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APPENDIX A – Court of Appeals opinion – 01/12/23

UNITED STATES COURT OF APPEALS
For the Eleventh Circuit

No. 19-13390

FCOA LLC,

Plaintiff-Appellant

v.

FOREMOST TITLE & ESCROW SERVICES LLC,

Defendant-Appellee.

Appeal from the United States District Court for the Southern District of Florida
D.C. Docket No. 1:17-cv-23971-KMW

Before BRANCH, GRANT, and TJOFLAT, Circuit Judges.

TJOFLAT, Circuit Judge:

In this trademark infringement case, we must decide whether the parties' FOREMOST trademarks at issue could confuse consumers into thinking that a relationship exists between the parties. Here, the District Court found at summary judgment that there was no likelihood of confusion (and thus no trademark infringement) between the FOREMOST marks of Foremost Insurance Company ("FIC"), a multi-billion dollar insurance company which for 70 years has sold many different lines of insurance, and Foremost Title and Escrow ("FT&E"), a shell company set up to sell title insurance for a law firm. After reviewing the record and with the benefit of oral argument, we disagree with the District Court's likelihood of confusion analysis and thus reverse the Court's grant of summary judgment on FIC's trademark infringement claim.[1]

I.

In 1952, FIC was founded and started using FOREMOST-branded marks to market and sell its insurance products. After FIC operated independently for several decades, Farmers Insurance Group acquired FIC in 2000. Now a subsidiary of Farmers, FIC continues to sell insurance in the United States and Florida under its FOREMOST-branded marks.[2]

In total, FIC owns 21 registered trademarks with the word "Foremost." On its website, FIC displays a FOREMOST mark in the following way:

FOREMOST®
INSURANCE GROUP

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[1] 1 FT&E also appealed the District Court's denial of attorney's fees and nontaxable costs to FT&E in a separate cross-appeal that is not before us.

[2] One of FIC's wholly owned subsidiaries, FCOA, owns legal title to FIC's FOREMOST trademarks. Although FCOA filed this lawsuit, the real party in interest is FIC and we refer to these entities collectively as FIC throughout this opinion.

FIC also uses its FOREMOST marks on its online advertisements, social media, emails, magazines, and brochures. From 2011 to 2017, FIC spent an average of $6,765,627 per year to advertise and promote its FOREMOST marks. Moreover, the American Association of Retired Persons ("AARP") endorsed FIC in 1989. Thus, FIC also advertises to AARP members using its FOREMOST marks through AARP's website, email and mailing lists, and the AARP magazine. AARP has 2.7 million Florida members; of these, FIC sent FOREMOST-branded emails or mail solicitations to over 120,000 AARP members in 2016 and 2017. Additionally, FIC's independent insurance agents often use the FOREMOST marks in their own marketing.

FIC has issued over 3 million FOREMOST-branded insurance policies nationwide, including homeowners' insurance, property insurance, fire insurance, business building insurance, landlord insurance, and mobile home insurance. In Florida alone, FIC has over 95,000 customers. FIC primarily sells its insurance policies through its over 33,000 independent agents at 77,000 locations. FIC generated over $2 billion in insurance premiums nationwide in 2017, of which $80 million came from Florida policies. However, one thing FIC does not offer is title insurance. Under Florida law, entities that issue title insurance are prohibited from selling any other type of insurance, and vice versa. Fla. Stat. § 627.786.[3]

[3] We need not reach the issue of whether FIC could have created a subsidiary to sell title insurance under a FOREMOST mark if it had so desired.

Enter FT&E. In 2015, two partners of the law firm Stok Folk + Kon, Robert Stok and Joshua Kon, set up FT&E as a Florida-based limited liability company. Stok and Kon created FT&E to do one thing: take over the real estate closings and title insurance[4] sales that Stok Folk + Kon previously performed. FT&E shares with Stok Folk + Kon both a physical address in Aventura, Florida (a suburb of Miami), and a phone number.

In preparing to open FT&E, Stok and Kon conducted a search for potential business names. As part of this process, they brainstormed the term "foremost," searched the term on the Florida Secretary of State's online business list, and found no other active title insurance businesses with "foremost" in their name. So, Stok and Kon settled on the name "Foremost Title & Escrow."

FT&E adopted the following mark, which it displays on its website:

FOREMOST
TITLE & ESCROW

FT&E derives its clients from the Stok Folk + Kon law firm and realtor referrals. Still, FT&E markets its title insurance and closing services through online

[4] Title insurance protects home purchasers and lenders from the risks associated with defects in title, such as issues not discoverable in a title search and mistakes made in a title search. Fla. Stat. § 624.608 (defining title insurance as "[i]nsurance of owners of real property or others having an interest in real property . . . against loss by encumbrance, or defective titles, or invalidity, or adverse claim to title").

advertisements, social media, a locally distributed magazine, trade shows, public events, and emails to homeowners.

