

HONORABLE RICHARD A. JONES

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON
AT SEATTLE

MASTERS SOFTWARE, INC.,

Plaintiff,

v.

DISCOVERY COMMUNICATIONS,
INC., et al.,

Defendants.

CASE NO. C10-405RAJ

ORDER

I. INTRODUCTION

This matter comes before the court on the motion (Dkt. # 6) of Plaintiff Masters Software, Inc. (“Masters”) for a preliminary injunction, and a motion (Dkt. # 26) to seal certain documents Defendants filed in opposing Masters’ motion. No party requested oral argument. For the reasons stated below, the court GRANTS Masters’ motion for a preliminary injunction, and DENIES Defendants’ motion to seal.

Because this order “grant[s] or den[ies] an interlocutory injunction,” findings and fact and conclusions of law are required. Fed. R. Civ. P. 52(a)(2). The court’s findings and conclusions are included in this order, which serves as a memorandum of the court’s decision. Fed. R. Civ. P. 52(a)(1) (permitting findings and conclusions to be contained within “an opinion or a memorandum of decision filed by the court”); *see also FTC v. H.*

1 *N. Singer, Inc.*, 668 F.2d 1107, 1109 (9th Cir. 1982) (noting that explicit factual findings
2 are unnecessary).

3 **II. BACKGROUND**

4 Kelley Masters, once a professional cake decorator, decided in 2006 to begin her
5 own business. Building on her prior experience, she and her husband Jon Masters, co-
6 owners of Masters, developed software to assist professional cake bakers with business
7 management, including cost tracking, recipe organization, calendaring, and invoicing
8 customers. She named the software “CakeBoss,” and began selling it in 2007. Under
9 various licensing regimes, the software has sold for between \$60 and \$149. She prepared
10 her product launch in advance, registering the internet domain name www.CakeBoss.com
11 (the “CakeBoss website”) in February 2006. The website serves not only as a retail site
12 for CakeBoss software, but a forum for the distribution of other information, including
13 CakeBoss-branded cake recipes and CakeBoss-branded cake baking tutorials.

14 In advertising in baking-related periodicals, baking-related websites, and trade
15 shows, Masters uses the term “CakeBoss” in white letters with a stylized logo of a
16 faceless icon in a baker’s hat to the left of the “C”. In a few instances, it places the words
17 “Cake” and “Boss” atop each other in white letters with a larger version of the baker icon
18 to the left.

19 In March 2009, Ms. Masters discovered that The Learning Channel, a cable
20 television network owned and operated by the three corporate Defendants (collectively
21 “Discovery”) was planning to introduce a new television show called “*Cake Boss*.” *Cake*
22 *Boss* was to be a “reality” program featuring professional baker Bartolo “Buddy”
23 Valastro, who owns Carlo’s Bakery in New Jersey, and his employees, many of whom
24 are members of his family. Ms. Masters learned that *Cake Boss* was set to premiere on
25 April 19, 2009.

26 Ms. Masters traced the corporate hierarchy of The Learning Channel and called
27 the legal department of parent company Discovery Communications, Inc., beginning on

1 March 25, 2009, the same day Discovery announced *Cake Boss* to the public. After
2 Kelley Masters left voicemails, Jon Masters received a call from a Discovery
3 representative on March 27. He informed Mr. Masters that Discovery did not believe that
4 a television show named *Cake Boss* could be confused with a software product of the
5 same name. Discovery declined to change the name of the show.

6 Ms. Masters tried another tack, sending a baker-to-baker email to Mr. Valastro
7 himself on March 30, 2009. She explained that Masters was “very concerned that the
8 name of your new show is going to cause significant dilution of our brand name and
9 identity that we have worked so hard for two years to build.” She concluded with a
10 request “from one caker to another”: “I love your cakes and my wish for you is that your
11 show is a huge success. I only wish it didn’t have the same name as my product.” On
12 March 30, 2009, Mr. Valastro telephoned Ms. Masters. He expressed sympathy for the
13 situation, and stated that he would speak to the show’s producers to see if anything could
14 be done.

15 There is no evidence that Discovery tried to determine if “Cake Boss” was in use
16 in business before it chose the name in February 2009. The website at
17 www.cakeboss.com was online at that time, so even a rudimentary search would have
18 revealed Masters’ use of the term. Discovery denies that it was aware of Masters or
19 CakeBoss when it named the show, so it is unlikely that Discovery conducted even a
20 rudimentary search for existing uses of the name. Discovery either knew or easily could
21 have known about Masters when it chose the name *Cake Boss*, and certainly knew about
22 Masters from Ms. Masters’ phone calls no later than March 25, 2009, the day it
23 announced *Cake Boss* to the public.

24 Discovery plunged ahead with *Cake Boss*. The show premiered on April 19, 2009,
25 and has now completed two seasons of thirteen and seventeen half-hour episodes,
26 respectively. Including repeats, The Learning Channel has shown episodes from the first
27

1 two seasons almost 600 times. First airings of the episodes have averaged millions¹ of
2 viewers. The third season is underway. Each episode centers around one or more
3 challenging cakes that Mr. Valastro and the Carlo's Bakery staff must make for a
4 customer. The show has been a success for Discovery, both in terms of attracting
5 viewers (and thus advertising dollars) and in terms of building the goodwill of The
6 Learning Channel. That success has a price; Discovery has provided evidence that it has
7 invested millions of dollars² in developing, producing, and promoting *Cake Boss*.

8 Discovery and Mr. Valastro have their expanded their *Cake Boss* brand from a
9 television show to related merchandising. Discovery sells *Cake Boss*-branded T-shirts,
10 chef's jackets, drink mugs, and DVDs of the first two seasons of the show. Mr. Valastro
11 is the author of a forthcoming book "Cake Boss: The Stories and Recipes from Mia
12 Famiglia." In the show itself and in related products, Discovery uses a logo consisting of
13 the word "Cake" in scrolling capital letters with the word "Boss" imposed below it
14 diagonally in heavy block type.

