

II. Essay Question

Mister Softee's registration of its trademarks and trade dress on the Principal Register gives it nationwide priority over future users, and provides nationwide constructive notice to others not to infringe upon their mark. Mister Softee will have several colorable claims against El Cheapo Markets for infringing upon both their trademarks and trade dress.

A. Likelihood of Confusion

Mister Softee may bring an infringement claim against El Cheapo Markets for likelihood of confusion. An analysis using the Polaroid Factors indicates that Mister Softee will have a strong likelihood of confusion claim.

The first factor is the strength of the Plaintiff's mark. This is measured by market strength and conceptual strength. Market strength is measured by market share, advertising, and sales volume. Mister Softee is the largest franchisor of soft ice cream in the US and has consistently used the same truck design since the 1960s. While the amount of money spent on advertising is not indicated, Mister Softee trucks are "all over the city". Mister Softee trucks self-advertise through distinctive trade dress and a unique jingle. Mister Softee has reasonably strong conceptual strength, as the mark is suggestive, and requires some consumer thought and imagination to connect the Mister Softee mark with soft-serve ice cream vending. Regardless, Mister Softee has both registered trademarks and trade dress, and therefore has presumed distinctiveness, and is afforded the utmost protection. (Gallo).

The second factor is the similarity of the marks, looking at sight, sound and meaning. Marks must be evaluated as they are found in the marketplace, and similarities weigh more heavily than differences (Sleekcraft). The sights of the Mister Softee and Captain Softee trucks are extremely similar. Both trucks are white, with blue stripes along the bottom, blue wheels,

sundae images on the front side of the distribution window, and brand names on the rear side. Additionally, the menus are almost identical. Both menus are blue with a faded white middle. The menus have the same three-row formation of ice cream, banana splits above the brand name, and a double-cone below. The trademarked names are not physically identical, as Mister Softee is in red script writing, while Captain Softee is in yellow block letters with red trim. The marks sound very similar, with “Softee” being the dominant part of either mark. (Nutrasweet; Marshall Fields). Additionally, Captain and Mister are phonetically similar as both have two syllables, unlike Banfi where “Col” (one syllable) and “Colline” (three syllables) were found distinguishable. The marks’ meanings, while suggestive, stimulate the same mental reaction, and convey the same types of goods; soft serve ice cream vending.

The third factor is proximity of products or services. The services are seemingly identical, as both are soft serve ice cream vendors, with identical menus, and therefore in the same class of goods (Gallo). The marketing channels are similar as well. Both vendors sell directly to consumers on urban street corners in the same city.

The fourth factor, bridging the gap, is irrelevant here since the products are identical.

The fifth factor is evidence of actual confusion. The proper test for actual confusion is whether a consumer familiar with a mark is confused when viewing a different mark alone. (Gallo). Therefore, the Jacoby Survey is inconclusive as to actual confusion. However, it lends support that many consumers immediately associate a blue-and-white pattern ice cream truck with Mister Softee.

The sixth factor is intent. If the infringer adopts a mark with knowledge of the Plaintiff’s mark, courts presume intent to copy the mark. (Gallo). Mister Softee’s mark has been nationally registered since 1958, and is famous. Although its trade dress was only registered in 2004,

Mister Softee has consistently used the same truck design since the 1960s, and has acquired distinctiveness. A competing ice cream vendor should know the Mister Softee name and design. Additionally, the Captain Softee mark and trade dress is exceedingly similar which provides further evidence that Captain Softee was trying to pass itself off as Mister Softee. This is strong evidence of bad faith by El Cheapo Markets.

The seventh factor is the quality of Defendant's product or services. If Captain Softee's ice cream or service is of inferior quality to Mister Softee's, Mister Softee may be damaged or tarnished.

The final factor is sophistication of purchasers. Here, we must consider the general impression of the ordinary consumer, buying under normal market conditions. Ice cream is likely an impulse purchase. Ice cream is inexpensive, and rational consumers of soft ice cream are not especially careful in their purchases, as they buy and eat the ice cream in a short time span. (Nutrasweet). Lower cost items are afforded more protection against confusion, which is beneficial to Mister Softee, a vendor of low cost items.

In sum, Mister Softee has a strong likelihood of confusion claim against El Cheapo Markets. Mister Softee may bring suit, and has a strong chance of success.

B. Initial Interest Confusion

To make an initial interest confusion claim, Mister Softee must show likelihood that an appreciable number of ordinary prudent purchasers are likely to be misled or simply confused as to the source of goods in question. (Mobil). Captain Softee may gain crucial credibility in the initial phase of consumer interest. (Mobile). Mister Softee's ubiquity throughout Manhattan and strong national presence generated enormous good will. If customers approach a blue and white Captain Softee truck intending to buy ice cream from Mister Softee, this is initial interest

confusion. Judging by the Jacoby survey and with the likelihood of confusion analysis above, it seems likely that consumers would experience initial interest confusion.

