

Multi Time Machine, Inc. v. Amazon.com Inc.: The Ninth Circuit Blurs the Line Between “Likelihood of Confusion” and “Initial Interest Confusion” in Search Results Trademark Infringement Case*

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I. OVERVIEW

Notwithstanding Amazon’s claim that they offer “Earth’s Biggest Selection of products,”¹ its website does not carry Multi Time Machine (MTM) watches.² It does, however, carry watches manufactured by various competitors of MTM.³ Striving to “cultivate and maintain an image as a high-end, exclusive brand,” MTM declined to sell its watches to Amazon for resale.⁴ Instead, MTM sells its watches to customers through select distributors and retailers.⁵ MTM has not authorized distributors to sell its watches on Amazon and has required them to obtain permission to sell MTM products through any channel other than their own retail sites.⁶ MTM sells its watches under various brand names—MTM, MTM Special Ops, and MTM Military Ops—and holds

* The Ninth Circuit granted a petition for panel rehearing. The case’s opinion was withdrawn and superseded on rehearing by *Multi Time Machine, Inc. v. Amazon.com, Inc.*, No. 13-55575, 2015 WL 6161600 (9th Cir. Oct. 21, 2015). This case note was written before the July 6, 2015 opinion was released. The court’s superseding opinion does not substantially affect the author’s analysis or the trademark law and emergent Internet technologies or the initial interest confusion test as applied to the intent.

1. *Multi Time Mach. Inc. v. Amazon.com, Inc.*, 792 F.3d 1070, 1072 (9th Cir. 2015).
2. *See id.* at 1071.
3. *See id.* at 1072.
4. *See id.*
5. *See id.* MTM manufactures and markets watches to men 22–55 years of age who desire “rugged, military-style outdoor products.” *See id.*
6. *See id.*

a registered trademark in “MTM SPECIAL OPS” for timepieces.⁷ Upon entering “MTM Special Ops” into the Amazon search bar, users are routed to a screen displaying watches manufactured by MTM’s competitors, among other “related” products.⁸ Relevant products (based on search terms), and recommended products (based on behavior based search technology), appear together on the display screen, indistinguishable from one another.⁹ Even though Amazon does not carry MTM products, the words “Related Searches” and three iterations of “MTM Special Ops” (in quotation marks) appear above the displayed list, respectively.¹⁰ Absent from the webpage is an explicit statement that Amazon does not carry MTM products.¹¹

Believing Amazon infringed on its trademark in violation of the Lanham Act, MTM filed a claim against the company.¹² In addition to damages, MTM sought injunctive relief against Amazon, barring the use of the trademark.¹³ MTM appealed to the United States Court of Appeals for the Ninth Circuit after the district court granted Amazon’s motion for summary judgement.¹⁴ Reviewing the district court’s grant of summary judgment de novo, the Ninth Circuit *held* that the district court erred by granting the defendant’s motion for summary judgment as to the likelihood of confusion resulting from Amazon’s use of MTM’s trademark, and remanded the case for the resolution of genuine issues of material fact. *Multi Time Machine Inc. v. Amazon.com, Inc.*, 792 F.3d 1070 (9th Cir. 2015).

II. BACKGROUND

The Lanham Act governs trademark law in the United States and provides a comprehensive framework for protecting trademarks from infringement, dilution, and unfair competition.¹⁵ Under the Act, to “reproduce, counterfeit, copy, or colorably imitate a registered mark and

7. See *id.*

8. See *id.* 1073-73. The page also displays products such as a streaming video of a show called “Special Ops Mission,” see *id.* at 1073, and a book called THE MOSES EXPEDITION: A NOVEL,” see *id.* at 1081 (Silverman, J., dissenting).

