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Cover Page Footnote

*J.D. candidate at Loyola Law School, Los Angeles, 2016; University of California, Irvine undergraduate. A special thanks to Professor Justin Hughes, whose teachings have grown my love of copyright from a kindle to a burning flame, and without whose comments and guidance, this Note would not be what it is. Also a special thanks to Professor Amber Madole, whose day-to-day editing and encouragement has motivated and inspired me beyond words.

SET THE STATUTES STRAIGHT: AMENDING THE LANHAM ACT TO DISPEL THE CONFUSION REGARDING REVERSE CONFUSION

INNA KAMINER*

The typical case of alleged trademark infringement, i.e., “forward confusion,” involves a larger and more established “senior user” and a smaller and less powerful “junior user.” The secondary junior user wrongfully uses the first senior user’s mark as its own, and thus benefits from the senior user’s more established goodwill. In ruling on a senior user’s trademark infringement claim, the court will use a set of “likelihood of confusion” factors to determine if consumers are confusing the junior user’s goods for that of the senior. Each circuit’s factors vary, but they are harmonious. The issue that this Note explores is the difficult and counterintuitive doctrine of reverse confusion.

Reverse confusion occurs when the junior user of a mark is larger and more powerful than the senior user. As the stronger secondary entity, the junior user is able to flood the market with advertisements about its good or service, and consumers purchase the senior user’s product upon the mistaken belief that it is that of the junior user.

At first, courts did not see the harm in reverse confusion. The less reputable senior user reaps a profit after all—what is the problem? The problem is that the senior user has spent time and money in branding its goods or services with a mark that the senior user wants to indicate as its source. When a powerful junior user adopts that mark, consumers believe that the mark indicates the junior user as the source of the goods, rather than the true smaller entity. This confusion harms the senior user’s goodwill and reputation.

Although all federal courts now recognize the doctrine of reverse confusion and the harm it imposes, this Note describes how far the courts

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have come and how far they still have yet to go. There is no coherent test, and the likelihood of confusion analysis in forward confusion does not outright apply in reverse confusion cases due to the inverse power relationship between the parties. Because the senior user is the weaker entity in a reverse confusion case, certain likelihood of confusion factors should be analyzed differently to take this into account. For example, in a typical forward confusion case the court considers the inherent and commercial strength of the senior user's mark. The stronger the mark, the greater the likelihood of confusion. If this analysis were to directly apply in reverse confusion, where the junior user is by definition the stronger entity, every senior user would lose on the strength of the mark factor. Therefore, the analysis in reverse confusion should be changed to consider the strength of the *junior user's* mark and its relative likelihood of confusion. Discreet, but consequential, modifications such as this will correct the likelihood of confusion analysis to ensure a consistent and just result in reverse confusion cases. Furthermore, this Note posits that legislative action is needed to statutorily define a uniform test.

Part I of this Note introduces the problematic realm of reverse confusion faced by the courts. Part II begins with the public policies underlying trademark law and explains a viable trademark infringement claim under the Lanham Act. Part III addresses consumer confusion in both the traditional forward confusion cases and reverse confusion cases. Additionally, Part III also discusses the inherent confusion and lack of clarity caused by inconsistent circuit court approaches. Part IV argues why reverse confusion is an important, separate, actionable claim. Lastly, Part V concludes that legislative action is needed to dispel the confusion regarding reverse confusion in the courts and sets forth the principles to adopt in amending the Lanham Act.

I. INTRODUCTION

Imagine this: you open a business, create a great product, find a catchy name, register it as a trademark, and enjoy considerable success as a result. Your product hits the marketplace and receives recognition; this product, called "Guys & Dolls," is your livelihood! One day, a new entity uses the name "Guys & Dolls" on its product. This new entity of "Guys & Dolls" (the "Junior User") is larger and financially greater than your small, but reputable company. The Junior User floods the market with advertisements for its new product. Next thing you know, its product is flying off the shelves and consumers are coming to you for the Junior User's product. Naturally, you inform the consumers that you do not carry

the Junior User’s “Guys & Dolls.” Rather, your “Guys & Dolls” is a completely different product. Because you do not carry the Junior User’s product, consumers feel cheated and leave you nasty reviews. But whom did you cheat?

Legally, you did nothing wrong. You created a product, found a creative name, received trademark registration, and used it for years before this Junior User ever entered the market with the same name. Still, your business, your name, and your very livelihood are now at stake. So, you decide to file suit for trademark infringement. The court, however, concludes that your claim is not viable because unlike a typical trademark infringement case, you are dealing with a case of reverse confusion. Unlike a typical forward confusion claim, where the senior user is the stronger entity, a reverse confusion claim involves a stronger junior entity.¹ Why should your business suffer simply because it is the weaker entity? This Note will address this very issue.

The Lanham Act (“the Act”) governs federal trademark protection.² Creating two statutory bases for any confusion-based claim, the Act provides for nationwide protection of a trademark against threats, such as the unauthorized reproduction or imitation of a trademark that is “likely to cause confusion, or to cause mistake, or to deceive.”³ A trademark protectable under the Lanham Act is:

[A]ny word, name, symbol, or device, or any combination thereof—(1) used by a person, or (2) which a person has a bona fide intention to use in commerce and applies to register on the principal register established by this Act, to identify and distinguish his or her goods, including a unique product, from those manufactured or sold by others and to indicate the source

1. Nancy Del Pizzo, Comment, *Developing a Uniform Test for “Reverse Confusion” Trademark Cases in the Sports & Entertainment Industries*, 14 SETON HALL J. SPORTS & ENT. L. 175, 175 (2004).

2. Lanham (Trademark) Act, 15 U.S.C. §§ 1051–1141n (2012).

3. Christina P. Mott, Note, *Multifactors, Multiconfusion? Refining “Likelihood of Confusion” Factors for Reverse-Confusion Trademark Infringement Claims to Achieve More Consistent and Predictable Results*, 47 SUFFOLK U. L. REV. 421, 422 & n.6 (2014) (explaining that section 32(1)(a) [15 U.S.C. § 1114] of the Lanham Act provides for remedies for infringement of registered trademarks, while section 43(a) [15 U.S.C. § 1125] of the Act is a parallel cause of action applying to unregistered rights); see 15 U.S.C. § 1114 (2012) (section 32 of the Lanham Act); *Id.* § 1125 (section 43 of the Lanham Act).

of the goods, even if that source is unknown.⁴

In order to recover damages or injunctive relief in a trademark infringement case, the court generally looks at (1) the inherent strength of the mark and (2) the likelihood of consumer confusion.⁵ In a typical likelihood of confusion case, known as “forward confusion,” the first or senior user alleges that a secondary or junior user is using the senior user’s mark, thus trading off the typically larger and more established senior user’s public goodwill.⁶ Take, for example, a Louis Vuitton knock-off emblazoned with “LV”: such a purse sold by a junior user will lead consumers to believe the product actually comes from the senior user, Louis Vuitton, because it bears the “LV” symbol. In reverse confusion, however, the senior user is the smaller and less powerful entity, alleging that the large and powerful junior user has confused the public as to the source of the product.⁷ Misperceiving the source of a product harms the senior trademark holder’s goodwill by diminishing the value of its mark.⁸ Consider the following example:

The plaintiff (senior user) makes widgets for a niche market segment under Brand B. Most widget-buyers have never heard of the plaintiff or of Brand B. The defendant (junior user) is a major, national widget manufacturer, well-known to the entire widget-buying population. The defendant launches a national advertising campaign introducing its new waterproof widget, which it calls the B Widget. Everyone is suddenly aware of B

4. 15 U.S.C. § 1127 (2012); *see also* David D. Mouery, Comment, *Trademark Law and the Bottom Line – Coke Is It!*, 2 BARRY L. REV. 107, 108–09 (2001); RESTATEMENT (THIRD) OF UNFAIR COMPETITION § 9 (1995).

5. *See* 111 MALLA POLLACK, AM. JUR. TRIALS § 10 (2009); *see also* Mott, *supra* note 3, at 435 (“The Act requires proving two factors before liability may attach: first, the mark must merit protection and second, the defendant’s use of the same or similar mark has caused a likelihood of confusion in the marketplace.”).

6. Del Pizzo, *supra* note 1, at 175.

7. Deborah F. Buckman, Annotation, *Reverse Confusion Doctrine Under Lanham Trademark Act*, 187 A.L.R. FED. 271 (2003) (discussing the differences between forward and reverse confusion and how the issue is fundamentally the same in both: whether a consumer would be confused as to the source of the products).

8. *Id.* at 287.

