring, the marks must be similar enough that a significant segment of the target group sees the two marks as essentially the same. Therefore, differences between the marks are often significant.” *7-Eleven Inc. v. Wechsler*, 83 U.S.P.Q.2d at 1729 (internal citations omitted). The Board found that GULPY engendered a different commercial impression than BIG GULP and that the marks were not essentially the same or substantially similar. *Id.*

Thereafter, in *Citigroup, Inc. v. Capital City Bank Group Inc.*, 94 U.S.P.Q.2d 1645 (T.T.A.B. 2010) (internal citations omitted), the Board again held that for “purposes of dilution, a party must prove more than confusing similarity; it must show that the marks are identical or very substantially similar. . . . [T]he marks must be similar enough that a significant segment of the target group sees the two marks as essentially the same. Therefore, differences between the marks are often significant.” *Citigroup, Inc. v. Capital City Bank Group Inc.*, 94 U.S.P.Q.2d at

1666 (internal citations omitted). The Board found that the marks CITIBANK and CAPITAL CITY BANK are “not essentially the same” and therefore not “substantially similar.”

The Board continued to require heightened similarity in *Coach Servs. Inc. v. Triumph Learning LLC*, 96 U.S.P.Q.2d 1600, 1613 (T.T.A.B. 2010) and found that the two COACH marks at issue were dissimilar because of their distinct meanings and commercial impressions. *Id.*

In another case addressing a motion for summary judgment, the Board found a genuine issue of material fact as to whether the marks at issue were sufficiently similar for dilution purposes. *Am. Express Mktg. & Dev. Corp. v. Gilad*, 94 U.S.P.Q. 2d 1294, 1301 (T.T.A.B. 2010). The marks at issue were opposer’s mark AMERICAN EXPRESS as compared to applicant’s marks GRAND AMERICAN EXPRESS RAILROAD and GRAND AMERICAN EXPRESS RAILROAD CLEVELAND AND COLUMBUS and Design. *Id.* at 1295-96.

The Board has also held that the marks at issue must be sufficiently similar “to trigger consumers to conjure up a famous mark when confronted with a second mark.” *Nat’l Pork Bd. v. Supreme Lobster & Seafood Co.*, 96 U.S.P.Q. 2d 1479, 1497 (T.T.A.B. 2010). The Board found that the marks involved in the case were “highly similar, having the same structure and cadence and three of the same words. The difference involves only the third of the four words, which in both cases is an adjective referring to a color of meat Both slogans elicit the same mental processing” *Id.* A dilution survey also showed more than 35% association between the marks, which demonstrated to the Board that a “sizeable segment of the target population sees the two marks as highly similar.” *Id.*

On August 9, 2011, however, in *Nike, Inc. v. Maher*, 100 U.S.P.Q. 2d 1018 (T.T.A.B. 2011), the Board produced a precedential opinion eliminating its former heightened similarity

requirement in favor of the multi-factor approach set forth in the TDRA and followed by the Second and Ninth Circuits. *Nike, Inc. v. Maher*, 100 U.S.P.Q. 2d at _____ (citing *Levi Strauss & Co. v. Abercrombie & Fitch Trading Co.*, 633 F.3d 1158, 1171 (9th Cir. 2011); *Starbucks Corp. v. Wolfe’s Borough Coffee, Inc.*, 588 F.3d 97 (2d Cir. 2009); *Tiffany Inc. v. eBay, Inc.*, 600 F.3d 93, 111 n.18 (2d Cir. 2010)). With this opinion, it is clear that the Board will now be analyzing the similarity of the marks at issue as only one factor of the six offered in the TDRA to determine whether a likelihood of dilution exists.

DC CIRCUIT

The DC Circuit has not produced an instructive opinion on this issue.

III. Proof of Fame under the TDRA

For a mark to be “famous” under the TDRA, the mark must be “widely recognized by the general consuming public of the United States as a designation of source of the goods or services of the mark’s owner.” 15 U.S.C. § 1125(c)(2)(A). Marking a significant change from the FTDA, this revised standard eliminates what was known as “niche fame,”² defined as fame “within a certain geographic ‘trade area’ or specialized market segment.”³ “The revision also indicates that Congress intended for dilution to apply only to a small category of extremely strong marks.”⁴ The TDRA further provides:

In determining whether a mark possesses the requisite degree of recognition, the court may consider all relevant factors, including the following:

- (i) The duration, extent, and geographic reach of advertising and publicity

² *Maker’s Mark Distillery v. Diageo N. Am., Inc.*, 703 F.Supp.2d 671, 697-98 (W.D. Ky. 2010).

³ *Milbank Tweed Hadley & McCloy LLP v. Milbank Holding Corp.*, No. CV-06-187, 2007 WL 1438114, at *5 (C.D. Cal. Feb. 23, 2007).

⁴ *Maker’s Mark*, 703 F.Supp.2d at 698.

of the mark, whether advertised or publicized by the owner or third parties.

(ii) The amount, volume, and geographic extent of sales of goods or services offered under the mark.

(iii) The extent of actual recognition of the mark.

(iv) Whether the mark was registered under the Act of March 3, 1881, or the Act of February 20, 1905, or on the principal register.

15 U.S.C. § 1125(c)(2)(A). Because this list is nonexclusive, it may be that courts will consider factors that were listed in the predecessor FTDA statute⁵. When the courts expressly do so, if so, they ~~must be~~ should be made mindful that “niche fame” no longer applies

FIRST CIRCUIT

An instructive case found from within the First Circuit is *Philbrick v. eNom, Inc.*, 593 F.Supp.2d 352 (D.N.H. 2009). *Philbrick* considered the issue of fame in connection with a cause

⁵ The FTDA provided:

In determining whether a mark is distinctive and famous, a court may consider factors such as, but not limited to—

(A) the degree of inherent or acquired distinctiveness of the mark;

(B) the duration and extent of use of the mark in connection with the goods or services with which the mark is used;

(C) the duration and extent of advertising and publicity of the mark;

(D) the geographical extent of the trading area in which the mark is used;

(E) the channels of trade for the goods or services with which the mark is used;

(F) the degree of recognition of the mark in the trading areas and channels of trade used by the marks' owner and the person against whom the injunction is sought;

(G) the nature and extent of use of the same or similar marks by third parties; and

(H) whether the mark was registered under the Act of March 3, 1881, or the Act of February 20, 1905, or on the principal register.

