

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

MEMORANDUM

Case No. CV 11-1565 DSF (VBKx)

Date 3/3/11

Title Tacori Enterprises v. Scott Kay, Inc.

Present: The
Honorable

DALE S. FISCHER, United States District Judge

Debra Plato

Not Present

Deputy Clerk

Court Reporter

Attorneys Present for Plaintiffs:

Attorneys Present for Defendants:

Not Present

Not Present

Proceedings: (In Chambers) Order DENYING Plaintiff’s Ex Parte Application for a Temporary Restraining Order (Docket No. 7)

The Court deems this matter appropriate for decision without oral argument. See Fed. R. Civ. P. 78; Local Rule 7-15. For the reasons noted below, the application is DENIED.

I. INTRODUCTION

Plaintiff designs, creates, and markets fine jewelry. (Tacorian Decl. ¶ 3.) In 2004, Plaintiff designed bridal rings with “reverse” crescent shapes embedded in the side shank of the ring, and also placed a diamond in the open space between the connecting crescents. (Id. at ¶ 8.) Plaintiff has copyright registrations for the designs of the HT 2510, HT 2511, and HT 2515 RD 8 1/2 X rings, all of which incorporate this reverse crescent design. (Id. at ¶ 9, Exs. C-E.) Plaintiff’s sales of rings with the reverse crescent design have exceeded \$17.5 million. (Id. at ¶ 22.) The rings were featured in a nationally recognized trade journal in May 2009, and Plaintiff has spent over \$2.27 million advertising the rings in national magazines. (Id. at ¶¶ 18-20, Exs. I, K-L.) Plaintiff contends that its “Reverse Crescent Trade Dress” consists of jewelry that is unique in this market. (Id. at ¶ 12.) Despite this assertion, Defendant has submitted evidence showing use of such designs is common. (Fiore Decl. Exs. A-E.) Plaintiff also notes that it believes many of its competitors are using this design, but contends their use is wrongful. (Tacorian Decl. ¶¶ 24-25.)

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Defendant is one of Plaintiff's business competitors.¹ (Id. at ¶ 14.) Within the last month, it has started to roll out its new bridal line. (Id. at ¶ 13, Ex. H.) Plaintiff contends the rings in this line infringe its copyrights in the HT 2510, HT 2511, and HT 2515 RD 8 1/2 X ring designs, and its Reverse Crescent Trade Dress. Plaintiff's Sales and Marketing President also speculates that Defendant purposefully copied Plaintiff's reverse crescent designs. (Id. at ¶¶ 2, 25.) Plaintiff filed an ex parte application for a temporary restraining order ("TRO") enjoining Defendant from continuing its rollout of these rings. For the reasons noted below, the application is DENIED.

II. LEGAL STANDARD

As with any preliminary injunction, a plaintiff seeking a TRO "must establish that he is likely to succeed on the merits, that he is likely to suffer irreparable harm in the absence of preliminary relief, that the balance of equities tips in his favor, and that an injunction is in the public interest." Winter v. Natural Res. Def. Council, 129 S. Ct. 365, 374 (2008). Although a plaintiff seeking a TRO must make a showing on each factor, the Ninth Circuit employs a "version of the sliding scale" approach where "a stronger showing of one element may offset a weaker showing of another." Alliance for the Wild Rockies v. Cottrell, – F.3d –, 2011 WL 208360, *4, *7 (9th Cir. Jan. 25, 2011).

III. DISCUSSION

A. Likelihood of Success on the Copyright Infringement Claim

"In order to succeed in a copyright infringement claim, a plaintiff must show that he or she owns the copyright and that defendant copied protected elements of the work." Jada Toys, Inc. v. Mattel, Inc., 518 F.3d 628, 636 (9th Cir. 2008) (internal quotation marks omitted). For the reasons noted below, Plaintiff has not shown it is likely to succeed on the merits of this claim.

1. Copyright Ownership

In order for a work to obtain copyright protection, it must be considered "original," which means it was independently created by the author and it possesses "at least some minimal degree of creativity." Feist Publ'ns, Inc. v. Rural Tel. Serv. Co., 499 U.S. 340,

¹ The parties advertise in the same magazines and also use many of the same retail stores for their products. (Tacorian Decl. ¶¶ 18-19, 21.)

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345 (1991). The “requisite level of creativity is extremely low,” and the “vast majority of works make the grade quite easily, as they possess some creative spark, no matter how crude, humble or obvious it might be.” *Id.* (internal quotation marks omitted). A copyright registration is prima facie evidence of copyright ownership so long as “the certificate of a registration [was] made before or within five years after first publication of the work.” 17 U.S.C. § 410(c).

The Court finds that Plaintiff is likely to establish it owns a valid copyright over its reverse crescent ring designs because of its copyright registrations and the “extremely low” burden a party faces in establishing originality.