Widgets. New potential customers who come across the plaintiff's Brand B widgets think that the plaintiff is mimicking the defendant.⁹

Until 1977, no court had held reverse confusion to be actionable.¹⁰ Even thereafter, when the Third Circuit Court of Appeals acknowledged the doctrine of reverse confusion in 1994, its own district courts had refused to recognize such claims.¹¹ While circuit courts now recognize reverse confusion claims, the factors that apply vary from circuit to circuit, giving rise to inconsistencies.¹² Absent a definitive verdict by the Supreme Court establishing a succinct test, confusion regarding reverse confusion continues to grow.¹³ This Note argues that, given the level of incertitude, a judicially created test is not enough. Uniformity and clarification require legislative action to (1) make clear that reverse confusion is a separate, actionable claim under the Lanham Act and (2) set forth the elements required to prove a reverse confusion claim.

Part II of this Note begins with the public policies underlying trademark law and explains a viable trademark infringement claim under the Lanham Act. Part III addresses consumer confusion in both the traditional forward confusion cases and reverse confusion cases. Additionally, Part III also discusses the inherent confusion and lack of

9. POLLACK, *supra* note 5, § 7.

10. See Leah L. Scholer, Note, *Righting the Wrong in Reverse Confusion*, 55 HASTINGS L.J. 737, 747 (2004) ("The first court case to recognize reverse confusion as an actionable theory was *Big O Tire Dealers, Inc. v. Goodyear Tire & Rubber Co.* in 1977."); see also *Big O Tire Dealers, Inc. v. Goodyear Tire & Rubber Co.*, 561 F.2d 1365, 1372 (10th Cir. 1977); Buckman, *supra* note 7, at 288 (noting that the concept of reverse confusion, though not the designation, was recognized in 1918).

11. Del Pizzo, *supra* note 1, at 188 ("Although the Third Circuit Court of Appeals set forth these three promising exceptions for 'reverse confusion' cases, it is most disturbing that district courts within the circuit hearing 'reverse confusion' cases after the Circuit's lead case disregarded Circuit precedent.").

12. See *id.* at 186–202 (discussing several circuit courts' analyses and the different factors that each circuit uses in analyzing a reverse confusion case, thus causing confusion due to the lack of a uniform test); see also Scholer, *supra* note 10, at 739 ("In direct and reverse confusion cases, courts use varied multifactor tests to determine whether a 'likelihood of confusion' exists between the senior and junior users' marks.").

13. See Scholer, *supra* note 10, at 748 ("Although courts have grown more comfortable with the reverse confusion cause of action, not one has articulated an appropriate standard for fashioning a complete remedy under the Lanham Act.").

clarity caused by inconsistent circuit court approaches. Part IV argues why reverse confusion is an important, separate, actionable claim. Lastly, Part V concludes that legislative action is needed to dispel the confusion regarding reverse confusion in the courts and sets forth the principles to adopt in amending the Lanham Act.

II. BRIEF BACKGROUND

A. *The Purposes of Trademark Protection*

Trademark protection serves two primary purposes.¹⁴ First, trademarks prevent the use of identical or similar marks in the marketplace, which may confuse the consuming public as to the actual source of the goods.¹⁵ Second, trademarks “protect the goodwill that companies have built up in their trademarks.”¹⁶ “Congress recognized two groups who need trademark protection, consumers and trademark owners. Trademark protection assures that consumers receive an item from the intended originator, and that trademark owners retain the value of the resources they commit to building their mark and associated goodwill without others misappropriating their mark.”¹⁷ As a result, the public is protected from gimmicks “passed off” as the source of another’s work product, and manufacturers are protected from unauthentic attempts to use their name to indicate false source.¹⁸ Based on these public policies behind trademark protection, then, logic reasons that even if the senior user is the weaker user, its goodwill should still be protected against a stronger junior user.

B. *The Lanham Act*

The Lanham Act, enacted in 1946, “codifies the law of trademarks [and] protects the consuming public from confusion about the source of

14. Deborah F. Buckman, Annotation, *Reverse Confusion Doctrine Under Lanham Trademark Act*, 187 A.L.R. FED. 271, 286 (2003).

15. *Id.*

16. *Id.*

17. Leah L. Scholer, Note, *Righting the Wrong in Reverse Confusion*, 55 HASTINGS L.J. 737, 742 (2004) (citing S. REP. NO. 1333, at 3 (1946), as reprinted in 1946 U.S.C.C.A.N. 1274, 1274).

18. See *id.* at 742; see also Buckman, *supra* note 14, at 288.

products and services.”¹⁹ “Section 43(a) of the Lanham Act²⁰ prohibits, among other things, the use of any false designation of origin in connection with goods or services which is likely to cause confusion as to the origin of a person’s goods or services.”²¹ In order to have an infringement claim under the Lanham Act, there must be a protectable mark and a likelihood of consumer confusion.²²

Plaintiffs in trademark infringement cases must first prove they have rights to the mark to show that the mark is protectable.²³ To do so, the plaintiff must either produce a registration for the mark at issue on the principle register of the United States Patent and Trademark Office (“USPTO”)²⁴ or, for unregistered marks, prove common law rights.²⁵ Common law rights are established by showing that the mark has been used in commerce and proving that the mark is either “inherently distinctive” or has otherwise acquired “secondary meaning.”²⁶ Generally, marks are characterized using the *Abercrombie* scale, in order of ascending protectability: (1) generic, (2) descriptive, (3) suggestive, and (4) fanciful,

19. Buckman, *supra* note 14, at 271.

20. 15 U.S.C. § 1125 (2012).

21. Kurtis A. Kemper, Annotation, *Application of Doctrine of “Reverse Passing Off” Under Lanham Act*, 194 A.L.R. FED. 175, 175 (2004) (“One type of conduct may constitute a false designation of origin—‘reverse passing off’ or ‘reverse palming off’—which occurs when a producer misrepresents someone else’s goods or services as his or her goods or services.”).

22. 111 MALLA POLLACK, AM. JUR. TRIALS § 10 (2009); *see also* Christina P. Mott, Note, *Multifactors, Multiconfusion? Refining “Likelihood of Confusion” Factors for Reverse-Confusion Trademark Infringement Claims to Achieve More Consistent and Predictable Results*, 47 SUFFOLK U. L. REV. 421, 435 (2014) (“The Act requires proving two factors before liability may attach: first, the mark must merit protection and second, the defendant’s use of the same or similar mark has caused a likelihood of confusion in the marketplace.”).

23. *See* POLLACK, *supra* note 22.

24. *See* Eric G. Shupin, *Trademark Law Finally Showing its Age in the Federal Circuit: Senior Versus Junior Users in the Battle of Reverse Confusion*, 23 FED. CIR. B.J. 87, 92 (2013) (illustrating that, although registering a trademark with the USPTO is not required, the benefits of doing so include “public notice of ownership of the mark; the ‘exclusive right to use the mark nationwide on or in connection with the goods [and] services’ associated with the trademark; [and] the ‘ability to bring an action concerning the mark in federal court’”).

25. POLLACK, *supra* note 22, § 11.

26. *Id.*

and/or arbitrary.²⁷ Generic words have no protection as a mark.²⁸ If a word is deemed descriptive in this context, then it is not inherently distinctive, but may still be protectable if it acquires a secondary meaning over time.²⁹ “Secondary meaning” is an automatic association in the consumer’s mind between a mark and the source of the good or product it represents.³⁰ Secondary meaning is usually gained over time at the cost of the manufacturer’s marketing and advertising expenses to ensure that consumers associate this manufacturer with this particular product.³¹ Fanciful, arbitrary, or suggestive marks are afforded the highest protection.³² Once a plaintiff proves the rights to the mark, the next step is proving a likelihood of consumer confusion.³³

27. *Abercrombie & Fitch Co. v. Hunting World, Inc.*, 537 F.2d 4, 9 (2d Cir. 1976) (creating the four classes of trademarks); *accord*. *Two Pesos, Inc. v. Taco Cabana, Inc.*, 505 U.S. 763, 768 (1992) (upholding the *Abercrombie* classification, but splitting the last “arbitrary or fanciful” category into categories four and five, “arbitrary” and “fanciful”); *see also* Mott, *supra* note 22, at 436–37 (explaining that the *Abercrombie* court first established the four-category classification system, which the *Two Pesos* court later upheld but split into five categories).

28. 2 J. THOMAS MCCARTHY, MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION § 12:1 (4th ed. 2015).

29. *See Sunmark, Inc. v. Ocean Spray Cranberries, Inc.*, 64 F.3d 1055, 1060–61 (7th Cir. 1995) (explaining that a descriptive term can become a protectable trademark if it has become distinctive; this acquisition of distinctiveness is referred to as “secondary meaning”; and secondary meaning is a mental association in consumers’ minds between the asserted trademark and a single source of the product).