15 U.S.C. § 1125(c)(1) (1995) (*quoted in Advantage Rent-A-Car, Inc. v. Enterprise Rent-A-Car, Inc.*, 238 F.3d 378, 380 n.2 (5th Cir. 2001)).

of action brought under the Anti-Cybersquatting Consumer Protection Act (“ACPA”), one element of which is that the accused domain name be either “identical or confusingly similar to or dilutive of” a famous mark. 15 U.S.C. § 1125(d)(1)(A)(ii)(II). The plaintiffs, Daniel Philbrick and his company, Dover Sports, Inc., agreed that although the ACPA does not define the term “famous mark,” the TDRA definition applied. *Philbrick*, 593 F.Supp.2d at 366. Philbrick had started doing business under the name “Philbrick’s Sports” in 1983, in New Hampshire. *Id.* at 357. Since that time, the plaintiffs regularly advertised “Philbrick’s Sports” in “newspapers, magazines, catalogs, telephone directories, signage at hockey arenas, radio, and television,” though exclusively in New Hampshire or the greater Boston area. *Id.* In the late 1990’s the plaintiffs registered the domain names “philbricks.net,” “philbricks.com” and “philbrickssports.com,” and upon finding later use of identical and similar domain names by the defendant, brought suit under the ACPA, false designation of origin under the Lanham Act, and under state law. *Id.* at 356 & 359-60. The plaintiffs presented evidence that they had made \$1.33 million in Internet sales during a five-year period, and that during the same period made sales to 124 customers in Washington state. *Id.* at 358.

The court prefaced its analysis with the observation that the TDRA fame standard is “‘rigorous’ and ‘extends protection only to highly distinctive marks that are well-known throughout the country.’” *Id.* at 366 (*quoting Green v. Fornario*, 486 F.3d 100, 105 (3d Cir. 2007)). It then found plaintiffs’ evidence insufficient, offering some consolation by noting some well-known marks that had been found not to be “famous”:

There is no evidence that the degree of recognition of the “Philbrick Sports” mark approaches this standard. The plaintiffs rely on their use of the mark for twenty-five years, and their sales “to customers in all 50 states,” but even assuming, for the moment, that these sales occurred under the “Philbrick’s Sports” mark, but see *infra* Part II.B.1.a.iii, these facts are manifestly insufficient to create a genuine issue as to whether the mark is famous.

The plaintiffs, as holders of a non-famous mark, are in good company. Among the marks that courts have ruled not to be famous under the Lanham Act are “Blue Man Group” for the performing troupe, “Clue” for the board game, and “Trek” for bicycles. In contrast, marks that have been ruled famous include “Nike,” “Pepsi,” and “Victoria's Secret.”

Philbrick, 593 F.Supp.2d at 367 & n.20 (citations omitted). After proceeding to also find that “Philbrick’s Sports” was descriptive and lacked secondary meaning, the court granted eNom’s motion for summary judgment as to all domain-name based claims. *Id.* at 367-75, 382.

SECOND CIRCUIT

Four post-TDRA were located and reviewed to determine how courts would apply the TDRA fame standard:

- *Yurman Studio, Inc. v. Castaneda*, 591 F. Supp. 2d 471 (S.D.N.Y. 2008).
- *Starbucks Corp. v. Wolfe's Borough Coffee, Inc.*, 588 F.3d 97 (2d Cir. 2009).
- *Miss Universe, L.P., LLLP v. Villegas*, 672 F. Supp. 2d 575 (S.D.N.Y. 2009).
- *Tiffany Inc. v. eBay, Inc.*, 600 F.3d 93 (2d Cir. 2010).

Unfortunately, all four opinions either did not mention whether the mark was famous or did not analyze whether the mark was famous since the parties already agreed the marks in question were famous. Therefore, a determination can not be made on how courts within the Second Circuit will address the new standard based solely on these four cases.

THIRD CIRCUIT

Two post-TDRA cases were found instructive as to what does *not* suffice for proof of fame:

- *Green v. Fornario*, 486 F.3d 100 (3d Cir. 2007).
- *Marci’s Fun Food, LLC v. Sherer’s Foods, Inc.*, No. 10-188, 2011 WL 5360808 (W.D. Pa. Nov. 7, 2011).

In *Green*, the Third Circuit decided an appeal from a lower court's decision to refuse to award attorneys' fees. The plaintiff, Tyler Green, was a pitcher with the Philadelphia Phillies from 1991-2000 who made an All-Star Game appearance in 1995. *Green*, 486 F.3d at 101. Through that career and work in coaching and charitable activities, Mr. Green retained, in the Third Circuit's view, "some name recognition in the greater Philadelphia community." *Id.* The defendant (Fornario) had operated a sports handicapping business under the name "Tyler Green Sports." *Id.* at 101-02. Green's agent discovered Fornario's use of the "Tyler Green" name, and Mr. Green brought a lawsuit that included a dilution claim under the Lanham Act. *See id.* at 102 & 105. Shortly thereafter, "Fornario signed a consent decree in which he agreed to stop using the name Tyler Green in trade. The action continued on the issues of damages, costs, and attorneys' fees." *Id.* at 103. The district court, however, refused to award attorneys' fees.

The Third Circuit agreed, finding that Fornario had a colorable defense as to Green's dilution claim due to insufficient proof of fame: "Without going into more detail than this case requires, it seems several steps short of probable that a person with such a brief, and largely undistinguished, professional career limited to one team in one area would have a name that is 'widely recognized by the general consuming public of the United States.'" *Id.* at 105 (*quoting* 15 U.S.C. § 1125(c)(2)(A)).

Citing *Green*, the U.S. District Court for the Western District of Pennsylvania granted the defendant's motion for summary judgment against a Lanham Act dilution claim for lack of fame, where "Plaintiff's kettle corn sales were limited to New York, Ohio, Indiana, Pennsylvania, and West Virginia." *Marci's Fun Food*, 2011 WL 5360808, at *8; *see also id.* ("It is unlikely that a mark associated with a product sold in such a limited geographic region would be 'widely

recognized by the general consuming public of the United States.”) (*quoting* 15 U.S.C. § 1125(c)(2)(A)).

FOURTH CIRCUIT

Two post-TDRA cases from within the Fourth Circuit were found, both indicating that the plaintiff met the TDRA fame standard:

- *Rosetta Stone Ltd. v. Google Inc.*, 730 F.Supp.2d 531 (E.D. Va. 2010).
- *Volvo Trademark Holding AB v. Volvospare.com*, 703 F.Supp.2d 563, 568 (E.D. Va. 2010).

