**10.5 Trademark Dilution**

[Name of plaintiff] claims that [name of defendant]’s use is likely to dilute the distinctiveness of [name of plaintiff]’s trademark. To prove [his/her/its] claim of likely dilution, [name of plaintiff] must prove the following facts by a preponderance of the evidence:

 [Name of plaintiff]’s trademark is famous and distinctive, either inherently or through acquired distinctiveness;

 [Name of defendant]’s use of [his/her/its] trademark began after [name of plaintiff]’s trademark became famous; and

 [Name of defendant] use of [his/her/its] trademark is likely to cause [dilution by blurring/dilution by tarnishment] of [name of plaintiff]’s famous trademark.

To prevail on a claim for likely dilution of [his/her/its] trademark, [name of plaintiff] must prove by a preponderance of the evidence that [his/her/its] trademark was “famous” at the time of [name of defendant]’s first use of [name of defendant]’s trademark. A claimed trademark is “famous” if it is widely recognized by the general consuming public of the United States as the designation of the source of the owner’s goods. In considering whether [name of plaintiff]’s trademark is “famous,” you may consider all relevant factors, including the following:

 The duration, extent, and geographic reach of advertising and publicity of the trademark, whether advertised or publicized by [name of plaintiff] or third parties;

 The amount, volume, and geographic extent of sales of goods offered under [name of plaintiff]’s trademark;

 The extent of actual recognition of [name of plaintiff]’s trademark; and

 Whether [name of plaintiff]’s trademark was registered on the Principal Register of the United States Patent and Trademark Office.

[The following instruction should be given when plaintiff is claiming that defendant’s use is likely to cause dilution by blurring:

[Name of plaintiff] claims that [name of defendant]’s use of [his/her/its] trademark is likely to blur [name of plaintiff]’s trademark. Likelihood of dilution by blurring occurs when the similarity between [name of defendant]’s trademark and [name of plaintiff]’s famous trademark impairs the distinctiveness of the famous trademark. In determining whether [name of defendant]’s trademark is likely to blur the distinctiveness of [name of plaintiff]’s trademark you may consider all relevant factors, including the following:

 The degree of similarity between the [name of defendant]’s trademark and [name of plaintiff]’s trademark;

 The degree of inherent or acquired distinctiveness of [name of plaintiff]’s trademark;

 The extent to which [name of plaintiff] is engaging in substantially exclusive use of [his/her/its] trademark;

 The degree of recognition of [name of plaintiff]’s trademark;

 Whether [name of defendant] intended to create an association with [name of plaintiff]’s trademark; and

 Any actual association between [name of defendant]’s trademark and [name of plaintiff]’s trademark.

[Name of plaintiff] is not required to prove actual or likely confusion or actual economic injury to prove that blurring is likely.]

[The following instruction should be given when [name of plaintiff] is claiming that [name of defendant]’s use is likely to cause dilution by tarnishment:

[Name of plaintiff] claims that [name of defendant]’s use of [his/her/its] trademark is likely to tarnish [name of plaintiff]’s trademark. Dilution by tarnishment occurs when a claimed trademark harms the reputation of a famous trademark.

[Name of plaintiff] is not required to prove actual or likely confusion or actual economic injury to prove that tarnishment is likely. [name of plaintiff] only needs to prove likely dilution by tarnishment to recover on [his/her/its] dilution claim.]

Affirmative Defenses

There are defenses to a claim of likely dilution [by blurring/by tarnishment]. If [name of defendant] proves by a preponderance of the evidence that the use of [his/her/its] trademark was [a fair use/in news reporting or commentary/non-commercial use], then [name of defendant] has not engaged in trademark dilution.

“Fair use” includes a nominative or descriptive fair use, or facilitation of such fair use, of [name of plaintiff]’s trademark by [name of defendant] other than as a designation of source for [name of defendant]’s own goods. Such fair use includes use of [name of defendant]’s trademark in connection with:

 Advertising or promotions that permit consumers to compare [name of plaintiff] and [name of defendant]’s goods; or

 [Name of defendant]’s identifying and parodying, criticizing, or commenting upon [name of plaintiff] or the goods of [name of plaintiff]; or

 All forms of news reporting and news commentary; or

 Any non-commercial use of a trademark.

Remedies

If you find that [name of defendant]’s use is likely to dilute [name of plaintiff]’s trademark, and [name of defendant] does not have a defense to the likely dilution, you must consider whether, and to what extent, monetary relief should be awarded. You may award [name of plaintiff] monetary relief if:

 [Name of defendant]’s mark was first used after October 6, 2006; and

 [Name of defendant]’s conduct was willful.

Plaintiff’s Actual Monetary Damages

You may award actual damages that [name of plaintiff] has sustained as a result of [name of defendant]’s willful violation of [name of plaintiff]’s trademark rights. [Name of plaintiff] may recover the economic injury to [his/her/its] business proximately resulting from [name of defendant]’s wrongful acts. You are not required to calculate actual damages with absolute exactness – you may make reasonable approximations. But any award of actual damages to [name of plaintiff] must be just and reasonable, based on facts, and proved by [name of plaintiff] by a preponderance of the evidence.

Defendant’s Profits and Calculation of Profits

Alternatively, you may make an award based on an accounting of [name of defendant]’s profits as a result of [name of defendant]’s willful violation of [name of plaintiff]’s trademark rights.