30. *See id.*

31. Nancy Del Pizzo, Comment, *Developing a Uniform Test for “Reverse Confusion” Trademark Cases in the Sports & Entertainment Industries*, 14 SETON HALL J. SPORTS & ENT. L. 175, 180 (2004).

32. Molly S. Cusson, Note, *Reverse Confusion: Modifying the Polaroid Factors to Achieve Consistent Results*, 6 FORDHAM INTELL. PROP. MEDIA & ENT. L.J. 179, 191–92 (1995) (“Arbitrary, fanciful or suggestive marks are afforded the highest level of protection, whereas generic names are not considered ‘marks’ and are therefore unprotectable.”).

33. *See* Thad G. Long & Alfred M. Marks, *Reverse Confusion: Fundamentals and Limits*, 84 TRADEMARK REP. 1, 1–2 (1994) (“To succeed on a trademark infringement claim under the Lanham Act, plaintiff must show a likelihood of confusion as to the source of the goods at issue. . . . Likelihood of confusion exists when consumers viewing the mark would probably assume that the product or service it represents is associated with the source of a different product or service identified by a similar mark.”).

III. AY, THERE'S THE RUB: CONSUMER CONFUSION

Whether there is a likelihood of consumer confusion as to the source of the goods at issue is the seminal question in trademark infringement cases. There are two types of consumer confusion: forward and reverse.³⁴

A. Forward Confusion

“Forward or direct confusion results when a consumer mistakenly believes that the junior user’s products are produced by or associated with the senior user.”³⁵ The typical test for forward confusion is the *Polaroid* test.³⁶ The *Polaroid* factors are: (1) the strength of the plaintiff’s trademark; (2) the similarity between the plaintiff’s and defendant’s marks; (3) the proximity of the products; (4) the likelihood that the senior owner will bridge the gap; (5) evidence of actual confusion; (6) the sophistication of the buyers; (7) the defendant’s good faith in adopting its mark; and (8) the quality of the defendant’s product.³⁷ The circuit courts of appeal, however, have each taken the test and altered it to their own accord; thus, each circuit’s factors are slightly different.³⁸ “[T]he ultimate question remains whether relevant consumers are likely to believe that the products or services offered by the parties are affiliated in some way.”³⁹

34. Deborah F. Buckman, Annotation, *Reverse Confusion Doctrine Under Lanham Trademark Act*, 187 A.L.R. FED. 271, 287 (2003).

35. Leah L. Scholer, Note, *Righting the Wrong in Reverse Confusion*, 55 HASTINGS L.J. 737, 737 (2004).

36. Although each circuit has its own variance of the *Polaroid* factors, this Note will use the *Polaroid* factors (referring to the first factors set forth for likelihood of confusion) for the sake of consistency.

37. *Polaroid Corp. v. Polarad Elecs. Corp.*, 287 F.2d 492, 495 (2d Cir. 1961).

38. See Nancy Del Pizzo, Comment, *Developing a Uniform Test for “Reverse Confusion” Trademark Cases in the Sports & Entertainment Industries*, 14 SETON HALL J. SPORTS & ENT. L. 175, 181 (“While *Polaroid* is considered the landmark decision on this issue for its enunciation of an eight-factor likelihood of confusion test, even the *Polaroid* court posited that other factors may be taken into account to determine whether there is a likelihood of confusion in a forward confusion case. As a result, various circuit courts have created their own tests, which while sometimes featuring fewer or more factors than those specified in *Polaroid*, remain fairly uniform in purpose.”).

39. 88 ELEANOR L. GROSSMAN, OHIO JUR. § 148 (3d ed. 2015) (citing *Future Lawn, Inc. v. Maumee Bay Landscape Contractors, L.L.C.*, 542 F. Supp. 2d 769, 777 (N.D. Ohio 2008)).

1. Analyzing the Forward Confusion Factors

The Second Circuit nicely detailed how to analyze the *Polaroid* factors of a typical confusion case in *Sports Authority, Inc. v. Prime Hospitality Corp.*, 89 F.3d 955 (2d Cir. 1996). As to the first factor—the strength of the mark—the *Sports Authority* court stated that the strength of a plaintiff’s mark is decided by its inherent distinctiveness as determined using the *Abercrombie* scale,⁴⁰ as well as by its commercial distinctiveness of the plaintiff’s mark in the marketplace.⁴¹ A registered mark is “presumed to be distinctive and should be afforded the utmost protection.”⁴² However, acquired distinctiveness is also important.⁴³

Because the strength of a trademark for the purposes of likelihood of confusion depends on “the interplay between conceptual and commercial strength,” inherent distinctiveness cannot be the only inquiry.⁴⁴ The longer a mark has been prominently used in commerce, the greater the likelihood that consumers will recognize it as indicating the origin of a good.⁴⁵ Consumer confusion results when a mark that has been long used to designate the source of one origin is used on another.⁴⁶ Typically, evidence of the commercial strength of a mark includes how long the mark has been used, the type and amount of advertising used to promote the mark, the prominence of the mark in advertising, the volume of sales, the area where

40. *Abercrombie & Fitch*, 537 F.2d at 9 (creating the four classes of trademarks: generic, descriptive, arbitrary and fanciful); *accord. Two Pesos*, 505 U.S. at 768 (upholding the *Abercrombie* classification, but splitting the fourth category of ‘arbitrary and fanciful’ into categories four and five, ‘arbitrary’ and ‘fanciful’).

41. *See Sports Auth., Inc. v. Prime Hospitality Corp.*, 89 F.3d 955, 962 (2d Cir. 1996) (stating that a mark’s “independent indicia of strength” is relevant to deciding whether the strength of the mark weighs in favor or against finding a likelihood of confusion under *Polaroid*); Del Pizzo, *supra* note 38, at 182 (describing how the court in *Sports Authority* examined the *Polaroid* factor of the strength of the mark).

42. *E. & J. Gallo Winery v. Consorzio Del Gallo Nero*, 782 F. Supp. 457, 462 (N.D. Cal. 1991).

43. *Virgin Enters. Ltd. v. Nawab*, 335 F.3d 141, 148 (2d Cir. 2003).

44. *Maker’s Mark Distillery, Inc. v. Diageo N. Am., Inc.*, 679 F.3d 410, 419 (6th Cir. 2012).

45. *Virgin Enters.*, 335 F.3d at 148.

46. *Id.*

the sales occur, “unsolicited media recognition of the mark, and dictionary listings of the word as a brand name.”⁴⁷

As to the second *Polaroid* factor—the similarity of the marks—courts examine the look, sound, and meaning of the plaintiff’s and defendant’s marks, as well as how the marks are used.⁴⁸ The marks must be compared in their entirety.⁴⁹ If both marks are identical, then the manner in which the parties use the marks is of greatest significance to this factor.⁵⁰ In deciding whether the marks are similarly used, courts look at how the marks are presented in the marketplace.⁵¹ Side-by-side comparisons are not used to distinguish the marks; rather, marks are compared in terms of the “overall commercial impression” that confusion as to the source of the goods or services offered under the respective marks is likely to result.⁵²

As to the third *Polaroid* factor—the proximity of the products—the *Sports Authority* court explained that this factor inspects the relationship between the channels through which the plaintiff and defendant buy or sell their product.⁵³ Courts consider whether the products compete directly and whether they share the same marketing channel.⁵⁴ Consumers are less likely to be confused when two users of a similar mark operate in wholly different markets, because there is no assumption that “their similarly branded products come from the same source.”⁵⁵ For example, no consumer would reasonably assume that Ferrari brand cars are associated

47. 111 MALLA POLLACK, AM. JUR. TRIALS § 15 (2009).

48. *E. & J. Gallo Winery*, 782 F. Supp. at 463.

49. POLLACK, *supra* note 47, § 16.

50. See 4 J. THOMAS MCCARTHY, MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION §§ 23:59, 23:60 (4th ed. 2015).

51. *Sports Auth.*, 89 F.3d at 962.

52. MCCARTHY, *supra* note 50, § 23:59 & n.1 (citing *Coach Servs., Inc. v. Triumph Learning LLC*, 668 F.3d 1356, 1368 (Fed. Cir. 2012)); see also *Louis Vuitton Malletier v. Dooney & Bourke, Inc.*, 454 F.3d 108, 117 (2d Cir. 2006) (finding the trial court inappropriately focused on the similarity of the marks in a side-by-side comparison instead of viewing them in the overall context of the marketplace).

53. *Sports Auth.*, 89 F.3d at 963.

54. *Id.*

55. *Virgin Enters.*, 335 F.3d at 150.

with Ferrari brand apples because those two products are completely unrelated. However, when the two users' marks operate in close areas of commerce, the consumer is more likely to mistake the second user's goods as coming from the first user.⁵⁶ For example, it would be reasonable for a consumer to be confused in believing that Ferrari brand cars are associated with Ferrari brand motorcycles because those products are at least somewhat related.

