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UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

GLOW INDUSTRIES, INC.,)	CASE NO. CV 02-06167 MMM (PJWx)
Plaintiff,)	
vs.)	ORDER DENYING PLAINTIFF'S
)	MOTION FOR PARTIAL SUMMARY
JENNIFER LOPEZ, COTY, INC., a)	JUDGMENT
corporation, SWEETFACE FASHION)	
COMPANY, LLC, JENNIFER LOPEZ)	
ENTERPRISES, inclusive,)	
Defendants.)	

Plaintiff Glow Industries, Inc. ("Glow") filed this action on August 7, 2002, alleging that the use by defendants Jennifer Lopez and Coty, Inc. of the mark GLOW BY J.LO in marketing perfume and other beauty products constituted trademark infringement and unfair competition. Glow Industries alleges that it has marketed and sold beauty products under the mark GLOW since 1999, and that it has filed an application to secure federal registration of the mark. Defendants answered the complaint on October 8, 2002; simultaneously, defendant Lopez asserted counterclaims for trademark infringement and unfair competition based on her recent acquisition of the mark GLOW KIT. Plaintiff has now moved for summary judgment on Lopez's

1 counterclaims, asserting that the assignment of the GLOW KIT mark to Lopez is invalid, and that
2 there is no evidence of a likelihood of confusion between the GLOW and GLOW KIT marks.

3
4 **I. FACTUAL BACKGROUND**

5 **A. The GLOW Mark**

6 Terry Williamson founded Glow Industries, Inc. in 1999, to design, produce, market and
7 sell a brand-intensive line of fragrance, bath and body care products under the trademark GLOW.¹
8 Glow Industries' application to register the GLOW trademark represents that the mark was first
9 used in commerce on February 28, 1999. It identifies the goods on which the mark is used as
10 skin soaps, bubble bath, skin lotions, skin moisturizers (International Class 3), and candles
11 (International Class 4).² It does not identify fragrance as a product on which the mark is used or
12 anticipated to be used,³ and Glow Industries' first sale of its "GLOW Scent" perfume did not occur
13 until December 2001.⁴

14 Glow Industries chose the mark GLOW because of the positive feeling the word evokes,
15 rather than to describe a characteristic of its products or the results that could be obtained from
16 using the products.⁵ President Terry Williamson conceptualized GLOW as "a highly branded
17 product line, [and paid] careful attention . . . to creating uniqueness and consistency [in] all
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21 ¹Plaintiff's Statement of Uncontroverted Facts and Conclusions of Law ("Pl.'s Facts"),
22 ¶ 1; Lopez's Statement of Disputed Facts and Conclusions of Law ("Def.'s Issues"), ¶ 1.

23 ²Pl.'s Facts, ¶ 2; Def.'s Issues, ¶ 2.

24 ³Def.'s Issues, ¶ 2; Declaration of O.Yale Lewis in Support of Motion for Summary
25 Judgment ("Lewis Decl."), ¶ 4, Ex. 1 ("Glow Trademark Application") at 2.

26 ⁴Def.'s Issues, ¶ 1; Declaration of Robert L. Sherman in Support of Opposition to Motion
27 for Summary Judgment ("Sherman Decl."), Ex. 9 (Glow Industries, Inc.'s Answer to Lopez's
28 Third Set of Interrogatories ("Glow Interrogatories")), at No. 32.

⁵Pl.'s Facts, ¶ 1; Def.'s Issues, ¶ 1.

1 aspects of its development.”⁶ Glow Industries product catalog and its glowspot.com website state
2 that the company is “committed to developing and offering . . . the finest products to use in your
3 bath and on your skin” because the people “at GLOW are avid users of bath and body products and
4 are obsessive about the sanctity of the bathing ritual.”⁷ Glow Industries also claims that its
5 products offer users certain health benefits. For example, GLOW Oil has antioxidant properties
6 that help to “repel free radicals,” while GLOW Mist is a hydrosol that reputedly has skin care
7 benefits.⁸ Williamson testified at her deposition that some of Glow Industries’ moisturizers, bath
8 treatments and facial masks also contain ingredients that help to promote healthier skin.⁹

9 Glow Industries launched the GLOW product line nationally in April 2000 at the Paramount
10 Hotel in New York City. Approximately forty members of the national press were present. It
11 then launched the line to wholesalers on the national beauty website “gloss.com” in spring 2000,
12 and at Bergdorf Goodman in New York City in fall 2000.¹⁰ Since that time, Glow Industries has
13 developed thirty-six wholesale clients across the country. These include a number of specialty
14 stores, four Nordstrom stores, and the national website “whoisthefairest.com.”¹¹ Williamson
15 concedes, however, that certain of these wholesale accounts have stopped carrying GLOW
16 products.¹² Specifically, Glow Industries stopped shipping to Bergdorf Goodman in 2001.

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18 ⁶Pl.’s Facts, ¶ 49; Declaration of Terry Williamson in Support of Motion for Summary
19 Judgment (“Williamson Decl.”), ¶ 8.

20 ⁷Pl.’s Facts, ¶ 49; Williamson Decl., Exs. 4 (Glow Catalog) at 34, 5 (Glowspot.com
21 Website) at 51.

22 ⁸Def.’s Issues, ¶ 49; Sherman Decl., Ex. 1 (Deposition of Terry Williamson, May 20,
23 2003 (“Williamson 5-20 Depo.”)) at 26:19-27:1, 32:20-33:4.

24 ⁹Def.’s Issues, ¶ 49; Williamson 5-20 Depo. at 33:5-25.

25 ¹⁰Pl.’s Facts, ¶ 3; Def.’s Issues, ¶ 3.

26 ¹¹Pl.’s Facts, ¶ 10; Williamson Decl., ¶ 26, Ex. 20 (Wholesale Accounts – How clients
27 obtained).

28 ¹²Sherman Decl., Ex. 2 (Deposition of Terry Williamson, May 21, 2003 (“Williamson 5-21
Depo.”)) at 97:18-21.

1 Williamson states that Glow Industries terminated its relationship with Bergdorf because its
2 “accounts payable didn’t pay as agreed.”¹³ Glow Industries’ catalog identifies only twenty-one
3 stores that carry GLOW products, in addition to the websites “glowspot.com” and
4 “whoisthefairest.com.”¹⁴ GLOW products have been sold in all fifty states through department
5 stores, specialty boutiques, mail order and the internet.¹⁵ Williams asserts that GLOW products
6 have been physically displayed and are available for sale in twenty-nine retail establishments in
7 twenty states.¹⁶ Additionally, Nordstrom purportedly approached Glow Industries about a
8 “national roll-out” of GLOW products that was ultimately to include eighty-eight Nordstrom stores
9 across the country.¹⁷ This roll-out did not occur, and Nordstrom offered no explanation for its
10 failure to proceed.¹⁸ Glow Industries has had nearly 100 wholesale inquiries from entities
11 throughout the United States, as well as several foreign inquiries, which it has declined.¹⁹

12 Glow Industries began selling GLOW products in the Chicago area via mail order in the
13 summer of 1999, and has sold its product line in area stores since May 2001.²⁰ Between May
14 2001 and October 2002, Glow Industries sold approximately \$23,903 of GLOW products to

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16 ¹³Declaration of Stacia N. Lay in Support of Plaintiff’s Reply in Support of Motion for
Summary Judgment (“Lay Decl.”), Ex. 6 (“Williamson 5/20 Depo.”) at 102:3-11.

17 ¹⁴Williamson Decl., ¶ 8, Ex. 4 (Glow Catalog) at 49.

18 ¹⁵Pl.’s Facts, ¶ 12; Def.’s Issues, ¶12. Lopez asserts that Glow Industries has adduced
19 evidence of only a single sale of GLOW products in each state. (Def.’s Issues, ¶ 12). Lopez has
20 not, however, proffered admissible evidence to this effect. Moreover, plaintiff’s counsel
21 represents that Glow Industries has produced all of its sales invoices, filling two boxes, which
22 demonstrate that its purchasers are scattered throughout the country in all fifty states. (Lay Decl.,
¶ 12).

23 ¹⁶Pl.’s Facts, ¶ 12; Williamson Decl., ¶ 30.

24 ¹⁷Pl.’s Facts, ¶ 13; Williamson Decl., ¶ 26.

25 ¹⁸Def.’s Issues, ¶ 13; Williamson 5-20 Depo. at 100:8-25.

26 ¹⁹Pl.’s Facts, ¶ 11; Def.’s Issues, ¶ 11; Williamson Decl., ¶ 27, Ex. 21 (Wholesale
27 Inquiries Declined, 2000-Present).

28 ²⁰Pl.’s Facts, ¶ 14; Def.’s Issues, ¶ 14.

1 wholesale clients in Illinois. The retail value of these goods was \$47,806.²¹ While Williams has
2 no direct information that the goods were sold, or that they were sold at retail value,²² she does
3 not believe her wholesale client Soapstone discounts any merchandise, and she infers that GLOW
4 products were sold because Soapstone reordered.²³ Williams has prepared a chart estimating that
5 retail sales of GLOW products in Illinois between June 1999 and October 2002 may have totaled
6 as much as \$55,345.²⁴ Lopez disputes the use of this estimate, as it calculates Glow Industries’
7 wholesale sales at retail value. Lopez argues that the Glow Industries’ actual wholesale sales of
8 \$23,903, coupled with its Glow Industries’ retail sales of \$7,539, should be considered the total
9 of the business it did in Illinois during the relevant period.²⁵

10 Glow Industries’ business plan focuses on grass-roots marketing and brand cohesiveness.
11 For this reason, it has done no paid advertising for GLOW products.²⁶ The company has had
12 opportunities to promote GLOW products, however. Soap Opera Digest purchased a number of
13 GLOW gift pails for soap opera actors who participated in cover shoots for the magazine, and as
14 a result, representatives of “The Young and the Restless” soap opera requested permission to use
15 the mark in the name of a fictional beauty company on the show, “Glow by Jabot.”²⁷ GLOW
16 products were also featured on the Showtime cable network program “Soulfood,” which in turn
17 led to GLOW products being featured on the website <www.asseenin.com>. This website
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19 ²¹Pl.’s Facts, ¶ 15; Williamson Decl., ¶ 33, Ex. 26 (Wholesale and Retail Sales in Illinois).

20 ²²Def.’s Issues, ¶ 15.

21 ²³Williamson 5-21 Depo. at 123:5-124:12.

22 ²⁴Pl.’s Facts, ¶ 15; Williamson Decl., ¶ 33, Ex. 27 (Retail Sales – Data from Illinois).
23 Williamson notes that she is unable to calculate the exact amount because of computer data losses.
24 (Williamson Decl., ¶ 33).

25 ²⁵Def.’s Issues, ¶ 15.

26 ²⁶Pl.’s Facts, ¶ 9; Def.’s Issues, ¶ 9.

27 ²⁷Pl.’s Facts, ¶ 4; Williamson Decl., ¶¶ 13-14, Exs. 10 (Record of Soap Opera Digest Gift
28 Pails), 11 (“Glow by Jabot” Webpage).

1 features products that have been seen on popular television programs.²⁸ Glow Industries was
2 featured in the closing credits of the film “Pearl Harbor” because producers purchased a number
3 of GLOW products for the cast and crew. GLOW products were included in a care package
4 delivered by actress Reese Witherspoon in a scene in the film “Legally Blonde.”²⁹

5 An E! Entertainment representative contacted Glow Industries in September 2001 about
6 a new show on beauty and fashion, hosted by Lopez’s sister Lynda Lopez, and sought permission
7 to use the name “Glow” on the show. Glow Industries acceded, based on representations that the
8 show would be product-focused and would air only in Los Angeles and New York. GLOW
9 products were slated to be featured on one episode of the show.³⁰ NASCAR purchased GLOW
10 “male pails” for their top ten drivers in connection with an awards ceremony held at the Four
11 Seasons in New York in 2000.³¹ It was asked twice to include GLOW products in gift baskets
12 given to Oscar presenters, and to provide GLOW products for MTV Movie Awards, Grammys,
13 and Latin Grammys gift baskets.³² It did not do so, as it “do[es] not contribute products to
14 organizations that aren’t charitable in nature.”³³

16 ²⁸Williamson Decl., ¶ 15, Ex. 12 (Acceptance Agreement for Exhibition of GLOW Products
17 on Asseenin.com).

18 ²⁹Williamson Decl., ¶ 16.

19 ³⁰Williamson Decl., ¶ 17, Ex. 13 (Invoice of GLOW Products to be Featured on “Glow”
20 Television Program).

21 ³¹Williamson Decl., ¶ 19.

22 ³²Williamson Decl., ¶ 20, Ex. 15 (Email from PR firm relating to Gift Basket Offers).

23 ³³Def.’s Issues, ¶ 4; Williamson 5-20 Depo. at 134:24-135:18. Williamson asserts that
24 entertainment professionals frequently purchase GLOW products for their clients. She proffers
25 invoices purporting to demonstrate that Lopez’s management company purchased GLOW products
26 in 1999 and 2000, and that “another prominent entertainment company” ordered GLOW products
27 to be delivered to Lopez in March 2001. Plaintiff has redacted the names of the purchasers on
28 these invoices. (Pl.’s Facts, ¶ 8; Williamson Decl., ¶ 12, Exs. 8 (Redacted Invoices, purportedly
from Handprint Entertainment), 9 (Redacted Invoices, purportedly from “another prominent
entertainment company”)). Lopez objects to the admission of the evidence on the basis that
Magistrate Judge Walsh orally ruled that plaintiff may only rely on the evidence of its customer

1 Glow Industries participates in a “Bath Butler” available at Ritz-Carlton hotels, where
2 customers “can order a specific bath experience just like you might order off of a room service
3 menu, and a person will come up to your room, draw the bath for you, put different products in
4 the bath for you, [and] depending on which bath experience you elected, bring you food and
5 beverage that accompanies that experience as well as in many cases a candle and body lotion.”³⁴
6 Glow Industries worked with Ritz-Carlton to develop “bath experiences” featuring GLOW products
7 for more than one Ritz-Carlton property, including those in Cleveland, Ohio and Marina del
8 Rey.³⁵ Williams asserts that GLOW products are also sold in Ritz-Carlton gift shops, although
9 she has only seen them available in the Marina del Rey hotel.³⁶ Glow Industries did not establish
10 any guidelines for Ritz-Carlton’s use of the GLOW mark, except to specify that it be used in
11 connection with the Bath Butler program or the sale of GLOW products.³⁷

12 Between February and late summer 2002, Glow Industries participated in a co-branding
13 venture with Reebok. Reebok issued a “maglog,” i.e., a catalog with editorial content, which
14 featured both an interview with Williamson and her then-business partner, and “product shots”
15 of several GLOW products.³⁸ As part of the venture, certain GLOW products were offered for sale
16 on Reebok’s website, and a large pail of GLOW products was given to a sweepstakes winner.
17 Reebok also purchased “GLOW Sticks” to be given to customers who made purchases above a
18 certain dollar amount.³⁹ Williamson agreed to repurchase any unsold and resalable products from

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20 base if it discloses the names of its customers. (Def.’s Issues, ¶ 8). Plaintiff responds that it
21 produced unredacted invoices in compliance with Judge Walsh’s rulings, and notes that it is
22 willing to produce these invoices for *in camera* review if requested. (Lay Decl., ¶ 10).