In *Rosetta Stone*, the U.S. District Court for the Eastern District of Virginia granted summary judgment against a trademark dilution claim, but for reasons other than the fame issue. The court found that Rosetta Stone, founded in 1992, established that its ROSETTA STONE mark met the TDRA fame standard. *Rosetta Stone*, 730 F.Supp.2d at 535. The court related Rosetta Stone’s history of use as follows:

In order to build the fame, reputation, and good-will of its Marks, Rosetta Stone advertises through a variety of media, including television, radio, news-papers, magazines, direct mail, and telephone directories. (Eichmann Decl. ¶¶ 3–6, Exs. 1–3.) It conducts a substantial amount of its business over the Internet using many web-based services, including those offered by Google, and makes a sizeable investment in the development of its online business. (Eichmann Decl. ¶ 6, Exs. 1–3.) Along with promoting its products and services via its own website (www. rosettastone. com), Rosetta Stone advertises on the websites of third parties. It authorizes resellers such as Amazon.com, Barnes & Noble, and Borders, to sell authentic Rosetta Stone products. (Caruso Decl. Ex. 72 at 147:9–148:18, Ex. 58 at 96:12–98:10.) Specifically, it entered into agreements with Amazon.com and eBay that allow them to use the Rosetta Stone Marks in connection with advertising. (Caruso Decl. Exs. 40–44.)

Id., 730 F.Supp.2d at 535-36. The court held: “As to the first element, the Rosetta Stone Marks are famous and have been since at least 2009, when Rosetta Stone’s brand awareness reached 75%.” *Id.* at 550.

In an anticybersquatting case, the district court had little problem finding the mark VOLVO to be famous:

Here, Volvo has been using the VOLVO mark continuously in connection with promotion and advertisement of Volvo products since at least the registration of the VOLVO mark more than fifty years ago in 1956; and the VOLVO mark enjoys widespread recognition in the United States.

Volvo Trademark Holding AB, 703 F.Supp.2d at 568.

FIFTH CIRCUIT

The following cases within the Fifth Circuit were evaluated concerning proof of fame under the TDRA:

- *Dallas Cowboys Football Club Ltd. v. America's Team Props. Inc.*, 92 U.S.P.Q.2d 1325 (N.D. Tex. 2009)
- *Board of Regents v. KST Elec.*, 550 F. Supp. 2d 657 (W.D. Tex. 2008)
- *Pet Silk, Inc. v. Jackson*, 481 F. Supp. 2d 824 (S.D. Tex. 2007)
- *Texas Tech. Univ. v. Spiegelberg*, 84 U.S.P.Q.2d 1162 (N.D. Tex. 2006)

Dallas Cowboys: In evaluating whether the plaintiffs in the case had established dilution by blurring of the mark AMERICA'S TEAM, the court considered the "long duration" and "geographic reach" of the plaintiffs' mark; a survey demonstrating actual recognition among a relevant consumer base; and the defendant's own statements regarding the fame of the mark in question. *Dallas Cowboys*, 92 U.S.P.Q.2d at 1337.

Pet Silk: In deciding whether the plaintiff's mark PET SILK was famous, the court considered the duration of use (15 years) and registration (10 years); uncontested testimony by the plaintiff that its mark had achieved distinction in its market (this appears to be an incorrect application under the TDRA) and that it is internationally known for its products because it had

distributors all over the world; and testimony that actual association between the parties' marks had occurred. *Pet Silk*, 481 F. Supp. 2d at 831.

Board of Regents: The University of Texas (UT) offered no survey evidence or other expert testimony to support its claim that its Longhorn design mark was famous. *See Board of Regents v. KST Elec.*, 550 F. Supp. 2d 657, 673-79 (W.D. Tex. 2008). UT did offer the following evidence, which was held only to establish niche fame and thus was not sufficient under the TDRA:

1. UT football games are regularly televised nationally and the mark is prominently featured in those broadcasts. *Id.* at 677.
2. UT men's basketball games were televised nationally 97 times over the five seasons preceding the case. *Id.*
3. 35 million people nationwide watched UT play in the national championship Rose Bowl college football game, which was the highest rated game in the history of the BCS and the highest rated college football game since 1987. *Id.*
4. 9 million people watched UT play in the 2006 Alamo Bowl football game, the most watched bowl game in ESPN's history. *Id.*
5. UT players have been on the cover of *Sports Illustrated* ten times (the logo was not featured prominently or totally visible on all those covers). *Id.*
6. UT's football helmet was named by an SI.com (*Sports Illustrated's* website) writer as the number-one non-letter (only logo) helmet. *Id.*
7. UT's football helmet was displayed on two separate Wheaties boxes.
8. UT holds the record for most royalties earned in a single year and was the number one university for licensing royalties for the two years preceding the disposition of the case. *Id.* at 678.
9. Forbes magazine valued UT's football program as the second most valuable in the country. *Id.*
10. Retail sales of UT products totaled nearly \$400 million. *Id.*

Texas Tech: The court in *Texas Tech* did not explicitly discuss whether the plaintiff's marks, including the 'Double T' mark, the "Masked Rider," the "Raider Red" character, and the red and black color scheme commonly affiliated with Texas Tech's athletic teams were famous. However, the court found that evidence of the defendant's use of marks identical to marks the plaintiff had used for decades constituted trademark dilution. *Texas Tech*, 84 U.S.P.Q.2d at 1170-71.

SIXTH CIRCUIT

Courts within the Sixth Circuit have set an exceptionally high threshold to prove fame, with one case suggesting that market dominance and an international presence may be necessary.

Cases reviewed included:

- *Hershey Co. v. Art Van Furniture, Inc.*, No. 08-14463, 2008 WL 4724756 (E.D. Mich. Oct. 24, 2008); and
- *Maker's Mark Distillery v. Diageo N. Am.*, 703 F.Supp.2d 671 (W.D. Ky. 2010).

Hershey dealt with trade dress dilution, and the court had little problem finding Hershey's trade dress famous. There, the defendant conducted a contest for customers to choose a winning design for its furniture delivery vans. One of ten proposed designs depicted a "couch bar," *i.e.*, a "brown sofa emerging from a red or burgundy wrapper reminiscent of a candy or chocolate bar, with its packaging torn open and mouth-watering contents exposed." *Hershey*, 2008 WL 4724756, at *1. Hershey charged that such a design infringed and diluted its candy bar trade dress, *i.e.*: "[1] a rectangular design; [2] silver, stylized lettering; [3] a brownish-maroon colored wrapper; [4] the name 'Hershey's; and [5] silver foil protruding from under the wrapper along the edges of the bar." *Id.* The court found Hershey's trade dress famous, citing the same evidence that Hershey used to prove secondary meaning required for trade dress protection:

At oral argument, counsel for Plaintiff represented that this chocolate bar has had the same trade dress for decades, and that it is distributed and sold around the world. Counsel further submitted that Plaintiff spends millions of dollars annually to advertise and consolidate its brand, and that it is one of the most recognizable and best selling confectionery products in the United States. The Court also takes notice that Plaintiff's candy bar is often described as an "American Icon" on the same plane as Coca-Cola, for example. *See, e.g., Dennis R. Hall & Susan Grove Hall, eds., American Icons: An*

Encyclopedia of the People, Places, and Things that Have Shaped Our Culture 336-42 (2006). [*Id.* at *4 (finding secondary meaning)].