A defendant commits a “willful violation” of a trademark when that defendant knowingly and purposefully capitalized on and appropriated for itself the goodwill of a plaintiff.

In determining [name of defendant]’s profits, [name of plaintiff] is only required to prove [name of defendant]’s gross sales. [Name of defendant] may then prove the amount of sales made for reasons other than the infringement. [Name of defendant] also may prove its costs or other deductions which [he/she/it] claims should be subtracted from the amount of [his/her/its] sales to determine [his/her/its] profits on such sales. Any costs or deductions that [name of defendant] proves, by a preponderance of the evidence, are required to be subtracted from the sales attributable to the infringement and the difference is the amount that may be awarded to [name of plaintiff].

Dilution

**Special Interrogatories to the Jury**

**Do you find by a preponderance of the evidence that:**

 [Name of plaintiff]’s trademark has become famous.

Answer Yes or No \_\_\_\_\_\_\_\_\_\_\_\_\_

If your answer is “Yes,” go to Question No. 2. If your answer is “No,” then your foreperson should sign and date the last page of this verdict form.

 [Name of defendant]’s use of [his/her/its] trademark began after [name of plaintiff]’s trademark became famous.

Answer Yes or No \_\_\_\_\_\_\_\_\_\_\_\_\_

If your answer is “Yes,” go to Question No. 3. If your answer is “No,” your foreperson should sign and date the last page of this verdict form.

 [Name of defendant]’s trademark is likely to cause dilution by blurring the distinctiveness of [name of plaintiff]’s trademark.

Answer Yes or No \_\_\_\_\_\_\_\_\_\_\_\_\_

If your answer is “Yes,” go to Question No. 4. If your answer is “No,” then your foreperson should sign and date the last page of this verdict form.

 [Name of defendant]’s trademark is likely to cause dilution by tarnishing [name of plaintiff]’s trademark.

Answer Yes or No \_\_\_\_\_\_\_\_\_\_\_\_\_

If your answer is “Yes,” go to Question No. 5. If your answer is “No,” your foreperson should sign and date the last page of this verdict form.

 [Name of defendant]’s use of [his/her/its] trademark is a “fair use” of [name of plaintiff]’s trademark.

Answer Yes or No \_\_\_\_\_\_\_\_\_\_\_\_\_

If your answer is “No,” go to Question No. 6. If your answer is “Yes,” then your foreperson should sign and date the last page of this verdict form.

 [Name of defendant]’s trademark is used for news reporting or news commentary.

Answer Yes or No \_\_\_\_\_\_\_\_\_\_\_\_\_

If your answer is “No,” then go to Question No. 7. If your answer is “Yes,” then your foreperson should sign and date the last page of this verdict form.

 [Name of defendant]’s trademark is used for non-commercial purposes.

Answer Yes or No \_\_\_\_\_\_\_\_\_\_\_\_\_

If your answer is “Yes,” then your foreperson should sign and date the last page of this verdict form. If your answer is “No,” then go to Question No. 8.

 [Name of defendant]’s trademark was first used after October 6, 2006.

Answer Yes or No \_\_\_\_\_\_\_\_\_\_\_\_\_

If your answer is “Yes,” go to Question No. 9. If your answer is “No,” then your foreperson should sign and date the last page of this verdict form.

**[The following special interrogatory should be used in cases in which plaintiff claims likely dilution by blurring:**

 [Name of defendant] willfully intended to trade on the recognition of [name of plaintiff]’s famous trademark.

Answer Yes or No \_\_\_\_\_\_\_\_\_\_\_\_\_

If your answer is “Yes,” go to Question No. 10. If your answer is “No,” then your foreperson should sign and date the last page of this verdict form.]

**[The following special interrogatory should be used in cases in which plaintiff claims likely dilution by tarnishment:**

 [Name of defendant] willfully intended to harm the reputation of [name of plaintiff]’s famous mark.

Answer Yes or No \_\_\_\_\_\_\_\_\_\_\_\_\_

If your answer is “Yes,” go to Question No. 11. If your answer is “No,” then your foreperson should sign and date the last page of this verdict form.]

**[The following special interrogatories should be used if plaintiff seeks actual damages for dilution:**

 [Name of plaintiff] suffered actual damages as a result of [name of defendant]’s dilution of [name of plaintiff]’s trademark.

Answer Yes or No \_\_\_\_\_\_\_\_\_\_\_\_\_

If your answer is “Yes,” go to Question No. 12. If your answer is “No,” go to Question No. 13.]

 [Name of plaintiff] is awarded actual damages.

If your answer is “Yes,” in what amount?

$\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_]

**[The following special interrogatories should be used if plaintiff seeks an Accounting of defendant’s profits for likely dilution:**

 [Name of defendant]’s conduct was willful.

Answer Yes or No \_\_\_\_\_\_\_\_\_\_\_\_\_

If your answer to this question is “Yes,” go to Question No. 14 below. If your answer is “No,” then your foreperson should sign and date the last page of this verdict form.

 [Name of plaintiff] is awarded [name of defendant]’s profits.

If your answer is “Yes,” in what amount?

$\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_]

So Say We All.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Foreperson’s Signature

Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_