

UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF NEW YORK

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FIRST AID RESEARCH CORPORATION,

Plaintiff,

- against -

CVS PHARMACY, INC.,  
a/k/a CVS/CAREMARK CORPORATION,  
and PHARMA PAC, LLC,

Defendants.  
-----X

**MEMORANDUM OF  
DECISION AND ORDER**  
09-CV-2389 (ADS)(WDW)

**APPEARANCES:**

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**SPATT, District Judge.**

The Plaintiff, First Aid Research Corporation (“First Aid”), commenced this action against the Defendants, CVS Pharmacy, Inc. (“CVS”) and Pharma Pac, LLC (“Pharma”), for alleged trademark infringement, false designation of origin, unfair competition and deceptive trade practices. Presently before the Court are the parties’ cross-motions for summary judgment. For the reasons set forth below, the Court grants the Defendants’ motion for summary judgment and denies the Plaintiff’s motion for summary judgment.

## I. BACKGROUND

This case involves products that contain bacitracin as their main ingredient, which is a polypeptide antibiotic isolated from a bacillus (*Bacillus subtilis* or *B. licheniformis*) and usually used topically, especially against gram-positive bacteria. (Def. Ex. 27.) Generally speaking, both the Plaintiff's and the Defendants' products are bacitracin ointments (or "bacitracin products"), which are typically used by consumers to treat cuts, burns and abrasions.

The Plaintiff First Aid is a corporation organized and existing under the laws of the state of New Jersey, with its established place of business at 3375 Park Avenue, Suite 2003, Wantagh, New York. (Pl. 56.1 at I.A.) First Aid is a manufacturer and distributor of first aid products, including Bacitraycin Plus® and Maximum Strength Bacitraycin Plus® ("Bacitraycin Plus products"). (Pl. 56.1 at I.B, I.F.) The genesis of the Bacitraycin Plus products dates back to the early 1990s. Between 1990 and 2002, Steve Mosler, the President of First Aid, and Dennis Levin, the Vice President of First Aid, both acted as brokers for Clay-Park Labs ("Clay-Park"), which was a manufacturer of store brand equivalents for major first aid products. In other words, Clay-Park manufactured what are known as "private label" first aid creams and ointments. As part of this business, Clay-Park manufactured bacitracin products for CVS. (Phillip R. Hoffman Affidavit ("PRH Aff.") at ¶ 12–14.)

Due to the success of store brand bacitracin products, Levin and Mosler decided to develop a national brand of bacitracin ointment in 1996. (See Levin Dep. at 40 ("One of the most popular items sold was a generic Bacitracin . . . when we sold Bacitracin it had no home on the retail shelf because there was no national brand on the market at that time and that is what gave us the idea to develop the product.")) In devising a name for its bacitracin product, Levin and Mosler decided to use BACITRAYCIN PLUS and spell bacitracin with a Y, in order to

differentiate the product from generic bacitracin and store brand bacitracin “[s]o that it would sound the same and look a little different.” (Levin Dep. at 44-46; Mosler Dep. at 42-43.) The “Plus” is to indicate the inclusion of aloe vera, and was inspired, in part, by “Neosporin Plus” which was on the market at the time. (Levin Dep. at 135.) First Aid also began making and selling a second bacitracin product known as “Maximum Strength BACITRAYCIN PLUS”. The Bacitraycin Plus products are now sold in more than 25,000 drug stores, super markets, and mass merchants. (Pl. 56.1 at I.H; Def. 56.1 at ¶ 8.)

First Aid claims it has two trademark registrations: (1) U.S. Registration No. 2, 236,045 for BACITRAYCIN PLUS for “antibiotic creams and ointments” (“ ‘045 trademark”); and (2) U.S. Registration No. 3,229,434 for BACITRAYCIN PLUS for antibiotic ointments (“ ‘434 trademark”). (Pl. 56.1 at II.B.) On September 9, 1996, the Plaintiff filed an intent-to-use trademark for BACITRAYCIN PLUS with the United States Patent and Trademark Office (“USPTO”). During the course of the trademark’s examination, the Examiner asked Steven Mosler to disclaim the term “bacitracin” because it was the name of a well-known antibiotic compound. (Pl. 56.1 at II.F.) Mr. Mosler did, and subsequently on March 18, 1997, the Examiner entered the following amendments to the application: (1) the drawing was amended to all capital letters; and (2) a disclaimer that no claim was being made to the exclusive right to use the word “bacitracin” apart from the mark shown. (Pl. 56.1 at II.F.) However, because First Aid never filed the necessary renewal documents, the ‘045 trademark was cancelled on December 29, 2009. (Pl. 56.1 at II.F; Def. 56.1 at ¶ 5.)

Due to the procedural issues with the first BACITRAYCIN PLUS mark, the Plaintiff was directed by the USPTO to file a second application. This application was filed on April 20, 2006, for BACITRAYCIN PLUS, used in connection with “antibiotic ointments”. (Pl. 56.1 at

II.G.) During this examination process, the Plaintiff was never directed to disclaim the term BACITRAYCIN, as was necessary in the previous application. (Pl. 56.1 at II.G.) The Plaintiff claims that it did not recollect that the '045 trademark application had disclaimed the term BACITRACYIN, and that USPTO electronic website records provided no indication of such fact to refresh its recollection. (Pl. 56.1 at II.G.) The Defendants dispute this assertion. The second '434 trademark was issued on April 17, 2007, and this is the only currently active BACITRAYCIN PLUS trademark. (Def. 56.1 at ¶ 7.) While the parties dispute whether this registered mark is valid and accordingly whether it should be cancelled, there is no dispute that the Plaintiff currently has a registered mark for BACITRAYCIN PLUS.

The Defendant CVS is a corporation organized and existing under the laws of the state of Rhode Island. The Defendant Pharma is a limited liability company organized and existing under the laws of the State of Mississippi. The Plaintiff claims that on or about December 2007, CVS began selling bacitracin products bearing the term BACITRACIN +, and that this product violates First Aid's trademark. (Pl. 56.1 at III.C.) CVS does not deny that it sold a CVS/pharmacy brand bacitracin ointment product in 2008 and 2009. (Def. 56.1 at ¶ 10.) However, according to CVS, its product was not named BACITRACIN + but rather "CVS/pharmacy BACITRACIN + PAIN RELIEF", and like all other CVS/pharmacy brand products, it was only sold at CVS stores. CVS claims that for its CVS/pharmacy brand products, it customarily picks names which are completely descriptive of the product and for years has had the practice of using the symbol "+" or the word "Plus" in a product's name when two or more different types of ingredients are combined in one product. CVS asserts that it currently sells 135 different items that use the symbol "+" or the word "plus" in their name, such as "CVS/pharmacy Daily Multiple Plus Minerals" and "CVS/pharmacy Hydrocortisone Plus Anti-

itch Cream”. (PRH Aff. at 49.) According to the Defendants, because CVS wanted to describe a product that contained bacitracin in addition to a pain reliever, CVS named the product BACITRACIN + PAIN RELIEF. Pharma manufactured and supplied CVS with this product.

First Aid asserts that the Defendants’ product uses its trademark and that it never authorized or consented to the Defendants’ use of its trademarks. (Pl. 56.1 at III.F.) First Aid acknowledges that it never sold its products in CVS/pharmacy stores, although CVS claims that First Aid made numerous attempts between 1998 and 2008 to get it to do so. There is no dispute that the Defendants’ product at issue was manufactured by Pharma Pac exclusively for CVS; that it was sold by CVS only from approximately January 2008 through November 2009, about 13 months; and that the product was only sold at CVS/pharmacy stores.

The Plaintiff filed the instant action on June 5, 2009. In its complaint, First Aid alleges that the Defendants, by manufacturing and selling CVS/pharmacy BACITRACIN + PAIN RELIEF, have committed: (a) trademark infringement pursuant to 15 U.S.C. § 1114; (b) federal unfair competition pursuant to 15 U.S.C. § 1125(a); (c) a deceptive business practice in violation of N.Y. General Business Law (“NY GBL”) § 349; and (d) infringement pursuant to New York State common law, trademark law, and unfair competition laws.

On August 12, 2011, the Defendants filed a motion for summary judgment and on August 14, 2011, the Plaintiff filed a cross-motion for summary judgment. For the reasons set forth below, the Defendants’ motion is granted and the Plaintiff’s motion is denied.

## **II. DISCUSSION**

### **A. Legal Standard on a Motion For Summary Judgment**

It is well-settled that summary judgment under Federal Rules of Civil Procedure (“Fed. R. Civ. P.”) 56(c) is proper only “if the pleadings, depositions, answers to interrogatories, and

admissions on file, together with the affidavits, if any, show that there is no genuine issue as to any material fact and that the moving party is entitled to judgment as a matter of law.” Fed. R. Civ. P. 56(c). A fact is “material” within the meaning of Fed. R. Civ. P. 56 when its resolution “might affect the outcome of the suit under the governing law.” Anderson v. Liberty Lobby, Inc., 477 U.S. 242, 248, 106 S. Ct. 2505, 91 L. Ed. 2d 202 (1986). An issue is “genuine” when “the evidence is such that a reasonable jury could return a verdict for the nonmoving party.” Id. In determining whether an issue is genuine, “[t]he inferences to be drawn from the underlying affidavits, exhibits, interrogatory answers, and depositions must be viewed in the light most favorable to the party opposing the motion.” Cronin v. Aetna Life Ins. Co., 46 F.3d 196, 202 (2d Cir. 1995) (citing United States v. Diebold, Inc., 369 U.S. 654, 655, 82 S. Ct. 993, 8 L. Ed. 2d 176 (1962) (per curiam), and Ramseur v. Chase Manhattan Bank, 865 F.2d 460, 465 (2d Cir. 1989)). On cross-motions for summary judgment, the court must consider each motion independently of the other and, when evaluating each, the court must consider the facts in the light most favorable to the non-moving party. Heublein, Inc. v. United States, 996 F.2d 1455, 1461 (2d Cir. 1993).

Once the moving party has met its burden, “the nonmoving party must come forward with specific facts showing that there is a genuine issue for trial.” Matsushita Elec. Indus. Co. v. Zenith Radio Corp., 475 U.S. 574, 587, 106 S. Ct. 1348, 89 L. Ed. 2d 538 (1986) (quoting Fed. R. Civ. P. 56(e)). However, the nonmoving party cannot survive summary judgment by casting mere “metaphysical doubt” upon the evidence produced by the moving party. Matsushita, 475 U.S. at 586, 106 S. Ct. 1348, 89 L. Ed. 2d 538. Summary judgment is appropriate when the moving party can show that “little or no evidence may be found in support

of the nonmoving party's case.” Gallo v. Prudential Residential Servs., 22 F.3d 1219, 1223–24 (2d Cir. 1994) (citations omitted).

**B. Applicable Trademark Law**

The Defendants move for summary judgment to dismiss the Plaintiff's claims for: (1) trademark infringement under section 32(1) of the Lanham Act (15 U.S.C. § 1114); and (2) false designation of origin and unfair competition under section 43(a) of the Lanham Act (15 U.S.C. § 1125(a)). Section 32(1) of the Lanham Act prohibits the use in commerce of “any reproduction, counterfeit, copy, or colorable imitation of a registered mark in connection with the sale, offering for sale, distribution, or advertising of any goods or services on or in connection with which such use is likely to cause confusion, or to cause mistake, or to deceive.” 15 U.S.C. § 1114. Section 43(a)(1)(A) of the Lanham Act protects both registered and unregistered marks against the use of any word, term, name, symbol or device that “is likely to cause confusion, or to cause mistake, or to deceive as to the affiliation, connection, or association of such person with another person, or as to the origin, sponsorship, or approval of his or her goods, services, or commercial activities by another person . . . .” 15 U.S.C. § 1125(a).

Trademark infringement claims under both provisions of the Lanham Act are “analyzed under [a] familiar two-prong test . . . .” Virgin Enters. Ltd. v. Nawab, 335 F.3d 141, 146 (2d Cir. 2003) (citing Gruner + Jahr USA Publ'g v. Meredith Corp., 991 F.2d 1072, 1074 (2d Cir. 1993)); see Starbucks Corp. v. Borough Coffee, Inc., 588 F.3d 97, 114 (2d Cir. 2009); Louis Vuitton Malletier v. Dooney & Bourke, Inc., 454 F.3d 108, 115 (2d Cir. 2006). The test “looks first to whether the plaintiff's mark is entitled to protection, and second to whether defendant's use of the mark is likely to cause consumers confusion as to the origin or sponsorship of the defendant's goods.” Virgin Enters., 335 F.3d at 146; see Starbucks Corp., 588 F.3d at 114 (“To prevail on a

trademark infringement and unfair competition claim under [section 32(1) or section 43(a) of the Act], in addition to demonstrating that the plaintiff's mark is protected, the plaintiff must prove that the defendant's use of the allegedly infringing mark would likely cause confusion as to the origin or sponsorship of the defendant's goods with plaintiff's goods.”); see also Vuitton, 454 F.3d at 115.

