

Tacking and Issue Preclusion in Trademark Law

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Abstract

The United States Supreme Court decided two trademark cases in its 2014-2015 term. The two cases are: *Hana Financial v. Hana Bank*, and *B&B Hardware, Inc. v. Hargis Industries, Inc.* The *Hana Financial v. Hana Bank* case dealt with the doctrine of tacking. The doctrine of tacking enables a trademark owner to claim priority in certain circumstances by tacking the date of the previous use of a mark on to a subsequent similar but new mark. By a unanimous opinion, the Supreme Court held that tacking is a mixed question of law and fact and that it is the function of a jury, rather than a court, to decide whether the use of an older trademark may be tacked to a similar but new mark. The *B&B Hardware, Inc. v. Hargis Industries, Inc.* case dealt with the doctrine of issue preclusion. The doctrine of issue preclusion prohibits — subject to certain conditions — an issue that has been decided by one tribunal from being reargued before another tribunal. The question in this case was whether a decision by the Trademark Trial and Appeal Board in a registration proceeding on the issue of likelihood of confusion would preclude relitigation of the issue in an infringement suit before a district court. By a 7-2 majority, the Supreme Court held that the issue could not be recontested provided the necessary elements of issue preclusion were fulfilled. This paper presents an overview of the applicable provisions of law and the opinions of the United States Supreme Court in the two cases.

I. Introduction:

The growing importance of intellectual property (IP) rights as a crucial element of competitive advantage in the international marketplace has led to an increase in litigation relating to those rights. In keeping with this, there has also been a sharp rise in the number of intellectual property cases taken up by the United States Supreme Court in recent years. However, in contrast to the ten IP cases heard by the Court in its October 2013 term, only five IP cases figured on the Court's October 2014 docket. Of these, two related to trademark law. This is somewhat remarkable because in spite of the U.S. Supreme Court's increased attention to intellectual property law, the number of trademark-related cases have been few and far between.¹

The two trademark cases decided by the United States Supreme Court in its October 2014 term were: *Hana Financial v. Hana Bank*,² and *B&B Hardware, Inc. v. Hargis Industries, Inc.*³ The *Hana Financial v. Hana Bank* case dealt with the doctrine of tacking. The doctrine of tacking enables a trademark owner to claim priority in certain circumstances by tacking the date of the previous use of a mark on to a subsequent similar but new mark. The question before the Court was whether a judge or a jury should decide the propriety of tacking in a given case. By a unanimous opinion, the Supreme Court held that tacking is a mixed question of law and fact and that it is the function of a jury, rather than a court, to decide whether the use of an older trademark may be tacked to a similar but new mark. The *B&B Hardware, Inc. v. Hargis Industries, Inc.* case dealt with the doctrine of issue preclusion which prohibits — subject to certain conditions — an issue that has been decided by one tribunal from being reargued before another tribunal. The question in this case was whether a decision by the Trademark Trial and Appeal Board in a registration proceeding on the issue of likelihood of confusion would preclude relitigation of the issue in an infringement suit before a district court. By a 7-2 majority, the Supreme Court held that the issue could not be recontested provided the necessary elements of issue preclusion are fulfilled. This paper presents an overview of the applicable provisions of law and the opinions of the United States Supreme

¹ In the past decade, only two cases that can be described as “trademark-related” have been taken up by the Court: *American Needle, Inc. v. National Football League*, 560 U.S. 183 (2010), 130 S.Ct. 2201(2010); *Already, LLC v. Nike, Inc.*, 568 U.S. ____ (2013), 133 S.Ct. 721 (2013). Neither case dealt with substantive aspects of trademark law. The three other IP cases decided by the Supreme Court in its October 2014 term dealt with patent law. They were : *Teva Pharmaceuticals, Inc. v. Sandoz Inc.*, 574 U.S. ____ (2015); *Kimble v. Marvel Entertainment.*, 576 U.S. ____ (2015); and *Commil U.S.A. v Cisco Systems*, 576 U.S. ____ (2015).

² *Hana Financial, Inc. v. Hana Bank*, 574 U.S. ____ (2015). Available at: http://www.supremecourt.gov/opinions/14pdf/13-1211_1bn2.pdf.

