

The Ninth Circuit and the Likelihood of Confusion over Tacking

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I. OVERVIEW

Quiksilver, Inc. (Quiksilver), a clothing manufacturing company, was issued a trademark registration for its “ROXY” mark in February 2001 despite the objections of Kymsta Corporation (Kymsta).¹ Quiksilver was previously issued a trademark registration for its “QUIKSILVER ROXY” mark in July 1997.² Both the “QUIKSILVER ROXY” and “ROXY” trademark applications cited a first-use date “at least as early as January 1, 1992.”³ Kymsta, a private-label clothing manufacturer, began using the “ROXYWEAR” mark in mid-January 1992 but never registered the mark with the United States Patent and Trademark Office (PTO).⁴

In 2002, Quiksilver filed suit against Kymsta for trademark infringement, false designation of origin, trademark dilution, and unfair competition.⁵ Kymsta responded by raising several defenses—fraud, first use, inherent distinctiveness, and innocent use—and filing a counterclaim alleging unfair competition and false designation of origin.⁶ On the eighth day of trial, both parties moved for summary judgment.⁷ Granting Quiksilver’s motion in part, the district court concluded that tacking applies to the “QUIKSILVER ROXY” and “ROXY” marks.⁸ On appeal, Kymsta argued, *inter alia*, that the district court violated its right to a jury trial on a factual dispute by deciding tacking as a matter of law.⁹ The United States Court of Appeals for the Ninth Circuit *held* that the

1. Quiksilver, Inc. v. Kymsta Corp., 466 F.3d 749, 753-54 (9th Cir. 2006).
2. *Id.* at 753.
3. *Id.* at 753-54.
4. *Id.* at 754.
5. *Id.*
6. *Id.*
7. *Id.*
8. *Id.* (granting summary judgment for Kymsta only as to Quiksilver’s trademark dilution claim and for Quiksilver as to Kymsta’s defenses and accompanying counterclaim).
9. *Id.* at 759.

determination that a trademark creates the same, continuing commercial impression for the purposes of tacking is a question of fact and that Kymsta presented sufficient evidence to defeat the motion for judgment as a matter of law. *Quicksilver, Inc. v. Kymsta Corp.*, 466 F.3d 749, 763 (9th Cir. 2006).

II. BACKGROUND

Tacking is a common law doctrine enabling a trademark owner to “tack” its later use of a mark onto its earlier use of a similar, but technically different mark for the purposes of priority.¹⁰ The United States Supreme Court has never recognized the tacking doctrine, but its equitable merits are well documented within the lower federal courts.¹¹ Tacking balances the trademark owner’s rights to a mark against the practical realities of a market. Without tacking, trademark owners would be unable to change their marks in response to changes in consumer preference or evolving advertising and marketing styles.¹²

The factors used to analyze tacking are widely accepted. The trademark owner seeking to invoke the tacking doctrine must show that the modified mark creates the “same, continuing commercial expression” such that it is the “legal equivalent” of the original mark.¹³ Tacking is not meant to overextend trademark rights.¹⁴ Consequently, courts allow tacking only in rare cases where the modified mark represents a truly minor alteration of the original.¹⁵

Despite the widely accepted analysis, courts disagree as to which standard of review is most appropriate for the question of tacking. Prior to the noted case, only one district court reviewed tacking as a question of fact,¹⁶ whereas the only two circuit courts of appeals to address the

10. *Id.* at 758; *Van Dyne-Crotty, Inc. v. Wear-Guard Corp.*, 926 F.2d 1156, 1159 (Fed. Cir. 1991).

11. *See* 3 RUDOLF CALLMANN, *THE LAW OF UNFAIR COMPETITION, TRADEMARKS, AND MONOPOLIES* § 20:14 (4th ed. 1983) (listing common law authorities for tacking); 2 J. THOMAS MCCARTHY, *MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION* § 17:27 (4th ed. 2006) (listing common law authorities for tacking).

12. *Brookfield Commc’ns, Inc. v. W. Coast Entm’t Corp.*, 174 F.3d 1036, 1048 (9th Cir. 1999).