FT&E received its license to operate as a title insurance agency in Florida on October 13, 2015, from the Florida Department of Financial Services ("DFS").[5] In May 2016, FT&E began conducting closings within the Tri-County area of South Florida (Miami-Dade, Broward, and Palm Beach counties) and marketing to real estate agents, bankers, mortgage brokers, and developers. FT&E had completed seven closings by October 2017 (when FIC filed this lawsuit) and at least 20 closings by November 2018 (when the parties moved for summary judgment). Obtaining title insurance is an integral part of FT&E's closing services. However, FT&E does not underwrite title insurance itself. Instead, FT&E conducts a title search as a title insurance agent for Fidelity National Title Insurance Company and Old Republic Title Insurance Company

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[5] Under Florida law, title insurance may only be sold by a "licensed and appointed title insurance agent employed by a licensed and appointed title insurance agency." Fla. Stat. § 626.8412(1)(a). A title insurance agency is different than a title insurer, who underwrites and issues a policy insuring title. The agent acts on the insurer's behalf in selling the policy and running a "reasonable title search." *Id.* §§ 627.7845, 627.796. Typically, title insurance agents must either be attorneys licensed by the state of Florida or pass a licensing exam. *Id.* §§ 626.8417(4) (noting that attorneys are exempt from the licensing and appointment requirements of title insurance agents), 626.241(7). Likewise, title insurance agencies (which employ title insurance agents) must be licensed by the state and appointed as an agent by a title insurer. *Id.* §§ 626.8418, 626.8417(6) (providing that a title insurance agency owned by lawyers and not engaged in the practice of law must still comply with licensing and appointment requirements).

based on agency agreements executed in May 2016. Fidelity National and Old Republic then decide whether to issue a policy insuring the purchaser's title to real estate at closing. FT&E earns revenue by charging a fee for closing services and collecting a portion of the insurance premium for the policies it procures.

Seven months after FT&E started conducting closings and obtaining title insurance, FIC sent FT&E a cease-and-desist letter claiming that FT&E's use of the term "foremost" infringed on FIC's FOREMOST marks. FT&E insists that this letter was the first time it learned of FIC and its numerous lines of insurance in Florida. FT&E responded to FIC's letter by disputing the allegations of trademark infringement in both a phone call and a letter to FIC.

On October 4, 2017, FIC filed a five-count complaint against FT&E. FIC alleged trademark infringement under the Lanham Act, 15 U.S.C. §§ 1114 and 1116 (Count I); false designation of origin, a form of unfair competition under the Lanham Act, 15 U.S.C. § 1125(a) (Count II); dilution under the Lanham Act, 15 U.S.C. § 1125(c) (Count III); unfair competition under Florida common law (Count IV); and antidilution under Fla. Stat. § 495.151 (Count V). Following discovery, both parties moved for summary judgment on November 2, 2018.

In August 2019, the District Court issued its order denying FIC's motion for summary judgment and granting FT&E's motion for summary judgment. *FCOA, LLC v. Foremost Title & Escrow Servs., LLC*, 416 F. Supp. 3d 1381, 1395 (S.D. Fla. 2019). Because the District Court believed that each count of FIC's complaint required a showing of likelihood of confusion between FT&E's and FIC's marks,[6] it began (and ended) its analysis there. *Id.* at 1387–88. The District Court held that the two marks did not create a likelihood of confusion by consumers that a relationship exists between the parties as a matter of law. *Id.* at 1394. Accordingly, the Court ruled that FIC had no cognizable claim and granted FT&E's motion for summary judgment. *Id.* at 1394–95. FIC then timely appealed the Court's final judgment as to Count I, its trademark infringement claim.[7]

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[6] This belief was only partially correct. The District Court correctly recognized that FIC's trademark infringement and unfair competition claims (Counts I, II, and IV) do all require a showing of likelihood of confusion. *FCOA*, 416 F. Supp. 3d at 1388 & n.4; *Fla. Int'l Univ. Bd. of Trs. v. Fla. Nat'l Univ., Inc.* ("*FIU* "), 830 F.3d 1242, 1265 (11th Cir. 2016) (citing *Suntree Techs., Inc. v. Ecosense Int'l, Inc.*, 693 F.3d 1338, 1346 (11th Cir. 2012)); *Custom Mfg. & Eng'g, Inc. v. Midway Servs., Inc.*, 508 F.3d 641, 652–53 (11th Cir. 2007) (holding that Florida unfair competition and trademark infringement use the same likelihood of confusion analysis as the federal Lanham Act test). However, dilution under federal and Florida law (Counts III and V) do not. *Moseley v. V Secret Catalogue, Inc.*, 537 U.S. 418, 429, 123 S. Ct. 1115, 1122 (2003);15 U.S.C. § 1125(c)(1); *Great S. Bank v. First S. Bank*, 625 So. 2d 463, 470 (Fla. 1993). As far as we can tell, the District Court never mentioned FIC's dilution claims in its order at all despite purporting to decide FIC's "five claims." *See FCOA*, 416 F. Supp. 3d at 1386. Since FIC only appealed its trademark infringement claim, we need not address this matter further.

[7] FIC failed to mention the unfair competition and dilution claims (Counts II through V) in its initial appellate brief beyond noting that its complaint alleged these claims in the facts section of FIC's brief. Appellant Br. at 3. By failing to provide any argument or citation that the District Court erred in deciding these claims in its initial appellate brief, FIC forfeited them. *United States v. Campbell*, 26 F.4th 860, 873 (11th Cir.

II.

On summary judgment, we review district court decisions de novo using the same standard as the district courts. *Tana v. Dantanna's*, 611 F.3d 767, 772 (11th Cir. 2010). We view all the evidence and draw all reasonable inferences in favor of the nonmoving party. *Id*. A grant of summary judgment is proper where there is "no genuine dispute as to any material fact and the movant is entitled to judgment as a matter of law." Fed. R. Civ. P. 56(a).[8]

We have recognized that district courts deciding summary judgment motions may occasionally draw inferences against the non-movant when "there are no genuine issues of material fact,"

2022) (en banc) (holding that the "failure to raise an issue in an initial brief on direct appeal" results in forfeiture).