³ *B&B Hardware, Inc. v. Hargis Industries, Inc.*, 575 U.S. ____ (2015). Available at: http://www.supremecourt.gov/opinions/14pdf/13-352_c0n2.pdf.

Court in the two cases.

II. *Hana Financial, Inc. v. Hana Bank* ⁴ :

The current statutory federal trademark law of the United States was enacted on July 5, 1946, and is embodied in 15 United States Code Chapter 22. It is commonly referred to as the Lanham Act. Trademarks are also afforded a measure of protection under the common law of the various states. Such protection has existed since the colonial era.⁵ The power of the United States Congress to enact federal legislation in respect of trademarks is based upon the power to regulate interstate commerce under the Commerce Clause,⁶ and is only applicable in respect of trademarks used in interstate commerce.

The question at issue in this case was whether the propriety of trademark tacking⁷ in a

⁴*Supra* note 2

⁵This was expressly recognized by the United States Supreme Court in its opinion in a group of cases referred to as the Trademark Cases, 100 U.S.82 (1879). With reference to a previous attempt by the U.S. Congress to codify trademark law, the Court's opinion stated:

The right to adopt and use a symbol or a device to distinguish the goods or property made or sold by the person whose mark it is, to the exclusion of use by all other persons, has long been recognized by the common law and the chancery court of England and of this country and by the statutes of some of the states. It is a property right for the violation of which damages may be recovered in an action at law, and the continued violation of it will be enjoined by a court of equity, with compensation for past infringement. This exclusive right was not created by the act of Congress, and does not now depend upon it for its enforcement. The whole system of trademark property and the civil remedies for its protection existed long anterior to that act, and have remained in full force since its passage.

100 U.S. 82, 92 (1879)

⁶Article 1, Section 8, Clause 3 of the U.S.Constitution.

⁷The tacking doctrine is succinctly set out in the opening paragraph of Judge Callahan's opinion for the U.S.Court of Appeals for the Ninth Circuit, *Hana Financial Inc. v. Hana Bank*, available at <http://cdn.ca9.uscourts.gov/datastore/opinions/2013/11/22/11-56678.pdf>.

The paragraph reads:

A party claiming trademark ownership must establish that it was the first to use the mark in the sale of goods or services. This concept is known as trademark "priority." One of the ways that a party may establish priority is through the constructive use doctrine known as "tacking." Tacking allows a party to "tack" the date of the user's first use of a mark onto a subsequent mark to establish priority where the two marks are so similar that consumers would generally regard them as being the same.

With specific reference to the Ninth Circuit in which the present case was tried, the opinion goes on to state in the second paragraph:

given case should be decided by a judge or by a jury.

Hana Financial, a California corporation, was incorporated on August 15, 1994. Hana Bank was established in South Korea in 1971. In 1991, Hana Bank was exploring the possibility of extending its services through a partner in the United States. In pursuance of this plan, the principal of Hana Bank had had talks with two representatives of an American bank who later served as principals of Hana Financial. For various reasons, the deal was not effectuated.

In May 1994, Hana Bank acted in pursuance of its earlier plan, and established the Hana Overseas Korean Club. Its primary aim was to provide financial services to Korean Americans. To that end, in July 1994, Hana Bank advertised its services extensively in Korean language newspapers in the United States. Both names – Hana Bank and Hana Overseas Korean Club – along with the Hana Bank logo appeared in the advertisements and the application forms for the services.

Hana Financial was established a month after Hana Bank's U.S. advertisements first appeared. It started using its trademark on April 1, 1995 and got a federal trademark registration for its logo bearing, inter alia, the name Hana Financial in respect of specific financial services. Hana Financial, too, advertised its services in Korean and English language newspapers and on TV.

In 1995, the principals of Hana Financial and Hana Bank, who had been acquainted for a while, talked about the use of the word "Hana" by Hana Financial. Hana Financial's principal assured Hana Bank's principal that Hana Financial would engage only in specific financial services, and would not be providing any banking services, and thus there was no possibility of any competitive encroachment.

Hana Bank, provided its services until 2000 under the name of Hana Overseas Korean Club. In 2000, Hana Bank changed the name of the club to "Hana World Center." In 2001, Hana Bank tried to get its trademark registered but could not do so. Part of the reason for the refusal was the existence of Hana Financial's trademark. Attempts to resolve the matter were of no avail. Hana Bank began conducting business in New York in 2002 using its own name.

