January 1992


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FINDING LIKELIHOOD OF CONFUSION WITH ACTUAL CONFUSION: A CRITICAL ANALYSIS OF THE FEDERAL COURTS' APPROACH

I. INTRODUCTION

Likelihood of confusion is the cornerstone of trademark infringement. If this likelihood exists, then confusion as to the source of a good or service probably exists among a substantial number of reasonable buyers. One of the primary purposes of trademark law is to prevent this likelihood from occurring.


2. 2 J. McCarthy, supra note 1, §§ 23:1 at 35-36, 23:27, at 87-88. This noted commentator observed that determining trademark infringement depends entirely on a likelihood of confusion in the mind of an appreciable number of "reasonably prudent buyers." See also Restatement of Torts § 728 comment a (1938); Restatement of the Law, Unfair Competition § 20 comment h (Tent. Draft No. 2, 1991). This comment contains the Draft author's definition of the reasonably prudent purchaser: the ordinary purchaser of the goods or services buying with ordinary care.

3. Ford Motor Co. v. Summit Motor Prod. Inc., 930 F.2d 277, 291, 18 U.S.P.Q.2d 1417, 1429 (3rd Cir. 1991), cert. denied, ___ U.S. ___, 112 S. Ct. 373 (1991). "Trademark infringement is established if the plaintiff proves that (1) the marks are valid and legally protectable; (2) the marks are owned by the plaintiff; and (3) the defendant's use of the marks to identify goods or services is likely to create confusion concerning the origin of the goods or services."; See Safeway Stores, Inc. v. Safeway Ins. Co., 657 F. Supp. 1307, 1313 (M.D. La. 1985), aff'd, 791 F.2d 929 (1986); See Lanham Act § 2, 15 U.S.C. §1052(d) (1988):

No trademark by which the goods of the applicant may be distinguished from the goods of others shall be refused registration on the principal register on account of its nature unless it . . .

(d) consists of or comprises a mark which so resembles a mark registered in the Patent Office or a mark or trade name previously used in the United States by another and not abandoned, as to be likely, when applied to the goods of the applicant, to cause confusion, or to cause mistake, or to deceive...;
Federal courts rely predominantly on the Restatement of Torts approach when analyzing likelihood of confusion. The Restatement analysis examines an infringement claim by applying a scheme of four factors. Thus, courts decide if confusion is likely by critiquing: (1) the degree of similarity between the competing marks in appearance, pronunciation of any words used, verbal translation of the pictures or designs involved, and suggestion; (2) the actor’s (i.e. alleged infringer’s) intent in adopting the similar mark; (3) the relation in use and manner between the goods and services marketed by the actor and those marketed by the other mark owner; and (4) the degree of care used by purchasers in relying on or choosing between similar marks.

Federal judges use these factors in various ways. They have modified the Restatement approach by adding factors to its scheme. Courts consistently include actual confusion on


(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...

shall be liable in a civil action by the registrant for the remedies hereinafter provided.;


Any person who, on or in connection with any goods or services, or any container for goods, uses in commerce any word, term, name, symbol, or device, or any combination thereof, or any false designation of origin, false or misleading description of fact, or false or misleading representation of fact, which (1) 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...

shall be liable in a civil action by any person who believes that he or she is or is likely to be damaged by such act.;


4. RESTATEMENT OF TORTS § 729 (1938).

5. Id.

A CRITICAL ANALYSIS OF COURTS' APPROACH

these lists as the only factor which is objective, and not inherently subjective. In addition, jurists caution that the correct approach to using the schemes is to weigh all factors equally, to not give greater merit to any factor over another, and to not expect the factors to reveal likelihood of confusion with mathematical precision. Other than these caveats, however, courts give few clues as to how they use the factors to guide their reasoning as to whether confusion is likely or unlikely.

This case collected a comprehensive scheme of thirteen factors: similarity of marks, similarity of goods, trade channels, buyers and conditions of sale, fame of prior mark, third party uses, actual confusion vel non, length of concurrent use without confusion, variety of goods on which mark is used, market interface between parties, exclusivity of right of applicant, extent of potential confusion, and other probative facts. Polaroid v. Polarad, 287 F.2d 492, 128 U.S.P.Q. (BNA) 411 (2d Cir. 1961), cert. denied, 268 U.S. 820 (1961). This seminal decision used a list of eight factors: the strength of the senior user's mark, the degree of similarity between the two marks, the proximity of the products, the likelihood that the prior owner will bridge the gap, actual confusion, the defendant's good faith in adopting its own mark, the quality of defendant's product, and the sophistication of the buyers.