13. *E.g., Quicksilver*, 466 F.3d at 758; *Data Concepts, Inc. v. Digital Consulting, Inc.*, 150 F.3d 620, 623 (6th Cir. 1998); *Van Dyne*, 926 F.2d at 1159.

14. *See Quicksilver*, 466 F.3d at 758 (tacking only permitted in “exceptionally narrow instance[s]”).

15. *See Data Concepts*, 150 F.3d at 623 (citing *Van Dyne*, 926 F.2d at 1160) (holding that tacking is permitted only in rare circumstances); *see also Brookfield*, 174 F.3d at 1048-49 (holding that the standard for tacking is exceedingly strict and listing notable cases failing to meet the standard).

16. *Navistar Int’l Transp. Corp. v. Freightliner Corp.*, 49 U.S.P.Q.2d 1116, 1121 (N.D. Ill. 1998).

question reviewed tacking as a question of law.¹⁷ Likelihood of confusion, a frequently employed analysis measuring the probability that a consumer will be confused about the source of a product, usually influences a court's treatment of tacking.¹⁸ To analyze likelihood of confusion, district courts generally apply the same eight-factor test, but the circuit courts of appeals are split as to whether it is a question of law, fact, or both.¹⁹ As a result of the similarities between the tacking and likelihood of confusion analyses, the circuit courts of appeals are also split as to whether tacking raises questions of law, fact, or both.²⁰

The United States Court of Appeals for the Federal Circuit analyzed tacking as a question of law in its benchmark opinion, *Van Dyne-Crotty, Inc. v. Wear-Guard Corp.*²¹ In that case, the owner of the registered mark "CLOTHES THAT WORK" faced a petition for cancellation from the owner of several similar marks such as "CLOTHING THAT WORKS," "CLOTHES THAT WORK HARD," and "CLOTHES THAT WORK OVERTIME."²² The registered mark owner used the mark since 1985 but the petitioning owner used his marks since 1983.²³ After the cancellation petition was filed, the owner of the registered mark acquired a company that used the mark "CLOTHES THAT WORK. FOR THE WORK YOU DO" since the mid-1970s and attempted to tack the use of its mark onto that of the newly acquired company.²⁴

Deciding whether the registered mark owner could tack "CLOTHES THAT WORK" onto "CLOTHES THAT WORK. FOR THE WORK YOU DO," the court noted that tacking requires the original and modified marks to be "legal equivalents" and create the "same, continuing commercial impression."²⁵ Citing cases considering the question of legal equivalency in the context of a likelihood of confusion analysis, the court decided that the determination of whether two marks are so confusingly similar as to constitute legal equivalency is a question of law.²⁶ However, the court distinguished the likelihood of confusion

17. *Data Concepts*, 150 F.3d at 623; *Van Dyne*, 926 F.2d at 1159.

18. *See Van Dyne*, 926 F.2d at 1159; *Data Concepts*, 150 F.3d at 623-24.

19. *Elby's Big Boy of Steubenville, Inc. v. Frisch's Rests., Inc.*, 459 U.S. 916, 916 (1982) (mem.) (White, J., dissenting); *see also* *Polaroid Corp. v. Polarad Elecs. Corp.*, 287 F.2d 492 (2d Cir. 1961).

20. *See Navistar*, 49 U.S.P.Q.2d at 1121-22.

21. 926 F.2d at 1159.

22. *Id.* at 1158.

23. *Id.*

24. *Id.*

25. *Id.* at 1159.

26. *Id.* (citing *Sweats Fashion, Inc. v. Pannill Knitting Co.*, 833 F.2d 1560, 1565 (Fed. Cir. 1987)).

analysis from the tacking analysis by recognizing that likelihood of confusion is only a threshold component of tacking, the absence of which obviates any need for further inquiry.²⁷ Having determined that the prior and current marks were not confusingly similar, the court decided *as a matter of law* that the marks could not be legal equivalents for the purpose of tacking.²⁸