9. See *id.* at 1073 (majority opinion). Amazon’s search algorithm in part uses a Behavior Based Search Technology (BBS) to pull data about what customers view and purchase after inputting certain terms in the query field. See *id.*

10. See *id.* at 1072.

11. See *id.* at 1073.

12. See *id.* at 1073.

13. See *id.*

14. See *id.*

15. See Lanham Act, 15 U.S.C. § 1051 (2012); see also *Fortune Dynamic, Inc. v. Victoria Secret Stores Brand Mgmt.*, 618 F.3d 1025, 1030 (9th Cir. 2010) (interpreting 15 U.S.C. § 1051).

apply such reproduction, counterfeit, copy, or colorable imitation” without permission from a registrant leaves an infringer liable for damages and may entitle the registrant to sue for and have injunctive relief if “such use is likely to cause confusion, or to cause mistake, or to deceive.”¹⁶ Additionally, the Act permits injunctive and other relief when the use of a symbol “is likely to cause confusion . . . as to the affiliation, connection, or association of such person with another person, or as to the origin, sponsorship, or approval of his or her goods.”¹⁷ Courts have interpreted the Lanham Act to require evidence of consumer confusion and have used the concepts of likelihood of confusion and initial interest confusion to determine whether the use of a mark has caused confusion sufficient to infringe upon a trademark.¹⁸

A. *Likelihood of Confusion*

Traditionally, courts have looked to likelihood of confusion to assess whether a defendant has infringed a claimant’s trademark. In the landmark case, *AMF, Inc. v. Sleekcraft Boats*, the Ninth Circuit identified eight factors relevant to assessing likelihood of consumer source confusion: (1) the strength of the mark, (2) the proximity of goods, (3) the similarity of the marks, (4) any evidence of actual confusion, (5) the marketing channels used, (6) the type of goods and the degree of care likely to be exercised by the purchaser, (7) the defendant’s intent in selecting the mark, and (8) the likelihood of the expansion of the product lines.¹⁹ However, the Ninth Circuit noted that their list of considerations relevant to assessing consumer confusion was not exhaustive and that different facts might implicate additional factors.²⁰

Confronted with issues involving emergent Internet search engines and technologies in *Brookfield Communications, Inc. v. W. Coast Entertainment Corp.*, the Ninth Circuit extended the scope of trademark protection to Internet domain names and applied the likelihood of confusion doctrine and *Sleekcraft* factors to an Internet context for the first time.²¹ Distinguishing the facts and the context of the case from those of *Sleekcraft*—in that the case before the court involved inchoate technologies in an Internet context rather than two companies’ names in a

16. 15 U.S.C. § 1114(1)(b).

17. *Id.* § 1125(a)(1)(A).

18. *See, e.g., Network Automation, Inc. v. Advanced Sys. Concepts*, 638 F.3d 1137, 1147 (9th Cir. 2011).

19. 599 F.2d 341, 348-49 (9th Cir. 1979).

20. *See id.* at 348 n.11.

21. *See* 174 F.3d 1036, 1053, 1061 n.22 (9th Cir. 1999).

traditional brick and mortar store context—the court opted for a flexible, rather than rigid, application of the eight-factor test of *Sleekcraft*.²² After taking into account the eight *Sleekcraft* factors, the court held that Brookfield, the claimant, had made a strong showing of likelihood of confusion with respect to the similar domain names of the two companies.²³ The court reasoned that web surfers were more likely to be confused about the ownership of a website more than about the ownership of a brick and mortar store.²⁴

The court also concluded that there was a strong showing of a likelihood of confusion because a consumer might reach the second domain name by the second site's misappropriation of good will associated with the first site.²⁵ The court suggested that consumers might believe that a company, with a domain name containing another website's trademarked term, had bought out the company holding the trademark, or was otherwise related to the company holding the trademark term, and that the consumer might be content with the second domain site even though they were originally looking for the first.²⁶

The Ninth Circuit further expanded the applicability of the *Sleekcraft* factors and the likelihood of confusion doctrine in the Internet context in *Playboy Enterprises, Inc. v. Netscape Communications Corp.*²⁷ Looking beyond the clearly visible elements of a webpage, the court applied the likelihood of confusion test to determine if metadata tags—used in keyword targeted-advertising—infringed upon a trademark as a matter of law.²⁸ Applying the *Sleekcraft* factors, the court found a sufficient likelihood of confusion to produce a genuine issue of material fact as to whether the metadata infringed upon the claimant's trademark.²⁹ The court, however, implied that consideration of the *Sleekcraft* factors was merely a precaution (and ultimately unnecessary) as Playboy had made a strong showing of confusion sufficient to produce genuine issues of material fact under the initial interest doctrine.³⁰

22. *Id.* at 1054.