9. One leading commentator noted that the nature of any likelihood of confusion decision "lends itself to the judicial 'hunch' and that legal reasoning is after the fact of the decision." 2 J. McCarthy, supra note 1, § 23:26, at 84-85.
This comment asserts that federal courts do not decide the likelihood of confusion issue by using these theories. Instead, the typical likelihood of confusion dispute is decided by giving actual confusion more weight than other analytical elements, despite courts' claims that they give the elements equal weight and consideration.  

It is time for courts to recognize explicitly this shift in the law. This article presents four justifications for doing so. First, the strongest arguments against giving more weight to actual confusion are meritless. Second, the rule is settled that actual confusion is the best evidence of a likelihood of confusion. Third, courts rely on actual confusion already and are


A reform of the process by which likelihood of confusion is found will be consistent with other modern changes in trademark law. Common law trademarks protected the public's interest in being free from deception. Later developments brought the mark holder's property interests in a trademark within the ambit of trademark protection. More recently, the policy of encouraging competition has been used to support wider trademark protection. Zippo Mfg. Co. v. Rogers Imports, Inc., 216 F. Supp 670, 694-95, 137 U.S.P.Q. 413, 432 (S.D.N.Y. 1963). See also 2 J. McCarthy, supra note 1, §§ 2:1, 2:4-2:14; RESTATEMENT OF THE LAW, UNFAIR COMPETITION § 20 comment b (Tent. Draft No. 2 1991).

The kind of confusion looked for in infringement actions has evolved from confusion of source to confusion of sponsorship and quality assurance. See Triangle Publications v. Rohrlich, 167 F.2d 969, 972 (2d Cir. 1948); See infra pp. 10-13 & notes 26-37; 2 J. McCarthy, supra note 1, §1:03.

In addition, the person experiencing confusion has also changed. Originally, only the consumer's confusion could be considered; but now confusion among third parties who may see the senior mark holder's goods in use after the sale and outside the marketplace and persons familiar with the industry in which the trademarked item or service is sold also can be taken into account. Lois Sportswear, U.S.A., Inc. v. Levi Strauss & Co., 631 F. Supp. 735, 746, 228 U.S.P.Q. 648, 655 (S.D.N.Y. 1985), aff'd, 799 F.2d 867, 871, 230 U.S.P.Q. 831, 835 (2d Cir. 1986); See World Carpets, Inc. v. Dick Littrell's New World Carpets, 438 F.2d 482, 487-88, 168 U.S.P.Q. 609, 614 (5th Cir. 1971).

One long standing dispute that is now settled concerned the question of whether the determination of likelihood of confusion was one of law or one of fact and what the standard of appellate review should be. The federal circuits currently lean heavily toward treating likelihood of confusion as a question of fact subject to a clearly erroneous standard of review. See generally Kirkpatrick, Likelihood of Confusion Issues: The Federal Circuit's Standard of Review, 40 AM. U.L. REV. 1221, 1223-24 (1991).

12. See infra text pp. 8-10 & accompanying notes 18-25.

13. See infra text pp. 10-23 & accompanying notes 26-75.
satisfied that it exists even if only a low quantity of actual confusion is proven.\textsuperscript{14} Lastly, trademark law is becoming an independent field of law and the judicial glosses on key trademark statutes have increased the importance of actual confusion in infringement decisions.\textsuperscript{16}

The benefits of relying on actual confusion justify courts being explicit about using it as the paramount element of their analysis. Legal reasoning will be grounded thereby in an objective basis for finding likelihood of confusion. Also, a court's inquiry will be narrowed to marketplace confusion, the harm that trademark law seeks to prevent.\textsuperscript{18} Additionally, trademark applicants, users, and litigators will have notice of what to avoid in preparing a mark for use, and what to emphasize in preparing for trial.\textsuperscript{17}

II. THE ARGUMENTS AGAINST EMPHASIZING ACTUAL CONFUSION

Traditionally, two arguments prevented actual confusion from carrying more weight in proving the existence of a likelihood of confusion. First, most authorities agreed that actual consumer confusion is hard to find.\textsuperscript{15} Second, a general consensus held that emphasizing actual confusion requires senior users to suffer irreparable harm while trying to uncover evidence of actual confusion before bringing legal action against a party using a similar mark.\textsuperscript{19}

The first objection is without foundation because even if evidence of actual confusion could not be obtained in the past, it appears in modern case law in a number of forms. A number