23 ³⁴Williamson 5-20 Depo. at 138:17-139:3.

24 ³⁵Williamson 5-20 Depo. at 139:4-148:18.

25 ³⁶Williamson 5-20 Depo. at 140:11-18

26 ³⁷Williamson 5-20 Depo. at 148:14-18.

27 ³⁸Williamson 5-20 Depo. at 152:24-154:3, 154:10-158:8.

28 ³⁹Williamson 5-20 Depo. at 154:20-155:20.

1 Reebok at the end of the venture, and recalls repurchasing “a very small amount.”⁴⁰

2 Glow Industries also participated in a one-time promotional venture with Mattel in
3 February 2003, developing a “Barbie spa kit” to be given to Barbie licensees at the Golden Barbie
4 Awards in New York City. The company worked with Mattel to determine what products to
5 include in the kits, and offered input on design of the labels. Between 350 and 400 Barbi spa kits
6 were distributed as a result of this venture.⁴¹

7 GLOW products have been editorially featured in a number of regional, national and
8 international publications, including Vanity Fair, Seventeen, Redbook, Marie Claire,
9 Mademoiselle, Jane, InStyle, W, Harper’s Bazaar, Entertainment Weekly, the Los Angeles Times
10 Magazine and the New York Times Magazine.⁴² They have also been discussed by individual
11 customers on the national beauty websites <www.makeupalley.com> and
12 <www.whosthefairest.com>.⁴³

13 **B. The GLOW KIT Mark**

14 Prior to October 2002, Dr. Giulio Leone, a dermatologist practicing in the Chicago area,
15 owned the registered trademark GLOW KIT.⁴⁴ Dr. Leone used the mark on a collection of anti-
16 aging skin treatment products that he sold from the offices of his dermatology practice and on his
17 website, <www.leonederm.com>.⁴⁵ The GLOW KIT trademark registration covers “[c]osmetics
18 sold separately and as a kit, namely alpha hydroxy acid creams, facial cleansing lotions, and skin
19 creams containing vitamin A derivatives.”⁴⁶ Dr. Leone’s trademark application stated he used the
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21 ⁴⁰Williamson 5-20 Depo. at 158:4-8.

22 ⁴¹Williamson 5-20 Depo. at 135:21-137:13.

23 ⁴²Williamson Decl., ¶ 10, Ex. 7 (Various Magazine Articles Featuring GLOW Products).

24 ⁴³Williamson Decl., ¶ 28, Ex. 22 (Web Message Board Postings).

25 ⁴⁴Pl.’s Facts, ¶ 24; Def.’s Issues, ¶ 24.

26 ⁴⁵Pl.’s Facts, ¶ 25; Def.’s Issues, ¶ 25.

27 ⁴⁶Pl.’s Facts, ¶ 33; Def.’s Issues, ¶ 33.

1 mark on his website to promote cosmetic and anti-aging skin products.⁴⁷ He disclaimed the
2 exclusive right to use “kit” apart from the mark as registered,⁴⁸ and listed the date of the mark’s
3 first use in commerce as October 20, 1998. The GLOW KIT mark was registered on the Principal
4 Register on October 19, 1999 under Registration Number 2,288,023.⁴⁹

5 Dr. Leone offers three GLOW KITS for sale: GLOW KIT for Sensitive Skin; GLOW KIT for
6 Non-Sensitive Skin; and GLOW KIT for Enhanced Non-Sensitive Skin.⁵⁰ The GLOW KIT for Non-
7 Sensitive Skin is packaged in a plain, white paper shopping bag that has a sticker on the front with
8 the words “Leone Dermatology Center” and “GLOW KIT for Non-Sensitive Skin.” Three
9 separately-packaged products are inside the shopping bag: TxSystems Afirm 3x, NeoStrata
10 Daytime Skin Smoothing Cream and Leone Dermatology Center’s Non-Drying Gentle Cleansing
11 Lotion. Dr. Leone also sells each of these items separately; he does not use the GLOW KIT mark
12 in connection with these sales.⁵¹ Leone’s attorney stated that “[t]he products sold as part of the
13 GLOW KIT do not carry the mark; rather they are packaged in a small shopping bag which has a
14 label affixed to the outside which bears the mark ‘GLOW KIT.’”⁵²

15 The NeoStrata Company, which manufactures the Neostrata smoothing cream included in
16 the GLOW KIT, “is a dermatological company dedicated to the advancement of skin care and
17 treatment and to educating the public about the benefits of [Alpha Hydroxyacids (AHA)].”
18 Neostrata “manufactures a comprehensive line of advanced, quality AHA skin care products sold
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22 ⁴⁷Pl.’s Facts, ¶ 34; Def.’s Issues, ¶ 34.

23 ⁴⁸Pl.’s Facts, ¶ 35; Def.’s Issues, ¶ 35.

24 ⁴⁹Pl.’s Facts, ¶¶ 33, 36; Def.’s Issues, ¶¶ 33, 36.

25 ⁵⁰Pl.’s Facts, ¶ 26; Def.’s Issues, ¶ 26.

26 ⁵¹Pl.’s Facts, ¶ 27; Def.’s Issues, ¶ 27.

27 ⁵²Pl.’s Facts, ¶ 48; Def.’s Issues, ¶ 48.

1 exclusively to dermatologists and plastic surgeons under the NeoStrata brand.”⁵³ Bioglan
2 Pharmaceuticals, which manufactures the TxSystems Afirm products included in the GLOW KIT,
3 has a “primary therapeutic focus . . . [on] dermatology, with a product portfolio predominantly
4 in prescription pharmaceuticals.”⁵⁴ Dr. Leone described the NeoStrata and Afirm products as
5 “cosmeceuticals,” i.e., “something that’s almost like a medication but it’s to make people look
6 better.”⁵⁵ They are “over the counter” products for which no prescription is necessary.⁵⁶

7 In promotional materials and sales records, Dr. Leone references the kits interchangeably
8 as GLOW KITS and the “NeoStrata GLOW KIT® for Sensitive [or Non-Sensitive] Skin.”⁵⁷ He
9 represents that “[m]ost patients are extremely pleased with the changes in their skin with the[
10 GLOW KIT] routines. Typically, your face will look much fresher and have a subtle ‘glow’ to it.”
11 Dr. Leone advertises that use of the GLOW KITS will make a patient’s skin look “younger, softer,
12 smoother, and glowing.”⁵⁸ In response to a request that she admit the GLOW KIT mark is
13 descriptive, Lopez responded that “the term GLOW describes a desirable characteristic to be
14 achieved through the use of the products and that KIT describes the collection of products offered
15 under the mark, and otherwise deny that the unified mark GLOW KIT is descriptive . . .”⁵⁹

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17 ⁵³Pl.’s Facts, ¶ 46; Def.’s Issues, ¶ 46. Lopez objects that these facts are irrelevant. The
18 nature of the products sold is relevant in considering the product similarity and marketing
19 channels factors of the *Sleekcraft* test for likelihood of confusion. The objection is accordingly
20 overruled.

21 ⁵⁴Pl.’s Facts, ¶ 47; Def.’s Issues, ¶ 47. Lopez objects that these facts are irrelevant. The
22 nature of the products sold is relevant in considering the product similarity and marketing
23 channels factors of the *Sleekcraft* test for likelihood of confusion. The objection is accordingly
24 overruled.

25 ⁵⁵Def.’s Issues, ¶ 28; Sherman Decl., Ex. 7 (Deposition of Giulio Leone (“Leone Depo”)),
26 at 14:19-15:11.

27 ⁵⁶Leone Depo. at 15:14-22.

28 ⁵⁷Pl.’s Facts, ¶ 29; Def.’s Issues, ¶ 29.

⁵⁸Pl.’s Facts, ¶ 30; Def.’s Issues, ¶ 30.

⁵⁹Pl.’s Facts, ¶ 46; Def.’s Issues, ¶ 46.

1 Dr. Leone's sales records identify both the "patient" and "diagnosis" related to each sale.
2 IN an affidavit he prepared in connection with his sale of the mark, Leone grouped the invoices
3 by doctor within the dermatological practice.⁶⁰ The records reflect that from November 2000 to
4 September 2002, Dr. Leone's GLOW KIT sales totaled less than \$ 11,000. This equaled less than
5 170 units.⁶¹ Glow Industries has never received notice that anyone has actually confused the
6 GLOW and GLOW KIT marks, and Lopez has adduced no evidence of such confusion in response
7 to this motion.⁶²

8 C. The GLOW BY J.LO Mark

9 Effective April 26, 2001, defendant Jennifer Lopez entered into a license agreement with
10 defendant Sweetface Fashion Co., LLC ("Sweetface") pursuant to which she granted Sweetface
11 the right to use the marks JENNIFER LOPEZ and J.LO BY JENNIFER LOPEZ on "fragrances,
12 cosmetics, and hair care (including all bath and soap related products)."⁶³ Lopez concedes that
13 the license now extends to other products as well.⁶⁴

14 In December 2001, Lopez, Sweetface and representatives of defendant Coty met in
15 Frankfurt, Germany, to discuss a fragrance line to be marketed under Lopez's name. Lopez's
16 then manager, Benny Medina, was also present. At the conclusion of the meeting, it was decided
17 that the product name should include the word "glow."⁶⁵ On February 7, 2002, Sweetface
18 sublicensed the GLOW BY J.LO mark to Coty for use on fragrances, bath and body products, and
19

20 ⁶⁰Pl.'s Facts, ¶ 31; Def.'s Issues, ¶ 31; Lewis Decl., ¶¶ 14, 29, Exs. 11 (Affidavit of
21 Giulio A. Leone), 26 (Lopez's Responses to plaintiff's First and Second Requests for Admission
22 ("Lopez RFA")), at No. 69.

23 ⁶¹Pl.'s Facts, ¶ 32; Def.'s Issues, ¶ 32.

24 ⁶²Pl.'s Facts, ¶ 50; Def.'s Issues, ¶ 50.

25 ⁶³Pl.'s Facts, ¶ 16; Def.'s Issues, ¶ 16; Lewis Decl., ¶ 5, Ex. 2 ("Lopez/Sweetface
26 License Agreement"); Lopez RFA, Nos. 47, 49.

27 ⁶⁴Def.'s Issues, ¶ 16; Lopez RFA, No. 49.

28 ⁶⁵Pl.'s Facts, ¶ 18; Def.'s Issues, ¶ 18.

1 “ancillary products.”⁶⁶ Despite the agreements reached at the December 2001 meeting, it appears
2 that, as of late February, there was some uncertainty whether GLOW BY J.LO would be the name
3 of the product line. The name was finally confirmed on February 24, 2002,⁶⁷ and Lopez filed an
4 intent-to-use (“ITU”) trademark application for GLOW BY J.LO on February 25, 2002. The
5 application stated that Lopez intended to use the mark on fragrances, cosmetics, and skin care
6 products (International Class 3).⁶⁸ On March 7, 2002, Lopez formally approved Sweetface’s
7 sublicense with Coty.⁶⁹ On March 11, 2002, her representatives received a Thompson &
8 Thompson Trademark Research Report regarding the proposed mark GLOW BY J.LO. The report
9 identified nineteen similar marks in International Class 3 that were registered, published or
10 pending, and three that were abandoned or expired. Both Glow Industries’ pending GLOW
11 application and Dr. Leone’s GLOW KIT registration were identified in the report.⁷⁰

12 In the first month in which GLOW BY J.LO products were available for sale, defendants had
13 sales of approximately \$17.9 million in the United States.⁷¹

14 **D. Lopez’s Acquisition Of The GLOW KIT Mark**

15 Glow Industries commenced this action on August 7, 2002, alleging claims for federal and
16 state trademark infringement and unfair competition based on defendants’ use of the GLOW BY
17 J.LO mark.⁷² At the time Glow Industries filed its complaint, Dr. Leone owned the registered

19 ⁶⁶Pl.’s Facts, ¶ 17; Def.’s Issues, ¶ 17; Lewis Decl., ¶ 5, Ex. 2 (“Sweetface/Coty
20 Sublicense Agreement”).

21 ⁶⁷Def.’s Issues, ¶ 18; Sherman Decl., Ex. 12 (Various Emails Regarding GLOW BY J.LO
22 Name).

23 ⁶⁸Pl.’s Facts, ¶ 20; Def.’s Issues, ¶ 20.

24 ⁶⁹Pl.’s Facts, ¶ 21; Def.’s Issues, ¶ 21.

25 ⁷⁰Pl.’s Facts, ¶ 21; Def.’s Issues, ¶ 21; Lewis Decl., ¶ 8, Ex. 5 (“Trademark Research
26 Report”), at p. 99.

27 ⁷¹Pl.’s Facts, ¶ 23; Def.’s Issues, ¶ 23.

28 ⁷²Pl.’s Facts, ¶ 23; Def.’s Issues, ¶ 23.

1 GLOW KIT trademark.⁷³ On August 14, 2002, Lopez’s representatives contacted Dr. Leone. They
2 stated that they were “trademark lawyers representing a client who is interested in acquiring
3 marks for possible use in the cosmetic and fragrance industries.”⁷⁴ Lopez’s representatives told
4 Dr. Leone’s representatives that it had “recently come to [their] client’s attention that [Dr. Leone
5 was] the owner of a trademark registration for the mark ‘GLOW KIT’ in class 3.” They said their
6 client was interested in acquiring rights to the mark.⁷⁵ Dr. Leone asked who the purchaser would
7 be. Lopez’s representatives said their client preferred to remain anonymous.⁷⁶

8 During the negotiations that ensued, Dr. Leone expressed interest in retaining the right,
9 or being licensed, to use the mark in connection with the sale of skin care products through his
10 dermatology practice so long as “[Lopez’s] use of the mark [would] be sufficiently different than
11 [that] . . . use.”⁷⁷ Leone ultimately agreed to sell his rights to the GLOW KIT mark on the
12 understanding that the purchaser would license the mark back to him for one year royalty-free,⁷⁸
13 and signed the assignment/license at the end of September. Lopez signed the documents in the
14 beginning of October 2002.⁷⁹

15 During the process of preparing draft assignment/license agreements, Lopez’s
16 representatives stated that “[paragraph 3.1 of the license agreement had to] include a turnover of
17 samples of existing products which can be used as a benchmark for new products. A ‘naked’
18 license without such a standard will not pass muster.”⁸⁰ Dr. Leone testified that no one contacted
19

20 ⁷³Pl.’s Facts, ¶ 24; Def.’s Issues, ¶ 24.