Pursuant to 15 U.S.C. § 1057(b), “[a] certificate of registration of a mark upon the principal register . . . shall be prima facie evidence of the validity of the registered mark and of the registration of the mark, of the registrant's ownership of the mark, and of the registrant's exclusive right to use the registered mark in commerce . . . .” Moreover, “[a] registered mark becomes incontestable if it has been in continuous use for five consecutive years subsequent to its registration and is still in use .” Gruner + Jahr, 991 F.2d at 1076.

The second prong turns on whether “numerous ordinary prudent purchasers are likely to be misled or confused as to the source of the product in question because of the entrance in the marketplace of defendant's mark.” Cadbury Beverages, Inc. v. Cott Corp., 73 F.3d 474, 477–78 (2d Cir. 1996); see Chambers v. Time Warner, Inc., 282 F.3d 147, 155 (2d Cir. 2002) (“Where there is a claim of consumer confusion [as] to the association of a product or service with another person’s trademark, the central inquiry is whether it is likely that ‘an appreciable number of ordinarily prudent purchasers’ will be misled as to the source or sponsorship of the product or service in question.” (quoting EMI Catalogue P’ship v. Hill, Holiday, Conors, Cosmopulos, Inc., 228 F.3d 56, 61–62 (2d Cir. 2000))). However, in order to constitute infringement, there must be more than a mere possibility of confusion but rather a probability. See Star Indus., Inc. v. Bacardi & Co. Ltd., 412 F.3d 373, 383 (2d Cir. 2005).

In the Second Circuit, courts apply the eight-factor balancing test as set forth in Polaroid Corp. v. Polarad Electronics Corp. to determine whether there is a likelihood of confusion. See 287 F.2d 492, 495 (2d Cir. 1961); see also Starbucks Corp., 588 F.3d at 115. The Polaroid factors are: (1) the strength of the plaintiff's mark; (2) the similarity of the plaintiff's and the defendant's marks; (3) the proximity of the products; (4) the likelihood that the plaintiff will "bridge the gap"; (5) actual confusion between products; (6) the defendant's good or bad faith in adopting the mark; (7) the quality of the defendant's product; and (8) the sophistication of the buyers. See Polaroid, 287 F.2d at 495. "The application of the Polaroid test is 'not mechanical, but rather, focuses on the ultimate question of whether, looking at the products in their totality, consumers are likely to be confused.'" Starbucks Corp., 588 F.3d at 115 (quoting Star Indus., 412 F.3d at 384). "No single factor is dispositive, nor is a court limited to consideration of only these factors." Brennan's, Inc. v. Brennan's Restaurant, LLC, 360 F.3d 125, 130 (2d Cir. 2004) (citing Polaroid, 287 F.2d at 495). "Further, 'each factor must be evaluated in the context of how it bears on the ultimate question of likelihood of confusion as to the source of the product.'" Id. (quoting Lois Sportswear, U.S.A., Inc. v. Levi Strauss & Co., 799 F.2d 867, 872 (2d Cir. 1986)).

Under the Polaroid analysis, "summary judgment based on likelihood of confusion is appropriate where 'the undisputed evidence would lead only to one conclusion.'" The Sports Authority, Inc. v. Prime Hospitality Corp., 89 F.3d 955, 960 (2d Cir. 1996) (quoting Cadbury Beverages, Inc., 73 F.3d at 478). However, the Second Circuit has cautioned: "'If a factual inference must be drawn to arrive at a particular finding on a Polaroid factor, and if a reasonable trier of fact could reach a different conclusion, the district court may not properly resolve that issue on summary judgment.'" Patsy's Brand, Inc. v. I.O.B. Realty, Inc., 317 F.3d 209, 215 (2d Cir. 2003) (quoting Cadbury Beverages, Inc., 73 F.3d at 478).

### **C. Whether There is a Valid Mark That is Entitled to Protection**

As an initial matter, the Plaintiff's BACITRACYIN PLUS mark is registered with the USPTO, and this is prima facie evidence of the validity of the registered mark, "and of the owner's exclusive right to use the registered mark in commerce on or in connection with the goods or services specified in the certificate, subject to any conditions or limitations stated in the certificate." 15 U.S.C. § 1057(b). When a trademark has been registered, it is presumed not to be generic. Reese Pub. Co. v. Hampton Int'l Commc'ns, Inc., 620 F.2d 7, 11 (2d Cir. 1980) ("If a mark has been registered with the United States Patent and Trademark Office, the defendants in an infringement action do bear the burden of overcoming the presumption that the mark is not generic.").

"A certificate of registration with the Patent and Trademark Office is prima facie proof that the mark is protectable. . . . Consequently, defendants must rebut the presumption of the mark's protectability by a preponderance of the evidence." Id. "However, the certificate of registration itself is not evidence of how the public views the mark . . . It merely places the burden of proof on the defendants to rebut the presumption of protectability." Id.; Lemme v. Nat'l Broadcasting Co., Inc., 472 F. Supp. 2d 433, 443 (E.D.N.Y. 2007) ("Such registration constitutes prima facie evidence of Plaintiff's right to use the name . . . The burden of production therefore shifts to Defendant to proffer evidence that the mark is not valid, i.e., that it is generic or descriptive with no secondary meaning.").

"The protectability of a mark is a factual question, viewed from the perspective of the purchasing public." Gross v. Bare Escentuals Beauty, Inc., 632 F. Supp. 2d 283, 289 (S.D.N.Y. 2008); see Bristol-Myers Squibb Co. v. McNeil-P.P.C., Inc., 973 F.2d 1033, 1039-40 (2d Cir. 1992). "Nonetheless, summary judgment is as appropriate in trademark cases as any other where

there are no material disputes of fact.” Lemme, 472 F. Supp. 2d at 443; Ideal World Marketing, Inc. v. Duracell, Inc., 15 F. Supp. 2d 239, 242 (E.D.N.Y. 1998) (“The Second Circuit has indicated that, although trademark disputes would appear to hinge upon inherently factual determinations, summary judgment is as appropriate in trademark cases as any other where there are no material disputes of fact.”).

Therefore, in order for the Plaintiff to succeed on its summary judgment motion, it must demonstrate that it has a protectable mark. If it cannot do so, then the Plaintiff’s motion is instantly defeated, regardless of whether there is a likelihood of confusion. Because the mark in this case is registered, the Plaintiff does not carry the burden to demonstrate that its mark is not generic; rather, the Defendant must rebut the presumption of protectability. However, if the Defendant at least raises a question of fact as to genericness, then the Plaintiff can only succeed on its motion if it meets its burden to demonstrate that the mark, if descriptive, has secondary meaning. Notably, even if the Plaintiff succeeds in demonstrating it has a protectable mark, it cannot prevail on its summary judgment motion unless it can also demonstrate likelihood of confusion as a matter of law.

On the other hand, the Defendants may succeed on their summary judgment motion if they can either successfully rebut the presumption of protectability by demonstrating as a matter of law that the Plaintiff’s mark is generic, or, alternatively, if the Plaintiff cannot produce sufficient evidence to at least present a question of fact as to secondary meaning if the mark is descriptive. However, even if the Defendants cannot prevail on either of these grounds, they may nevertheless succeed on their summary judgment motion if they can demonstrate that although the Plaintiff’s mark is enforceable, there is no question of fact as to likelihood of confusion.

## 1. Whether the Plaintiff's Mark is Generic as a Matter of Law

The strength of a trademark in the marketplace and the degree of protection to which it is entitled are analyzed under four categories of marks that indicate increasing distinctiveness and protectability: (1) generic; (2) descriptive; (3) suggestive; (4) arbitrary or fanciful. Estee Lauder Inc. v. The Gap, Inc., 108 F.3d 1503, 1508–09 (2d Cir. 1997); Sports Auth., 89 F.3d at 961. “A generic term is a common name . . . that describes a kind of product.” Gruner + Jahr, 991 F.2d at 1075. Such generic marks are not protectable. See Star Indus., 412 F.3d at 385 (“Generic marks are those consisting of words identifying the relevant category of goods or services. They are not at all distinctive and thus are not protectable under any circumstances.”).

The relevant inquiry for determining whether a mark is generic has been articulated repeatedly by the Second Circuit as follows:

The basic question, one of fact, under the test formulated many years ago by Judge Learned Hand and followed since, is: “What do the buyers understand by the word for whose use the parties are contending?” The standard to be applied in determining whether a term is generic is not whether it has some significance to the public as an indication of the nature or class of the article, but whether that is its principal significance.

Locite Corp. v. Nat'l Starch and Chem. Corp., 516 F. Supp. 190, 199 (2d Cir. 1981) (quoting Stix Prods., Inc. v. United Merchants & Manufacturers, Inc., 295 F. Supp. 479, 490 (S.D.N.Y. 1968) (footnotes omitted)).

Whether the Defendants can meet their burden and successfully rebut the presumption of protectability hinges on whether they can produce evidence such as consumer surveys, dictionary definitions, newspapers and other publications, generic use by competitors, testimony of lexicographers, generic use of the term by the mark's owner, and use of the term by third parties in trademark registrations, to show that no reasonable jury could conclude that the mark is not generic. See 555-1212.com, Inc. v. Comm'n House Intern., Inc., 157 F. Supp. 2d 1084, 1090 (N.

D. Cal. 2001) (“To determine that a combination of two generic terms is a composite generic term, courts must make a finding of genericness based upon a uniquely well-developed record. . . The burden of demonstrating genericness is on the defendant.”).

The Plaintiff’s trademark, BACITRACYIN PLUS, includes the term “bacitracin”, albeit with a misspelling. There appears to be no dispute that the term bacitracin alone is a generic term, especially in light of the evidence put forth by the Defendants. (PRH Aff. ¶¶ 5, 9.) Bacitracin is defined as “[a]n antibiotic obtained from organisms of the group *Bacillus subtilis*.” Oxford English Dictionary (2d ed. 1989). The Plaintiff itself, in advertisements for its product, states that it is a brand “of bacitracin ointment”; that “[b]acitracin is one of the top two best selling first aid ointments”; and that “[b]acitracin ointment is universally acknowledged by consumers as the product of choice to treat cuts, burns, and abrasions.” (Def. Ex’s. 12, 30.) In addition, there are numerous bacitracin products on the market today, including, but not limited to, those sold by CVS, Rite Aid, Walgreens, Duane Reade, Cardinal, McKesson, Safeway, Target, Discount Drug Mart, and Kerr Drug and Kinray. (Def. 56.1 at ¶ 21.)

The fact that the Plaintiff misspells the generic term bacitracin is irrelevant for these purposes. “It has been held that the intentional misspelling or use of a phonetic equivalent of an otherwise generic mark will not render it registerable.” Car-Freshner Corp. v. Auto Aid Mfg. Corp., 461 F. Supp. 1055, 1059 n.8 (N.D.N.Y. 1978); see Dial-A-Mattress Franchise Corp. v. Page, 880 F.2d 675, 677 (2d Cir. 1989) (“Nor would protection be available if the word was used for these purposes with a spelling variation, such as “MATTRES”, that did not change the generic significance for the buyer.”); Monarch Licensing, Ltd. v. Ritam Intern. Ltd., Inc., No. 92 Civ. 3108, 1992 WL 150641, at \*5 (S.D.N.Y. June 15, 1992) (“As to the dropping of the silent ‘e,’ such spelling changes that do not affect pronunciation ordinarily will not save a generic

mark.”); see also Miller Brewing Co. v. Heileman Brewing Co., 561 F.2d 75 (7th Cir.1977) (LITE used for light beer), cert. denied, 434 U.S. 1025, 98 S. Ct. 751, 54 L. Ed. 2d 772 (1978); American Druggists’ Syndicate v. United States Industrial Alcohol Co., 2 F.2d 942 (D.C. Cir. 1924) (AL–KOL used for rubbing alcohol); 1 J. McCarthy, Trademarks and Unfair Competition § 12:12(B) (2d. ed. 1984).