The United States Court of Appeals for the Sixth Circuit followed the Federal Circuit and ended its tacking analysis after finding that no likelihood of confusion existed. In *Data Concepts, Inc. v. Digital Consulting, Inc.*, the Sixth Circuit affirmed the district court's summary judgment order preventing a software company from tacking its use, since 1993, of the mark "DCI.COM" onto its prior use, since 1987, of an unregistered mark containing the stylized letters "d," "c," and "i."²⁹ The court, relying on *Van Dyne*, distinguished the legal equivalency required for tacking from a determination that the marks are "confusingly similar."³⁰ Following the *Van Dyne* analysis, the court concluded, despite the differences between the two doctrines, that a conclusion against legal equivalence may be drawn after finding that the marks are not confusingly similar.³¹ Conversely, a determination that the marks are confusingly similar will not, on its own, give rise to legal equivalence.³² Executing its analysis, the court did not find legal equivalency because the marks "do not look alike."³³ Satisfied that the threshold for legal equivalency was not met, the court omitted further analysis as to whether the marks created the "same, continuing commercial expression."³⁴

Prior to the noted case, only one district court had reviewed tacking as a question of fact.³⁵ The United States District Court for the Northern District of Illinois addressed the tacking question shortly after the *Van Dyne* decision. Relying on *Van Dyne*, the court analogized the tacking analysis to the likelihood of confusion analysis without acknowledging

27. See *id.* at 1159 & n.3 ("[E]ven if the two marks are confusingly similar, they still may not be legal equivalents. . . . We do not address, nor need we, whether the marks here *were* legal equivalents We only affirm the Board's finding that because the marks were not confusingly similar, they were not legal equivalents for the purposes of tacking.").

28. *Id.*

29. See 150 F.3d 620, 623 (6th Cir. 1998).

30. See *id.* ("Legal equivalence for tacking purposes does not exist simply because the two marks a party seeks to tack are 'confusingly similar.'" (citing *Van Dyne*, 926 F.2d at 1159)).

31. See *id.* (allowing a determination of legal equivalence based on the visual or aural appearance of the marks themselves).

32. See *id.*

33. *Id.* at 624.

34. *Id.*

35. *Navistar Int'l Transp. Corp. v. Freightliner Corp.*, 49 U.S.P.Q.2d 1116, 1121 (N.D. Ill. 1998).

any material differences between the two doctrines.³⁶ The court facilitated its analogy by disposing of legal equivalency as a factor of tacking.³⁷ Free of the legal equivalency question, the court held that tacking is a question of fact solely because the jurisprudence of the United States Court of Appeals for the Seventh Circuit considered the likelihood of confusion analysis to be a pure question of fact.³⁸

The Ninth Circuit addressed the issue of tacking in *Brookfield Communications, Inc. v. West Coast Entertainment Corp.*³⁹ In this case, a video retailer attempted to tack the use of a domain name “MOVIEBUFF.COM” to its prior use of the mark “THE MOVIE BUFF’S MOVIE STORE.”⁴⁰ The court relied on *Van Dyne*’s “legal equivalency” and “same, continuing commercial impression” factors and held that the marks were not similar.⁴¹ Unlike *Van Dyne* and *Data Concepts*, the Ninth Circuit indicated that the factual findings regarding the consumer impression of the marks could be relevant despite the conclusion that the marks were not similar.⁴² Based on the fact that no such findings were made, the court concluded *as a matter of law* that tacking did not apply.⁴³

III. THE COURT’S DECISION

In the noted case, the Ninth Circuit followed *Van Dyne* and *Data Concepts* to determine the standard of review for tacking. The court recognized that the question of whether tacking is an issue of law or fact was a matter of first impression in the circuit.⁴⁴ Following case law from the Sixth and Federal Circuits, the Ninth Circuit decided that tacking is a

36. *Id.*

37. *Id.* (holding that the doctrine of legal equivalence refers to a completely separate doctrine relating rights in a picture to rights in the corresponding word). *But cf.* 3 MCCARTHY, *supra* note 11, § 23:27 (stating that picture/word legal equivalency is a component of likelihood of confusion). The district court incorrectly associates “legal equivalency” with picture/word legal equivalency. Legal equivalency is a broad term applicable to various intellectual property doctrines. *See* 4 CARL MOY, MOY’S WALKER ON PATENTS § 13:60 (4th ed. 2006) (describing legal equivalency as invoked to extend infringement past the scope defined by a patent’s claims).

