

TRADEMARK LAW, FALL 2021  
Essay question - MODEL ANSWER

**I. Likelihood of Confusion**

KFC can bring a suit against Kentucky Kernel (Kernel) under §32 of the Lanham Act for trademark infringement and should argue that Kernel's mark causes a likelihood of confusion as to source, sponsorship, and affiliation. The court will use a non-exhaustive factor test to determine whether a likelihood of confusion exists.

First, under *Sleekcraft*, the court will assess the strength of KFC's mark by examining each mark's conceptual and market strength. KFC's mark is conceptually weak because it is descriptive. However, KFC's market strength is extremely strong due to its near seventy-year history on the U.S. market, its ranking as the 120<sup>th</sup> most valuable brand in the world, and its 18,875 outlets across the U.S. and the globe. This factor strongly favors KFC.

Second, the court will examine the proximity of the goods and will likely focus on Kernel's seasoned flour mix for fried chicken, as opposed to its other goods. Kernel's mix for fried chicken might not be considered complementary to KFC's fried chicken, nor is it quite the same product, but their relatedness is still considerable because KFC surely uses a seasoned flour mix in its goods. Much of KFC's success is derived from its ingredients, of which flour mixes, after chicken, may be the most important to many consumers. More specifically, Kernel's "Spicy Cajun" (and perhaps also its "Crunchy Corn Meal") denotes a recipe associated with the American South, a market KFC associates itself with in its brand name. However, it seems unlikely that a consumer would buy Kernel's goods while thinking they would be getting a cooked meal. This factor weighs in Kernel's favor because, despite their similarities, these products fall into different classes of goods.

Third, the similarity of the two marks is examined by considering the overall impression of the marks, as well as their sight, sound, and meaning. Notably, Kentucky Fried Chicken has been simplified to "KFC." If this change had not occurred, it would have a stronger case under the third element. In considering the meaning of each trade name, KFC uses "K" to mean "Kentucky," while Kentucky Kernel uses the full word. Further, KFC's Colonel exists as both an image and a name in earlier trademarks (Exhibit C) and, more recently, the full "Colonel" was

abbreviated to “Col.” in KFC’s USPTO filing on May 6, 2016 (Exhibit E). Should Kernel argue that the word “Colonel” is not used in its marks, KFC can point to its use of “Col.” as an equivalent that carries the same meaning to the general public. Of course, Kernel’s “kernel” means something completely different from KFC’s “Colonel,” and Kernel may argue that no one will confuse a seed particle with a Kentucky Colonel and that the words appear quite different when viewed. But the two words sound identical when pronounced, and KFC should argue that Colonel Sanders’ spokesman status and his incredibly strong linkage to Kentucky, by way of promoting KFC’s brand, creates confusion amongst consumers of fried chicken.

The court, under the third factor, should also recognize the striking resemblance between KFC’s Colonel Sanders and the image used by Kernel. When comparing Colonel Sanders as seen on KFC storefronts to Kernel’s image, numerous similarities, both general and particular, can be noticed. Both drawings use only black and white to outline the face of an older man with a goatee and a mustache (though the Colonel’s mustache is barely perceptible). Each face appears happy, and each has its mouth slightly open in a smile. Kernel may argue that Colonel Sanders’ glasses, tie, hairstyle, and different facing direction distinguish the two marks enough so that customers will not be confused. Kernel’s image also appears older, more wrinkled, and looks at the viewer (or slightly to the viewer’s left) from below the brim of a hat. In response, KFC should focus on the overall impression created by the two images and argue that purchasers of either product are unlikely to examine each mark so closely that they will make these same distinctions. KFC has a strong argument that both the literal names and the images at issue are confusingly similar to consumers. This factor should weigh heavily in KFC’s favor.

Fourth, courts look for actual confusion. Here, no actual confusion was found.

Fifth, courts examine the marketing channels of the parties’ goods. KFC’s products are typically only sold at its restaurants and Kernel’s products are likely sold only in retail markets. While both parties use the internet to advertise, the important channels here are dissimilar. This factor weighs in Kernel’s favor.

Sixth, the type of goods and the degree of care consumers are likely to show in their purchasing decisions are assessed. Though both products are not prohibitively expensive for

most consumers, they are not automatically impulse purchases. It's reasonable to assume that, because KFC focuses its marketing on its chicken, while other giants in the fast-food industry offer a broader range of options, its customers bring more care to their purchases than those of typical fast-food restaurants because KFC offers a more narrow and specialized offerings. On the other hand, because each product concerns fried chicken and both are relatively inexpensive, the consumers may be considered by the court to be quite similar, a finding that would help KFC show confusion. Ultimately, though, Kernel's goods are used to cook, while KFC's goods are already cooked and come ready to eat. It seems unlikely that a consumer would buy Kernel's goods while thinking they would be getting a cooked meal. This factor weighs in Kernel's favor.