As to the fourth *Polaroid* factor—the likelihood that the senior user will bridge the gap—courts look at the likelihood that the plaintiff will enter defendant's primary business area.⁵⁷ In determining this likelihood, the court can further examine how likely “the average customer would perceive” the plaintiff would enter the defendant's business.⁵⁸ The more likely a plaintiff is to enter into the defendant's business area using its mark, the more likely consumers are to be confused as to the source of the mark's goods.⁵⁹ The absence of an intent to bridge the gap, however, does not negate a finding of a likelihood of confusion.⁶⁰

As to the fifth *Polaroid* factor—evidence of actual consumer confusion—the *Sports Authority* court explored whether the defendant's use of the mark may cause the plaintiff commercial injury.⁶¹ In addition to evidence of loss of sales, commercial injury is also determined by whether the defendant's use of the mark will “confuse[] the public into believing that the plaintiff actually sponsors [the] defendant's products.”⁶² “Actual confusion is normally proven through the use of direct evidence, i.e., testimony from members of the buying public, as well as through circumstantial evidence, e.g., consumer surveys or consumer reaction tests.”⁶³ Misdirected phone calls and results of consumer surveys are

56. *Id.*

57. Del Pizzo, *supra* note 38, at 183 (describing how the court in *Sports Authority* examined the *Polaroid* factor of bridging the gap).

58. *Id.*

59. *Id.*

60. *Mobil Oil Corp. v. Pegasus Petroleum Corp.*, 818 F.2d 254, 259 (2d Cir. 1987).

61. *See Sports Auth.*, 89 F.3d at 963.

62. Del Pizzo, *supra* note 38, at 183–84 (describing how the court in *Sports Authority* examined the *Polaroid* factor of actual confusion).

63. *Conopco, Inc. v. May Dep't Stores Co.*, 46 F.3d 1556, 1564 (Fed. Cir. 1994).

evidence that the plaintiff lost control over how the public perceives its product.⁶⁴ However, in *First Federal Savings & Loan Ass'n of Council Bluffs v. First Federal Savings & Loan Ass'n of Lincoln*, the circuit court explained that while surveys are direct and persuasive evidence of customer confusion, the court has never held that “such a survey is an essential ingredient of a successful service-mark or trademark claim.”⁶⁵ In fact, it is “black letter law” that to prevail on a trademark infringement claim, actual confusion need not be shown.⁶⁶

As to the sixth *Polaroid* factor—the sophistication of the buyers—the less sophisticated the buyers are of the plaintiff’s and defendant’s products, the more confusion is likely to exist.⁶⁷ However, “while price differences are important in determining the sophistication of customers, they are not dispositive.”⁶⁸ The general impression of the ordinary purchaser under normal purchasing conditions is assessed to examine the level of consumer sophistication in purchasing choices.⁶⁹ An ordinary purchaser, particularly one that buys inexpensive items on impulse, is most likely to be confused by similar marks.⁷⁰

As to the seventh *Polaroid* factor—the defendant’s good faith in adopting its mark—the issue is whether the defendant chose its mark with the intention of capitalizing on the plaintiff’s goodwill and reputation.⁷¹ This may include the defendant’s adoption of a mark similar to plaintiff’s mark with the intent to confuse consumers, thus benefiting from the

64. Del Pizzo, *supra* note 38, at 184 (describing how the court in *Sports Authority* examined the *Polaroid* factor of actual confusion).

65. *First Fed. Sav. & Loan Ass'n of Council Bluffs v. First Fed. Sav. & Loan Ass'n of Lincoln*, 929 F.2d 382, 384–85 (8th Cir. 1991).

66. *Best Cellars Inc. v. Grape Finds at Dupont, Inc.*, 90 F. Supp. 2d 431, 457 (S.D.N.Y. 2000).

67. *See* MCCARTHY, *supra* note 50, § 23:95.

68. *Arrow Fastener Co. v. Stanley Works*, 59 F.3d 384, 399 (2d Cir. 1995).

69. *Sports Auth.*, 89 F.3d at 965.

70. *See* Rich Stim, *Likelihood of Confusion: How Do You Determine If a Trademark is Infringing?*, NOLO, <http://www.nolo.com/legal-encyclopedia/likelihood-confusion-how-do-you-determine-trademark-infringing.html> [<http://perma.cc/TQE4-5CUU>].

71. *Best Cellars*, 90 F. Supp. 2d at 457.

plaintiff's goodwill.⁷² Other considerations include whether the defendant's mark is reflective of its product, whether the defendant conducted a trademark search prior to adoption of the mark, and whether defendant relied on legal advice in choosing its mark.⁷³ Intentional copying gives rise to a presumption of bad faith.⁷⁴ Further, constructive knowledge may signal bad faith.⁷⁵ Many courts have stated that the junior user has a "duty" to name and dress his good or service as to avoid consumer confusion with the senior user's product.⁷⁶

As to the eighth and final *Polaroid* factor—the quality of defendant's product—the court looks at whether the junior user's product is of inferior quality as compared to the plaintiff's product.⁷⁷ This factor is primarily concerned with whether the senior user's reputation could be jeopardized by virtue of the fact that the junior user's product is of inferior quality.⁷⁸ A plaintiff must provide evidence that the defendant's products are in fact inferior as compared to plaintiff's product.⁷⁹

2. Applying the Forward Confusion Factors

"While no one factor of the *Polaroid* test is dispositive to any one forward confusion case, a plaintiff that successfully argues more factors in its favor will prove a likelihood of confusion and ultimately win the case."⁸⁰ Although courts use different tests, the tests are mainly

72. See MCCARTHY, *supra* note 50, § 23:124.

73. Del Pizzo, *supra* note 38, at 184 (describing how the court in *Sports Authority* examined the *Polaroid* factor of good faith).

74. See *Perfect Fit Indus., Inc. v. Acme Quilting Co.*, 618 F.2d 950, 954 (2d Cir. 1980).

75. *Mobil Oil Corp.*, 818 F.2d at 259.

76. *Harold F. Ritchie, Inc. v. Chesebrough-Pond's, Inc.*, 281 F.2d 755, 758 (2d Cir. 1960).

77. Del Pizzo, *supra* note 38, at 184 (describing how the court in *Sports Authority* examined the *Polaroid* factor of quality of defendant's products).

78. See *Lois Sportswear, U.S.A., Inc. v. Levi Strauss & Co.*, 799 F.2d 867, 875 (2d Cir. 1986).

79. Del Pizzo, *supra* note 38, at 184.

80. *Id.* at 185.

harmonious.⁸¹ One might imagine that if each circuit greatly differed in its test, there would be more forum shopping to find a favorable result, but there is no evidence of this.

Courts face a problem when they apply the consumer confusion factors designed for forward confusion cases to reverse confusion cases.⁸² Forward confusion involves two “equal litigants,” and as such, the *Polaroid* factors are adequate to deal with this scenario.⁸³ In contrast, “because the reverse confusion doctrine involves a smaller, weaker senior user, the *Polaroid* factors, on their face, are not an adequate test for these cases.”⁸⁴

B. Reverse Confusion

Reverse confusion occurs “when a consumer mistakenly believes that both products are manufactured by or associated with the junior user.”⁸⁵ This problem arises when a larger, more powerful user adopts a trademark of a smaller, less powerful user, and therefore causes confusion as to the origin of the senior trademark user’s goods or services.⁸⁶ The harm from reverse confusion is the same as forward confusion to the extent that both involve “attempts to misappropriate another’s talents.”⁸⁷ Further, reverse confusion imposes the additional harm of depriving the senior user “the advertising value of its name” on the wrongly identified good, as well as the goodwill that would ordinarily come from the public’s knowledge of

81. See Christina P. Mott, Note, *Multifactors, Multiconfusion? Refining “Likelihood of Confusion” Factors for Reverse-Confusion Trademark Infringement Claims to Achieve More Consistent and Predictable Results*, 47 SUFFOLK U. L. REV. 421, 438–39 (2014).

82. Del Pizzo, *supra* note 38, at 186 (“Specifically, there is no one test that exists uniformly throughout the nation’s courts with which to properly analyze a ‘reverse confusion’ claim.”).

