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8 UNITED STATES DISTRICT COURT  
9 SOUTHERN DISTRICT OF CALIFORNIA

10 COLLEGESOURCE, INC., a California  
Corporation

11 Plaintiff,

12 v.

13 TRAVELERS INDEMNITY COMPANY OF  
CONNECTICUT, a Connecticut corporation

14 Defendant.

Civil No. 10cv1428 JAH (POR)

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)  
) **ORDER GRANTING DEFENDANT'S**  
) **MOTION FOR JUDGMENT ON THE**  
) **PLEADINGS AND DENYING**  
) **PLAINTIFF'S MOTION FOR**  
) **SUMMARY JUDGMENT**  
)

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17 **INTRODUCTION**  
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19 Pending before the Court is plaintiff's Motion for Summary Judgment and defendant's Motion  
20 for Judgment on the Pleadings. The motions have been fully briefed by the parties. This Court held  
21 oral argument on both motions on December 6, 2010. After a thorough review of the parties'  
22 submissions, and for the reasons set forth below, this Court **GRANTS** defendant's Motion for  
23 Judgment on the Pleadings and **DENIES** plaintiff's Motion for Summary Judgment.

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## **BACKGROUND**

### **1. Factual Background**

On December 8, 2008, Academy One ("A-1"), not a party to this action, filed a lawsuit against plaintiff, CollegeSource, Inc. ("CollegeSource"). According to the Complaint, A-1's business focus is "improving the efficiency and reducing the cost of the college transfer process for both students and educational institutions." Doc. 1 at 166. A-1 does this via two primary methods, the "National Course Atlas" which provides a catalog of current course information at educational institutions across the country" and the "Course Equivalency Management Center" "which provides an online means for comparing the academic equivalence of courses at different institutions." Id. A-1 also provides means for institutions to create and centralize transfer agreements and policies and other services related to the college transfer process. Id. On November 1, 2006, A-1 registered [www.collegetransfer.net](http://www.collegetransfer.net) as a domain name and launched a website linked to that domain name in March 2007. Id. at 167.

A-1 subsequently filed a Complaint against CollegeSource. The Complaint alleges that on October 8, 2007, CollegeSource purchased the domain name, [www.collegetransfer.com](http://www.collegetransfer.com) and set it to link directly to its homepage, [www.collegesource.com](http://www.collegesource.com). Id. at 171. A-1 states "CollegeSource's use of [www.collegetransfer.com](http://www.collegetransfer.com) is likely to cause confusion in the marketplace about the source and origin of its goods and services. The average internet user who visits [www.collegetransfer.com](http://www.collegetransfer.com) is likely to be unaware that the products it finds on that website are not supplied by AcademyOne, as they are at [www.collegetransfer.net](http://www.collegetransfer.net)." Id. at 172. Among the claims alleged by A-1 is "Trademark Infringement and False Designation." In that claim A-1 states its domain name, [www.collegetransfer.net](http://www.collegetransfer.net) "has become distinctive by acquiring a secondary meaning of association with AcademyOne's products and services."<sup>1</sup>

At the time A-1 filed its lawsuit, CollegeSource had an insurance policy with Defendant

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<sup>1</sup>The Eastern District of Pennsylvania granted CollegeSource's summary judgment in the A-1 litigation and found that A-1's domain name, [www.collegetransfer.net](http://www.collegetransfer.net), was not a trademark.

Travelers, Inc. (“Travelers”) which obligated Travelers to defend CollegeSource in certain lawsuits. After being informed of the A-1 lawsuit, Travelers told CollegeSource that its insurance policy did not cover the lawsuit filed by A-1. CollegeSource subsequently filed a Complaint in this Court on July 8, 2010 seeking a declaratory judgment that Travelers has a duty to defend CollegeSource in the action with A-1, and that Travelers breached its Contract when it refused to defend CollegeSource.

Before Travelers filed its answer, CollegeSource filed a summary judgment motion. Travelers then filed an answer and a Motion for Judgment on the Pleadings. Both parties filed oppositions and replies to the aforementioned motions.

## **2. Legal Standard**

### **A. Judgment on the Pleadings**

Under Federal Rule of Civil Procedure 12(c), a party may move for judgment on the pleadings “[a]fter the pleadings are closed but within such time as not to delay the trial.” Fed.R.Civ.P. 12(c). Judgment on the pleadings is proper only when there is no unresolved issue of fact and no question remains that the moving party is entitled to a judgment as a matter of law. Torbet v. United Airlines, Inc., 298 F.3d 1087, 1089 (9th Cir. 2002); Honey v. Distelrath, 195 F.3d 531, 532-33 (9th Cir. 1999). The standard applied on a Rule 12(c) motion is essentially the same as that applied on Rule 12(b)(6) motions. See Hal Roach Studios, Inc. v. Richard Feiner & Co., 896 F.2d 1542, 1550 (9th Cir. 1989). Thus, the allegations of the non-moving party are accepted as true, and all inferences reasonably drawn from those facts must be construed in favor of the responding party. Id. If matters outside of the pleadings are presented to and not excluded by the court, a motion for judgment on the pleadings shall be treated as one for summary judgment pursuant to Rule 56, and all parties shall be given reasonable opportunity to present all material made pertinent to such a motion by Rule 56. Id.

Judgment on the pleadings is not appropriate where the complaint alleges facts which, if proved, would permit recovery. See General Conference Corp. of Seventh-Day Adventists v. Seventh-Day Adventist Congregational Church, 887 F.2d 228, 230 (9th Cir. 1989). Conclusory allegations and

1 unwarranted inferences are insufficient to defeat a motion for judgment on the pleadings. In re Syntex  
2 Corp. Sec. Litig., 95 F.3d 922, 926 (9th Cir. 1996).

