

Raptors Secure Major Off-Court Win in Trademark Contest

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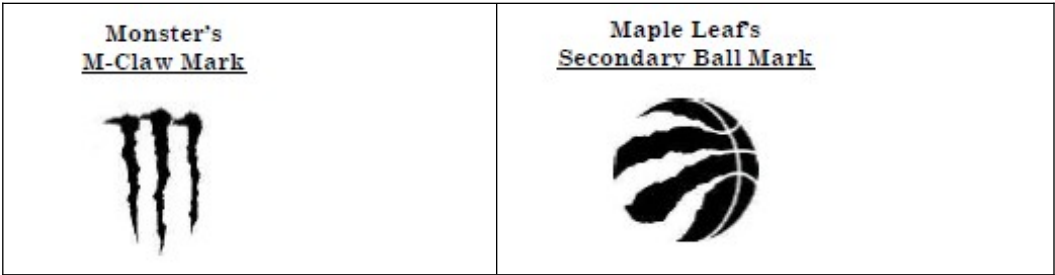


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This season the Toronto Raptors missed the NBA playoffs for the first time since 2013. But this year has not been a total bust for the 2019 NBA Champions, because last month the Trademark Trial & Appeal Board dismissed claims against Maple Leaf, Inc. (owner of the Raptors' IP) by Monster Energy Drinks, finding that various design marks created as part of the Raptors' re-branding were not likely to cause confusion with, or dilution of, Monster's various claw-themed design marks. [The decision](#) resolved a years-long feud between the companies triggered by Monster's opposition to all 18 trademark applications first made in 2014 by Maple Leaf.

The Board focused its analysis on what it called Monster's "M-Claw Mark," and the Raptors' "Secondary Ball Mark," holding they were sufficiently different in appearance alone to preclude a likelihood of confusion as a matter of law.



Acknowledging that a side-by-side comparison of the marks is not the proper test for likelihood of confusion, the Board still relied primarily on a visual inspection because the design marks cannot be spoken. That inspection showed the significance of the differences in the marks, including that the Raptors' marks were primarily basketballs with less-significant claw elements, and that the claw marks were made in different directions. These differences also doomed Monster's dilution claim, along with the Board's finding that Monster's marks were not famous for dilution purposes.

Though the Raptors won the game, Monster did manage to score a few points that could be useful in its later enforcement efforts, especially for establishing the commercial strength of the M-Claw Mark. The Board accepted expert survey evidence showing that

the M-Claw Mark had achieved secondary meaning. It also relied on that survey evidence in finding that the M-Claw Mark is famous—but only for energy drinks (and not for non-beverage merchandise) and only in the likelihood of confusion context, not for purposes of a dilution claim.

The Board also made several evidentiary findings that provide useful reminders for parties on both sides of opposition proceedings.

First, the Board struck from the record decisions from non-U.S. jurisdictions offered by the Raptors that weighed in on the same dispute—all of which presumably found in favor of the Raptors. The Board reiterated that such decisions are irrelevant to questions of U.S. trademark law.

Second, the Raptors submitted a proposal made by Monster to become the official energy product sponsor for the Raptors as evidence that Monster knew there was no likelihood of confusion. The Board struck the proposal from evidence because it was made as part of inadmissible settlement discussions. This serves as a good reminder that if a discussion between adversaries has even a partial settlement purpose in addition to a commercial intent, the content will be deemed inadmissible in evidence but may become publicly disclosed.

Finally, the Board agreed to admit various point-of-sale catalogs, which Monster had submitted as evidence of its common law rights. The Raptors had argued that catalogs alone do not establish common law rights, relying on the general prohibition against using catalogs as specimens of use in a trademark application. But the Board admitted the catalogs, finding that their probative value on the extent of common law rights went to weight, and not admissibility.

In the end, this evidence either could not overcome (or was not needed to show) the significant differences in the appearances of the marks, so the Raptors emerged victorious.