2. Copying of Protected Elements

“Copying can be proved by evidence indicating that the infringer had access to the copyrighted work and that the protected portions of the works are substantially similar.” Jada Toys, 518 F.3d at 636-37.

a. Access

“Proof of access requires an opportunity to view or to copy plaintiff’s work.” Three Boys Music Corp. v. Bolton, 212 F.3d 477, 482 (9th Cir. 2000) (internal quotation marks omitted). A plaintiff can prove access with circumstantial evidence that its work has been “widely disseminated.” *Id.*

Plaintiff’s evidence regarding its advertising on its reverse crescent rings, the rings being featured in a national trade journal, and that the parties rely on many of the same retail stores likely suffices to show Defendant had access to Plaintiff’s reverse crescent rings. Moreover, although Defendant contends its challenged ring designs were an independent creation, it does not affirmatively dispute it had access to Plaintiff’s reverse crescent rings.

b. Substantial Similarity Test

“‘Substantial similarity’ for copyright infringement requires a similarity of expression, not ideas.” Mattel, Inc. v. MGA Entm’t, Inc., 616 F.3d 904, 917 (9th Cir. 2010). Courts in the Ninth Circuit “employ[] a two-part test for determining whether one work is substantially similar to another.” Benay v. Warner Bros. Entm’t, Inc., 607 F.3d 620, 624 (9th Cir. 2010) (internal quotation marks omitted). In addition, “[u]nder the ‘inverse ratio’ rule, if a defendant had access to a copyrighted work, the plaintiff may show infringement based on a lesser degree of similarity between the copyrighted work and the allegedly infringing work.” *Id.* at 625.

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The first part of the substantial similarity test is referred to as the “extrinsic test.” Id. at 624. It requires a court to “examine the similarities between the copyrighted and challenged works and then determine whether the similar elements are protectable or unprotectable.” Mattel, 616 F.3d at 913, 916 (noting that “a finding of substantial similarity between two works can’t be based on similarities in unprotectable elements”). “[E]xpressions that are standard, stock, or common to a particular subject matter or medium are not protectable under copyright law.” Satava v. Lowry, 323 F.3d 805, 810 (9th Cir. 2003). This test often requires expert testimony. Three Boys, 212 F.3d at 485.

The second part of the substantial similarity test is referred to as the “intrinsic test.” Benay, 607 F.3d at 625. “The intrinsic test is a subjective comparison that focuses on whether the ordinary, reasonable audience would find the works substantially similar in the total concept and feel of the works.” Id. (internal quotation marks omitted).

Even after applying the inverse ration rule, Plaintiff has not shown it is likely to pass either the extrinsic or intrinsic test. Plaintiff argues its HT 2510,² HT 2511,³ and HT 2515 RD 8 1/2 X⁴ rings share several common elements with the rings in Defendant’s Heaven’s Gate Collection. Plaintiff relies exclusively on side-by-side photos of its and Defendant’s rings in its ex parte application for the extrinsic test. (Ex Parte Appl. at 10-12.) Defendant has submitted evidence that the purportedly similar elements of the parties’ rings are standard in this market, so many of these elements are likely not protectable. Plaintiff has not provided any expert testimony to support its position. Without more, the Court finds Plaintiff has not shown it would likely pass the extrinsic

² Plaintiff contends some of Defendant’s rings copied Plaintiff’s HT 2510 ring’s use of: (1) connected reverse crescents; (2) placement of a diamond in the space created between the connecting crescents; and (3) continuous engraved dots surrounding the crescent shapes on the outer edges of the ring known as milligrain. (Ex Parte Appl. at 10-11.) Even so, it acknowledges that Defendant’s challenged ring does not contain repeating crescents throughout the entire ring. (Id. at 11.)

³ Plaintiff contends some of Defendant’s rings copied Plaintiff’s HT 2511 ring’s use of: (1) repeating and connecting crescent shapes that do not contain any diamond in the sides; (2) placement of a diamond in the space created by the connecting crescent shapes; (3) milligrain surrounding the crescent shapes and on the outer edges of the ring; and (4) diamonds along the top of the shank of the ring that are pave set. (Ex Parte Appl. at 12.)

⁴ Plaintiff contends that one of Defendant’s rings copied Plaintiff’s HT 2515 RD 8 1/2 X ring’s use of: (1) repeating and connecting crescent shapes without diamonds in the sides of the shank of the ring; (2) placement of a diamond between the connecting crescent shapes; (3) milligrain surrounding the crescent shapes and on the outer edges of the ring; and (4) a center diamond setting at the top of the ring with diamonds around the center diamond. (Ex Parte Appl. at 12.)

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test.

The Court also does not believe it is likely that Plaintiff would meet the intrinsic test. Although there are some similarities between the rings, it appears unlikely that the ordinary, reasonable audience for these rings, which both parties agree are expensive, would find them substantially similar in total concept and feel in light of their differences.

B. Likelihood of Success on the Trade Dress Infringement Claim

“To prove trade dress infringement, a plaintiff must demonstrate that (1) the trade dress is nonfunctional, (2) the trade dress has acquired secondary meaning, and (3) there is a substantial likelihood of confusion between the plaintiff’s and defendant’s products.” Art Attacks Ink, LLC v. MGA Entm’t Inc., 581 F.3d 1138, 1145 (9th Cir. 2009). The record presented does not show that Plaintiff is likely to establish any of these elements.

