

Second Circuit's Important Decision Addressing Dilution Under Federal Trademark Dilution Revision Act

The Second Circuit recently issued a decision holding that dilution claims can prevail even when the marks at issue are not substantially similar. *Starbucks Corp. v. Wolfe's Borough Coffee, Inc.*, 2009 W4L 439537, No. 08-3331 (2d Cir. Dec. 3, 2009). The extent of similarity remains, of course, a significant factor, but one that must be considered along with the other factors as set forth in the 2005 Federal Trademark Dilution Revision Act ("TDRA") in determining whether or not likelihood of dilution by blurring has occurred. The six factors set forth in the TDRA are:

1. The degree of similarity between the mark or trade name and the famous mark.
2. The degree of inherent or acquired distinctiveness of the famous mark.
3. The extent to which the owner of the famous mark is engaging in substantially exclusive use of the mark.
4. The degree of recognition of the famous mark.
5. Whether the user of the mark or trade name intended to create an association with the famous mark.
6. Any actual association between the mark or trade name and the famous mark. 15 U.S.C. Sec. 1125(c)(2)(B).

In the *Starbucks* case, the district court found that the lack of substantial similarity between STARBUCKS and CHARBUCKS was sufficient, in and of itself, to defeat Starbucks' blurring claim. The Second Circuit reversed, instead holding that it was error to require "substantial similarity." Instead, the degree of similarity is but one of six factors to be considered in the dilution by blurring analysis.

If you have any questions about this decision and how it may affect your business, please contact Darren M. Geliebter at dgeliebter@lgtrademark.com or G. Mathew Lombard at mlombard@lgtrademark.com. By phone, we can be reached at (212) 551-1755.