\textsuperscript{14} See infra text pp. 23-30 & accompanying notes 74-95.
\textsuperscript{15} See infra text pp. 30-31 & accompanying notes 94-102.
\textsuperscript{16} See supra note 3.
\textsuperscript{17} Faruki, Litigation Involving Trademarks, supra note 1.
\textsuperscript{19} 2 J. McCarthy, supra note 1, § 23:2; See also Faruki, Litigation Involving Trademarks, supra note 8, § 20.06.
of cases report offers of proof of actual confusion with anecdotal evidence,20 surveys of reasonably prudent buyers in the marketplace,21 and a combination of anecdotes and surveys.22

The second objection is weakened by two considerations. First, equitable relief protects mark holders from having to suffer such harm.23 Second, irreparable harm is at issue only if actual confusion is required.24 Where actual confusion is emphasized but not required in finding likelihood of confusion, a court’s critique of the other likelihood of confusion elements still can provide a basis for equitable relief if actual confusion is absent.25

Thus it appears that the rationales for refusing to give actual confusion more weight are either untenable or avoidable. The result is that the argument against emphasizing actual confusion is weakened and the case that it is the primary tool for showing likelihood of confusion is strengthened.

III. THE BEST EVIDENCE OF LIKELIHOOD OF CONFUSION

Defeating the strongest objections to giving actual confusion more weight helps establish that such confusion is used modernly as the dispositive factor in infringement analysis. Further support comes from the settled rule that actual


24. PPX Enterprises, 818 F.2d at 271, 2 U.S.P.Q.2d at 1675-76.

confusion is the best evidence of likelihood of confusion. This rule can be traced to Judge Jerome Frank's dissent in Triangle Publications, Inc. v. Rohrlich.26

In Triangle Publications a magazine publisher began designating its publication with the title of "Seventeen." In January 1945 it registered this mark with the U.S. Patent and Trademark Office, thereby protecting its property rights in the mark to the greatest extent possible.27 Rohrlich, a manufacturer of women's undergarments, began using "Miss Seventeen" to designate its product in June 1945.28 Triangle Publications sued on the theory that concurrent use of the marks would likely cause consumer confusion and that Rohrlich should be liable for such confusion.

The majority held that Rohrlich's use of its mark would create a risk that Triangle Publication's customers might think that Triangle made or sponsored Rohrlich's product.29 In effect the public associated the common symbol "Seventeen" so closely with Triangle's product that any other use of it would be credited to Triangle Publications.30 In fact, the same situation would have arisen if Triangle Publications published "Youth" magazine and Rohrlich manufactured and sold "Youth Girdles".31 If use of the infringing product disappointed a Triangle Publication customer, and she associated the product with Triangle Publications because of its similar trademark, her association implicates trademark law concerns regarding marketplace confusion.32

Judge Frank's dissent attacked this characterization of the mark. He asserted that Triangle Publications had not made "Seventeen" descriptive of its interests alone, thus no probability of confusion between Rohrlich's product and

26. 167 F.2d 969, 974 (2d Cir. 1948).
27. Id. at 970; See 15 U.S.C. § 1115(b) (1988); See generally McCarthy, Important Trends, supra note 11, at 101-06 (citing Union Carbide Corp. v. Ever-Ready Inc., 531 F.2d 366, 188 U.S.P.Q. 623 (7th Cir. 1976), cert. denied, 429 U.S. 830 (1976)).
28. 167 F.2d at 970.
29. Id. at 972-73.
30. A common term has "secondary meaning" when it is identified by consumers with a producer, its goods, or its services. This concept is crucial to providing protection to marks which merely describe the qualities or characteristics of a product or service, or one that is unregistered. If this link is not made by consumers, the mark is not protectable. See Safeway Stores, Inc. v. Safeway Ins. Co., 657 F. Supp. 1307, 1314 (M.D. La. 1985), aff'd, 791 F.2d 929 (5th Cir. 1986); See also 15 U.S.C. §1125(a)(1) (1988).
32. Id.
Triangle's magazine could exist. He then stated: "Of course, that conclusion would have to yield, were there here a finding, supported by evidence, of actual confusion or clear evidence that it is likely." This statement signals the beginning of the shift in the law toward accepting actual confusion as the best evidence of likelihood of confusion.

Judge Frank believed that absent a finding that actual confusion exists, judges could only guess at what is "likely." This is especially true where the judge is not a member of the buying public to whom the competing mark is sold. Frank noted that in the Triangle Publications litigation, "neither the trial judge nor any member of this court is (or resembles) a teen-age girl or the mother or the sister of such a girl." He believed that absent guidance as to how young women react when confronted with the competing marks, the courts are not fully informed on whether a reasonable person would be confused as to the source or sponsorship of Rohrlich's girdles if it used the applied-for trademark.