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4 **B. Summary Judgment**

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6 Summary judgment is properly granted when “there is no genuine issue as to any material fact  
7 and ... the moving party is entitled to judgment as a matter of law.” Fed. R. Civ. P. 56(c). Entry of  
8 summary judgment is appropriate “against a party who fails to make a showing sufficient to establish  
9 the existence of an element essential to that party’s case, and on which that party will bear the burden  
10 of proof at trial.” Celotex Corp. v. Catrett, 477 U.S. 317, 322 (1986). The party moving for summary  
11 judgment bears the initial burden of establishing an absence of a genuine issue of material fact.  
12 Celotex, 477 U.S. at 323. Where the party moving for summary judgment does not bear the burden  
13 of proof at trial, it may show that no genuine issue of material fact exists by demonstrating that “there  
14 is an absence of evidence to support the non-moving party’s case.” Id. at 325. The moving party is  
15 not required to produce evidence showing the absence of a genuine issue of material fact, nor is it  
16 required to offer evidence negating the moving party’s claim. Lujan v. National Wildlife Fed’n, 497  
17 U.S. 871, 885 (1990); United Steelworkers v. Phelps Dodge Corp., 865 F.2d 1539, 1542 (9<sup>th</sup> Cir.  
18 1989). Rather, “the motion may, and should, be granted so long as whatever is before the district court  
19 demonstrates that the standard for the entry of judgment, as set forth in Rule 56(c), is satisfied.”  
20 Lujan, 497 U.S. at 885 (quoting Celotex, 477 U.S. at 323).

21 Once the moving party meets the requirements of Rule 56, the burden shifts to the party  
22 resisting the motion, who “must set forth specific facts showing that there is a genuine issue for trial.”  
23 Anderson v. Liberty Lobby, Inc., 477 U.S. 242, 256 (1986). Without specific facts to support the  
24 conclusion, a bald assertion of the “ultimate fact” is insufficient. See Schneider v. TRW, Inc., 938  
25 F.2d 986, 990-91 (9<sup>th</sup> Cir. 1991).

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**DISCUSSION**

CollegeSource seeks judgment in its favor on its first claim for declaratory relief as to defendant's duty to defend while Travelers seeks judgment stating it had no duty to defend CollegeSource in the A-1 lawsuit.

**A. Insurance Policy Language**

The pertinent language of CollegeSource's insurance policy ("policy") with Travelers reads:

We will pay those sums that the insured becomes legally obligated to pay as damages because of "personal injury", "advertising injury" or "web site injury" to which this insurance applies. We will have the right and duty to defend any "suit" seeking those damages. However, we have no duty to defend the insured against any "suit" seeking damages for "personal injury", "advertising injury" or "web site injury" to which this insurance does not apply." Doc. 1 at 111.

.....

This insurance applies to ...

(2) "Advertising injury" caused by an offense committed in the course of advertising your goods, products or services; or

(3) "Web site injury" caused by an offense committed in the course of the visual or audio presentation of material on "your web site" or in the numerical expression of computer code used to enable "your web site[.]" Id.

.....

"Advertising injury" means injury arising out of one or more of the following offenses:

.....

c. Infringement of copyright, title or slogan, provided that claim is made or "suit" is

brought by a person or organization claiming ownership of such copyright, title or slogan. Doc. 1 at 114.

.....

“Web site injury” means injury, other than “personal injury” or “advertising injury” arising out of one or more of the following offenses: .....

d. Infringement of copyright, title or slogan, provided that claim is made or “suit” is brought by a person or organization claiming ownership of such copyright, title or slogan. Id. at 115.

.....

“Your web site” means all computer files and data which may be accessed via the Internet using a Universal Resource Locator that includes any domain name owned by or assigned to you. Id.

## 2. Exclusions.

This insurance does not apply to: .....

### K. Unauthorized Use of Another’s Name or Product.

“Personal injury”, “advertising injury” or “web site injury” arising out of the unauthorized use of another’s name or product in your email address, domain name or metatag, or any other similar activities that mislead another’s potential customers.” Doc. 1 at 111.

## B. Arguments

The same three issues are presented in both CollegeSource’s Motion for Summary Judgment and Travelers Motion for Judgment on the Pleadings: 1) whether the A-1 Complaint triggers the policy’s “Infringement of Title” provision; 2) whether the A-1 Complaint triggers the policy’s “Infringement of Slogan” provision; and 3) whether the policy’s Unauthorized Use Exclusion applies.

1                    **a.        Infringement of Title**

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3            Pursuant to the policy, Travelers has a duty to defend both advertising injury and website

4 injury claims arising out of an “infringement of title.” The policy does not define “title.”

5 CollegeSource argues that in cases where a policy term is undefined it is appropriate to consult the

6 dictionary to determine the term’s meaning. Doc. 4-1 at 8; See Baker v. National Interstate Ins. Co.,

7 180 Cal. App.4th 1319, 1340 (Cal. Ct. App. 2009).

8            CollegeSource contends a reasonable interpretation of the word “title” can be found in one of

9 its dictionary definitions, “**a descriptive or distinctive appellation.**” Doc. 4-1 at 8. A-1 claims

10 CollegeSource infringed its trademarked domain name, [www.collegetransfer.net](http://www.collegetransfer.net). CollegeSource

11 argues [www.collegetransfer.net](http://www.collegetransfer.net) is a “descriptive name or appellation” for A-1 and thus satisfies the

12 dictionary definition of title. Id. at 9. Even though A-1 did not specifically bring a claim for

13 “infringement of title,” CollegeSource argues the facts pled in A-1’s complaint nonetheless constitute

14 an infringement of title claim. Id. at 10. Finally, CollegeSource argues that policy terms with multiple

15 possible meanings will trigger a duty to defend “so long as a potential for coverage arises under any

16 one of them.” Doc. 17 at 3.

17            Travelers argues that trademark infringement is not specifically covered under the policy and

18 A-1’s trademark infringement claim against CollegeSource cannot be classified as an “infringement

19 of title” claim. Doc. 15 at 7. Travelers claims the full dictionary definition of title referred to by

20 CollegeSource is “a descriptive or distinctive appellation, *esp. one belonging to a person by right of*

21 *rank, office, attainment, etc.: the title of Lord Mayor.* Id. at 8. However, the lead definition of “title,”

22 and the one most commonly associated with the word, is “[t]he distinguishing name of a book, poem,

23 picture, piece of music, or the like.” Id. Travelers argues a domain name is not a “title” under either

24 definition.

25            According to Travelers, the rationale for the infringement of title provision is that individuals

26 are commonly sued for infringing the title of a literary or artistic work. However, because titles

27 cannot be copyrighted, insurance coverage for copyright infringement would not cover such lawsuits.

