UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

THE HERSHEY COMPANY and
HERSHEY CHOCOLATE & CONFECTIONARY
CORPORATION,

Plaintiff(s),

CASE NUMBER: 08-14463
HONORABLE VICTORIA A. ROBERTS

v.

ART VAN FURNITURE, INC.,

Defendant(s).
______________________________________/

ORDER GRANTING PLAINTIFF'S MOTION FOR TEMPORARY RESTRAINING ORDER AND PRELIMINARY INJUNCTION, IN PART, AND DENYING PLAINTIFF'S MOTION IN PART

I. INTRODUCTION

Plaintiff filed suit against Defendant, alleging trademark infringement under 15 U.S.C. § 1114(1), false association, sponsorship and approval pursuant to15 U.S.C. § 1125(a)(1)(A), trademark dilution by blurring (Plaintiff's brief suggests a claim based on dilution by tarnishment, but counsel for Plaintiff corrected this during oral argument) according to 15 U.S.C. § 1125(c), unfair competition under 15 U.S.C. § 1125(a), and common law conversion. Plaintiff also filed an Emergency Motion for Temporary Restraining Order and Preliminary Injunction. The Court heard oral arguments on Plaintiff's Motion on October 23, 2008.

For the reasons stated, the Court **GRANTS** Plaintiff's request, but only with respect to its dilution by blurring claim.

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II. BACKGROUND

Plaintiff is a well-known maker of chocolate and confectionery goods, whose products are distributed and sold the world over. Defendant is Michigan's largest furniture retailer, operating 30 stores (all in-state), a website where customers may buy products online, and a fleet of about two dozen trucks for customer deliveries. The issue before the Court concerns Defendant's decoration of its delivery trucks.

On October 10, 2008, Defendant launched an advertising campaign. It posted ten truck decorations on its website and invited visitors to vote for their favorite design with a chance to win a $50 gas card. Defendant also announced that the winning design would be emblazoned on every one of its delivery trucks. At oral argument, however, Defendant stated it plans to delay redecorating its trucks pending the result of this case. The voting period ends October 31, 2008.

The first design on the contest page of Defendant's website is an image of a brown sofa emerging from a red and/or burgundy wrapper reminiscent of a candy bar. This "couch bar" is designed to bring to mind a candy or a chocolate bar, with its packaging torn open and mouth-watering contents exposed. Emblazoned across the wrapper are the words "ART VAN," spelled in white, block lettering, and on the bottom left of the wrapper, in smaller type, "Since 1959." On the right side of the image, where the sofa juts from the "candy bar," the torn wrapper has the appearance of crackled and ripped tinfoil. On the left, the same silver-colored foil is visible, protruding beneath the red and white wrapper.

Plaintiff contends that Defendant's design truck is an unauthorized and deliberate infringement of its trademarks and trade dress. Plaintiff claims that its trademark and

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trade dress packaging include:

1. a rectangular design;
2. silver, stylized lettering;
3. a brownish-maroon colored wrapper;
4. the name "Hershey's;" and
5. silver foil protruding from under the wrapper along the edges of the bar.

Plaintiff claims that Defendant's "couch bar" design is unauthorized and infringes upon its registered and non-registered trademarks and trade dress, and that Defendant is trading on Plaintiff's goodwill and reputation to advertise, distribute and sell its products. Plaintiff charges that the "couch bar"'s resemblance to Hershey's famous chocolate candy bar is intentional, and that Defendant initially sought to purchase a license from Plaintiff to use this design, which request Plaintiff denied. Plaintiff further alleges that Defendant operates at least one truck with the "couch bar" design; Defendant denied this during oral argument. Defendant also disputes the suggestion that it requested a license to use Plaintiff's trade dress; rather, Defendant claims that it only offered to purchase the license after Plaintiff expressed concern about the truck design, as a way to resolve the controversy. Finally, Defendant's spokeswoman Chris Morrisroe is quoted as saying, in response to newspaper inquiries about this lawsuit: "It [the "couch bar"] is getting the number one vote."

Plaintiff requests that the Court enter a temporary restraining order enjoining Defendant from: (1) infringing on any of Plaintiff's trademarks or trade dresses; (2) manufacturing, advertising or promoting any products or services using Plaintiff's trademarks or trade dress; and (3) engaging in a host of other potentially infringing acts.

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III. ANALYSIS

The Court must determine whether Plaintiff meets its burden for issuance of a Temporary Restraining Order. When deciding such motions, a district court must consider: (1) the plaintiff's likelihood of success on the merits; (2) whether the plaintiff could suffer irreparable harm without the relief; (3) whether granting the order will cause substantial harm to others; and (4) whether granting the order will serve the public interest. *Summit County Democratic Central & Executive Committee v. Blackwell,* 388 F.3d 547, 550-51 (6th Cir. 2004); *see also Connection Distributing Co. v. Reno*, 154 F.3d 281, 288 (6th Cir. 1998), *cert. denied*, 526 U.S. 1087 (1999). No single factor is dispositive; rather, the court must balance them and determine whether they weigh in favor of an injunction. *Six Clinics Holding Corp., II v. Cafcomp Systems, Inc.*, 119 F.3d 393, 400 (6th Cir. 1997).

A. Likelihood of Success on Merits - Trademark Infringement Claim

Plaintiff argues that Defendant infringed its trademarks and trade dress, and that these violations will only get worse if Defendant is allowed to proceed with its contest and truck decorating plan.

"A trademark is defined in 15 U.S.C. § 1127 as including 'any word, name, symbol, or device or any combination thereof" used by any person 'to identify and distinguish his or her goods, including a unique product, from those manufactured or sold by others and to indicate the source of the goods, even if that source is unknown.' In order to be registered, a mark must be capable of distinguishing the applicant's goods from those of others." *Two Pesos v. Taco Cabana*, 505 U.S. 763, 769 (1992). By

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comparison, "[t]he 'trade dress' of a product is essentially its total image and overall appearance . . . and may include features such as size, shape, color or color combinations, texture, graphics, or even particular sales techniques." *Id.* at 765 n.1 (internal quotations omitted). As the Second Circuit explains,

> [t]rade dresses often utilize commonly used lettering styles, geometric shapes, or colors, or incorporate descriptive elements, such as an illustration of the sun on a bottle of suntan lotion. While each of these elements, individually would not be inherently distinctive, it is the combination of elements and the total impression that the dress gives to the observer that should be the focus of a court's analysis of distinctiveness.

Paddington Corp. v. Attiki Importers & Distributors Inc., 996 F.2d 577, 584 (2nd Cir. 1993).

Because these claims involve both registered and unregistered trademarks, and because these marks combine to form Plaintiff's overall trade dress, the Court analyzes them together, rather than as distinct elements.

The Lanham Act, as the statute regrouping federal trademark laws is known, states: "Any person who shall, without the consent of the registrant--

> (a) use in commerce 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; or
>
> (b) reproduce, counterfeit, copy, or colorably imitate a registered mark and apply such reproduction, counterfeit, copy, or colorable imitation to labels, signs, prints, packages, wrappers, receptacles or advertisements intended to be used in commerce upon or in connection with the sale, offering for sale, distribution, or advertising of goods or services on or in connection with which such use is likely to cause confusion, or to cause mistake, or to deceive,

shall be liable in a civil action by the registrant . . ." 15 U.S.C. § 1114(1).

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