* * *

As discussed earlier, Plaintiff's mark has acquired a secondary meaning in the marketplace. Plaintiff is one of the largest producers of chocolate and confectionery goods, its products are sold around the world and it spends tens of millions of dollars annually to maintain and promote its products. Plaintiff is also protective of its brands and holds hundreds of trade-marks, although none specifically covers the trade dress at issue here. These factors, combined with the iconic status of the classic Hershey's bar, prove that Plaintiff's mark is both famous and distinctive. [*Id.* at *13].

The *Maker's Mark* court commented: "The Hershey's name and trade dress is synonymous with chocolate. Usually, market dominance tracks fame." *Maker's Mark*, 703 F.Supp.2d at 699. "Since 1958, when it first began producing bourbon, [Maker's Mark] has capped its bottles with a red dripping wax seal that partially covers the neck of the bottle and drips down to the bottle's shoulder." *Id.*, 703 F.Supp.2d at 680. Maker's Mark acquired a trademark registration protecting a "wax-like coating covering the cap of the bottle and trickling down the neck of the bottle in a freeform irregular pattern." *Id.* at 681. In factual findings culminating in a conclusion that this mark was "extremely strong" for *infringement* purposes, *id.* at 691, the court cited the following evidence:

Three years ago, *Business Week* called to the dripping wax seal as "one of the most recognizable branding symbols in the world." *The Atlanta-Journal Constitution* referred to the "famous red wax seal" in an article from 2002. In 2008, the *Associated Press* called Maker's Mark an "internationally known bourbon with a distinctive red wax seal." That same year, *CBS Sunday Morning* did a story on Maker's Mark and followed a bottle through the "famous dip in red sealing wax." [*Id.* at 680 n.23.]

However, the court did *not* find the same evidence sufficient to prove fame:

Assuming for the moment that the Maker's Mark red wax seal is better known on a national level than MENSA and the Texas Longhorn logo [which were both held as not famous in other decisions], the company did not offer-and probably could not offer-evidence that it is in the same league as Nike, Pepsi, Nissan, Audi, Hershey's or Victoria's Secret. Some of those brands enjoy not only a strong national presence, but also a significant international presence. . . . Though Maker's Mark is a terrifically strong and focused brand, the evidence here does not persuade the Court that it is in the same category as those above. In short, the Court has serious doubts.

Maker's Mark's proof did little to assuage the Court's concerns. Even though it offered evidence that numerous newspaper articles referenced the fame of its mark,

general media assertions and acclamations of fame are not strong evidence that the mark is famous under TDRA's particular and high standard. Additionally, none of Maker's Mark's studies focused on fame among the general consuming public-rather they all viewed fame from a niche market perspective. As discussed above, niche fame is not sufficient.

Id. at 699. Thus, in direct contrast to *Hershey*, which credited media acclamations as evidence of fame, the *Maker's Mark* court refused to do so. *See also id.* at 697 (“It [fame] is not proven through the words of trade publication articles declaring it so.”).

SEVENTH CIRCUIT

In *Eli Lilly & Co. v. Natural Answers Inc.*, 233 F.3d 456, 56 U.S.P.Q.2d 1942 (7th Cir. 2000), the district court found, and the defendant conceded on appeal, that the PROZAC mark was famous. *Id.*, 233 F.3d at 466 n.5. The Seventh Circuit cited to the plaintiff's evidence of sales of over \$12 billion, “considerable media attention,” and that PROZAC medication had been prescribed over 240 million times for 17 million Americans. *Id.*, 233 F.3d at 459,

EIGHTH CIRCUIT

One post-TDRA case from within the Eighth Circuit was found concerning proof of fame, namely *Roederer v. J. Garcia Carrion, S.A.*, 732 F.Supp.2d 836 (D. Minn. 2010). There, the district court evaluated the asserted fame of the mark CRISTAL for champagne. Assessing the statutory factors, the court observed that the extent of fame was merely niche fame, insufficient under the TDRA:

1. As to Factor #1 (“the duration, extent, and geographic reach of advertising and publicity of the mark, whether advertised or publicized by the owner or third parties”), the court held: “The advertising and publicity of the CRISTAL marks prior to 1993 does not support a finding of fame because it primarily reached those in the wine industry or related industries.” *Roederer*, 732 F.Supp.2d at 879.
 - Extent of advertising before 1993 was “minimal.” *Id.*

- “Many products receive broad incidental media coverage. Such promotion does not lead to the conclusion that their trademarks have become a part of the collective national consciousness.” *Id.* References to CRISTAL champagne were merely “peripheral to the focus of the article.” *Id.*
 - “While CRISTAL champagne had celebrity ‘ambassadors’ prior to 1993, no evidence indicates how often those ambassadors promoted CRISTAL champagne or how many people such promotions reached.” *Id.*
2. As to Factor #2 (“the amount, volume, and geographic extent of sales of goods offered under the mark”), the court found this to be neutral, given:
- Small sales volume “compared to that of a mass-merchandise product.” *Id.* at 379.
 - “However, the fact that demand for CRISTAL champagne exceeded*880 its supply contributed to its status as a prestige champagne.” *Id.* at 387-80.
3. As to Factor #3 (“the extent of actual recognition of the mark”), the court found this weighed against a finding of fame, reasoning:
- Roederer offered no evidence of any explicit recognition of the CRISTAL brand's power in the years preceding 1993, and CRISTAL champagne was seldom the focus of an article or picture in a general-interest publication. In addition, there is no evidence of the effect CRISTAL champagne's celebrity ambassadors had on the general public. [*Id.* at 380.]
4. As to Factor #4 (whether mark has been federally registered), the court acknowledged plaintiff’s registrations, but quoted a treatise stating: “However, [o]ne cannot logically infer fame from the fact that a mark is one of the millions

on the federal Register.” *Id.* (quoting 4 J. THOMAS MCCARTHY, MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION § 24:106).

