

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON
AT SEATTLE

RUBBER STAMP MANAGEMENT,
INCORPORATED,

Plaintiff,

v.

KALMBACH PUBLISHING COMPANY,

Defendant.

CASE NO. C06-0277RSM

ORDER DENYING MOTION FOR
PRELIMINARY INJUNCTION

This matter comes before the Court on plaintiff's Motion for Preliminary Injunction, Dkt. # 4. Defendant has opposed the motion, and the matter has been fully considered. For the reason set forth below, the Court shall deny plaintiff's motion.

BACKGROUND

Plaintiff, Rubber Stamp Management, Inc. ("RSM"), filed this action against defendant Kalmbach Publishing Company ("Kalmbach"), alleging claims of trademark infringement under common law and 15 U.S.C. § 1125(a); false designation of origin, false representation, and false advertising in violation of 15 U.S.C. § 1125(a); federal trademark dilution in violation of 15 U.S.C. § 1125(c); and unfair competition and unfair business practice in violation of state law. Shortly after filing the complaint plaintiff moved for a preliminary injunction, asking the Court to enjoin defendant from using a purple arch design in association with the advertising and sale of defendant's craft-related publications. RSM contends that it is likely to succeed on the merits of its trademark infringement claim and this Court should therefore grant its preliminary injunction motion. Kalmbach counters that the motion should be denied because plaintiff does not have a protectable trademark, and confusion of the two marks is unlikely.

1 RSM has used a purple arch mark in association with its craft products since 2001. Specifically,
2 the purple arch is used in relation to instructional craft publications, art stamps, card-making supplies, and
3 scrap-booking products. Since January 2002, RSM has sold beads and related beading products on
4 RSM's website, using the purple arch mark. The purple arch appears with the registered logo, "Addicted
5 To Rubber Stamps," together with the cartoonish image of a happy woman in the center of the arch. Only
6 the purple arch in the background of these two other marks is at issue in this case.

7 Kalmbach produces magazines, books and websites covering hobby, special-interest and leisure-
8 time subjects. Customers can order publications and catalogs through Kalmbach's website. In addition to
9 craft-related magazines, Kalmbach publishes its Easy-Does-it-Series Booklets, on the subjects of card-
10 making, crocheting, decorating, embellishing, embroidery, and scrap-booking with beads. Appearing as a
11 header on the title page of each of these booklets in the series is an arch, which may be in any of several
12 different colors, including purple. The various colors for the arch and background are chosen with the
13 purpose of complementing the booklets' subjects. Kalmbach has used an arch as part of the cover design
14 since August 2002. Plaintiff has identified five "Bead and Button Products" booklets published by
15 defendant utilizing a purple arch masthead.

16 Plaintiff first became aware of defendant's use of the purple arch in December 2005. RSM notified
17 defendant of its rights in the purple arch mark and trademark infringement concerns. Soon after, in
18 January 2006, RSM filed a trademark application for the particular shade of purple used in its
19 advertisements and website. RSM believes that Kalmbach has expanded its use of the purple arch since
20 RSM notified Kalmbach of its rights in the purple arch mark. RSM brings this motion seeking to
21 preliminarily enjoin Kalmbach from using a purple arch design in its advertising and sale of craft-related
22 pamphlets.

23 DISCUSSION

24 A. Preliminary Injunction Standard

25 Under Fed. R. Civ. P. 65(a), a preliminary injunction may be granted in a trademark case when the
26 moving party demonstrates either "(1) a combination of 'probable success on the merits' and 'the
27 possibility of irreparable injury' or (2) the existence of 'serious questions going to the merits' and that 'the
28 balance of hardships tips sharply in its favor.'" *GoTo.com v. Walt Disney Co.*, 202 F.3d 1199, 1204-05

(9th Cir. 2000) (quoting *Sardi's Rest. Corp. v. Sardie*, 755 F.2d 719, 723 (9th Cir. 1985)). Irreparable injury may be presumed if plaintiff can show the likelihood of success on the merits. *Id.* at 1205 n.4. “These are not two distinct tests, but rather opposite ends of a single ‘continuum in which the required showing of harm varies inversely with the required showing of meritoriousness.’” *Rodeo Collection, Ltd. v. West Seventh*, 812 F.2d 1215, 1217 (9th Cir. 1987) (quoting *San Diego Comm. Against Registration and the Draft v. Governing Bd. Of Grossmont Union High School Dist.*, 790 F.2d 1471, 1473 n.3 (9th Cir. 1986)).