28 Therefore, infringement of title coverage fills that gap. Id. at 10. Travelers contends the infringement

1 of title coverage does not cover suits alleging the infringement of a trademarked “name” because  
2 “name” and “title” are not “interchangeable in the ordinary sense of the words.” Id.

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5 **b. Infringement of Slogan**

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7 Under the policy, Travelers also has a duty to defend advertising injury or website injury  
8 claims arising out of an “infringement of slogan.” CollegeSource claims “slogan” is not defined in  
9 the policy and the definition offered by California Courts is “[a] brief attention-getting phrase used  
10 in advertising or promotion.” Doc. 4-1 at 13. CollegeSource contends A-1's domain name,  
11 [www.collegetransfer.net](http://www.collegetransfer.net), meets that definition because it is a distinctive, catchy phrase that “both  
12 refers to and directs potential users to AcademyOne and its services,” or in other words a slogan. Id.  
13 at 14. In addition, CollegeSource claims collegetransfer.net is a slogan because it acquires the  
14 “attention” of prospective student transferors who might use A-1's services. Doc. 17 at 6. To further  
15 support its position, CollegeSource points out this is the theory alleged and argued by A-1 and  
16 ultimately found by the district court in that case. Id. at 6-7.

17 While Travelers agrees with the definition of slogan propounded by CollegeSource, it contends  
18 neither “collegetransfer” or [www.collegetransfer.net](http://www.collegetransfer.net) fits that definition. Travelers also claims neither  
19 “collegetransfer” nor [www.collegetransfer.net](http://www.collegetransfer.net) is a slogan within the ordinary plain meaning of the  
20 word. Doc. 15 at 17.

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23 **c. Policy Exclusions**

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25 In its letter denying coverage to CollegeSource, Travelers argued that four policy exclusions  
26 applied. However, in its Motion for Judgment on the Pleadings, Travelers only contends that the  
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1 Unauthorized Use/ Domain Name exclusion applies.<sup>2</sup>

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3 As stated above, under the Unauthorized Use exclusion the policy does not cover:

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5 “Personal injury”, “advertising injury” or “web site injury” arising out of the unauthorized use  
6 of another’s name or product in your email address, domain name or metatag, or any other  
similar activities that mislead another’s potential customers.

7 According to Travelers, the A-1 lawsuit alleges that CollegeSource, without authorization,  
8 used A-1’s domain name, collegetransfer, in its domain name and simply added a different extender,  
9 substituting “.com” for “.net.” Doc. 9-1 at 7. Travelers contends this is the precise type of conduct  
10 covered by the first part of the exclusion, “arising out of the unauthorized use of another’s name or  
11 product in your . . . domain name.” Id. However, even if A-1’s lawsuit doesn’t implicate that conduct  
12 exactly, Travelers contains it is still covered by the second part of the exclusion, “or any other similar  
13 activities that mislead another’s potential customers.” According to Travelers, using another’s domain  
14 name in your domain name, is similar to using another’s product or name in your domain name. Id.

15 With respect to the first half of the exclusion, “unauthorized use of another’s name or product  
16 in your . . . domain name,” CollegeSource contends it does not apply because neither AcademyOne’s  
17 name or product is listed in CollegeSource’s domain name, [www.collegetransfer.com](http://www.collegetransfer.com). According to  
18 CollegeSource, AcademyOne does not sell a product named college transfer or collegetransfer.com  
19 and is not named college transfer or collegetransfer.com. Doc. 16 at 22-23.

20 CollegeSource further argues that “collegetransfer” by itself is not a domain name. A-1 did  
21 not allege that CollegeSource infringed its domain name simply by using “collegetransfer,” but rather  
22 by using the domain name, “www.collegetransfer.com.” Id. at 23. Because A-1 alleged  
23 CollegeSource used a similar domain name to A-1, and did not allege that College Source used A-1’s  
24 domain name, CollegeSource argues the exclusion does not apply. Id. at 24. In the alternative,  
25 College Source claims the exclusion only applies to the unauthorized use of another’s **name** in your

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28 <sup>2</sup>CollegeSource refers to this exclusion as the “Unauthorized Use” exclusion while Travelers  
refers to this exclusion as the “Domain Name” exclusion. The Court will use the term “Unauthorized  
Use” exclusion.

1 domain name, not the unauthorized use of another's **domain name** in your domain name. Id.

2 Regarding the second part of the exclusion, CollegeSource argues that its "alleged use of a  
3 domain name that differs from AcademyOne's in its domain name extender [".net" vs ".com"] **may**  
4 **or may not** be a 'similar activity' to the actual exclusion requirement of 'use of another's name in  
5 your . . . domain name . . .'" Id. CollegeSource claims an exclusion only applies if there is no possible  
6 way from the underlying facts that it could not apply. According to CollegeSource, because the word  
7 "similar" is inherently ambiguous and Travelers did not define the word in its policy, the type of  
8 conduct covered by the exclusion is unclear. Id. As "collegetransfer" is not a "name" or "product"  
9 of A-1, its use within CollegeSource's domain name is not absolutely an activity that is "similar" to  
10 the "use of another's name or product." Id. at 25.

11 Travelers claims that the entire basis of A-1's trademark infringement claim is that it owned  
12 the **name**, "collegetransfer.net," and CollegeSource used that name as its own, simply adding a  
13 different extender. Doc. 18 at 1. According to Travelers, an ordinary person would construe A-1's  
14 trademark claim as alleging the "unauthorized use of another's name . . . in your . . . domain name."  
15 Id. Travelers argues CollegeSource is attempting to rewrite the policy so that it only applies to "use  
16 of another's **company** name . . . in your domain name" rather than "use of another's name . . . in your  
17 domain name." Doc. 18 at 2.

18 With respect to the second part of the exclusion, "or any other similar activities that mislead  
19 another's potential customers," Travelers argues that the policy term "similar" cannot be inherently  
20 ambiguous. Id. at 3. Rather, the key factor is whether the policy term is clear or unclear as applied  
21 to the actual facts of the claim. Id. According to Travelers, it is clear under the facts of this case that  
22 using another's domain name in your domain name, and just changing the extender, is similar, if not  
23 identical, to using another's "name or product name" in your domain name." Id. Travelers argues that  
24 if the Court does not find such conduct similar, it would render the "similar" provision of the  
25 exclusion meaningless. Id.