[8] FT&E urges us to treat the proceedings below as a bench trial because the District Court implicitly (and wrongly) decided questions of fact as a matter of law. In other words, FT&E seeks to shift our standard of review from the more exacting summary judgment standard—whether any issues of material fact remain—to the more deferential standard for factual determinations in a bench trial—whether the District Court's determinations were clearly erroneous. We refuse to do so. Cross-motions for summary judgment may be treated on appeal as a bench trial only in rare "limited circumstances," considering whether (1) there was a hearing on the merits of the motions where the facts were fully developed; (2) the parties "expressly stipulated to an agreed set of facts"; and (3) the record shows that the parties "in effect submitted the case to the court for trial on an agreed statement of facts embodied in a limited written record, which would have enabled the [district] court to decide all issues and resolve all factual disputes." *FIU*, 830 F.3d at 1252–53 (alterations in original); *see also Ga. State Conf. of NAACP v. Fayette Cnty. Bd. of Comm'rs*, 775 F.3d 1336, 1345–46 (11th Cir. 2015). None of these circumstances are present here.

"no issues of witness credibility," and the district court must decide the motion based on a cold record consisting of "affidavits, depositions, and stipulations." *Useden v. Acker*, 947 F.2d 1563, 1572 (11th Cir. 1991) (quoting *Nunez v. Superior Oil Co.*, 572 F.2d 1119, 1123– 24 (5th Cir. 1978)). However, our standard of review on appeal is "unaffected by any inferential conclusions reached below" under the *Nunez* standard of review. *Id*. at 1573 & n.14.

III.

Trademark infringement under the Lanham Act occurs when a defendant, without consent, uses "in commerce any reproduction, counterfeit, copy, or colorable imitation of a registered mark" that "is likely to cause confusion" that a relationship exists between the parties. 15 U.S.C. § 1114(1).[9] For a trademark infringement claim, a plaintiff must demonstrate (1) that it owns a valid mark with priority, and (2) that the defendant's mark is likely to cause consumer confusion with the plaintiff's mark. *See Frehling Enters., Inc. v. Int'l Select Grp., Inc.*, 192 F.3d 1330, 1335 (11th Cir. 1999). The parties agree that at least some of FIC's FOREMOST marks have priority over FT&E's. So, because the District Court granted summary judgment to FT&E, the sole

[9] That relationship can take two forms. First, a consumer could be confused about the source of the marks, thinking that the goods or services associated with a second mark are produced by the original mark holder. Second, a consumer may be confused as to the existence of an affiliation, connection, or sponsorship between the parties. *Univ. of Ga. Athletic Ass'n v. Laite*, 756 F.2d 1535, 1546–47 (11th Cir. 1985) (citing *Bos. Pro. Hockey Ass'n v. Dallas Cap & Emblem Mfg., Inc.*, 510 F.2d 1004, 1012–13 (5th Cir. 1975)).

issue[10] before us is whether a reasonable jury could find that FT&E's FOREMOST mark is likely to cause confusion with FIC's marks.[11]

The likelihood of confusion analysis involves two steps. At step one, the court considers several factors which can provide circumstantial evidence of likelihood of confusion. *See Fla. Int'l Univ. Bd. of Trs. v. Fla. Nat'l Univ., Inc.* ("*FIU*"), 830 F.3d 1242, 1255 (11th Cir. 2016). Or, to put it another way, the court conducts several separate inquiries on the factors which yield "circumstantial facts" that shed light on the likelihood of confusion as a whole.[12] Of course, on a motion for summary judgment, these separate inquiries must view all the evidence and draw all reasonable inferences in favor of the non-moving

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[10] The number of FIC's marks that have priority over FT&E's mark is insignificant to our analysis because only one mark needs priority to reverse the grant of summary judgment.

[11] FT&E also provided our panel with its application to register its mark, FOREMOST TITLE & ESCROW, with the Patent and Trademark Office ("PTO"), and with the record of the PTO's subsequent actions. However, the PTO's ex parte decision is not entitled to even persuasive weight in the likelihood of confusion analysis, so it is irrelevant to our decision. *PlayNation Play Sys., Inc. v. Velex Corp.*, 924 F.3d 1159, 1169 (11th Cir. 2019).

[12] This Court has usually discussed the likelihood of confusion test in terms of evaluating factors, not as separate inquiries yielding "circumstantial facts." *See, e.g.*, *FIU*, 830 F.3d at 1255; *Tana*, 611 F.3d at 774–75; *Frehling*, 192 F.3d at 1335. In this opinion, we discuss the multifactor likelihood of confusion test in these terms to reinforce the idea that each of these factors is analytically a separate factual inquiry relevant to, but ultimately independent of, likelihood of confusion. Therefore, our use of the terms separate inquiries and "circumstantial facts" throughout this opinion is meant as a stylistic choice only and does not substantively change our caselaw.

party. This Court has recognized seven factors as relevant:

> (1) the strength of the allegedly infringed mark; (2) the similarity of the infringed and infringing marks; (3) the similarity of the goods and services the marks represent; (4) the similarity of the parties' trade channels and customers; (5) the similarity of advertising media used by the parties; (6) the intent of the alleged infringer to misappropriate the proprietor's good will; and (7) the existence and extent of actual confusion in the consuming public.

Id. Additionally, this Court has also analyzed consumer sophistication as a separate factor or circumstantial fact relevant to determining likelihood of confusion, *see id.* at 1256, and we analyze it as such *infra* Part III.A.viii.