We have previously indicated that tacking only applies in "exceptionally narrow" circumstances, *Brookfield Communications, Inc. v. West Coast Entertainment Corp.*, 174 F.3d 1036, 1047 (9th Cir. 1999), and is properly resolved "as a matter of law if reasonable minds cannot differ and the evidence permits only one conclusion," *One Industries, LLC v. O'Neal Distribution, Inc.*, 578 F.3d 1154, 1160 (9th Cir. 2009). Nevertheless, the rule in our circuit is that tacking "requires a highly fact-sensitive inquiry" generally reserved for the jury.

Hana Financial instituted a trademark infringement suit against Hana Bank in March 2007. Hana Bank counterclaimed seeking cancellation of Hana Financial's trademark by reason of Hana Financial's knowledge of Hana Bank's prior use, and on the grounds of laches and unclean hands. In January 2008, the district court issued a summary judgment on the issue of infringement, ruling in favor of Hana Bank on the basis of trademark priority. It also ruled by summary judgment in favor of Hana Financial regarding Hana Bank's cancellation counterclaim. Both Hana Financial and Hana Bank appealed. On appeal, the U.S. Court of Appeals for the Ninth Circuit reversed on the issue of trademark priority and remanded for trial. The Court of Appeals affirmed the district court's judgment on the cancellation counterclaim.

On remand, Hana Financial sought an in limine order on motion seeking to exclude Hana Bank's evidence on the issue of tacking. The motion was denied. The question of trademark infringement was to be decided by jury. The court also sought an advisory verdict from the jury on the the issues of laches and unclean hands. The district court's jury instructions explained the issue of tacking thus:

"A party may claim priority in a mark based on the first use date of a similar but technically distinct mark where the previously used mark is the legal equivalent of the mark in question or indistinguishable therefrom such that consumers consider both as the same mark. This is called "tacking." The marks must create the same, continuing commercial impression, and the later mark should not materially differ from or alter the character of the mark attempted to be tacked." ⁸

The jury found in favor of Hana Bank on the issue of prior use. It also found in favor of Hana Bank on the issue of laches. The district court later ruled in favor of Hana Bank on the issues of laches and unclean hands. Hana Financial then moved the district court anew for judgment as a matter of law and for a new trial. The motions were denied. Hana Financial appealed to the United States Court of Appeals for the Ninth Circuit. The Court of Appeals noted that in the Ninth Circuit, tacking was a question of fact triable by jury, in contradistinction to a question of law as in some other circuits. For it to be treated as a matter of law in the Ninth Circuit, the evidence would have to be so strong that it could be amenable to only one conclusion. Such was not the situation on the facts of the present case. On the

⁸ Reproduced in the opinion of the U.S. Supreme Court, available at: http://www.supremecourt.gov/opinions/14pdf/13-1211_1bn2.pdf, at internal page 3.

footing that the jury's decision was not unreasonable, the Court of Appeals affirmed the district court's denial of the motion for judgment as a matter of law and upheld the jury verdict. On Hana Financial's petition, the U.S. Supreme Court granted certiorari. The issue before the Supreme Court was whether the question of tacking should be decided by a judge or a jury. The Supreme Court affirmed the judgment of the Court of Appeals for the Ninth Circuit.

The Supreme Court delivered its opinion on January 21, 2015. The opinion was authored by Justice Sotomayor on behalf of a unanimous Court. In its opinion, the Court noted that

the general rule adopted by lower courts has
been that two marks may be tacked when
the original and revised marks are "legal equivalents."
This term refers to two marks that "create the same,
continuing commercial impression" so that consumers
"consider both as the same mark."

Van Dyne - Crotty, Inc., 926 F.2d, at 1159

(internal quotation marks omitted). ⁹

The Court's opinion emphasized that the applicability of the tacking doctrine turned essentially upon the "commercial impression" that the marks in question made upon "consumers." ¹⁰ This, the Court opined, was a question to be decided by the jury. ¹¹ The only exceptions would be when the facts warrant a summary judgment or a judgment as a matter of law, or the parties request a bench trial. ¹²

The Court rejected the four principal arguments advanced by Hana Financial. ¹³ Firstly, Hana Financial argued that the tacking doctrine is applicable only when the marks in question are "legal equivalents," and therefore involved the application of a legal standard. The Court, however, opined that tacking involved a mixed question of fact and law, which is properly tried by the jury.

