

x-TM - Model Essay 1

Part II: Essay

Since Ms. Noel learned of Northern Comfort in the market place, Brown-Forman can bring an infringement action based on likelihood of confusion under Lanham Act §32(1), as well as actions of initial interest confusion and dilution (Lanham Act §43(c)). Each of these actions should be pursued against both the trade name and the trade dress of the product. The facts have not mentioned whether Northern Comfort has sought to register their trademark. In that event, Brown-Forman can bring a Lanham act §2(d) opposition to their registration based on confusion. The analysis for the 2(d) bar to registration is done by the Examining Attorney and subsequently the TTAB who have less information in determining whether to register a mark, and thus their analysis is not as in depth as the analysis for infringement (they will mainly focus on the similarity of the marks and products which are discussed at length below).

This analysis will utilize the second circuit *Polaroid* factors. In determining whether there is a likelihood of confusion, most jurisdictions have adopted factors similar to these. This is a balancing test, thus a finding for one factor is not determinative. Also, some factors are weighted more heavily in the analysis than others.

First factor – strength of the marks. This is analyzed on 2 dimensions: theoretical and market strength. In term of theoretical strength, “Southern Comfort” is arguably a suggestive mark. Northern could argue that it is geographically descriptive; however, it is more likely a name that requires some thought or imagination to connect to whiskey since the phrase evokes images of many items relative to a southern home-style. Further if it was proven to be descriptive, Sothern Comfort has clearly established secondary meaning by virtue of its longtime use in commerce, and is incontestable since it has been registered for more than five consecutive

years. (Lanham Act §15). “Northern Comfort” is arguably suggestive as well. In terms of market strength, “Southern Comfort” is incredibly strong having been around since 1874 and becoming “one of America’s best known liquors.” There isn’t enough in the facts to adequately analyze this dimension for “Northern Comfort.” Because of the strength of the “Southern Comfort,” this factor weighs in their favor.

Second factor – similarity in the marks. This is analyzed by examining the sight, sound, and meaning of the marks. In discussing sight, it becomes necessary to analyze the trade dress of both products. This raises a question as to whether we are to consider the classic or new trade dress for Southern Comfort. Northern will argue that the analysis should only consider Southern’s new trade dress as they have abandoned the classic. They will argue the last use of the classic design was in the 2007 shipment, and thus, it has been abandoned since “nonuse for three consecutive years [is] prima facie evidence of abandonment.” (Lanham Act § 45). Brown-Forman can argue that it hasn’t been three years since they continued to promote the classic design in 2008, and there were probably still classic designs being purchased in 2008 by final customers (at bars and liquor stores). Further if Brown-Forman has a plan to resume use of the design in the foreseeable future, the company can present this as evidence that the design has not been abandoned. (*Silverman*). While they may not be using the classic design on their whiskey at the moment, they may still be utilizing the design on their other licensed products, such as their tea. The classic is the trade dress most of Brown-Forman’s customers are used to encountering over the years; thus, this is where a number of consumers would be confused. If we are to compare the classic trade dress to Northern’s, there is no doubt a striking resemblance. Both use similar black, block letter font on a white background with a similar design between the words “Southern”/“Northern” and “Comfort.” Both contain a bordered, oval illustration of a home. This

may give Northern an opportunity to point out there is a difference in the homes illustrated; but the overall composition of the labels are staggeringly similar. Even Northern's second design uses the same font and illustration. In comparing the classic to Northern's trade dress, this sight analysis weighs toward Brown-Forman. Further, the use of a flask bottle for Northern's syrup connotes an affiliation with alcohol, thus bringing Southern Comfort whiskey to mind. If we must compare the new label to Northern's, this sight analysis may benefit Northern as the fonts and the imagery are quite different. The only similarity is the positioning of the words which goes away with Northern's second design.

Continuing with the second factor, we must consider the sound of the two marks. Both marks consist of 4 syllables. They are both two words, with the second word in both marks being "Comfort." The first word of both marks is 8 letters, each ending in -thern. And both start with a consonant. Brown-Forman will want to argue that the dominant part of the mark is the similar use of "Comfort," while Northern will argue the dominant part of the mark is their respective first words. (*NutraSweet, Marshall Fields, Gallo*). In terms of meaning, both evoke similar home-style feelings of "comfort." Overall the second factor is likely to weigh in favor of Brown-Forman.