21 ⁷⁴Pl.’s Facts, ¶ 37; Def.’s Issues, ¶ 37.

22 ⁷⁵Pl.’s Facts, ¶ 38; Def.’s Issues, ¶ 38.

23 ⁷⁶Pl.’s Facts, ¶ 41; Def.’s Issues, ¶ 41.

24 ⁷⁷Pl.’s Facts, ¶ 39; Def.’s Issues, ¶ 39.

25 ⁷⁸Pl.’s Facts, ¶ 40; Def.’s Issues, ¶ 40.

26 ⁷⁹Pl.’s Facts, ¶ 43; Def.’s Issues, ¶ 43.

27 ⁸⁰Pl.’s Facts, ¶ 42; Def.’s Issues, ¶ 42.

1 him on Lopez's behalf following execution of the assignment regarding the products included in
2 the GLOW KIT, and no one inspected his records or the GLOW KIT products. Leone did not recall
3 providing any GLOW KIT samples to Lopez.⁸¹

4 After she acquired the GLOW KIT mark, Lopez filed a notice of opposition to Glow
5 Industries' application to register the GLOW mark before the Trademark Trial and Appeal Board
6 ("TTAB"). She then filed a motion to suspend the opposition, which Glow Industries opposed.⁸²
7 On April 9, 2003, the TTAB suspended opposition proceedings pending resolution of this action.⁸³

8 **E. Current Use Of The GLOW KIT Mark**

9 At his deposition on June 4, 2003, Dr. Leone testified that, because his one-year license
10 will expire on September 25, 2003, he is in the process of "revamping" his website to
11 "eliminat[e] the GLOW KIT and put[] in a new set of products."⁸⁴ Leone plans to discontinue use
12 of the GLOW KIT mark rather than try to renew his license.⁸⁵ GLOW KIT will be replaced with
13 the STEAL BACK TIME® Facial Rejuvenation Kit, which will include Leone's gentle cleansing
14 lotion and the NeoStrata Daytime Protection Cream previously included in the GLOW KIT, as well
15 as a "green tea polyphenol" known as Replenix.⁸⁶

16 According to Chip Rosen, Sweetface's Vice President of Licensing, it has been Lopez's
17 and Sweetface's intention, since the purchase of the GLOW KIT mark in 2002, to use the mark on
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19 ⁸¹Leone Depo. at 39:3-9, 39:24-40:1.

20 ⁸²Pl.'s Facts, ¶ 44; Def.'s Issues, ¶ 44.

21 ⁸³Pl.'s Facts, ¶ 44; Def.'s Issues, ¶ 44; Sherman Decl., ¶ , Ex. 8 ("TTAB Suspension
22 Order"). Plaintiff states that the motion to suspend is still pending. The document Lopez has
23 submitted, however, appears to demonstrate conclusively that the TTAB has acted favorably on
24 the request.

25 ⁸⁴Leone Depo. at 11:4-11.

26 ⁸⁵Leone Depo. at 37:9-23.

27 ⁸⁶Leone Depo. at 43:22-44:17; Lay Decl., ¶¶ 4-5, Exs. 2 (TARR status sheet for STEAL
28 BACK TIME trademark application, <tarr.uspto.gov>), 3 (<www.leonederm.com>, printed
July 14, 2003).

1 gift sets of GLOW BY J.LO products. The gift sets are currently under development with Coty.⁸⁷
2 Certain e-mail communications from an advertising agency, Select Communications, indicate that
3 the decision to use the GLOW KIT mark on these gift sets may have been made subsequent to
4 Lopez's acquisition of the mark. A March 18, 2003, e-mail, for example, from Coty's marketing
5 director, Lawrence Keller, to Select Communications included pictures of a product named "Face
6 Kit GLOW BY J.LO." Keller requested that Select Communications "tell [him] where [it stood]
7 on that, especially concerning the name. . . ."88 The attached pictures show a clear cylinder that
8 contains a bottle of GLOW BY J.LO fragrance and two other products.⁸⁹ A Select Communications
9 document dated March 19, 2003, concerning the "Glow by J.Lo Face Kit Promotion" discusses
10 possible marketing ideas for a "Golden Glow Face Kit," a "Luminous Light Face Kit," or a "Star
11 Power Face Kit" containing GLOW BY J.LO fragrance, a face bronzer, an eyeshadow and
12 highlighter duo, and a dual color lip gloss "designed to make you glow."⁹⁰ A series of May 7,
13 2003, e-mails indicate that plans for a GLOW BY J.LO kit were altered at the last minute to rename
14 the product GLOW KIT. Sweetface's Phillip Pierce told Coty's Julie McIvor that Sweetface
15 "would like to continue [its] plan to use the name 'GLOW KIT' on the packaging of the
16 forthcoming color kit." McIvor responded that Coty would "make the last minute change to
17 rename the "GLOW BY J.LO 'Get the Glow'" colour set . . . the "GLOW BY J.LO 'GLOW KIT.'" Coty's
18 Jean Baptiste Rougeot forwarded the e-mails to Rosen with the message that the "press text
19 concerning the 'GLOW KIT' [has been] reworked following the rename."⁹¹ The attached press
20 release describes a GLOW BY J.LO "GLOW KIT," which contains GLOW BY J.LO fragrance, as well
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23 ⁸⁷Declaration of Chip Rosen in Support of Lopez's Opposition to Motion for Summary
24 Judgment ("Rosen Decl."), ¶¶ 1, 3.

25 ⁸⁸Lay Decl., ¶ 8, Ex. 5 ("Select Communications Documents") at 25.

26 ⁸⁹Select Communications Documents at 27-28.

27 ⁹⁰Select Communications Documents at 30-31.

28 ⁹¹Select Communications Documents at 32-33.

1 as a Glow Bronzer, Eye Glow Duo, and Glow-On Gloss.⁹²

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⁹²Select Communications Documents at 34. Plaintiff's counsel states that Coty has produced a number of confidential documents discussing a GLOW BY J.LO color kit and/or face kit, which was to contain fragrance, makeup and a bronzer. These documents reportedly bear a date of February 2003. (Lay Decl., ¶ 7). Plaintiff states that it is prepared to present these documents for *in camera* review if the court so desires.

1 **II. DISCUSSION**

2 **A. Legal Standard Governing Summary Judgment**

3 A motion for summary judgment must be granted when “the pleadings, depositions,
4 answers to interrogatories, and admissions on file, together with the affidavits, if any, show that
5 there is no genuine issue as to any material fact and that the moving party is entitled to a judgment
6 as a matter of law.” FED.R.CIV.PROC. 56(c). A party seeking summary judgment bears the
7 initial burden of informing the court of the basis for its motion and of identifying those portions
8 of the pleadings and discovery responses that demonstrate the absence of a genuine issue of
9 material fact. See *Celotex Corp. v. Catrett*, 477 U.S. 317, 323 (1986). Where the moving party
10 will have the burden of proof on an issue at trial, the movant must affirmatively demonstrate that
11 no reasonable trier of fact could find other than for the moving party. On an issue as to which
12 the nonmoving party will have the burden of proof at trial, however, the movant can prevail
13 merely by pointing out that there is an absence of evidence to support the nonmoving party’s case.
14 See *id.* If the moving party meets its initial burden, the nonmoving party must then set forth, by
15 affidavit or as otherwise provided in Rule 56, “specific facts showing that there is a genuine issue
16 for trial.” *Anderson v. Liberty Lobby, Inc.*, 477 U.S. 242, 250 (1986); FED.R.CIV.PROC. 56(e).

17 In judging evidence at the summary judgment stage, the court does not make credibility
18 determinations or weigh conflicting evidence. Rather, it draws all inferences in the light most
19 favorable to the nonmoving party. See *T.W. Electric Service, Inc. v. Pacific Electric Contractors*
20 *Ass'n*, 809 F.2d 626, 630-31 (9th Cir. 1987). The evidence presented by the parties must be
21 admissible. FED.R.CIV.PROC. 56(e). Conclusory, speculative testimony in affidavits and moving
22 papers is insufficient to raise genuine issues of fact and defeat summary judgment. See *Falls*
23 *Riverway Realty, Inc. v. Niagara Falls*, 754 F.2d 49, 56 (2d Cir. 1985); *Thornhill Pub. Co., Inc.*
24 *v. GTE Corp.*, 594 F.2d 730, 738 (9th Cir. 1979).

25 **B. Standing To Assert A Counterclaim Based On The GLOW KIT Mark**

26 Section 32 of the Lanham Act grants standing to assert a claim for trademark infringement
27 solely to the “registrant” of the trademark. 15 U.S.C. § 1114. This term includes both the
28 registrant and its “legal representatives, predecessors, successors and assigns.” 15 U.S.C. §

1 1127. See also *Berni v. International Gourmet Restaurants of America, Inc.*, 838 F.2d 642, 645-
2 46 (2d Cir. 1988); *Ultrapure Systems, Inc. v. Ham-Let Group*, 921 F.Supp. 659, 665 (N.D. Cal.
3 1996). Lopez’s counterclaims for trademark infringement and unfair competition assert that Glow
4 Industries has infringed the GLOW KIT mark, which was originally registered by Dr. Leone.
5 Plaintiff seeks summary judgment on the basis that Leone’s assignment of the GLOW KIT mark
6 to Lopez was not valid, and Lopez therefore has no standing to sue for infringement of the mark.

7 **1. Legal Standard Governing Trademark Assignment**

8 “There is no such thing as property in a trade-mark except as a right appurtenant to an
9 established business or trade in connection with which the mark is employed.” *United Drug Co.*
10 *v. Rectanus Co.*, 248 U.S. 90, 97-98 (1918). A trademark is therefore “assignable [only] with
11 the good will of the business in which the mark is used, or with that part of the good will of the
12 business connected with the use of and symbolized by the mark.” 15 U.S.C. § 1060. See also
13 *E. & J. Gallo Winery v. Gallo Cattle Co.*, 967 F.2d 1280, 1289 (9th Cir. 1990) (“[T]he law is
14 well settled that there are no rights in a trademark alone and that no rights can be transferred apart
15 from the business with which the mark has been associated” (citation omitted)). A “naked” or
16 “in gross” transfer of a mark, i.e., without the associated goodwill, is invalid. See *Sugar Busters*
17 *LLC v. Brennan*, 177 F.3d 258, 265 (5th Cir. 1999); *Visa, U.S.A., Inc. v. Birmingham Trust*
18 *Nat’l Bank*, 696 F.2d 1371, 1375 (Fed. Cir. 1982).

19 The term “goodwill” has been generally described as “the advantage or benefit, which is
20 acquired by an establishment, beyond the mere value of the capital, stock, funds, or property
21 employed therein, in consequence of the general public patronage and encouragement which it
22 receives from constant or habitual customers.” *Newark Morning Ledger Co. v. United States*, 507
23 U.S. 546, 555 (1993) (quoting *Metropolitan Bank v. St. Louis Dispatch Co.*, 149 U.S. 436
24 (1893)). See also *id.* at 572 (Souter, J., dissenting) (citing *Cruttwell v. Lye*, 34 Eng.Rep. 129,
25 134 (1810) for the proposition that “goodwill is ‘nothing more than the probability[] that the old
26 customers will resort to the old place’”). As applied in the trademark context by Judge Platt in
27 *Dial-A-Mattress Operating Corp. v. Mattress Madness, Inc.*, 841 F.Supp. 1339 (E.D.N.Y. 1994),
28 “good will is the value attributable to a going concern apart from its physical assets – the

1 intangible worth of buyer momentum emanating from the reputation and integrity earned by the
2 company. A trademark . . . is merely the symbol by which the public recognizes that reputation
3 and hence has no independent significance apart from the owner’s good will.” *Id.* at 1350.

4 Goodwill must accompany the assignment of a trademark “to maintain the continuity of
5 the product or service symbolized by the mark and thereby avoid deceiving or confusing
6 customers.” *Gallo Winery, supra*, 967 F.2d at 1289 (citing 1 J. Thomas McCarthy, MCCARTHY
7 ON TRADEMARKS AND UNFAIR COMPETITION, § 18:1(C)). See also *Visa, U.S.A., Inc., supra*, 696
8 F.2d at 1375 (“A key objective of the law of trademarks is protection of the consumer against
9 being misled or confused as to the source of the goods or services he acquires. The rule against
10 assignment of a mark in gross thus reflects ‘the need, if consumers are not to be misled from
11 established associations with the mark, that it continue to be associated with the same or similar
12 products after the assignment’”); *Pepsico, Inc. v. Grapette Co.*, 416 F.2d 285, 288 (8th Cir.
13 1969) (“Inherent to the rules involving the assignment of a trademark is the recognition of
14 protection against consumer deception. Basic to this concept is the proposition that any
15 assignment of a trademark and its goodwill (with or without tangibles assigned) requires the mark
16 itself be used by the assignee on a product having substantially the same characteristics”).

17 **2. Evidentiary Burden For Proving An Assignment Accompanied By** 18 **Goodwill**

19 Because goodwill may be valued separately from the physical assets of a company, “[i]t
20 is not necessary that the entire business or its tangible assets be transferred” to a trademark
21 assignee in order to find that the assignment included goodwill. *Gallo Winery, supra*, 967 F.2d
22 at 1289. See also *The Money Store v. Harriscorp Finance, Inc.*, 689 F.2d 666, 676 (7th Cir.
23 1982) (“It is not necessary to the continuing validity of the mark that tangible assets of the
24 assignor pass to the assignee”); *Dial-A-Mattress, supra*, 841 F.Supp. at 1350 (“Although courts
25 historically have looked for a transfer of the assets embraced by the trademark to evidence the
26 passage of good will, a transfer of assets is not essential to consummate an assignment of the
27 name”). Conversely, a mere recitation in the assignment agreement “that the mark was assigned
28 ‘together with the good will of the business symbolized by the mark’” is not sufficient to establish

1 a valid transfer. *Money Store, supra*, 689 F.2d at 676. See also 2 J. Thomas McCarthy,
2 MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION § 18:24 (4th ed. 2002) (“One can begin
3 with a rule that most courts now accept: The mere fact that the assignment document recites that
4 good will was transferred to the assignee does not control the validity of the assignment”).

5 The courts instead conduct a case-by-case analysis to determine whether an assignee’s use
6 of a mark maintains sufficient continuity with the prior use. See *Dial-A-Mattress, supra*, 841
7 F.Supp. at 1350 (“[R]ather than looking for some formalistic passage of assets, the test is simply
8 whether the transaction is such that the assignee can ‘go on in real continuity with the past’”);
9 *Syntex Laboratories, Inc. v. Norwich Pharmacal Co.*, 315 F.Supp. 45, 55 (S.D.N.Y. 1970) (“The
10 reason for this rule is the need, if consumers are not to be misled as a result of established
11 associations with the mark, that the mark continue to be associated with the same or closely
12 similar products after its assignment.”); 2 J. Thomas McCarthy, MCCARTHY ON TRADEMARKS
13 AND UNFAIR COMPETITION § 18:24 (4th ed. 2002) (“[U]nder the modern view, the assignment
14 should be upheld if the transaction is such that the buyer is enabled to go on in real continuity with
15 the past, either as evidenced in the tangible or intangible assets acquired by the buyer or as
16 evidenced by the buyer’s post-transaction actions”). See also *Pepsico, supra*, 416 F.2d at 289
17 (“A case by case treatment of the problem as specific facts present themselves is desirable”).