Secondly, Hana Financial argued that a decision regarding a tacking question would serve as a legal precedent for other tacking disputes. The Court opined that a jury verdict on a tacking question was no different from that in any other area of law.

Thirdly, Hana Financial argued that jury verdicts on the question of tacking would make the justice system unpredictable. Again, the Court opined that jury verdicts in tacking questions

⁹ *Id.* at internal pages 3 and 4. The court, here, was referring to *Van Dyne - Crotty, Inc. v. Wear-Guard Corp.*, 826 F.2d 1156 (C.A.Fed.1991). The Court further cited other supporting cases.

¹⁰ *Id.*, at internal pages 3 and 4.

¹¹ *Id.*, at internal page 4.

¹² *Id.*, at internal page 5.

¹³ Set out in Section III of the Court's opinion, *id.*, at internal pages 5 to 10.

were no different from such verdicts in other areas of law.

Finally, Hana Financial argued that tacking questions have historically been decided by judges. The Court, however, rejected this argument because the precedents relied upon by Hana Financial only related to specific instances where a tacking question could — the Court noted — be properly decided by a judge. The precedents cited did not negate the Court's conclusion that apart from specific instances, tacking is a question that is properly decided by a jury.

III. *B&B Hardware, Inc. v. Hargis Industries, Inc.*: ¹⁴

The question before the United Supreme Court was whether a decision of the Trademark Trial and Appeal Board in a registration proceeding relating to the issue of "likelihood of confusion" would trigger issue preclusion in a trademark infringement suit before the United States District Court. That is, would the TTAB's decision preclude the relitigation of the likelihood-of-confusion issue in the trademark infringement action? ¹⁵

This case called into play numerous provisions of the Lanham Act, notably relating to registration of trademarks and the remedies for infringement thereof. Some of the key provisions specifically mentioned in the opinion of the Supreme Court are: 15 U.S.Code §

¹⁴ *B&B Hardware, Inc. v. Hargis Industries, Inc.*, 575 U.S. ____ (2015). Available at: http://www.supremecourt.gov/opinions/14pdf/13-352_c0n2.pdf.

¹⁵ The Supreme Court's description of the issue preclusion doctrine is set out in the opening paragraph of the Court's judgment. It reads:

Sometimes two different tribunals are asked to decide the same issue. When that happens, the decision of the first tribunal usually must be followed by the second, at least if the issue is really the same. Allowing the same issue to be decided more than once wastes litigants' resources and adjudicators' time, and it encourages parties who lose before one tribunal to shop around for another. The doctrine of collateral estoppel or issue preclusion is designed to prevent this from occurring.

Id. at internal page 1.

§ 1051(a)(2), ¹⁶ 1052(d), ¹⁷

1057 (b), ¹⁸ (1062), ¹⁹ 1063 (a), ²⁰ 1065, ²¹ 1067 (a), (b) ²², 1071, 1071 (b), ²³. § 1072, ²⁴

¹⁶ The relevant part of 15 U.S.C. 1051 reads:

(a) Application for use of trademark

(1) The owner of a trademark used in commerce may request registration of its trademark on the principal register hereby established...

(2) The application shall include specification of the applicant's domicile and citizenship, the date of the applicant's first use of the mark, the date of the applicant's first use of the mark in commerce, the goods in connection with which the mark is used and a drawing of the mark.

(3) The statement shall be verified by the applicant and specify that --

(A)...(B)...(C)...

(D) to the best of the verifier's knowledge and belief, no other person has the right to use such mark in commerce either in the identical form thereof or in such near resemblance thereto as to be likely, when used on or in connection with the goods of such other person, to cause confusion, or to cause mistake, or to deceive...

(The section, here, sets out certain exceptions.)

¹⁷ The relevant part of 15 U.S.C. 1052 reads:

No trademark by which the goods of the applicant may be distinguished from the goods of others shall be refused registration on the principal register on account of its nature unless it --

...