Third factor – proximity of the products. This factor is analyzed on two levels: similarity of the goods and similarity of the marketing channels. In terms of the goods, while whiskey and syrup are not similar goods, Brown-Forman has licensed the "Southern Comfort" trademark in somewhat more related food items. (*NutraSweet, Gallo*). Northern would argue that even though they may be food items, there is a difference between syrup and ice cream. (*Banfi*) Likewise in discussing marketing channels, while whiskey and syrup are not usually found in the same types of stores, Northern's syrup is likely to be found in grocery stores with the other "Southern

Comfort” licensed products. (*NutraSweet, Gallo*). Northern may argue that while a grocery store may carry these same items, they are not likely to be found in the same aisle. (*NutraSweet, Banfi*). This may leave this factor to be slightly neutral.

Fourth factor – likelihood plaintiff will bridge the gap. Considering that “Southern Comfort” has already expanded its market beyond whiskey to licensing other food and beverage items, it is not necessarily far for a court to reach that Brown-Forman may license their trademark to a syrup product. Thus, this factor weighs in Brown-Forman’s favor.

Fifth factor – actual confusion. There is no evidence of actual confusion at the moment; however, this does not hurt Brown-Forman. Courts will accept survey as evidence in this factor. The survey must test whether those familiar with “Southern Comfort” are likely to be confused when shown “Northern Comfort” goods alone, that is, it is not a side by side comparison. (*Gallo*).

Sixth factor – defendant’s intent. With bad faith there is a presumption of likelihood of confusion. Courts will infer intent from knowledge. While there is nothing that expressly states that Northern had knowledge of “Southern Comfort,” courts may be able to infer based on Southern Comfort’s longtime use and popularity, as well as the striking resemblance between the classic Southern Comfort trade dress and Northern’s that Northern was aware of Southern Comfort. At the very least, there is constructive knowledge due to Brown-Forman’s registration in the trademark.

Seventh factor – quality of the products. This is the least important factor and there is no evidence that this is an issue here.

Last factor – sophistication of the buyers, or better put by the *Sleekcraft* factors used in the ninth circuit, the “degree of care consumers are likely to show in making decisions.” There

have been cases that suggest that purchasing wine is an impulse purchase. (*Gallo*). Brown-Forman would like to argue this in regard to their whiskey. There are cases that consider wine to be a more thoughtful decision by a more sophisticated party, with a lot of knowledge about wine, thus they spend more time making this decision. (*Banfi*). It is possible that whiskey is more of a sophisticated beverage that requires some thought in purchasing. However, Brown-Forman's other licensed products – i.e. ice cream, tea – are impulse items much like Northern's syrup, which means consumers spend very little time thinking about these purchase decisions and thus weighs in favor of finding a likelihood of confusion. (*NutraSweet*).

Because the word marks and trade dress are so similar, and the majority of these factors weigh in Brown-Forman's favor, there is enough to support a finding of infringement based on likelihood of confusion. However, it must be noted, that while Brown-Forman's registration grants them nationwide priority in their mark, a defense which Northern may assert is the limited area exception. While not clear from the facts, if possible, Northern may argue that they started marketing their product prior to Brown-Forman's registration, and they only market their syrup in a few northern markets in which they are very well known. (*Thrifty, United Drug*). If the exception is granted, Northern is only entitled to continue to sell their syrup in markets they were in prior 1946.

In addition, Brown-Forman may argue there is a likelihood of initial interest confusion. While a buyer may know at the time of consumption that the product isn't Southern Comfort, Brown-Forman would argue that the only reason a buyer picked up the Northern Comfort syrup was because they thought it was a new Southern Comfort product, that is, an extension of the ice cream and tea products that they were already offering. (*Mobile Oil*). This isn't terribly taxing on consumers, however, since they can just put the product down and move on in the grocery store.

(*Playboy*). Also, at the moment there is no Southern Comfort product from which Northern Comfort is diverting attention.

Lastly, Brown-Forman can argue that Northern Comfort dilutes the Southern Comfort trademark. (Lanham Act §43(c)). This would require a threshold finding that Southern Comfort is a famous trademark, that is, a mark “widely recognized by the general consuming public of the US.” (Lanham Act §43(c)(2)(A)). This is possible given the mark’s longtime use and the product’s popularity. If that is the case, Brown-Forman may present a blurring claim, i.e., that Northern’s mark “impairs the distinctiveness” of “Southern Comfort.” (Lanham Act §43(c)(2)(B)). This is evaluated similarly to a likelihood of confusion claim. There would be no tarnishment claim here since Northern does not bring forth anything negative that would harm the reputation of Southern Comfort.