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1 **C. Standard of Law**

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3 The interpretation of an insurance contract is a question of law for courts. See Waller v. Truck  
 4 Ins. Exchange, 11 Cal.4th 1, 18 (1995). Although insurance contracts have special features, “they are  
 5 still contracts to which the ordinary rules of contractual interpretation apply.” Bank of the West v.  
 6 Superior Court, 2 Cal.4th 1254, 1264 (1992). The starting point in interpreting a contract is the  
 7 language of the contract; “if contractual language is clear and explicit, it governs.” Id. “A policy  
 8 provision will be considered ambiguous when it is capable of two or more constructions, both of  
 9 which are reasonable. But language in a contract must be interpreted as a whole, and in the  
 10 circumstances of the case, and cannot be found to be ambiguous in the abstract.” MacKinnon v. Truck  
 11 Ins. Exch., 31 Cal.4th 635, 648 (Cal. 2003). “The absence from a policy of a definition of a word or  
 12 phrase does not by itself necessarily create an ambiguity.” California Dairies Inc. v. RSUI Indemnity  
 13 Co., 617 F. Supp. 2d 1023, 1030 (E.D. Cal. 2009)(citing Bay Cities Paving & Grading, Inc. v.  
 14 Lawyers’ Mutual Ins. Co., 5 Cal. 4<sup>th</sup> 854, 867 (1993).

15 An insurer owes the insured a broad duty to defend. CNA Cas. of California v. Seaboard Sur.  
 16 Co., 176 Cal.App.3d 598, 605 (1986). Courts measure the insurer’s duty to defend by the nature and  
 17 kind of risks indemnified under the policy. Waller, 11 Cal.4th at 19. An insurer must defend the  
 18 insured if the factual allegations of the complaint and facts made known to or available to the insurer  
 19 at the inception of a lawsuit trigger a potential for coverage. Montrose Chemical Corp. v. Superior  
 20 Court, 6 Cal.4th 287, 295 (1993). Courts determine whether there is a potential for coverage by  
 21 comparing the allegations of the underlying complaint with the terms of the policy. See Horace Mann  
 22 Ins. Co. v. Barbara B., 4 Cal.4th 1076, 1081 (1993).

23 Insurance coverage is “interpreted broadly so as to afford the greatest possible protection to  
 24 the insured, [whereas] . . . exclusionary clauses are interpreted narrowly against the insurer.”  
 25 MacKinnon, 31 Cal. 4<sup>th</sup> at 648 (citing White v. Western Title Ins. Co., 40 Cal.3d 870, 881 (1985)).  
 26 An exclusionary clause “must be conspicuous, plain and clear.” MacKinnon, 31 Cal. 4<sup>th</sup> at 648 (citing  
 27 State Farm Mut. Auto. Ins. Co. v. Jacober, 10 Cal.3d 193, 201-202 (1973), “The insured has the  
 28 initial burden of bringing the claim within the basic scope of coverage; the insurer must establish the

1 absence of such coverage. Ray v. Valley Forge Ins. Co., 77 Cal.App.4th 1039, 1044 (1999)(citing  
 2 Waller, 11 Cal.4th at 16; Montrose, 6 Cal.4th at 295, 300). “To prevail, the insured must prove the  
 3 existence of a *potential for coverage*, while the insurer must establish *the absence of any such*  
 4 *potential.*” Montrose, 6 Cal.4th at 300 (emphasis in original). “The burden is on the insured to  
 5 establish that the claim is within the basic scope of coverage and on the insurer to establish that the  
 6 claim is specifically excluded.” MacKinnon, 31 Cal.4th at 648. Any doubt as to whether the insurer  
 7 has a duty to defend must be resolved in the insured’s favor. Montrose, 6 Cal.4th at 300.

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### 9 **D. Applicable Case Law**

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#### 11 **1. Infringement of Title and Slogan**

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13 On November 17, 2010, plaintiff filed a notice of a recent decision issued by the Eastern  
 14 District of New York, CGS Industries, Inc. v. The Charter Oak Fire Insurance Co., 2010 WL 4720320  
 15 (E.D.N.Y. Nov. 16, 2010). In that case, plaintiff CGS Industries (“CGSI”) claimed Charter Oak Fire  
 16 Insurance Co. (“Charter Oak”) failed to defend it in a trademark suit filed by Five Four Clothing and  
 17 Five Four Group LLC (“Five Four”). *Id.* At the time Five Four brought suit against CGSI, CGSI had  
 18 an insurance policy with Charter Oak that obligated Charter Oak to defend CGSI in lawsuits alleging  
 19 “advertising injury.” CGSI’s policy defined advertising injury as “injury, arising out of [i]nfringement  
 20 of copyright, title or slogan . . .” *Id.* at \*4. In its lawsuit, Five Four alleged CGSI “counterfeited  
 21 and/or infringed [its] trademarks by advertising, distributing, selling and/or offering for sale  
 22 unauthorized goods including without limitation apparel bearing unauthorized reproductions of [its]  
 23 trademarks.” *Id.* at \*2. Charter Oak refused to defend CGSI in the lawsuit on the ground that the suit  
 24 did not allege advertising injury. CGSI claimed its alleged infringement of FiveFour’s trademark  
 25 constitutes “infringement of title” and “infringement of slogan.” *Id.*

26 Similar to California, New York recognizes that an insurer’s duty to defend is “exceedingly  
 27 broad” and a defense is mandated whenever the allegations of the complaint “suggest . . . a reasonable  
 28 possibility for coverage.” *Id.* at \*3-4. Because the word “title” was not defined in the policy, the

1 Court consulted the 1990 edition of Black’s Law Dictionary which defines title as “[a] mark, style  
 2 or designation; a distinctive appellation; the name by which anything is known.” Id. at \*4. Based on  
 3 that definition, the Court determined that FiveFour’s Complaint against CGSI could reasonably allege  
 4 an infringement of title or slogan claim because Five Four claimed its marks were “non-functional,  
 5 inherently distinctive, and serve[] to identify Five Four as the source of the product.” Id. Five Four  
 6 also alleged its marks were “highly recognized by the public” and “have achieved a high degree of  
 7 consumer recognition.” Id. The Court stated “CGSI’s alleged misuse of these marks reasonably  
 8 constitutes ‘infringement of . . . title’ since it sought to exploit Five Four’s ‘distinctive appellation.’”  
 9 Id. To construe title to only encompass literary or artistic works, as claimed by Charter Oak, would  
 10 be “unduly restrictive” given New York’s rule of policy construction. Id. The Court found that had  
 11 Charter Oak intended “title” to have such a limited meaning it would have inserted that limited  
 12 definition in the policy. In so finding, the Court cited to a case where the policy at issue defined  
 13 “advertising injury” as “[i]nfringement of copyright, slogan, or title of **any literary or artistic work.**”  
 14 Id. (emphasis added).