23. *Id.* at 1058.

24. *Id.* at 1057.

25. *Id.*

26. *Id.*

27. *See* 354 F.3d 1020 (9th Cir. 2004).

28. *Id.*

29. *Id.* at 1027.

30. *Id.*

B. Initial Interest Confusion

Recently, several circuits have broadly interpreted the confusion requirement of the Lanham Act to also allow for recovery based on initial interest confusion.³¹ The United States Court of Appeals for the Second Circuit first derived the concept of initial interest confusion with respect to phonetically similar piano company names in *Grotrian v. Steinway & Sons*.³² Though the Second Circuit did not explicitly state that they were creating a new test to determine confusion in a trademark case, it concluded in its reasoning that the harm was not that a consumer bought a Grotrian-Steinweg piano believing it to be a Steinway piano; rather, the harm was that the consumer considered buying a Grotrian-Steinweg piano in reliance on its perceived connection or affiliation with the Steinway company.³³ As the district court eloquently put, and the circuit court restated:

It is the subliminal confusion apparent in the record as to the relationship . . . between the corporate entities and the products that can transcend the competence of even the most sophisticated consumer.

Misled into an *initial interest*, a potential Steinway buyer may satisfy himself that the less expensive Grotrian-Steinweg is at least as good, if not better, than a Steinway. Deception and confusion thus work to appropriate defendant's good will.³⁴

The Second Circuit solidified the doctrine of initial interest confusion in *Mobil Oil Corp. v. Pegasus Petroleum Corp.*³⁵ Accepting that a likelihood of confusion was possible even in the case of sophisticated purchaser, the court sought to weigh whether an oil company's name, "Pegasus Petroleum,"³⁶ infringed on the flying horse trademark held by Mobil Oil³⁷ by the name misleading customers into being interested in purchasing based on its perceived affiliation with Mobil Oil. Citing *Steinway*, the Second Circuit used "initial confusion" to determine if there could be a sufficient trademark injury.³⁸ The court asserted that such initial confusion produced a sufficient trademark

31. See, e.g., *Brookfield Commc'ns Inc. v. W. Coast Entm't Corp.*, 174 F.3d 1036, 1053, 1063 (9th Cir. 1999); *Mobil Oil Corp. v. Pegasus Petroleum Corp.*, 818 F.2d 254, 257-58 (2d Cir. 1987).

32. 523 F.2d 1331 (2d Cir. 1975).

33. *Id.* at 1342.

34. *Id.* (quoting *Grotrian v. Steinway*, 365 F. Supp. 707, 717 (S.D.N.Y. 1973) (citation omitted) (emphasis added)).

35. 818 F.2d 254.

36. *Id.* at 259.

37. *Id.* at 255.

38. *Id.* at 260.

injury and held that Pegasus Petroleum infringed on Mobil Oil's registered flying horse trademark.³⁹

Following the Second Circuit, the United States Courts of Appeals for the Fifth, Seventh, and Ninth Circuits have adopted the initial interest confusion doctrine.⁴⁰ However, a majority of circuits remain undecided or silent on the issue.⁴¹ The United States Courts of Appeals for the Federal Circuit and the First Circuit have rejected the initial interest confusion doctrine wholesale, choosing instead to apply traditional confusion tests to determine likelihood of confusion.⁴² Only the United States Courts of Appeals for the Seventh and Ninth Circuits have affirmatively held that the initial interest doctrine applies to Internet cases.⁴³

