

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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Beyoncé Giselle Knowles-Carter, et al.,

Plaintiff,

—v—

Feyonce, Inc. et al.,

Defendants.

16-CV-2532 (AJN)

MEMORANDUM OPINION
AND ORDER

ALISON J. NATHAN, District Judge:

Plaintiffs Beyoncé Giselle Knowles-Carter and BGK Trademark Holdings, LLC bring this action against Feyoncé Inc., Lee Lee, and individual Defendants Andre Maurice and Leanna Lopez, alleging trademark infringement and dilution, unfair competition, and unjust enrichment associated with the sale of merchandise using the brand name “Feyoncé,” which Defendants market to the engaged to be married—i.e., fiancés. Before the Court is Plaintiffs’ motion for partial summary judgment and entry of a permanent injunction against Defendants Andre Maurice and Leana Lopez.

There can be no dispute that in marketing to fiancé purchasers, defendants chose the formation “FEYONCÉ” in order to capitalize off of the exceedingly famous BEYONCÉ mark. But that alone does not establish likelihood of confusion. Rather, a critical question is whether a rational consumer would mistakenly believe FEYONCÉ products are sponsored by or affiliated with BEYONCÉ products. A rational jury might or might not conclude that the pun here is sufficient to dispel any confusion among the purchasing public. Thus, there is a genuine dispute of material fact that requires denial of the motion for summary judgment.

I. Background

A. Factual Background

The following facts are undisputed except where specifically noted.¹ Plaintiff Beyoncé Knowles-Carter (“Beyoncé”) is a world-renowned music artist who is among the best known figures in entertainment. As such, the Court need not recount the details of her celebrity here. Plaintiff BGK Trademark Holdings, LLC (“BGK”), is the owner of the federally registered trademark BEYONCÉ, which was entered on the Principal Register of the United States Patent and Trademark office (“USPTO”) on August 31, 2004, as Registration No. 2,879,852. Putnam Decl., Ex. 2 at 12.² The registration includes Class 25: “Clothing: namely – shirts, sweaters, blouses, jackets, slacks, hats and caps.” *Id.* Plaintiffs’ mark was first used in commerce June 24, 2003, and it has remained in continuous use since its registration. *Id.*, Ex. 1 at 3; Vargas Decl. ¶ 5. Products that feature the BEYONCÉ mark are sold on the website <shop.beyonceshop.com> Vargas Decl. ¶ 5. Among these products are clothing items such as T-shirts and sweatshirts, which retail for approximately \$35.00 to \$70.00. *Id.* ¶ 9.

Defendants Andre Maurice and Leana Lopez operate a business that sells clothing and apparel with the mark FEYONCÉ and certain phrases from Beyoncé’s well known songs. Putnam Decl., Ex. 23 at 2. On November 25, 2015, Defendant Maurice applied to register the FEYONCÉ mark with the USPTO. *Id.*, Ex. 6. On November 30, 2015, Maurice applied to

¹ Plaintiffs have duly submitted a Rule 56.1 Statement setting forth in numbered paragraphs the material facts they contend are undisputed. Dkt. No. 88. As Plaintiffs point out, Defendants have failed to submit a statement “responding to each numbered paragraph in the statement of the moving party,” as required by Local Rule 56.1(b). See Def. Reply at 2-3. As a result, the Court deems the contentions made in Plaintiffs’ Rule 56.1 statement to be admitted to the extent they are otherwise supported by evidence in the record. See *Wali v. One Source Co.*, 678 F. Supp. 2d 170, 178 (S.D.N.Y. 2009) (“*Pro se* litigants are...not excused from meeting the requirements of Local Rule 56.1.”). Nonetheless, the Court exercises its discretion to scrutinize the evidence for any material, disputed issues of fact present in the record. See *id.*; *Holtz v. Rockefeller & Co., Inc.*, 258 F.3d 62, 73 (2d Cir. 2001).

² The Court takes judicial notice of the trademark registrations and other publicly available USPTO record to the extent that they are relevant in deciding this motion. See *Island Software and Computer Service, Inc. v. Microsoft Corp.*, 413 F.3d 257, 261 (2d Cir. 2005).

register an almost identical mark without the accent over the final E (FEYONCE). *Id.*, Ex. 7. Both applications included registration for use in clothing and apparel. *Id.*, Ex 6, 7. Defendants began using the FEYONCÉ mark in commerce in 2016. *Id.*, Ex 22 at 5. On March 22, 2016, the USPTO informed Defendants that it was refusing both applications for several reasons, including because it determined that the marks were confusingly similar to the registered mark BEYONCÉ. *Id.*, Ex. 8, 9. On April 29, 2016, Defendants Maurice and Lopez incorporated their business, Feyonce Inc., and on July 13, 2016, submitted an additional trademark application, this time for the mark “Feyonce Inc.” *Id.*, Ex. 21. Defendant Maurice subsequently responded to the USPTO’s refusal to register FEYONCE, arguing that the mark is not confusingly similar to BEYONCÉ. *Id.*, Ex. 10. On October 31, 2016, the USPTO again refused to register the mark, finding Defendant Maurice’s argument “unpersuasive,” and suspending the application. *Id.*, Ex. 11.