83. *Id.*

84. *Id.*

85. Scholer, *supra* note 35, at 737.

86. JANE C. GINSBURG ET AL., TRADEMARK AND UNFAIR COMPETITION LAW: CASES AND MATERIALS 430 (5th ed. 2013).

87. See Kurtis A. Kemper, Annotation, *Application of Doctrine of “Reverse Passing Off” Under Lanham Act*, 194 A.L.R. FED. 175, 187–88 (2004).

the true identity of the desired good.⁸⁸ Moreover, the ultimate purchaser of the product is harmed by the loss of knowledge as to, and possible deception regarding, the true source of the good.⁸⁹

The phenomenon of reverse confusion originally caused difficulties for the courts, which did not recognize reverse confusion as an actionable claim until the later half of the twentieth century.⁹⁰ Although the concept of reverse confusion was first alluded to as early as 1918, it was not judicially accepted until nearly sixty years later in 1977.⁹¹ In 1968, the Seventh Circuit Court of Appeals first addressed, but ultimately rejected, reverse confusion as a doctrine in *Westward Coach Manufacturing Co. v. Ford Motor Co.*⁹² There, Westward Coach Manufacturing Company (“Westward”) marketed its campers and trailers under breeds of horses, such as “Pinto” and “Mustang.”⁹³ Westward first used the name “Mustang” in 1960, and by 1967 the mark was federally registered. When Ford Motor Company (“Ford”), the leading car company in the nation at the time, came out with its “Mustang” sports car in 1962, Ford refused to rename it after learning of Westward’s mark.⁹⁴ Ford subsequently ran large advertisements that referred to its trucks as “Camper Specials,” adding to the confusion.⁹⁵ Although the facts plainly reflect a case of reverse

88. *Id.* at 188.

89. *Id.*

90. *See Mott, supra* note 81, at 442.

91. Molly S. Cusson, Note, *Reverse Confusion: Modifying the Polaroid Factors to Achieve Consistent Results*, 6 FORDHAM INTELL. PROP. MEDIA & ENT. L.J. 179, 186 (1995); *Int’l News Serv. v. Associated Press*, 248 U.S. 215, 247 (1918) (Holmes, J., concurring) (asserting that, in the ordinary case, the defendant is passing off their product as the plaintiff’s, but the same harm can occur vice versa, from the plaintiff falsely passing off its product as the defendant’s).

92. *Westward Coach Mfg. Co. v. Ford Motor Co.*, 388 F.2d 627, 632 (7th Cir. 1968) (holding that reverse confusion is not an actionable claim); *see also Mott, supra* note 81, at 442 n.97; Brent Folsom, *Reverse Confusion: Fundamentals and Limits*, 12 J. CONTEMP. LEGAL ISSUES 258, 259 (2001) (“Although these facts suggest a textbook reverse confusion case, the Seventh Circuit rejected Westward’s reverse confusion claim as possessing ‘no rational basis for support.’”).

93. *Westward Coach Mfg.*, 388 F.2d at 630.

94. *Id.*

95. *Id.* at 630–31.

confusion, the Seventh Circuit rejected the claim, holding that because Westward's mark was weak and only for trailers and campers, Westward had no claim against Ford for using the mark on a different good.⁹⁶ In ruling so, the court completely missed the "mark" on reverse confusion. The smaller size of Westward's campaign, though dwarfed by Ford's, did not dispel the fact that Westward had a federally registered, protectable mark. Accordingly, the court should have continued to analyze whether there was a likelihood of consumer confusion.

In the 1977 landmark case *Big O Tire Dealers, Inc. v. Goodyear Tire & Rubber Co.*, the Tenth Circuit Court of Appeals recognized reverse confusion as a doctrine and established the legal principle that a subsequent user of a mark (typically a larger user) could be held liable for infringement to an original user (typically a smaller user).⁹⁷ The *Big O Tire* court, however, did not establish a test for analyzing reverse confusion claims.⁹⁸ Since the *Big O Tire* decision, all circuit courts have recognized and adopted the doctrine of reverse confusion.⁹⁹

1. Why Reverse Confusion Was Not Originally Recognized

At first, courts did not readily recognize reverse confusion because the doctrine is counterintuitive to the idea that the junior user, acting as the typically weaker user, would want to target the goodwill created by the stronger senior user's mark.¹⁰⁰ In reverse confusion cases, however, the strength of the users is flipped. Because the junior user is the wealthier and more powerful user in such a case, the junior user has no desire to capitalize on the senior user's less established goodwill.¹⁰¹ This fact hurt

96. *Id.* at 635.

97. *Big O Tire Dealers, Inc. v. Goodyear Tire & Rubber Co.*, 561 F.2d 1365 (10th Cir. 1977) (holding that reverse confusion is actionable); *see also* Mott, *supra* note 81, at 442 (discussing the *Big O Tire* opinion); Folsom, *supra* note 92, at 259 ("The modern track for reverse confusion doctrine was laid by the landmark case *Big O Tire Dealers, Inc. v. Goodyear Tire & Rubber Co.*").

98. *Big O Tire Dealers*, 561 F.2d at 1371–72; Mott, *supra* note 81, at 442 (explaining that the *Big O Tire* court did not create a framework for reverse confusion cases other than the typical forward confusion framework).

99. Mott, *supra* note 81, at 442.

100. *See* *Sands, Taylor & Wood Co. v. Quaker Oats Co.*, 978 F.2d 947, 957 (7th Cir. 1992).

101. *Fisons Horticulture, Inc. v. Vigoro Indus., Inc.*, 30 F.3d 466, 480 (3d Cir. 1994)

the senior user's claim; without the intent to trade on the senior user's goodwill, courts were not willing to recognize a junior user's bad intent in adopting the mark.¹⁰² Furthermore, by virtue of the senior user being the lesser-known user, the commercial strength of its mark would be deemed weaker than the junior user's.¹⁰³ Consequently, in analyzing the strength of the mark, the senior user would lose.¹⁰⁴

The confusion that the senior user's mark is affiliated with the well-recognized junior user also makes it less likely that the senior user suffered harm by a loss in sales (indeed, sales may have increased because of the mistaken affiliation).¹⁰⁵ Nevertheless, reverse confusion still harms the senior user by diminishing the value of the senior user's trademark, diluting the senior user's product identity and corporate identity, stripping much of the senior user's control over its goodwill or reputation, and negatively affecting the senior user's ability to move into new markets.¹⁰⁶ Once courts started recognizing that a weaker senior user was in fact harmed by a junior user's adoption of its mark, reverse confusion became actionable.¹⁰⁷

One of the problems in developing a coherent reverse confusion analysis is that the *Polaroid* court listed the forward confusion factors, but never defined them (even in the forward confusion analysis).¹⁰⁸ Hence, the

("[T]he junior user [in a reverse confusion case] does not seek to trade on the good will and name of the senior user; instead he overwhelms it.").

102. See *id.* at 479–80 (concluding the relevant inquiry in reverse confusion is not the junior user's intent to appropriate the senior user's goodwill, but rather the junior user's carelessness toward confusion in adopting the mark).

103. See, e.g., *id.* at 479.

104. *Id.* ("[I]n a case of reverse confusion, the evidence of commercial strength is different from what we expect in a case of forward confusion, where the junior user tries to palm off his goods as those of the senior user. . . . In reverse confusion, the junior user is typically a wealthier, more powerful company who can overwhelm the market with advertising. An aggressive junior user may thereby achieve greater commercial strength in a short period of time than the senior user has after years of marketing its product.").

105. Joel R. Feldman, Note, *Reverse Confusion in Trademarks: Balancing the Interests of the Public, the Trademark Owner, and the Infringer*, 8 J. TECH. L. & POL'Y 163, 169 (2003).

106. *Sands, Taylor & Wood*, 978 F.2d at 957–58.

107. *Fisons Horticulture*, 30 F.3d at 474–75.

108. Cusson, *supra* note 91, at 196.

means for applying the factors have “subsequently been developed and defined throughout case law in each of the circuits, thereby producing inconsistent results.”¹⁰⁹ Another problem arises when courts use the forward confusion factors for reverse confusion claims since, as this Note discussed, the two situations confront distinct issues.¹¹⁰ “While some circuit courts analyzing instances of reverse confusion apply a similar framework to that used in forward-confusion cases, only recently have all circuits recognized the reverse-confusion phenomenon, and some have no framework in place whatsoever to analyze these cases.”¹¹¹

2. Reverse Confusion Factors as Applied

As previously noted, each circuit court has its own analysis of factors for reverse confusion.¹¹² For example, in 1995, the Second Circuit determined that, for purposes of reverse confusion, it is the junior user’s commercial strength and the junior user’s bad faith efforts in investigating previous use of the mark and/or knowledge of such use that is particularly important.¹¹³ Then, in 1998, the Second Circuit held that reverse confusion was actionable under the Lanham Act in *Banff, Ltd. v. Federated Department Stores, Inc.*¹¹⁴ Establishing reverse confusion as an actionable doctrine is a significant development because the power imbalance between the senior and junior users is addressed to reach a just result.

In 1994, the Third Circuit in *Fisons Horticulture, Inc. v. Vigoro Industry, Inc.* stated, “Although we have not yet adopted the doctrine of

109. *Id.*

110. *Id.* at 197 (applying forward confusion factors to reverse confusion situations “overlook[s] that the two are distinct from one another and, as such, should not be identically analyzed”).