However, despite the Defendants’ contentions to the contrary, the Plaintiff’s trademark is not merely BACITRACYIN but BACITRACYIN *PLUS*, and thus is what is known as a composite mark. According to the Defendants, combining two generic terms does not make First Aid’s phrase protectable because BACITRACYIN PLUS is simply a generic reference to First Aid’s product, namely, bacitracin plus aloe vera. While this may be so, the Court cannot say, as a matter of law, that the combination of two generic terms in this context makes the entire mark generic as a matter of law. See Gimix, Inc. v. JS & A Group, Inc., 699 F.2d 901, 906 (7th Cir. 1983) (concluding that “Auto Page” was not a generic term as a matter of law, although it was a combination of two generic terms); Macia v. Microsoft Corp., 335 F. Supp. 2d 507, 514 (D. Vt. 2004) (“[E]ven though ‘Pocket’ is descriptive and ‘Money’ may also be descriptive, Catamount’s composite mark may be worthy of protection as suggestive. Marks are considered as wholes and the consolidation of two descriptive terms may result in a composite mark that is suggestive.”); Cline v. 1-888-PLUMBING Group, Inc., 146 F. Supp. 2d 351, 362 (S.D.N.Y. 2001) (“The Federal Circuit analyzed the mark 1–888–MATTRESS not as the mechanical combination of two generic terms, but in its entirety and within the context of its use as a telephone number.”); 555-1212.com, 157 F. Supp. 2d at 1090 (“However, two generic terms may be combined to form a descriptive trademark.”); W.W.W. Pharm. Co. v. Gillette Co. (“Gillette I”), 808 F. Supp. 1013, 1022 (S.D.N.Y. 1992) (noting that consolidation of two descriptive or

generic terms, “sport” and “stick,” suggested both product's form and usage, but required some imagination to surmise nature of product, and thus was suggestive mark), *aff'd*, 984 F.2d 567 (2d Cir. 1993); PETsMART, Inc. v. Lanrus, Inc., No. 91 Civ. 1721, 1992 WL 275599, at \*6 (S.D. Cal., March 30, 1992) (“ ‘PETMART’ is not generic merely because it is the combination of two generic terms, *i.e.*, ‘pet’ and ‘mart.’ ”); *see also* Banff, Ltd. v. Federated Dep’t Stores, Inc., 841 F.2d 486, 489 (2d Cir. 1988) (combination of arbitrary and generic terms in mark “Bee Wear” resulted in suggestive or arbitrary mark). *But see* Brandwynne v. Combe Intern., Ltd., 74 F. Supp. 2d 364, 382 (S.D.N.Y. 1999) (“Finally, the combination of two generic terms, such as ‘intimate’ and ‘moisture’ or ‘moisturizer’, into one term does not alter its generic character.”).

Therefore, despite the mark’s generic components when dissected, whether the mark as a whole is generic presents an issue of fact which the Court cannot resolve at this stage of the proceedings. *See* Courtenay Comm’ns Corp. v. Hall, 334 F.3d 210, 215 (2d Cir. 2003) (“The district court erred when it did not treat CCC’s mark as a composite mark, and we conclude that whether a composite mark, which must be treated as a whole for classification purposes, is generic presents an issue of fact that cannot be resolved on the pleadings.”); Gross, 632 F. Supp. 2d at 290 (“Nonetheless, the court is not convinced that the mark is generic as a matter of law. A reasonable juror could find that the mark is descriptive in nature, and not a generic mark. The mark describes the product’s features and ingredients and is not necessarily a “species” of goods.”). As the Second Circuit has found, “[t]here are many examples of legally protected marks that combine generic words with distinctive lettering, coloring, or other design elements.” *Id.* *See, e.g.,* In re Miller Brewing Co., 226 U.S.P.Q. 666 (T.T.A.B. 1985) (holding that the genericness of the word “LITE” did not render unprotectable Miller’s use of the word with distinctive lettering); Sweats Fashions, Inc. v. Pannill Knitting Co., 833 F.2d 1560 (Fed. Cir.

1987) (finding that logo with generic/descriptive word “SWEATS” beside droplets was a protectable mark); In re Venturi, Inc., 197 U.S.P.Q. 714 (T.T.A.B. 1977) (permitting registration of “THE PIPE” where distinctive design elements were employed, despite the fact that it was composed of the article “the” and the generic term “pipe”, because “whether a particular designation is merely descriptive (and if so, to what degree) of an applicant's goods or services must be determined not in the abstract but in relation to the goods or services for which registration is sought”).

Thus, whether the Defendants have met their burden to successfully rebut the presumption of protectability cannot be resolved on summary judgment. While there is no question that the Defendants have not presented the Court with sufficient evidence to demonstrate that there is no genuine issue of material fact as to whether the *entire* mark is generic, they have raised enough evidence to possibly rebut the presumption of validity attached to the Plaintiff’s mark in light of their evidence highlighting the genericness of the BACITRACYN portion of the mark, such as dictionary definitions, generic use by competitors, and generic use of the term by the mark’s owner. Ultimately, it is an issue of fact as to whether the mark as a whole, including the PLUS, is generic, and thus the Court cannot say as a matter of law that no reasonable jury could conclude that the mark is not generic. However, because there is at least enough evidence to raise a genuine issue as to whether the mark is protected in the first instance, the Plaintiff’s motion for summary judgment is denied on this ground. The Court cannot say as a matter of law that the Plaintiff’s mark is enforceable and this is a necessary prerequisite for the Plaintiff to succeed on its motion.

On the other hand, the Defendants may prevail on their motion for summary judgment if, even assuming the mark is not generic but is descriptive, the Plaintiffs cannot demonstrate that there is at least a question of fact as to whether the mark has secondary meaning.

## **2. Assuming the Mark is Descriptive, Whether It Has Secondary Meaning**

### **a. Relevant Inquiry**

A descriptive mark is “one that tells something about a product, its qualities, ingredients or characteristics.” Gruner + Jahr, 991 F.2d at 1076; see also Bernard v. Commerce Drug Co., 964 F.2d 1338, 1341 (2d Cir. 1992) (noting that a mark “is descriptive if it forthwith conveys and immediate idea of the ingredients, qualities or characteristics of the goods.”). Descriptive terms are protectable only with evidence of secondary meaning, *i.e.*, proof that the public has come to associate the term with a particular source. See id. “The public presumably will not be confused by a descriptive term, but if the proponent of protection can show that the descriptive term is primarily associated with a single producer, a sufficient question is raised to justify further inquiry into the likelihood of confusion.” Bristol-Myers Squibb Co., 973 F.2d at 1040.

“To establish secondary meaning, a manufacturer must show that, in the minds of the public, the primary significance of a product feature or term is to identify the source of the product rather than the product itself.” Inwood Labs. v. Ives Labs., 456 U.S. 844, 851 n.11, 102 S. Ct. 2182, 72 L. Ed. 2d 606 (1982) (citations omitted); PaperCutter, Inc. v. Fay’s Drug Co., 900 F.2d 558, 564 (2d Cir. 1990) (“[I]f the term, although not inherently distinctive, comes through use to be uniquely associated with a single source, it is entitled to protection under the same principles applicable to inherently distinctive designations.”). Put another way, secondary meaning occurs when “the name and the business have become synonymous in the mind of the public, submerging the primary meaning of the term in favor of its meaning as a word

identifying that business.” Cadbury, 73 F.3d 479. “The existence of secondary meaning is a question of fact with the burden of proof on the party claiming exclusive rights in the designation.” PaperCutter, 900 F.2d at 564 (citation omitted).

Due to the fact that the Court cannot say as a matter of law whether the mark at issue is generic, the Court will assume, *arguendo*, that BACITRAYCIN PLUS is descriptive. The parties both agree that if the mark is not generic, it is at most descriptive, as opposed to suggestive or arbitrary/fanciful.

“Because the proponent of the mark bears the burden of proof at trial on secondary meaning, plaintiff, in order to avoid summary judgment, must come forward with admissible evidence sufficient to create a genuine issue as to whether its [trade] mark had acquired secondary meaning prior to the commencement of defendants’ competing use of the mark . . .” Jewish Sephardic Yellow Pages, Ltd. v. DAG Media, Inc., 478 F. Supp. 2d 340, 368 (E.D.N.Y. 2007).

Secondary meaning is an issue of fact. If plaintiff has the burden of proving secondary meaning in a mark, and defendant moves for summary judgment pointing to evidence that tends to show the lack of secondary meaning, summary judgment will be granted unless plaintiff comes forward to show an issue of fact on secondary meaning.

5 McCarthy § 32:119 at 32–175; see also Bernard, 964 F.2d 1338 (summary judgment appropriate where plaintiff produced no evidence that a descriptive word has achieved a secondary meaning); Diamond & Direct, LLC v. Star Diamond Group, Inc., 116 F. Supp. 2d 525, 531 (S.D.N.Y. 2000) (granting defendant summary judgment on Lanham Act infringement claim where no reasonable trier of fact could find secondary meaning).

Notably, unlike with the issue of genericness, the fact that the mark at issue here is registered does not shift the burden away from the Plaintiff. The “burden does not shift upon a

decision of the Patent and Trademark Office to register the mark, absent evidence that the Office registered the mark upon finding that it had acquired secondary meaning”, which does not appear to exist here. PaperCutter, 900 F.2d at 564. See 20th Century Wear, Inc. v. Sanmark-Stardust Inc., 747 F.2d 81, 88 n.8 (2d Cir. 1984) (“We hold, however, that in the absence of evidence that the Patent and Trademark Office registered the mark because of its secondary meaning, 15 U.S.C. § 1052(f), registration does not shift the burden of proving a lack of secondary meaning onto the defendant.”). Therefore, in order for the Plaintiff to avoid a finding of summary judgment on behalf of the Defendants, it must demonstrate that even if its mark is not generic, there is at least a question of fact as to whether it is a descriptive mark with secondary meaning. “Proving secondary meaning requires a rigorous evidentiary standard and is a heavy burden for plaintiffs to meet.” Gross, 632 F. Supp. 2d at 291; 20th Century Wear, 747 F.2d at 90 (“proof of secondary meaning entails vigorous evidentiary requirements”).

In a similar vein, assuming that mark is not generic as a matter of law, the Plaintiff could in theory prevail on its cross-motion for summary judgment where the evidence in support of secondary meaning is essentially undisputed. See Fund of Funds, Ltd. v. First American Fund of Funds, 274 F. Supp. 517, 156 U.S.P.Q. 545 (S.D.N.Y. 1967) (plaintiff granted summary judgment where proof of secondary meaning clear); Beef/Eater Restaurants, Inc. v. James Burrough, Ltd., 398 F.2d 637, 158 U.S.P.Q. 562 (5th Cir. 1968) (summary judgment for plaintiff affirmed where secondary meaning undisputed). However, as the Court has found that there is a question of fact as to whether the mark is generic, the Plaintiff’s motion can be denied solely on this ground.

“Nonetheless, determining secondary meaning is a fact-intensive inquiry that is generally avoided at the summary judgment phase.” Gross, 632 F. Supp. 2d at 291. See Coach

Leatherware Co., Inc. v. AnnTaylor, Inc., 933 F.2d 162, 169 (2d Cir. 1991) (“The careful weighing of evidence necessary to determining secondary meaning renders it an unlikely candidate for summary judgment.”). The Second Circuit has supported summary judgment only where the party asserting rights in the alleged trademark has failed to come forward with *any* evidence that would demonstrate the need for a trial on this issue. See Bernard, 964 F.2d at 1343 (affirming district court’s grant of summary judgment dismissing complaint, observing that plaintiff had failed to produce “evidence that a significant number of prospective purchasers associate his . . . trademark with his product.”); see also Black & Decker Corp. v. Dunsford, 944 F. Supp. 220, 227 (S.D.N.Y. 1996) (rejecting a claim of secondary meaning on motion for summary judgment).

“Evidence of secondary meaning often considered includes surveys, the nature and extent of public exposure to the term, volume of sales, length of time of use, the success of advertising and promotional efforts, and intentional copying.” Signarino v. Ruiz, No. 92 Civ. 2789, 1992 WL 167246, at \*4 (E.D.N.Y. June 29, 1992). As stated above, this is a rigorous standard. See Funrise Canada (HK) Ltd. v. Zauder Bros., Inc., No. 99 Civ. 1519, 1999 WL 1021810, at \*13 (E.D.N.Y. July 2, 1999) (“While plaintiff has alleged generally that the products in question have attained secondary meaning, . . . the only supporting evidence it has produced is the alleged copying itself . . . and the general expenditure of over \$ 100,000 on ‘advertising and marketing its products and establishing brand name recognition.’ . . . The plaintiff has produced no consumer studies, no surveys, no sales figures, and no examples of media coverage. Consequently, the plaintiff has not satisfied the ‘vigorous evidentiary requirements’ associated with proving secondary meaning.”).

The Plaintiff's representatives admitted at their depositions that people who purchase BACITRAYCIN PLUS do not know that First Aid is the company that manufactures the product or that First Aid is a source of high-quality goods. For example, at Levin's deposition, he testified as follows:

Q. Now that you allege at paragraph 11 that as a result of your use and promotion of the Bacitracyn Plus trademarks the trademarks identify and distinguish plaintiff as a source of high-quality goods with which the trademarks are being used, do you see that?

A. Yes

Q. Are you stating that people who purchase Bacitracyn Plus know that you're the ones, First Aid Research Corporation, who are manufacturing it?

A. No. They know the brand.

Q. They know the brand, but you're not saying that they know First Aid Research Corporation as a source for high-quality goods; is that correct?

A. That is correct.

(Levin Dep. at 86:8-24.)