At step two, the court weighs each of the relevant circumstantial facts—independently and then together—to determine whether the ultimate fact, likelihood of confusion, can reasonably be inferred. *See Frehling*, 192 F.3d at 1335. This inference is also a factual inquiry. *Id*. In drawing the ultimate inference about likelihood of confusion, the two most important circumstantial facts are respectively actual confusion and the strength of the mark. *FIU*, 830 F.3d at 1255.

This two-step analysis is the same whether the court is deciding likelihood of confusion at a bench trial or entertaining a motion for summary judgment. *See Frehling*, 192 F.3d at 1335; *Tana*, 611 F.3d at 774–82. On summary judgment, the court conducts the step one separate inquiries with all the relevant evidence and reasonable inferences cast in the light most favorable to the non-movant. *See J-B Weld Co., LLC v. Gorilla Glue Co.*, 978 F.3d 778, 789 (11th Cir. 2020). At step two, the court weighs the relative importance of the circumstantial facts and determines whether these facts, taken in the light most favorable to the non-movant, would permit a reasonable fact finder to infer likelihood of confusion. *Id*. Courts may grant summary judgment on likelihood of confusion even if some circumstantial facts favor the non-movant because the two-step analysis "presupposes that [the] various [circumstantial facts may] point in opposing directions." *Tana*, 611 F.3d at 775 n.7.

Before it decided the parties' motions for summary judgment in this case, the District Court conducted the step one inquiries and found the following circumstantial facts as a matter of law: (1) FIC's marks were "relatively weak;" (2) FIC's marks were not sufficiently similar to FT&E's mark; (3) both FIC and FT&E's marks represented similar goods or services; (4) both FIC and FT&E "advertise their services using online advertising, websites and social media;" (5) FT&E did not intend to cause consumer confusion by infringing on FIC's marks; (6) no evidence existed of actual consumer confusion about FIC and FT&E's marks; and (7) FT&E's client base was "sophisticated and unlikely to be confused." *FCOA*, 416 F. Supp. 3d at 1388–95. For factor four, similarity of trade channels and customers, the Court found evidence that favored both parties and, instead of viewing the evidence in FIC's favor, concluded the factor was "neutral." *Id*. at 1392. In fact, throughout its opinion the Court consistently drew inferences against FIC by misapplying the *Nunez* standard, a matter we discuss more *infra* Part IV. *Id.* at 1387 (citing *Nunez*, 572 F.2d at 1123–24). At step two, the District Court mechanically added up these findings and held, without any further analysis, that FT&E's mark did not create a likelihood of confusion with FIC's marks as a matter of law. *Id.* at 1394–95.

On appeal, FIC argues that the District Court incorrectly conducted the inquiries as to the first, second, fourth, and fifth circumstantial facts. FIC also argues that the District Court improperly weighed the circumstantial facts at step two. Accordingly, we proceed to review the Court's determinations de novo.

A.

i. Strength of FIC's Marks

In trademark law, the strength of a mark is the second most important circumstantial fact and determines the scope of the mark's protection. *Frehling*, 192 F.3d at 1335. Strength or "distinctiveness" describes a mark's ability to allow consumers to identify the source of a good or service. *Id.*; *John H. Harland Co. v. Clarke Checks, Inc.*, 711 F.2d 966, 973–74 (11th Cir. 1983). So, strength or distinctiveness is just another way of talking about consumer recognition. When Joe Consumer goes to his local grocer and buys Coca-Cola branded products, he can rest assured that he has bought something with Coca-Cola's quality standards. As a result, the stronger Coca-Cola's mark, the easier it is for consumers to recognize the product and its source, and thus the more likely it is that consumers will associate a similar mark with the same source as Coca-Cola-branded products. 4 J. Thomas McCarthy, *McCarthy on Trademarks and Unfair Competition* ("McCarthy") § 24:49, Westlaw (5th ed. database updated Dec. 2022). The stronger the mark, then, the greater the likelihood of confusion and the greater the protection given to the mark. *Welding Servs., Inc. v. Forman*, 509 F.3d 1351, 1361 (11th Cir. 2007).

We have described two steps in assessing the strength of a mark: conceptual strength and commercial strength.

The first step in assessing strength is to determine the "conceptual strength" of the mark. *FIU*, 830 F.3d at 1258; 2 McCarthy § 11:80. Conceptual strength describes the potential of a mark to aid consumer recognition, which we evaluate through an abstract linguistic analysis. Courts determine this potential by placing a mark on the sliding scale of trademark strength, from weakest to strongest: (1) generic, (2) descriptive, (3) suggestive, and (4) fanciful or arbitrary. *Frehling*, 192 F.3d at 1335; *Two Pesos, Inc. v. Taco Cabana, Inc.*, 505 U.S. 763, 768, 112 S. Ct. 2753, 2757 (1992). As we have previously explained,

> [Generic marks] refer to a class of which an individual service is a member (e.g., "liquor store" used in connection with the sale of liquor). Descriptive marks describe a characteristic or quality of an article or service (e.g., "vision center"

> denoting a place where glasses are sold). "Suggestive terms suggest characteristics of the goods and services and require an effort of the imagination by the consumer in order to be understood as descriptive." For instance, "penguin" would be suggestive of refrigerators. An arbitrary mark is a word or phrase that bears no relationship to the product (e.g., "Sun Bank" is arbitrary when applied to banking services).