111. Mott, *supra* note 81, at 442.

112. Del Pizzo, *supra* note 38, at 186–202.

113. *Sunenblick v. Harrell*, 895 F. Supp. 616, 626 (S.D.N.Y. 1995), *aff’d*, 101 F.3d 684 (2d Cir. 1996) (“[I]n a reverse confusion case, exactly which trademark is the relevant one to examine when considering the strength of the mark? The court holds that it is logical to examine the strength of the junior user’s mark.”).

114. *Banff, Ltd. v. Federated Dep’t Stores, Inc.*, 841 F.2d 486, 491 (2d Cir. 1988) (“[W]e hold that reverse confusion—perhaps the primary type of confusion involved in this case—is actionable under § 43(a) of the Lanham Act.”).

reverse confusion in a trademark case, we do so here.”¹¹⁵ The court went on to use its forward confusion test¹¹⁶ with three exceptions applicable to reverse confusion cases.¹¹⁷ The exceptions analyze both the strength of the mark and the junior user’s good faith.¹¹⁸ First, in reverse confusion, the commercial strength of the senior user’s mark is not as important as it is in forward confusion.¹¹⁹ Rather, it is the commercial strength of the junior user’s mark that is of importance.¹²⁰ Second, the court found that because the junior user’s mark is usually commercially stronger than the senior user’s mark, the inherent strength (i.e., distinctiveness) of the senior user’s mark should be given more consideration than its commercial strength.¹²¹ Finally, the court concluded that because the junior user is not trying to benefit from the senior user’s goodwill, the good faith intent factor in reverse confusion should be analyzed as whether the junior user was “careless” in its search of previous users of a similar trademark and whether the junior user followed through with its investigation if it found there were such companies.¹²² Despite these promising exceptions set forth by the Third Circuit Court of Appeal, at least two district courts (within the circuit) that subsequently heard reverse confusion cases have disregarded the precedent.¹²³

115. *Fisons Horticulture*, 30 F.3d at 475.

116. POLLACK, *supra* note 47, § 14 (“The Third Circuit uses the 10 *Lapp* factors.”) (citing *Interpace Corp. v. Lapp, Inc.*, 721 F.3d 460 (3d Cir. 1983)).

117. *See Fisons Horticulture*, 30 F.3d at 475–81.

118. *Id.* at 478–80.

119. *Id.* at 478–79.

120. *Id.*

121. *See id.* at 479 (“The district court, in treating this case like one of forward confusion, put great emphasis on the lack of commercial strength of Fisons’ mark and virtually none on its distinctiveness. In reverse confusion, the mark of the senior user is typically weaker commercially than that of the junior user. On remand, the strength of Fisons’ mark will have to be reevaluated in light of our adoption of reverse confusion and its distinctiveness as well as its commercial strength will have to be considered.”).

122. *Id.* at 480 (concluding that the appropriate intent inquiry here is more akin to the one identified in *Lapp*: “while it may have acted innocently, was [the junior user] careless in not conducting a thorough name search for American uses of the name”? (citing *Lapp*, 721 F.2d at 463)).

123. Del Pizzo, *supra* note 38, at 188 & n.69 (collecting district court cases within the

The Seventh Circuit recognized reverse confusion as a redressable injury in 1992 in *Sands, Taylor & Wood Co. v. Quaker Oats Co.*¹²⁴ There, the court took its forward confusion seven-factor likelihood of confusion test¹²⁵ and developed two tweaks to be used in reverse confusion cases.¹²⁶ First, similar to the Third Circuit, the Seventh Circuit stated that it is the commercial strength of the junior user's mark that is important rather than the commercial strength of the senior user's mark.¹²⁷ Second, the court postulated that when determining the "bad faith" factor, the question to be asked is whether the junior user knew of the senior user's use of the mark, but proceeded to use it anyway as a showing of bad faith.¹²⁸

In 1994, the Eighth Circuit held that the Lanham Act's likelihood of confusion language was broad enough to encompass reverse confusion.¹²⁹ However, the court did not give guidance regarding the reverse confusion analysis.¹³⁰ In the 1997 case *Dream Team Collectibles, Inc. v NBA Properties, Inc.*, the district court, pursuant to the Eighth Circuit's recognition of reverse confusion, took its six-factor forward confusion

Third Circuit disregarding the *Fisons Horticulture* analysis).

124. *Sands, Taylor & Wood*, 978 F.2d at 958.

125. POLLACK, *supra* note 47, § 14 ("The Seventh Circuit lists seven factors: (1) the similarity of the marks; (2) the similarity of the products; (3) the area and manner of concurrent use; (4) the degree of care likely to be used by consumers; (5) the strength of the plaintiff's mark; (6) whether any actual confusion exists; and (7) the defendant's intent to palm off its goods as those of the plaintiff.") (citing *Promatek Indus., Ltd. v. Equitrac Corp.*, 300 F.3d 808 (7th Cir 2002)).

126. *Sands, Taylor & Wood*, 978 F.2d at 959–61.

127. *Id.* at 959 ("In a reverse confusion case, then, it may make more sense to consider the strength of the mark in terms of its association with the junior user's goods."); *see also* Buckman, *supra* note 34, at 292.

128. *See Sands, Taylor & Wood*, 978 F.2d at 961 ("In a reverse confusion case, of course, the defendant by definition is *not* palming off or otherwise attempting to create confusion as to the source of his product. Thus, the 'intent' factor of the likelihood of confusion analysis is essentially irrelevant in a reverse confusion case. As the district court noted, however, '[a] finding of fraudulent intent or bad faith is not essential to prove infringement where likelihood of confusion already exists.'").

129. *Minn. Pet Breeders, Inc. v. Schell & Kampeter, Inc.*, 41 F.3d 1242, 1246 (8th Cir. 1994).

130. *Id.*

test¹³¹ and altered it for reverse confusion cases.¹³² Much like the Third and Seventh Circuits, the Eighth Circuit held that the junior user's commercial strength is relevant to the analysis, over the senior user's commercial strength, and that the junior user's bad faith should be examined to determine if the junior user searched for or knew of the senior user's mark prior to adoption.¹³³ The Eighth Circuit further observed that the relatedness of the products is not as significant a factor in a reverse confusion case because the consumers might associate the smaller plaintiff senior user's mark with the larger defendant user's mark, even on unrelated products.¹³⁴

Even with developing recognition of reverse confusion, there are circuits that do not have a workable framework for these cases, resulting in judicial inconsistencies.¹³⁵ For instance, in 1987 the Sixth Circuit recognized reverse confusion in *Ameritech, Inc. v. American Information Technologies Corp.*, stating that Ohio had a long history of protecting trademark owners from forward confusion and the same policy interests are involved in reverse confusion.¹³⁶ The appellate court explained, "The senior user's interests in the trademark can be suffocated by the junior user who takes the trademark as his own; and consumers can be confused that the senior user's products come from the junior user or that the senior has

131. POLLACK, *supra* note 47, § 14 ("The Eighth Circuit lists six factors: (1) the strength of the plaintiff's mark; (2) the similarity between the plaintiff's and defendant's marks; (3) the degree to which the allegedly infringing product competes with the plaintiff's goods; (4) the alleged infringer's intent to confuse the public; (5) the degree of care reasonably expected of potential customers; and (6) evidence of actual confusion." (citing *SquirtCo v. Seven-Up Co.*, 628 F.2d 1086 (8th Cir. 1980))).

132. *Dream Team Collectibles, Inc. v. NBA Props., Inc.*, 958 F. Supp. 1401, 1411 (E.D. Mo. 1997) ("The test for infringement remains likelihood of confusion. Nevertheless, the Court's analysis of the . . . factors must be modified, as necessary, in a case of reverse confusion.").

133. *Id.* at 1412, 1415 ("In a reverse confusion case, analysis of a mark's distinctiveness in the marketplace—its commercial strength—is of considerably less significance than in a forward confusion case.").

134. *Id.* at 1414 ("Although the Court must analyze the degree to which goods compete in evaluating the likelihood of confusion, the significance of this factor may decrease in a case of reverse confusion.").

135. See, e.g., *Ameritech, Inc. v. Am. Info. Techs. Corp.*, 811 F.2d 960 (6th Cir. 1987); *Big O Tire Dealers*, 561 F.2d 1365.