However, while "secondary meaning" has been defined to mean that the primary significance of a product feature or term is to identify the *source* of the product, rather than the product itself, the Court does not interpret this to mean that consumers must recognize the name of the company that produces the product as opposed to recognizing the brand name as emanating from a particular source. See, e.g., CJ Prods. LLC v. Snuggly Plushez LLC, 809 F. Supp. 2d 127, 153 (E.D.N.Y. 2011) (finding that the plaintiff established likelihood of proving secondary meaning, in that it "firmly linked the product at issue with the intended *brand name*") (emphasis added); Johnson & Johnson v. Actavis Group hf, No. 06 Civ. 8209, 2008 WL 228061, at \*2 (S.D.N.Y. Jan. 25, 2008) ("Much of the evidence on which J & J relies to establish

secondary meaning in the Gold Mark could be used as well to show consumer recognition of the NEOSPORIN® *brand name*, . . . [t]his includes the product's sales success and advertising expenditures. Indeed, the advertising for the product emphasizes the *brand name*.”) (emphasis added).

Therefore, the Plaintiff does not need to demonstrate that the consuming public recognizes BACITRAYCIN PLUS as a brand name that is specially manufactured by First Aid. See Centaur Commc'ns v. A/S/M Commc'ns, 830 F.2d 1217, 1221 (2d Cir. 1987) (noting that the mark must come to identify the source of the goods, “even though the relevant consuming public might not know the name of the producer.”). Rather, the Plaintiff only needs to demonstrate that the primary significance of the product term BACITRACYIN PLUS is to identify it as a brand made by a particular company, as opposed to merely describing the ingredients of the product.

**b. Analysis of Factors Relevant to Secondary Meaning**

“Six factors are relevant to determining whether a mark has acquired secondary meaning: (1) advertising expenditures, (2) consumer studies linking the mark to a source, (3) unsolicited media coverage of the product, (4) sales success, (5) attempts to plagiarize the mark, and (6) length and exclusivity of the mark's use.” Erchonia Corp. v. Bissoon, 410 Fed. App'x 416, 418 (2d Cir. 2011) (internal quotation marks omitted) (citing Centaur Commc'ns, 830 F.2d at 1222); see Jewish Sephardic, 478 F. Supp. 2d at 369 (“Among the factors that courts have found relevant are advertising and promotional efforts, sales success, consumer surveys, unsolicited media coverage, attempts to plagiarize the mark, and length and exclusivity of the mark's use.”) (citing Centaur Commc'ns, 830 F.2d at 1222; Thompson Med. Co., Inc. v. Pfizer Inc., 753 F.2d 208, 217 (2d Cir. 1985)). “No single factor is determinative, and every element need not be

proved.” Jewish Sephardic, 478 F. Supp. 2d at 369 (citing Murphy v. Provident Mut. Life Ins. Co. of Philadelphia, 923 F.2d 923, 928 (2d Cir. 1990); Centaur Commc’ns, 830 F.2d at 1222).

The Plaintiff urges, in a conclusory fashion, that “[a]s a result of First Aid’s use and promotion of its BACITRAYCIN PLUS® goods, the BACITRAYCIN PLUS® goods are well-known to the consuming public and trade and serve to identify First Aid as the source of the products.” (Pl. Opp.) However, although the Plaintiff argues that its mark has in fact attained secondary meaning, it must nevertheless offer proof to support that assertion. “In a summary judgment analysis, the nonmoving party may not defeat the motion by resting upon unsupported allegations or denials.” See Anderson, 477 U.S. at 256, 106 S. Ct. at 2514.

### **1. Consumer Surveys**

“A consumer survey is the most persuasive element in demonstrating secondary meaning, because [it] provides direct evidence” of whether consumers associate a trademark with a plaintiff’s company. Ergotron, Inc. v. Hergo Ergonomic Support Sys., Inc., No. 94 Civ. 2732, 1996 WL 143903, at \*8 (S.D.N.Y. March 29, 1996) (citing 20th Century Wear, 815 F.2d at 10); see Centaur Commc’ns, 830 F.2d at 1223 (observing that “surveys have become the usual way of demonstrating secondary meaning . . .”). The Plaintiff in this case has not presented any survey evidence of the extent to which consumers or advertisers associate the mark BACITRACYIN PLUS with First Aid.

Although the Plaintiff does not need to establish every single factor in connection with secondary meaning, the Court “finds it quite significant” that the Plaintiff “did not muster any survey evidence demonstrating the requisite link in the minds of consumers” between the mark at issue and the Plaintiff’s product. Chum Ltd. v. Lisowski, 198 F. Supp. 2d 530, 534 (S.D.N.Y. 2002). Thus, the lack of consumer surveys is notable, although not dispositive. See Stern’s

Miracle-Gro Prods., Inc. v. Shark Prods., Inc., 823 F. Supp. 1077, 1086 (S.D.N.Y. 1993)

(“Defendant Shark suggests that the absence of a definitive consumer survey on this issue requires the Court to find that Stern’s has not met its burden with respect to establishing secondary meaning. The Court finds this argument to be without merit.”); Brown v. Quiniou, 744 F. Supp. 463, 470 (S.D.N.Y. 1990) (“Finally, although failure to undertake a consumer survey concerning recognition of the AGATHA mark is not by itself fatal to plaintiffs’ assertion of secondary meaning . . . , where the other evidence of consumer recognition is hardly overwhelming, the absence of survey evidence weighs heavily against plaintiffs’ position.”).

Therefore, the “consumer survey” factor weighs heavily against a finding of secondary meaning.

## **2. Advertising Efforts**

“Advertising expenditures provide indirect evidence of the possible effect that advertising may have on consumers’ association of the [trademark] with the source of the product.”

Ergotron, 1996 WL 143903, at \*8. The Plaintiff claims that it has spent approximately \$1,137,132.58 in marketing and advertising its BACITRAYCIN PLUS products nationwide. (Pl. Ex. 44.) However, “[m]erely showing that a certain amount was spent on advertising provides little support for secondary meaning. It must be shown that there was promotion of the mark as an identifier for the product.” Adams/Green Indus. Pub., Inc. v. Int’l Labmate Ltd., No. 96 Civ. 7456, 1997 WL 722964, at \*5 (N.D. Ill. Nov. 14, 1997); see Ergotron, 1996 WL 143903, at \*8 (“[J]ust because a producer spends money on advertising does not mean that the public will make that association.”); see also Co-Rect Prods. v. Marvy! Advertising Photography, Inc., 780 F.2d 1324, 1332 (8th Cir. 1985) (“Although it is true that advertising is a relevant factor in determining whether a mark has acquired a secondary meaning, it is the effect of such

advertising that is important, not its extent.”) (citing Security Ctr. Ltd. v. First Nat'l Sec. Ctrs., 750 F.2d 1295, 1301 (5th Cir. 1985); Inwood Labs. v. Ives Labs., 456 U.S. 844, 851 n.11, 102 S. Ct. 2182, 2187 n.11, 72 L. Ed. 2d 606 (1982)).

The Court cannot say, based upon sheer numbers alone, that the Plaintiff's advertising and promotional efforts have created in the minds of the consuming public and advertisers an identification of the BACITRACYIN PLUS mark with the Plaintiff. Moreover, the Plaintiff admits that First Aid does not advertise its products directly to the public, and Levin acknowledged at his deposition that First Aid does not do advertising on billboards and/or national television. However, in their depositions, Mosler and Levin testified in connection with the brand's specific advertising and marketing efforts through alternative avenues. The Plaintiff markets and advertises its products through store circulars, temporary price reductions (“TPRS”), “endcaps” – which are displays at the end of the store aisles, and instant redeemable coupons on the product's packaging (“IRCS”). (Mosler Dep. at 15-18.) The advertising contained in the store circulars is undertaken by the store itself, not the Plaintiff, although the Plaintiff does pay for it. (See Levin Dep. at 32.) But regardless of who undertakes the promotional efforts, advertisements in a store circular have the potential to create in the minds of the consuming public the identification of the BACITRAYCIN PLUS mark with the Plaintiff.

In addition, the Plaintiff contends that it does “trade advertising”, meaning that its officials are interviewed about the product and then a description of the product appears in a trade journal. The Plaintiff admits that it does not pay for this “advertising”. (Levin Dep. at 33.) Moreover, reference to this type of marketing alone does not allow the Court to assess the exposure of the relevant public to the Plaintiff's advertising or the advertising that is done on behalf of the Plaintiff. See Chum, 198 F. Supp. 2d at 534 (“Although it is certainly relevant that

[plaintiff] spent substantial sums of money promoting its [weekly television magazine] program to industry executives, the court finds it at least equally relevant that [plaintiff] has not adequately demonstrated it spent much, if anything at all, attempting to promote its program directly to the viewing public.”). Nevertheless, the existence of this advertising does assist in raising a triable issue of fact as to whether secondary meaning exists, especially in conjunction with all of the Plaintiff’s other promotional efforts.

In sum, the Plaintiff’s proof of its advertising efforts is weak, but existent. In order to prevail at trial, the Plaintiff would need to demonstrate more than naked advertising statistics and present evidence of the nature and quality of the advertising, and of the extent to which the advertising emphasized the mark at issue. Importantly, the Plaintiff would need to present evidence that its advertising efforts were effective in generating sales. See Kangadis, Inc. v. Euphrates, Inc., 378 F. Supp. 2d 162, 167 (E.D.N.Y. 2005). However, for purposes of defeating the Defendants’ summary judgment motion, the Court finds that the Plaintiff has mustered enough proof to permit the factor of advertising efforts to weigh in its favor, although barely so.

### **3. Sales Success**

As with its advertising expenditures, the Plaintiff does provide proof of its sales figures. BACITRAYCIN PLUS products are sold on a number of websites and carried in over 25,000 drug stores, super markets, and mass merchants, nationwide. (Pl. Ex. 39 at ¶ 4.) Since 1997, First Aid has realized total sales of \$15,008,432.52 for BACITRAYCIN PLUS in wholesale dollars, or more than \$32,000,000.00 in retail sales. In total, First Aid has presented evidence that it has sold an excess of a total of four million 1.0 oz tubes of BACITRAYCIN PLUS and Maximum Strength BACITRAYCIN PLUS. (Pl. Ex. 41.)

It is not clear that these sales, after approximately thirteen years of production, amount to more than minimal commercial activity. See, e.g., Arrow Fastener Co. v. Stanley Works (“Arrow I”), 870 F. Supp. 427, 428 (D. Conn. 1994), rev’d on other grounds, 59 F.3d 384 (2d Cir. 1995) (finding secondary meaning, in part based on 40,000,000 staplers and over 500,000,000 boxes of staples sold); Bernard, 964 F.2d at 1339 (finding summary judgment proper for failure to establish secondary meaning where 20,000 offers for free samples were sent out and 8,000 people responded). However, the Defendants acknowledge that “[c]oncerning sales success, there is no dispute that [First Aid’s] sale of Bacitraycin Plus has been wildly profitable for it.” (Def. Opp. at 9.)

Therefore, the Court finds that this factor weighs in the Plaintiff’s favor.

#### **4. Unsolicited Media Coverage**

This is the category into which most of the Plaintiff’s evidence as to secondary meaning falls. A finding of secondary meaning may be supported by proof that “the enthusiasm and loyalty of [plaintiff’s customers] have been the subject of extensive, unsolicited media coverage . . .” Harlequin Enters. Ltd. v. Gulf & Western Corp., 644 F.2d 946, 950 (2d Cir. 1981).

In this regard, in its opposition to the Defendants’ motion for summary judgment, the Plaintiff cites to a number of pieces of evidence that it has put forth, to demonstrate that it has been recognized by many third parties via online forums, chat rooms, and video reviews. (See Pl. Ex’s. 23-27, 29, 30, 31, 32, 33, 41, 46.) For example, in an article based upon an interview with Arjun Srinivasan, MD, a medical epidemiologist for the Centers for Disease Control and Prevention, titled “Staph: Hospital Patients Aren’t the Only Ones at Risk for This Deadly Infection—How to Protect Yourself”, it states that “[i]nfections may require a doctor’s treatment, which includes . . . applying a topical antibiotic, such as Bacitraycin Plus or Neosporin.” (Pl. Ex.

28.) As another example, a newsletter titled “Mass Market Retailers”, a global newspaper for supermarket drug and discount chains, lists BACITRAYCIN PLUS in a chart with ten brands titled “First Aid Ointments/Antiseptics”. Finally, the Plaintiff points to a video review of its product that was posted on the internet. (Pl. Ex. 30.)

While these articles and online forums do mention the Plaintiff’s product, the references are trivial as opposed to being the focal point or even a significant portion of any media coverage. For example, the Plaintiff’s product is mentioned by one user in an online forum that contains a total of 43 comments. (Pl. Ex. 29.) Consequently, “[t]here does not appear to be any *notable* unsolicited media coverage.” Ergotron, 1996 WL 143903, at \*8 (emphasis added). Nevertheless, there is no doubt that a minimal amount of unsolicited media coverage exists, and thus this factor weighs slightly in favor of a finding of secondary meaning.