Frehling, 192 F.3d at 1335 (citations omitted). Arbitrary, fanciful, and suggestive marks are generally strong. *Freedom Sav. & Loan Ass'n v. Way*, 757 F.2d 1176, 1182 & n.5 (11th Cir. 1985). Generic and descriptive marks are so weak that they are not valid trademarks. 15 U.S.C. §§ 1115(b)(4), 1065(4). However, if a descriptive mark, like FOREMOST, acquires "secondary meaning," then the descriptive mark is strong enough to be valid under the Lanham Act. *Royal Palm Props., LLC v. Pink Palm Props., LLC*, 950 F.3d 776, 782–83 (11th Cir. 2020). Descriptive marks could (in the abstract) refer to many entities. So, a mark has secondary meaning when consumers view the mark as synonymous with the mark holder's goods or services. For example, American Airlines could theoretically refer to any airline based in North or South America. *See id.* at 783. But with the mark holder's time and effort, American Airlines now calls to mind a specific airline through its secondary meaning. *See id.* Incontestable descriptive marks, like the FOREMOST marks, are statutorily presumed to be valid and thus must have some degree of secondary meaning. *Dieter v. B & H Indus. of Sw. Fla., Inc.*, 880 F.2d 322, 328 (11th Cir.

1989). Otherwise, they would not be valid marks at all. *Id.*

Incontestable descriptive marks are also presumed, in our circuit, to be "relatively strong mark[s]." *Id.* at 329; *see also Sovereign Mil. Hospitaller Ord. of Saint John of Jerusalem of Rhodes & of Malta v. Fla. Priory of the Knights Hospitallers of the Sovereign Ord. of Saint John of Jerusalem, Knights of Malta, the Ecumenical Ord.* ("*Sovereign Mil.*"), 809 F.3d 1171, 1183 (11th Cir. 2015).[13] This Dieter presumption can be rebutted by looking to the second step: commercial strength. *FIU*, 830 F.3d at 1256–60.

Commercial strength refers to the real-world consumer recognition of a mark, most often created by the efforts and work of the mark holder. *See id.* at 1258 ("It is surely true that focusing solely on conceptual strength is an 'incomplete' method of analysis. . . ."); *John H. Harland Co.*, 711 F.2d at 974

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[13] Marks that are registered start off as contestable. Marks become incontestable once they have been registered on the Principal Register with the PTO for at least five years, among other statutory formalities. *Frehling*, 192 F.3d at 1336; 15 U.S.C. § 1065 (listing the requirements for incontestability).

FT&E argues that this Court is "an outlier" insofar as we recognize a connection between incontestable status and mark strength. We have openly admitted as much. *Sovereign Mil.*, 809 F.3d at 1183 (indicating that *Dieter* is arguably incorrect because whether a mark is registered says nothing about consumer perceptions). Although *Dieter* may rest on faulty ground, a decision being wrong does not mean that it lacks legal force. *See id.* at 1184. In our circuit, prior precedent (even if erroneous) continues to bind us until overturned en banc or by an opinion of the Supreme Court. *Id.* We are still bound to follow *Dieter*.

n.13. We have held that "[d]etermining the strength of any mark requires weighing either or both circumstantial evidence of advertising and promotion and direct evidence of consumer recognition, such as by a survey." FIU, 830 F.3d at 1259 (quoting 2 J. Thomas McCarthy, *McCarthy on Trademarks and Unfair Competition* § 11:83 (4th ed. 2016)). Commonly used evidence of commercial strength includes third party use; advertising and promotion; sales and number and types of customers; recognition by trade, media, and customers; and survey of likely customers. 2 McCarthy § 11:81.

As relevant here, the *Dieter* presumption can be rebutted by a strong showing of third-party use of the mark that significantly impacts consumer recognition of the original mark. See *FIU*, 830 F.3d at 1257; *Univ. of Ga. Athletic Ass'n v. Laite*, 756 F.2d 1535, 1545 n.27 (11th Cir. 1985) (stating that third-party use matters in determining "whether the unauthorized third-party uses significantly diminish the public's perception that the mark identifies items connected with the owner of the mark"). In assessing the third-party use, we consider: (1) the frequency of third-party use, (2) the full names that the third-party uses, and (3) "the kind of business in which the user[s] [are] engaged." *FIU*, 830 F.3d at 1257. Though the number of third-party uses is important, "there is no hard-and-fast rule establishing a single number that suffices to weaken a mark." *Savannah Coll. of Art & Design, Inc. v. Sportswear, Inc.*, 983 F.3d 1273, 1283 (11th Cir. 2020) (quoting *FIU*, 830 F.3d at 1257). Moreover, third-party uses in the same market diminish a mark's strength more than uses in other markets.[14] *See Amstar Corp. v. Domino's Pizza, Inc.*, 615 F.2d 252, 259–60 (5th Cir. 1980); *Sun Banks of Fla., Inc. v. Sun Fed. Sav. & Loan Ass'n*, 651 F.2d 311, 316 (5th Cir. July 1981).[15] And, because the consuming public is unlikely to be aware of mere federal registrations of third-party marks, such evidence is not probative of the diminished distinctiveness of the original mark.[16]

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[14] We have not been entirely clear about whether third-party uses in other markets diminishes a mark's strength. At times we have appeared to say they don't. *See PlayNation*, 924 F.3d at 1166 ("[S]imilar marks used by third parties in unrelated businesses or markets do not diminish the strength of a mark in a particular market."); *Safeway Stores, Inc. v. Safeway Disc. Drugs, Inc.*, 675
F.2d 1160, 1165 (11th Cir. 1982). At other times we have said they do. *See Amstar Corp. v. Domino's Pizza, Inc.*, 615 F.2d 252, 259–60 (5th Cir. 1980) ("We do not believe that such extensive third-party use and registration of 'Domino' can be so readily dismissed. The impact of such evidence is not dispelled merely because 'Domino' cigarettes and matches are not leading brands, or because some uses of the mark 'Domino' by third parties have not been related to food products."); *Sun Banks of Fla., Inc. v. Sun Fed. Sav. & Loan Ass'n*, 651 F.2d 311, 316 (5th Cir. July 1981). The best way to synthesize the caselaw is to say that other-market uses can diminish a mark's strength, but not always to a significant extent—certainly not always to the point of making a mark weak.