(d) Consists of or comprises a mark which so resembles a mark registered in the Patent and Trademark Office, or a mark or trade name previously used in the United States by another and not abandoned, as to be likely, when used on or in connection with the goods of the applicant, to cause confusion, or to cause mistake, or to deceive...

(The section, here, sets out a detailed proviso.)

¹⁸ The relevant part of 15 U.S.C. 1057 reads: Certificates of Registration

(a) Issuance and form

(b) Certificate as prima facie evidence A certificate of registration of a mark upon the principal Provided by this chapter shall be prima facie evidence of the validity of the registered mark and of the registration of the mark, of the owner's ownership of the mark, and of the owner's exclusive right to use the registered mark in commerce or in connection with the goods or services specified in the certificate, subject to any conditions or limitations stated in the certificate.

¹⁹ 15 U.S.C. 1062 deals with the publication of a mark in the Official Gazette of the Patent and Trademark Office.

²⁰ The relevant part of 15 U.S.C. 1063 reads:

(a) Any person who believes that he would be damaged by registration of a mark upon the principal register ... may ... file an opposition in the Patent and Trademark Office, stating the grounds therefor, within thirty days after the publication under subsection (a) of section 1062 of this title of the mark sought to be registered.

²¹ The relevant part of 15 U.S.C. 1065 provides that "[T]he right of the owner to use such registered mark in commerce for the goods or services on or in connection with which such registered mark has been in continuous use for five consecutive years subsequent to the date of such registration and is still in commerce, shall be incontestable."

²² The provisions of 15 U.S.C. 1067 deal, inter alia, with opposition to registration and composition of the Trademark Trial and Appeal Board.

²³ The provisions of 15 U.S.C. 1071 deal with appeals from decisions of the Trademark Trial and Appeal Board to the United States Court of Appeals to the Federal Circuit or, in the alternative, seeking remedy by way of a civil action.

²⁴ 15 U.S.C. 1072 provides that the "[r]egistration of a mark on the principal register shall be constructive notice of the registrant's claim of ownership thereof."

1114 (1)(a), ²⁵ 1115 (b), ²⁶ and 1125 (a)(1)(A). ²⁷

B&B Hardware, Inc. (B&B) owned the trademark SEALTIGHT. Hargis Industries, Inc. (Hargis) owned the trademark SEALTITE. Both companies manufacture metal fasteners, albeit for use in separate and distinct industries. B&B got its trademark registered in 1993 in respect of specified hardware. Hargis applied for registration of its trademark in 1996 in respect of different hardware. B&B opposed registration on the ground that the marks were so similar as to be likely to cause confusion, even though the mark pertained to different goods. This set off a myriad series of actions inter se between the two parties, both before the United States Patent and Trademark Office (USPTO) as well as the federal courts.

In consequence of one of these various legal actions, Hargis's mark was published in the USPTO's official gazette. B&B opposed before the Trademark Trial and Appeal Board (TTAB) on the ground of likelihood of confusion. The TTAB upheld B&B's contention and held that Hargis's mark could not be registered. In doing so, the TTAB applied some of the applicable factors in a likelihood-of-confusion analysis. ²⁸ Hargis had the option of either seeking review of the TTAB's decision before the United States Court of Appeals for the Federal Circuit, or by filing a de novo registration action before the United States District Court. Hargis did neither.

A concurrent trademark infringement suit filed by B&B against Hargis had been pending before the district court when the TTAB ruled in favor of B&B. Thereupon, B&B contended in the district court that the TTAB's ruling on the likelihood-of-confusion issue precluded the relitigation of that issue before the district court. The district court rejected this argument and held that the TTAB's decision had no preclusive effect as it was an agency and not a court within the scope of Article III of the U.S. constitution. Following this, the jury found no likelihood of confusion and returned a verdict in favor of Hargis. The district court entered judgment based on the jury's verdict. B&B appealed to the United States Court of Appeals for the Eighth Circuit which affirmed the judgment of the district court and denied issue preclusion but on different grounds. The Eighth Circuit Court of Appeals tentatively recognized that an administrative agency decision could be a ground for issue preclusion, but nevertheless denied it in this case for three other reasons. Firstly, the criteria upon which the TTAB based its likelihood of confusion analysis for the purposes of registration was different from that

²⁵ The provisions of 15 U.S.C. 1114(1)(a) deal with remedies for infringement of a registered trademark.