#### **5. Length and Exclusivity of the Mark’s Use**

In connection with the length and exclusivity of the mark’s use, “no absolute time span can be posited as a yardstick in cases involving secondary meaning.” Centaur Commc’ns, 830 F.2d at 1225. “Instead, the length and exclusivity of a mark’s use is evaluated in light of the product and its consumers.” Id.; see Ralston Purina Co. v. Thomas J. Lipton, Inc., 341 F. Supp. 129, 134 (S.D.N.Y. 1972) (“In a market [as] new and unsettled [as plaintiff’s], it is doubtful that the name of any product could have acquired secondary meaning in [less than one year].”).

For purposes of this motion, it appears undisputed that the Plaintiff has been using this mark continuously and exclusively from 1997. Assuming, however, that the mark would not have been used exclusively while the Defendants’ alleged infringing activity occurred, this means that the Plaintiff has used the mark exclusively for approximately a decade. Thus, this factor weighs in the Plaintiff’s favor. See New York State Elec. & Gas Cop. V. U.S. Gas &

Elec., Inc., 697 F. Supp. 2d 415, 435 (W.D.N.Y. 2010) (“In that regard, the Court has found that plaintiff’s decades-long, exclusive use of its name does weigh in favor of a finding of secondary meaning.”); New York City Triathlon, LLC v. NYC Triathlon Club, Inc., 704 F. Supp. 2d 305, 315 (S.D.N.Y. 2010) (“The length and exclusivity of Plaintiff’s use of the NYC TRIATHLON Marks compels a finding of secondary meaning here. This year the NYC Triathlon will celebrate its tenth anniversary as the only Olympic distance triathlon to be run in the rivers, streets, and parks of New York City.”).

## **6. Intentional Copying**

As to the last factor, “[t]hough intentional copying constitutes persuasive evidence of consumer recognition, conscious replication alone does not establish secondary meaning.” Coach Leatherware, 933 F.2d at 169 (citation omitted); see 20th Century Wear, 815 F.2d at 10 (stating that intentional copying is “not conclusive” of secondary meaning); Bristol–Myers, 973 F.2d at 1042 (noting that the district court’s finding that evidence of copying did not establish secondary meaning was not erroneous, because “[a]lthough imitative intent can help support a finding secondary meaning, it does not necessarily mandate one.”) (internal citation omitted); Kaufman & Fisher Wish Ltd. v. F.A.O. Schwarz, 184 F. Supp. 2d 311, 319 (S.D.N.Y. 2001) (“Proof of intentional copying, by itself, does not trigger any presumption of secondary meaning under Second Circuit precedent.”). “Where copying has occurred, there may be a number of explanations that rebut any inference of secondary meaning.” Ergotron, 1996 WL 143903, at \*9.

In this case, the Plaintiff has not made any allegations of intentional copying. Therefore, this factor does not weigh in the Plaintiff’s favor.

## 7. Balancing the Factors

On the record before it, the Court concludes that the Plaintiff has provided sufficient evidence to allow a reasonable trier of fact to find that the BACITRACYIN PLUS mark has acquired secondary meaning to be protectable. There is undoubtedly a paucity of unsolicited media coverage and a complete absence of any consumer or advertiser surveys. However, the Plaintiff has offered proof of other highly relevant factors, namely sales volume, advertising expenditures, and the length and exclusivity of the mark's use. "These factors are relevant because they tend to evidence the consuming public's attitude toward the product." Black & Decker Corp., 944 F. Supp. at 227. Cf. Diamond Direct, LLC, 116 F. Supp. 2d at 532 ("And while evidence of advertising, promotion and sales success can be significant in permitting an inference of secondary meaning, plaintiff's evidence here is much too sparse.").

Therefore, in sum, the Court finds that the Plaintiff has satisfied its burden and consequently has successfully avoided summary judgment on this ground that its mark is not entitled to protection. See U-Neek, Inc. v. Wal-Mart Stores, Inc., 147 F. Supp. 2d 158, 172 (S.D.N.Y. 2001) ("In addition, U-Neek has submitted evidence of: advertisements of Zing Designs through circulars and flyers between 1996 and 1998; the sales quantity (and value of sales) of the Zing Designs from 1996 to 1998 and of the Vignette Designs from 1997 to 2000; exclusivity of sales of the Zing and Vignette designs; and, purported infringement of the Zing Design by Defendant. This is sufficient to preclude summary judgment.") (internal citations omitted); Penguin Books USA v. New Christian Church of Full Endeavor, Ltd., 96 Civ. 4126, 2000 WL 1028634, at \*21 (S.D.N.Y. July 25, 2000) (denying summary judgment where the "evidence [submitted] is not sufficient in and of itself to establish secondary meaning, [but] does establish an issue of material fact."). Cf. Murphy, 923 F.2d at 928 (affirming district court's

grant of summary judgment dismissing infringement claim; court found that mark lacked secondary meaning, where no consumer studies had been undertaken, no unsolicited media coverage had occurred, there was no evidence of expenditures that were related solely to the advertisement of the mark at issue, and the mark had been used for an insufficient period of time—four months—to become associated in the minds of the public with plaintiff); and Grupke v. Linda Lori Sportswear, Inc., 921 F. Supp. 987, 996 (E.D.N.Y. 1996) (granting summary judgment dismissing infringement claim where plaintiff failed to meet “rigorous evidentiary requirements” necessary to establish secondary meaning, despite evidence of ten-year use of the mark, advertising expenditures of over \$1 million in five-year period, sales of 105,000 shirts in four-year period, and four letters from customers who associated the mark with plaintiff).

On the other hand, because genuine issues of material fact exist as to whether the mark has acquired secondary meaning, summary judgment on behalf of the Plaintiff is precluded on this ground as well because even if the mark is not generic, the Court cannot conclude as a matter of law that the Plaintiff’s mark should be eligible for protection under the Lanham act. See Kensington Pub. Corp. v. Gutierrez, No. 05 Civ. 10529, 2009 WL 4277080, at \*5 (S.D.N.Y. Nov. 10, 2009); 24 Hour Fitness USA, Inc. v. 24/7 Tribeca Fitness, LLC, 03 Civ. 4069, 2005 WL 991767, at \*3 (S.D.N.Y. Apr. 28, 2005) (“Considering the parties’ opposing positions, a dispute of material fact clearly exists with respect to whether plaintiff’s mark is legally protectable. Accordingly, summary judgment on this issue is DENIED.”). Cf. Expoconsul Int’l, Inc. v. A/E Systems, Inc., 755 F. Supp. 1237, 1240 (S.D.N.Y.1991) (finding summary judgment proper where party demonstrates “in a manner that leaves no issue for trial” that mark is not entitled to protection).

#### **D. Whether There is a Likelihood of Confusion**

Determining whether the Plaintiff's mark is eligible for trademark protection under the Lanham Act is only the first part of the inquiry. Although the Plaintiff's cross-motion for summary judgment inevitably fails because there are genuine issues of material fact as to whether the mark is even entitled to protection in the first instance, the Defendants may nevertheless succeed on their motion for summary judgment if, even assuming that the Plaintiff has a protectable and enforceable trademark in BACITRAYCIN PLUS, there is nevertheless no likelihood of confusion between its products and that of the Plaintiff as a matter of law. See Thompson Med., 753 F.2d at 213 ("The classification of a particular term represents merely a threshold determination. After a mark has been duly catalogued and its eligibility for protection has been determined, we must then examine a litany of factors to evaluate whether consumers are likely to be confused as to the source of the product."); Cf. Fraga v. Smithaven MRI, 866 F. Supp. 107, 112 (E.D.N.Y. 1994) ("Because plaintiff's name is not deserving of protection, the Court need not address whether there is a likelihood that consumers will confuse defendants' business with plaintiff's.").

In other words, if a reasonable jury could not find that there is a likelihood of confusion, or "that numerous ordinary prudent purchasers are likely to be misled or confused as to the source of the product in question because of the entrance in the marketplace of defendant's mark," Gruner + Jahr, 991 F.2d at 1077, then the Court may properly award summary judgment on behalf of the Defendants. Therefore, the Court will assess whether the Defendants can adequately demonstrate that there are no genuine issues of fact as to whether there is a likelihood of confusion between the BACTIRAYCIN PLUS mark and the BACITRACIN + PAIN RELIEF mark.

As set forth above, “[t]he factors ordinarily weighed in determining the likelihood of confusion are the familiar Polaroid factors, which include: 1) the strength of the plaintiff’s mark; 2) the similarity of plaintiff’s and defendant’s marks; 3) the competitive proximity of the products; 4) the likelihood that plaintiff will “bridge the gap” and offer a product like defendant’s; 5) actual confusion between products; 6) good faith on the defendant’s part; 7) the quality of defendant’s product; and 8) the sophistication of buyers.” Id. (citing Polaroid, 287 F.2d at 495.) “For a finding of infringement a probability of confusion, not a mere possibility, must be found to exist.” Id. (citing McCarthy, Trademarks §§ 23:1[C], 23:2[B]).

At the outset of this analysis, it is crucial to note that the Court considers the Defendants’ mark to be BACITRACIN + PAIN RELIEF, not *CVS/pharmacy* BACITRACIN + PAIN RELIEF. As will be discussed in further detail below, *CVS/pharmacy* is a house mark, and creates a separate commercial impression from the alleged trademark at issue. See Genovese Drug Stores, Inc. v. TGC Stores, Inc., 939 F. Supp. 340, 346 (D.N.J. 1996) (noting that in the context of a potentially protectable slogan, it can only function as a separate trademark “if it creates a separate impression from the house mark”); see also Arrow Fastener Co., Inc. v. Stanley Works (“Arrow II”), 59 F.3d 384, 388 (2d Cir. 1995) (“Arrow’s advertising and packaging for its T-50 stapler, as well as the product itself, feature both the trademark ‘T-50’ and the housemark ‘Arrow.’”); In re Microsoft Corp., 68 U.S.P.Q.2d 1195, 1199 (T.T.A.B. 2003) (finding the relevant inquiry to be limited to whether Microsoft’s applied-for mark “OFFICE.NET” was confusingly similar to the previously registered mark “OFFICENET”, even though Microsoft represented that it intended to use its house mark (“MICROSOFT”) in connection with any use of iOFFICE.NET); New York City Triathlon, 704 F. Supp. 2d at 335 (“As with challenges to trademark registration before the PTO, the use of a house mark in

conjunction with a product mark does not serve to prevent a finding of likelihood of confusion when the house mark is not included in the mark for which registration is sought”). Cf. Quiksilver Inc. v. Kymsta Corp., 466 F.3d 749, 757 (9th Cir. 2006) (“A product mark like ‘ROXY,’ even if always displayed with a house mark like ‘QUIKSILVER,’ may acquire independent trademark significance.”).

### **1. Strength of the Plaintiff’s Mark**

A mark’s strength refers to its “tendency to identify the goods sold under the mark as emanating from a particular, although possible anonymous source.” Arrow II, 59 F.3d at 391 (quoting McGregor–Doniger, Inc. v. Drizzle, Inc., 599 F.2d 1126, 1131 (2d Cir. 1979)). That strength depends on two factors: (1) its inherent distinctiveness; and (2) its degree of distinctiveness in the marketplace. See Lang v. Ret. Living Pub. Co., Inc., 949 F.2d 576, 581 (2d Cir. 1991); W.W.W. Pharm. Co. v. Gillette Co. (“Gillette II”), 984 F.2d 567, 572 (2d Cir. 1993), limited on other grounds, Deere & Co. v. MTD Prods., Inc., 41 F.3d 39, 46 (2d Cir. 1994).

The first factor, the inherent distinctiveness of a mark, is categorized in ascending order of strength: (a) generic; (b) descriptive; (c) suggestive; and (d) arbitrary or fanciful. Gillette II, 984 F.2d at 572. In categorizing the distinctiveness of a trademark, “a court examines the context in which the words constituting the mark are used . . . . [For example,] the word apple would be arbitrary when used on personal computers, suggestive when used in Apple–A–Day on vitamin tablets, descriptive when used in Tomapple for combination tomato-apple juice and generic when used on apples.” Paddington Corp. v. Attiki Imps. & Distribs., Inc., 996 F.2d 577, 583 (2d Cir. 1993) (internal quotation marks and citations omitted). Categorization of the mark is somewhat different in the context of protectability than it is for likelihood of confusion. In order to be protectable, a mark need not be a “strong mark”, such as suggestive or

arbitrary/fanciful — it can be a conceptually weak descriptive mark as long as it has the requisite secondary meaning. On the other hand, for likelihood of confusion, it is highly relevant as to how strong the particular mark is.