15 The Court in CGSI also found that CGSI’s conduct triggered the “infringement of slogan”  
 16 provision of the policy because the Five Four marks did not just contain the words “Five Four.”  
 17 Instead, the marks “include symbols and styles that, according to the Five Four Complaint, help  
 18 ‘embody the spirit of modern culture.’” Id. at \*5. As such the symbols could reasonably constitute  
 19 “slogans.” Id. The CGSI Court did not define the word “slogan.”

20 Neither party cites any California case that is directly analogous to the instant matter. The  
 21 primary California cases cited by defendant are Palmer v. Truck Ins. Exchange, 21 Cal.4th 1109 (Cal.  
 22 1999) and Aloha Pacific, Inc. v. California Insurance Guarantee Association, 78 Cal. App.4th 740 (Cal.  
 23 Ct. App. 2000).

24 In Palmer v. Truck Ins. Exchange, Newhall, a real estate development company that owned  
 25 the registered trademark “Valencia” sued Palmer and others who developed residential projects named  
 26 Valencia Village Apartments, Valencia Vista Condominiums and Valencia Terrace Apartments  
 27 alleging, in part, infringement of the “Valencia” mark. 21 Cal.4th at 1109. Ultimately, the trial court  
 28 entered judgment against Palmer on the trademark infringement claim. Id. at 1114. Palmer

1 subsequently sought to recover the judgment award from its insurer, Truck Insurance Company  
 2 (“Truck”). Id. Truck originally agreed to pay a portion of the fees and costs on appeal but reserved  
 3 the right to contest coverage. Once Palmer reached a settlement with Newhall, Truck denied coverage  
 4 and refused to contribute to the settlement amount. Id. Unlike the policy at issue in this case, Palmer’s  
 5 policy with Truck covered “advertising liability” including “infringement of copyright or of title or  
 6 of slogan” but specifically excluded coverage for infringement of registered trade mark, service mark,  
 7 or trade name.” Id. at 1113-1114.

8 The sole issue before the California Supreme Court in Palmer was whether “policy language  
 9 relating to advertising liability actually covers a judgment based on infringement of a name like  
 10 ‘Valencia.’” Id. at 1115. In Palmer, the Court acknowledged the word “title” had multiple meanings.  
 11 However, when interpreted in the context of the policy, and specifically taking into account the  
 12 trademark exclusion, the Court determined “title” in this case could only mean the name of a literary  
 13 or artistic work. Id. at 1116. According to the Court, a finding that the terms “title” and “trademark”  
 14 are synonymous would render the trademark exclusion meaningless. Id. The Court acknowledged,  
 15 however, that some titles are trademarked, and such trademarked titles would be covered by the  
 16 policy. Id. at 1117. The Court also recognized that other courts outside California defined “title” to  
 17 include any name or property right. Id. at 1118. However, the Court found those decisions inapposite  
 18 because they involved policies that did not have an analagous trademark exclusion clause [Id. at  
 19 1119], such as the policy in the instant matter.

20 The Court in Palmer also found the underlying complaint did not trigger the infringement of  
 21 slogan provision in the policy because the jury found Palmer liable for infringement of the Valencia  
 22 **mark**. Defining slogan as “a brief attention-getting *phrase* used in advertising or promotion,” the  
 23 Court determined that although Palmer used the Valencia mark in its slogan, “Come Home to  
 24 Valencia,” “the infringing use of trademark that is merely a word in a phrase used as a slogan is not  
 25 the same as the infringing use of a slogan.” Id. at 1120.<sup>3</sup>

26 Defendant also cites to Aloha Pacific, Inc. v. California Insurance Guarantee Association, 78

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27  
 28 <sup>3</sup>This Court notes that the Palmer court’s rationale was premised, in part, on the specific findings of the jury rather than just the facts alleged in the Complaint.

1 Cal.App.4th at 740. Similar to Palmer, the insurance policy in Aloha Pacific covered infringement  
2 of title or slogan but specifically excluded coverage for injury arising out of trademarks other than  
3 titles or slogans. Based on the Palmer decision, the Aloha Pacific Court found that neither “Rusty’s  
4 Island Chips” or “Island Chips” was the name of a literary or artistic work and thus did not fall within  
5 the scope of the infringement of title provision. Because the underlying complaint did not allege  
6 infringement of any slogans, the Court found the infringement of slogan provision inapplicable as  
7 well.

8 Recognizing that neither of the California cases are directly on point, defendant also relies  
9 heavily on a Sixth Circuit case, Sholodge, Inc. v. Travelers Indemnity Co. of Illinois, 168 F.3d 256  
10 (6th Cir. 1999). In Sholodge, the underlying third party complaint alleged ShoLodge’s use of the  
11 service mark “Sumner Suites” for its hotels infringed on the third party’s service mark “Summerfield  
12 Suites.” After a jury trial, judgment was entered in favor of ShoLodge. *Id.* at 258. ShoLodge  
13 subsequently sued Travelers for its failure to defend ShoLodge in that suit under the theory that the  
14 “infringement of copyright, title or slogan” provision of ShoLodge’s insurance policy invoked a duty  
15 to defend.

