

Four Jurisdictions, Four Decisions: The U.S. Case Presentation

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2009 - Epic Legal Battle Begins

Gucci filed a lawsuit in New York Federal Court (along with those filed in Italy, France, and China)

- Alleged Guess had infringed four of its trademarks and one trade dress
- Alleged Guess was trying to "Gucci-fy" its product
- Sought \$124 MM in damages



This case involves five Gucci designs (Gucci designs shown on the left)

 2. The Repeating Interlocking GG Pattern 3. The Diamond Motif Trade Dress







 4. The Stylized G Design mark ("Stylized G") 5. The Script Gucci Design mark ("Script Gucci")

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2012: US Decision

Trademarks Infringed, Trade Dress Not Permanent Injunction, But Limited Damages

- US\$4.66 million--profit Guess made from using two Gucci trademarks; damages speculative
- Permanent injunction against Guess' use of three of the four challenged designs

Cancellation of Guess' "4G Square Repeating Logo"

- Guess never used the Quattro G Patten in a square orientation
- Only use was on a diamond orientation (like Gucci)

Not Counterfeit

- The Lanham Act defines a counterfeit as a "spurious mark which is identical with, or substantially indistinguishable from a registered mark."
- In order to be considered a counterfeit, the entire product should be copied stitch-for-stitch

Effect of US Decision

- The U.S decision has contributed to the creation of stronger limitations on the use of patterns that could be considered similar to another brand's in the fashion industry.
- Burden of proof of reasonable royalty and/or actual damages in the form of lost sales or harm to brand value is very difficult to meet—speculative estimates will be dismissed and only defendant's profits will be returned.

Takeaways

- Guess' CEO, Paul Marciano, expressed the following: "The results in this case show that Gucci grossly overreached in its claims and the entire case could have been avoided with a single letter or phone call."
- Really? Was Gucci overreaching in its claims, considering the different results in Italy, France, and China?

THANK YOU!

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