As set forth above, BACITRACYN PLUS is, at most, a descriptive mark. Consequently, it is not an inherently distinctive and thus an automatically strong mark because inherently “[s]trong marks are those which are ‘arbitrary or fanciful in relation to the products . . . on which they are used . . . [and are not] generic, descriptive or suggestive as to those goods.’” AB Electrolux v. Bermil Indus. Corp., 481 F. Supp. 325, 332 (S.D.N.Y. 2007) (quoting Virgin Enters., 335 F.3d at 147); Greenpoint Financial Corp. v. Sperry & Hutchinson Co., Inc., 116 F. Supp. 2d 405, 413 (S.D.N.Y. 2000) (“Having found that “GREENPOINT” is descriptive and is unworthy of protection absent secondary meaning, the distinctiveness of the mark is not strong.”).

Therefore, the Court must move onto the second part of the inquiry, because “[w]hen determining whether a descriptive mark is strong, the Court looks to secondary meaning that the mark has acquired.” Mr. Water Heater Enters., Inc. v. 1-800-Hot Water Heater, LLC, 648 F. Supp.2d 576, 585 (S.D.N.Y. 2009). The mark’s degree of distinctiveness in the marketplace — the mark’s secondary meaning — is the degree to which consumers recognize the mark as identifying the source of a particular product. Gillette II, 984 F.2d at 572–573. Indeed, the ultimate strength of a mark “turns on its origin-indicating quality, in the eyes of the purchasing public . . . .” Lang, 949 F.2d at 581 (internal quotation marks and citations omitted); Estee Lauder, 108 F.3d at 1510 (stating that the strength of a mark “ultimately depends on the degree to which the designation is associated by prospective purchasers with a particular source.”) (citation omitted); See also Playboy Enters., Inc. v. Chuckleberry Publ'g Co., 486 F. Supp. 414,

420 (S.D.N.Y. 1980), *aff'd*, 687 F.2d 563 (2d Cir.1982) (stating that a mark may be conceptually strong but at the same time be commercially weak if the mark lacks significance in the market place for purposes of identifying the origin of the goods).

Plaintiff's mark remains weak, even when viewed through the lens of the mark's degree of distinctiveness in the marketplace. As set forth above, while the Plaintiff has proffered sufficient evidence to demonstrate a question of fact as to whether secondary meaning exists, this evidence is scant and thus shows, at most, minimal commercial strength. See Lapham v. Porach, No. 06 Civ. 6861, 2007 WL 1224924, at \*11-12 (S.D.N.Y. Apr. 25, 2007) ("The evidence that 'Praying Mantis Kung Fu' has a secondary meaning associated with plaintiff is not non-existent, but it is extremely weak . . . . and so is not entitled to as much protections as an arbitrary or fanciful mark that has inherently distinctive qualities."); Conopco, Inc. v. Cosmair, Inc., 49 F. Supp. 2d 242, 250 (S.D.N.Y. 1999) ("Accordingly, while there is some evidence of unsolicited media attention in the record to support a finding of secondary meaning, given the low sales figures, the uncertainty of the advertising evidence (including the fact that the bottle was not used in any magazine advertising for four consecutive years), and the weak survey results, the Court concludes that Conopco has failed to establish strong secondary meaning").

In sum, the BACITRAYCIN PLUS mark is considered relatively weak and thus weighs against a finding of likelihood of confusion. See Orb Factory Ltd. v. Design Science Toys, Ltd., No. 96 Civ. 9469, 1999 WL 191527, at \*9 (S.D.N.Y. Apr. 7, 1999) ("Questions of fact regarding the secondary meaning and the weakening of Orb's marks exist, such that Orb has not established that this factor weighs in its favor."); Monarch Licensing, 1992 WL 150641, at \*6 ("Furthermore, even if Monarch could prevail in showing that the mark is not generic and that a sufficient showing of secondary meaning has been made to secure protection for a descriptive

mark, Ooz Ball is, nonetheless, a particularly weak mark, that barely escapes the unprotected category.”).

## **2. Degree of Similarity Between Marks**

This factor “attempts to discern whether the similarity of the marks is likely to cause confusion among potential customers.” Louis Vuitton Malletier v. Burlington Coat Factory Warehouse, Corp., 426 F.3d 532, 537 (2d Cir. 2005) (internal quotation marks omitted). In assessing this factor, the court must decide “whether the labels create the ‘same overall impression’ when viewed separately.” Banff, 841 F.2d at 492 (quoting Paco Rabanne Parfums, S.A. v. Norco Enters., Inc., 680 F.2d 891, 893 (2d Cir. 1982)). “Factors to consider include the context in which the logos are found, the typeface of the two marks, other terms or marks used in conjunction with the logo, and the size and placement of the logos.” M&G Elecs. Sales Corp. v. Sony Kabushiki Kaisha, 250 F. Supp. 2d 91, 103 (E.D.N.Y. 2003) (citing Gruner + Jahr, 991 F.2d at 1078). It is helpful at this point to set forth the two marks at issue here:

In assessing the similarity between two marks, a court must consider two questions: “(1) whether the similarity between the two marks is likely to cause confusion and (2) what effect the similarity has upon prospective purchasers.” Sports Auth., 89 F.3d at 962. Thus, the inquiry is not simply the similarity of the graphic representations of the marks themselves, but also “how

they are presented in the marketplace.” Id. Although no factor is necessarily dispositive, “in an appropriate case, the ‘similarity of the marks’ factor can be dispositive and will warrant summary judgment for an infringement defendant ‘if the court is satisfied that the . . . marks are so dissimilar that no question of fact is presented.’” Nabisco, Inc. v. Warner-Lambert Co., 220 F.3d 43, 46 (2d Cir. 2000) (quoting sources).

Viewing each mark separately, the Court finds that it is highly unlikely that a reasonably prudent purchaser would find the overall image of the products sold or their packaging confusingly similar. First, the marks are spelled differently, in that the Plaintiff’s mark uses the spelling BACITRAYCIN with a “Y”, while the Defendants’ mark uses the correct spelling of BACITRACIN without a “Y”. Second, the Plaintiff’s mark uses the word “PLUS”, while the Defendants’ mark uses the symbol “+”. Third, the Defendant’s product says “pain relief” in large letters at the end of the product name, while the Plaintiff’s product does not. Finally, the logos have different fonts and colors — the Plaintiff’s mark uses a green font with a 3-D effect, while the Defendant’s mark uses a different white font against a maroon background. See Grotrian, Helfferich, Schulz, Th. Steinweg, Nachf. v. Steinway & Sons, 523 F.2d 1331, 1339 (2d Cir. 1975) (“We agree with Grotrian that in examining the actual trademarks for similarity of marks the district court failed to take into account the wholly different typefaces of the two marks.”); V&S Vin & Sprit Aktiebolag (publ) v. Absolute Publishing USA Inc., No. 05 Civ. 4429, 2006 WL 197001, at \*4 (S.D.N.Y. Jan. 25, 2006) (“Because Plaintiff’s ABSOLUT trademark — without an “e” and in heavy block lettering — as it appears on their vodka bottles and in their print advertisements, is so visually distinctive, consumers are unlikely to confuse it with Defendant’s “Absolute” mark, which uses the conventional spelling and a different font,

when they see it on the cover of a magazine.”). All of these characteristics of the products aid in creating different visual impressions.

It is also noteworthy and significant that the Defendants’ mark is used in conjunction with the CVS/pharmacy trademark, which has the potential to reduce or eliminate the likelihood of confusion. The Second Circuit has relied upon a house mark on several occasions as a factor in holding that no likelihood of confusion exists. See Nabisco, 220 F.3d at 46 (“Warner-Lambert’s prominent use of its well-known house brand therefore significantly reduces, if not altogether eliminates, the likelihood that consumers will be confused as to the source of the parties’ products.”); Frito-Lay, Inc. v. Bachman Co., 704 F Supp. 432, 436 (S.D.N.Y. 1989) (holding that the “use of the Bachman name is particularly important because it specifically identifies the source of the ‘ruffled’ potato chips, and thus may diminish the likelihood of source confusion.”); see also Lever Brothers Company v. American Bakeries Company, Inc., 693 F.2d 251, 257 (2d Cir. 1982) (finding that defendant’s identification of its bakery divisions on packaging “substantially negate[d]” a likelihood of confusion). But see A. T. Cross Company v. Jonathan Bradley Pens, Inc., 470 F.2d 689, 692 (2d Cir. 1972) (noting that the defendant’s use of its own name could confuse consumers by implying licensing agreement with the plaintiff).

Overall, the two marks create a different impression upon the consumer. See Brennan’s, 360 F.3d at 133 (“When evaluating the similarity of marks, courts consider the overall impression created by a mark.”). Whatever source-confusion might exist would likely be dispelled as a result of both the Defendants’ prominent use of the CVS house brand name and the combination of the other aspects of the commercial presentation of the parties’ respective marks. See Nabisco, 220 F.3d at 47 (“The cumulative effect of the differences between the parties’

products and in the commercial presentation of their marks creates distinct marketplace impressions.”).

However, the Court is not prepared to say that the marks are so dissimilar as to require judgment as a matter of law. See Paddington Corp., 996 F.2d at 586 (concluding that marks and packages for Greek liqueur products “# 1 Ouzo” and “No. 12 Ouzo” were confusingly similar, and overturning district court finding to the contrary, despite “minimal” differences in labels, typeface, and bottle shape). Cf. Resource Developers, Inc. v. Statute of Liberty-Ellis Island, 926 F.2d 134, 141-42 (2d Cir. 1991) (affirming summary judgment for defendant on claim that Statue of Liberty flag infringed plaintiff’s trade dress “[b]ecause ... the flags are so materially different that no question of fact was presented on the issue of likelihood of their confusion”); Kellogg Co. v. Pack'em Enters., 951 F.2d 330, 332-33 (Fed. Cir. 1991) (“substantial and undisputed differences” between parties’ use of FROOTEE ICE and FROOT LOOPS warranted summary judgment for federal registration applicant in opposition proceeding; “the dissimilarity of the marks in their entireties itself made it unlikely that confusion would result from the simultaneous use of the marks” (internal quotation marks omitted)). Thus, this factor weighs heavily against the Plaintiff.

### **3. Competitive Proximity of the Products**

In assessing this next factor, the court must decide “whether and to what extent the two products compete with each other.” See Cadbury Beverages, Inc., 73 F.3d at 480. Relevant factors include “the nature of the products themselves and the structure of the relevant market. Among the considerations germane to the structure of the market are the class of customers to whom the goods are sold, the manner in which the products are advertised, and the channels through which the goods are sold.” Id. (internal quotation marks and citation omitted). On the

other hand, “direct competition between the products is not a prerequisite to relief,” and “products that share the same channel of trade are not necessarily proximate.” Sports Auth., 89 F.3d at 963 (internal quotation marks and citations omitted). “[T]he closer the secondary user’s goods are to those the consumer has seen marketed under the prior user’s brand, the more likely that the consumer will mistakenly assume a common source.” Virgin Enterprises, 335 F.3d at 150.

It is undisputed that the Plaintiff’s and the Defendants’ products have never been sold in the same store because CVS has never sold First Aid’s BACITRAYCIN PLUS product. However, although it certainly weakens the showing of proximity, products do not need to be sold in the same store to have any measure of competitive proximity. Rather, it is still possible to have “competitive proximity” where “[t]he products appeal to the same consumers, and sale locations are geographically close,” and consumers who visit stores selling the one product “are reasonably likely to visit nearby retail stores where [the other was] sold, creating the opportunity for confusion.” Patsy’s, 317 F.3d at 218; see also Star Indus., 412 F.3d at 386.

The parties’ products here were direct competitors because they served the same purpose; had a similar price point; and were sold in locations that were geographically close. More importantly, the two products appealed to the same consumers and thus had an overlapping client base — consumers could purchase both products in the same First Aid sections at a pharmacy just like CVS, such as Walgreens or Rite Aid. Cf. Gillette II, 984 F.2d at 573-74 (finding that the proximity factor did not favor the plaintiff although both products were personal care products and shared some channels of trade, because products did not compete nor serve the same purpose and were not displayed in the same areas of food or drug stores). In other words, while the two products were not sold at the same store, they were sold in the same channels of

trade. Thus, while the danger from proximity is discounted because the products did not actually appear in the same stores, Products v. Plus Discount Foods, Inc., 722 F.2d 999, 1008 (2d Cir. 1983), a reasonable trier of fact could nevertheless conclude that the goods are in close “proximity.” Thus, this factor does not weigh in favor of either party.

#### **4. Actual Confusion**

A plaintiff need not show actual confusion. Lois Sportswear, 799 F.2d at 875 (citation omitted); see Pfizer Inc. v. Sachs, 656 F. Supp. 2d 512, 523 (S.D.N.Y. 2009) (stating that lack of proof of actual confusion “is not fatal to a finding of likelihood [of confusion], particularly where, as here, the junior mark has been in the marketplace for a relatively short period of time.”). However, the complete absence of actual confusion after a lengthy period of time creates an inference that future consumers will not be confused. See id.; see also Tommy Hilfiger Licensing, Inc. v. Nature Labs, LLC, 221 F. Supp. 2d 410, 419 (S.D.N.Y. 2002) (finding that seven years between introduction of allegedly infringing product and the court's decision was a sufficient extended period of time to weigh against likelihood of confusion).