16 While ShoLodge argued the infringement of title or slogan” language was ambiguous and thus  
17 must be construed in favor of the insured, Travelers argued there was no ambiguity as the coverage  
18 clearly did not include service mark infringement. *Id.* The Court in ShoLodge agreed with defendant  
19 and found that trademark infringement does not fall within the ordinary meaning of infringement of  
20 slogan. *Id.* at 259. Additionally, the Court determined that title, in its ordinary use, generally refers  
21 to the non-copyrightable title of a book, film, or other literary or artistic work. *Id.* The Court stated  
22 that definition of title made sense within the context of the policy because the “infringement of the  
23 title of an artistic work, which is generally too short to be copyrighted, is directly related to the  
24 infringement of copyright law, which protects the artistic work itself.” *Id.* at 259-60. Further, to  
25 construe infringement of title as including “infringement of ‘names’ generally within this phrase  
26 would be to improperly expand the subject matter of the clause.” *Id.* at 260. Finally the Court  
27 concluded that the absence of any express reference to trademark or service mark infringement in the  
28 insurance policy’s definition of advertising injury gave credence to its definition of title. The Court



1 stated:

2 “[i]t is unreasonable to think that the insurers would have enumerated all of the other covered  
3 offenses, such as copyright, which are listed in the definition of ‘advertising injury,’ but  
4 chosen not to list the commonly recognized offense of trademark infringement, instead  
incorporating that offense under the language, ‘infringement of copyright, title or slogan,’  
which by its ordinary meaning does not include trademark infringement.” Id.

5 The Sholodge Court cited Atlantic Mut. Ins. Co. v. Brotech Corp., 857 F. Supp. 423 ( E.D. Pa.  
6 1994), for its definition of title. In Atlantic Mut., the Court held that a suit alleging patent  
7 infringement was not covered under a policy provision for advertising injury that included  
8 infringement of title. The insured in that case argued that because a patent is property to which title  
9 may be acquired, it is covered under the infringement of title provision. The Atlantic Mut. court  
10 disagreed and cited J.A. Brundage Plumbing v. Massachusetts Bay Ins., 818 F. Supp. 553, 559  
11 (W.D.N.Y. 1993), to define title as “a distinctive name or designation used to identify a literary or  
12 artistic work and not to the legal concept of ownership of property.” The definition of title used by  
13 Atlantic Mut. was a paraphrase of the definition given in J.A. Brundage. The Court in J.A. Brundage  
14 used the following definition of title from the 1990 edition of Blacks Law Dictionary: “[a] mark, style  
15 or designation; a distinctive appellation; the name by which anything is known.” Based on this  
16 definition, the J.A. Brundage Court found that “infringement of ‘title’ can include trademark or  
17 tradename infringement.” Id. at 559.<sup>4</sup>

18 In support of its definition of title, CollegeSource cites, *inter alia*, American Economy  
19 Insurance Company v. Reboans, Inc., 900 F. Supp. 1246 (N.D. Cal. 1994). In the underlying  
20 complaint, Dunhill alleged Reboans, Inc., which owns gift shops, carried Dunhill products and  
21 displayed the trademarked Dunhill name in its store windows. Dunhill sought damages for, *inter alia*,  
22 trademark counterfeiting and trademark infringement. At the time of the lawsuit, Reboans had a  
23 policy with American Economy Insurance Company (“American Economy”) which covered  
24 advertising injury that included infringement of copyright, title or slogan. The Court initially granted  
25 summary judgment on behalf of American Economy finding it had no duty to defend Reboans in the  
26 lawsuit with Dunhill. However, after the California Court of Appeal filed its opinion in Clary Corp.

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28 <sup>4</sup>The J.A. Brundage decision was vacated at the parties’ request for settlement purposes.



1 v. Union Standard Ins. Co., 33 Cal. Rptr.2d 486 (1994), the Reboans Court reconsidered its decision  
2 and found American Economy did have a duty to defend.

3 In Clary, the California Court of Appeals interpreted the phrase “infringement of title” in a  
4 case where the underlying complaint alleged patent infringement. 33 Cal. Rptr.2d 486 (1994). While  
5 the insured argued that “title” in that context meant title to a piece of property, the Clary Court found  
6 that infringement of title refers to “claims based on the confusion of names of designations.” Id. at  
7 489. The Clary Court stated, “[c]overage for infringing on someone else’s title (that is, name) makes  
8 perfect sense in the context of advertising injury protection for infringement of copyright or slogan:  
9 advertisements themselves are likely to be the source of any claim based on one business  
10 masquerading as another.” Id. at 492.

11 Based on the Clary opinion, the Reboans Court determined it is “objectively reasonable” for  
12 Reboans to expect that the infringement of title portion of its policy would cover use of another’s  
13 name in an advertisement, regardless of whether that name is classified as a trademark.<sup>5</sup> 900 F. Supp.  
14 At 1252.

15 CollegeSource also cites other district court opinions that have construed the “infringement  
16 of title” provision to cover trademark infringement. See, e.g., American Employers’ Ins. Co. v.  
17 DeLorme Pub. Co., Inc., 39 F. Supp. 2d 64 (D. Me. 1999); Union Ins. Co. v. Knife Co., Inc., 897 F.  
18 Supp. 1213 ( W. D. Ark. 1995). However, CollegeSource does not cite to any cases where “slogan”  
19 has been defined to encompass domain names.

## 20 21 22 **2. Unauthorized Use Exclusion**

23  
24 Neither party cites to any case law interpreting the Unauthorized Use Exclusion. Travelers  
25 does, however, cite to authority supporting the proposition that a policy term cannot be inherently  
26 ambiguous. See Bank of the West v. Superior Court, 2 Cal. 4<sup>th</sup> 1254, 1265 (1992). Additionally,  
27

28  

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<sup>5</sup>The Clary opinion was subsequently ordered depublished by the California Supreme Court.

1 courts have specifically rejected the notion that the word “similar” is inherently ambiguous. See, e.g.,  
2 California Dairies Inc., 617 F. Supp. 2d at 1039; Payless Shoesource, Inc. v. Travelers Cos., 585 F.3d  
3 1366, 1374-75 (10<sup>th</sup> Cir. 2009); State Farm Fire & Cas. Co. v. Johnson, 596 So. 2d 1162 (Fla Dist.  
4 Ct. App. 1992).

5  
6 **E. Analysis**

7  
8 The parties do not dispute the facts and agree this is solely a legal issue. Thus, summary  
9 judgment or judgment on the pleadings is an appropriate way to decide this matter. See F.R.C.P. 56  
10 (“The judgment sought should be rendered if the pleadings . . . and any affidavits show that there is  
11 no genuine issue as to any material fact and that the movant is entitled to judgment as a matter of  
12 law.”); Torbet, 298 F.3d at 1089 (finding judgment on the pleadings proper only when there is no  
13 unresolved issue of fact and no question remains that the moving party is entitled to a judgment as a  
14 matter of law.).