15 The coexistence of *Cake Boss* and CakeBoss has not been entirely peaceful.
16 Masters has received dozens of email and handwritten communications evidencing
17 confusion between the two marks. The court will address those communications in detail
18 in its later analysis. For now, it suffices to remark that those communications consist of
19 everything from misdirected fan mail to requests for custom cakes to inquiries about the
20 relationship between the CakeBoss website and the show. Masters' "CakeBoss" page on
21 the Facebook social networking site has many followers who believe that CakeBoss and
22 *Cake Boss* are related. Users in online cake-related forums have attributed Masters'

23 ¹ In its motion to seal, Discovery argues that both the ratings for *Cake Boss* and the dollar
24 amount of its investment in the show are confidential, and should not be disclosed to the public.
25 Indeed, in its opposition to Masters' injunction motion, Discovery repeatedly redacts even the
26 admission that it has spent "millions of dollars" on *Cake Boss*. The court finds no need to hide
from the public that millions of people watch *Cake Boss*, a television show in which Discovery
has invested millions.

27 ² The court finds no basis for concealing from public view a rough estimate of Discovery's
investment in *Cake Boss*. See *supra* n.1.

1 CakeBoss-branded recipes from its website to Mr. Valastro and *Cake Boss*. The
2 CakeBoss website is often overwhelmed with visitors coinciding with the airing of a
3 *Cake Boss* episode, and has at times shut down in response to the excessive traffic. At a
4 February 2010 trade show, a cake supplier approached Ms. Masters and expressed his
5 belief that CakeBoss software was associated with *Cake Boss*.

6 As *Cake Boss* began to overwhelm the CakeBoss brand, Masters in late 2009
7 entered an agreement with a supplier to sell CakeBoss-branded cake decorating products.
8 The first item offered was a cake decorating kit. Less than a month after sales began, Mr.
9 Valastro contacted the supplier and stated that if it did not cease the sale of CakeBoss-
10 branded products, Discovery would take legal action. The supplier decided to stop
11 selling the kits, citing both a desire to avoid a legal battle with Discovery and the fact that
12 there had been only a few sales.

13 Masters filed this suit in March 2010, and filed its motion for a preliminary
14 injunction on April 29. Masters seeks an injunction against Defendants' use of the term
15 "Cake Boss," whether in connection with the name of the television show or in related
16 commercial activity.

17 III. ANALYSIS

18 Both parties rely on a Ninth Circuit standard for preliminary injunctive relief that
19 the Supreme Court rejected in *Winter v. Natural Resources Defense Council, Inc.*, 129
20 S.Ct. 365, 374-75 (2008). See *Stormans, Inc. v. Selecky*, 586 F.3d 1109, 1126-27 (9th
21 Cir. 2009) (noting that "[t]o the extent that our cases have suggested a lesser standard
22 [than the one established in *Winter*], they are no longer controlling, or even viable.")
23 (quoting *Am. Trucking Assns, Inc. v. City of Los Angeles*, 559 F.3d 1046, 1052 (9th Cir.
24 2009)). The *Winter* standard requires the party seeking a preliminary injunction to
25 "establish that [it] is likely to succeed on the merits, that [it] is likely to suffer irreparable
26 harm in the absence of preliminary relief, that the balance of equities tips in [its] favor,
27 and that an injunction is in the public interest." 129 S.Ct. at 374.

1 **A. Masters Is Likely to Succeed on the Merits of Its Reverse Confusion**
2 **Trademark Infringement Claim.**

3 Although Masters raises a variety of claims in its complaint, its request for an
4 injunction is based solely on its claim for trademark infringement in violation of the
5 Lanham Act. The Lanham Act prohibits the “use[] in commerce [of] any word, term,
6 name, symbol, or device, or any combination thereof, or any false designation of origin”
7 that “is likely to cause confusion, or to cause mistake, or to deceive as to the affiliation,
8 connection, or association of such person with another person, or as to the origin,
9 sponsorship, or approval of his or her goods.” 15 U.S.C. § 1125(a)(1)(A). In any
10 trademark case, likelihood of confusion is the touchstone. In the typical case, the first
11 user of a mark (the senior user), sues a later user of a confusingly similar mark (the junior
12 user), alleging that the junior user is attempting to capitalize on the confusion created by
13 the marks to take a free ride on the senior mark’s goodwill. In a “reverse confusion” case
14 like this one, the senior mark seeks to “protect its business identity from being
15 overwhelmed by a larger junior user who has saturated the market with publicity.” *Cohn*
16 *v. Petsmart, Inc.*, 281 F.3d 837, 841 (9th Cir. 2002). Here, there is no question that
17 because of widespread media exposure and Discovery’s comparatively massive
18 marketing campaign, *Cake Boss* is much better known than *CakeBoss*, even though
19 Discovery is the junior user of the mark.

20 In a reverse confusion case, a senior user of a mark cannot merely point to the
21 success of a junior user; likelihood of confusion remains the key. The question is
22 whether consumers are likely to mistakenly believe that Masters’ *CakeBoss* products are
23 “somehow affiliated with or sponsored by” *Cake Boss*. *Cohn*, 281 F.3d at 841;
24 *Dreamwerks Prod. Group, Inc. v. SKG Studio*, 142 F.3d 1127, 1130 (9th Cir. 1998) (“The
25 question . . . is whether consumers doing business with the senior user might mistakenly
26 believe they are dealing with the junior user.”).

1 In answering this question, the court takes guidance from the eight *Sleekcraft*
2 factors, first collected in *AMF, Inc. v. Sleekcraft Boats*, 599 F.2d 341, 348-49 (9th Cir.
3 1979). They are:

4 (1) strength of the mark; (2) proximity or relatedness of the goods; (3)
5 similarity of sight, sound, and meaning; (4) evidence of actual confusion;
6 (5) marketing channels; (6) type of goods and purchaser care; (7) intent;
and (8) likelihood of expansion.