The Ninth Circuit adopted the initial interest confusion theory in *Brookfield* after separating its analysis out into two parts: (1) assessing actionable infringement in the domain name context and (2) actionable infringement in the metatag context.⁴⁴ There, the court reasoned that the likelihood of confusion analysis in the domain name context differed greatly from the metatag context.⁴⁵ As previously mentioned, the court found that Brookfield had shown a likelihood of confusion as its competitor's use of a similar domain name based on the *Sleekcraft* factors.⁴⁶ However, recognizing that metatag cases were not standard trademark cases and that the traditional eight-factor test was not well suited for analyzing the issue, the court did not fit its analysis into one of the *Sleekcraft* factors.⁴⁷

39. *Id.*

40. *See* Elvis Presley Enters., Inc. v. Capece, 141 F.3d 188, 201 (5th Cir. 1998) (finding initial interest confusion due to a defendant's use of plaintiff's mark in the name of defendant's bar); Eli Lilly & Co. v. Natural Answers, Inc., 233 F.3d 456, 465 (7th Cir. 2000) (finding likelihood of confusion based on initial interest confusion due to defendant's use of plaintiff's mark in metatags); Brookfield Commc'ns, Inc. v. W. Coast Entm't Corp., 174 F.3d 1036, 1564 (9th Cir. 1999) (finding initial interest confusion based upon defendant's use of plaintiff's mark in defendant's metatags).

41. *See, e.g.*, Lamparello v. Falwell, 420 F.3d 309 (4th Cir. 2005) (declining to adopt initial confusion test).

42. *See generally* Weiss Assocs. v. HRL Assocs., 902 F.2d 1546 (Fed. Cir. 1990); Astra Pharm. Prods., Inc. v. Beckman Instruments, Inc., 718 F.2d 1201 (1st Cir. 1983).

43. *See* Eli Lilly, 233 F.3d at 465 (finding likelihood of confusion based on initial interest confusion due to defendant's use of plaintiff's mark in metatags); Brookfield, 174 F.3d at 1062 (finding initial interest confusion based upon defendant's use of plaintiff's mark in defendant's metatags).

44. *See Brookfield*, 174 F.3d at 1061-62.

45. *See id.*

46. *See id.* at 1058.

47. *See id.* at 1062 n.24.

Instead, the court followed the Second Circuit initial interest confusion analysis of *Grotrian* and *Mobil Oil* to determine confusion in the metatag context.⁴⁸ The Ninth Circuit held that the use of the competitor's trademark in metatags and buried code caused initial interest confusion and infringed on the competitor's trademark, even though there was no actual source confusion.⁴⁹ The court reasoned that the defendant had improperly benefited from the goodwill developed by Brookfield in its mark by capturing the consumer's attention through use of their trademark in metatags.⁵⁰

Applying and broadening the scope of the court's decision in *Brookfield*, the Ninth Circuit in *Playboy* identified initial interest confusion as a viable means of determining the likelihood of confusion in the context of keyword targeted advertising.⁵¹ The court held that there was a genuine issue of fact as to whether there was initial interest confusion because Netscape impermissibly used Playboy's mark when they required adult-oriented websites to link their banner advertisements to search terms trademarked by Playboy.⁵² The court found that even though users realized they were not on Playboy's website before making a purchase, Netscape used the company's hard-won reputation to get potential customers to click on other adult-oriented websites' banner advertisements.⁵³ Even if actual confusion as to the product's source had dissipated by the time of purchase, infringement occurred because the initial confusion created interest in a competitor's product.⁵⁴ The court limited their holding to unmarked banner ads, and suggested that a banner advertisement clearly identifying its source with a sponsor's name might avoid the likelihood of initial interest confusion.⁵⁵ Although the court recognized the strength of PEI's argument based on the initial interest confusion doctrine, the court showed its reluctance to rely on it solely by turning to a traditional likelihood of confusion and the *Sleekcraft* factors to be certain of their holding and determining that evidence of actual confusion was the most important factor.⁵⁶

48. *See id.* at 1065.

49. *See id.* at 1062.

50. *See id.*

51. *Playboy Enters. Inc. v. Netscape Commc'ns Corp.*, 354 F.3d 1020, 1026 (9th Cir. 2004).

52. *Id.* at 1031.

53. *Id.* at 1025.

54. *Id.*

55. *Id.* at 1030 n.44.

56. *Id.* at 1026.