Seventh, courts look to the defendant's intent in selecting the mark. Good intent will not help Kernel show a lack of confusion because "intent is an issue whose resolution may benefit only . . . the senior user," while a finding of copying "gives rise to a presumption of a likelihood of confusion." *Maker's Mark* quoting *Leelanau; Mobil Oil*. Further, the *Mobil Oil* court viewed the record before it as substantiating an "inference of bad faith." In that case, Mobil Oil had existed as a giant in the oil industry for fifty years prior to Pegasus Petroleum's adoption of its infringing mark. In the present case, KFC believes that Kernel's first use as a tradename could not have been prior to 1967, fifteen years after KFC was founded. But, more importantly, Kernel did not adopt and use its image mark until 2017.

Though it's possible that Kernel did not know of KFC's existence on its founding date in 1967, by 2017 there should be no question that Kernel knew of the Colonel Sanders mark. According to *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." An inference of intent to copy the Colonel Sanders mark is possible after considering KFC's widespread use and its recognition in the consuming public. It is noteworthy that the *Maker's Mark* court did not infer intent on a set of facts that, under *Mobil Oil's* interpretation, reasonably could have yielded an inference of intent to copy. Overall, this factor cannot hurt KFC and, depending on the court's handling, could be very helpful in showing a likelihood of confusion.

The eighth factor courts will consider is the likelihood that the parties will expand their product lines. Kernel has recently introduced a wider range of related products and is “aggressively expanding its marketing,” but there is no indication it will expand into KFC’s restaurant industry. However, because KFC has such a strong market presence, it would not be unusual for it to expand into retail stores in the future so it can offer KFC customers a flavoring or seasoning that can be applied to non-KFC goods. This factor is difficult to assess, and more information is needed about KFC’s plans to weigh its value.

KFC has a strong case for trademark infringement against Kernel concerning its human image. As to the other marks, KFC should still argue that “Kentucky Kernel” infringes on “KFC,” but that case is weaker.

## **II. Initial Interest Confusion**

KFC can also argue that Kernel’s two marks create initial interest confusion because consumers would be confused in the initial phase of their purchasing decision. To do so, KFC “must show a ‘likelihood that an appreciable number of ordinarily prudent purchasers are likely to be misled, or . . . simply confused, as to source of the goods in question.’” *Mobil Oil*. KFC can argue that consumers, upon initially seeing Kernel’s image, may believe that it is new version of the Colonel Sanders mark used for retail items sold by KFC. In support, KFC should cite the similarities described above in the discussion of the similarity of the marks and argue that Kernel adopted its image mark in 2017 “in a manner calculated to capture initial customer attention[,]” so it could reap where it has not sown and secure some of the good will created by KFC’s Colonel Sanders mark. *Network Automation*.

## **III. Dilution by Blurring**

Under §43(c), KFC can bring a dilution by blurring claim and argue that Kernel’s tradename and image mark have impaired the distinctiveness of its own mark. Importantly, KFC’s mark must be famous to the general consuming public, and not simply amongst consumers of fried chicken.

First, KFC can show the recognition required for a famous mark under the factors listed in §43(c)(2)(A)(i)-(iv) (and any other relevant factors) by noting its federal registration, use since 1952, its extensive geographic reach within the U.S., its marketing on the internet and elsewhere, and also its ranking as the 120<sup>th</sup> most valuable brand in the world.

Next, to find dilution by blurring, a court may consider all relevant factors including those listed in §43(c)(2)(B)(i)-(vi). Many of these factors are similar to those involved in a likelihood of confusion analysis, but KFC's argument should focus on (v), "whether the user of the mark . . . intended to create an association with the famous mark[,]" because when viewing Kernel's face mark beside an image of fried chicken, its similarity to Colonel Sanders—possibly the most iconic image in the fried chicken market—is clear and striking. Kernel may argue that its use is a parody, but this argument would fail because its use does not create two impressions, as required for a parodic use. *Hershey Co.*

#### **IV. Primarily Geographically Deceptively Misdescriptive**

KFC can argue that Kernel's trade name is primarily geographically deceptively misdescriptive under §2(e)(3) and should therefore have its mark cancelled, by showing that (1) Kentucky is a name known to the relevant consuming public; (2) the relevant consuming public would make a goods/place association because Kentucky is a known grain farming region and grains have kernels; (3) no ingredient in Kernel's goods are sourced from Kentucky, nor are they headquartered there; and (4) that this misrepresentation would deceive relevant consumers. *Newbridge Cutlery*. Proving (4) seems difficult at first, however, should the court adopt the USPTO's inferences concerning primarily geographically deceptively misdescriptive marks, a showing of (1) and (2) implies a showing of (4). *Miracle Tuesday*.

#### **V. Kernel's Deceptive**

If a suit is commenced, Kernel may argue, under §2(a), that the Colonel Sanders mark is deceptive because (1) it is misdescriptive of the quality of the goods, as colonels are rigorous and have demanding high standards far above KFC's; (2) relevant purchasers would be likely to believe this description actually describes the quality of the goods; and (3) that a significant

portion of those consumers will make their purchasing decision based on the misdescription. *Bayer*. This argument would fail (1) because Colonel Sanders is, in fact, a colonel, just not the kind found in armies; and (2) however many consumers frequent KFC, it is unlikely that a significant amount do so because they believe Colonel Sanders is or was a colonel in an army. This is a weak argument, but one that may be encountered.

**This essay is 1,982 words.**