18 Many courts conduct this analysis by asking whether the goods offered under the mark
19 post-assignment are “substantially similar,” to those previously associated with it, or at least
20 “sufficiently similar to prevent customers from being misled from established associations with
21 the mark.” *Sugar Busters, supra*, 177 F.3d at 266. See, e.g., *Visa, U.S.A., Inc., supra*, 696
22 F.2d at 1376 (“[T]ransfer of goodwill requires only that the services be sufficiently similar to
23 prevent consumers of the service offered under the mark from being ‘misled from established
24 associations with the mark’” (citation omitted)); *Defiance Button Machine Co., v. C & C Metal
25 Products Corp.*, 759 F.2d 1053, 1059 (2d Cir. 1985) (“[A]ssignments of marks separate from the
26 underlying business have been upheld when the assignee ‘is producing a product . . . substantially
27 similar to that of the assignor [such that] consumers would not be deceived or harmed. . . ,’”
28 citing *Marshak v. Green*, 746 F.2d 927, 930 (2d Cir. 1984)); *Pilates, Inc. v. Current Concepts*,

1 *Inc.*, 120 F.Supp.2d 286, 310 (S.D.N.Y. 2000) (same); *Clark & Freeman Corp. v. Heartland*
2 *Co., Ltd.*, 811 F.Supp. 137 (S.D.N.Y. 1993) (same); *eMachines, Inc. v. Ready Access Memory*,
3 No. EDCV00-00374-VAP (EEEx), 2001 WL 456404, * 11 (C.D. Cal. Mar. 5, 2001) (“Courts
4 analyze whether or not good will accompanied assignment by determining if the assignee is
5 producing a substantially similar product”); *Main Street Outfitters, Inc. v. Federated Dept. Stores,*
6 *Inc.*, 730 F.Supp. 289, 291 (D. Minn. 1989) (“Because FDS intended to have the good will
7 associated with the trademark ‘Main Street’ transferred to it, and intended to obtain that property
8 right and use it in a business that was substantially similar to that of the assignor, and did so; and
9 because the trademark was used on goods that were ‘not totally different’, but were substantially
10 similar, the test set forth in *Pepsico* has been met”).

11 This test has alternately been framed as “whether the assignee continues to produce goods
12 of the same nature and quality previously associated with the mark.” See *Archer Daniels Midland*
13 *Co. v. Narula*, No. 99 C 6997, 2001 WL 804025, * 6-7 (N.D. Ill. July 12, 2001) (“Some courts
14 have framed the inquiry by referring to ‘two tests’ that have been identified for determining
15 whether the assignment of a mark includes the passing of good will. The first ‘test’ asks whether
16 the assignee is able to go on in ‘real continuity with the past’ or if there is a ‘continuity of
17 management.’ The second ‘test examines whether [the assignee] is producing a product
18 substantially similar to that of [the assignor] such that consumers would not be deceived by the
19 assignment. . . . [W]e prefer as more workable McCarthy’s general formulation: ‘[C]ourts will
20 look to the reality of the transaction to see if “good will” passed. . . . The focus should be on
21 protecting customers’ legitimate expectation of continuity under the mark, not on searching for
22 a “stereotyped set of formalities.” . . .’ One factor is whether the assignee continues to produce
23 goods of the same nature and quality previously associated with the mark”); *Clark & Freeman,*
24 *supra*, 811 F.Supp. 137 (“[A] trademark may be validly transferred without the simultaneous
25 transfer of any tangible assets, as long as the recipient continues to produce goods of the same
26 quality and nature previously associated with the mark,” quoting *Defiance Button, supra*, 759
27 F.2d at 1059).

1 **3. Whether Lopez Has Raised A Question Of Fact As To Whether The**
2 **Assignment Of The GLOW KIT Mark Was Accompanied By Goodwill**

3 It is undisputed that when Lopez’s representatives first approached Leone regarding
4 assignment of the GLOW KIT mark, they said she was interested in “acquiring marks for possible
5 use in the cosmetic and fragrance industries.” Certain evidence in the record suggests that, even
6 before she acquired the mark, Lopez intended to use it on gift sets of GLOW BY J.LO products.
7 Other evidence indicates this idea did not arise until the spring of this year. While there is a
8 triable issue of fact in this regard, it is undisputed that presently, Lopez intends to use the GLOW
9 KIT mark on gift sets containing GLOW BY J.LO fragrance and other Lopez cosmetic products.

10 When Lopez acquired the mark, she granted Leone a one-year license to continue his
11 existing use. The license will terminate in September 2003. Leone has taken steps to phase out
12 his use of the GLOW KIT mark, and developed a substitute mark under which he will market a kit
13 containing two of the three products found in the GLOW KIT. Leone also intends to continue
14 separate sale of the products in the kit.

15 Plaintiff argues that Lopez’s anticipated use of the GLOW KIT mark is not substantially
16 similar to Leone’s prior use. Lopez responds that the mark is presently being used in precisely
17 the same manner it was before the assignment, as Leone continues to sell products under the mark
18 pursuant to his one-year license.

19 **a. Whether The “License-Back” Provision Supports The Validity**
20 **Of The Assignment**

21 Numerous courts have held that assignment/license-back agreements can constitute a valid
22 transfer of a trademark and its associated goodwill. See *Gallo Winery, supra*, 967 F.2d at 1289-
23 90; *Visa, U.S.A., Inc., supra*, 696 F.2d at 1377; *Haymaker Sports, Inc. v. Turian*, 581 F.2d 257,
24 261 (Cust. & Pat. App. 1978). They reason that, where “the assignor-licensee . . . continue[s]
25 to conduct the same business or provide the same services under the mark,” the license-back
26 ensures continuity of the mark, and protects customers from deception. *Visa, U.S.A., Inc.,*
27 *supra*, 696 F.2d at 1376. See also *Gallo Winery, supra*, 967 F.2d at 1290 (“We agree with the
28 federal circuit that a simultaneous assignment and license-back of a mark is valid, where, as in

1 this case, it does not disrupt continuity of the products or services associated with a given mark”).

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3 The validity of assignment/license-back transactions turns primarily on the extent to which
4 the licensor maintains control over the quality of the goods distributed under the mark. See *Visa,*
5 *U.S.A., Inc., supra*, 696 F.2d at 1377 (“The principle requirement, and the only one here critical,
6 is that ‘the licensing agreement provides for adequate control by the licensor over the quality of
7 goods or services produced under the mark by a licensee’”); *Gallo Winery, supra*, 967 F.2d at
8 1290 (citing *Visa*, and noting that “[t]he district court specifically found that the settlement
9 agreement sets out, and that the Winery is maintaining, a quality control program under which
10 the Winery actively monitors GALLO SALAME’s practices”). See also *Edwin K. Williams & Co.,*
11 *Inc. v. Edwin K. Williams & Co.-East*, 542 F.2d 1053,1059 (9th Cir. 1976) (“A tradename
12 licensor must maintain control over the quality of the finished product or service to guarantee to
13 the public that the goods or services are of the same, pre-license quality”). When the terms of
14 a licensing agreement demonstrate that the licensor has maintained control over the quality of the
15 goods and services, the opposing party bears the burden of demonstrating that the licensor has not
16 exercised that control. *Visa, U.S.A., Inc., supra*, 696 F.2d at 1377 (citing, *inter alia*, *Edwin K.*
17 *Williams & Co., supra*, 542 F.2d at 1059 (“Because a finding of insufficient control essentially
18 works a forfeiture, a person who asserts insufficient control must meet a high burden of proof”)).

19 Here, the license agreement grants Leone the right to use the GLOW KIT mark in
20 connection with the manufacture and distribution of “cosmetics sold separately and as a kit,
21 namely, alpha hydroxy acid skin creams, facial cleansing lotions, and skin creams containing
22 vitamin A derivatives,” so long as the quality of the products is at least equal in quality to the
23 samples given Lopez upon execution of the agreement.⁹³ The contract contemplates that Dr.
24 Leone will continue to use the mark in the same manner as he has previously, and that he will
25 maintain the quality standards evident in the samples given Lopez at signing. While Dr. Leone
26 did not recall providing samples of GLOW KIT products to Lopez’s representatives, the agreement
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28 ⁹³Lewis Decl., ¶ 13, Ex. 10 (Licensing Agreement – Under Seal).

1 he signed specifically states that he did.

2 The language of the agreement demonstrates that Lopez maintained control over the quality
3 of the GLOW KIT products distributed by Dr. Leon pursuant to the license-back, and the burden
4 thus shifts to Glow Industries to demonstrate that Lopez did not exercise that control. Dr.
5 Leone's lack of recollection is not sufficient to meet that burden, and it must be assumed, for
6 purposes of this motion, that Lopez maintained control over the quality of the products Dr. Leone
7 distributed under the mark. Compare *Visa, U.S.A., Inc., supra*, 696 F.2d at 1377 ("The license
8 back from Visa to Alpha Beta met that requirement. . . . Alpha Beta agreed that 'the nature and
9 quality of all services rendered in connection with the Mark shall conform to standards set by, and
10 under the control of [Visa].' Alpha Beta also agreed to comply with [certain] minimum standards.
11 . . . [I]t is not determinative that there was 'no evidence showing to what extent Visa has actually
12 exercised real and effective control. . . . The license back provided for adequate control by Visa
13 of Alpha Beta's use of the mark") with *Haymaker Sports, supra*, 581 F.2d at 261-62 ("Here,
14 Block and Moran . . . had no interest in the quality of shoes Avon was manufacturing, and there
15 is no evidence that they exercised any quality control. Although quality control has been inferred
16 in a few cases where licensing agreements were silent, there is nothing in the record before us on
17 which to base such an inference"); *In re Impact Distributors, Inc.*, 260 B.R. 48, 55 (S.D. Fla.
18 2001) ("[I]t is unlikely that a non-existent entity was able to maintain the requisite 'adequate
19 control' required for a valid license back agreement"). See also *Syntex, supra*, 315 F.Supp. at
20 56 ("It has been held that reliance upon the integrity of a licensee is sufficient to fulfill the control
21 requirement where a history of trouble-free manufacture provides a basis for such reliance").

22 This does not address the central issue, however, which is whether a license-back provision
23 that is limited in duration and non-exclusive, and that will expire before this matter comes to
24 trial,⁹⁴ can provide the basis for a finding that the post-assignment use of a trademark is
25 substantially similar to its pre-assignment use. A number of courts have found that trademark
26 assignments were accompanied by a transfer of the goodwill associated with the trademark where

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28 ⁹⁴Lewis Decl., ¶ 13, Ex. 10 (Licensing Agreement – Under Seal).

1 the assignor was permitted to continue its prior use of the mark pursuant to a license-back
2 provision while assignee simultaneously began concurrent use of the mark. These cases generally
3 involve permanent license-back provisions that authorize a specific use by the assignor that does
4 not conflict with the assignee's intended use. See *Gallo Winery, supra*, 967 F.2d at 1289-90
5 (winery licensed meat packager to continue to its use of the GALLO SALAME mark on meat and
6 cheese packages); *Visa, U.S.A., Inc., supra*, 696 F.2d at 1373-74 (Visa licensed a grocery chain
7 to continue using the CHECK O.K. mark in connection with check approval services for its
8 customers; Visa used the mark for check approval services nationally); *Brewski Beer, Co. v.*
9 *Brewski Brothers, Inc.*, 47 U.S.P.Q.2d 1281, 1998 WL 416757, * 10-11 (T.T.A.B. 1998) (Los
10 Angeles restaurant and microbrewery licensed a New York tavern to continue operations under
11 the mark).

12 In virtually all of these cases, the court has concluded that the assignment was accompanied
13 by a transfer of goodwill because the products or services being offered concurrently under the
14 mark by the assignor and assignee were substantially similar. See *Visa, U.S.A., Inc., supra*, 696
15 F.2d at 1376 (noting that the concurrent uses were sufficiently similar that customers would not
16 be "misled from established associations with the mark"); *Syntex, supra*, 315 F.Supp. at 55 ("In
17 this case the products of assignor and assignee are identical"). Cf. *Brewski Beer, supra*, 1998 WL
18 416757 at * 11 ("[B]oth operations offer the same basic services, namely, the serving of beer and
19 food. . . . More importantly, a customer who is familiar with Brewsky's tavern in lower
20 Manhattan would hardly expect, should he plan to visit Brewski's restaurant and microbrewery
21 in Hermosa Beach, that the two would be identical. In addition, if a patron of Brewsky's tavern
22 in lower Manhattan were to travel to Los Angeles and visit Brewski's restaurant and
23 microbrewery (brewpub) in Hermosa Beach, he or she would readily discern that there are clear
24 differences in the two operations. It has been noted that 'some changes in the product [or service]
25 represented by a trademark [or service mark] are expected by the public. Other changes are
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1 readily discernible. In neither case is the public deceived’”).⁹⁵ Here, although there is some
2 question when she first formed the intention of doing so, it is undisputed that Lopez is developing
3 a “GLOW KIT” that will include various GLOW BY J.LO products.

4 A review of the cases demonstrates that they do not support the broad holding Lopez seeks
5 – i.e., that *any* license-back provision, even one of limited scope or duration, mandates a finding
6 that a trademark assignment was accompanied by a transfer of goodwill. Application of such a
7 rule would be particularly inappropriate if the assignee licensed back the trademark rights
8 intending to use the mark at the conclusion of the limited license-back period on products or
9 services that were not substantially similar to the prior use. The correct test is to “focus . . . on
10 protecting customers’ legitimate expectation of continuity under the mark. . . .” *Archer Daniels*
11 *Midland, supra*, 2001 WL 804025 at * 6-7. That focus here requires that the court look not only
12 at the one-year period during which Dr. Leone has continued to use the GLOW KIT mark, but at
13 the upcoming period during which Lopez apparently intends to use the mark on gift sets of GLOW
14 BY J.LO products. See *Defiance Button, supra*, 759 F.2d at 1060 (“As long as the mark has
15 significant remaining value and the owner intends to use it in connection with substantially the
16 same business or service, the public is not deceived”); *Main Street Outfitters, supra*, 730 F.Supp.
17 at 291 (“Because FDS intended to have the good will associated with the trademark ‘Main Street’
18 transferred to it, and intended to obtain that property right and use it in a business that was
19 substantially similar to that of the assignor, and did so; and because the trademark was used on
20 goods that were ‘not totally different’, but were substantially similar, the test set forth in *Pepsico*
21 has been met”). The question the court must ask, therefore, is whether Lopez’s anticipated use
22 is substantially similar to Dr. Leone’s pre-assignment use.