136. *Ameritech*, 811 F.2d at 966.

become associated with the junior.”¹³⁷ Yet, despite recognizing the distinct issue of a stronger secondary user, the Sixth Circuit later used the same analysis for forward and reverse confusion, causing inconsistent and unjust results.¹³⁸

In another example, as noted above, in 1977 the Tenth Circuit held that reverse confusion was actionable in *Big O Tire Dealers, Inc. v. Goodyear Tire & Rubber Corp.*, but did not set forth unique analyses or exceptions to their forward confusion test for likelihood of confusion.¹³⁹

As each circuit applies a different analysis to reverse confusion, litigation results differ depending on the forum.¹⁴⁰ The Supreme Court has not yet taken a case on certiorari, and thus is yet to set a definitive test for reverse confusion.¹⁴¹ Unfortunately, because not all circuits have developed a consistent approach,¹⁴² weaker senior users do not always get the protection they deserve.

IV. WHY REVERSE CONFUSION PROTECTION IS IMPORTANT

A clear and coherent test to analyze reverse confusion is necessary in order to protect senior users that are smaller, less powerful entities in comparison to the junior users.¹⁴³ Under reverse confusion, because the junior user is using the same or similar trademark as the senior user, the public might incorrectly perceive that the senior user is trading off the goodwill of the junior user when it is the senior user who was the first to use the mark.¹⁴⁴ “The result is that the senior user loses the value of the

137. *Id.*

138. *Therma-Scan, Inc. v. Thermoscan, Inc.*, 295 F.3d 623, 631 (6th Cir. 2002) (applying the forward confusion factors analysis to a case of reverse confusion).

139. *See generally Big O Tire Dealers*, 561 F.2d 1365.

140. *See Sands, Taylor & Wood*, 978 F.2d at 958 n.12.

141. *See id.*

142. *See Mott, supra* note 81, at 443–44.

143. *See* Nancy Del Pizzo, Comment, *Developing a Uniform Test for “Reverse Confusion” Trademark Cases in the Sports & Entertainment Industries*, 14 SETON HALL J. SPORTS & ENT. L. 175, 186 (2004).

144. *Sands, Taylor & Wood Co. v. Quaker Oats Co.*, 978 F.2d 947, 957 (7th Cir. 1992).

trademark—its product identity, corporate identity, control over its goodwill and reputation, and ability to move into new markets.”¹⁴⁵

If more powerful junior users can use and appropriate whichever marks they want, then the trademark protection afforded to the trademark holder’s goodwill would be worthless to smaller users.¹⁴⁶ Furthermore, if reverse confusion is not properly addressed, there would be no incentive for junior users to pay senior users for the right to use their trademark—it is cheaper to infringe when the senior user has no actionable basis.¹⁴⁷ If the law were limited to situations of traditional trademark infringement, i.e., forward confusion, anyone with adequate size and resources could adopt any mark and develop a new meaning for it as identification of its own products.¹⁴⁸

Without redressability for reverse confusion, not only are weaker senior users harmed, but consumers are as well.¹⁴⁹ If the junior user’s goods are of inferior quality to that of the senior user, then confused consumers will associate the inferiority with the senior user’s mark and may never have the confusion dispelled.¹⁵⁰ The confusion then hurts the senior user further by turning the senior user’s mark “from an asset of goodwill into a liability of ill will” when the consumers believe that the senior user is passing off the junior user’s goods as its own.¹⁵¹

Reverse confusion results in precisely the type of harm to trademark

145. *Id.*

146. 111 MALLA POLLACK, AM. JUR. TRIALS, § 7 (2009) (“[R]everse confusion protects smaller senior users . . . against larger, more powerful companies who want to use identical or confusingly similar trademarks. . . . Absent reverse confusion, a company with a well established trade name and with the economic power to advertise extensively would be immunized from suit for a product name taken from a competitor.”).

147. *See id.* (“[W]ithout the existence of such a [reverse confusion] claim, smaller business owners might not have any incentive to invest in their marks at all, for fear the mark could be usurped at will by a larger competitor.”).

148. Deborah F. Buckman, *Reverse Confusion Doctrine Under Lanham Trademark Act*, 187 A.L.R. FED. 271, 288 (2003).

149. Leah L. Scholer, Note, *Righting the Wrong in Reverse Confusion*, 55 HASTINGS L.J. 737, 738 (2004).

150. *Id.*

151. *Id.*

owners and consumers that the Lanham Act sought to protect.¹⁵² This includes the protection from deception as to the source of goods, reaping where one has not sown, and tarnishing the goodwill and reputation of the senior user.¹⁵³ “By failing to recognize reverse confusion or refusing to modify existing forward-confusion analyses, courts not only deprive many small businesses . . . from a cause of action to defend their marks against larger users, but also hinder consumers from making informed decisions in choosing products.”¹⁵⁴

As there is no consistent and clear test applied by the courts, the best way to dispel confusion regarding reverse confusion is through legislative action to amend the Lanham Act. Amending the Act would solve two problems. First, reverse confusion would be statutorily recognized as a separate cause of action (distinct from traditional forward confusion), and second, the factors for analyzing a reverse confusion claim would be fixed and defined (thereby establishing uniformity).¹⁵⁵ Affording reverse confusion claims their own uniform test benefits all: parties would be better able to gage their cases and prepare for court, forum shopping would be deterred, and confusion among the consuming public would be reduced.¹⁵⁶ Perhaps most importantly, “a smaller company that invests its time, energy, and finances into product development, trademark procurement, and product launch will have a viable cause of action should a larger, more

152. See 15 U.S.C. § 1125 (2012); S. REP. NO. 1333, at 3 (1946), as reprinted in 1946 U.S.C.C.A.N. 1274, 1274.

153. Scholer, *supra* note 149, at 742 (“Trademark protection assures that consumers receive an item from the intended originator, and that trademark owners retain the value of the resources they commit to building their mark and associated goodwill without others misappropriating their mark.”).

154. Christina P. Mott, Note, *Multifactors, Multiconfusion? Refining “Likelihood of Confusion” Factors for Reverse-Confusion Trademark Infringement Claims to Achieve More Consistent and Predictable Results*, 47 SUFFOLK U. L. REV. 421, 450 (2014).

155. See Molly S. Cusson, Note, *Reverse Confusion: Modifying the Polaroid Factors to Achieve Consistent Results*, 6 FORDHAM INTELL. PROP. MEDIA & ENT. L.J. 179, 233 (1995) (arguing for “courts to recognize reverse confusion as its own unique legal paradigm, distinct from direct confusion, and to formulate a test specific for the reverse confusion situation”). This Note asserts going beyond judicial recognition, to legislative action.

156. Mott, *supra* note 154, at 450 (“Creating and implementing a more uniform reverse-confusion framework will not only improve judicial economy in trademark law, but will also reduce forum shopping and improve consumer confidence in our economic and legal systems.”).

powerful company poach on its mark.”¹⁵⁷

V. PROPOSED SOLUTIONS

A. Reverse Confusion Factors as They Should be Analyzed

For purposes of reverse confusion, once it is established that the senior user is a mark holder with a protectable mark, an analysis of the likelihood of consumer confusion should follow. The likelihood of consumer confusion should be analyzed using the existing *Polaroid* factors, however some factors should be modified to deal with reverse confusion where the senior user is weaker and the stronger junior user is not trying to capitalize off of the senior user’s goodwill.¹⁵⁸ Amending the Lanham Act is necessary where, as here, the circuits apply different factors for both traditional forward confusion and reverse confusion. Unless amended by legislation, judicial attempts to adopt a uniform reverse confusion test will not be successful, as the courts already do not agree on a test for the more common forward confusion cases.¹⁵⁹

A reverse confusion analysis using the eight *Polaroid* factors to determine the likelihood of consumer confusion is proposed as follows. For factor one, strength of the mark, the courts should focus on the commercial strength of the junior user’s mark and not the commercial strength of the senior user’s mark.¹⁶⁰ Focusing the factor in this way is more practical in reverse confusion; because the junior user is the stronger party, a senior user would therefore almost always lose on this factor.¹⁶¹

157. Del Pizzo, *supra* note 143, at 207.

158. Molly S. Cusson, Note, *Reverse Confusion: Modifying the Polaroid Factors to Achieve Consistent Results*, 6 FORDHAM INTELL. PROP. MEDIA & ENT. L.J. 179, 233–34 (1995) (“The best method for analyzing reverse confusion is to *borrow* the factors from the direct confusion *Polaroid* likelihood of confusion test and modify them to fit into the reverse confusion context.”).

159. *See id.* at 234 (observing circuit inconsistencies regarding the *Polaroid* factors even in direct confusion cases).

160. *Sands, Taylor & Wood Co. v. Quaker Oats Co.*, 978 F.2d 947, 959 (7th Cir. 1992) (“In a reverse confusion case, then, it may make more sense to consider the strength of the mark in terms of its association with the junior user’s goods.”); *see Cusson, supra* note 158, at 238.

161. Nancy Del Pizzo, Comment, *Developing a Uniform Test for “Reverse Confusion” Trademark Cases in the Sports & Entertainment Industries*, 14 SETON HALL J. SPORTS & ENT. L. 175, 205 (2004).

