

IN THE UNITED STATES COURT FOR THE DISTRICT OF UTAH
NORTHERN DIVISION

HARRIS RESEARCH, INC.,

Plaintiff,

vs.

JEFF LYDON; LISA SMITH; and JOHN
DOES I - X,

Defendants.

MEMORANDUM DECISION AND
ORDER GRANTING PLAINTIFF'S
MOTION FOR PRELIMINARY
INJUNCTION AND PRELIMINARY
INJUNCTION

Case No. 1:06-CV-136 TS

I. INTRODUCTION

This matter came before this court upon Plaintiff's Motion for Preliminary Injunction. Plaintiff brings this action alleging trademark infringement and trademark dilution pursuant to 15 U.S.C. § 1114 and §1125. Plaintiff now seeks to enjoin Defendant's use of their mark pending resolution on the merits.

The Court finds that Plaintiff has shown all elements necessary to the issuance of a preliminary injunction and will issue the preliminary injunction as follows.

II. FINDINGS OF FACT

Defendants were personally served with the Complaint on November 5, 2006.¹ They have not filed an answer.² Plaintiff served its Motion for Preliminary Injunction to Defendants at the same address where they were personally served with the Complaint.³ Defendants have failed to file any response to Plaintiff's Motion for Preliminary Injunction.

Plaintiff supports its Motion for a Preliminary Injunction with affidavits and exhibits that show the following:

Plaintiff is the owner of the word mark "Chem-Dry," Registration Nos. 1119887 and 1357192 (the "Trademark"). There are currently over 4,000 Chem-Dry franchises throughout the world, with 2,600 locations throughout the United States.

According to brand research conducted by Brand Force Inc. and Dan Jones & Associates, Inc. in 2001, "Chem-Dry is perceived to be a professional, well-respected person in whom one can place a great deal of confidence and trust." According to the brand research, aided awareness of the Chem-Dry brand among current customers is 100%, with total unaided awareness of the Chem-Dry brand being the highest in the industry.

¹See Docket Nos. 4, 5 (returns of service).

²Plaintiff has not yet moved for a default.

³See Docket No. 6, at 2, and No. 7, at 11 (certificates of service).

The Plaintiff and its licensees and franchisees spent more than an estimated \$22,000,000 during 2006 in advertising and promoting the Chem-Dry brand and related products and services.

In addition to the carpet-cleaning franchises, the Chem-Dry brand is used on, among other things, the following products and services: (a) national accounts for carpet and upholstery cleaning services; (b) carpet protection products; (c) odor removers, disinfectants and stain removers; (d) commercial carpet cleaning equipment and accessories; and (e) a wide variety of home care products.

Millions of customers have used Chem-Dry carpet cleaning services and purchased Chem-Dry products.

The Defendants have offered for sale and/or distribution t-shirts and stickers containing a “Chem-Who?” logo (the “Infringing Mark”). Distribution of the Infringing Mark has occurred by distributing t-shirts at an industry trade show.

The color and stylized design of the Infringing Mark are virtually identical to the Trademark; the font of the letters is identical, the colors are the same, and the use of the “swoosh” is identical.

III. CONCLUSIONS OF LAW

A. Standard for Injunction

Under the Lanham Act, a court may grant an injunction “according to the principles of equity and upon such terms as the court may deem reasonable.” 15 U.S.C. § 1116(a). A party seeking injunctive relief must establish four factors:

- (1) it will suffer irreparable harm if the injunction is not granted,
- (2) its threatened injury outweighs the harm caused to the

opposing party as a result of the injunction, (3) the injunction is not adverse to the public interest, and (4) it has a substantial likelihood of success on the merits of the case.

“[B]ecause a preliminary injunction is an extraordinary remedy, the right to relief must be clear and unequivocal.”

* * *

“In defining the contours of irreparable harm, case law indicates that the injury must be both certain and great, and that it must not be merely serious or substantial.”⁴

B. Likelihood of Success on Merits

1. Trademark Dilution by Tarnishment

In addition to seeking an injunction for the alleged trademark violation, Plaintiff seeks an injunction under the Federal Trademark Dilution Act (FTDA).⁵

“Tarnishment occurs when the plaintiff’s trademark is likened to products of low quality, or is portrayed in a negative context. When the association is made through harmless or clean puns and parodies, however, tarnishment is unlikely.”⁶

A claim for an injunction based on trademark dilution by tarnishment is brought under section 1125, which provides:

⁴*Lorillard Tobacco Co. v. Engida*, 2007 WL 39207, *2 (10th Cir. 2007) (quoting *Dominion Video Satellite, Inc. v. Echostar Satellite Corp.*, 356 F.3d 1256, 1260-63 (10th Cir. 2004)).

⁵15 U.S.C. § 1125(c).

⁶*Louis Vuitton Malletier S.A. v. Haute Diggity Dog, LLC*, 464 F.Supp.2d 495, 503 (E.D. Va. 2006) (quoting *Jordache Enters. v. Hogg Wyld, Ltd.*, 625 F.Supp. 48, 57 (D. N.M.1985), *aff’d*, 828 F.2d 1482 (10th Cir.1987)). The Court notes that *Jordache*, also involved a claim for dilution by tarnishment under New Mexico law.

Subject to the principles of equity, the owner of a famous mark that is distinctive, inherently or through acquired distinctiveness, shall be entitled to an injunction against another person who, at any time after the owner's mark has become famous, commences use of a mark or trade name in commerce that is likely to cause dilution by blurring or dilution by tarnishment of the famous mark, regardless of the presence or absence of actual or likely confusion, of competition, or of actual economic injury.⁷

The term "dilution" means the lessening of the capacity of a famous mark to identify and distinguish goods or services, regardless of the presence or absence of-

- (1) competition between the owner of the famous mark and other parties, or
- (2) likelihood of confusion, mistake, or deception.⁸

"[A]ctual dilution must be established . . ."⁹

A claim of trademark dilution rests on four factors: (1) famousness of the mark, (2) use of the mark in commerce, (3) use of the mark after it became famous, and (4) dilution of the quality of the mark.¹⁰ "Tarnishment results when one party uses another's mark in a manner that tarnishes or appropriates the goodwill and reputation associated with the mark."¹¹

a. *Famousness of the Trademark*

As set forth in 15 U.S.C. § 1125(c)(2)(A):
a mark is famous if it is widely recognized by the general consuming public of the United States as a designation of source of the goods or services of

⁷15 U.S.C.A. § 1125(c)(1).

⁸15 U.S.C. § 1127.

⁹ *Moseley v. V Secret Catalogue, Inc.*, 537 U.S. 418, 433 (2003).

¹⁰15 U.S.C. § 1125(c)(1).

¹¹*Westchester Media v. PRL USA Holdings, Inc.*, 214 F.3d 658, 670 (5th Cir. 2000).

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