23 **b. Whether Lopez’s Planned Use Of The Mark Supports A Finding That**
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25 ⁹⁵The Ninth Circuit in *Gallo Wineries* held that the assignment/license-back was valid,
26 despite the fact that the winery’s concurrent use was distinct from the meatpacker’s licensed use,
27 because “customer’s of Gallo Salame’s products [had previously] mistakenly believed they were
28 purchasing a product of the Winery. . . [such that] [t]he assignment/lease-back had the beneficial
effect of bringing ‘commercial reality into congruence with customer perception that [the Winery]
was controlling [Gallo Salame’s] use.’” *Gallo Winery, supra*, 967 F.2d at 1290.

1 mark with the Tx Systems, NeoStrata and Leone products, there will be no continuity of use.
2 There are also substantial differences between the Tx Systems, NeoStrata and Leone products and
3 those Lopez intends to market under the GLOW KIT name. The products included in Leone's
4 GLOW KIT are skin lotions and cleansers designed to improve the health of the skin and protect
5 against aging. Lopez's planned kit, on the other hand, will contain fragrance and cosmetics such
6 as bronzer, eyeshadow and lip gloss. While, in a broad sense, both Leone's and Lopez's products
7 are intended to make users look better,⁹⁶ they would appear, at least superficially, to appeal to
8 different groups of consumers attempting to address different types of cosmetic challenges.

9 Neither party has proffered sufficient evidence to permit the court to reach a conclusion
10 on the matter as a matter of law, however. First, Lopez's anticipated use is not yet finalized, and
11 the evidence indicates that she and her marketing partners routinely make changes in product
12 design and marketing strategy until the eve of product roll-out.⁹⁷ Second, neither party has
13 proffered expert or other evidence regarding the market for products such as Leone's as compared
14 with the market for the products Lopez intends to offer under the GLOW KIT name. The record
15 is thus devoid of evidence regarding the type of consumers who routinely purchase Lopez's
16 cosmetics and those who purchase Leone's. Without a more fully developed record on these
17 points, the court cannot conclude, as a matter of law, that Lopez's intended use is not substantially
18 similar to Leone's, and that the assignment was invalid.⁹⁸ Accordingly, Glow Industries' motion
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20 ⁹⁶See Leone Depo. at 42:8-13 (“Q: Would you characterize [your GLOW KIT products] as
21 cosmetic products? A: Well, that’s hard to answer because the objective is the same is to make
22 people look better. Cosmetics do it with maybe cover-ups and colors, and I try to do it more
biologically”).

23 ⁹⁷Plaintiff, moreover, did not present any evidence regarding Lopez's plans to use the
24 GLOW KIT mark for fragrance and cosmetics until reply. Lopez thus had no opportunity to
25 respond.

26 ⁹⁸Plaintiff raises the additional argument that Lopez's acquisition of the mark was
27 motivated by a desire to gain an advantage in this litigation, and not by a desire to acquire the
28 goodwill associated with the mark. This argument ultimately amounts to a claim that the
trademark assignment was a “sham transaction.” Some courts have held that an assignee's
apparent desire to acquire only the trademark, and not the associated goodwill, will support a

1 for summary judgment on this basis is denied.

2 **C. Trademark Infringement**

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4 finding that the assignment was invalid. See *Archer Daniels Midland, supra*, 2001 WL 804025
5 at * 7 (“ADM received no tangible assets of NII through the assignment other than the internet
6 domain name Nutrisoy.com. ADM also admits that NII, now doing business as Mothersoy,
7 Incorporated, continues to sell the same products . . . this evidence also tends to show that good
8 will was not transferred in connection with the NII Assignment”); *Pilates, supra*, 120 F.Supp.2d
9 at 311 (“[T]here is ample evidence that Gallagher was interested in purchasing only naked
10 trademarks rather than a business with accompanying good will. Gallagher testified candidly that
11 he contacted Horn to find out if Horn was interest in ‘selling the trademarks’ and that he was
12 negotiating to ‘buy the trademarks.’ He testified that he threw away eighty percent of the
13 materials he received because ‘I didn’t feel I had the need to have any of that because it was not
14 my business.’ Gallagher’s use of the term Pilates in his Synergy business with Steve Giordano
15 prior to his purchase of the Pilates marks also shows that he sought only the ability to use the
16 name Pilates rather than the good will associated with it”); *Greenlon, Inc. of Cincinnati v.*
17 *Greenlawn, Inc.*, 542 F.Supp. 890, 894 (S.D. Ohio 1982) (“[D]efendant received nothing more
18 than the right to use plaintiff’s nationally registered mark in areas of the country in which plaintiff
19 was not already doing business. . . . [D]efendant received nothing of value from McCurdy other
20 than McCurdy’s permission to use the mark”). But see *Carnival Brand Seafood Co. v. Carnival*
21 *Brands, Inc.*, 187 F.3d 1307, 1309 (11th Cir. 1999) (citing 2 MCCARTHY § 16:5 for the
22 proposition that “an assignee of a trademark steps into the shoes of the assignor and that a
23 company may ‘buy[] the trademark and associated good will of a company with an early priority
24 date in order to pre-date the priority of a rival’”); *Money Store, supra*, 689 F.2d at 678 (finding
25 that the assignment of a substantially similar mark was not a “sham transaction” simply because
26 it was motivated by a desire to obtain superior rights to the mark in the Chicago area).

19 The facts in this case – particularly inferences arising from the timing of Lopez’s
20 acquisition of the GLOW KIT mark, the limited duration of license-back, and Lopez’s planned use
21 of the mark on distinct products – may support a conclusion that Lopez intended only to acquire
22 the GLOW KIT mark and not the associated goodwill. Lopez acquired rights to the GLOW KIT
23 mark immediately following Glow Industries’ initiation of this action. This supports an inference
24 that she acquired the mark for its litigation, rather than its market, value. A trier of fact could
25 find, moreover, that Lopez licensed the rights back to Leone for a limited term in a calculated
26 effort to assure the validity of the trademark assignment. Finally, Lopez’s plan to use the GLOW
27 KIT mark on products that may ultimately be found to be distinct from those offered by Dr. Leone
28 could independently suggest that she did not intend to acquire the goodwill associated with
Leone’s use of the mark. All of these issues regarding Lopez’s are questions of fact that are not
properly resolved on a motion for summary judgment. See *Chapman v. National Aeronautics*
and Space Admin., 736 F.2d 238, 242 (9th Cir. 1984) (“Intent is an issue of fact that belongs in
the first instance to the [jury or] trial court”); *National Union Fire Ins. Co. v. Argonaut Ins. Co.*,
701 F.2d 95, 97 (9th Cir. 1983) (“[A]mbiguity in a contract raises a question of intent, which is
a question of fact precluding summary judgment”).

1 Glow Industries argues in the alternative that Lopez’s counterclaim should be dismissed
2 because she cannot prove that Glow Industries has infringed the GLOW KIT trademark. The
3 purpose of trademark is to aid in the “[i]dentification of the manufacturer or sponsor of a good
4 or the provider of a service.” *New Kids on the Block v. News America Publishing, Inc.*, 971 F.2d
5 302, 305 (9th Cir. 1992). Trademarks give their owners “a limited property right in a particular
6 word, phrase, or symbol.” *Id.* at 306. In order to prevail on her trademark infringement claim,
7 Lopez must prove (1) that she has a valid, protectable trademark and (2) that Glow Industries’ use
8 of the same or a similar mark causes a likelihood of confusion in the minds of the relevant
9 consuming public. *Fuddruckers, Inc. v. Doc’s B.R. Others, Inc.*, 826 F.2d 837, 841 (9th Cir.
10 1987); *First Brands Corp. v. Fred Meyer, Inc.*, 809 F.2d 1378, 1381 (9th Cir. 1987); *Committee*
11 *for Idaho’s High Desert v. The Committee for Idaho’s High Desert, Inc.*, 881 F.Supp. 1457, 1471
12 (D. Idaho 1995), modified on other grounds, 92 F.3d 814 (9th Cir. 1996) (citing *Levi Strauss v.*
13 *Blue Bell, Inc.*, 778 F.2d 1352, 1354 (9th Cir. 1985)).

14 1. Protectability

15 Under 15 U.S.C. § 1115(a), a valid federal trademark registration constitutes *prima facie*
16 evidence that the holder owns the mark, and has the exclusive right to use the mark in commerce
17 in connection with the goods or services specified in the registration. See *Brookfield*
18 *Communications, Inc. v. West Coast Entertainment Corp.*, 174 F.3d 1036, 1046-47 (9th Cir.
19 1999) (in determining the likelihood of success on a motion for preliminary injunction, the court
20 “first determine[d] whether Brookfield ha[d] a valid, protectable trademark interest in the
21 ‘MovieBuff’ mark,” and held that “Brookfield’s registration of the mark on the Principal Register
22 in the Patent and Trademark Office constitute[d] *prima facie* evidence of the validity of the
23 registered mark and of Brookfield’s exclusive right to use the mark on the goods and services
24 specified in the registration”). See also *Maktab Tarighe Oveyssi Shah Maghsoudi, Inc. v.*
25 *Kianfar*, 179 F.3d 1244, 1249 (9th Cir. 1999) (“This registration constitutes *prima facie* evidence
26 that Angha owns the marks. . . . It also provides constructive notice of the claimed ownership
27 of the marks”). The presumption that arises from registration can be rebutted. See *Tie Tech, Inc.*
28 *v. Kinedyne Corp.*, 296 F.3d 778, 783 (9th Cir. 2002) (“In trademark terms, the registration is

1 not absolute but is subject to rebuttal. . . . [T]he plaintiff in an infringement action with a
2 registered mark is given the *prima facie* or presumptive advantage on the issue of validity, thus
3 shifting the burden of production to the defendant to prove otherwise. . . .”); *Brookfield*
4 *Communications, supra*, 174 F.3d at 1047 (“Brookfield’s registration of the mark on the Principal
5 Register in the Patent and Trademark Office constitutes *prima facie* evidence of the validity of the
6 registered mark and of Brookfield’s exclusive right to use the mark on the goods and services
7 specified in the registration. . . . Nevertheless, West Coast can rebut this presumption”).

8 There is no dispute that the GLOW KIT mark is listed on the Principal Register. Glow
9 Industries asserts, however, that the registration is invalid because there is no evidence in the file
10 wrapper that the mark was used in interstate commerce prior to registration. This challenge to
11 the validity of the mark fails, as there is no requirement that a trademark application include
12 evidence of sales in interstate commerce. All that is required is a statement by the applicant that
13 the mark is “used in commerce” as that term is defined for purposes of the Lanham Act. See 37
14 C.F.R. §§ 2.32, 2.33 (setting forth requirements for trademark applications).

15 Glow Industries next asserts that Lopez has failed to adduce evidence demonstrating that
16 products bearing the GLOW KIT mark were ever sold in interstate commerce. Dr. Leone testified
17 that he assumed GLOW KITS had been sold throughout the country because “we sell our goods to
18 many different people in different parts of the country.”⁹⁹ Following Leone’s deposition,
19 plaintiff’s counsel contacted Dr. Leone’s attorney to request copies of shipping records
20 demonstrating that GLOW KITS were sold in interstate commerce. She made several written
21 requests and one telephone call, but has not yet received the documents.¹⁰⁰ The fact that Leone
22 has not produced shipping records in response to informal requests does not suffice to rebut the
23 presumption of validity that attaches to the mark by virtue of its registration.¹⁰¹

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25 ⁹⁹Leone Depo. at 47:10-20.

26 ¹⁰⁰Lay Decl., ¶ 9.

27 ¹⁰¹Plaintiff apparently has not utilized the mechanisms available under the Federal Rules
28 of Civil Procedure to compel production of the documents she seeks.

1 Glow Industries also maintains there is a question as to the accuracy of the first use in
2 commerce date stated on Leone’s trademark application. Dr. Leone testified that the date he listed
3 could have been the date of the first sale of a GLOW KIT, the first time the GLOW KIT mark was
4 affixed to a shopping bag, or possibly, because the application indicated that he was using the
5 mark on his website to promote goods, the date the website was activated.¹⁰² Plaintiff proffers
6 no evidence regarding the dates these events occurred, and the mere fact that Dr. Leone was
7 uncertain of the origin of the first use date does not suffice to overcome the presumption of
8 validity that otherwise attaches to the registration. On the present record, therefore, Lopez is
9 entitled to rely on the presumption to prove that she has valid trademark rights in the GLOW KIT
10 mark, as the triable issues of fact that remain regarding the validity of the assignment require the
11 court to assume, for purposes of this motion proceeding, that Lopez validly obtained the rights
12 from Leone.

13 2. Likelihood Of Confusion

14 Accordingly, the court next examines whether undisputed facts in the record show that
15 there is no likelihood of confusion between the GLOW KIT and GLOW marks. “The test for
16 likelihood of confusion is whether a ‘reasonably prudent consumer’ in the marketplace is likely
17 to be confused as to the origin of the good or service bearing one of the marks.” *Dreamwerks*
18 *Production Group, Inc. v. SKG Studio*, 142 F.3d 1127, 1129 (9th Cir. 1998) (footnote omitted).
19 In *AMF Inc. v. Sleekcraft Boats*, 599 F.2d 341, 348-49 (9th Cir. 1979), the Ninth Circuit
20 identified eight factors that should be considered in conducting this inquiry: (1) the strength of the
21 mark; (2) the proximity or relatedness of the goods; (3) the marks’ similarity in appearance,
22 sound, and meaning; (4) evidence of actual confusion; (5) the degree to which the parties’
23 marketing channels converge; (6) the type of goods and the degree of care customers are likely
24 to exercise in purchasing them; (7) evidence of the allegedly infringing party’s intention in
25 selecting and using the name; and (8) the likelihood that the parties will expand their product
26 lines. “The factors should not be rigidly weighed” (*Dreamwerks, supra*, 142 F.3d at 1129), but
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28 ¹⁰²Leone Depo., 22:17-23:2, 46:13-21,

1 rather “are intended to guide the court in assessing the basic question of likelihood of confusion”
2 (*E. & J. Gallo Winery, supra*, 967 F.2d at 1290). The court need not address all of the factors,
3 nor must the claimant establish that each weighs in her favor in order to establish a likelihood of
4 confusion. See *C & C Organization v. AGDS, Inc.*, 676 F. Supp. 204, 206 (C.D. Cal. 1987)
5 (citing *Apple Computer, Inc. v. Formula International, Inc.*, 725 F.2d 521, 526 (9th Cir. 1984)).