15 To determine whether Travelers had an obligation to defend CollegeSource in its lawsuit with  
16 A-1, the Court must first determine whether the underlying allegations in the lawsuit fall within the  
17 scope of CollegeSource’s insurance coverage. See Ray v. Valley Forge Ins. Co., 77 Cal.App.4th  
18 1039, 1044 (1999)(citing Waller, 11 Cal.4th at 16; Montrose, 6 Cal.4th at 295, 300). If the Court finds  
19 the policy covered A-1’s lawsuit against CollegeSource, the Court must next determine whether any  
20 of the policy’s exclusions apply.

21 Under California law, trademark infringement claims are not covered under an insurance  
22 policy’s infringement of title provision if the policy has a trademark exclusion. See, e.g., Palmer, 21  
23 Cal.4th at 1109. However, claims alleging infringement of trademarks which are also titles are  
24 covered under an infringement of title clause. See id. In addition, various district courts have  
25 construed the infringement of title provision in an insurance policy to cover claims of trademark  
26 infringement where there is no specific trademark exclusion. See, e.g., American Employers’ Ins. Co.  
27 v. DeLorme Pub. Co., Inc., 39 F. Supp. 2d 64 (D. Me. 1999); Union Ins. Co. v. Knife Co., Inc., 897  
28 F. Supp. 1213 (W. D. Ark. 1995).

1 In this case, the policy does not contain a trademark exclusion. Thus, if the trademark  
2 allegedly infringed by CollegeSource is also a “title,” the policy’s infringement of title provision will  
3 apply.

4 A-1 contends its domain name, [www.collegetransfer.net](http://www.collegetransfer.net) has become distinctive by acquiring  
5 a secondary meaning of association with A-1s products. Doc. 1 at 176. The entire basis for A-1’s  
6 trademark infringement claim is that “www.collegetransfer.net” is the website known by A-1’s  
7 customers to specifically identify A-1’s services. Thus, A-1 essentially claims that  
8 [www.collegetransfer.net](http://www.collegetransfer.net) uniquely identifies A-1 on the internet. This falls under the Black’s Law  
9 Dictionary definition of title, “the name by which anything is known.” Black’s Law Dictionary (6<sup>th</sup>  
10 ed.). The distinguishing name of a website, such as [www.collegetransfer.net](http://www.collegetransfer.net), also meets the dictionary  
11 definition of title offered by defendant, “the distinguishing name of a book, poem, picture, piece of  
12 music, or the like.”

13 The Court also notes that CollegeSource’s general policy has language excluding claims for  
14 trademark infringement. At some point, Travelers added an Endorsement which deleted the trademark  
15 infringement exclusion. See Doc. 1 at 111. The argument that Travelers still intended all trademark  
16 infringement claims to be excluded under the Policy despite its intentional deletion of the trademark  
17 infringement exclusion from the policy is untenable. Because [www.collegetransfer.net](http://www.collegetransfer.net) meets  
18 multiple dictionary definitions of title, and the policy does not specifically exclude coverage for  
19 trademark infringement claims, the Court finds that A-1’s trademark infringement claims were within  
20 the scope of the policy’s infringement of title provisions.

21 In contrast, the infringement of slogan provision is not applicable. A-1 sued CollegeSource  
22 for infringing its domain name, [www.collegetransfer.net](http://www.collegetransfer.net). The California Supreme Court has defined  
23 “slogan” as “a brief attention grabbing phrase used in advertising or promotion” or “[a] phrase used  
24 repeatedly, as in promotion.” See Palmer, 21 Cal. 4<sup>th</sup> at 1120. Although a domain name can be  
25 considered the title/distinctive name of a website, it is not an attention grabbing phrase within the  
26 ordinary sense of the word. Moreover, while it is possible for a domain name to contain a slogan, there  
27 is no allegation in A-1’s complaint that it considered the words “college transfer” to be its slogan.  
28 Further, outside of the domain context, the words “college transfer” are not uniquely affiliated with

1 A-1 such that it would be considered its “brief attention grabbing phrase.” There is also no evidence  
2 in the record that A-1 used “college transfer” as a promotional phrase. This Court thus finds that  
3 neither “college transfer” nor “www.collegetransfer.net” is a slogan. Accordingly, A-1's Complaint  
4 did not trigger the policy’s infringement of slogan provision.

5 Although CollegeSource is covered under the policy’s infringement of title provision,  
6 Travelers will not have a duty to defend if the Unauthorized Use exclusion applies. For this exclusion  
7 to apply, the Court will have to make one of the following findings: 1) CollegeSource’s use of the  
8 words “collegetransfer” in its domain name is equivalent to the “unauthorized use of [A-1's] name  
9 or product” in CollegeSource’s domain name; or 2) CollegeSource’s use of “collegetransfer” in its  
10 domain name is an activity similar to the “unauthorized use of [A-1's] name or product in  
11 [CollegeSource’s] . . . domain name” that misleads A-1's potential customers.

12 A-1 does not allege that “college transfer” or “www.collegetransfer.net” is its “name.” Rather,  
13 A-1 claims it owns the domain name, “www.collegetransfer.net,” which has become uniquely  
14 associated with its name and services. A-1 also does not allege in its Complaint that it owns a product  
15 named “collegetransfer.”

16 As mentioned previously, exclusions are construed narrowly. See MacKinnon, 31 Cal. 4<sup>th</sup> at  
17 648 (citing White v. Western Title Ins. Co., 40 Cal.3d 870, 881 (1985)). Because CollegeSource did  
18 not specifically use A-1's name or product in its domain name, the Court finds CollegeSource’s use  
19 of the words “collegetransfer” in its domain name does not constitute the “unauthorized use of [A-1's]  
20 name or product” in its domain name.