“Evidence of actual confusion consists of (1) anecdotal evidence of confused consumers in the marketplace; and (2) consumer survey evidence.” Jordache Enterprises, Inc. v. Levi Strauss & Co., 841 F. Supp. 506, 518 (S.D.N.Y. 1993). “Evidence of actual confusion is a strong indication that there is a likelihood of confusion.” Tripledge Products, Inc. v. Whitney Resources, Ltd., 735 F. Supp. 1154, 1162 (E.D.N.Y.1990). “[F]ailure to present its own consumer survey weighs against a finding of consumer confusion” in plaintiff’s favor. Star Indus., 412 F.3d at 388; see also Nora Beverages, Inc. v. Perrier Grp. of Am., Inc., 269 F.3d 114, 124 (2d Cir. 2001) (“The lack of survey evidence counts against finding actual confusion.”).

In the present case, First Aid has not offered any admissible evidence to demonstrate that any person was ever confused between the two products during the 23 months that CVS sold the allegedly infringing product. The only piece of evidence proffered by the Plaintiff is an email from a customer in August 2009, in which it states that she received a defective tube of Bacitraycin Plus and wished to receive a coupon or product to replace the item, because she did “not have [her] receipt from CVS in order to return this to the store.” (Pl. Ex. 22.) However, the Defendants are correct that this does not indicate confusion between the Plaintiff’s product and the Defendants’ product, because the Plaintiff’s product is not even sold at CVS stores. In other words, this email demonstrates confusion as to *where* she purchased the Plaintiff’s product, but nothing to indicate that she purchased BACITRACIN + PAIN RELIEF thinking it was BACITRACYIN PLUS.

Moreover, of importance in this regard, Levin testified as follows:

Q: Are you making a claim that people who purchase CVS Bacitracin + Pain Relief, when they do, they think that it’s manufactured by First Aid Research Corporation?

A. No.

(Levin Dep. at 90:11-91:2.)

Therefore, this factor clearly favors the Defendants. See 24 Hour Fitness USA, Inc. v. 24/7 Tribeca Fitness, LLC, 277 F. Supp. 2d 356, 365 (S.D.N.Y. 2003) (“There being no other evidence on the issue of actual confusion, this factor does not weigh in favor of a finding of likelihood of confusion as to the source of Defendants’ goods and services.”).

### **5. Bridging the Gap**

“Under this factor, if the owner of a trademark can show that it intends to enter the market of the alleged infringer, that showing helps establish a future likelihood of confusion as to source.” Lois Sportswear, 799 F.2d at 874. This factor intends to protect the trademark owner’s

“interest in being able to enter a related field at some future time.” Scarves by Vera, Inc. v. Todo Imports Ltd., 544 F.2d 1167, 1172 (2d Cir. 1976).

However, this factor “is irrelevant . . . where . . . the two products are in direct competition with each other.” Starbucks Corp., 588 F.3d at 115; see also Star Indus., 412 F.3d at 387 (concluding that “[b]ecause . . . [the] products are already in competitive proximity, there is really no gap to bridge, and this factor is irrelevant to the Polaroid analysis”). Here, there is direction competition between BACITRAYCIN PLUS and BACITRACIN + PAIN RELIEF, thus eliminating the need to consider this factor.

#### **6. The Defendant’s Good Faith in Adopting the Mark**

“Courts and commentators who have considered the question equate a lack of good faith with the subsequent user’s intent to trade on the good will of the trademark holder by creating confusion as to source or sponsorship.” EMI Catalogue, 228 F.3d at 66. Thus, “the only relevant intent is intent to confuse.” Starbucks, 588 F.3d at 97 (internal quotation marks omitted).

In assessing this factor, the court “looks to whether the defendant adopted [the plaintiff’s] mark with the intention of capitalizing on plaintiff’s reputation and goodwill and any confusion between his and the senior user’s product.” Lang, 949 F.2d at 583 (internal quotation marks and citation omitted). Or, put another way, “[b]ad faith generally refers to an attempt by a junior user of a mark to exploit the good will and reputation of a senior user by adopting the mark with the intent to sow confusion between the two companies’ products.” Bacardi, 412 F.3d at 388. Bad faith has been found when prior knowledge of the senior user’s mark “is accompanied by similarities so strong that it seems plain that deliberate copying has occurred.” Paddington Corp., 996 F.2d at 587. However, even direct copying does not necessitate a finding of bad faith.

See Bacardi, 412 F.3d at 388 (“[I]n some cases [where the junior user knew of the senior user's mark], in the absence of additional evidence indicating an intent to promote confusion or exploit good will or reputation, this Court has found the junior user to be in good faith.”); Person's, 900 F.2d at 1569–70 (“Knowledge of a foreign use does not preclude good faith adoption and use in the United States.”). “[T]he court, on a motion for summary judgment, must consider all evidence in the record pointing to the alleged infringer’s both good and bad faith.” Dessert Beauty, Inc. v. Fox, 568 F. Supp. 2d 416, 426-27 (S.D.N.Y. 2008).

The Plaintiff claims that the Defendants adopted the mark in bad faith, because there is no question that the Defendants were aware of the Plaintiff’s mark. First, the Defendant CVS sells the Plaintiff’s product on its website, and second, First Aid repeatedly engaged in the process of exploring the possibility of doing business with the Defendants. This, in combination with the allegation that the Defendants’ mark “conveys the same commercial impression as BACITRACYIN PLUS, is the basis for the Plaintiff’s bad faith claim. The Defendants concede prior knowledge but dispute that there the similarities are so strong that it seems plain that deliberate copying has occurred.

The Court agrees with the Defendants that despite the existence of prior knowledge, there is no indication of bad faith on the part of the Defendants. See Savin Corp. v. Savin Group, 391 F.3d 439, 460 (2d Cir. 2004) (noting that “[p]rior knowledge of a senior user’s trade mark” is not inconsistent with good faith). As set forth above, the marks are visually distinctive. Moreover, the Plaintiff’s product name is descriptive and thus is not a relatively strong mark. The Defendants’ product name is similarly descriptive, as it describes the main ingredient of the product, “bacitracin”, and adds a “+” to describe the addition of Lidocaine — a pain reliever — to the ointment. As stated by the Second Circuit in Thompson Medical Co., Inc. v. Pfizer, Inc.:

The trademark law should not grant, in effect, a monopoly to the first mark that effectively and concisely describes a product's use or function. Were this exclusive appropriation to occur, future entrants would be required to adopt a "less-descriptive" term, and engage in increased advertising to recoup the lost consumer appeal. Entry barriers would be created, discouraging entry and competition, particularly from small firms. This result is expressly at odds with the purposes of the trademark laws.

753 F.2d 208, 217 (2d Cir. 1995).

Finally, although First Aid attempts to attribute bad faith to the Defendants because they failed to conduct a trademark search, that fact, standing alone, is insufficient to find the existence of bad faith. See Star Indus., 412 F.3d at 388 ("This Court has never held adoption of a mark with no knowledge of a prior similar mark to be in bad faith even in the total absence of a trademark search, much less on the basis of an allegedly flawed trademark search."); Streetwise Maps, Inc. v. VanDam, Inc., 159 F.3d 739, 746 (2d Cir. 1998) ("failure to perform an official trademark search, ... does not[,] standing alone[,] prove that [Defendants] acted in bad faith.").

Accordingly, the Court finds that the Plaintiff has failed to raise a material issue of fact regarding the Defendants' alleged bad faith. On the record before the Court, no reasonable jury could find bad faith. To the contrary, a reasonable jury could only conclude that the Defendants acted in good faith. "An indication of good faith is 'the display of defendant's own name or trademark in conjunction with the mark it allegedly infringes.'" Dessert Beauty, Inc., 568 F. Supp. 2d at 427 (quoting EMI Catalogue, 228 F.3d at 67); see Gillette II, 984 F.2d at 573 ("Where a similar mark is used in conjunction with a company name, the likelihood of confusion may be lessened."). As discussed previously, all CVS products have the CVS/pharmacy trademark and indicia, which reflects CVS' efforts to differentiate its products in the marketplace rather than to trade on First Aid's or any seller's, good will. Finally, other than the generic term "bacitracin" and the additive term/symbol "plus" or "+", "the dissimilarities between the

products are patently obvious as to dispel any inference that [CVS] was trying to pass its products as one of [First Aid's Bacitracin Plus products] or to confuse consumers as to source or sponsorship." Dessert Beauty, Inc., 568 F. Supp. 2d at 428. Thus, no reasonable jury could conclude that the Defendants acted in bad faith to capitalize on the Plaintiff's trademark.

### **7. Quality of the Infringing Product**

A senior user of a trademark "may sue to protect his reputation even where the infringer's goods are of top quality" because it is "not required to put its reputation in [the junior user's] hands, no matter how capable those hands may be." Mobil Oil Corp. v. Pegasus Petroleum Corp., 818 F.2d 254, 259–60 (2d Cir. 1987) (internal citations and quotation marks omitted). Quality of the infringing product is significant because it may "create an even greater likelihood of confusion as to source inasmuch as consumers may expect products of similar quality to emanate from the same source." U.S. Polo Ass'n, Inc., 2011 WL 1842980, at \*17. The Second Circuit has noted that "when goods or services of equal quality compete, the quality factor 'cuts both ways.'" Starbucks Corp., 588 F.3d at 118 (quoting Morningside Group Ltd. v. Morningside Cap. Group, LLC, 182 F.3d 133, 142 (2d Cir. 1999)).

Neither party disputes that the quality of their products are equivalent, and thus, in accordance with Second Circuit precedent, this factor cuts both ways. See Morningside Group Ltd., 182 F.3d at 142.

### **8. Sophistication of the Customers**

A likelihood of confusion analysis hinges on "the general impression of the ordinary purchaser, buying under the normally prevalent conditions of the market and giving the attention such purchasers usually give in buying that class of goods." Gillette II, 984 F.2d at 575 (internal alteration omitted). "Generally, the more sophisticated and careful the average consumer of a

product is, the less likely it is that similarities in trade dress or trade marks will result in confusion concerning the source of sponsorship of the product.” Bristol–Myers Squibb, 973 F.2d at 1046.

Generally, consumers of goods that are not particularly expensive are deemed to be unsophisticated. See McGregor–Doniger, 599 F.2d at 1137 (“The greater the value of an article the more careful the typical consumer can be expected to be . . . .”) (overruled on alternate grounds); see also THOIP v. Walt Disney Co., 736 F. Supp. 2d 689, 714–15 (S.D.N.Y. 2010) (“[T]he relatively inexpensive T-shirts here do not call for any degree of sophistication . . . .”). The Plaintiff’s goods at issue here are relatively inexpensive — \$8.00 a tube — so as to not suggest any degree of sophistication with respect to their customers. See Starbucks, 588 F.3d at 119 (“our case law has associated the purchase of low-cost goods in a supermarket environment with low customer sophistication.”). The Court recognizes that “price alone is not determinative of the care a consumer will take in making purchases, and our touchstone remains the general impression that is left with the ordinary consumer.” Sports Auth., 89 F.3d at 965. First Aid’s officers have conceded that its customers are sophisticated enough to not purchase a store brand private label. In his deposition, in describing First Aid’s customers, Levin stated that “in most cases they are repeat users and in many cases they are people with money in their pocket and only buy branded products, never buy a generic or store brand.” (Levin Dep. at 94:13-19.)

Despite this statement, and in light of the fact that neither party has submitted evidence of the level of consumer sophistication, the Court finds that it is unlikely that purchasers are going to examine with care a bacitracin first aid ointment that costs less than ten dollars. Cf Toni & Guy (USA) Ltd. v. Nature’s Therapy, Inc., No. 03 Civ. 2420, 2006 WL 1153354, at \*11 (S.D.N.Y. May 1, 2006) (“Plaintiff’s consumers are (likely) more sophisticated than the average

consumer, because of the relatively high price of Plaintiff's products, and their availability principally through salons."); Brockmeyer v. Hearst Corp., 248 F. Supp. 2d 281, 299 (S.D.N.Y. 2003) ("The relatively high price of the plaintiff's magazine may mean that purchasers give more thought to purchasing that magazine, and therefore bring a higher level of sophistication to their purchase decision."). To this extent, this factor favors the Plaintiff.