After beginning to use the mark FEYONCÉ in commerce in at least March of 2016, Defendants sold clothing items on <feyoncesshop.com> until at least October 26, 2016. *Id.*, Ex. 25. From at least January 15, 2017 through May 15, 2017, Defendants sold similar items on Etsy.com through a shop called “FeyonceShop.” *Id.*, Ex. 26. On November 17, 2017, Defendants represented to the Court that they had stopped selling FEYONCÉ products, but that they continued to own the domain name <feyoncesshop.com> and the email address feyonceinc@yahoo.com. Dkt. No. 96.

B. Procedural Background

On February 22, 2015, counsel for Plaintiffs’ sent a cease and desist letter to Defendant Maurice demanding that Defendants stop using the FEYONCÉ mark, abandon their trademark applications, and transfer the domain name <feyoncesshop.com> to Plaintiffs. Putnam Decl, Ex.

14. Not receiving a response, on April 5, 2016, Plaintiffs filed a complaint against Defendants Maurice and Lopez, in addition to Lee Lee and Feyonce, Inc., asserting causes of action for Federal Trademark Infringement, in violation of 15 U.S.C. § 1114; Federal Unfair Competition, in violation of 15 U.S.C. § 1125(a); Federal Trademark Dilution, in violation of 15 U.S.C. 1125(c); Deceptive Acts and Practices, in violation of New York General Business Law § 349; Trademark Dilution, in violation of New York General Business Law § 360-L; common law unfair competition; and unjust enrichment. Dkt. No. 1. As relief, Plaintiffs request (1) an injunction enjoining Defendants from using the FEYONCÉ mark and requiring the transfer of the domain name <feyoncesshop.com> to Plaintiffs; (2) compensatory, statutory, and exemplary damages; (3) an accounting of Defendants' gains and profits; and (4) costs and attorneys' fees. *Id.* at 23-25.

On July 14, 2016, Defendants Maurice and Lopez, who are representing themselves pro se, filed an answer to the complaint. Dkt. No. 33. Corporate defendant Feyonce, Inc. failed to secure counsel, and the Clerk of the Court issued a certificate of default against the corporation for failing to appear. Dkt. No. 42. Plaintiffs thereafter moved for default judgment against Feyonce, Inc. Dkt. No. 55. The Court denied the motion without prejudice while the case against the individual defendants proceeds. Dkt. No. 84. The Court also denied Defendants' motion to dismiss for lack of venue or, alternatively, to transfer the case to the Western District of Texas. *Id.*

Now before the Court is Plaintiffs' motion for summary judgment on their claims for federal trademark infringement, federal and New York unfair competition, and federal and New York trademark dilution, and for the entry of a permanent injunction against individual Defendants Maurice and Lopez. Plaintiffs filed the instant motion and accompanying exhibits on

November 3, 2017. Dkt. No. 87. Defendants Maurice and Lopez filed an opposition on November 17, 2017, Dkt. No. 96, and Plaintiffs filed their reply on November 27, 2017, Dkt. No. 97.

II. Legal Standard

A court may not grant a motion for summary judgment unless all of the submissions taken together “show[] that there is no genuine dispute as to any material fact and the movant is entitled to judgment as a matter of law.” Fed. R. Civ. P. 56(a). A fact is “material” if it “might affect the outcome of the suit under the governing law,” and is genuinely in dispute if “the evidence is such that a reasonable jury could return a verdict for the nonmoving party.” *Roe v. City of Waterbury*, 542 F.3d 31, 35 (2d Cir. 2008) (quoting *Anderson v. Liberty Lobby, Inc.*, 477 U.S. 242, 248 (1986)). “Summary judgment is appropriate when ‘the record taken as a whole could not lead a rational trier of fact to find for the non-moving party.’” *Smith v. County of Suffolk*, 776 F.3d 114, 121 (2d Cir. 2015) (quoting *Matsushita Elec. Indus. Co. v. Zenith Radio Corp.*, 475 U.S. 574, 587 (1986)). “[I]n making that determination, the court is to draw all factual inferences in favor of the party against whom summary judgment is sought, viewing the factual assertions in materials such as affidavits, exhibits, and depositions in the light most favorable to the party opposing the motion.” *Rodriguez v. City of New York*, 72 F.3d 1051, 1061 (2d Cir. 1995). However, “[w]hen opposing parties tell two different stories, one of which is blatantly contradicted by the record, so that no reasonable jury could believe it, a court should not adopt that version of the facts for purposes of ruling on a motion for summary judgment.” *Scott v. Harris*, 550 U.S. 372, 380 (2007).

In seeking summary judgment, the initial “burden is upon the moving party to demonstrate that no genuine issue respecting any material fact exists.” *Gallo v. Prudential*

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