B. Probability of Success on the Merits of a Trademark Claim

Section 43 of the Lanham Act provides a cause of action against anyone who without consent uses any mark which is likely to cause confusion as to the origin, sponsorship or approval of certain goods by another person. 15 U.S.C. § 1125. A trademark is “any . . . symbol” used “to identify or distinguish his or her goods . . . from those manufactured or sold by others and to indicate the source of the goods, even if that source is unknown.” 15 U.S.C. § 1127.

Probable success on the merits in an action for trademark infringement under section 43 is established by a showing that the trademark in question is: (1) protectable and (2) likely to be confused with the infringing product by consumers. *Brookfield Communications, Inc. v. West Coast Entertainment Corp.*, 174 F.3d 1036, 1046 (9th Cir. 1999).

1. Whether Plaintiff's Trademark is Protectable

The purple arch is protectable if RSM can show that it is both nonfunctional and distinct. *See Yellow Cab Co. of Sacramento v. Yellow Cab of Elk Grove, Inc.*, 419 F.3d 925 (9th Cir. 2005) (stating trademark validity is a threshold issue and the moving party bears the burden of proof).

i. Functionality

A product feature is functional if it is “essential to the [product's] use or purpose . . . or if it affects the cost or quality of the article.” *Inwood Laboratories, Inc. v. Ives Laboratories, Inc.*, 456 U.S. 844, 851 n.10 (1982). The inquiry focuses on whether the “whole collection” of elements (here, the color purple and the arch) taken together is functional. *Fuddruckers, Inc. v. Doc's B.R. Others, Inc.*, 826 F.2d 837, 842 (9th Cir. 1987). Even separate elements that are functional and unprotectable can nevertheless be protected as part of a trademark. *Id.*

1 RSM argues that the mark is an arbitrary design because neither the color purple nor the arch
2 design bears a direct relationship to RSM's products. RSM further asserts that it chose the color and
3 design because of its uniqueness within the craft-industry and to capture the "look and feel" of the
4 company and its services. Kalmbach, in opposition, contends that the RSM mark is functional because
5 the use of various shades of purple and graphics is common in craft-industry-related websites, as well as
6 website design in general. Kalmbach further argues that RSM admitted that the color purple was chosen
7 because it appealed to its female customer base. Kalmbach argues that both companies use the purple
8 arch for ornamental reasons, rather than as a designation of source. In essence, Kalmbach argues that the
9 aesthetic appearance of the purple arch mark has become functional in the craft-industry.

10 The Ninth Circuit, however, has rejected the "aesthetic functionality" test in favor of the
11 "utilitarian" functionality approach. *First Brands Corp. v. Fred Meyer, Inc.*, 809 F.2d 1378, 1382 n.3
12 (9th Cir. 1987). Here, RSM is not seeking to protect the products themselves; products such as the crafts
13 and booklets sold by RSM are clearly functional under the utilitarian test. Rather, RSM is attempting to
14 protect the aesthetic elements and overall visual appearance of its online retail store and advertisements.
15 The purple arch at issue here does not appear to be functional and therefore, may be protectable if it is
16 also distinctive.

17 ii. Distinctiveness

18 RSM asserts that its mark is inherently distinctive because the purple arch is an arbitrary design.
19 The company claims that it went through the process to research and select its mark partly because it
20 appealed to its largely female customer base, but also because it was distinctive within the craft industry.
21 In response, Kalmbach asserts that the purple arch mark is commonly used in craft-related websites, and is
22 merely ornamental and generic.

23 Although section 43 of the Lanham Act does not explicitly require distinctiveness, courts
24 universally impose the requirement since without distinctiveness, the mark would not "cause confusion . . .
25 as to . . . origin," as required by the Act. *Wal-Mart Stores, Inc. v. Samara Bros. Inc.*, 529 U.S. 205, 205
26 (2000). Distinctiveness can either be inherent or acquired through secondary meaning. *Two Pesos, Inc. v.*
27 *Taco Cabana, Inc.*, 505 U.S. 763, 769 (1992).