Judge Frank's dissent started a trend, but did not cause sudden adoption of actual confusion as the best evidence of a likelihood of confusion. Standard Oil Company v. Standard Oil Company illustrates how Frank's view gained acceptance only within the context of the Restatement of Torts's emphasis on the subjective elements that go toward showing confusion is probable.

The Standard case arose from the 1911 court ordered dissolution of the Standard Oil Company of New Jersey. Many entities owned and used the name "Standard Oil" in various combinations, with exclusive rights to the phrase within geographically defined areas.

33. Id. at 975. Frank also attacked the majority's approach that the Triangle Publication mark had acquired secondary meaning. He noted that the characterization was sound only if the mark indeed was "descriptive" and not "fanciful" or "symbolic". Frank interpreted the plaintiff's testimony that they titled their magazine "Seventeen" because it had acquired a popular descriptive meaning for an age group and its outlook on life as proof that no secondary meaning could attach to the word "Seventeen." Id. He also held that even if secondary meaning existed the goods were so dissimilar that no probability of confusion could arise. Id.
34. Id. at 976.
35. Id.
36. Id. at 975.
37. Id. at 976.
38. 252 F.2d 65 (10th Cir. 1958), aff'd, 141 F. Supp. 876 (D. Wyo. 1956).
39. Id. at 68-69.
In *Standard*, an Indiana corporation which owned and used “Standard Oil” as a trademark in fifteen states sued an Ohio corporation which owned the exclusive right to use “Standard” in Ohio. Standard of Indiana brought its action when Standard of Ohio began selling gasoline and oil products, marked “SOHIO,” in one of Standard of Indiana’s states of exclusive use. The trial court held that this infringed upon Standard of Indiana’s interests and enjoined Standard of Ohio from using “SOHIO” in Standard of Indiana’s territory.

The *Standard* court proclaimed that “[t]here can be no more positive proof of likelihood of confusion than evidence of actual confusion,” and held that the record led to “a fair and reasonable inference” that confusion existed. However, it rigidly followed the Restatement of Torts and grounded its decision in the subjective factors of (1) the degree of similarity in appearance, sound and meaning between the marks; (2) the intent of the defendants in adopting and using the term “SOHIO;” and (3) the degree of care likely to be exercised by purchasers.

The *Standard* court ignored its own view that the best way to show confusion is likely is to show that confusion exists. Thus, it initiated what would become a pattern in infringement cases: courts acknowledge the probative weight of actual confusion, but refuse to admit explicitly that this element alone could establish that likelihood of confusion exists.

*Plough, Inc. v. Kreis Laboratories* perpetuated the *Standard* approach. In *Plough*, the Ninth Circuit noted that “... one of the better ways to prove likelihood of confusion in the future is to prove it existed in the past.” The court also cited the Restatement of Torts test to determine whether a probability of confusion exists: appearance, pronunciation and verbal translation.

However, *Plough* used the Restatement factors in a slightly new fashion. It included the usual element of actual

40. *Id.* at 69.
41. *Id.*
42. *Id.* at 74.
43. *Id.* at 72.
44. 314 F.2d 635, 136 U.S.P.Q. 660 (9th Cir. 1963).
45. *Id.* at 639, 641, 136 U.S.P.Q. at 563, 564. *Plough* does contain the caveat that actual confusion is not a requirement for infringement nor the standard by which to measure infringement. Instead, the settled standard of proof is a likelihood of confusion.
46. *Id.* at 638, 136 U.S.P.Q. at 562 (Citing *Restatement of Torts* § 729 (1938)).
confusion, and then added a "wild card" factor that could include a second analysis of whether consumers experienced confusion.\(^\text{47}\) Thus the court asked Plough, Inc. to show proof of (1) confusion of even one person in the marketplace; (2) similarity in packaging; (3) similarity in sound of the names of the products; (4) exact copying; or (5) any effect upon prospective customers (emphasis added).\(^\text{48}\) Plough, Inc. failed to carry this burden and therefore failed to show any similarity that "would cause confusion of any appreciable number of ordinarily prudent purchasers as to the source of the goods."\(^\text{49}\)

By listing actual confusion as the first element in a scheme of five, and by using the general language of "any effect" in the fifth element, Plough implicitly emphasized actual confusion more than previous courts. The lone dissenting judge in Plough noted this shift, and the fact that it occurred within the context of a concession to the Restatement approach.\(^\text{50}\)

In fact, Plough's analysis depended on the Restatement of Torts approach to the same extent as did the reasoning in Standard and Triangle Publications. Plough did not state clearly that if evidence of actual confusion had been presented, it would have been given greater deference than other elements of likelihood of confusion. Moreover, Plough did not suggest that actual confusion standing alone could prove the existence of likelihood of confusion.