6 In *Brookfield, supra*, 174 F.3d at 1054, the court noted that the *Sleekcraft* test is “pliant,”
7 that “some factors are much more important than others, and [that] the relative importance of each
8 individual factor will be case-specific.” *Id.* It observed, however, that the similarity of the marks
9 and whether the parties are direct competitors will “always be important.” *Id.*

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1 **a. Strength Of The Mark**

2 **(1) Distinctiveness**

3 “The strength of a given mark rests on its distinctiveness.” *Miss World (UK) Ltd. v. Mrs.*
4 *America Pageants, Inc.*, 856 F.2d 1445, 1448 (9th Cir. 1988). Potential trademarks fall into four
5 categories: (1) generic, (2) descriptive, (3) suggestive, and (4) arbitrary or fanciful. *Japan*
6 *Telecom, Inc. v. Japan Telecom Am. Inc.*, 287 F.3d 866, 872 (9th Cir. 2002); *Filipino Yellow*
7 *Pages, Inc. v. Asian The Journal Pubs., Inc.*, 198 F.3d 1143, 1146 (9th Cir. 1999). Generic
8 terms cannot be protected as trademarks because “they are common words or phrases that
9 ‘describe a class of goods rather than an individual product,’” and thus do not relate exclusively
10 to the trademark owner’s product. *Japan Telecom, supra*, 287 F.3d at 872 (citing *New Kids on*
11 *the Block, supra*, 971 F.2d at 306). Descriptive terms “suffer from the same problem.” *Id.*
12 Descriptive terms relate more directly to a particular product than do generic terms, as they
13 “describe[] a person, a place or an attribute of [the] product.” They will not support the grant
14 of an exclusive property right, however, “[b]ecause they tend to consist of common words that
15 might be the only way to describe a category of goods.” *Id.* See also *Kendall-Jackson Winery,*
16 *Ltd. v. E. & J. Gallo Winery*, 150 F.3d 1042, 1047, n. 8 (9th Cir. 1998) (“Descriptive marks
17 define qualities or characteristics of a product in a straightforward way that requires no exercise
18 of the imagination to be understood”).

19 Terms that are suggestive, or arbitrary and fanciful, by contrast, are inherently distinctive.
20 *Japan Telecom, supra*, 287 F.3d at 872 (noting that such terms are protectable “without a
21 showing of secondary meaning”). A suggestive mark “conveys an impression of a good but
22 requires the exercise of some imagination and perception to reach a conclusion as to the product’s
23 nature.” *Brookfield Communications, supra*, 174 F.3d at 1058, n. 19 (using “Roach Motel”
24 insect traps as an example). See also *Kendall-Jackson Winery, supra*, 150 F.3d at 1047, n. 8 (a
25 suggestive mark is one for which “a consumer must use imagination or any type of multistage
26 reasoning to understand the mark’s significance, [because] the mark does not *describe* the
27 product’s features, but *suggests* them” (emphasis original)). Arbitrary and fanciful marks “have
28 no intrinsic connection to the product with which the mark is used; [arbitrary marks] consist[]

1 of words commonly used in the English language [e.g. ‘Black & White’ scotch whiskey], whereas
2 [fanciful marks] are wholly made-up terms [e.g. ‘Clorox’ bleach].” *Brookfield Communications*,
3 *supra*, 174 F.3d at 1058, n. 19 (citations omitted).

4 The court previously found it likely that Glow Industries would be able to prove that the
5 GLOW mark, as used on its GLOW perfume, was suggestive because it appeared to refer to the
6 positive feeling a consumer would obtain if she used the product. See *Giorgio Beverly Hills, Inc.*
7 *v. Revlon Consumer Products Corp.*, 869 F.Supp. 176, 180 (S.D.N.Y. 1994) (finding the mark
8 RED suggestive when used for a fragrance); *Elizabeth Taylor Cosmetics Co. v. Annick Goutal*,
9 *S.A.R.L.*, 673 F.Supp. 1238, 1243-44 (S.D.N.Y. 1987) (finding the mark PASSION suggestive
10 when used for a fragrance); *Jean Patou, Inc. v. Jacqueline Cochran, Inc.*, 201 F.Supp. 861, 864
11 (S.D.N.Y. 1962) (finding the mark JOY suggestive when used for a fragrance), *aff’d.*, 312 F.2d
12 125 (2d Cir. 1963). Although it considered the question a closer one, the court also found it
13 likely that Glow Industries would be able to prove that the GLOW mark was suggestive as used
14 on plaintiff’s lotion and shower gel because:

15 “‘GLOW’ is not descriptive of the qualities or characteristics of shower gels or body
16 lotions. Indeed, one who hears the word does not immediately think of such
17 products. Rather, some amount of association is required to link the concept of
18 glowing skin to use of a particular gel or lotion.¹⁰³

19 Glow Industries now asserts that the court should find Lopez’s GLOW KIT mark is
20 descriptive rather than suggestive.¹⁰⁴ It notes that Dr. Leone has stated in advertising and
21 elsewhere that use of GLOW KIT products gives one’s face a “subtle ‘glow’” and leads to
22 “glowing” skin.¹⁰⁵ Dr. Leone’s testimony does not control categorization of the mark as a legal

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24 ¹⁰³Preliminary Injunction Order at 24:8-11.

25 ¹⁰⁴Plaintiff does not concede, by making this argument, that its use of the GLOW mark is
26 descriptive. Rather, it notes that Glow Industries’ marketing strategy is distinct from Dr.
27 Leone’s, and focuses on brand cohesiveness rather than the descriptive nature of the mark.

28 ¹⁰⁵Similarly, advertising materials developed in connection with the planned launch of
GLOW BY J.LO GLOW KITS state that the cosmetics and fragrance included are “designed to make

1 of a mark: it is only the first step. The second step is to determine the strength of th[e] mark in
2 the marketplace. That is, its degree of recognition in the minds of the relevant customer class.’”
3 *Miss World, supra*, 856 F.2d at 1449 (quoting 1 J. Thomas McCarthy, MCCARTHY ON
4 TRADEMARKS AND UNFAIR COMPETITION, § 11:1 (2d ed. 1984)). See also *Petro Shopping Centers*
5 *v. James River Petroleum, Inc.*, 130 F.3d 88, 93 (4th Cir. 1997) (“ . . . the placement of a mark
6 in either the suggestive or descriptive category is merely the first step in assessing the strength of
7 a mark for purposes of likelihood of confusion test. . . . [C]ourts must examine, in addition to
8 the mark’s characterization as suggestive or descriptive, the extent of secondary meaning a mark
9 has acquired in the eyes of consumers”); *John J. Harland Co. v. Clarke Checks, Inc.*, 711 F.2d
10 966, 975 (11th Cir. 1983) (the distinctiveness of the mark and the extent of third-party use “both
11 . . . should be considered when analyzing the strength of a particular trademark”); *Sun Banks of*
12 *Florida, Inc. v. Sun Federal Savings & Loan Ass’n.*, 651 F.2d 311, 315 (5th Cir. 1981) (after
13 holding that plaintiff’s mark was arbitrary, the court stated: “The ultimate strength of a mark,
14 [however,] the key inquiry before us, is determined by a number of factors which establish its
15 standing in the marketplace”); 2 J. Thomas McCarthy, MCCARTHY ON TRADEMARKS AND UNFAIR
16 COMPETITION, § 11.83 (4th ed. 2002) (“While some courts have made the strong-weak evaluation
17 solely upon the place of a term on the spectrum of marks, such an approach is incomplete. One
18 must in addition look at the marketplace strength of the mark at the time of the litigation or at the
19 time registration is sought”).

20 Neither party has offered evidence regarding the extent to which the GLOW KIT mark
21 enjoys market recognition. Such evidence as there is suggests that market recognition is weak,
22 however. It is undisputed that Dr. Leone sold fewer than 170 GLOW KITS in the twenty-two
23 months between November 2000 and September 2002, and that his sales totaled only \$11,000.
24 It is also undisputed that a majority of the sales were to patients of Dr. Leone’s dermatology
25 practice, which operates at two locations in Illinois. Indeed, sales records Leone gave Lopez in
26 anticipation of his assignment of the mark indicate that he may have sold only 22 GLOW KITS
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1 between November 2000 and September 2002 via his website.¹⁰⁶ Leone testified that the patients
2 who visit his office live primarily in the Chicago area and elsewhere in Illinois.¹⁰⁷ He was not
3 aware that GLOW KITS or GLOW KIT products had been featured in any print publications, on the
4 radio, or on television.¹⁰⁸

5 The fact that the GLOW KIT mark is only suggestive, and its undisputedly limited
6 commercial strength, demonstrate that the mark is weak. Cf. 2 J. Thomas McCarthy, MCCARTHY
7 ON TRADEMARKS AND UNFAIR COMPETITION, § 11.83, p. 11-143 (4th ed. 2002) (“‘A mark can be
8 conceptually strong (by being arbitrary or fanciful) and at the same time be commercially weak
9 if the mark lacks significance in the marketplace for identifying the origin of the goods,’” quoting
10 *Oxford Industries, Inc. v. JBJ Fabrics, Inc.*, 6 U.S.P.Q.2d 1756 (S.D.N.Y. 1988)). Thus, this
11 *Sleekcraft* factor favors a finding that there is no likelihood of confusion.

12 **(b) Proximity Or Relatedness Of The Parties’ Goods**

13 “Related goods are those ‘products which would be reasonably thought by the buying
14 public to come from the same source if sold under the same mark.’” *Sleekcraft, supra*, 599 F.2d
15 at 348, n. 10 (quoting *Standard Brands, Inc. v. Smidler*, 151 F.2d 34, 37 (2d Cir. 1945));
16 *Fleischmann Distilling Corp. v. Maier Brewing Co.*, 314 F.2d 149, 159 (9th Cir. 1963) (“The
17 use need not be the same as, nor one in competition with the original use. The question is, are
18 the uses related so that they are likely to be connected in the mind of a prospective purchaser?”).
19 See also *Brookfield Communications, supra*, 174 F.3d at 1056 (holding that because “both
20 companies offer products and services relating to the entertainment industry generally, and their
21 principal lines of business both relate to movies specifically,” there was sufficient relatedness of
22 goods to support a finding of likelihood of confusion); 4 J. Thomas McCarthy, MCCARTHY ON
23 TRADEMARKS AND UNFAIR COMPETITION, § 24.24 (4th ed. 2002) (“Goods are ‘related’ if
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25 ¹⁰⁶Lewis Decl., Ex. 11 (Affidavit of Giulio Leone - Under Seal); Leone Depo. at 24:19-
26 25:4.

27 ¹⁰⁷Leone Depo. at 30:1-11.

28 ¹⁰⁸Leone Depo. at 43:17-21.

1 consumers are likely to mistakenly think that the infringer’s goods come from the same source
2 as the senior user’s goods or are sponsored or approved by the senior user”).

3 Glow Industries’ GLOW products are “bath and body products” designed for use in the bath
4 and on customers’ skin. They include perfume, skin lotion and body wash, as well as an oil with
5 antioxidant properties designed to repel “free radicals,” and a hydrosol mist that reputedly offers
6 skin benefits. Both fragrance and “the sanctity of the bathing ritual” are important focuses in the
7 development of GLOW products.

8 The products included in the GLOW KIT are also designed for use on a customer’s skin.
9 They include an alpha-hydroxy acid cream, a facial cleansing lotion and a skin cream containing
10 Vitamin A derivatives. The vitamin A derivatives “help fight wrinkles, . . . help unblock pores,
11 [and] . . . turn the skin over a little more quickly.”¹⁰⁹ In developing the combination of products
12 marketed as the GLOW KIT, Dr. Leone stated that

13 “I would tell patients, you need a sunscreen moisturizer in the morning, and you
14 need something for the fine wrinkles at night, and something gentle to wash with.
15 I said wait a minute, let[’]s put it together and call it something. I said it makes
16 your skin glow. That’s how the Glow Kit came about.”¹¹⁰

17 Dr. Leone described the products in the GLOW KIT as “cosmeceutical” or “cosmeticky” products:
18 products that are “almost like medication” but designed to make people look better.¹¹¹ He does
19 not believe the products have any fragrance.¹¹² When asked to compare his GLOW KIT products
20 to the products offered by Glow Industries, Leone observed that his products “are for anti-aging,”
21 while Glow Industries’ products “are more for cosmetics, feel good lotions, soaps, fragrant
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24 ¹⁰⁹Leone Depo. at 22:11-16.

25 ¹¹⁰Leone Depo. at 13:11-17.

26 ¹¹¹Leone Depo. at 14:22-15:11.

27 ¹¹²Leone Depo. at 43:14-16.

1 products.”¹¹³ Glow Industries emphasizes the quasi-medical nature of the GLOW KIT
2 products, and notes specifically that two were produced and marketed by dermatological
3 companies.¹¹⁴ Leone said, however, that he might also classify GLOW products as dermatological
4 since, “in a broad sense, they relate to the skin.”¹¹⁵ As Lopez notes, moreover, some mass-
5 marketed skin products have trade names that suggest development or endorsement by physicians
6 as well as anti-aging properties. These include a skin conditioning tonic marketed under the name
7 “Prescriptives,” a moisturizing lotion marketed under the name “Physicians Formula,” a vitamin
8 A cream marketed under the name “Dr.,” an enhancing lotion by Olay named “Regenerist,” and
9 a moisturizing lotion whose label bears the phrase “Dermatologist Recommended.”¹¹⁶

10 The mere fact that “two products or services fall within the same general field . . . does
11 not mean that the[y] . . . are sufficiently similar to create a likelihood of confusion.” *Harlem*
12 *Wizards Entertainment Basketball, Inc. v. NBA Properties, Inc.*, 952 F.Supp. 1084, 1095 (D.N.J.
13 1997). In *Sunenblick v. Harrell*, 895 F.Supp. 616 (S.D.N.Y. 1995), aff’d., 101 F.3d 684 (2d
14 Cir. 1996), for example, the court found that plaintiff’s and defendant’s use of the UPTOWN
15 RECORDS mark for music recordings did not create a likelihood of confusion because “[plaintiff]’s
16 products [were] addressed to a somewhat esoteric market, viz., purchasers interested in lost or
17 forgotten jazz artists, in the ‘straight ahead jazz’ category, whereas defendants sell rap
18 recordings,” and because the distinct recordings were “featured in different sections of the stores
19 . . . according to genre and not by label name.” *Id.* at 629. See also *Checkpoint Systems, Inc.*
20 *v. Check Point Software Technologies, Inc.*, 269 F.3d 270, 287 (3d Cir. 2001) (“Goods may fall

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22 ¹¹³Leone Depo. at 41:17-20.

23 ¹¹⁴Glow Industries also notes that the NeoStrata website states its products are sold only
24 to dermatologists and plastic surgeons. While this may be true, Dr. Leone’s purchase and resale
25 of the products to non-physicians without a prescription undercuts the significance of the
26 manufacturer’s statements.

27 ¹¹⁵Leone Depo. at 42:5-22.

