

### **Likelihood of Confusion (“LOC”): Word Marks and Slogans**

Because Pfizer has a registered trademark for Viagra, a LOC suit for infringement is brought under Lanham Act §32. As a registered mark used for over 5 years, Viagra is entitled to nationwide protection and constructive notice to others of its mark and incontestability for its marks. For an LOC claim, the focus is on a consumer’s confusion as to source, sponsorship, or association, and a plaintiff must show a “likelihood that an appreciable number of ordinarily prudent purchasers are likely to be misled or indeed simply confused, as to the source of the goods in question” (*Mobil Oil*). To determine if there is LOC between Pfizer’s Viagra and Podrobione’s ViaGuara, the 2nd Circuit applies the 8 *Polaroid* factors (as applied in *Banfi*).

The first factor, strength of the mark, has two parts: conceptual strength and commercial strength. Commercially, Viagra is strong, as sales in 2008 peaked at almost \$2 billion, telling evidence when considering that “the strength of a mark is often ascertained by looking at the extent of advertising...and by volume of sales” (*Banfi*). It is so popular that there are dozens of knock-offs that are made. Moreover, conceptually, Viagra is a fanciful term. One thing to consider (more on this later), is that the term “Viagra” has become generic for erectile dysfunction medication, and as such, loses its distinctiveness.

Second, the marks are similar as judged by sight and sound (meaning is obsolete since the terms are fanciful). Viagra and ViaGuara are only separated by the “ua” in ViaGuara. However, the two words sound different, as Viagra has three syllables as opposed to ViaGuara’s four, and the annunciations come at different places in the words. Additionally, while the trade dresses are different between the two, Viagra is extremely well known as “the blue pill.” ViaGuara’s vodka bottle has a centered, large blue fireball that is a similar color to the pill. While there is no direct similarity between Viagra’s design and ViaGuara’s packaging, the blue color could make potential purchasers associate the beverage with the pill. Finally, the slogan “paint the night blue” again references the blue color that is the root of the fame of Viagra. In this sense, the slogan could be seen to tightly link the vodka to the pill.

Third, the Court looks at the nature of the goods, and whether the two products at issue compete with each other in the same market (*Banfi*). Regarding nature, while

Viagra is a medication and ViaGuara is an alcohol beverage, both are to be used by responsible adults, and could target the same audience. Then, while ViaGuara came from a Polish company it is now marketed in 250 stores on the west coast and online, meaning it has reach across the entire U.S. Viagra is known worldwide, so it is entirely likely that the same marketing channels will be used for the two products.

The fourth factor is “bridging the gap” but there is no evidence to indicate that ViaGuara will enter Viagra’s market. ViaGuara may eventually make similar products, but this factor weighs in favor of ViaGuara presently.

Fifth, the Court looks at “evidence of actual confusion.” There is no evidence of actual confusion in the facts. However, per *Gallo*, “While evidence of actual consumer confusion provides strong support for a finding of [LOC], the ‘failure to prove instances of actual confusion is not dispositive’ of an infringement claim.” It is merely one factor, and not determinative if not shown.

The sixth factor is “opposition’s good faith in adopting the mark.” Because of the worldwide renown of Viagra, it appears unlikely that Podrobione would be unaware of the name Viagra. As such, per *Gallo*, “where an infringer adopts a particular name with knowledge of plaintiff’s mark, courts presume that there was an intent to copy the mark.” However, the name ViaGuara’s emphasis on the middle capital G appears to start a new word “Guara,” which is the first 5 letters of Guarana, the main ingredient in the energy in question. While this appears to be a good argument for ViaGuara, adding the “via” at the beginning takes away from this notion and appears to compare it to the pill. More evidence would be needed for this factor to be properly analyzed.

The seventh factor is quality of the goods, which is concerned with whether Viagra’s reputation could be jeopardized by virtue of the fact that ViaGuara’s product is of inferior quality (*Banfi*). This is not really an issue here, and courts generally deem this the least important factor. Still, ViaGuara energy drinks are carried at GNC, a reputable company that sells fine products related to health and dietary supplements, and ViaGuara vodka is being “distilled and bottled at historic Lawrenceburg Distillers Indiana,” which is “One of the world’s best performing and oldest independent distillery’s in the United States.” This alone would be enough to give ViaGuara a reputation that would not ruin Viagra’s reputation.

The eighth and final factor is the sophistication of the buyers. To buy Viagra, an over-the-counter medication, a prescription is likely needed, which would in all likelihood alert the buyer to the product and its pros and cons. Energy drinks on the other hand are bought by teenagers and up (the vodka is reserved for adults 21 and over, based on the law). While the buyers of Viagra might be a bit more sophisticated just because it tends to be for older males, “popularity with young adults has increased over the years” (Wiki).

In conclusion, although certain factors are in favor of ViaGuara, the other *Polaroid* factors tend to lean towards a likelihood of confusion for buyers of ViaGuara’s products, based on the strong presence of Viagra in the global economy.

There is no evidence that Podrobione is seeking a registration for its marks in the United States, so seeking to bar the registrations under Lanham Act §2(d) is not appropriate.

