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MICHIGAN DOES NOT RECOGNIZE A COMMON LAW TRADEMARK DILUTION CLAIM

By Bruce A. Truex

Michigan does not recognize a claim for common law trademark dilution.

In *Herman Miller Inc v A. Studio S.R.L.*, 2006 U.S. Dist. LEXIS 32961, Defendant produced and sold an exact replica of a world-renowned lounge chair manufactured by Plaintiff. Defendant sought summary judgment of Plaintiff's trademark and trade dress dilution claims contending among other things that Michigan common law did not recognize a trademark dilution cause of action.

Defendant's argument that Michigan has not enacted an anti-dilution statute and has never recognized a common law cause of action was, correct. The court, therefore, granted in part and denied in part Defendant's motion for summary judgment on Plaintiff's trademark and trade dress dilution claims, agreeing that Michigan common law does not recognize a trademark dilution cause of action.

The court went on to note that Michigan does not have an anti-dilution statute and has never recognized a common law cause of action for dilution. The court stated that it has previously addressed the error in relying on *Homeowner's Group Inc v Home Marketing Specialists Inc*, 931 F2d 1100 (6th Cir. 1991) for the proposition that Michigan common law recognized a dilution cause of action. The *Homeowner's* court stated that Michigan appeared to recognize such a cause of action citing *Consolidated Cosmetics v Nelson Chemical Co*, 109 F Supp 300 (ED Mich 1952). The *Consolidated Cosmetics* case, however, only referred to the law of the First Circuit in discussing dilution, not the common law of Michigan. Consequently, the Plaintiff's dilution claim based on Michigan state law failed because Michigan does not recognize such a cause of action.

In its decision, the court also noted that the law governing trademark dilution is independent and distinct from trademark

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In evaluating whether there is a viable defense to a dilution claim, the first issue to be addressed is whether the dilution claim was filed under the Federal Trademark Dilution Act or under Michigan common law. There is no federal pre-emption. The Federal Act adds to but does not replace state anti-dilution laws. Michigan, unlike many states, does not have an anti-dilution statute and the State does not recognize a common law dilution claim. It must be remembered however that to invoke the Federal Act, the Plaintiff does not need to federally register the trademark.

infringement law. *Kellogg's Company v Exxon Corp*, 209 F3d 562, 576 (6th Cir. 2000) Dilution of a mark is, "the lessening of capacity of a famous mark to identify and distinguish goods and services," regardless of competition between the trademark holder and others or the likelihood of confusion. 15 USC §1127. In 1996, Congress enacted the Federal Trademark Dilution Act ("FTDA"), which provided that the owner of a famous mark shall be entitled to an injunction against another person's commercial use in commerce of a mark or trade name, if such use begins after the mark has become famous and causes dilution of the distinctive quality of the mark. In contrast to traditional infringement law, dilution law does not exist to protect the public and is not based on a likelihood of confusion standard. *Toucan Golf Inc*, 337 F3d at 628. Even in the absence of confusion, the potency of a mark may be debilitated by another's use. This distinction results in far greater protection for the trademark holder under the FTDA.

The Sixth Circuit has adopted a five-part test for dilution claims first established by the Second Circuit in *Nabisco Inc v PF Brands Inc*, 191 F3d 208 (2nd Cir. 1999). See *V Secret Catalog Inc v Moseley*, 259 F3d 464, 469-70 (6th Cir. 2001), rev'd on other grounds. In order to succeed in the federal dilution action, the senior mark must be (1) famous; (2) distinctive; (3) the junior use must be in a commercial use in commerce; (4) the junior use must begin after the mark has become famous; and (5) the junior use must cause dilution of the distinctive quality of the senior mark. Unlike other federal districts, the Second and Sixth Circuits require an independent showing of both fame and distinctiveness. Thus, both courts employ a five-part test for dilution claims.

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We welcome your questions and comments.

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