28 Marks are classified as either (1) generic; (2) descriptive; (3) suggestive; (4) arbitrary; or (5)
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1 fanciful. *Id.* at 768. Marks that fall into the latter three categories are inherently distinctive and
2 automatically entitled to protection because they naturally “serve[] to identify a particular source of a
3 product . . .” *Id.* A descriptive mark, which describes or has come to describe the product, may be
4 entitled to protection if it has acquired distinctiveness by establishing “second meaning” in the
5 marketplace. *Filipino Yellow Pages, Inc. v. Asian Journal Publications, Inc.*, 198 F.3d 1143, 1147 (9th
6 Cir. 1999). Generic marks, on the other hand, may not receive protection at all because they identify the
7 product, rather than the product’s source. *Two Pesos*, 505 U.S. at 768.

8 However, a product’s color and even design are distinguishable from “fanciful,” “arbitrary,” or
9 “suggestive” words, which more likely signal to a customer that they refer to a brand. *Qualitex Co. v.*
10 *Jacobsen Prods. Co.*, 514 U.S. 159, 162-63 (1995); *Wal-mart Stores, Inc.*, 529 U.S. at 205-06. “With
11 product design, as with color, consumers are aware of the reality that, almost invariably, that feature is
12 intended not to identify the source, but to render the product itself more useful or more appealing.” *Wal-*
13 *mart Stores*, 529 U.S. at 206.

14 The RSM mark is derived of two main elements: the color purple and its arch shape. In arguing
15 against the distinctiveness of RSM’s purple arch, defendant has provided examples of various craft-related
16 websites selling rubber stamps, scrap-books, sewing and stationary products, as well as general websites,
17 or web templates all either using purple as the dominant color, or selling purple items. Defendant asserts
18 that these examples demonstrate that purple is a color commonly used by craft companies, particularly on
19 websites.

20 As to the arch shape, even though Kalmbach did not show other craft websites with a similar
21 purple *arch* mark, the arch shape element of the RSM mark is weak in distinctiveness. Common basic
22 shapes “such as circles, ovals, triangles, diamonds, stars, and other geometric designs, when used as
23 vehicles for display of word or letter marks” are not seen as designations of source without a showing of
24 secondary meaning in the design. *In re Haggard Co.*, 217 U.S.P.Q. 81, 84 (T.T.A.B 1982); *see also In re*
25 *Anton/Bauer*, 7 U.S.P.Q.2d 1380, 1381 (T.T.A.B 1988) (refusing to register parallelogram used as
26 background design for applicant’s housemark words, ANTON/BAUER; *Guess?, Inc. v. Nationwide Time,*
27 *Inc.*, 16 U.S.P.Q.2d 1804 (T.T.A.B. 1990) (finding that a triangle used as a mark is a common, basic
28 geometric shape which is inherently non-distinctive and requires proof of secondary meaning, and noting

1 that this rule should apply whether a basic shape is used alone or as a background for a word mark).

2 Overall, plaintiff's mark, if considered distinct at all, is weak in distinctiveness because of the
3 common use of purple on the Internet, and the simple geometric shape of the arch. However, "it is the
4 mark in its entirety that must be considered - not simply individual elements of that mark." *GoTo.com*,
5 202 F.3d at 1207. The use of a color with a shape in combination may create a unique overall impression
6 that goes beyond ornamentation. Plaintiff cites several cases where marks are protected when color is
7 combined with a design. These cases are factually distinguishable from RSM's mark. In *In re Swift &*
8 *Company*, 223 F.2d 950 (C.C.P.A. 1955), for example, the court found that the background of a
9 composite mark on a household cleaner can, consisting from top to bottom of horizontal bands of color, a
10 narrow red band, a wide white band, a less wide bottom white band, and less wide bottom band with a
11 polka dot pattern, was an arbitrary and distinctive design by itself. In other words, the complex
12 background mark was capable of creating a commercial impression distinct from the accompany words.
13 Here, however, the simple purple background arch does not, in a similar manner, create a distinct
14 impression separate from the smiling woman and words "Addicted to Rubber Stamps."