The 1965 decision in Tisch Hotels, Inc. v. Americana Inn, Inc.\(^\text{61}\) again perpetuated the approach developed by Standard and Plough. In Tisch, the plaintiffs owned and operated three luxury hotels (all called "Americana") in Florida, New York, and Puerto Rico. The defendants also engaged in the tourist business with two motels in Chicago, the "Americana Motel" and the "Americana Inn."\(^\text{62}\) Tisch Hotels registered their mark, filed suit against Americana for trademark infringement, presented proof of actual confusion, but lost at the trial level.\(^\text{63}\)

\(^{47}\) Id. at 640, 136 U.S.P.Q. at 564.
\(^{48}\) Id.
\(^{49}\) Id. at 641, 136 U.S.P.Q. at 564.
\(^{50}\) Id. at 648, 136 U.S.P.Q. at 567 (Pope, J., dissenting).
\(^{51}\) 350 F.2d 609, 146 U.S.P.Q. 566 (7th Cir. 1965).
\(^{52}\) Id. at 610, 146 U.S.P.Q. at 567.
\(^{53}\) Id. at 610-11, 146 U.S.P.Q at 567-68.
The Court of Appeal reversed, holding that actual confusion is "substantial evidence of likelihood of confusion", while warning against emphasizing actual confusion. Thus Tisch, like Standard and Plough, moved trademark law closer to accepting actual confusion as the most probative element in trademark analysis but expressed reservations about explicitly acknowledging that it filled this purpose.

World Carpets, Inc. v. Dick Littrell's New World Carpets brought trademark law closer to relying on proof of actual confusion to establish a likelihood of confusion. World Carpets gave further support to the proposition that "[t]here can be no more positive or substantial proof of the likelihood of confusion than proof of actual confusion." World Carpets strengthened the doctrine by noting that "[w]hile very little proof of actual confusion would be necessary to prove the likelihood of confusion, an almost overwhelming amount of proof would be necessary to refute such proof."

Thus, when Dick Littrell's failed to produce evidence to refute World Carpet's proffered instances of actual confusion, the court held that "[t]he evidence pointed so strongly in favor of a finding of confusion that the minds of reasonable men could not have arrived at a contrary decision." The Fifth Circuit therefore upheld the trial court's directed verdict in favor of World Carpets.

In Roto-Rooter Corporation v. O'Neal the Fifth Circuit reaffirmed its holding in World Carpets that "[actual confusion]
is the best evidence of likelihood of confusion.\textsuperscript{62} \textit{Roto-Rooter} presented four instances of persons who intended to hire Roto-Rooter but hired O'Neal instead. Each of these people confused the defendant with Roto-Rooter because O'Neal used a tradename similar to Roto-Rooter's. In the court's opinion, this raised the type of consumer confusion that trademark law tries to prevent.\textsuperscript{63}

Two of the most recent expositions of the idea that actual confusion is the best indicator that a likelihood of confusion exists or will exist are \textit{Sateway Stores, Inc. v. Safeway Insurance Company}\textsuperscript{64} and \textit{Berkshire Fashions, Inc. v. Sara Lee Corp.}\textsuperscript{66}

\textit{Sateway} strongly supported the idea that actual confusion is paramount when evaluating the likelihood of confusion. It stated that "a sufficient demonstration of actual confusion could sustain a finding of the likelihood of confusion even in the absence of other proof."\textsuperscript{66} \textit{Sateway}'s endorsement of actual confusion is tempered, however, by the court's reliance on a nine element scheme to determine whether confusion was likely.\textsuperscript{67}

The \textit{Sateway} court also held that none of the factors is dispositive, in contradiction to its assertion that actual confusion standing alone could prove the existence of a likelihood of confusion.\textsuperscript{68} The court in \textit{Sateway} not only contradicts itself, but it analyzed six of the nine elements in its scheme before looking for evidence of actual confusion, thereby affirming its loyalty to the Restatement approach to likelihood of confusion.\textsuperscript{69}

\textsuperscript{62} Id. at 45-46, 186 U.S.P.Q. at 74.
\textsuperscript{63} Id. See 15 U.S.C. § 1114 supra, note 3.
\textsuperscript{64} 657 F. Supp. 1307 (M.D. La. 1985), aff'd, 791 F.2d 929 (5th Cir. 1986).
\textsuperscript{67} Id.
\textsuperscript{68} Id.
\textsuperscript{69} Id. at 1316-18.
In Berkshire, the court again listed a number of elements that can be examined, listing actual confusion fifth. However, Berkshire also noted that actual confusion is difficult to uncover, thus concluding that proof of actual confusion is not necessary for a finding of potential confusion. The court then noted that instances of confusion among trades people in a profession "is highly probative" on the issue of whether a likelihood of confusion exists "since wholesalers and retail dealers may be deemed to be more sophisticated about the origins and sources of product lines than average consumers." (Citations omitted).

