**US court refuses to grant summary judgment in favour of Beyoncé over FEYONCÉ products**

*Beyoncé Giselle Knowles-Carter, et al., v. Feyoncé, Inc. et al.*, [16-CV-2532 (AJN)](https://drive.google.com/file/d/1MH2EqFBitDVc8UrVVEPP9YOFYi3xVDxX/view?usp=sharing)

The US District Court for the Southern District of New York has recently refused to grant summary judgment in favour of well-known singer Beyoncé, holding that it was not possible – as a matter of law – to conclude that use of the sign FEYONCÉ would give rise to any likelihood of confusion with or blurring of the distinctive character of the BEYONCÉ US trade mark registrations.

**Legal context and facts**

The defendants started selling merchandise using the brand name FEYONCÉ, as well as some phrases from Beyoncé's songs. Their products were targeted at the engaged to be married, ie fiancés. The items were sold through the website feyonceshop.com, as well as etsy.com. The defendants had even tried to obtain US trade mark registrations, but the US Patent and Trademark Office (USPTO) refused them on grounds of confusing similarities with the registered BEYONCÉ trade mark.

Beyoncé and the entity that owns her registered trade marks, BGK Trademark Holdings, brought proceedings against them for:

* Federal Trademark Infringement, ex 15 U.S.C. § 1114;
* Federal Unfair Competition, ex 15 U.S.C. § l 125(a);
* Federal Trademark Dilution, ex U.S.C. 1125(c);
* Deceptive Acts and Practices, in violation of New York General Business Law §349;
* Trademark Dilution, ex New York General Business Law §360-L;
* common law unfair competition; and unjust enrichment.

 **Analysis**

The plaintiffs requested the US District Court for the Southern District of New York to issue partial summary judgment in their favour and issue a permanent injunction against the defendants. Summary judgment is appropriate where the admissible evidence and the pleadings demonstrate ‘no genuine dispute as to any material fact and the movant is entitled to judgment as a matter of law.’ (Fed. R. Civ. P. 56(a)). According to the judge (District Judge Alison J Nathan), there was no dispute that in marketing to fiancé purchasers, defendants chose the formation FEYONCÉ in order to capitalize off of the exceedingly famous BEYONCÉ mark. However, the question was whether said ‘capitalization’ would be sufficient to establish likelihood of confusion and/or blurring.

***Likelihood of confusion and unfair competition***

Likelihood of confusion is required under 15 U.S.C. § 1114, so that the court had to ponder whether a rational consumer would mistakenly believe that that FEYONCÉ products are sponsored by or affiliated with BEYONCÉ products. The court recalled the test in *Polaroid Corp. v. Polaroid Elecs. Corp.*[, 287 F.2d 492,495 (2d Cir. 1961)](https://casetext.com/case/polaroid-corporation-v-polarad-electronics-corp), according to which one needs to consider:

1. the strength of the senior mark,
2. the similarity of the marks (this is a key factor: *Louis Vuitton Malletier v. Dooney & Bourke, Inc.*, [454 F.3d 108, 117 (2d Cir. 2006)](https://www.leagle.com/decision/2006562454f3d1081560); it requires to consider the overall impression created by the signs at issue)
3. the proximity of the products in the marketplace,
4. the likelihood that the owner of the senior mark will bridge the gap,
5. actual confusion,
6. the presence of bad faith on the part of the defendant,
7. the quality of the defendant's products, and
8. consumer sophistication.

The court noted that the plaintiffs' and defendants' marks have a high degree of similarity, as just two letters - B and F - are dissimilar. The defendants' sign is however a play on words (so that the mark sounds like 'fiancé'), and this might dispel the risk of confusion. In *Tommy Hilfiger Licensing, Inc. v. Nature Labs,*[*LLC*, 221 F. Supp. 2d 410, 417](https://law.justia.com/cases/federal/district-courts/FSupp2/221/410/2486298/)the 2nd Circuit held in fact that if the difference is such to convey to the ordinary viewer that this is a joke, not the real thing, then confusion as to source, sponsorship, affiliation or connection is unlikely.

The court noted how evidence suggests that consumers got the pun, as many purchasers of FEYONCÉ products were, in fact, engaged. Although some of the *Polaroid* factors would weigh in favour of a finding of likelihood of confusion, the court concluded that it was not be possible to say - as a matter of law - whether such confusion is likely. The same would be the case in relation to unfair competition.

***Dilution***

Turning to the issue of dilution, the court considered the particular case of blurring. Dilution by blurring occurs when the ‘association arising from the similarity between a mark or trade name and a famous mark that impairs the distinctiveness of the famous mark’. Relevant factors to consider include:

1. the degree of similarity between the marks,
2. the degree of distinctiveness of the famous mark,
3. the extent to which the owner of the famous mark is engaging in exclusive use of the mark,
4. the degree of recognition of the famous mark,
5. whether the use of the junior mark intended to create an association with the famous mark, and
6. any actual association between the mark and the famous mark.

As it was found in *Louis Vuitton Malletier, SA. v. My Other Bag, Inc*., 156 F. Supp. 3d 425, 434 (S.D.N.Y. 2016), the key question is whether the kind of association a defendant creates is likely to impair the distinctiveness of plaintiff's mark. The court concluded that:

A reasonable factfinder may determine that, given the similarity between the two marks, Defendants' use of FEYONCÉ impairs the distinctiveness and selling power of the BEYONCÉ mark. However, because Defendants' have not merely co-opted the BEYONCÉ mark, but rather repurposed it in a way that can be distinguished from the original, a reasonable factfinder could also conclude that there is little risk of dilution.

The court denied plaintiffs' request for summary judgment and a permanent injunction. This means that the parties will meet to discuss settlement and possible dates for trial.

**Practical significance**

If this case continues, it will be an interesting one to follow: it is likely to require consideration of the degree of protection of well-known trade marks (or is it, rather, well-known persons?) and how far that can go and interfere with third-party free speech, including humorous distortions and puns. In this sense, one might recall that in *My Other Bag*, the US District Court for the Southern District of New York had to consider the case of a defendant selling simple canvas tote bags with the text ‘My Other Bag ...’ on one side and drawings meant to evoke iconic handbags by luxury designers, such as Louis Vuitton, Chanel, and Fendi, on the other. The bags were — as their name suggests— are a play on the classic ‘my other car ...’ novelty bumper stickers, which can be seen on inexpensive, beat up informing passersby — with tongue firmly in cheek — that the driver's "other car" is a Mercedes (or some other luxury car brand). As the court explained, “The "my other car" bumper stickers are, of course, a joke — a riff, if you will, on wealth, luxury brands, and the social expectations of who would be driving luxury and non-luxury cars. [My Other Bag]'s totes are just as obviously a joke, and one does not necessarily need to be familiar with the "my other car" trope to get the joke or to get the fact that the totes are meant to be taken in jest.” The court concluded that, in relation to the claim for dilution, as a matter of law the defendant’s bags would be protected as fair use — in particular, that its use of Louis Vuitton's marks would constitute a parody. Could the same be true of FEYONCÉ products?

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