[15] *Bonner v. City of Prichard*, 661 F.2d 1206, 1207 (11th Cir. 1981) (en banc) (all Fifth Circuit decisions handed down before October 1, 1981, are binding precedent in the Eleventh Circuit).

[16] To be fair, we have been unclear on this point as well. We have stated that "mere registrations" of similar marks will not weaken a mark. *Turner v. HMH Publ'g Co.*, 380 F.2d 224, 228 & n.2 (5th Cir. 1967). At other times, however, we've seemingly relied on mark registrations and business lists as a proxy for distinctiveness without demanding any evidence that they have affected public perception in any way. *See AmBrit, Inc. v. Kraft, Inc.*, 812 F.2d 1531, 1539 (11th Cir. 1986); *Am. Heritage Life Ins. Co. v. Heritage Life Ins. Co.*, 494 F.2d 3, 13 (5th Cir. 1974),

Turner v. HMH Publ'g Co., 380 F.2d 224, 228 & n.2 (5th Cir. 1967).

Here, "Foremost" is a descriptive mark, a self-laudatory term meaning the best. *Platinum Home Mortg. Corp. v. Platinum Fin. Grp., Inc.*, 149 F.3d 722, 728 (7th Cir. 1998) (describing self-laudatory marks as descriptive). Because it is incontestable, this mark is presumed to be a relatively strong mark. *Dieter*, 880 F.2d at 329. The District Court held that the existence of 62 registered trademarks and 541 registered business names in various states using the term "foremost" provided evidence of third-party use sufficient to rebut the *Dieter* presumption. *FCOA*, 416 F. Supp. 3d at 1390 (citing *El Chico, Inc. v. El Chico Cafe*, 214 F.2d 721, 725 (5th Cir. 1954) and *AmBrit, Inc. v. Kraft, Inc.*, 812 F.2d 1531, 1539 (11th Cir. 1986)). The Court did so without analyzing the industries or names of the marks or businesses presented. *Id.* On appeal, FIC first argues that the District Court erred by relying solely on trademark registrations and business lists to rebut the Dieter

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abrogated by B & B Hardware, Inc. v. Hargis Indus., Inc., 575 U.S. 138, 135 S. Ct. 1293 (2015).

However, our oldest case in this arena directly addressing this question, *Turner*, controls. The District Court below used an even older case as support for the proposition that registrations are evidence of third-party use. *See El Chico, Inc. v. El Chico Cafe*, 214 F.2d 721, 725 (5th Cir. 1954). In *El Chico*, the Former Fifth Circuit considered trademark registrations alongside other evidence of third-party use to determine that a mark was weak. *Id.* Still, *El Chico* did not directly address this issue, and so it did not foreclose the holding in *Turner*. Thus, *Turner* controls. *See Scott v. United States*, 890 F.3d 1239, 1257 (11th Cir. 2018) ("The prior-panel-precedent rule requires subsequent panels of the court to follow the precedent of the first panel to address the relevant issue . . . .").

presumption. FIC argues in addition that the District Court erred when it failed to analyze the additional "commercial strength" evidence FIC proffered of its marketing and promotional efforts.

Conducting the analysis *de novo*, we conclude that the *Dieter* presumption remains unrebutted. As explained above, the mere fact that a mark has been registered or that a business is named in a registry is not evidence of third-party use. *Turner*, 380 F.2d at 228. FT&E simply provided a list of businesses printed from Secretary of States' webpages and trademark registrations. In response, FIC has shown that none of the "active" entities on the business lists (other than FIC) contain the word "insurance" in their name, the business lists do not show which industries the companies operate in, and no registered trademarks with the term "Foremost" are registered for use in the insurance industry (other than FIC). Our review of the evidence in the light most favorable to FIC shows that there is no *reliable* evidence that these businesses or marks are active. Inactive businesses and marks are not relevant to our analysis. *See id.* Given this (lack of) evidence, we hold that the Dieter presumption remains unrebutted, and FIC's marks are still "relatively strong." *Dieter*, 880 F.2d at 329.