7 *Dreamwerks*, 142 F.3d at 1129. The factors are intended as guideposts only, and the
8 weight to be afforded to each depends on the circumstances of the case. *See id.* (“The
9 factors should not be rigidly weighed; we do not count beans.”); *Surfvivor Media, Inc. v.*
10 *Survivor Prods.*, 406 F.3d 625, 631 (9th Cir. 2005) (“The test is a fluid one and the
11 plaintiff need not satisfy every factor, provided that strong showings are made with
12 respect to some of them.”). The court now considers each of the *Sleekcraft* factors en
13 route to determining whether Masters is likely to succeed in proving that consumers are
14 likely to be confused by Discovery’s use of “Cake Boss.”

15 **1. Strength of the Mark**

16 In a reverse confusion case, the court focuses on the strength of the junior mark,
17 although the strength of the senior mark is relevant as well. *Surfvivor*, 406 F.3d at 631
18 n.3. The inherent strength of a mark is measured along the following spectrum: arbitrary
19 and fanciful marks are the strongest, suggestive marks fall in the middle, descriptive
20 marks are presumptively weak, and generic marks are not entitled to trademark protection
21 at all. *Id.* at 631-32. A mark is arbitrary if it uses known words that have no connection
22 to the product (e.g., “Old Navy” for a clothing store). *Id.* It is fanciful if it consists of a
23 “coined” word or phrase that is not inherently evocative of the product (e.g., “iPod” for a
24 portable music player). *Id.* at 632. Suggestive marks do not describe the product, but
25 suggest its features, requiring some degree of imagination to make the suggestive leap
26 (e.g., “Greyhound” for a bus service). *Id.* Descriptive marks merely describe a feature of
27 the product without engaging the imagination (e.g. “flame broiled” for hamburgers). *Id.*

1 Generic marks do not merely describe a product, but are synonymous with an entire class
2 of products (e.g. “24-Hour News” for an around-the-clock news network).

3 “Cake Boss,” as both Discovery and Masters use the mark, is suggestive. When
4 applied to Masters’ software, it suggests the principal feature of the product, management
5 of a bakery business.³ When applied to Discovery’s television show, it suggests Mr.
6 Valastro himself, the boss of a bakery focused on cakes.

7 Were the court focused solely on Masters’ mark, Masters could perhaps not
8 overcome the presumption that a suggestive mark is weak and undeserving of protection.
9 *Brookfield Commc’ns, Inc. v. W. Coast Entm’t Corp.*, 174 F.3d 1036, 1058 (9th Cir.
10 1999); *Dreamwerks*, 142 F.3d 1130 (noting relative weakness of suggestive marks).
11 Masters is a small business, and it does not suggest that its software has become broadly
12 renown. As the court has noted, however, the focus in a reverse confusion case is on the
13 junior mark, and the court cannot disregard the massive marketing muscle Discovery
14 flexes in ensuring that *Cake Boss* leaves an imprint on the consuming public. In
15 determining the strength of a trademark, its “commercial strength” is as relevant as its
16 inherent strength. *Goto.com, Inc. v. Walt Disney Co.*, 202 F.3d 1199, 1207 (9th Cir.
17 2000). The greater the power of Discovery in the marketplace, “the more likely it is to
18 capture the minds of [Masters’] customers.” *Dreamwerks*, 142 F.3d at 1130 n.5.

19 There is no question that Discovery’s power to market *Cake Boss* overwhelms
20 Masters’ power to market *CakeBoss*. Discovery’s junior mark is promoted repeatedly on
21 national television, whereas Masters’ senior mark is promoted modestly in specialty
22 periodicals and online. It is highly likely that Discovery’s junior mark will “overwhelm
23 any public recognition and goodwill that [Masters] has developed in the mark.” *Cohn*,

24 ³ For the record, the court notes that Masters obtained a federal registration for the *CakeBoss*
25 trademark on February 9, 2010. The federal registration certificate covers bakery management
26 software, online cake baking instruction, and other online baking information. There is no
27 evidence that Discovery has registered or attempted to register any trademark in connection with
28 *Cake Boss*. Section 43 of the Lanham Act (15 U.S.C. § 1125), the provision that Masters
invokes in this motion, applies equally to registered and unregistered trademarks. *Goto.com, Inc.*
v. Walt Disney Co., 202 F.3d 1199, 1204 n.3 (9th Cir. 2000).

1 281 F.3d at 841. There is a substantial danger that Discovery’s “ability to saturate the
2 marketplace” will lead consumers to assume that CakeBoss is somehow associated with
3 *Cake Boss*. *Id.* at 842.

4 **2. Evidence of Actual Confusion**

5 The court need not simply hypothesize that the marketing resources behind *Cake*
6 *Boss* threaten to overwhelm whatever goodwill CakeBoss has built; there is evidence that
7 this has happened already. The record reveals that Masters has received dozens of
8 misdirected communications from fans of *Cake Boss*. By itself, this might simply
9 indicate that casual fans are too quick to assume that any email sent to the CakeBoss.com
10 domain will reach representatives of *Cake Boss*. A review of the misdirected emails,
11 however, shows much more: people are visiting the CakeBoss website, assuming that it is
12 connected to the television show even though the website promotes Masters’ software
13 and makes no reference to the television show, and using email addresses provided on the
14 CakeBoss website in an attempt to contact *Cake Boss*. Most of the emails are addressed
15 to Ms. Masters (Kelley@CakeBoss.com) or to her husband, (Jon@CakeBoss.com).⁴
16 Some of the emails explicitly inquire whether CakeBoss is associated with *Cake Boss*.
17 Many of them request custom cakes from Mr. Valastro, and in at least one of them, the
18 writer expresses disappointment because no one has responded to her requests. One
19 writer wrote to Mr. Masters to complain that the bakers on *Cake Boss* should be washing
20 their hands and wearing gloves and hair nets. In one email, the writer relays that she
21 baked a cake using a recipe from the CakeBoss website, but attributed the recipe to Mr.
22 Valastro and *Cake Boss*. The same mistake has been repeated in other online cake-
23 baking forums: consumers pass along CakeBoss-branded recipes or tutorials while
24 attributing them to *Cake Boss*.