### **9. Balancing the Factors**

Overall, in considering and balancing all of the relevant Polaroid factors, the Court finds that there is no genuine issue of fact as to whether a likelihood of confusion exists between the Plaintiff's and the Defendants' products. In other words, no reasonable jury could find that there is a probability of confusion, rather than a mere possibility. None of the seven factors considered by this Court, other than customer sophistication, weigh in favor of the Plaintiff. Moreover, four of the factors weigh strongly in favor of the Defendants: the Plaintiff's mark is relatively weak in that it is, at most, a descriptive mark with merely possible secondary meaning; there is not a high degree of similarity between the marks and they are in fact highly distinguishable in a number of ways; there is no evidence of actual confusion; and there is no indication of bad faith. See SLY Magazine, LLC v. Weider Publications L.L.C., 529 F. Supp. 2d 425, 442 (S.D.N.Y. 2007) ("The lack of bad faith on the part of the defendants, the fact that plaintiff is unlikely to 'bridge the gap,' and the lack of evidence of actual confusion further support the conclusion that there is no likelihood of confusion between the marks."). It is highly unlikely that the Defendants' use of the BACITRACIN + PAIN RELIEF product name for 23 months caused any confusion between the Plaintiff's and the Defendants' marks. Consequently, the Defendants' motion for summary judgment dismissing the Plaintiff's Lanham Act claims is granted.

## **E. Whether the Defendant's Use is a Fair Use**

Even if the Court were to find that the Plaintiff has a protectable trademark and that there was a likelihood of confusion as a matter of law, “[f]air use is a defense to liability under the Lanham Act even if a defendant’s conduct would otherwise constitute infringement of another’s trademark.” Cosmetically Sealed Indus. v. Chesebrough–Pond’s USA Co., 125 F.3d 28, 30 (2d Cir. 1997); see also New York Mercantile Exch., Inc. v. IntercontinentalExchange, Inc., 389 F. Supp. 2d 527, 545 (S.D.N.Y. 2005) (“Both sections 32(1) and 43(a) are subject to a defense of ‘fair use,’ and particularly, a defense that the use of the marks is a ‘nominative’ or ‘descriptive’ use of the marks to describe an aspect of the defendant’s products or services.”). Section 33(b)(4) of the Lanham Act defines fair use as:

a use, otherwise than as a mark, of ... a term or device which is descriptive of and used fairly and in good faith only to describe the goods or services of [a] party....

15 U.S.C. § 1115(b)(4) (1994). “To come within the fair use defense, defendants must have made use of [plaintiff’s] mark . . . (1) other than as a mark, (2) in a descriptive sense, and (3) in good faith.” EMI Catalogue, 228 F.3d at 64. This particular defense “permits others to use protected marks in descriptive ways, but not as marks identifying their own products.” Cosmetically Sealed, 125 F.3d at 30.

The Defendants argue that its use was a “fair use” because the words “BACITRACIN + PAIN RELIEF” did not function as a trademark, as the phrase contains only generic words or alternatively, is merely a description of the bacitracin product sold by CVS and manufactured by Pharma Pac. The Court agrees.

As to the first two prongs, the name of the Defendants’ product, BACITRACIN + PAIN RELIEF, appears to the Court to be “a clear instance of a non-trademark use of words in their

descriptive sense.” Cosmetically Sealed, 125 F.3d at 30. The product at issue contains the compound bacitracin, with the addition of Lidocaine — a substance that provides the user with pain relief. The name effectively describes the ingredients of the product and does not identify the product’s source. See Dessert Beauty, 568 F. Supp. 2d at 424. A use of a mark is descriptive if “the words were used to describe the ‘ingredients, quality or composition’ of a product, not the source of the product.” JA Apparel Corp. v. Abboud, No. 07 Civ. 7787, 2008 WL 2329533, at \*19 (S.D.N.Y. Jun. 5, 2008) (citing In Re Colonial Stores Inc., 55 C.C.P.A. 1049, 394 F.2d 549, 551 (C.C.P.A. 1968)).

In addition, according to CVS, they use the symbol “+” throughout their line of CVS generic products, in order to indicate when a product contains multiple ingredients. (See Pl. 56. 1 at ¶¶ 51-54.) This further contributes to the idea that the product name served to merely describe what the product contained, rather than to distinguish it from non-CVS products.

Moreover, “[t]he non-trademark use of the challenged phrase and the defendants’ good faith are both evidenced by the fact that the source of the defendants’ product is clearly identified by the prominent display of the defendants’ own trademarks.” Cosmetically Sealed, 125 F.3d at 30; see Dessert Beauty, 568 F. Supp. 2d at 424 (“Words on a product’s packaging generally do not serve as a trademark where there is also a conspicuously visible trademark that clearly serves that function.”). The Defendant’s notable CVS/pharmacy trademark is prominently displayed on two places on the product’s packaging, in bright red font and located immediately above the descriptive text. Furthermore, the Defendants only placed the ® symbol next to the words CVS/pharmacy, and did not include a TM symbol next to the words BACITRACIN + PAIN RELIEF. This further highlights the non-trademark use of BACITRACIN + PAIN RELIEF. See Dessert Beauty, 568 F. Supp. 2d at 424.

Finally, if a producer wished to simply describe a product that contained bacitracin and a pain relief component, there is no other reasonably available wording to do so other than what the Defendants used here. Descriptive use is evident in such situations “[w]here a mark incorporates a term that is the only reasonably available means of describing a characteristic of another's goods.” EMI Catalogue, 228 F.3d at 65; 2 McCarthy on Trademarks and Unfair Competition § 10:14 (4th Ed.1999) (“Since the use of a descriptive title cannot serve to prevent others from using the title in a descriptive, non-trademark sense, others may be able to use the title as the only term available.”). “To expect [the Defendants] to use unwieldy or long terms would be contrary to the purpose of the fair use defense, [the Plaintiff] cannot monopolize words and images that are used descriptively.” Something Old, Something New, Inc. v. QVC, Inc., No. 98 Civ. 7450, 1999 WL 1125063, at \*7 (S.D.N.Y. Dec. 8, 1999).

As for good faith, as described above, the Plaintiff has not sufficiently come forward with any evidence that would indicate to the Court that bad faith existed on the part of the Defendants.

While the Court recognizes that the parties’ marks are similar to an extent, this should not preclude the Defendants from utilizing the phrase it did on its own bacitracin product. As aptly stated by the Second Circuit, “[i]f any confusion results, that is a risk the plaintiff accepted when it decided to identify its product with a mark that uses a well known descriptive phrase.”

Cosmetically Sealed, 125 F.3d at 30.

Because there is no material issue warranting trial with respect to the fair use defense, the Defendants’ motion for summary judgment on the trademark claims is granted and the Plaintiff’s cross-motion is denied on this additional ground.

## **F. As to the Plaintiff's State Law Claims**

### **1. New York State Infringement Claims**

The Plaintiff also asserts various claims for violations of trademark infringement and unfair competition under New York common law. “The essence of an unfair competition claim under New York law is that the defendant has misappropriated the labors and expenditures of another.” Saratoga Vichy Spring Co., Inc. v. Lehman, 625 F.2d 1037, 1044 (2d Cir. 1980). For a plaintiff to establish unfair competition under New York common law, it must prove (1) either actual confusion or a likelihood of confusion; and (2) bad faith on the part of the defendant. Jeffrey Milstein, Inc. v. Greger, Lawlor, Roth, Inc., 58 F.3d 27, 34–35 (2d Cir. 1995). see Genesee Brewing Co., Inc. v. Stroh Brewing Co., 124 F.3d 137, 149 (2d Cir. 1997) (“The district court was correct that Genesee’s state law claim of unfair competition is not viable without a showing of bad faith.”). The standards for federal trademark infringement and unfair competition are virtually identical to that under New York common law, because “both require a showing that the public is likely to confuse the defendant's product or service with that of the plaintiff.” Allied Maint. Corp. v. Allied Mech. Trades, Inc., 42 N.Y.2d 538, 543, 399 N.Y.S.2d 628, 369 N.E.2d 1162 (1977); see also Safeway Stores, Inc. v. Safeway Properties, Inc., 307 F.2d 495, 498 n.1 (2d Cir. 1962); Winner Int’l LLC v. Omori Enter., Inc., 60 F. Supp. 2d 62, 73 (E.D.N.Y. 1999).

Because the Court finds that the Plaintiff’s claims fail under the Lanham Act, First Aid’s claims necessarily also fail under New York common law. Moreover, the evidence raises no genuine issue of fact as to bad faith. Accordingly, the Defendants’ motion for summary judgment dismissing the Plaintiff’s claims under New York common law is granted.

## 2. NYGBL § 349 Claim

The New York Consumer Protection Act codified at § 349 of the GBL declares that “[d]eceptive acts or practices in the conduct of any business, trade, or commerce or in the furnishing of any service” in New York are unlawful. N.Y. Gen. Bus. § 349(a). “To make out a prima facie case under Section 349, a plaintiff must demonstrate that (1) defendant's deceptive acts were directed at consumers, (2) the acts are misleading in a material way, and (3) the plaintiff has been injured as a result.” Maurizio v. Goldsmith, 230 F.3d 518, 521 (2d Cir. 2000) (per curiam) (citing Oswego Laborers’ Local 214 Pension Fund v. Marine Midland Bank, 85 N.Y.2d 20, 25, 623 N.Y.S. 2d 529, 647 N.E.2d 741 (1995)).

However, “Courts in this District routinely reject claims brought under § 349 where a commercial claimant does not adequately allege harm to the public interest.” Gucci America, Inc. v. Duty Free Apparel, Ltd., 277 F. Supp. 2d 269, 273 (S.D.N.Y. 2003). In the present case, the Plaintiff has not made any allegations as to how the Defendants’ actions have had significant ramifications on the public interest in New York, as opposed to merely the business interests of First Aid. Thus, the Plaintiff’s GBL § 349 claim fails as a matter of law, and the Defendants’ summary judgment motion is granted dismissing this cause of action. See id. (“Claims that arise out of a trademark infringement action, and disputes between competitors where the core of the claim is harm to another business as opposed to consumers, both constitute situations which courts have found to reflect a public harm that is too insubstantial to satisfy the pleading requirements of § 349.”); see also Sports Traveler, Inc. v. Advance Magazine Publishers, Inc., No. 96 Civ. 5150, 1997 WL 137443, at \*3 (S.D.N.Y. March 24, 1997) (noting that “[t]he courts of this Circuit have held that trademark infringement actions alleging only general consumer confusion do not threaten the direct harm to consumers that is required to state a claim under

Section 349.”); Winner Int'l v. Kryptonite Corp., No. 95 Civ. 247, 1996 WL 84476, at \*3 (S.D.N.Y. Feb. 27, 1996) (noting that “Courts routinely reject such attempts to fashion Section 349 . . . claims from garden variety disputes between competitors” where the gravamen of the complaint is harm to another business).

#### **G. As to the Defendants’ Request for Attorneys’ Fees and Costs**

As a final matter, the Defendants have requested that the Court award to them attorneys’ fees and costs pursuant to 15 U.S.C. § 1117. The Lanham Act provides, in relevant part, that “in exceptional cases,” the court “may award reasonable attorney fees to the prevailing party.” 15 U.S.C. § 1117(a). However, to receive fees under the “exceptional case” exemption set forth in the Lanham Act, “a party must demonstrate the losing party acted in bad faith.” Farberware Licensing Co., LLC v. Meyer Marketing Co., Ltd., 428 Fed App’x 97, 100 (2d Cir. 2011). In addition, “a plaintiff’s failure to prevail on its claims, standing alone, is not enough to anchor a claim of bad faith.” Id.

In the present case, the Defendants have not articulated any reasons as to why this is an exceptional case that would entitled them to be reimbursed for their attorney’s fees and costs. Moreover, the Court does not find there to be “a substantial overtone in this case to warrant an inference that this suit was initiated as a competitive ploy.” Mennen Co. v. Gillette Co., 565 F. Supp. 648, 657 (S.D.N.Y.1983), *aff’d*, Mennen Co. v. Gillette Co., 742 F.2d 1437 (2d Cir. 1984). See Gordon & Breach Science Publishers S.A. v. Am. Institute of Physics, 166 F.3d 438, 439 (2d Cir. 1999) (awarding no fees where the “litigation may not have been strong on the merits but raised enough nonfrivolous claims to preclude the awarding of fees”). Although the Defendants imply that the entire premise for this suit was the bitterness between the parties in that CVS refused to carry the Plaintiff’s product in its stores, the Court nevertheless does not find that the

evidence supports a finding that First Aid brought the claims in bad faith. Accordingly, the Defendants' request for attorneys' fees and costs is denied.

### III. CONCLUSION

For the foregoing reasons, it is hereby

**ORDERED** that the Defendants' motion for summary judgment dismissing all claims against it is GRANTED; **and it is further**

**ORDERED** that the Plaintiff's motion for summary judgment is DENIED; **and it is further**

**ORDERED** that the Defendants' request for attorney's fees and costs, pursuant to 15 U.S.C. § 1117 is DENIED; **and it is further**

**ORDERED** that the Defendants' request for cancellation of the '434 mark is DENIED, as the Defendants have not demonstrated, as a matter of law, that the Plaintiff's mark is not eligible for protection under the Lanham Act; **and it is further**

**ORDERED** that the Clerk of the Court is directed to mark this case as closed.

**SO ORDERED.**

Dated: Central Islip, New York  
March 10, 2012

/s/ Arthur D. Spatt  
ARTHUR D. SPATT  
United States District Judge