Neither the Berkshire nor Safeway decisions openly gave actual confusion the weight that they claimed it deserved. Both courts examined each element (i.e. strength of senior user's mark, degree of similarity between the marks, the proximity in the marketplace of the products, etc.) before examining the best evidence of likelihood of confusion actual confusion.

In Safeway, no actual confusion was found, thus a possibility exists that the inquiry need have gone no further. In Berkshire, anecdotes of customers being confused by the similar marks and an admissible, methodologically correct survey by the senior user (balanced against a less reliable survey by the defendant) showed a statistically significant amount of customer confusion. Thus the Berkshire court could have begun its inquiry by looking first to the offer of proof on the existence of actual confusion. After ascertaining whether marketplace confusion existed, the case could have been decided in favor of the senior user.

Yet the Berkshire court clung to past practices and made four subjective inquiries before it analyzed and weighed the evidence of actual confusion. This approach is the legacy of courts assuming that actual confusion was hard to find and prove, and relying on the Restatement of Torts approach to trademark infringement.

71. Id. at 796-97, 14 U.S.P.Q.2d at 1129.
72. Id. at 795, 14 U.S.P.Q.2d at 1128; See Safeway Stores, 657 F. Supp. at 1313.
74. Id. at 795-97, 14 U.S.P.Q.2d at 1128-29.
75. Id. at 794, 14 U.S.P.Q.2d at 1128. Berkshire looked back to an earlier infringement decision and used the earlier cases's elements which it developed directly from the Restatement. See Polaroid Corp. v. Polarad Electronics Corp., 287 F.2d 492, 495 (2d Cir. 1961), cert. denied, 368 U.S. 820 (1961).
The cases from *Triangle Publications* to *Berkshire* trace the development of tension between theory and practice in this area of trademark law. In theory, a multitude of elements, all of equal weight, are examined to find a likelihood of confusion. In practice, actual confusion is accepted as the best evidence of likelihood of confusion, but courts are reluctant to admit that they use it as a dispositive element. Instead, they maintain that "actual confusion is hard to find" and resort to the Restatement of Torts for guidance.

**IV. COURT’S RELIANCE ON EVIDENCE OF ACTUAL CONFUSION**

Thus far, two justifications have been advanced for expressly acknowledging that courts give more probative value to actual confusion than to other elements which show likelihood of confusion. First, the strongest objections to giving actual confusion a larger role are without foundation. Second, the idea that actual confusion is the best evidence of a likelihood of confusion has been accepted in the case law. A third rationale lies in the fact that courts rely on actual confusion already. They allow a small quantity of proof of actual confusion to satisfy the inquiry about its existence, and use anecdotes, surveys, and even the absence of actual confusion to assess the probability that a likelihood of confusion exists.

**A. ANECDOTAL CASES**

There is no bright line or absolute number of incidents of actual confusion that can establish actual confusion’s existence. 78 Instead, actual confusion is evaluated “[i]n the light of the circumstances involved.” 77 *Homeowners Group, Inc. v. Home Marketing Specialists, Inc.* held that “[p]erhaps as important as the number of instances of confusion are the kinds of persons confused and degree of confusion.” 78

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77. Id.
78. 931 F.2d 1100, 1110, 18 U.S.P.Q.2d 1587, 1595 (6th Cir. 1991). In *Homeowners*, the evidence of actual confusion consisted of deposition testimony from *Homeowners’* national marketing director that he knew of instances of confusion by real estate customers and a letter from a real estate broker.; See Safeway Stores, Inc. v. Safeway Discount Drugs, 675 F.2d 1160, 1167, 216 U.S.P.Q. 599, 604 (11th Cir. 1982). “Perhaps as important as, and helping to explain the various interpretations of the relevance of, the number of instances of confusion are the kinds of persons confused and degree of confusion. Short-lived confusion or confusion of individuals casually acquainted with a business is worthy of little weight, while confusion of actual customers of a business is worthy of substantial weight.” (Citation omitted).
In *Ambrit, Inc. v. Kraft, Inc.*, the court held that Ambrit established actual confusion by presenting only four instances of customer confusion.\(^7^9\) These customers complained to Ambrit that they mistakenly purchased a competitor's product because its similar label confused them.\(^8^0\) These otherwise isolated instances carried considerable weight because the customers purchased relatively inexpensive items from a large corporation. According to the *Ambrit* court, most customers do not take the time to complain in similar situations, so any such complaint is given great deference in spite of being an isolated incident among many similar purchases.\(^8^1\)