15 Furthermore, in *Application of Hehr Manufacturing Company*, 279 F.2d 526 (C.C.P.A. 1960), the
16 court held that a square red label used as a background for lettering was registrable as a trademark only
17 after the company went to great effort to point customers to the red square label with advertisement
18 phrases such as, "Always look for the Red Sticker," and "Look for these red stickers, they are your guide
19 to quality." Having found that the red square was not inherently distinctive, the court relied on the
20 company's other efforts to gain secondary meaning and acquire the distinctiveness required for protection.
21 Similarly, in this case the purple arch is not inherently distinctive apart from the accompany words and
22 logo, and thus is protectable only if secondary meaning is shown.

23 Secondary meaning is established when the purchasing public associates the mark with one
24 particular producer or source, rather than just the product itself. *Inwood Laboratories.*, 456 U.S. at 851
25 n.11. Factors to consider in determining secondary meaning include: (1) whether actual purchasers
26 associate RSM's mark with RSM; (2) the degree and manner of RSM's use of the mark; and (3) whether
27 RSM's use has been exclusive. *Vision Sports, Inc. v. Melville Corp.*, 888 F.2d 609, 615 (9th Cir. 1989).

28 RSM did not explicitly argue secondary meaning, asserting instead that the purple arch was

1 inherently distinctive. RSM states, however, that it chose the mark to be “distinctive within the craft
2 industry,” and that since 2001 it has exclusively used the mark as a primary identifier in all media outlets.
3 RSM further asserts that it has sent about 10 million email newsletters displaying the mark as the
4 newsletter’s dominant feature to self-subscribed mailing list members.

5 Sales, advertising and promotional activities may be relevant to the determination of whether a
6 mark has acquired secondary meaning. *First Brands*, 809 F.2d at 1383. Advertisements and promotions,
7 however, must contain image advertising containing the mark itself. *Id.* If the advertisements and
8 promotions do not contain the actual mark, there is no proof that prospective buyers would associate the
9 mark with a particular source. *Id.* RSM states that it has invested more than \$500,000 in magazine
10 advertisements prominently featuring its purple arch mark, as well as approximately \$20,000 in the design
11 and production of packaging and labeling featuring the mark. The true test of secondary meaning,
12 however, is the effectiveness of this effort to create the association between mark and product in the
13 consumer’s mind. *First Brands*, 809 F.2d at 1383. Despite the media and production investments
14 associated with the purple arch, RSM has presented no evidence whatsoever as to whether purchasers
15 actually associate the purple arch with RSM and its products. Without such evidence, RSM has at this
16 point failed to demonstrate that the purple arch mark has acquired secondary meaning to consumers. *See*,
17 *e.g.*, *Lisa Frank*, 799 F. Supp. at 992 (noting that customer fan letters and a consumer survey, even if
18 flawed, indicated that the product line was recognizable and identified by its distinctive overall visual
19 appearance, and thus likely to demonstrate secondary meaning at trial). In the absence of secondary
20 meaning, RSM has failed to demonstrate that the purple arch is sufficiently distinctive to merit protection.
21 *Filipino Yellow Pages, Inc.*, 198 F. 3d at 1147.

22 2. Likelihood of Confusion

23 Even if RSM were able to establish sufficient distinctiveness to warrant protection, it must also
24 establish that Kalmbach is using a “confusingly similar” mark in order to be entitled to a preliminary
25 injunction. *Brookfield Communications*, 174 F. 3d at 1046. The essential issue is whether the similarity
26 of the marks is likely to confuse consumers about the source of the products. *GoTo.com*, 202 F.3d at
27 1205. There is a likelihood of confusion if customers viewing the mark “would probably assume that the
28 product or service it represents is associated with the source of a different product or service identified by

1 a similar mark.” *Fuddruckers*, 826 F.2d at 845.