Further exploring the court's suggestion in *Playboy* that clear identification of sources plays a determinative role in the initial interest doctrine, the Ninth Circuit looked specifically at labeling and trademark infringement in Internet commerce in *Network Automation, Inc. v. Advanced Systems Concepts, Inc.*⁵⁷ In the context of banner advertisements and the unauthorized use of trademark to sell advertising keywords to search engine, like those of *Playboy*, the court held that a likelihood of confusion could be shown if the ads were confusingly labeled or not labeled at all.⁵⁸ Alternatively, the likelihood of confusion could be eliminated if the ads were clearly labeled.⁵⁹ Moreover, because the court held in *Playboy* that a plaintiff is not required to prove confusion at the point of sale, the court found that initial interest confusion arising from labeling could demonstrate a likelihood of confusion.⁶⁰ The court reasoned that the clear labeling of the products or consumers exercising a high degree of care reduced the likelihood of confusion because customers would not be misled, just confronted with different choices amongst similar products.⁶¹

III. COURT'S DECISION

In the noted case, the Ninth Circuit followed the frameworks promulgated by *Sleekcraft* and *Network Automation* to determine whether the way in which a retailer's website responded to a shopper's search query request for a trademarked good gave rise to a likelihood of confusion under the initial interest confusion doctrine.⁶² The court held that a jury could infer that the labeling of search results gave rise to initial interest confusion because Amazon failed to notify customer's that it did not carry MTM products.⁶³ The court also held that three out of the five *Sleekcraft* factors considered by the court contained genuine questions of fact: a jury could find that the conceptual strength of the mark could fall into either suggestive or descriptive categories,⁶⁴ the similarity of goods could have led to initial interest confusion,⁶⁵ and that Amazon intended to

57. 638 F.3d 1137 (9th Cir. 2011).

58. *Id.* at 1150. The labeling and appearance of the advertisements in the sales context involves more than just the text of the advertisement and, therefore, must be considered in conjunction with the appearance of the results page overall. *Id.* at 1154.

59. *Id.* at 1154 (citing *Playboy Enters.*, 354 F.3d at 1030 n.43).

60. *Cf. id.* at 1152.

61. *Id.* at 1150.

62. *Multi Time Mach. Inc. v. Amazon.com, Inc.*, 792 F.3d 1070, 1075 (9th Cir. 2015).

63. *Id.*

64. *Id.* at 1077.

65. *Id.* at 1078-79.

confuse customers because they did not publically alleviate customer's concerns about the search results they received.⁶⁶ The court did not find a question of fact as to evidence of actual confusion (there was none)⁶⁷ or as to degree of care (which was high due to the price of the goods).⁶⁸

A. *Labeling*

Though the court distinguished the facts of the noted case from those of *Network Automation*, it found the labeling of a search results webpage similarly dispositive: like in the banner advertisement context, the labeling and appearance of search results in the Internet sale context involved more than just the search results themselves.⁶⁹ Because the webpage did not include language stating that Amazon did not carry MTM products, the court found the clarity of the page open to dispute.⁷⁰ Relying on Ninth Circuit precedent in *Brookfield* and *Playboy*, the court concluded that a jury could infer that the labeling of the search results and Amazon's failure to notify customers that it did not carry the MTM brand gave rise to initial confusion.⁷¹ Though Amazon labeled each itemized product with a manufacturer name, a customer might believe MTM or MTM's parent company manufactured both MTM's luxury brand watch and the competitor's lower-priced alternative, or was otherwise affiliated or approved by MTM, based on the organization of the webpage.⁷² Analogizing the sale of watches to that of the pianos in *Grotrian*, the court found the expensive price of the watches immaterial under the initial interest confusion doctrine, since the question is not whether a customer buys the product believing it to be the searched for brand, but whether a customer buys the competitor's product based off the trademark holder's hard-won reputation.⁷³

66. *Id.* at 1079.

67. *Id.*

68. *Id.* at 1070.

69. *Id.* at 1075; *Network Automation, Inc. v. Advanced Sys. Concepts*, 638 F.3d 1137, 1154 (9th Cir. 2011).