*Armco, Inc. v. Armco Burglar Alarm Co., Inc.*\(^8^2\) also used anecdotes of actual confusion as an important tool in finding trademark infringement. In *Armco*, a steel manufacturer sought to enjoin the use of the "Armco" name in a burglar and fire alarm business.\(^8^3\) After trying to negotiate a settlement, the manufacturer filed suit seeking damages and injunctive relief under 15 U.S.C. § 1114.\(^8^4\)

The steel manufacturer presented evidence that its employees had received phone calls, over an extended period of time, from people trying to contact the alarm company/defendant. These consumers had become confused when relying on the similarity between the two marks.\(^8^5\) Additionally, one of the steel manufacturer's employees testified that two friends had asked, based on their knowledge of the existence of defendant's mark, "When did y'all get into the burglar alarm business?"\(^8^6\)

\(^7^9\) 812 F.2d 1531, 1544, 1 U.S.P.Q.2d 1161, 1171-72 (11th Cir. 1986).
\(^8^0\) Id.
\(^8^1\) Id. See also Jellibean, Inc. v. Skating Clubs of Georgia, Inc., 715 F.2d 833, 844, 222 U.S.P.Q.2d 10, 19-20 (11th Cir. 1983) (few incidents of actual confusion establish its existence); Safeway Stores, Inc. v. Safeway Discount Drugs, 675 F.2d 1160, 1167, 216 U.S.P.Q. 599, 604 (11th Cir. 1982) (one misdirected letter from a creditor and one misdirected customer inquiry established actual confusion); Compare Sun Banks of Florida v. Sun Federal Savings & Loan, 651 F.2d 311, 319, 211 U.S.P.Q. 844, 851 (5th Cir. 1981) (nineteen instances of confusion do not establish actual confusion) and Amstar Corp. v. Domino's Pizza, Inc., 615 F.2d 252, 263, 205 U.S.P.Q. 969, 978-79 (5th Cir. 1980), reh'g denied, 614 F.2d 295 (5th Cir. 1980), cert. denied, 449 U.S. 899 (1980) (two verbal inquiries as to whether two mark holders were related to each other and one misdirected letter do not establish actual confusion and are insufficient to sustain a finding of likelihood of confusion).
\(^8^2\) 693 F.2d 1155, 217 U.S.P.Q. 145 (5th Cir. 1982).
\(^8^3\) Id. at 1156, 217 U.S.P.Q. at 146-47.
\(^8^4\) Id. at 1158, 217 U.S.P.Q. at 147.
\(^8^5\) Id. at 1160, 217 U.S.P.Q. at 149.
\(^8^6\) Id. at 1160, nn.10-12, 217 U.S.P.Q. at 149, nn.10-12.
Again, the quantity of confusion is low. But in Armco, as in Homeowners and Ambrit, a few instances of actual confusion constituted sufficient proof of likelihood of confusion. Where this probability is established, trademark concerns are implicated and a plaintiff is entitled to relief. 87

Two implications flow from great probative weight being given to a small quantity of evidence of actual confusion. First, actual confusion should be given greater weight than other factors balanced by most courts when ascertaining likelihood of confusion. Second, courts can justify their emphasis on actual confusion without disturbing traditional trademark protections.

B. SURVEY CASES

The use of surveys in infringement actions also shows that a statistically low level of actual confusion is sufficient to establish actual confusion. 88 Judicial acceptance and trust of surveys grew as poll takers refined and improved the discipline of conducting public opinion surveys. 89 Surveys are an integral part of modern trademark infringement litigation, and failure to conduct one can lead to an inference that likelihood of confusion does not exist. 90 Surveys are now easily admitted into evidence in trademark litigation so long as a proper foundation is established. 91

87. Id. at 1161, 217 U.S.P.Q. at 150. See Roto-Rooter Corp. v. O’Neal, 513 F.2d 44, 46, 186 U.S.P.Q. 73, 74 (5th Cir. 1975) (four incidents of confusion are sufficient to satisfy existence of actual confusion); Spangler Candy Company v. Crystal Pure Candy Company, 353 F.2d 641, 647, 147 U.S.P.Q. 434, 439 (7th Cir. 1965) (five independent incidents of confusion establish actual confusion; incidents impeached by showing bias thus diminishing their weight); Chester Barrie, Ltd. v. Chester Laurie, Ltd., 189 F. Supp. 98 (S.D.N.Y. 1960) (two incidents of customers approaching plaintiff’s salesmen with questions regarding defendant’s product combined with an inquiry from an advertiser who also confused the two labels proved actual confusion existed).