2 The Court is guided by factors set out in *AMF v. Sleekcraft Boats*, 599 F.2d 341, 348-49 (9th Cir.
3 1979) (*abrogated in part on other grounds by Mattel, Inc. v. Walking Mountain Prod.*, 353 F.3d 792
4 (9th Cir. 2003)). The *Sleekcraft* factors include: (1) the similarity of the marks; (2) relatedness of the
5 companies’ goods; (3) the marketing channel used; (4) the strength of RSM’s purple arch mark; (5)
6 Kalmbach’s intent in selecting its mark; (6) evidence of actual confusion; (7) the likelihood of expansion
7 into other markets; and (8) the degree of care likely to be exercised by purchasers. *Id.* at 348-54. This list
8 of factors serves to guide the Court in assessing the likelihood of confusion, and is neither exhaustive nor
9 exclusive. *Id.* at 348 n.11. It is often possible to reach a conclusion regarding the likelihood of confusion
10 after considering only a subset of the *Sleekcraft* factors. *Brookfield Communications*, 174 F.3d at 1054
11 (9th Cir. 1999).

12 The Ninth Circuit recognizes that the three particularly controlling factors in the context of the
13 internet are (1) the similarity of the marks, (2) the relatedness of the goods and services, and (3)
14 simultaneous use of the Internet as a marketing channel. *GoTo.com*, 202 F.3d at 1205.

15 i. Similarity of the Marks

16 In assessing the similarity of the marks, the court is guided by three principles. First, the Court
17 considers the marks in their entirety and as they appear in the market. *GoTo.com*, 202 F.3d 1199, 1206
18 (citing *Filipino Yellow Pages*, 198 F.3d at 1147-50). Second, the Court measures similarity in terms of
19 appearance, sound and meaning. *Id.* Finally, the Court weighs similarity more heavily than differences.
20 *Id.*

21 RSM’s purple arch is not similar to Kalmbach’s purple arch, either in appearance, or meaning.
22 RSM’s purple arch serves as contrast to the registered words, “Addicted to Rubber Stamps,” in white
23 print outlined in black, with a cartoon of a happy woman at the center of the arch. Beneath the arch is a
24 white background, with purple print logos such as: “250,000 Stamps and Accessories,” and “The World’s
25 Largest Selection.” In advertising promotions, RSM has also used the purple arch by itself, with white
26 print overlaid, to announce a coupon or sale. The happy woman and “Addicted to Rubber Stamps” words
27 appear elsewhere in the ad, not superimposed on the arch.

28 The arches on Kalmbach’s booklet covers, on the other hand, are not consistently purple; they can
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1 be any color. Kalmbach chooses the color scheme for each booklet cover based on the subject photos
2 (examples of the craft taught in the booklet) underneath the header. Either white space or a second,
3 lighter shade of the same color used in the arch fills the space below the arch and around the square
4 containing the photos. Several different shades are used for the arches that are purple, some more reddish
5 and some more blue. Regardless of the color of the arch, there is white print superimposed on either side,
6 saying “Bead” on the left and “Easy-Does-It-Series” on the right. At the center of the arch, a circle or
7 square in a third, contrasting color, such as yellow or green, bears a number indicating the booklet’s place
8 in the series. Below the arch, the title of the booklet appears in large print, and this title is the dominant
9 feature of the page. Overall, the visual impression is not at all similar to the impression conveyed by
10 RSM’s purple arch with the cartoon woman at the center. Even when the arch in Kalmbach’s booklet is
11 purple, the other features (the lighter shade of purple below it, the contrasting number-bearing circle, the
12 words “Bead” and “Easy-Does-It-Series”, the prominent title of the booklet, and the photographs in the
13 center of the page) all combine to create an image that does not look similar to RSM’s.

14 ii. Proximity of Products and Services

15 “Related goods are generally more likely than unrelated goods to confuse the public as to the
16 producers of the goods.” *Brookfield Communications*, 174 F.3d at 1054. RSM uses the purple arch “in
17 connection with online sales of craft-related goods” which include instructional publications, scrap-
18 booking, and card-making products, as well as beads and bead-related items. The purple arch mainly
19 appears on its website and on its shipping labels. RSM does not appear to produce and sell its own
20 instructional craft publications. Rather, RSM is an online retailer of crafts and craft-related goods
21 produced by many other companies. Kalmbach, on the other hand, is a publisher, producing a series of
22 craft-related publications as well as magazines geared toward diverse hobbies such as birding, astronomy,
23 and snowmobiling. The arches in purple and other colors appear only on the “East Does It” series of
24 instructional craft publications, together with advertisements for these publications.