1. Nonfunctional

“A product feature is functional and cannot serve as a trademark if the product feature is essential to the use or purpose of the article or if it affects the cost or quality of the article, that is, if exclusive use of the feature would put competitors at a significant, non-reputation-related disadvantage.” Clicks Billiards Inc. v. Sixshooters Inc., 251 F.3d 1252, 1258 (9th Cir. 2001) (internal quotation marks omitted).

Based on the evidence submitted regarding the common use of crescent designs on rings, if Plaintiff was granted exclusive use of its Reverse Crescent Trade Dress, it would likely put its competitors at a significant, non-reputation-related disadvantage.

2. Secondary Meaning

“The trade dress of a product or service attains secondary meaning when the purchasing public associates the dress with a particular source.” Clicks Billiards, 251 F.3d at 1262 (internal quotation marks omitted). “Thus, a product feature whose only impact is decorative and aesthetic, with no source-identifying role, cannot be given exclusive rights under trade dress law.” Id. (internal quotation marks omitted). “Secondary meaning can be established in many ways, including (but not limited to) direct consumer testimony; survey evidence; exclusivity, manner, and length of use of a mark; amount and manner of advertising; amount of sales and number of customers; established place in the market; and proof of intentional copying by the defendant.” Art Attacks, 581 F.3d at 1145 (internal quotation marks omitted). “To show secondary meaning, a plaintiff must demonstrate a mental recognition in buyers’ and potential

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buyers' minds that products connected with the [mark] are associated with the same source." Id. (internal quotation marks omitted).

Plaintiff argues it is likely to show secondary meaning because of its advertising on the reverse crescent design,⁵ the high volume of sales it has made on rings with this design, and with evidence showing Defendant copied its design. The Court finds this evidence is insufficient to show it is likely Plaintiff can establish secondary meaning because there is no direct evidence that anyone other than Defendant associates this reverse crescent design with Plaintiff. The lack of direct evidence is especially important here because of the evidence submitted showing that use of crescent designs is common in this market. In addition, the only "evidence" Plaintiff points to regarding copying by Defendant is its Sales and Marketing President's conjecture.

3. Likelihood of Confusion

"Likelihood of confusion exists when customers viewing the mark would probably assume that the product or service it represents is associated with the source of a different product or service identified by a similar mark." Clicks Billiards, 251 F.3d at 1265 (internal quotation marks omitted). "The factual elements that make up likelihood of confusion include evidence of actual confusion, the defendant's intent in adopting the mark, similarity of marks, similarity of goods and marketing channels, and the strength of the mark." Id.

Here, there is no evidence of actual confusion, and no credible evidence that Defendant intended to adopt Plaintiff's Reverse Crescent Trade Dress. In addition, the ordinary, reasonable buyer of these products would likely not be confused by the similarity of the ring designs due to their expensive nature. On this record, the Court finds it is not likely that Plaintiff would establish this element.

C. Irreparable Harm

Harm is irreparable if it cannot be adequately compensated or corrected at a later date by legal remedies or monetary damages. See Cal. Pharma. Ass'n v. Maxwell-Jolly, 563 F.3d 847, 852 (9th Cir. 2009) (citing Sampson v. Murray, 415 U.S. 61, 90 (1974)).

⁵ Plaintiff's argument that it presented prima facie evidence of secondary meaning under 15 U.S.C. § 1052(f) lacks merit because it has not submitted any evidence of exclusivity. See Art Attacks, 581 F.3d at 1146. Its allegation that many of its competitors are using designs it believes infringes on its Reverse Crescent Trade Dress indicates it likely could not establish exclusivity.

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Plaintiff argues it will suffer irreparable harm absent injunctive relief because Defendant's rings are imitations of Plaintiff's rings. However, for the reasons noted above, the Court disagrees that Defendant's rings are likely to be considered imitations of Plaintiff's rings. For this reason, it finds that Plaintiff has not shown it is likely to suffer irreparable harm absent injunctive relief.

D. Balance of the Equities and the Public Interest

To qualify for injunctive relief, a plaintiff must show that the balance of the equities tips in its favor and that an injunction is in the public interest. Stormans, Inc. v. Selecky, 586 F.3d 1109, 1138-39 (9th Cir. 2009).

Plaintiff's argument on these two factors assumes that it is likely to succeed on the merits of its copyright and trade dress infringement claims. The Court disagrees with that assumption. For this reason, the Court finds that the balance of the equities do not tip in Plaintiff's favor, or that injunctive relief would be in the public's interest.

IV. CONCLUSION

Plaintiff's request for a TRO is DENIED.⁶

IT IS SO ORDERED.

⁶ If Plaintiff plans to go forward on a motion for a preliminary injunction, at a minimum it will need to address the deficiencies noted in this order.