21 However, this Court does find A-1's allegation that CollegeSource infringed on A-1's  
22 trademarked domain name, [www.collegetransfer.net](http://www.collegetransfer.net), an activity similar to the “unauthorized use of  
23 [A-1's] name or product” that misleads A-1's potential customers. Despite CollegeSource’s argument  
24 that the word “similar” is inherently ambiguous, “[l]anguage in a contract must be interpreted as a  
25 whole, and in the circumstances of the case, and cannot be found to be ambiguous in the abstract.”  
26 MacKinnon v. Truck Ins. Exch., 31 Cal.4th 635, 648 (Cal. 2003). “The absence from a policy of a  
27 definition of a word or phrase does not by itself necessarily create an ambiguity.” California Dairies  
28 Inc. v. RSUI Indemnity Co., 617 F. Supp. 2d 1023, 1030 (E.D. Cal. 2009)(citing Bay Cities Paving

1 & Grading, Inc. v. Lawyers' Mutual Ins. Co., 5 Cal. 4<sup>th</sup> 854, 867 (1993).

2 Under a plain reading of the policy, it is clear the Unauthorized Use exclusion applies to any  
3 activities that are similar to the “unauthorized use of another’s name or product . . . in your . . . domain  
4 name.” Although the policy does not define the term, “similar,” the American Heritage College  
5 Dictionary defines similar as “[r]elated in appearance or nature; alike though not identical.” Am.  
6 Heritage College Dictionary, at 1270. See Baker v. National Interstate Ins. Co., 180 Cal. App.4th  
7 1319, 1340 (Cal. Ct. App. 2009) (“Although exclusions are generally viewed through a more critical  
8 prism, the principle that words are considered in their ‘ordinary and popular’ sense is not discarded,  
9 and, thus, in interpreting a word in an insurance policy, including a word in an exclusion, a court may  
10 consult and consider definitions found in a common dictionary, provided the court does not disregard  
11 the policy’s context, and maintains an eye on the fundamental goal of deciding how a layperson  
12 policyholder might reasonably interpret the exclusion’s language.”).

13 The Court determined, supra, that A-1's domain name, [www.collegetransfer.net](http://www.collegetransfer.net), is a title, or  
14 distinctive appellation. Undoubtedly, a layperson would find the unauthorized use of A-1's **title, or**  
15 **distinctive appellation**, in CollegeSource’s domain name an activity similar to the unauthorized use  
16 of A-1's **name** in CollegeSource’s domain name. The Court agrees with Travelers that to find  
17 otherwise would render the “similar activities” clause of the Unauthorized Use exclusion meaningless.

18 The Court further finds that A-1 alleged in its Complaint that CollegeSource’s use of  
19 “collegetransfer” in its domain name, [www.collegetransfer.com](http://www.collegetransfer.com), would be misleading to A-1's  
20 customers. See Doc. 1 at 176 ¶73 (“CollegeSources’s website [www.collegetransfer.com](http://www.collegetransfer.com) is likely to  
21 cause confusion in the marketplace with AcademyOne’s previously registered  
22 [www.collegetransfer.net](http://www.collegetransfer.net).”); Id. 177 ¶79 (“CollegeSource’s purpose in registering the domain name  
23 was to draw business from AcademyOne’s website.”). Accordingly, the allegations in A-1's complaint  
24 were sufficient to trigger the Unauthorized Use Exclusion in the policy. Because the Unauthorized Use  
25 exclusion applies, Travelers did not have an obligation to defend CollegeSource in the A-1 litigation.<sup>6</sup>

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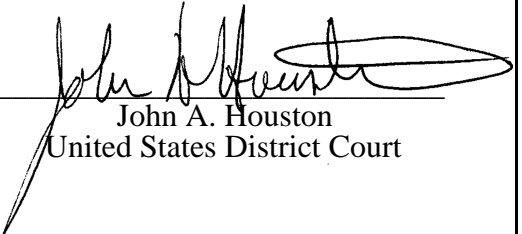
26  
27 <sup>6</sup>The Unauthorized Use Exclusion states:

28 “Personal injury”, “advertising injury” or “web site injury” arising out of the unauthorized use  
of another’s name or product in your email address, domain name or metatag, **or any other similar**

**CONCLUSION AND ORDER**

Based on the foregoing, IT IS HEREBY ORDERED that Travelers' Motion for Judgment on the Pleadings is GRANTED. CollegeSource's Motion for Summary Judgment is DENIED.

Dated: March 30, 2011

  
 John A. Houston  
 United States District Court

***activities that mislead another's potential customers."***

During oral argument, but not in its pleadings, CollegeSource argued that one possible construction of the exclusion is that "similar activities" refers to activities similar to "email address, domain name or metatag" rather than activities similar to the "unauthorized use of another's name . . . in your . . . domain name." According to CollegeSource's construction the exclusion might read in the following manner: "Personal injury", "advertising injury" or "web site injury" arising out of the unauthorized use of another's name or product in your email address, domain name or metatag, ***or [something similar to an email address, domain name or metatag that misleads another's potential customers]***. CollegeSource claims that so long as its construction is reasonable, the Unauthorized Use exclusion will not apply. After the hearing, CollegeSource filed supplemental authority to support the proposition that a statute subject to two possible interpretations is ambiguous.

"A policy provision is ambiguous *only* if it is susceptible to two or more reasonable constructions despite the plain meaning of its terms within the context of the policy as a whole." Palmer, 21 Cal.4th at 1115. This Court finds CollegeSource's construction is not reasonable. The last clause of the exclusion reads, "or any other similar ***activities*** that mislead another's potential customers." "Email address," "domain name" and "metatag" are not "activities," within the ordinary meaning of the word. The term "activities" is not defined under the policy. Accordingly, consistent with the rest of this opinion, the Court deems it appropriate to consult the dictionary. Among the dictionary definitions found by the Court are, "[a] specified pursuit or action," "[e]nergetic action or movement; liveliness", and "[a]n educational procedure intended to stimulate learning through experience." Am. Heritage College Dictionary, at 14. Even under the most liberal interpretation, the Court finds that the terms "email address", "domain name", and "metatag" do not meet the definition of "activities." Reviewing the Unauthorized Use Exclusion as a whole, it is clear that the only reasonable interpretation is that "any other similar activities" refers to activities similar to the "unauthorized use of another's name or product," the only activity listed in this exclusion. See MacKinnon v. Truck Ins. Exch., 31 Cal.4th 635, 648 (Cal. 2003).