25 While the goods of the two companies are related, in that a customer purchasing crafts from RSM
26 may be interested in purchasing instructional booklets from Kalmbach, this fact does not suggest a
27 probability of confusing consumers as to the producers or sellers of the companies’ respective products.
28 This is particularly so when RSM does not actually publish any of the instructional booklets it features on

1 its website. Therefore, this factor does not favor RSM.

2 iii. Marketing Channels

3 RSM asserts that both companies advertise in craft-oriented magazines sold in the same retail
4 stores. However, RSM does not specify whether its own advertisements involve instructional booklets, or
5 merely point customers to its online retail store. Furthermore, RSM provides no evidence that RSM's
6 advertisements with the purple arch "sit side-by-side" with magazines featuring Kalmbach's purple arch, as
7 RSM claims. The fact that both companies' customers attend the same craft shows suggests that they are
8 in the same industry. However, this does not evidence a likelihood of confusion, because Kalmbach is the
9 direct publisher of instructional booklets, while RSM is an online retailer providing a myriad of craft
10 products.

11 RSM's stronger argument may be that both companies advertise and sell their products online.
12 Courts have recognized that the use of the internet as a marketing and advertising channel may exacerbate
13 the likelihood of confusion. *GoTo.com*, 202 F.3d at 1207 (citing *Brookfield*, 174 F.3d at 1057).
14 However, that is not a major consideration here. Although there may be some overlap in the companies'
15 customer base, there is little likelihood of confusion because the names and website addresses of the two
16 companies are completely distinct from one another.

17 iv. Remaining Sleekcraft Factors

18 Factor (4), trademark strength, is determined on a continuum whereby the strongest marks are
19 those found to be "arbitrary" or "fanciful", whereas the weakest marks are "generic", and thus receive no
20 trademark protection. *Entrepreneur Media, Inc., v. Smith*, 279 F. 3d 1135, 1141 (9th Cir. 2002). These
21 labels are most meaningful as applied to names or words as marks. Thus, a fanciful mark is a coined word
22 or phrase "invented solely to function as a trademark", such as "Kodak". *Id.* At 1141 n. 2. Generic
23 marks, on the other hand, give the general name of the product, and embrace an entire class of products.
24 *Id.* With respect to color and shapes, the concept of "arbitrary" versus "generic" is more difficult to
25 apply, but as discussed above under distinctiveness, the purple arch is more generic than arbitrary.

26 As to likelihood of expansion of the product lines, RSM states that it expects continued
27 exponential growth with its product offerings. Instructional publications and beading products are two of
28 RSM's strategic growth areas. RSM asserts that it plans to increase its offerings of instructional

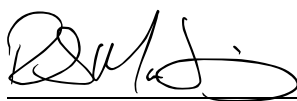
1 publications by 100% before the end of 2006. However, RSM does not state that it plans to publish
2 instructional publications themselves, nor expand to become direct competitors with Kalmbach in the area
3 of instructional publications.

4 Having considered a subset of the *Sleekcraft* factors relevant to the situation at hand, the Court
5 concludes that there is little likelihood of confusion between the two marks, RSM's and Kalmbach's.
6 *Brookfield Communications*, 174 F.3d at 1054 (9th Cir. 1999). RSM has presented no evidence of actual
7 confusion. As to likelihood of confusion, RSM has not demonstrated that customers viewing the mark
8 "would probably assume that the product or service it represents is associated with the source of a
9 different product or service identified by a similar mark." *Fuddruckers*, 826 F.2d at 845.

10 CONCLUSION

11 In summary, the Court finds that plaintiff has not shown at this point that the purple arch is
12 protectable either by showing distinctiveness or secondary meaning. The Court further finds that the
13 plaintiff has not demonstrated that the purple arches utilized by the two companies are likely to cause
14 consumer confusion. Accordingly, plaintiff's Motion for Preliminary Injunction is DENIED.

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16 DATED this 1 day of August 2006.

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19 RICARDO S. MARTINEZ
20 UNITED STATES DISTRICT JUDGE
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