NINTH CIRCUIT

The Ninth Circuit seems to put a great deal of emphasis on the third factor, actual recognition of the mark, and prefers consumer surveys reflecting that recognition. *See Mattel, Inc. v. MGA Entm't, Inc.*, 2010 U.S. Dist. LEXIS 136922, *217 (C.D. Cal. Dec. 27, 2010) (noting that the absence of a consumer survey led the court to find that the trade dress in question had not achieved sufficient fame to support a dilution claim); *Vallavista Corp. v. Amazon.com, Inc.*, 657 F. Supp. 2d 1132, 1138 (N.D. Ca 2008).

In *Vallavista*, the court specifically noted that the “Ninth Circuit has a narrow definition of fame,” and the mark in question “must be so prominent and renowned as to be a household name.” 657 F. Supp. 2d at 1138. After recognizing that the plaintiff had used the mark in question for a relatively long period of time throughout the United States, had spent a great deal of money on national advertising campaigns, and that the mark in question was the subject of a federal registration, the *Vallavista* court called attention to the absence of a consumer survey reflecting actual consumer recognition of the mark. *Id.* The opinion notes that a consumer survey is not dispositive evidence of fame, but suggests that such a survey would have gone a long way towards proving the mark was a household name. *Id.* at 1138-39.

TENTH CIRCUIT

There are currently no cases in the Tenth Circuit that provide any tangible standards regarding the fame factors listed in the Federal Trademark Dilution Act. It is only clear that proving “niche fame” will no longer be sufficient for the purposes of trademark dilution protection. *Gennie Shifter, LLC v. Lokar, Inc.*, 2010 U.S. Dist. LEXIS 2176, *53-55 (D. Co. Jan.

12, 2010).

ELEVENTH CIRCUIT

Pre- and post-TDRA cases from within the Eleventh Circuit suggest application of an exceptionally-high standard to prove fame. Though not outlining precisely what is required, illustrations of what proofs did not succeed indicate that even nationwide brand recognition does not suffice by itself, and that success of proof of fame will be difficult within the Eleventh Circuit. Cases reviewed included:

- *HBP, Inc. v. Am. Marine Holdings, Inc.*, 290 F.Supp.2d 1320 (M.D. Fla. 2003);
- *Provide Commerce, Inc. v. Preferred Commerce, Inc.*, No. 07-80185 CIV, 2008 WL 926777 (S.D. Fla. Apr. 4, 2008); and
- *Michael Caruso & Co. v. Estefan Enter., Inc.*, 994 F. Supp. 1454 (S.D. Fla. 1998).

In *HBP*, Plaintiff HBP, Inc. (“HBP”) had promoted stock car and motorcycle races, including the Daytona 500 stock car race, and owned several registered marks using “Daytona,” including but not limited to DAYTONA USA, DAYTONA 500, and DAYTONA INTERNATIONAL SPEEDWAY. *HBP*, 290 F.Supp.2d at 1326. The court did not find the plaintiff’s proof of fame sufficient, despite the fame of the Daytona 500 and incontestability of the registered DAYTONA mark, noting that “while HBP’s racing events themselves are famous, it does not follow that HBP’s marks are necessarily famous” and “Incontestability alone is not sufficient to render a mark ‘famous’ for dilution purposes.” *Id.* at 1338.

In *Provide Commerce*, the court found that fame was not proven despite evidence of “extensive national advertising efforts, [a] large customer base and [] profits” *Provide Commerce*, 2008 WL 92677, at *5. The court concluded: “The types of marks that are afforded protection under this statute rise to the level of household names. Plaintiff’s mark simply does

not meet that standard.” *Id.*

In *Michael Caruso*, the district court remarked: “Moreover, the duration of Plaintiff’s use of the mark contradicts the contention that the mark is uniquely famous. Plaintiff has used the mark ‘Bongo’ for fifteen years, which has been generally held an insufficient amount of time for a mark to become famous.” *Michael Caruso*, 994 F. Supp. at 1463 (citing *Star Markets, Ltd. v. Texaco, Inc.*, 950 F.Supp. 1030, 1034 (D.Haw.1996) (mark used for 46 years not famous) and *Genovese Drug Stores, Inc. v. TGC Stores, Inc.*, 939 F.Supp. 340, 349 (D.N.J.1996) (mark used for nine years not famous)).

FEDERAL CIRCUIT

The following cases within the Federal Circuit were evaluated concerning proof of fame under the TDRA:

- *Citigroup, Inc. v. Capital City Bank Group Inc.*, 94 U.S.P.Q. 2d 1645 (T.T.A.B. 2010).
- *Coach Svcs. Inc. v. Triumph Learning LLC*, 96 U.S.P.Q. 2d 1600 (T.T.A.B. 2010).
- *Am. Express Mktg. & Dev. Corp. v. Gilad*, 94 U.S.P.Q. 2d 1294 (T.T.A.B. 2010).
- *Nat’l Pork Bd. v. Supreme Lobster & Seafood Co.*, 96 U.S.P.Q. 2d 1479 (T.T.A.B. 2010)
- *7-Eleven Inc. v. Wechsler*, 83 U.S.P.Q. 2d 1715 (T.T.A.B. 2007)

Citigroup: The TTAB noted that fame may be measured by volume of sales and advertising expenditures, the length of time of commercial awareness of the mark, widespread critical assessments and notice by independent sources of products identified by the marks, and the general reputation of the products and services. *Citigroup, Inc.*, 94 U.S.P.Q.2d at 1657. The Board specifically considered the following as evidence in its finding that CITIBANK is a famous mark:

1. Evidence of long and extensive use—the CITIBANK mark had been in use “in one form or another” since the year 1812. *Id.*

2. Media mentions considered by the Board as evidence establishing fame include the following:
 - A. *Business Week* magazine in 1968 referred to Citibank as “the nation’s third largest bank.” *Id.*
 - B. An unidentified newspaper in 1976 noted the bank’s 164-year history and that it was “the nation’s second largest commercial bank”. *Id.*
 - C. The *New Yorker* magazine in 1981 referred to CITIBANK as the second largest bank in the world”, and noted that “Citibank has a business interest in just about everything that happens, militarily, politically, and economically, almost everywhere in the world.” *Id.* at 1658.
 - D. *Barron’s* magazine in 1982 referred to the “seismic role Citibank is widely perceived to be playing” and noting its climb to number one among U.S. banks in earnings and the “perception of it as the banking industry’s dauntless pioneer.” *Id.*
 - E. *Business Week* magazine ranked CITIBANK as the 13th most valuable brand from 2001 through 2004 with a brand value in excess of \$13 billion. *Id.*
 - F. MillwardBrown (an independent third party brand evaluator) in 2006 ranked CITIBANK as the ninth most valuable brand and as the highest ranking brand in the financial sector, and it valued the brand at \$31 billion. In 2008, it reported that Citibank was at an “approximately 90 percent level of unaided plus aided awareness.” *Id.*
 - G. Deposition testimony that Citibank had been the subject of two *Saturday Night Live* parodies. *Id.*
3. Other evidence of the general reputation of the mark considered by the Board includes the following:

- A. An internal Citibank newsletter in 1984 reported that Citibank had customers in all fifty states and relationships with one out of every seven households in the U.S. *Id.*
- B. “Corporate image tracking studies” authorized by Citibank in its regular course of business found that unaided awareness grew from 68% in 1983 to 90-95% in the 1990s.