70. *Multi Time Mach.*, 792 F.3d at 1076.

71. *Id.*

72. *Id.* at 1075; *see also Brookfield Commc'ns, Inc. v. W. Coast Entm't Corp.*, 174 F.3d 1036, 1057 (9th Cir. 1999). The court, however, implies that the degree of likelihood of initial interest confusion under this reasoning depends on the companies involved; no shopper would think that Coke and Pepsi were manufactured by the same parent company. The court, however, insinuated that MTM and Luminox are not amongst the brands in this category. *Multi Time Mach.*, 792 F.3d at 1075.

73. *Multi Time Mach.*, 792 F.3d at 1076; *Grotrian v. Steinway & Sons*, 523 F.2d 1331, 1341-42 (2d Cir. 1975).

B. Likelihood of Confusion Under the Sleekcraft Factors

Following the court's guidance in *Brookfield* about flexibly applying the traditional *Sleekcraft* factors in the Internet context, with the facts of the case determining the relative weight of each individual factor, the court considered only five of the eight factors relevant to weighing a motion for summary judgment: (1) the strength of the mark, (2) relatedness/proximity of the goods, (3) evidence of actual confusion, (4) defendant's intent, and the (5) degree of care exercised by purchasers.⁷⁴ In considering the factors, the court assessed only whether the factors appeared to weigh in favor of a likelihood of confusion and held that it would be up to jury to decide their relative weight against one another.⁷⁵

First, the court held that there was a question of fact about the conceptual strength of mark weighing against summary judgment: a jury could view MTM's mark as suggestive and conceptually strong because it does not obviously refer to watches, or as descriptive because the watches have a military style design.⁷⁶

Second, taking into account that Amazon sold military style watches, the court set forth two reasons as to why the similarity of goods sold by Amazon weighed in favor of finding a likelihood of confusion and infringement.⁷⁷ The court rejected the idea that the labeling of the search results of the page mitigated the likelihood of confusion with respect to the similarity of the goods, as the "clearly marked options" did in *Network Automation*.⁷⁸ The court distinguished the facts of the noted case from those of *Network Automation*, the alleged infringer's products in *Network Automation* appeared alongside the trademark holder's product, whereas in the noted case, MTM's watches appeared nowhere on the page.⁷⁹ The court rejected the idea that website presented "clearly marked options" as a matter of fact.⁸⁰

The court further distinguished the facts of the noted case from those of *Network Automation* in that the sponsored links appeared alongside, but partitioned off from, search results while in the noted case, the keyword search results on the page appeared alongside and

74. *Multi Time Mach.*, 792 F.3d at 1076-77 (citing *Brookfield*, 174 F.3d at 1054).

75. *Id.* at 1077.

76. *Id.* at 1077-78.

77. *Id.* at 1077.

78. *Id.* at 1078.

79. *Id.* at 1072; *cf.* *Network Automation, Inc. v. Advanced Sys. Concepts*, 638 F.3d 1132, 1154 (9th Cir. 2011).

80. *Multi Time Mach.*, 792 F.3d at 1078.

indistinguishable from the BBS results.⁸¹ Thus, clear labeling did not mitigate the fact that the products were interchangeable and that a jury could find the initial interest confusion doctrine a tenable theory under this circumstance.⁸²

The court also rejected the idea that the degree of care exercised by the buyer or the sophistication of the buyer mitigated the likelihood of confusion under the initial interest confusion theory.⁸³ The court reasoned that it should not assume that buyers of MTM products are well versed in Internet shopping, and that they might be confused as to the association of the displayed search results to the MTM trademark given that Amazon touted itself as offering “Earth’s Biggest Selection of products.”⁸⁴ Thus, under *Network Automation*, even if a buyer researched the companies to resolve initial confusion before making his or her purchase, the buyer would be subject to confusion and not mere diversion.⁸⁵ Extending the holding and reasoning of *Brookfield* and *Network Automation* to Amazon’s search results page containing search results and BBS keywords, the court concluded that the similarity of the goods shown weighed in favor of MTM.⁸⁶