25
26
27 ⁴ To be sure, some of the emails are simply misaddressed. Email sent to buddy@cakeboss.com,
for example, is unlikely to have originated from someone viewing the CakeBoss website.

1 These communications are powerful evidence that *Cake Boss* casts so long a
2 shadow in the cake baking market that some consumers cannot view the CakeBoss
3 website or its contents without believing it is associated with the show. Although the
4 website itself is connected to the show only by its name and its focus on cake baking,
5 many consumers are unable to come to any conclusion except that CakeBoss is connected
6 with *CakeBoss*.

7 Confusion between these marks is not limited to casual fans. People in the baking
8 business have assumed that CakeBoss is related to *Cake Boss*, as evidenced by Masters'
9 experiences at trade shows. Discovery and Mr. Valastro point out that they receive many
10 more communications than Masters from people who do not appear to be confused, but
11 this is to be expected. Most people are unaware of CakeBoss, including most people who
12 are fans of *Cake Boss*. Among those that are aware or have encountered both marks,
13 however, there is substantial evidence of actual confusion.

14 Discovery discounts this evidence of confusion, contending that Masters has failed
15 to prove that anyone purchasing or intending to purchase its software has been confused,
16 as opposed to confusion among non-purchasing consumers. Discovery's view of relevant
17 confusion is too narrow. While Masters' case would perhaps be even stronger if it
18 offered evidence that software purchasers perceive a link between the software and the
19 television show, the confusion it has shown is highly relevant to its ability to control its
20 brand. Visitors to its website need not purchase its software to be of commercial value to
21 Masters. People who merely view the website can pass on information about it to those
22 who might be interested in buying software. People who download or copy CakeBoss-
23 branded recipes or cake-baking tutorials from the website spread word of the brand.
24 Masters' evidence shows that many CakeBoss web site visitors assume that the brand is
25 Discovery's, not Masters'. The court finds Masters' evidence of actual confusion highly
26 probative of the very harm that a reverse confusion case is designed to remedy: loss of
27 control over the senior user's brand.

1 Putting aside the evidence of actual confusion, the court notes that confusion is to
2 be expected when one's trademark is already in use as the address of another's website.
3 In a recent opinion, a Ninth Circuit panel commented on "trademark.com" websites,
4 noting that "the case where the URL consists of nothing but a trademark followed by a
5 suffix like .com or .org is a special one indeed." *Toyota Motor Sales, U.S.A., Inc. v.*
6 *Tabari*, No. 07-55344, 2010 U.S. App. LEXIS 13930, at *9-13 (9th Cir. Jul. 8, 2010). A
7 domain name consisting "only of the trademark followed by .com . . . will typically
8 suggest sponsorship or endorsement by the trademark holder." *Id.* at *9-10 (emphasis in
9 original). *Toyota* was concerned with forward confusion, but the reasoning is just as apt
10 in a reverse confusion case like this one. The superior marketing behind the *Cake Boss*
11 trademark means that users are apt to associate CakeBoss.com with the television show.
12 Masters' evidence demonstrates as much.

13 3. Similarity of Sight, Sound, and Meaning

14 In determining whether marks are similar enough to confuse consumers, the court
15 must consider their sight, sound, and meaning as they appear in the marketplace.
16 *Goto.com*, 202 F.3d at 1206. CakeBoss and *Cake Boss* are aurally indistinguishable.
17 Visually, the marks employ distinctive fonts, color schemes, and graphics. The
18 CakeBoss trademark sometimes appears with the phrase "Software for Bakers" or
19 "Essential software for your cake business," whereas the *Cake Boss* logo sometimes
20 appears with The Learning Channel's trademark. The evidence suggests, however, that
21 the visual distinctions between the marks mean little to consumers. Neither Masters nor
22 Discovery has offered evidence that consumers have strong associations with their marks
23 as they appear visually. The number of consumers who associate the CakeBoss website
24 with *Cake Boss*, even though nothing resembling the *Cake Boss* logo appears on the site,
25 suggests that the visual dissimilarities between the marks are insufficient to dispel
26 confusion. Instead, the evidence suggests that Discovery's marketing power has led
27 consumers to associate any use of the words "cake boss" with its television show.

4. Proximity or Relatedness of the Goods

1 Masters' primary product, CakeBoss software, is not at first glance closely related
2 either to the *Cake Boss* television show or any related merchandise. Ordinarily, the court
3 would expect that software and a television show with its souvenirs could safely be sold
4 in the marketplace under similar marks without any likelihood of confusion. In this case,
5 that expectation is attenuated because an audience to which both Masters' and Discovery
6 cater, persons interested in cake baking, is a relatively small market niche. It can be
7 expected that any person who might consider purchasing CakeBoss software likely
8 knows about *Cake Boss*, and indeed the record contains online communications from
9 persons who knew about CakeBoss before *Cake Boss* premiered, and commented on
10 both. In this niche market, cake-bakery-management software and a show about the
11 adventures of Mr. Valastro and his cake bakery staff has a reasonable likelihood of being
12 associated with *Cake Boss*. Moreover, it bears noting that Masters' software is designed
13 for cake bakeries like Mr. Valastro's. It is thus not a substantial leap for a consumer
14 encountering CakeBoss software in the market place to imagine that *Cake Boss* might
15 have an interest in selling or sponsoring cake bakery management software.
16

17 The court also notes that while Masters currently sells only software, it distributes
18 other "products" in its marketing efforts. The CakeBoss website offers free cake baking
19 tutorials and recipes. Any consumer might associate those products with *Cake Boss*, and
20 indeed, the evidence shows that consumers have assumed that CakeBoss recipes and
21 tutorials originate with or are sponsored by *Cake Boss*. That Masters does not charge
22 money for these products is hardly relevant. Masters provides these items for the same
23 reason that any trademark holder provides branded freebies: it hopes to build the
24 goodwill of its brand.