Coach Services: The Board found that the following evidence presented in *Coach Services* was not sufficient to show fame for purposes of dilution:

- Use of the mark at least as early as 1961;
- There were approximately 400 COACH retail stores throughout all 50 states;
- Products bearing the mark were also sold by approximately 1,000 third-party retailers throughout the United States;
- In 2008, annual sales were approximately 3.5 billion dollars;
- In 2008, “about 30 to \$60 million a year” were spent on advertising;
- Advertising in fashion magazines and regional magazines such as *Elle*, *Vogue*, *Mademoiselle*, *New Yorker*, *New York Magazine*, *Cosmopolitan*, and *Vanity Fair*;
- Advertising in newspapers in major metropolitan areas, such as the *New York Times*, *New York Post*, *Chicago Tribune*, and *Boston Globe*, as well as in smaller cities;
- Products received unsolicited publicity in numerous newspapers and magazines discussing fashion trends;
- Opposer has been the subject of newspaper and magazine articles which refer to the renown of opposer and its products.
- An internal brand awareness study, which the Board noticed “focused on the brand awareness of women between the ages of 13-24, rather than the entire population.”
- Products were the subject of counterfeiting.

Coach Services, Inc., 96 U.S.P.Q.2d at 1606-07, 1611. In determining that this evidence was insufficient to prove fame, the Board gave examples of evidence that could be used to establish fame: recognition by the other party, intense media attention, and surveys. *Id.* at 1611. The Board also used the *NASDAQ Stock Mkt. Inc. v. Antartica S.r.l.*, 69 U.S.P.Q.2d 1718 (T.T.A.B. 2003) as a standard for the quantum and quality of evidence needed to establish fame. *Id.* It specifically noted that *NASDAQ* included market studies that showed 80% recognition among investors, and that dictionary references, newspaper and magazine articles, and stock market reports submitted in the case evidenced a widespread recognition of the mark beyond just investors. *Id.* The Board found that media evidence introduced in *Coach Services* failed to show this type of widespread recognition to the general population. *Id.* The Board reasoned that while Coach's study showed high recognition among women of a certain age, it did not show recognition of women and men generally. *Id.* It also noted that references to the COACH mark in the "vast majority" of the media recognition referred to the mark only as one of many fashion buys or trends, and it considered that there were too few news articles noting the renown of the mark to indicate fame. *Id.* It was also significant to the Board that only one year of sales and advertising figures were submitted and that the figures represented world-wide, not U.S., activities. *Id.*

Nat'l Pork Board: The Board found the mark THE OTHER WHITE MEAT to be famous. *Nat'l Pork Bd.*, 96 U.S.P.Q.2d at 1496. Evidence of fame included consumer recognition surveys showing awareness rates of 80-85% by the general adult population and rates of correct source recognition at nearly 70% of the population, and the media reported that these studies made the mark the fifth most recognized advertising slogan in the U.S. among the general adult population at the time of the surveys. *Id.* Other evidence of fame included

advertising and marketing expenditures on the mark averaging approximately \$25 million per year for almost twenty years; an “extensive amount of third-party advertising, in-store promotions, and unsolicited, national new media coverage”; and expert testimony that the degree of consumer recognition makes the mark “one of the most well-known and successful advertising slogans in modern times.” *Id.*

7-Eleven: The Board found that the following evidence presented in *7-Eleven* was sufficient to establish fame for purposes of dilution:

- Sales averaging more than \$180M per year from 1985 through 2001
- Millions of dollars in advertising and promotion of the product line since 1983
- Product placements in TV programs and movies such as *Reality Bites*, *American Pie*, and *Pretty Woman*.
- References in numerous newspaper articles and other publications, the overwhelming majority of which refer to the trademark at issue.
- Some of the articles showed a recognition by the articles’ authors that the mark had “become a symbol of American culture”.
- A market research study showing “a very high degree of public recognition.”

7-Eleven Inc. v. Wechsler, 83 U.S.P.Q.2d 1715, 1722-23 (T.T.A.B. 2007). Evidence particularly significant to the Board in establishing fame included the “extensive media attention, particularly those references identifying the mark as a symbol of American culture”; and a market research study showing a 73% unaided awareness among all consumers (including non-users of the opposer’s services). *Id.* at 1727-28. As in *Coach Services Inc. v. Triumph Learning LLC*, the Board used *NASDAQ Stock Mkt. Inc. v. Antartica S.r.l.*, 69 U.S.P.Q.2d 1718 (T.T.A.B. 2003) as a standard for the quantum and quality of evidence needed to establish fame. *Id.* at 1728. The 73% unaided awareness of all consumers in this case was analogous per the Board to

the 80% awareness by investors of the NASDAQ mark, and the media evidence in this case (especially the newspaper articles referring to the mark as a symbol of American culture) was analogous per the Board to the dictionary references, newspaper and magazine articles, and stock market reports that evidenced a widespread recognition” of the mark beyond just investors in the *NASDAQ* case. *Id.*

DC CIRCUIT

The DC Circuit has not produced any court opinions that instructively analyze the proof-of-fame issue.

IV. Whether Expert Testimony is Necessary to Establish Likelihood of Dilution

In general, expert testimony is not required to prove likelihood of dilution under the TDRA. Rulings by circuits are given below, with the circuits making the strongest statements regarding no requirement for expert testimony appearing first.

The Fourth Circuit gives the strongest statement that expert testimony not required, in *Super Duper, Inc. v. Mattel, Inc.*, 382 Fed. Appx. 308 (4th Cir. 2010), finding a jury “well situated” to make the factual determinations needed.