28 ¹¹⁶Declaration of Christine Susky in Support of Lopez’s Opposition to Motion for Summary
Judgment (“Susky Decl.”), ¶¶ 3-7, Exs. 1-5

1 under the same general product category but operate in distinct niches. When two products are
2 part of distinct sectors of a broad product category, they can be sufficiently unrelated that
3 consumers are not likely to assume the products originate from the same mark”); *Harlem Wizards*
4 *Entertainment Basketball*, *supra*, 952 F.Supp. at 1095 (“The show basketball performed by
5 plaintiff is markedly distinct from NBA competitive basketball in myriad ways. As a show
6 basketball team, plaintiff simply does not play NBA level competitive basketball. . . . Therefore,
7 the court finds that when every aspect of the two teams is compared, there is glaring
8 dissimilarity”).

9 It is also true, however, that “[c]omplementary products or services are particularly
10 vulnerable to confusion.” *Sleekcraft*, *supra*, 559 F.2d at 350 (quoting *Communications Satellite*
11 *Corp. v. Comcet, Inc.*, 429 F.2d 1245, 1253 (4th Cir. 1970)). See also *Brookfield*
12 *Communications*, *supra*, 174 F.3d at 1055 (“Related goods are generally more likely than
13 unrelated goods to confuse the public as to the producers of the goods”). Here, triable issues of
14 fact remain as to whether consumers might conclude that Dr. Leone had expanded his anti-aging
15 skin care regimen to include the more commercial, fragrant skin care products sold by Glow
16 Industries. See *Cohn*, *supra*, 281 F.3d at 841 (holding that the parties’ goods and services were
17 related, as plaintiff “provides veterinary services and makes ancillary sales of pet supplies, while
18 Petsmart sells pet supplies and offers ancillary veterinary services through Dr. Barton”).
19 Accordingly, the court cannot properly weigh this factor at the present time.

20 (c) Similarity Of The Marks

21 “Similarity of the marks is tested on three levels: sight, sound, and meaning.” *Sleekcraft*,
22 *supra*, 599 F.2d at 351. In judging similarity, trademarks should be considered as they are
23 encountered in the marketplace, taking into account the normal circumstances surrounding
24 purchase of the type of goods they represent. *Id.*; *Lindy Pen Co. v. Bic Pen Corp.*, 725 F.2d
25 1240, 1245 (9th Cir. 1984), cert. denied, 469 U.S. 1188 (1985); *Walt Disney Productions v. Air*
26 *Pirates*, 581 F.2d 751, 759 (9th Cir. 1978).

27 The use of the word “glow” in both marks, suggesting as it does the positive effects of the
28 associated skin care products, demonstrates some similarity of sound and meaning. The marks

1 must nevertheless be compared in their entirety, rather than in dissected form. See 3 J. Thomas
2 McCarthy, MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION, § 23.43 (4th ed. 2002);
3 *Official Airline Guides, Inc. v. Goss*, 6 F.3d 1385, 1392 (9th Cir. 1993) (“The marks must be
4 considered in their entirety and as they appear in the marketplace”); *A & H Sportswear Co. v.*
5 *INC. v. Victoria’s Secret Stores, Inc.* 167 F.Supp.2d 770, 780 (E.D. Pa. 2001) (same). This
6 requires that the court look beyond the fact that both marks include the word “glow,” and
7 consider whether the phrase “glow kit” is similar to the single word “glow.” Once that
8 comparison is made, the court may, if appropriate, assess individual features of the marks,
9 provided its ultimate conclusion rests on their similarity in totality. See, e.g., *Packard Press, Inc.*
10 *v. Hewlett-Packard Co.*, 227 F.3d 1352, 1357-58 (Fed. Cir. 2000) (“The similarity or
11 dissimilarity of the marks in their entirety is to be considered with respect to appearance, sound,
12 and connotation. . . . All relevant facts pertaining to appearance, sound, and connotation must be
13 considered before similarity as to one or more of those factors may be sufficient to support a
14 finding that the marks are similar or dissimilar. . . . Once all of the features of the mark are
15 considered, however, it is not improper to state that, for rational reasons, more or less weight has
16 been given to a particular feature of the mark, provided the ultimate conclusion rests on
17 consideration of the marks in their entireties. . . . We agree with Packard that the Board
18 improperly dissected the marks. In this case, the Board only considered the similar commercial
19 impression of part of the marks – the shared word PACKARD – before concluding that the marks
20 were similar. . . . However, the Board failed to make any findings at all as to the appearance or
21 sound of the marks, and without any explanation, considered only the PACKARD portion of
22 HEWLETT-PACKARD. . . . Moreover, although the Board correctly noted that it is proper to give
23 greater weight to the PACKARD portion of the PACKARD TECHNOLOGIES mark on the ground that
24 the word ‘technology’ is highly suggestive/merely descriptive with respect to the services at issue,
25 . . . it completely failed to consider the appearance and sound of the mark as a whole. Although
26 it is proper to indicate that more weight is given to a particular component of the mark – the
27 meaning of PACKARD in this case – that does not excuse consideration of the other components
28 of the mark as a whole”); *In re National Data Corp.*, 753 F.2d 1056, 1058-59 (Fed. Cir. 1985)

1 (“It follows from that principle that likelihood of confusion cannot be predicated on dissection of
2 a mark, that is, on only part of a mark. On the other hand, in articulating reasons for reaching
3 a conclusion on the issue of confusion, there is nothing improper in stating that, for rational
4 reasons, more or less weight has been given to a particular feature of a mark, provided the
5 ultimate conclusion rests on consideration of the marks in their entirety. That a particular feature
6 is descriptive or generic with respect to the involved goods or services is one commonly accepted
7 rationale for giving less weight to a portion of a mark. . . . Without question, the descriptive or
8 generic character of an expression which forms part of both marks under consideration is pertinent
9 to the issue of likelihood of confusion”). See also *Burger Chef Systems, Inc. v. Sandwich Chef,*
10 *Inc.*, 608 F.2d 875, 878 (C.C.P.A. 1979) (“although the involved marks must be regarded in
11 their entirety, it is proper to recognize that one feature of a mark is more significant than the
12 other features and to give greater force and effect to that dominant feature”). but see *Luigino’*,
13 *Inc. v. Stouffer Corp.*, 170 F.3d 827, 830 (8th Cir. 1999) (“The use of identical dominant words
14 does not automatically mean that two marks are similar. . . . We must look to the overall
15 impression created by the marks, not merely compare individual features”).

16 Here, the addition of “kit” to “glow” changes both the sight and sound of the marks.
17 “Kit,” however, is a completely generic or descriptive term, which advises the consumer that
18 multiple products have been grouped together for sale. Accordingly, the dominant element of
19 both marks is the word “glow.” When this fact is considered, and the descriptive nature of “kit”
20 is taken into account, the similarity of the marks is apparent. *Induct- O-Matic Corp. v.*
21 *Inductotherm Corp.*, 747 F.2d 358, 363-64 (6th Cir. 1984) (“In the instant case, ‘o’ is a
22 descriptive vowel common to ‘INDUCTO’ and ‘INDUCT-O-MATIC’ and must therefore be deleted.
23 . . . Thus, only the term ‘matic’ distinguishes the two marks. ‘Matic’ is clearly a descriptive
24 phrase, and, as found by the district court, indicates automation. As such, it also requires
25 deletion. Accordingly, . . . there is no ‘identifying character to the trade designations’ of
26 ‘INDUCTO’ and ‘INDUCT-O-MATIC’ other than the suggestive term common to both, ‘induct,’ that
27 makes it unlikely that one trademark will be mistaken for another”).

28 As they appear on the parties’ products, however, the marks are visually distinct. The

1 GLOW products sold by Glow Industries have white labels, with the mark printed in a simple
2 typeface at the top of each label. The GLOW KIT mark does not appear on any of the individual
3 products included in the set. Rather, it is found on a shiny, metallic sticker on the shopping bag
4 in which the products are placed. At the top of the sticker is the name “Leone Dermatology
5 Center”; below this are a series of phone numbers, addresses and Leone’s website address. The
6 mark appears at the bottom of the sticker, in a bordered box that states “GLOW KIT for Non-
7 Sensitive [or Sensitive] Skin.”

8 “Different packaging, coloring, and labeling can be significant factors in determining
9 whether there is a likelihood of confusion.” *Packman v. Chicago Tribune Co.*, 267 F.3d 628,
10 644 (7th Cir. 2001). See also *Nabisco, Inc. v. Warner-Lambert Co.*, 220 F.3d 43, 47 (2d Cir.
11 2000) (“Our inquiry does not end with a comparison of the marks themselves. Rather, in
12 determining whether two marks are confusingly similar, we must ‘appraise the overall impression
13 created by . . . the context in which they are found and consider the totality of factors that could
14 cause confusion among prospective purchasers’”); *Streetwise Maps, Inc. v. Vandam, Inc.*, 159
15 F.3d 739, 744 (2d Cir. 1998) (“In determining whether the two marks are similar, and therefore
16 likely to provoke confusion among prospective purchasers, courts appraise ‘the overall impression
17 created by the logos and the context in which they are found and consider the totality of factors
18 that could cause confusion among prospective purchasers,’” quoting *Gruner + Jahr USA
19 Publishing v. Meredith Corp.*, 991 F.2d 1072, 1075 (2d Cir. 1993)); *Heartsprings, Inc. v.
20 HeartSpring, Inc.*, 143 F.3d 550, 554 (10th Cir. 1998) (“Even if the trade names are similar, the
21 likelihood of confusion is reduced if the two trademarks, taken as a whole, are visually distinct”).

22 The packaging of GLOW and GLOW KIT products is markedly different, and tends to
23 minimize any confusion generated by the similarity of the trademarks. The court accordingly
24 finds that, at least as used by Dr. Leone, there are no triable issues of fact with respect to the
25 similarity of the marks. See *Nabisco, supra*, 220 F.3d at 47-48 (holding that the presentation of
26 competing marks “in starkly different typefaces and styles,” as well as differences in the shape,
27 dimensions and color patterns of product packages gave rise to “distinctly different commercial
28 impressions” and negated any likelihood of consumer confusion); *Luigino’s, supra*, 170 F.3d at

1 831 (considering, *inter alia*, the fact that “[t]he trade dress of the two [parties’] packages [was]
2 . . . visually distinct,” with “different colors and typefaces,” in concluding that MICHELINA’S
3 LEAN ’N TASTY was not confusingly similar to STOUFFER’S LEAN CUISINE as a matter of law);
4 *Estee Lauder, Inc. v. The Gap, Inc.*, 108 F.3d 1503, 1512 (2d Cir. 1997) (citing, *inter alia*, “the
5 facts that the rendering of ‘100%’ in the two sets of marks is different in appearance [and] that
6 the appearance of the packaging overall is quite different in graphic design,” in holding that there
7 was no likelihood of consumer confusion as a matter of law); *Lang v. Retirement Living*
8 *Publishing Co.*, 949 F.2d 576, 581-82 (2d Cir. 1991) (“Both designations include as their focal
9 point the words ‘New Choices.’ However, Lang’s name always includes the word ‘Press,’
10 whereas Retirement Living’s mark always includes the words ‘For The Best Years.’ The typeface
11 also serves to distinguish the two designations, as does the location of the designations on the
12 products. . . . As such, the general impression conveyed to the public by these designations
13 differs significantly, and therefore we agree with the district court that the similarities do not
14 create an issue of fact on the likelihood of consumer confusion”). This *Sleekcraft* factor therefore
15 favors a finding that there is no likelihood of customer confusion.

16 **(d) Evidence Of Actual Confusion**

17 Evidence of actual confusion is not necessary to prevail on an infringement claim. See
18 *Academy of Motion Picture Arts & Sciences v. Creative House Promotions, Inc.*, 944 F.2d 1446,
19 1456 (9th Cir. 1991) (“actual confusion is not necessary to a finding of likelihood of confusion
20 under the Lanham Act”); *Levi Strauss, supra*, 778 F.2d at 1360 (“The absence of evidence of
21 actual confusion need not give rise to an inference of no likelihood of confusion”). Proof of
22 actual confusion, however, “is persuasive proof that future confusion is likely.” *Sleekcraft*,
23 *supra*, 599 F.2d at 352. See also *Rodeo Collection, Ltd. v. West Seventh*, 812 F.2d 1215, 1218
24 (9th Cir. 1987) (“Evidence of actual confusion is strong evidence of likelihood of confusion, but
25 it is not determinative”); *World Carpets, Inc. v. Dick Littrell’s New World Carpets*, 438 F.2d 482,
26 489 (5th Cir. 1971) (“[t]here can be no more positive or substantial proof of the likelihood of
27 confusion than proof of actual confusion. Moreover, reason tells us that while very little proof
28 of actual confusion would be necessary to prove the likelihood of confusion, an almost

1 overwhelming amount of proof would be necessary to refute such proof”); *Dominion Bankshares*
2 *Corp. v. Devon Holding Co., Inc.*, 690 F. Supp. 338, 347 (E.D. Pa. 1988) (“[a]ctual confusion
3 is one of the most reliable indications of the likelihood of confusion”); *Jockey Int’l, Inc. v.*
4 *Burkard*, 185 U.S.P.Q. 201, 207 (S.D. Cal. 1975) (“[s]ince reliable evidence of actual confusion
5 is difficult to obtain in trademark infringement cases, any such evidence is substantial evidence
6 that confusion is likely”).

7 At least three types of evidence are probative of confusion: (1) evidence of actual instances
8 of confusion; (2) survey evidence; and (3) inferences arising from judicial comparison of the
9 conflicting marks and the context of their use in the marketplace. *Cairns v. Franklin Mint Co.*,
10 24 F. Supp. 2d 1013, 1040 (C.D. Cal. 1998) (quoting *Dr. Seuss Enterprises, L.P. v. Penguin*
11 *Books USA, Inc.*, 109 F.3d 1394, 1404 (9th Cir. 1997). Here, it is undisputed that there have
12 been no instances of actual confusion. Accordingly, the court finds that this factor favors a
13 finding that there is no likelihood of customer confusion.¹¹⁷

14 (e) **The Degree To Which The Marketing Channels Converge And The**
15 **Likelihood That The Product Lines Will Expand**

16 The marketing channels factor requires that the court consider whether the predominant
17 purchasers of the parties’ goods are similar or different, and whether the marketing approaches
18 used resemble each other. See *Gray v. Meijer, Inc.*, 295 F.3d 641, 649 (6th Cir. 2002). See also
19 *Frehling Enterprises, Inc. v. International Select Group, Inc.*, 192 F.3d 1330, 1339 (11th Cir.
20 1999) (“‘Dissimilarities between the retail outlets for and the predominant customers of plaintiff’s
21 and defendant’s goods lessen the possibility of confusion, mistake, or deception.’ . . . This factor
22 takes into consideration where, how, and to whom the parties’ products are sold,” quoting *Amstar*
23 *Corp. v. Domino’s Pizza, Inc.*, 615 F.2d 252, 262 (5th Cir.), cert. denied, 449 U.S. 899 (1980)).
24 Direct competition between the parties’ products is not required for this factor to weigh in favor
25 of a likelihood of confusion. Similarly, the parties’ outlets and customer bases need not be

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27 ¹¹⁷As Lopez notes, both GLOW and GLOW KIT have a relatively small commercial presence
28 in Illinois (and elsewhere). This makes instances of actual confusion unlikely. The court
accordingly gives only minimal weight to this factor.