25 Shifting the focus from the realities of the market in which Masters' operates,
26 Discovery points to several cases in which senior owners of trademarks have failed in
27 their efforts to establish reverse confusion arising from a junior use of the mark as a title

1 for a television show. Contrary to Discovery’s implicit contention, there is no “television
2 shows always win” rule in the Ninth Circuit, as an examination of the cases reveals.

3 In *Surfvivor*, a senior owner of a trademark for surfing gear sued junior users
4 associated with the “*Survivor*” television program. The senior user sold, among other
5 things, t-shirts, sunscreen, and lip balm under the “*Surfvivor*” mark; whereas the junior
6 user sold the same items under the “*Survivor*” mark. *Surfvivor*, 406 F.3d at 629. The
7 court found scant evidence of actual confusion, and noted that there was no indication
8 that consumers would confuse the products at issue. *Id.* at 633. The court has no
9 evidence bearing on this question, but it hazards the guess that the target audience for
10 shorts and lip balm is far larger than the target audience for cake bakery software.
11 *Survivor*’s marketing shadow may not have been broad enough to darken the entire
12 market for sunware. The court finds otherwise with respect to *Cake Boss*’s influence
13 over the narrower market at issue in this case.

14 In *Playmakers LLC v. ESPN, Inc.*, a senior user of the “*Playmakers*” mark for a
15 sports agency sued the producer of a television show called *Playmakers*. 376 F.3d 894,
16 895-96 (9th Cir. 2004). The agency had no product other than its agency services. *Id.*
17 The television show was a “behind-the-scenes view of a fictional professional football
18 team.” *Id.* at 896. In the wide world of sports, agents for athletes are easily distinguished
19 from football teams. The world of cake bakery is, as the record reflects, not so wide.
20 There is, moreover, no obvious reason to associate a sports agency with a show about an
21 imaginary football team.⁵ In this case, as the court has noted, there is a much easier-to-
22 envision association between the producers of bakery software and the producers of a
23 show about a bakery. This is especially so where both *Masters* and *Discovery* show an
24 interest in protecting related turf – sales of cake bakeware.

25
26 ⁵ In the district court ruling that the *Playmakers* court upheld, the court noted that there was no
27 evidence of actual confusion. 297 F. Supp. 2d 1277, 1283 (W.D. Wash. 2003).

1 In *Murray v. Cable Nat'l Broad. Co.*, the court found no possibility of reverse
2 confusion between a cable network called "America's Talking" and a consumer survey
3 firm using the mark "America Speaks." 86 F.3d 858, 861 (9th Cir. 1996). In addition to
4 the facial differences between the marks, the court noted that there was no evidence of
5 market saturation with respect to polling activity, no evidence that the parties shared any
6 customers or potential customers, and no evidence of actual confusion. *Id.*

7 Finally, in *Monster Cable Prods., Inc. v. Discovery Communications, Inc.*⁶,
8 Discovery itself successfully fought off a reverse confusion claim from the makers of
9 "Monster" audio and video equipment challenging Discovery's use of the title "Monster
10 Garage" for a television show about a garage where mechanics transform ordinary
11 vehicles into unique (and perhaps monstrous) vehicles. Again, the difference between
12 audio and video equipment and a television show about specially modified cars is, to say
13 the least, much starker than the difference between a television show about a cake bakery
14 and cake bakery management software. Moreover, while the *Monster* court dismissed
15 claims of confusion between Monster products and the show itself, it declined to dismiss
16 claims of confusion between Monster's CDs, clothing, and automotive products and
17 similar *Monster Garage*-branded products.

18 5. Type of Goods and Purchaser Care

19 The courts' discussion of previous factors largely subsumes a discussion of the
20 types of goods the parties sell. Software and television shows are distinct goods, but in
21 this case, consumers within the narrow market niche at issue confuse the origin of those
22 goods nonetheless. Given the notoriety of *Cake Boss*, consumers are likely to associate
23 virtually any product Masters might offer with the television show, which is a problem
24 not only because consumers attribute Masters' current goods to Discovery, because both

26 ⁶ *Monster Cable* is neither formally published nor available on the LEXIS or Westlaw databases.
27 Discovery attached the order to its opposition brief. Dkt. # 21-2. The Honorable William H.
28 Alsop of the Northern District of California issued the order in 2004.

1 Masters and Discovery have shown an intent to offer even more similar goods (cake
2 bakeware) within that market in the future.

3 Although there is little evidence as to the degree of care exhibited by purchasers of
4 Masters' software, the court would expect purchasers to be somewhat careful when
5 purchasing a specialty product costing as much as \$149. This weighs in Discovery's
6 favor. As to Masters' recipes and baking tutorials, however, the court would expect no
7 more care in the selection of those goods than in the selection of any information that is
8 available freely on the internet.

9 **6. Likelihood of Expansion**

10 Discovery has no intent to sell bakery management software; Masters has no intent
11 to produce a television show. The parties' core products have little overlap now, and it
12 appears they will have little overlap in the future.