²⁶ The provisions of 15 U.S.C. deal with the evidentiary effect of registration on the principal register and the defenses in respect thereof.

²⁷ The provisions of this section deal with remedies for infringement of an unregistered trademark.

²⁸ The factors were first set out in *In re: E.I. DuPont De Nemours & Co.*, 476 F.2d 1357, 177 USPQ 563 (C.C.P.A. 1973).

used by the Eighth Circuit for the purposes of an infringement action.²⁹ Second, the TTAB had overemphasized the appearance and the spoken sound of the products without due regard for the context of the marketplace, which was a critical element of an infringement action. And thirdly, the burden of persuasion in the registration and infringement actions were different.

B&B filed a petition for certiorari before the U.S. Supreme Court. Following a grant of certiorari, the Court reversed the judgment of the United States Court of Appeals and remanded for further proceedings.

The Supreme Court delivered its opinion on March 24, 2015. Justice Alito authored the 7-2 majority opinion of the Court, with a separate concurring opinion being filed by Justice Ginsburg. Justice Thomas filed a dissenting opinion in which Justice Scalia joined.

The Supreme Court dealt comprehensively with all the arguments against issue preclusion. Firstly, the Supreme Court supported the Eighth Circuit's reluctance to accept the district court's refusal of issue preclusion on the ground that the TTAB is not an Article III court. Relying on Supreme Court precedents and the Restatement (Second) of Judgments, the Court held that the doctrine of issue preclusion can apply even where one forum is an administrative agency and the other is a court. Also based on the Court's precedents, the constitutional right to a jury trial embodied in the Seventh Amendment and the provisions of Article III would not impede the applicability of issue preclusion.

The Court held that neither the text nor the structure of the Lanham Act forbade the applicability of issue preclusion in the context of the facts of this case. Although the Act provided for judicial review of TTAB registration decisions, it could not be construed to mean that Congress intended to deny preclusive effect to unreviewed TTAB decisions just as an unchallenged court decision would trigger issue preclusion notwithstanding the fact that it was amenable to a de novo review. A district court reviewing a TTAB decision would, of course, not be bound by the doctrine of issue estoppel. But this principle would not apply in an independent proceeding like the one in the present case. Issue estoppel would apply to decisions of courts as well as agencies. In the absence of any clear evidence that Congress intended that TTAB decisions be denied preclusive effect, the argument that denying such effect would help to streamline the registration process would be of no avail. Although many registration decisions may fall short of fulfilling the necessary conditions for issue preclusion, there cannot be a blanket rule denying preclusive effect even where the conditions are fulfilled.

The Supreme Court then turned to the grounds on which the Eighth Circuit had based its judgment. With reference to the Eighth Circuit's reasoning that it used different factors

²⁹ The Eighth Circuit used a different set of factors listed in *Squirt Co. v. Seven-Up Co.*, 628 F.2d 1086, 1091 (8th Cir. 1980), for evaluating likelihood of confusion in an infringement action.

in its likelihood-of-confusion analysis, the Court noted that although the relevant statutory provisions were different, the applicable standard for assessing likelihood of confusion was the same in respect of both registration as well as infringement. The factors used by the TTAB in its analysis in the registration action were not radically different from the factors considered by the court in the infringement action. Moreover, since federal law provides for a single standard, minor variations in the application of that standard cannot confer on a party the right to relitigate an already decided issue before a different tribunal. In the Court's opinion, there were three reasons for concluding that the likelihood-of-confusion standard for purposes of both registration and infringement was the same. For one thing, the essential wording of the applicable provisions were the same. For another, the likelihood-of-confusion statutory wording of the Lanham Act is a critical element of the trademark registration process. And finally, since the same district court can concurrently adjudicate both infringement and registration disputes, it is unlikely that two different standards would be used to assess the two questions. Hargis's contention that the wording of the registration and infringement provisions of the Lanham Act are not the same may justify a refusal to apply issue preclusion in many cases but cannot shut out the applicability of the doctrine in all conceivable cases. Although the usages under consideration before the TTAB may be different from those before the district court, it does not necessary entail the application of different standards by the two tribunals. If the usages are the same, then the issue will be the same. If the usages are materially different then the issue may be different and thereby the resultant decision will not have preclusive effect.