The U.S. Supreme Court gives the next strongest statement in *Moseley v. V Secret Catalogue*, 537 U.S. 418 (2003) that consumer surveys and other means of demonstrating actual dilution may not be necessary “if actual dilution can be reliably proven through circumstantial evidence — the obvious case is one where the junior and senior marks are identical.” Note, that *Moseley* was decided when “actual” dilution was the standard, rather than “likelihood” of dilution codified in TDRA 2006.

The Ninth Circuit in *Visa International Service Association v. JSL Corporation*, 610 F.3d 1088, 1091 (9th Cir. 2010) states “a plaintiff seeking to establish a likelihood of dilution is not required to go to the expense of producing expert testimony or market surveys; it may rely entirely on the characteristics of the marks at issue...Expert testimony and survey evidence may be necessary in marginal cases, or where a defendant introduces significant evidence to show that dilution is unlikely.”

The cases analyzed with the Fifth and Sixth Circuits and Trademark Trial and Appeal Board also suggest that expert testimony is not required. The Fifth Circuit found dilution without any expert testimony in *Texas Tech. Univ. v. Spiegelberg*, 84 U.S.P.Q.2d 1162 (N.D. Tex. 2006). Other Fifth Circuit cases analyzed were in accord. In *Dallas Cowboys Football Club Ltd. v. America’s Team Props. Inc.*, 92 U.S.P.Q. 2d 1325 (N.D. Tex. 2009) the court did not consider expert testimony evidence when evaluating whether dilution had been established, and *Board of Regents v. KST Elec.*, 550 F. Supp. 2d 657 (W.D. Tex. 2008) and *Pet Silk, Inc. v. Jackson*, 481 F. Supp. 2d 824 (S.D. Tex. 2007) no expert testimony evidence was discussed in the court’s finding of likelihood of dilution.

The Sixth Circuit in *Audi AG v. D’Amato*, 469 F.3d 534 (6th Cir 2006) cited the Supreme Court’s 2003 *Moseley* decision that expert testimony/surveys are not required, but in *V Secret Catalogue, Inc. v. Moseley*, 605 F.3d 382 (6th Cir 2010), cert. denied, (U.S. Mar. 7, 2011) the Sixth Circuit suggested that surveys could be used to rebut its newly-announced presumption of dilution-by-tarnishment for an accused use involving sex-related products.

The TTAB never declared expert testimony necessary, but sometimes finds it significant in deciding cases (See, *Nat’l Pork Bd. v. Supreme Lobster& Seafood Co.*, 96 U.S.P.Q. 2d 1479 (T.T.A.B. 2010); and *7-Eleven Inc. v. Wechsler*, 83 U.S.P.Q. 2d 1715 (T.T.A.B. 2007).

The First, Second, Seventh, Eighth, Tenth, Eleventh, and DC Circuits either did not address the issue or provided no guidance⁶.

V. Whether Likelihood of Dilution Can Be Determined on Summary Judgment

Whether a dilution claim may be determined on summary judgment under the TDRA is a question answered differently by the circuits. The majority appears to be comfortable with a summary judgment disposition of a dilution claim in the defendant's favor. Courts in the majority include the Western District of Pennsylvania (Third Circuit), where in *Haynes Int'l, Inc. v. Electralloy*, 2009 WL 789918 (W.D. Pa. 2009), the court granted the defendant's motion for summary judgment as the plaintiff admitted its fame was niche at best. Similarly, the Fourth Circuit in *Vuitton Malletier S.A. v. Haute Diggity Dog, LLC*, 507 F.3d 252 (4th Cir. 2007), held that as a matter of law, the plaintiff failed to make a case that the distinctiveness of its mark was likely to be impaired by defendant's successful parody. The Central District of Texas in the Fifth Circuit held on summary judgment that a plaintiff had acquired niche fame at best, and disposed of the federal dilution claim. *Board of Regents v. KST Elec.*, 550 F. Supp. 2d 657 (W.D. Tex. 2008).

Additionally, in *V Secret Catalogue*, following a remand of the case from the Sixth Circuit (preceded by the Supreme Court's *Moseley* decision), the parties agreed that the district

⁶ Cases analyzed: 1st Cir: *I.P. Lund Trading ApS v. Kohler Co.*, 163 F.3d 27 (1st Cir. 1998); *Hasbro, Inc. v. Clue Computing, Inc.*, 232 F.3d 1 (1st Cir. 2000); 2nd Cir: *Mead Data Cent., Inc. v. Toyota Motor Sales, Inc.*, 875 F.2d 1026 (2d Cir. 1989); *Nabisco, Inc. v. PF Brands, Inc.*, 191 F.3d 208 (2d Cir. 1999); *Yurman Studio, Inc. v. Castaneda*, 591 F. Supp. 2d 471 (S.D.N.Y. 2008); *Starbucks Corp. v. Wolfe's Borough Coffee, Inc.*, 588 F.3d 97 (2d Cir. 2009); *Miss Universe, L.P., LLLP v. Villegas*, 672 F. Supp. 2d 575 (S.D.N.Y. 2009); *Tiffany Inc. v. eBay, Inc.*, 600 F.3d 93 (2d Cir. 2010); 7th Cir: *Eli Lilly & Co. v. Natural Answers Inc.*, 56 U.S.P.Q.2d 1942 (7th Cir. 2000); 8th Cir: *Frosty Treats Inc. v. Sony Computer Entertainment America Inc.*, 75 U.S.P.Q.2d 1570 (8th Cir. 2005); *Everest Capital Ltd. v. Everest Funds Management LLC*, 73 U.S.P.Q.2d 1580 (8th Cir. 2008); 11th Cir: *Smith v. Wal-Mart Stores, Inc.*, 537 F.Supp.2d 1302 (N.D. Ga. 2008).

court could decide the case on the merits on the basis of the existing record, and V Secret moved for summary judgment on the federal dilution claims. *V Secret Catalogue, Inc. v. Moseley*, 558 F. Supp. 2d 734, 743, 750 (W.D. Ky. 2008) *aff'd*, 605 F.3d 382 (6th Cir. 2010). The district court entered summary judgment for V Secret, but only as to the dilution-by-tarnishment claim. *Id.* at 750. The court observed that even though the Supreme Court “suggested an evidentiary deficiency” in V Secret’s claim, V Secret “did not seek to further develop evidence on remand,” and concluded that V Secret “made no showing of a likelihood of dilution by blurring.” *Id.* at 749. As to tarnishment, however, the district court concluded that the evidence supported a finding of dilution-by-tarnishment. *Id.* at 750.