13 Masters has, however, attempted to expand its CakeBoss product line, only to
14 meet with stiff resistance from Discovery. Defendants' conduct in squelching Masters'
15 effort to market CakeBoss-branded cake bakeware is inconsistent with their contention
16 that there is no likelihood of confusion between the marks. For CakeBoss and *CakeBoss*,
17 however, it takes only a small hop for each to land in a marketplace in which Defendants
18 apparently concede that confusion is likely. Mr. Valastro acted quickly to put an end to
19 Masters' attempt to sell cake bakeware, and although there is no evidence that Discovery
20 was directly involved in his effort, Discovery's conspicuous silence suggests that it
21 agrees with Mr. Valastro's contention that the cake bakeware market is not big enough
22 for both *Cake Boss* and CakeBoss.

23 When Masters decided to attempt to sell CakeBoss-branded bakery kits, it was
24 unquestionably attempting to cash in on the fame *Cake Boss* had created. Discovery
25 suggests that this shows that Masters acted in bad faith, or with unclean hands. The court
26 finds otherwise. Masters, faced with the prospect of having its business overwhelmed by
27 a latecomer using the name of its core product, eventually attempted to rise with the *Cake*

1 *Boss* tide rather than drown in it. This would be trademark infringement if Masters were
2 the junior user of the mark. Against the senior user of the mark, Discovery is in a poor
3 position to accuse Masters of wrongdoing.

4 Had *Cake Boss* never entered the marketplace, it is unlikely that Masters would
5 have attempted to sell CakeBoss-branded baking products. There is no suggestion that
6 such an expansion of Masters' product line would have been profitable. But as the owner
7 of a senior trademark made much more recognizable by the massive marketing campaign
8 of a deep-pocketed junior mark, it is understandable that Masters might expand its
9 product line. When it attempted to do so, Discovery's protective response serves as an
10 admission that it believes that confusion is likely.

11 **7. Marketing Channels**

12 It is unlikely that a consumer would ever encounter Masters' current products and
13 Discovery's current products in precisely the same marketing channels, particularly
14 because Masters' has limited marketing resources. Both Masters and Discovery promote
15 their products on the internet, but as Discovery points out, virtually everyone with a
16 product to sell promotes it on the internet. This is far from a case, however, in which the
17 mere presence of products on the internet is the sole evidence of overlapping marketing
18 channels. Masters' "offline" marketing efforts are confined to specialty periodicals and
19 trade shows. Discovery's marketing of *Cake Boss* permeates virtually every marketing
20 channel, even channels that Discovery has not specifically targeted. For example, a
21 reader of *CakeCentral* magazine, one of the periodicals in which Masters advertises
22 *CakeBoss*, might well assume a connection to *Cake Boss* even if Discovery never
23 advertised in the magazine. Moreover, the likelihood of market channel overlap will only
24 increase if either Masters or Discovery expand their product lines.

25 **8. Intent**

26 Discovery's disregard of Masters' *CakeBoss* brand weighs in Masters' favor.
27 Discovery attempts to paint its intent as innocent, denying that it was aware of *CakeBoss*

1 when it named *Cake Boss*. The court accepts that Discovery was unaware of CakeBoss at
2 that time, but this is a far cry from evidence of innocent intent. As noted, it would have
3 taken only a few moments on the internet for Discovery to discover that the name it was
4 considering for its new show (and a multi-million dollar investment) was in use by
5 Masters. If it did not know about CakeBoss, it should have. *See Brookfield*, 174 F.3d at
6 1059 (noting that “actual or constructive” knowledge of a prior use of a mark is evidence
7 of intent); *Walter v. Mattel, Inc.*, 210 F.3d 1108, 1111 (9th Cir. 2000) (finding that a
8 “reasonable investigation into existing uses of the name” of a product is evidence of
9 innocent intent). Moreover, Discovery undisputedly knew about Masters’ use of the term
10 before it aired the first episode of the television show, because Ms. Masters informed
11 them on the same day Discovery announced *Cake Boss* to the public. Discovery
12 nonetheless pushed ahead with its use of the title, choosing to build its new television
13 franchise on a name already in use by another player in the same market niche. If it did
14 not intend to overwhelm the brand identity of CakeBoss, it was at least recklessly
15 indifferent to the possibility.

16 **9. Summary of *Sleekcraft* Analysis**

17 In the court’s view, the most important of the *Sleekcraft* factors in this case are the
18 strength of the marks (particularly the commercial strength of Discovery’s mark), the
19 similarities between the marks, and the evidence of actual confusion. Those factors, as
20 well as the remaining *Sleekcraft* factors, convince the court that Masters is likely to
21 succeed in proving that consumers are likely to assume that Masters’ CakeBoss products
22 are associated with or sponsored by *Cake Boss*.

23 **10. Discovery’s First Amendment Defense**

24 Before turning to the remaining factors, the court considers Discovery’s
25 contention that its choice of *Cake Boss* as the title of an expressive work is entitled to
26 more protection than the typical use of a trademark. The best support for this argument
27 in the Ninth Circuit comes from *Mattel, Inc. v. MCA Records, Inc.*, 296 F.3d 894, 901-02

1 (9th Cir. 2002). There, the court found that a song entitled “Barbie Girl” did not infringe
2 on Mattel’s famous trademark for its Barbie dolls. In so doing, the court favorably cited
3 the Second Circuit’s opinion in *Rogers v. Grimaldi*, 875 F.2d 994 (2d Cir. 1989), in
4 which the court held that “in general the [Lanham] Act should be construed to apply to
5 artistic works only where the public interest in avoiding consumer confusion outweighs
6 the public interest in free expression.” *Mattel*, 296 F.3d at 901 (quoting *Rogers*, 875 F.2d
7 at 999).