With reference to the overemphasis on the appearance and spoken sounds of the marks, the Supreme Court held that judicial review is the proper means for redressal of this grievance. It cannot be a ground for denying issue preclusion.

In response to Hargis's argument that the procedures followed in the TTAB are different from those followed by the district court, the Supreme Court held that that by itself would not negate issue preclusion unless the procedures followed in the former forum were patently deficient. It could not be so said of the TTAB procedures, which are substantially the same as those of the federal court.

So also, the Supreme Court concluded that the burden of persuasion in the TTAB registration proceeding was the same as the burden of proof in the infringement suit before the district court.

Finally, Hargis contended that the stakes in a registration proceeding are substantially lower than the stakes in an infringement suit, and therefore the earnestness with which parties press their claims before the two tribunals would also be different. For that reason,

too. — it was urged — TTAB decisions should not have preclusive effect in infringement suits in the district courts. The Supreme Court rejected this attempt to downplay the importance of registration, and asserted that the provisions of the Lanham Act in fact point to its highest importance.

On the basis of the foregoing reasoning, the Supreme Court reversed the Eighth Circuit judgment and remanded the case for further proceedings with the directive that the rule to be followed by the court on remand should be: “So long as the other ordinary elements of issue preclusion are met, when the usages adjudicated by the TTAB are materially the same as those before the district court, issue preclusion should apply.”³⁰

IV. Conclusion:

Whether or not the Court’s opinions in *Hana Financial, Inc. v. Hana Bank* and *B&B Hardware, Inc. v. Hargis Industries, Inc.* are precursors of further attention to trademark cases in the coming years, the two cases are significant particularly because of the paucity of such cases being decided by the Supreme Court. They served to resolve splits among the federal circuit courts in respect of the questions at issue in the two cases. Thereby the understanding and application of the doctrines of tacking and issue preclusion will be made consistent among federal courts in the various states. By holding that a jury is the appropriate decision-maker in questions relating to tacking, the Court implicitly recognized the importance of consumer understanding in matters relating to trademark law, although the opinion does not say so in terms. The primacy accorded to the jury in such matters is consistent with the Supreme Court’s recent disinclination to accord special status to intellectual property law cases. Also pointing in that direction is the Court’s insistence on applying the general standard rules for issue preclusion in respect of trademark law issues arising before the Trademark Trial and Appeal Board and the federal district courts.

³⁰ *B&B Hardware, Inc. v. Hargis Industries, Inc.*, *supra* note 3, at internal page 22.

商標法におけるタッキングと争点排除

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要約

アメリカ合衆国最高裁は 2014 年 - 2015 年期に二つの訴訟に判決を下した。その二つの訴訟とは、*Hana Financial v. Hana Bank, and B&B Hardware, Inc. v. Hargis Industries, Inc.* である。*Hana Financial v. Hana Bank* の訴訟では、タッキングの方針を扱った。タッキングの方針により、商標オーナーは以前のマークの使用の日付をその後に続く似たような、しかし新しいマークに付加することによって、ある状況下において優先権を発動させることができる。満場一致により、タッキングとは法律と事実の混ざり合った疑問であり、古い商標の使用が似ているが新しいマークに付加して使えるかどうかの判決を下すのは、裁判所というよりも審判員の機能であると最高裁は考えた。*B&B Hardware, Inc. v. Hargis Industries, Inc.* の訴訟では争点排除の方針を扱った。争点排除の方針は、条件にもよるが、一つの裁判所によって判決を下された争点を別の裁判所の前で再び議論することを禁じている。この判決での疑問は *Trademark Trial and Appeal Board* によって下された判決は似たような混乱の争点の登録を進める時に、地区の裁判所の前の侵害裁判の争点をあらかじめ排除する。7 - 2 の大多数で、最高裁は争点があらかじめ排除される必要な要素であるならば、再び争われることはできないと考えた。この論文では、この二つの判決におけるアメリカ合衆国最高裁の意見と該当する法律条項とを概観するものである。