Third, using the standard set forth in *Playboy* that defendant’s intent showed probative evidence of likelihood of confusion, the court concluded that there was at least some evidence of an intent to confuse on behalf of Amazon because they failed to explain to the public how the BBS function works.⁸⁷ Amazon did not address vendors’ and customers’ complaints about receiving non-responsive search results when they searched for products not sold by Amazon.⁸⁸

Finally, the court found that the evidence did weigh in favor of Amazon’s motion for summary judgement for two of the factors—actual confusion and degree of care—because there was no evidence of actual confusion or question of fact that the degree of care was high because of the high price of the product.⁸⁹ The fact that two of the factors weighed in favor of summary judgement was of no consequence because the court reasoned that a genuine issue of fact as to any *Sleekcraft* factor weighed

81. See *id.*; cf. *Network Automation*, 638 F.3d at 1154.

82. *Multi Time Mach.*, 792 F.3d at 1078.

83. *Id.*

84. *Id.*

85. *Id.*

86. *Id.* at 1079.

87. *Id.* (citing *Playboy Enters. v. Netscape Commc’ns Corp.*, 354 F.3d 1020, 1028 (9th Cir. 2004)).

88. *Id.*

89. *Id.* at 1079-80.

against summary judgment and towards an issue of fact as to the likelihood of confusion.⁹⁰

Analogizing the issue at hand to a Saturday Night Live skit in which John Belushi responds “No Coke, Pepsi” to a customer’s request for Coke, the dissent diverged from the majority on the issue of the appropriate factors to consider and the clarity of the webpage.⁹¹ The dissent rejected the majority’s use of the *Sleekcraft* factors as a framework in the noted case because the test was developed for brands with sufficiently similar marks, and not for the design of a search results page displaying other competitors’ watches when the trademark is entered in a search query.⁹² The dissent instead derived a two-part test, based in part on the court’s decision in *Network Automation*, which asks: “(1) Who is the relevant reasonable consumer?; and (2) What would he reasonably believe based on what he saw on the screen?”⁹³ Under the first prong, the dissent concludes that since the watches sell for hundreds of dollars, the relevant customer in the case, as a matter of law, is a reasonably prudent consumer well accustomed to shopping online.⁹⁴ Under the second prong, the dissent concludes that there is no likelihood of initial interest confusion by a reasonably prudent person accustomed to shopping online because the search results were clearly labeled by Amazon.⁹⁵ The search results page was unambiguous because the products were clearly marked with their brand name and clearly not marked with the words “MTM” or “Special Ops,” and were on a webpage clearly containing products unrelated to watches.⁹⁶ As such, the dissent believed the district court appropriately granted summary judgment in favor of Amazon.⁹⁷

IV. ANALYSIS

In her concurrence to the Ninth Circuit’s 2004 opinion in *Playboy*, Judge Berzon offered, somewhat prophetically, an example illustrating her frustration with finding initial interest confusion when a consumer is never confused about the source or affiliation of a product online:

90. *Id.* at 1076.

91. *Id.* at 1080 (Silverman, J., dissenting).

92. *Id.* at 1084.

93. *Id.*

94. *Id.* at 1085.

95. *Id.*

96. *Id.*

97. *Id.* at 1087.

Suppose a customer walks into a bookstore and asks for a Playboy magazine and then is then directed to the adult magazine section, where he or she sees Penthouse or Hustler up front on the rack while Playboy is buried in the back. One would not say that Penthouse or Hustler had violated Playboy's trademark. . . . If [a customer] went to Macy's website and did a search for a Calvin Klein shirt, would Macy's violate Calvin Klein's trademark if it responded (as does Amazon.com, for example) with the requested shirt and pictures of other shirts I might like to consider as well? I very much doubt it.⁹⁸

For Judge Berzon, what constitutes, or does not constitute trademark infringement in the offline world, should also constitute trademark infringement in the online world.⁹⁹ While this view of trademark law in the Internet age may have been true in 2004, certain online operations do not exist, or have counterparts in the real world.