8 The common thread in *Rogers*, *Mattel*, and similar cases is a well-known senior
9 user seeking to prevent harm associated with the use of its trademark in the title of an
10 expressive work authored by a junior user who intends an association with the senior
11 user. In *Rogers*, for example, Ginger Rogers challenged a movie entitled “Ginger and
12 Fred,” about two Italian cabaret performers who imitated Ms. Rogers’ well-known dance
13 collaboration with Fred Astaire. The title’s allusion to Ms. Rogers and Mr. Astaire was
14 no accident, it was an intentional use of their names to express something about the
15 content of the film. In *Mattel*, the challenged song mocked “Barbie and the values [the
16 song’s authors] claim[ed] she represent[ed].” 296 F.3d at 902. Again, the use of the term
17 “Barbie” was an intentional reference to Mattel’s trademarked product used to express
18 something about the content of the song. Where the only possible association between
19 the commercial interests protected by the Barbie trademark and the song was the use of
20 the word “Barbie” in the title, the court found no likelihood of confusion as a matter of
21 law.

22 Masters’ claim against Discovery does not implicate the First Amendment
23 interests recognized in *Mattel* and *Rogers*. Discovery did not choose the name of *Cake*
24 *Boss* as an allusion to CakeBoss. Discovery was expressing nothing more than what any
25 user of a suggestive trademark expresses when branding its product, and the Lanham
26 Act’s limitations on such “expressions” do not violate the First Amendment. *See, e.g.*,
27 *Mattel*, 296 F.3d at 900 (noting that when “limited to [their] core purpose – avoiding

1 confusion in the marketplace – a trademark owner’s property rights play well with the
2 First Amendment”). Were it otherwise, the use of a trademark in the title of an
3 expressive work would never violate the Lanham Act so long as it had some connection
4 to the work’s content. *Rogers* and *Mattel* do not express such a rule, but rather a
5 balancing of expressive interests and trademark interests. Put in the language of the
6 *Rogers* balancing test, the public interest in allowing Masters to avoid the consumer
7 confusion that *Cake Boss* has created outweighs the expressive interests (if any) inherent
8 in Discovery’s choice of title.⁷

9 **B. Irreparable Harm Is Presumed When Confusion is Likely, and the Evidence**
10 **Shows the Presumption to Be Warranted in This Case.**

11 The court may presume irreparable injury where a plaintiff shows a likelihood of
12 success on the merits of its trademark infringement claim. *Brookfield*, 174 F.3d at 1066.
13 In the court’s view, the presumption is warranted in this case. Among other things,
14 Discovery contends that there should be no presumption of irreparable harm because
15 Masters cannot prove tangible losses, and indeed, may have benefited from the publicity
16 associated with *Cake Boss*. Discovery misses the point. The harm arising from reverse
17 confusion is not likely to be tangible; it is instead the senior user’s loss of “the value of
18 [its] trademark, its product identity, corporate identity, control over its goodwill and
19 reputation, and ability to move into new markets.” *Ameritech, Inc. v. Am. Info. Techs.*
20 *Corp.*, 811 F.2d 960, 964 (6th Cir. 1987); *Atrezzi, LLC v. Maytag Corp.*, 436 F.3d 32, 39
21 (1st Cir. 2006) (quoting *Ameritech*). The evidence the court has reviewed demonstrates
22 that Masters has suffered each of these harms, and will continue to do so. In this case,
23 *Cake Boss* appears to have simply overwhelmed CakeBoss. Consumers with no evidence
24 other than the consecutive use of the words “cake” and “boss” assume that Masters’
25 website promoting cake baking software is connected to Discovery’s television show.

26 ⁷ Masters queries whether the *Rogers* balancing test applies in a case like this one, observing that
27 *Rogers* is not mentioned in the numerous Ninth Circuit cases addressing reverse confusion
28 involving the titles of television shows. The court need not decide this question.

1 Masters is likely to prove that it has lost control of its product identity, its goodwill, and
2 its ability to move into new markets.

3 That Masters may in some way benefit from the popularity of *Cake Boss* only
4 reinforces its showing of harm. Presently, it appears that most consumers have a
5 favorable view of Mr. Valastro and his television show. That could change. Imagine,
6 hypothetically, that one of Mr. Valastro's cakes made a customer ill. This would no
7 doubt receive much publicity. In that case, Masters' forced association with Masters
8 might be like a set of lead galoshes, rather than a hot-air balloon.⁸ But whether *Cake*
9 *Boss* is perceived favorably or with disdain, Masters has no way to stop users from
10 associating its CakeBoss brand with *Cake Boss*. This is irreparable harm to Masters.

11 **C. Balance of Equities**

12 Discovery misses the mark when it contends that the balance of equities favors it
13 because it would be exceedingly expensive for it to rebrand its television show, whereas
14 it would be much cheaper for Masters to rebrand its software. Discovery's comparison of
15 the parties' relative rebranding costs is probably accurate, but if that were sufficient to
16 avoid an injunction, an injunction would never be available in a reverse confusion case.
17 The harm in this case is Masters' loss of control over its trademark. That is no less a
18 harm to Masters merely because it has invested less in its trademark than Discovery has.

19 The court is also not persuaded by Discovery's contention that Masters acted
20 inequitably either by delaying this lawsuit or by attempting to sell CakeBoss-branded
21 cake decorating kits. Masters contacted Discovery about the name of *Cake Boss* on the
22 *same day* that Discovery announced its forthcoming television series to the public.
23 Masters attempted to negotiate a solution; Discovery rebuffed it. Masters did not file this
24 suit until about a year later, but that is not an unreasonable delay. While another business

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26 ⁸ One need not imagine circumstances in which negative associations with *Cake Boss* become a
27 burden for CakeBoss. As the court has noted, one email to Ms. Masters chides Mr. Valastro and
28 his associates for not wearing gloves, washing their hands, or wearing hair nets. Another chides
Masters for not responding to repeated requests for Mr. Valastro to bake the writer a cake.