#### **Initial Interest Confusion**

Pfizer can also try to establish “initial interest confusion.” The Lanham Act’s protection is not limited to confusion at the “point of sale” (*Blockbuster*). The premise with this claim is that even if there is no actual confusion by the time of purchase, for a period of time before the initiation of a possible business transaction, the purchaser is reasonably confused about the product.

Here, an initial interest confusion claim has merit. It is possible, even likely, that a purchaser of ViaGuara would associate either the energy drink or the vodka with Viagra. The words are so similar, and Viagra is so prevalent, that it would be nearly impossible not to associate the two and confuse the purchaser initially. After a further look at the word ViaGuara, the purchaser might be less confused at the “point of sale,” but initial interest confusion is a strong possibility.

#### **Secondary Liability**

There are two types of secondary liability for trademark infringement: contributory infringement, which results in liability for inducing infringement or knowingly supplying the means to infringe, and vicarious liability, which turns on the Defendant’s deriving a financial benefit from the infringement. As applied to service providers, “there are two ways in which a defendant may become contributorily liable

for he infringing conduct of another: first, if the service provider ‘intentionally induces another to infringe a trademark,’ and second, if the service provider “continues to supply its service to one who it knows *or has reason to know* is engaging in trademark infringement” (emphasis added; *Tiffany and Co*). Through this second means, Pfizer has a potential claim for secondary liability against both GNC and Lawrenceburg Distillers Indiana.

GNC is an extremely reputable company that sells hundreds of items, and in doing so, works with hundreds of trademarks, and is likely well versed in all things supplements and dietary additions, including a pill like Viagra. The same would go for Lawrenceburg, which has been in the business for more than 100 years of experience dealing with these products. Neither company would be shielded from Viagra, and for both, but especially for GNC, seeing a product like “ViaGuara” should raise a red flag as to its possibility of infringement. Through GNC selling the energy drink in 250 stores as a result of its contract and through Lawrenceburg’s distilling and bottling of the vodka at its “historic” site, both businesses supplied its service to one who it knows *or has reason to know* is engaging in trademark infringement.

### **Dilution**

If LOC is not found, Pfizer can bring a dilution claim against Podrobione, since LOC is not a prerequisite for a dilution claim. Dilution claims are governed by Lanham Act §43, and it states that a famous, distinctive mark can enjoin the use of another mark that is in commerce that is likely to cause dilution by blurring or dilution by tarnishment. Only dilution by blurring is at issue here.

The threshold requirement for a dilution claim is that the mark in question be famous. Four factors to make this determination are addressed in §43(a) and include: the duration and extent of advertising and publicity of the mark, the amount of sales under the mark, the extent of actual recognition of the mark, and whether the mark is registered on the principal register. These factors overwhelmingly are in favor of Viagra being a famous mark: Viagra is considered one of the world’s “best-known drugs,” it sold almost \$2 billion alone in 2008, and advertises all over, including directly to the Latino community with its slogan “Viva Viagra.” This shows that Viagra is famous.

Additionally, ViaGuara is a mark in commerce, as it is sold as an energy drink in 250 GNC stores and its vodka just scored a distribution deal in the western United States.

To establish dilution by blurring, the court will consider the relevant factors listed under §43(c)(2)(B). These factors are very similar to the factors laid out in the *Polaroid* test, and would carry a similar analysis to the likelihood of confusion claim. Since Pfizer has a strong claim for likelihood of confusion, it has an equally strong, if not stronger, claim for dilution as a result.

### Defenses

One possible defense that Podrobione can bring is that Pfizer's mark for Viagra has committed "genericide" and has become generic as a result. This is traditionally reserved for when a patent expires, but it can apply more broadly as well.

This is largely addressed in the *Bayer v. Untied Drug* case. As *Bayer* demonstrated, a trademark holder may lose trademark rights if the term ceases to indicate the source of the goods or services, and instead becomes synonymous with the goods or services. The facts here indicate that it is so well known that there are now fake aphrodisiacs and other mocking pills that are blue and diamond-shaped. Counterfeiting and knock-offs are "common." As such, it appears as though the general public may have replaced the phrase "erectile dysfunction medication" with Viagra. This would mean Viagra is now a generic term, and as such, could lose its trademark protection.

Still, this argument is unlikely to be successful. While it may have some merit, there are other viable erectile dysfunction medications, such as Cialis and Levitra, which are heavily advertised and well known as well. Just because Viagra is the most well known, and the one sought to be copied, does not alone indicate that it is now generic.

Podrobione can also try to argue that Viagra's blue color or shape are functional, and as such, should not have been granted trademark protection in the first place. A feature is functional and cannot serve as a trademark if it is essential to the use or purpose, or affects the price or quality of the article; that is, if exclusive use of the feature would put competitors at a significant non-reputation-related disadvantage (*Qualitex*). This argument is also unlikely to be successful. The blue color and shape are likely not essential to the pill's use and creation, nor is the shape.

**\*\*This Exam Consists of 1994 Words\*\***