C. Dilution

Under Lanham Act §43(c), the owner of a famous mark is entitled to protection against another user's commercial use in commerce of a mark if use begins after the mark has become famous, and the use causes dilution of the distinctive quality of the mark.

Here, Captain Softee's use came after Mister Softee's mark had likely become famous throughout the US as a designation of source. In evaluating this, we need only look to the ice cream consuming public, Mister Softee's sector of fame ("Baik"; American Kennel). However, this is a broad sector, as children and adults of all ages consume ice cream. Mister Softee can allege dilution by blurring. Even if consumers do not think the two services are the same, they may experience confusion of source, and believe Mister Softee and Captain Softee are affiliated. This dilutes the distinctive quality of the Mister Softee truck. Consumers may no longer solely associate the blue and white truck with Mister Softee, and Captain Softee will free ride off Mister Softee's good will and advertising dollars by reaping where they have not sown. (Stork Club).

Captain Softee does not qualify for any of the statutory exemptions to dilution. Their use is purely commercial use in commerce. Also, Mister Softee and Captain Softee are in direct competition with each other. Considering these factors, Mister Softee has a strong dilution claim against El Cheapo Markets.

El Cheapo Market Defenses

A. Functionality

El Cheapo Markets may challenge the Mister Softee trade dress on an aesthetic functionality claim. A finding of functionality can serve to bar or cancel registration. (Lanham 2(e)(5)). A product feature is functional if it is essential to the use or purpose of the article, or if it affects the cost or quality of the article (Inwood). Further, a product feature is functional if it puts competitors at a non-reputation related disadvantage. (TraFFix; Qualitex). The four Morton Norwich factors are also used in assessing functionality. (Howard).

Here, the blue and white color scheme would not affect the utility of the truck. However, El Cheapo can argue that Mister Softee's exclusive use of the blue and white scheme puts competitors at a non-reputation related disadvantage. Blue may evoke a cool, chilly, arctic feel that triggers a unique desire for ice cream, while the white truck may be aesthetically functional for consumers to recognize ice cream vendors. El Cheapo will say use of blue and white are necessary to satisfy "the noble instinct for giving the right touch of beauty to common and necessary things". (Qualitex). Individual colors may not be trademarked without proof of secondary meaning, but the trade dress here consists of a combination of colors (Qualitex).

El Cheapo might try to argue that the blue and white design has bearing on the purpose of its product or its cost or quality (Qualitex). If purchasing white trucks with the blue stripes was significantly cheaper, or if it somehow kept the ice cream colder, then El Cheapo would have a strong functionality argument. However, this argument seems far-fetched. Finally, El Cheapo could argue color depletion, claiming that the inability to use white and blue for mobile ice cream vending would put competitors at a significant disadvantage, due to lack of suitable

alternatives. (Qualitex). While this argument was unsuccessful in Qualitex, it may prove more successful as the colors white and blue have strong associations with ice cream trucks.

Ultimately, El Cheapo's functionality argument seems weak. Two Pesos and Qualitex have findings contrary to El Cheapo's functionality claim, as trade dress was found non-functional in both cases. El Cheapo Markets will have a difficult time distinguishing these two cases to prevail on a functionality argument.

B. Acquired Genericism

If terms that initially serve as trademarks lose their distinctiveness and source identifying significance, they can become generic, and lose trademark protection. El Cheapo can argue that Mister Softee became a generic term for ice cream vendor. However, courts will generally be skeptical of a trademark holder's competitors asserting genericism since they have an incentive to eliminate the trademark holder's protection. (Stix). Instead, courts will look to consumer patterns for genericism. If consumers generally refer to mobile ice cream vendors or products purchased from them as "Mister Softee", then El Cheapo might have a colorable argument. To prevent this, Mister Softee should combine its trademark with a generic name. Perhaps the truck can read "Mister Softee: serving shakes, sundaes, and cones", or "Mister Softee: ice cream vendor". This would help to prevent genericide. (Bayer).

C. Abandonment

On Jan. 13, 1998, Mister Softee obtained a trademark for Mister Softee in block letters. However, the menu and truck seem to use Mister Softee exclusively in script writing, while Captain Softee's mark is in block lettering. If El Cheapo can show that Mister Softee has discontinued using the mark in block letters, and has no intent to resume, Captain Softee may be able to use the block letters. Three years of non-use is prima facie evidence of abandonment

(Silverman). Regardless, if Mister Softee loses its trademark rights for block letters, El Cheapo will likely be proscribed from using the Captain Softee mark for the various reasons above, including likelihood of confusion and dilution.

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