1 might have sued sooner, Masters chose to see what effect *Cake Boss* would have on its
2 business before making a substantial investment in pursuing litigation against a well-
3 heeled opponent. Similarly, as the court has already noted, it does not fault Masters for
4 attempting to “cash in” on the publicity associated with *Cake Boss*. Again, other
5 businesses might have chosen a different path, but the court does not find it inequitable
6 that Masters attempted to profit from the *Cake Boss* phenomenon rather than risk a
7 substantial amount of money attempting to vindicate its trademark rights in court.

8 **D. Masters’ Injunction Request Does Not Implicate the Public Interest.**

9 A substantial portion of the public enjoys *Cake Boss*, but there is no suggestion
10 that they would enjoy it less were it entitled *Buddy the Baker* or whatever other
11 trademark Discovery might choose. Discovery’s interest, which it makes plain in its
12 motion, is to avoid the expense of rebranding its television show. That interest is
13 understandable, but it is a decidedly private interest.

14 To the extent that the public has any interest in the outcome of this case, it is in
15 permitting businesses and business owners who have invested in branding their products
16 from losing control over their brands. In that sense, the public interest favors Masters.
17 *See Brookfield*, 174 F.3d at 1066 (noting “public interest in protecting trademarks
18 generally”).

19 **IV. PRELIMINARY INJUNCTION**

20 Masters requested an injunction barring Defendants from using the term “Cake
21 Boss.” After consideration of the harm to Discovery, the timing of Masters’ motion, and
22 other equitable factors, the court imposes a less sweeping injunction.

23 The court orders that, pending trial in this matter, Defendants Discovery
24 Communications, Inc., The Learning Channel, LLC, and Bartolo Valastro shall cease
25 using the name “Cake Boss” to identify the television program currently entitled *Cake*
26 *Boss*, and in connection with the sales of merchandise related to that television program.

1 With respect to the sales of related merchandise (except for DVDs of the
2 television program), this injunction shall take effect immediately upon Masters' posting
3 of bond. Defendants are permitted, however, to sell any pre-existing inventory of such
4 products.

5 With respect to the television program itself, the injunction shall take effect after
6 Masters posts bond and after Defendants complete all scheduled first-run airings of the
7 third season of *Cake Boss*. Within one month following the final first-run airing of the
8 third season, Defendants may not use the name "Cake Boss" in connection with either
9 repeat showings of any episode of any season of the television program or with any
10 episodes in future seasons.

11 This injunction does not apply to Mr. Valastro's forthcoming book "Cake Boss:
12 The Stories and Recipes from Mia Famiglia." Masters has offered no specific discussion
13 of the need to enjoin the book. Without a specific showing to the contrary, the court
14 finds that the First Amendment concerns expressed in *Rogers* and *Mattel* mitigate against
15 enjoining Mr. Valastro's choice of title.

16 Finally, the court considers what bond Masters' must post to satisfy the
17 requirement that a party obtaining a preliminary injunction give "security in an amount
18 that the court considers proper to pay the costs and damages sustained by any party found
19 to have been wrongfully enjoined or restrained." Fed. R. Civ. P. 65(b). The court has
20 "wide discretion in setting the amount of the bond, and the bond amount may be zero if
21 there is no evidence the party will suffer damages from the injunction." *Connecticut Gen.*
22 *Life Ins. Co. v. New Images of Beverly Hills*, 321 F.3d 878, 882 (9th Cir. 2003). In
23 setting bond, the court must consider evidence of the "potential financial ramifications of
24 entering a preliminary injunction." *Walczak v. EPL Prolong, Inc.*, 198 F.3d 725, 733 (9th
25 Cir. 1999). In this case, the court has insufficient evidence to consider the financial
26 ramifications of the injunction it imposes on Discovery. Discovery requested a \$10
27 million dollar bond, but appears to have selected this number arbitrarily. It provides only

1 the vaguest evidence of the costs of complying with an injunction, and no evidence
2 whatsoever of what amount of that cost would be unrecoverable in the event the
3 injunction were found to have been wrongfully entered. The millions of dollars that
4 Discovery has already invested in *Cake Boss* is not a sunk cost. The injunction does not
5 prevent the show from airing, it merely requires it to be renamed after the conclusion of
6 the current schedule. There is no doubt a cost to renaming the program, but the court has
7 no competent evidence to assess that cost.

8 The court therefore sets bond at \$10,000. The court notes that the provisions of
9 the injunction that are effective immediately upon posting of bond should be expected to
10 have only a modest financial impact on Discovery. The greatest expense will come in
11 retitling and promoting the retitled television program, which will not occur for some
12 time. In the interim, Discovery may seek modification of this injunction should it decide
13 to offer evidence of the cost of retitling the program.

14 **V. MOTION TO SEAL**

15 The court DENIES Defendants' motion to seal (Dkt. # 26), although the clerk
16 shall leave the documents that are the subject of that motion under seal: Discovery's
17 unredacted opposition to the preliminary injunction motion (Dkt. # 27), and the
18 declaration of Edward Sabin (Dkt. # 28). Within 14 days of this order, Defendants shall
19 file a version of their opposition brief that redacts only the specific ratings numbers for
20 *Cake Boss* and the precise amount of its investment in the show. General references to
21 the show costing "millions of dollars" and the request for a ten million dollar bond shall
22 not be redacted. Mr. Sabin's declaration shall be refiled in two documents: one
23 consisting of the bulk of his current declaration, which contains no confidential
24 information at all; the other consisting of only specific ratings numbers for *Cake Boss* and
25 the precise amount of Discovery's investment in the show. The court denies the motion
26 for the reasons stated in *supra* n.1, and because it finds no reason to hide Discovery's
27 request for a \$10 million bond from public view.

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VI. CONCLUSION

For the reasons previously stated, the court GRANTS Plaintiff's motion for a preliminary injunction (Dkt. # 6) and imposes the injunction set forth above. The court DENIES Defendants' motion to seal (Dkt. # 26).

DATED this 16th day of July, 2010.


The Honorable Richard A. Jones
United States District Judge