FIC has also provided evidence of consumer recognition that bolsters its already presumptively strong mark. While FT&E argues FIC only introduced evidence of its $7,000,000-a-year advertising budget,[17] FIC has also provided evidence

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[17] We have previously doubted the probative value of "raw advertising figures," that is, the dollar amount that a company

about the size and scope of its agent class, its over $2.4 billion in annual insurance premiums, its recognition in independent publications, an AARP endorsement, and a survey showing that a majority of South Florida respondents had heard of FIC. Viewing the evidence in FIC's favor, a reasonable factfinder conducting a separate inquiry on the strength of FIC's marks could find the marks strong based on both the *Dieter* presumption and the additional evidence of commercial strength.

ii. Similarity of the Marks

The second inquiry requires us to examine the similarity between the parties' marks. *FIU*, 830 F.3d at 1260. "The greater the similarity, the greater the likelihood of confusion." *Id.* Of course, the marks don't need to be identical to support a finding of similarity, because the key is to determine if the

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spends to advertise its mark. In *FIU*, we stated that a district court under clear error review was permitted to discount evidence of raw advertising figures, standing alone, as it impacts the strength of the mark. 830 F.3d at 1259 ("There simply was not sufficient evidence of commercial strength in the record to [require] the district court to ignore the substantial third-party usage."). We reasoned that raw advertising figures alone tell us little about the efficacy of those efforts in the mind of consumers. *Id.* We stated that this evidence was far more probative if there was comparative spending evidence with others in the industry or direct evidence of consumer recognition. *Id*. In a later case, we held that it was also not clear error for a court to find, with additional evidence beyond raw advertising figures, that advertising expenditures contribute to the strength of a mark. *PlayNation*, 924 F.3d at 1166 n.3. Because it was not clear error to consider that evidence in *PlayNation*, we can consider that same type of evidence on summary judgment.

similarities are sufficient to deceive the public. *Id.* We "consider[] the overall impressions that the marks create, including the sound, appearance, and manner in which they are used," rather than comparing isolated features. *Frehling*, 192 F.3d at 1337; *Sovereign Mil.*, 809 F.3d at 1186. Because of its malleability, we have described this analysis as a "subjective eyeball test." *AmBrit*, 812 F.2d at 1540.

The District Court stated that both marks started with "Foremost" and looked similar at first glance. *FCOA*, 416 F. Supp. 3d at 1390–91. However, the District Court focused on the differences in color, fonts, and logos, and the words that followed the FOREMOST marks. *Id.* Specifically, it found that the words "title" and "escrow" separated FT&E's mark from FIC's FOREMOST marks, because it is not obvious to the public that "title" refers to title insurance. *Id.* Thus, the District Court concluded that the marks were dissimilar. *Id.*

FIC argues that the District Court did not fully consider the commercial impression of the marks and that its side-by-side analysis of the marks was insufficient. Considering similarity anew, we believe a reasonable factfinder could find that the parties' marks are similar in sound, appearance, meaning and commercial impression:

Our analysis focuses on the distinctive parts of marks. *See AmBrit*, 812 F.2d at 1541; *John H. Harland Co.*, 711 F.2d at 976. "Foremost" is the most distinctive part of both parties' marks, and far more important than generic words like title and escrow. *See PlayNation Play Sys., Inc. v. Velex Corp.*, 924 F.3d 1159, 1168 (11th Cir. 2019); *John H. Harland Co.*, 711 F.2d at 976. With that frame of reference, the marks are similar in sight, sound, and meaning. The logos create a similar overall effect and accentuate the marks' similarities, because both feature two lines of text, with "Foremost" in bold, sans-serif type above smaller letters detailing the generic parts of the marks, to the right of a stylized "F." *See Safeway Stores, Inc. v. Safeway Disc. Drugs, Inc.*, 675 F.2d 1160, 1165 (11th Cir. 1982) (focusing on overall effect of a mark and ignoring its non-distinctive parts); *Exxon Corp. v. Tex. Motor Exch. of Hous., Inc.*, 628 F.2d 500, 505 (5th Cir. 1980) (noting that two marks were similar when they were both in block letters on an all-white background with blue underneath). This conclusion is bolstered by considering how the marks are used in the actual world, something the District Court did not do. *See Conagra, Inc. v. Singleton*, 743 F.2d 1508, 1514 (11th Cir. 1984) (noting that "Singleton," the most distinct part of the mark at issue, was emphasized on materials in the marketplace). FT&E often refers to itself simply as "Foremost" on its website, which is precisely FIC's trademark and the most critical part of other marks.

Admittedly, there are some differences in the marks because the parties use different fonts and colors. FT&E relies on a green and gold color scheme, whereas FIC relies on black and blue colors. We do not find these minor differences to be significant on summary judgment, given that "Foremost" is the dominant part of both marks and what consumers would focus on. *Conagra*, 743 F.2d at 1514; *see also Carnival Brand Seafood Co. v. Carnival Brands, Inc.*, 187 F.3d 1307, 1312 & n.7 (11th Cir. 1999); *Safeway*, 675 F.2d at 1165. Those differences are even less important because consumers are unlikely to confront them side-by-side in the real-world where they could be discerning about those differences. *See Sun-Fun Prods., Inc. v. Suntan Rsch. & Dev. Inc.*, 656 F.2d 186, 192 (5th Cir. Unit B Sept. 1981) (stating that the likelihood of confusion may be increased when consumers are unable "to compare the products side by side and observe the precise differences in appearance"). Drawing all inferences in FIC's favor, a reasonable factfinder could determine that these two marks are similar.

iii. Similarity of the Products

The third circumstantial fact, the similarity of the products, concerns whether the products are of a kind the public could think originate from a single source. *Frehling*, 192 F.3d at 1338. Here, both parties sell insurance. FT&E argues that there can be no confusion because a consumer could not purchase a policy of FIC that overlaps with a policy of FT&E, that the policy itself would not bear the FOREMOST marks because FT&E is merely an agent of larger national title insurance companies, and that FIC cannot conduct closings or issue title insurance under Florida law. While title insurance is a monoline industry in Florida, consumers are unlikely to know that and, even if they did, could potentially assume that FT&E was a subsidiary or affiliate of FIC. Moreover, the logo or trademark on the insurance policy does not somehow transform insurance into the mere work of an agent separate from the insurance itself and, even if it did, by the time FT&E's customers actually see FT&E's policies, they almost certainly have already been exposed to FT&E's "foremost" mark. Accordingly, a reasonable factfinder could find that the parties' products are similar.