38. *Navistar*, 49 U.S.P.Q.2d at 1121.

39. *See* 174 F.3d 1036, 1047-48 (9th Cir. 1999).

40. *Id.* at 1042.

41. *Id.* at 1048-49.

42. *Id.*

43. *Id.* (deciding tacking as a matter of law due to insufficient factual findings on the consumer impression of the marks).

44. *Quicksilver, Inc. v. Kymsta Corp.*, 466 F.3d 749, 759 (9th Cir. 2006). While this is the first time the court addressed the issue, it was not their first opportunity to do so. *See generally Brookfield*, 174 F.3d at 1047-48 (addressing tacking prior to *Quicksilver*).

question of fact.⁴⁵ Without addressing the “legal equivalency” question, the court reversed the district court’s allowance for tacking because Quiksilver failed to present sufficient evidence that the marks in question created the “same, continuing commercial impression.”⁴⁶

To determine whether tacking is a question of law or fact, the court followed the only other circuits that have considered the issue. The court cited *Van Dyne* and *Data Concepts* to support the position that likelihood of confusion and tacking are analogous considerations.⁴⁷ Since Ninth Circuit jurisprudence treats likelihood of confusion as a question of fact, the judges, although following the reasoning from *Van Dyne* and *Data Concepts*, reached the opposite conclusion.⁴⁸ Holding tacking to be a question of fact, Judge Rawlinson cited the consistency of the approach as the justification for the disparate outcome.⁴⁹

The Ninth Circuit reviewed the district court’s order granting judgment as a matter of law under the de novo standard of review.⁵⁰ The court followed the Supreme Court’s maxim that the district court’s order should be upheld unless, when viewed in a light most favorable to the defendant, “reasonable minds could differ as to the import of the evidence.”⁵¹ The court found that the record supported the conclusion that jurors could differ over the import of evidence as to whether the “QUIKSILVER ROXY” and “ROXY” marks created the “same, continuing commercial impression.”⁵² Consequently, the court held that the district court’s allowance of tacking was erroneous.⁵³

V. ANALYSIS

The Ninth Circuit, by adopting the analogous reasoning of *Van Dyne* while rejecting its result, transferred a longtime circuit split onto the tacking doctrine without considering the doctrinal differences between likelihood of confusion and tacking. The circuit courts have long been divided over the question of whether likelihood of confusion is a question of law, fact, or both. Tacking parallels the likelihood of

45. *Quiksilver*, 466 F.3d at 759.

46. *Id.* The court could not compare the two marks because Quiksilver failed to reproduce its “QUIKSILVER” mark in the record. *Id.* at 759 n.10.

47. *Id.* at 759.

48. *Id.*

49. *Id.*

50. *Id.* at 755.

51. *Id.*

52. *Id.* at 760, 763.

53. *Id.* at 763 (reversing and remanding to the district court with regard to the tacking issue).

confusion analysis in that both doctrines involve comparisons of the similarities between two marks. Common law dictates that tacking is to be administered sparingly. The discretionary nature of the doctrine conflicts with a purely factual assessment. The effect of the Ninth Circuit's decision could burden its lower courts by isolating Ninth Circuit tacking cases from the traditional common law doctrine. Instead of analogizing tacking to likelihood of confusion, the Ninth Circuit should have recognized the difference between the two doctrines and independently determined an appropriate standard of review.

The Ninth Circuit overextended the reasoning of *Van Dyne* by holding that likelihood of confusion and tacking are analogous doctrines. The Federal Circuit held that a finding against likelihood of confusion ends the tacking analysis, but a finding of likelihood of confusion is not necessarily dispositive of the issue.⁵⁴ The analysis incorporates likelihood of confusion only as a threshold component of tacking.⁵⁵ The Ninth Circuit misinterpreted *Van Dyne* and marginalized the distinction between the two doctrines.