As shown in the noted case, offline and Internet contexts are not fully analogous; traditional case law on trademark infringement fits poorly with the emerging technological framework. Where, for example, would Amazon's BBS fit in to Judge Berzon's hypothetical? The closest analogy would that be to that of the associative pathways made and used by the clerk's brain where one might find a Playboy magazine. However, common sense dictates that these two operations should not be taken as analogous under trademark law.

As the Ninth Circuit seems to have previously acknowledged, traditional frameworks for determining trademark infringement under a likelihood of confusion analysis do not fit well in the Internet context.¹⁰⁰ Their solution to the problem thus far seems to be the relatively new, and still developing, Second Circuit initial interest confusion doctrine. However, while the Ninth Circuit has clearly acknowledged the legitimacy of initial interest confusion as evidence of trademark infringement against many other circuits' reluctance or wholesale rejection, they also have continued to try to pigeonhole cases involving metadata into the traditional eight-factor likelihood of confusion analysis developed before the new Internet technologies of the 90s and beyond.¹⁰¹

In an attempt to reconcile the old frameworks for confusion and trademark with emergent Internet contexts, the Ninth Circuit has blurred

98. *Playboy Enters. v. Netscape Commc'ns Corp.*, 354 F.3d 1020, 1035 (9th Cir. 2004) (Berzon, J., concurring).

99. *Id.*

100. *Cf. Brookfield Commc'ns, Inc. v. W. Coast Entm't Corp.*, 174 F.3d 1036, 1061 n.24 (9th Cir. 1999).

101. Jason Allen Cody, *Initial Interest Confusion, What Ever Happened to Traditional Likelihood of Confusion Analysis?*, 12 *FED. CIR. BAR J.* 643, 682 (2002-2003).

the line between the traditional likelihood of confusion test and the neonate initial interest confusion test, creating an unclear path for determining confusion.¹⁰² In creating the initial interest confusion doctrine, courts have also created a lower standard of confusion than for the traditional likelihood of confusion analysis.¹⁰³ As seen in the noted case, when combined with one or more of the traditional likelihood of confusion factors of *Sleekcraft*, the initial interest confusion doctrine lowers the threshold for granting summary judgment. Even though in the noted case there was no factual dispute as to actual confusion or likelihood of confusion at the point of sale under the traditional *Sleekcraft* test, the claims survive the motion for summary judgment under the initial interest confusion doctrine.

First, this makes it tougher and arguably impossible for a defendant ever to be successful on a motion to grant summary judgment if a claimant pleads such an argument. Concurrently, it broadens the ability of companies to claim trademark infringement for search results and increase scope of trademark liability.¹⁰⁴ In the keyword advertising, metadata context, where likelihood of confusion is difficult to prove, trademark owners may increasingly alternatively plead infringement under the initial interest confusion doctrine because of the ease of showing that there is a question of fact.¹⁰⁵ Trademark owners can at the very least, allege infringement under this theory to survive a motion for summary judgment and proceed to trial where they might encounter a sympathetic jury.¹⁰⁶

Finally, although trademark law protects both consumers and trademark owners, its primary goal is to protect consumers.¹⁰⁷ The noted case suggests that a jury could find that a system facilitating customers in finding new or related products they might have not otherwise infringed a trademark, risking the elimination of such technology altogether. Does the judicial system really want to hinder customers from snagging deals on comparable products or customers finding shirts

102. Winnie Hung, *Limiting Initial Interest Confusion Claims in Keyword Advertising*, 27 BERKELEY TECH L.J. 647, 650 (2012) (“The . . . difficulty with the blurring of the two standards is that the court has essentially merged the two standards together, that actual confusion need not be met to show an issue of fact as to the likelihood of confusion.”).

103. *Id.*

104. See Jennifer E. Rothman, *Initial Interest Confusion: Standing at the Crossroads of Trademark Law*, 27 CARDOZO L. REV. 105, 141-42 (2005).

105. See Hung, *supra* note 102.

106. *Id.*

107. See, e.g., Rothman, *supra* note 104, at 112.

they like better while searching the web for a Calvin Klein shirt? I very much doubt it.

Casey J. Ebner*

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