Focusing on the junior user's commercial strength instead can better bring to light the senior user's injury.¹⁶² Finally, a finding of a strong junior mark leans towards the showing of likelihood of confusion.¹⁶³ However, the court should still look at the senior user's inherent strength of the mark, as done in the usual forward confusion analysis that uses the *Abercrombie* factors.¹⁶⁴

Factor two, the similarity of the marks, should be analyzed in much the same fashion as the forward confusion analysis. However, this factor should not be given too much importance.¹⁶⁵ As the Eighth Circuit posited, consumers may associate the senior user's mark with the junior user's mark even if the products are completely different.¹⁶⁶

Factor three, proximity of the mark, should be analyzed under the same forward confusion analysis: observe the channels through which the parties buy and sell their goods and analyze "whether the products compete directly and share the same channel."¹⁶⁷

Factor four, bridging the gap, should also be analyzed like forward confusion.¹⁶⁸ If a plaintiff is unable to show that it will enter the defendant's market, however, this should not be the final nail in the coffin.¹⁶⁹ As the senior user in reverse confusion cases is the weaker user, it is likely that it is not able to or do not plan to expand.¹⁷⁰ This is precisely

162. *Id.*

163. *See Sands, Taylor & Wood*, 978 F.2d at 959.

164. Del Pizzo, *supra* note 161, at 205.

165. Christina P. Mott, Note, *Multifactors, Multiconfusion? Refining "Likelihood of Confusion" Factors for Reverse-Confusion Trademark Infringement Claims to Achieve More Consistent and Predictable Results*, 47 SUFFOLK U. L. REV. 421, 449 (2014).

166. Del Pizzo, *supra* note 161, at 205.

167. *Id.*; *see also* Mott, *supra* note 165, at 449.

168. *See* Cusson, *supra* note 158, at 235 (asserting no dramatic altering to reverse confusion is necessary because the bridging the gap factor "has been fairly consistently applied").

169. *See* Del Pizzo, *supra* note 161, at 205–06; Cusson, *supra* note 158, at 235 (advising to analyze Bridging the Gap "in conjunction with Proximity of the Products, taking into account not only the stated intentions of the senior user to expand, but also the probability that the two products are so closely related that the consumers will perceive them as emanating from the same source, thereby conceptually bridging the gap in their own minds").

170. Cusson, *supra* note 158, at 235.

why the factors for reverse confusion should be analyzed differently than forward confusion.

Factor five, actual confusion, should be reviewed just as it is in forward confusion.¹⁷¹ The relevant inquiry in reverse confusion, however, is not whether the public believes the defendant's goods are affiliated with the plaintiff, but whether the public believes that the plaintiff's goods are affiliated with the defendant.¹⁷² Again, this is because in reverse confusion, the plaintiff is the weaker user by definition and therefore has less recognition, while the defendant is the stronger user and floods the market. Accordingly, consumers are more aware of the defendant's goods than the plaintiff's goods.¹⁷³

Factor six, good faith, should not be analyzed under the normal intent analysis of forward confusion.¹⁷⁴ A widely-recognized and stronger junior user would not want to trade off of the senior user's weaker goodwill.¹⁷⁵ Therefore, the relevant inquiries here should be whether the defendant conducted a search to see if the trademark was already in use, whether it relied on legal counsel in adopting the mark, and whether it continued to adopt the mark despite knowing that the senior user was already using it.¹⁷⁶

Factor seven, quality of the goods, should also be analyzed like forward confusion, inquiring whether defendant's product is inferior quality and therefore tarnishing the plaintiff's reputation.¹⁷⁷

Factor eight, the sophistication of the parties' consumers, should be analyzed similarly to forward confusion.¹⁷⁸ The less sophisticated the senior user's consumer, the greater chance there is a likelihood of

171. *Id.* at 239; *see also* Mott, *supra* note 165, at 449 ("Actual confusion is arguably the best indicator of likelihood of confusion . . .").

172. *Dream Team Collectibles, Inc. v. NBA Props., Inc.*, 958 F. Supp. 1401, 1415 (E.D. Mo. 1997) ("To establish actual confusion in a reverse confusion case, the Second Circuit has held that the only relevant confusion is a belief by the senior user's purchasers or prospective purchasers that the senior user's product was produced by or affiliated with the junior user.").

173. Del Pizzo, *supra* note 161, at 206.

174. *See* Cusson, *supra* note 158, at 236–37.

175. Del Pizzo, *supra* note 161, at 206; *see also* Cusson, *supra* note 158, at 237.

176. *Fisons Horticulture, Inc. v. Vigoro Indus., Inc.*, 30 F.3d 466, 480 (3d Cir. 1994).

177. Del Pizzo, *supra* note 161, at 206–07.

178. Cusson, *supra* note 158, at 234.

confusion.¹⁷⁹

Finally, it must be highlighted that just as in forward confusion, none of these factors alone should be dispositive.¹⁸⁰ Yet a plaintiff who is able to prove a majority of these factors should be able to evince the likelihood of reverse consumer confusion and ultimately prevail.¹⁸¹

B. The Proposed Legislative Amendment

The best solution to accomplishing a clear and consistent reverse confusion analysis is to have reverse confusion in the Lanham Act. Sections 32 and 43 of the Lanham Act (under “likely to cause confusion”) should be amended to additionally apply to situations where a weaker senior user finds that its goods or services are being confused with that of a stronger junior user. Moreover, the Act should set forth the factors applicable to each type of confusion. In reverse confusion cases, courts should adjust their analysis as posited in this Note. Further statutorily defining the relevant considerations under each factor would be phenomenal, but is not essential because further inquiry, if any, would be specific to the facts before the court.

Legislative action in amending the Lanham Act is the best way to dispel the confusion regarding reverse confusion because it would settle two separate but important issues. It is imperative to establish reverse confusion as a separate actionable claim and under such a claim, to define the factors in analyzing consumer confusion.¹⁸² In this manner, the courts can follow a coherent uniform test, producing consistent and more predictable results.

VI. CONCLUSION

Reverse confusion was first alluded to in 1918¹⁸³ and was officially

179. Del Pizzo, *supra* note 161, at 207.

180. *Id.*

181. *Id.*

182. Cusson, *supra* note 158, at 233.

183. Molly S. Cusson, Note, *Reverse Confusion: Modifying the Polaroid Factors to Achieve Consistent Results*, 6 FORDHAM INTELL. PROP. MEDIA & ENT. L.J. 179, 186 (1995); *Int'l News Serv. v. Associated Press*, 248 U.S. 215, 247 (1918) (Holmes, J., concurring).

recognized by a federal court in 1977.¹⁸⁴ Despite all circuit courts recognizing the doctrine of reverse confusion in the decades following, there is still no uniform test or application of factors set forth to deal with such a claim.¹⁸⁵ Therefore, the Lanham Act should be amended as proposed in this Note in order to clearly indicate that under the “likelihood of confusion” statute there are two separate actionable bases: forward confusion and reverse confusion. Further, the Act must articulate and define the factors to be considered under each claim. Legislative action in this way would dispel the confusion regarding reverse confusion—whether in the judiciary, the trademark office, or in business practices.

184. *Big O Tire Dealers, Inc. v. Goodyear Tire & Rubber Co.*, 561 F.2d 1365 (10th Cir. 1977) (holding that reverse confusion is actionable); *see also* Christina P. Mott, Note, *Multifactors, Multiconfusion? Refining “Likelihood of Confusion” Factors for Reverse-Confusion Trademark Infringement Claims to Achieve More Consistent and Predictable Results*, 47 SUFFOLK U. L. REV. 421, 442 (2014) (discussing the *Big O Tire* opinion); Brent Folsom, *Reverse Confusion: Fundamentals and Limits*, 12 J. CONTEMP. LEGAL ISSUES 258, 259 (2001) (“The modern track for reverse confusion doctrine was laid by the landmark case *Big O Tire Dealers, Inc. v. Goodyear Tire & Rubber Co.*”).

185. *See* Nancy Del Pizzo, Comment, *Developing a Uniform Test for “Reverse Confusion” Trademark Cases in the Sports & Entertainment Industries*, 14 SETON HALL J. SPORTS & ENT. L. 175, 186–202 (2004) (discussing several circuit courts’ analyses and the different factors that each circuit uses in analyzing a reverse confusion case, thus causing confusion due to the lack of a uniform test); *see also* Leah L. Scholer, Note, *Righting the Wrong in Reverse Confusion*, 55 HASTINGS L.J. 737, 739 (2004) (“In direct and reverse confusion cases, courts use varied multifactor tests to determine whether a ‘likelihood of confusion’ exists between the senior and junior users’ marks.”).