1 identical; only some degree of overlap need be present before the factor favors a finding of
2 likelihood of confusion. *Frehling Enterprises, supra*, 192 F.3d at 1339. See also *Century 21*
3 *Real Estate Corp. v. Century Life of America*, 970 F.2d 874, 877 (Fed. Cir. 1992) (“An opposer
4 need not establish the sale of both parties’ services by the same vendor to show employment of
5 the same trade channels. . . . Rather, this factor covers ‘similarity and dissimilarity of
6 established, likely-to-continue trade channels.’ . . . This court does not limit channels of trade
7 to identical stores or agents. Rather a channel of trade includes the same type of distribution
8 channel. For example, this court has held channels of trade identical when products were sold
9 under opposing marks in supermarkets and grocery stores across the country. . . . An opposer
10 does not have the burden to show sales of an infringing product by a specific chain of
11 supermarkets or agents”).

12 Both GLOW products and Dr. Leone’s GLOW KITS are available over the Internet. Beyond
13 this, however, the marketing channels are almost entirely distinct. While GLOW products are
14 available in department stores, specialty boutiques, and hotel gift shops, GLOW KITS can be
15 purchased only or at Dr. Leone’s dermatology offices. There also appears to be no overlap in the
16 advertising media used. GLOW products have been featured in magazines, on television shows,
17 in movie credits, and through promotional ventures; Dr. Leone is unaware that GLOW KITS have
18 been mentioned in any of these media. Thus, the only similarity in sales outlets and advertising
19 is the fact that both Glow Industries and Dr. Leone operate a “virtual storefront” on the Internet.

20
21 Parties’ “simultaneous use of the Web as a marketing and advertising tool” may support
22 a finding that there is an overlap of marketing channels. *Brookfield Communications, supra*, 174
23 F.3d at 1057. As the *Brookfield* court noted, “[i]n the Internet context, in particular, entering a
24 web site takes little effort – usually one click from a linked site or a search engine’s list; thus,
25 Web surfers are more likely to be confused as to the ownership of a web site than traditional
26 patrons of a brick-and-mortar store would be of a store’s ownership.” *Id.*

27 Nonetheless, where products are dissimilar or the websites on which they are offered are
28 different in orientation, this weighs against a finding that marketing channels are similar.

1 Compare *GoTo.com, Inc. v. Walt Disney Co.*, 202 F.3d 1199, 1207 (9th Cir. 2000) (“[T]he Web,
2 as a marketing channel, is particularly susceptible to a likelihood of confusion since, as it did in
3 this case, it allows for competing marks to be encountered at the same time, on the same screen.
4 In determining whether there is a likelihood of confusion, we rely heavily on the fact that the
5 marks are similar, that Disney and GoTo offer very similar services, and that they both use the
6 web as their marketing channel”) with *Therma-Scan, Inc. v. Thermoscan, Inc.*, 295 F.3d 623,
7 640 (6th Cir. 2002) (“[B]ecause TSI and Thermoscan have predominately different customers and
8 because their use of the Internet is insufficient to establish common marketing approaches, a
9 consideration of the marketing channels actually used also supports a finding that confusion is not
10 likely to occur”). Cf. *Bally Total Fitness Holding Corp. v. Faber*, 29 F.Supp.2d 1161, 1163-64
11 (C.D. Cal. 1998) (“The fact that the parties both advertise their respective services on the Internet
12 may be a factor tending to show confusion, but it does not make the goods related. . . . The
13 Court finds that Faber’s site does not compete with Bally’s site. It is true that both sites provide
14 Internet users with the same service – information about Bally. These sites, however, have
15 fundamentally different purposes. Bally’s site is a commercial advertisement. Faber’s site is a
16 consumer commentary. Having such different purposes demonstrates that these sites are not
17 proximately competitive”).

18 In this case, the parties’ respective Internet sales locations have distinctly different
19 orientations. GLOW products are marketed on national cosmetics websites that offer customers
20 access to a variety of beauty products. They are also marketed on Glow Industries’ own website.
21 GLOW KITS are offered for sale only on Dr. Leone’s website, which is directly connected to his
22 dermatology practice. Glow Industries’ “Glowspot.com” resembles its product catalogue, in that
23 it sets forth the company’s mission statement, a list of physical locations where GLOW products
24 may be purchased, and information about various products. The site allows customers
25 opportunities to view recent publications featuring GLOW products, enter personal information in
26 order to receive the company’s newsletter, and purchase GLOW products.¹¹⁸ Leone’s

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28 ¹¹⁸Williams Decl., Ex. 5 (Glowspot.com).

1 “Leonederm.com,” by contrast, describes his dermatology practice, the staff at his dermatology
2 offices, treatment options and available procedures for patients. It also allows visitors to access
3 the “LDS Skin Care Shop,” which offers dermatological products for sale under the headings
4 cosmetic/anti-aging, skin disorders and seniors’ skin problems. The “GLOW KIT® for Sensitive
5 Skin” is among the products listed under the “cosmetic and anti-aging product[]” heading.¹¹⁹

6 Leonederm.com’s focus on dermatology and anti-aging products is clearly distinct from
7 Glowspot.com’s focus on the bathing ritual and the commercial availability of GLOW products.
8 Based on the undisputed facts in the record, the court concludes that the fact both products are
9 offered for sale on the Internet does not create a danger of confusion among the Web-surfing
10 public, and thus that the marketing channels used for the products are not similar. *Therma-Scan,*
11 *Inc. v. Thermoscan, Inc.*, 118 F.Supp.2d 792, 802-03 (E.D. Mich. 2000) (“While the defendant’s
12 ear thermometers are marketed to both health care professionals and to the general public, patients
13 avail themselves of TSI’s highly specialized medical examination services almost exclusively upon
14 referral from one type of health care professional: a physician. . . . Plaintiff TSI largely,
15 although not exclusively, directs its promotional activities to physicians and other health care
16 professionals with the hope that they will refer patients to the plaintiff for thermal imaging
17 diagnostics. . . . The Court is persuaded that, because the services offered by TSI are readily
18 distinguished from the product sold by Thermoscan, the fact that both parties utilize the Internet
19 as a marketing channel does not militate in favor of finding a likelihood of confusion between the
20 two. Instead, failure of either party to utilize the Internet for promotion and advertising would
21 seem remarkable, given the increasing number of consumers who utilize the Web as an
22 information and research tool”), *aff’d.*, 295 F.3d 623 (6th Cir. 2002). This *Sleekcraft* factor thus
23 weighs in favor of a finding that there is no likelihood of confusion.

24 Dr. Leone does not intend to expand his use of the GLOW KIT mark. Indeed, as his license
25 is terminating, he is presently phasing out the mark on his products. Lopez apparently intends
26 to use the mark in the future to sell gift sets of her GLOWBY J.LO products. This raises a question
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28 ¹¹⁹Lewis Decl., Ex. 14 (Leonederm.com).

1 of fact as to whether, once the new use is undertaken, the marketing channels will converge, and
2 create a likelihood of consumer confusion.

3 **(f) Degree Of Care Exercised By Consumers**

4 Courts have recognized that purchasers of skin care products tend to exercise a high degree
5 of care and brand consciousness. See *Clinique Laboratories, Inc. v. Dep Corp.*, 945 F.Supp.
6 547, 556 (S.D.N.Y. 1996) (“The evidence shows that most consumers of skin care products are
7 women (and the products at issue are marketed to women), who take care in deciding what
8 products to use on their skin, particularly the skin on their faces. While Clinique’s products are
9 not extravagantly priced, they are sold in high quality department stores. Under these
10 circumstances, sophistication of consumers usually militates against a finding of likelihood of
11 confusion”); *P.F. Cosmetique SA v. Minnetonka, Inc.*, 605 F.Supp. 662, 671 (S.D.N.Y. 1985)
12 (concluding that purchasers of top-of-the-line beauty products in roughly similar product
13 packaging often distinguish between products that share a number of common elements); *Jean*
14 *Patou, supra*, 201 F.Supp. at 866 (“The women who buy plaintiff’s and defendant’s products are
15 apt to make an individual choice. There is a vast array of cosmetics on the market varying greatly
16 in price and in the claims made by their producers. The products are not all alike; their potential
17 customers realize this, and tend to be selective”). Neither party disputes the sophistication of the
18 relevant purchasing class. This factor accordingly supports a finding that there is no likelihood
19 of confusion.

20 **(g) Glow Industries’ Intent In Adopting The Mark**

21 Knowing adoption of a mark closely similar to another is a basis for inferring an intent to
22 deceive. See, e.g., *Official Airline Guides, supra*, 6 F.3d at 1394 (“[w]hen an alleged infringer
23 knowingly adopts a mark similar to another’s, courts will presume an intent to deceive the
24 public”). See also *Daddy’s Junky Music Stores, Inc., v. Big Daddy’s Family Music Ctr.*, 109
25 F.3d 275, 286 (6th Cir. 1997) (“the use of a contested mark with knowledge of the protected
26 mark at issue can support a finding of intentional copying”); 3 J. Thomas McCarthy,
27 TRADEMARKS AND UNFAIR COMPETITION, § 23:115 (4th ed. 2002) (“[i]f a well-known and strong
28 mark has been used in identical format by a junior user, it appears reasonable to require the junior

1 user to carry the burden of explanation and persuasion as to his motive in adopting the mark”).

2 Lopez asserts there is at least a question of fact as to Glow Industries’ good faith adoption
3 of the GLOW mark. She notes there is evidence that a trademark search report conducted by its
4 attorney several weeks prior to the filing of Glow Industries’ trademark application revealed the
5 GLOW KIT mark, and that Glow Industries’ Williamson denied in her deposition that she was
6 aware of the GLOW KIT mark prior to the commencement of this litigation.¹²⁰ Lopez also notes
7 that Williamson denied knowing that the Patent and Trademark Office had raised a question about
8 the similarity of the GLOW and GLOW KIT marks prior to the institution of this action.¹²¹ This
9 evidence does not demonstrate that Williamson knew of the GLOW KIT mark prior to the time
10 Glow Industries began using the GLOW mark in February 1999. At best, it indicates that she
11 learned of the GLOW KIT shortly thereafter in April 1999, when Glow Industries filed its
12 trademark application. There is, moreover, no evidence that Glow Industries’ attorney
13 communicated the findings of the trademark report to Williamson, and thus no concrete proof that
14 she was aware of the GLOW KIT mark even at that point. At a minimum, these gaps create triable
15 issues of fact regarding her knowledge, which mount when one considers the number of cosmetics
16 and skin care companies that use some form of “glow” in their trademark or trade name.
17 Accordingly, the court cannot properly weigh this factor on the present record.

18 3. Evaluation Of The Factors

19 Based on the undisputed factual record, the court cannot conclude as a matter of law that
20 there is no likelihood of consumer confusion between the GLOW and GLOW KIT marks. The Ninth
21 Circuit has cautioned district courts not to apply the *Sleekcraft* factors mechanistically. See
22 *Entrepreneur Media, Inc. v. Smith*, 279 F.3d 1135, 1141 (9th Cir. 2002) (“The *Sleekcraft* factors
23 are . . . a ‘guide’ to decision-making, intended to channel the analytical process but not dictate
24 any result. . . . Since each factor represents only a facet of the single dispositive issue of likely
25 confusion, the factors, not surprisingly, tend to overlap and interact, and the resolution of one

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27 ¹²⁰Sherman Decl., ¶ 6 (Trademark Search Report); Williamson Depo. at 29:23-25.

28 ¹²¹Williamson Depo. at 29:14-19.

1 factor will likely influence the outcome and relative importance of other factors. . . . Thus, we
2 do not decide whether confusion is likely by considering mechanically the number of *Sleekcraft*
3 factors that weigh in favor of either party, or by giving the same weight to a particular factor from
4 case to case. . . . To do so would be entirely misleading, as the determination of one factor is
5 often, in essence, only another way of viewing the same considerations already taken into account
6 in finding the presence or absence of another one. Rather, as we apply the *Sleekcraft* test, we
7 consider what each factor, and – more importantly – what the analysis as a whole, reveals about
8 the ultimate question before us: the likelihood of consumer confusion as to the origin of the
9 product or service bearing the allegedly infringing mark”).

10 A review of the *Sleekcraft* factors in this case reveals there are triable issues of fact
11 regarding the similarity of the products, and Lopez’s intended use of the GLOW KIT mark on her
12 GLOW BY J.LO product line. For purposes of assessing likelihood of consumer confusion, the
13 court has analyzed this future possibility as a planned “expansion” of use of the mark, although,
14 strictly speaking, it may constitute a different use altogether. Lopez’s intended use may
15 significantly alter analysis of certain of the factors that presently favor a finding there is no
16 likelihood of confusion. For example, the commercial impression of the GLOW KIT mark may
17 change markedly once Lopez begins using it on her products. There may be incidences of actual
18 confusion as well, since Lopez’s products are more similar to Glow Industries’ than Dr. Leone’s.
19 The similarity in marketing channels will increase as well. Since the court has considered Lopez’s
20 planned use in concluding that triable issues of fact remain regarding the validity of the
21 assignment by Leone, it is appropriate that it likewise be considered in assessing likelihood of
22 confusion. Overall, therefore, the possibility that Lopez’s use of the mark will differ substantially
23 from Dr. Leone’s precludes resolution of the claim on summary judgment at this time. As the
24 Ninth Circuit has warned, “district courts should grant summary judgment motions regarding the
25 likelihood of confusion sparingly, as careful assessment of the pertinent factors that go into
26 determining likelihood of confusion usually requires a full record.” *Clicks Billiards Inc. v.*
27 *Sixshooters Inc.*, 251 F.3d 1251, 1265 (9th Cir. 2001). See also *Entrepreneur Media, supra*, 279
28 F.3d at 1140 (“Because of the intensely factual nature of trademark disputes, summary judgment

1 is generally disfavored in the trademark arena’”). Here, the single most pertinent factor is
2 Lopez’s planned use of the mark, which the evidence reflects may commence in a matter of
3 months. Additionally, one of the most important factors in assessing the likelihood of confusion
4 between Glow Industries’ and Dr. Leone’s products cannot be decided on this record – i.e., the
5 similarity of the products. Accordingly, the court concludes that Glow Industries is not entitled
6 to the entry of judgment in its favor on the trademark infringement counterclaim at this time.

7
8 **III. CONCLUSION**

9 For the foregoing reasons, Glow Industries’ motion for partial summary judgment is
10 denied.

11
12 DATED: July 21, 2003

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MARGARET M. MORROW
14 UNITED STATES DISTRICT JUDGE
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