Some courts have held that survey results showing a very low percentage of actual confusion among respondents to the survey is proof of actual confusion. Such an approach can be attributed to the idea that actual confusion, no matter how slight, is the best evidence of a likelihood of confusion.

The low percentage of actual confusion that a survey needs to prove carries the same implications as the high probative value given to small quantities of anecdotal evidence of actual confusion. Where it is found, actual confusion is highly probative of likelihood of confusion and almost impossible to refute. Thus, actual confusion deserves to be given greater weight than other factors used by courts faced with the issue of likelihood of confusion.

C. LACK OF ACTUAL CONFUSION CASES

While proof of actual confusion in the past and/or in the present is the best method of proving likelihood of confusion in the future, some courts make an additional assertion: a lack of actual confusion is proof that no likelihood of confusion exists. This rule is applied under either of two conditions: (1) the party or parties are giant corporations with the ability to conduct surveys or have record keeping systems that will retain anecdotal evidence of actual confusion or (2) the two marks have been concurrently used for a significant period of time without actual confusion occurring.

1992] A CRITICAL ANALYSIS OF COURTS' APPROACH 409


These decisions reemphasize the growing role that courts have been giving to actual confusion. However, they still do not admit expressly that this is the approach taken.

IV. ADDITIONAL DEVELOPMENTS IN TRADEMARK LAW

The final rationale that justifies the assertion that courts emphasize actual confusion when analyzing a likelihood of confusion issue grows from two developments in the trademark field. First, judicial interpretation of language in trademark statutes places greater importance on actual confusion. Second, trademark law became an independent field of law, suggesting that it is moving away from tort doctrines.

A. JUDICIAL INTERPRETATIONS OF TRADEMARK STATUTES

According to Resource Developers, Inc. v. The Statue of Liberty-Ellis Island Foundation, Inc.,96 a plaintiff seeking damages under Section 43(a) of the Lanham Act,97 must prove that actual confusion exists.98 By putting this gloss on the statutory language, Resource Developers gave more support to the use of this element as the key element in infringement disputes. The court not only emphasized actual confusion, it made it a prerequisite to recovery.

B. TRADEMARK LAW AND TORT DOCTRINES

The American Law Institute drafted the Restatement Second of Torts without the sections defining confusing similarity found in the First Restatement.99 The Restatement authors noted that confusion of source had developed into a substantial specialty "governed extensively by legislation and largely divorced from [its] initial grounding in the principles of torts."100 The Restatement of the Law of Unfair Competition now contains the equivalent sections.101

100. Id.
The signal sent by the Restatement authors is that tort principles should have a diminished impact on trademark law. Thus courts should not be obligated to weigh actual confusion equally with the other elements of likelihood of confusion merely because the Restatement advanced this view in the past.

V. CONCLUSION

Acknowledging that actual confusion is the most important of the likelihood of confusion elements is an exercise in making explicit that which is implicit through practice; it is not a call for the restructuring of trademark law. The federal courts have recognized actual confusion's value as the best evidence of the harm that trademark law tries to prevent: the likelihood of confusion.

The availability of anecdotal evidence and surveys of actual confusion shows that proof of such confusion is not hard to find. Likewise, the use of equitable relief can alleviate the concern that emphasizing actual confusion will lead to irreparable harm.

Actual confusion must be proven in order to receive damages under the federal trademark laws. Finally, the Restatement authors, who originated the likelihood of confusion elements, have noted that trademark law has transgressed its tort law roots.

The court's analysis of infringement need take only one more step: to explicitly acknowledge that actual confusion is the dispositive element in deciding such controversies. This would provide guidance to current and future mark holders because they would know exactly what evidence is necessary to protect their marks.

Likewise, judicial economy would be promoted if courts clearly relied on actual confusion. Mark users would be encouraged to use the federal registration process in order to establish a lack of confusion early in a mark's use. As more marks are registered, more notice is given to future mark holders as to what marks are taken. Thus, they can avoid using marks that clearly would cause confusion and lead to expensive and time consuming litigation.

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