On appeal, the Sixth Circuit affirmed in a 2-1 decision, announcing a new rebuttable presumption of dilution-by-tarnishment for cases where the accused use involves sex-related products. 605 F.3d at 388. Thus, claims for dilution-by-tarnishment involving such products may be even more amenable to summary judgment resolution in the trademark holder’s favor, since the defendant may not have amassed sufficient evidence to rebut the presumption.

District courts in the Eleventh Circuit have similarly dismissed federal dilution claims at the summary judgment stage. *See Provide Commerce, Inc. v. Preferred Commerce, Inc.*, No. 07-80185 CIV, 2008 WL 926777 (S.D. Fla. 2008) (finding plaintiff’s mark was not famous as a matter of law); *Smith v. Wal-Mart Stores, Inc.*, 537 F. Supp. 2d 1302 (N.D. Ga. 2008) (finding defendant’s use was non-commercial speech and protected under the TDRA’s parody defense).

However, whether a determination of liability under the TDRA may be found on summary judgment is less clear. At least the Fifth and Eleventh Circuits have so held, but only under the unique circumstance where the defendants admitted that the respective plaintiffs’ marks were famous. Specifically, in *Dallas Cowboys Football Club Ltd. v. America’s Team*

Props. Inc., 92 U.S.P.Q. 2d 1325 (N.D. Tex. 2009), the defendant had made assertions in its marketing efforts that the plaintiff's mark AMERICA'S TEAM was famous, and in *Rain Bird Corp. v. Taylor*, 665 F. Supp. 2d 1258 (N.D. Fla. 2009), the defendant did not serve answers to requests for admission, which included a fame admission.

In the minority, some courts view the issue of whether a defendant's mark creates a likelihood of dilution as a factual question, generally not appropriate for decision on summary judgment. So far, the Second and Eighth Circuits have denied motions for summary judgment for dilution claims. In *Starbucks Corp. v. Wolfe's Borough Coffee, Inc.*, 588 F.3d 97 (2d Cir. 2009), the court remanded the grant of summary judgment on dilution claim finding "substantial similarity" to be the wrong standard under the TDRA. The Eighth Circuit in *Everest Capital Ltd. v. Everest Funds Mgm't LLC*, 73 U.S.P.Q.2d 1580 (8th Cir. 2008) found that a likelihood of dilution is a question of fact, not properly determined on a motion for summary judgment.

A Ninth Circuit decision denied a motion for summary judgment on the issue of dilution; however, the court left open the possibility, stating, "summary judgment may be granted in a dilution case, as in any other, if no reasonable fact-finder could fail to find a likelihood of dilution." *Visa Int'l Serv. Ass'n v. JSL Corp.*, 610 F.3d 1088, 1090 (9th Cir. 2010).

See also *Jada Toys, Inc. v. Mattel, Inc.*, 518 F.3d 628, 632 (9th Cir. 2008) (reversing entry of summary judgment on federal dilution claim as there were numerous disputed issues of material fact).

As for the Trademark Trial and Appeal Board, although it has denied summary judgment on a TDRA claim finding that additional fact questions remained, it did not express an opinion as to whether summary judgment determination was generally inappropriate for TDRA claims. *Am. Express Mktg. & Dev. Corp. v. Gilad*, 94 U.S.P.Q. 2d 1294 (T.T.A.B. 2010).

VI. Monetary Awards in Dilution Cases

The TDRA provides that, in addition to injunctive relief, the owner of a famous mark may be entitled to monetary relief, provided that 1) the accused mark was first used in commerce after enactment of the TDRA (October 6, 2006) and 2) the defendant willfully sought to trade on the recognition of, or willfully intended to harm the reputation of, the famous mark. Subject to the principles of equity, such relief may include (1) defendant's profits, (2) any damages sustained by the plaintiff, and (3) the costs of the action.

The committee reviewed many reported cases that included claims for dilution. However, no cases found to date address the issue of damages and/or profits related to dilution claims separate from other types of Lanham Act claims such as trademark infringement. Since the TDRA restricts such claims against accused marks to those that were first used in commerce after October 6, 2006, it will likely take some time for such cases to arise. However, a few reported cases provide a sense of the emerging monetary relief issues related to dilution.

There appears to be little contrast among the circuits regarding entitlement to monetary relief. As found in the Tenth Circuit, a likelihood of dilution and willfulness are all that is required in order to collect monetary damages under the Trademark Dilution Revision Act. However, if the alleged dilution occurred prior to the 2006 amendments, the plaintiff must show actual dilution in order to receive monetary relief. *Univ. of Kan. v. Sinks*, 565 F. Supp. 2d 1216, 1257-58 (D. Kan. 2008).

In the Fourth Circuit *Super Duper* case, the declaratory judgment plaintiff-appellant contested the district court's award of increased profits and attorney's fees under the TDRA because the revised act specifically applies after October 6, 2006 and its trademarks were in use

before October 6, 2006. The Fourth Circuit affirmed the increase in damages, in part, because the increase was justified due to the jury's conclusion that Appellant had infringed the trademark owner's marks as well as was likely to dilute them. *Super Duper, Inc. v. Mattel, Inc.*, 382 Fed. Appx. 308 (4th Cir. 2010); 2010 U.S. App. LEXIS 11853.

In a Ninth Circuit case decided prior to the 2006 TDRA, damages were awarded for dilution even where the plaintiff was not able to prove the exact monetary damage resulting from defendant's dilution. *B & H Mfg. Co., Inc. v. Bright*, 2005 WL 1342815 (E.D. Cal. 2005). The jury awarded \$105,000 for dilution, which trial court refused to set aside even though plaintiff "provided no specific evidence of an exact amount of monetary damage caused by Defendants' dilution of Plaintiffs' marks."

CONCLUSION

These identified issues are presented to assist members of IPO and their counsel in understanding how support for litigated issues may be developed apart from the traditional trademark infringement analysis. Although this report is based on the efforts of prior committee members, whose scholarly efforts may be applied to the business of other committee appointments within the IPO, the Dilution sub-committee of IPO's Trademark Law (U.S.) Committee may be contacted about the issues and analyses raised by this report.

The research for this version of the report concluded December 2011. The current members of the Dilution sub-committee of IPO's Trademark Law (U.S.) Committee will continue to study and provide further input on these issues as they develop. Communications from IPO members are invited as the current sub-committee members continue to assess the developing issues of law of dilution post-TDRA as addressed by the legislature and the courts.

Please direct comments, notifications of practice developments, or expressions of interest in the Dilution sub-committee's current projects by contacting the current sub-committee chair (Wendy Larson 2012), or current Trademark Law (U.S.) Committee chair (Dee Ann Weldon-Wilson).