The Ninth Circuit's cursory adoption of the Federal Circuit's approach without consideration of the underlying rationale or possible effects could lower the standard for tacking. Regardless of the final outcome, the Ninth Circuit should have considered the doctrinal difference between likelihood of confusion and tacking before adopting the means of *Van Dyne* over its end. The overwhelming majority of courts that have addressed the tacking issue have held that it is a distinct analysis from likelihood of confusion and one to be used sparingly.⁵⁶ The effects of deciding tacking as a question of fact are speculative at this juncture, but it is presumed that courts will lose a degree of control over the administration of the tacking doctrine. If a jury finds in favor of tacking, the decision will be reviewed for clear error, forcing appellate courts to affirm findings of tacking even when there is a reason to hold otherwise.⁵⁷

54. See *Van Dyne-Crotty, Inc. v. Wear-Guard Corp.*, 926 F.2d 1156, 1159 n.3, 1160 (Fed. Cir. 1991).

55. See *id.* at 1159 (expressing no opinion on actual legal equivalency, only that legal equivalency cannot arise if there is no likelihood of confusion).

56. See *Data Concepts, Inc. v. Digital Consulting, Inc.*, 150 F.3d 620, 623 (6th Cir. 1998) (citing *Van Dyne*, 926 F.2d at 1159); *Brookfield Commc'ns, Inc. v. W. Coast Entm't Corp.*, 174 F.3d 1036, 1048-49 (9th Cir. 1999); see also Gideon Mark & Jacob Jacoby, *Continuing Commercial Impression: Applications and Measurement*, 10 MARQ. INTEL. PROP. L. REV. 433, 439 (2006) (noting that tacking claims are generally unsuccessful).

57. See FED. R. CIV. P. 52(a) ("Findings of fact, whether based on oral or documentary evidence, shall not be set aside unless clearly erroneous, and due regard shall be given to the opportunity of the trial court to judge of the credibility of the witnesses.").

As a result of its holding, the Ninth Circuit has left to the district courts the unenviable task of determining what a factual analysis of tacking requires. As the district court in *Navistar International Transportation Corp. v. Freightliner Corp.* observed, no court has ever proscribed a workable factual analysis for tacking.⁵⁸ The test set forth in *Navistar* is a laughable restatement of the “same, continuing commercial impression” factor, which offers little to no additional guidance for the finder of fact.⁵⁹ Because tacking is a narrower concern than likelihood of confusion, any application of the likelihood of confusion test beyond the threshold function from *Van Dyne* could materially alter the evidentiary scope of the doctrine. By following the approach of its sister circuits, the Ninth Circuit has effectively undertaken the task of restructuring the application of the tacking doctrine.⁶⁰

The Ninth Circuit should have held that tacking is a mixed question of fact and law in order to preserve its factual analysis of likelihood of confusion and retain the “same, continuing commercial impression” factor for tacking.⁶¹ The court should have distinguished tacking from likelihood of confusion based on the heightened standard reserved for tacking. Such a distinction would have allowed the court to comfortably adopt a different standard of review without retracting its precedents where likelihood of confusion is a question of fact. If the Ninth Circuit reviewed tacking as a mixed question of law and fact, it could apply the factual findings against likelihood of confusion as a presumptive bar against a legal holding for tacking. This would incorporate the threshold reasoning from *Van Dyne* and free the court to require some measure of factual inquiry without the considerably higher burden of constructing an exclusively factual remedy.

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58. See *Navistar Int’l Transp. Corp. v. Freightliner Corp.*, 49 U.S.P.Q.2d 1116, 1121 (N.D. Ill. 1998).

59. *Id.* at 1122 (“[D]efendants should be required to provide evidence on the following three questions: (1) what was the commercial impression of the composite mark dating back to 1971?; (2) was it continuing during that time?; and (3) is that commercial impression the same as the commercial impression of the [modified] mark?”).

60. *Cf. Brookfield*, 174 F.3d at 1048 (stating that tacking requires a showing that consumers view the marks as creating the same, continuing commercial impression).

61. See *Mark & Jacoby*, *supra* note 56, at 442.

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