iv. Similarity of Trade Channels and Customers

The fourth circumstantial fact, similarity of trade channels and customers, focuses on "where, how, and [with] whom" the parties transact with their actual and potential customers. *Sovereign Mil.*, 809 F.3d at 1187–88 ("Dissimilarities between the retail outlets for and the predominant consumers of plaintiff's and defendants' goods lessen the possibility of confusion . . . ." (quoting *Amstar Corp.*, 615 F.2d at 262)); *Safeway*, 675 F.2d at 1166; *see also Freedom Sav. & Loan Ass'n*, 757 F.2d at 1184–85, 1184 n.7 (holding for this circumstantial fact that it is enough if a plaintiff "show[s] that the same customers are likely to use both services"). The primary focus in this inquiry is on the overlap of the customer bases, because the greater the overlap, the greater the likelihood that consumers will be exposed to both marks and become confused. *See Savannah Coll. of Art & Design, Inc.*, 983 F.3d at 1284. Therefore, direct competition or identity of sales is not required; we look to whether the companies "cater to the same general kinds of individuals." *Sovereign Mil.*, 809 F.3d at 1188; *PlayNation*, 924 F.3d at 1168. Likewise, the similarity of trade channels analysis focuses on whether the medium (e.g., stores, agents, online, mail, etc.) that customers frequent would expose them to both marks, not on whether the products or services are sold in the same location or manner. *Frehling*, 192 F.3d at 1339; *see also Century 21 Real Est. Corp. v. Century Life of Am.*, 970 F.2d 874, 877 (Fed. Cir. 1992).

Here, the District Court correctly recognized that FIC produced evidence tending to show that FIC and FT&E's customer bases overlapped, i.e., both targeted homeowners seeking home insurance-related products. *FCOA*, 416 F. Supp. 3d at 1391–93. However, the District Court also credited FT&E's argument that FIC and FT&E "differ[ed]" because most of FT&E's customers came from referrals by Stok Folk + Kon, realtors, brokers, and other agents. *Id*. at 1392. Faced with contradictory evidence, the Court found this factor to be neutral instead of applying the summary judgment standard. *Id.*

Conducting the analysis *de novo*, we agree with the District Court that both parties targeted the same type of individuals, i.e., "real property purchasers" or sellers who need insurance. Accordingly, FIC has put forth evidence tending to show that its customer base overlapped with FT&E's. However, we disagree with the District Court and FT&E that FT&E has introduced any evidence tending to show that its customer base did not overlap with FIC's. FT&E primarily gets customers from its referral system, yes, but the persons buying title insurance are the same type of people (home buyers and sellers) who will likely need homeowners' insurance and thereby could be exposed to both marks. *See Freedom Sav. & Loan Ass'n*, 757 F.2d at 1184 n.7 (noting that it is sufficient for plaintiffs "to show that the same customers are likely to use both services"); *Safeway*, 675 F.2d at 1166 (focusing on the overlap of actual or potential customers). Nothing prevents a potential home buyer or seller from purchasing homeowner's insurance from FIC, noting the FOREMOST mark, and then being referred to FT&E for closing services and title insurance. Indeed, considering the evidence FIC has introduced about its presence in Florida, this scenario is quite plausible.

On appeal, FT&E defends the Court's finding that FT&E's customer base differed from FIC with three additional arguments: (1) FT&E only sells through its physical location in Aventura, not through other trade channels or in other geographic regions; (2) FT&E sells directly to consumers at its office, as opposed to independent agents; and (3) title insurance is a monoline industry in Florida. We find all three unpersuasive.

As an established multi-billion dollar nationwide insurance company, FIC naturally sells insurance through many more mediums and in many more locations than a small start-up like FT&E. The question, however, is not whether one party's trade channels and customer base exceeds the other's, but whether the parties' trade channels and customer bases *overlap*. FIC's insurance products are sold by its independent agents in physical locations throughout Florida. In other words, FIC sells insurance in Florida in the exact same manner as FT&E. Under our precedent, however, FIC would not even need a physical presence in Florida to show overlap. In *Safeway*, we held that even though Safeway the grocer had no physical stores in Florida, its in-state food purchases provided a presence that allowed consumers to potentially mistake Safeway Discount Centers for Safeway the grocer. 675 F.2d at

1166. Likewise, FIC's over 95,000 customers in Florida establish its presence in Florida. Nor does title insurance being a monoline industry in Florida prevent the parties' customer bases from overlapping; as explained above, home buyers and sellers are likely to buy *both* homeowner's insurance and title insurance. Drawing all reasonable inferences in favor of FIC, as we must, a reasonable factfinder could find that FIC's actual and potential consumer base overlaps with FT&E's.

v. Similarity of Advertising

The fifth circumstantial fact, similarity of advertising, focuses on the audience reached by the advertisements of the parties. *Sovereign Mil.*, 809 F.3d at 1187–88. Like with similarity of trade channels and customer bases, the greater the overlap or similarity of the audiences, the greater the likelihood of confusion. *Id.* Identity of advertising methods is not required, but instead we assess whether the overlap in readership of the parties' advertisements is "significant enough" that "a possibility of confusion could result" in a fashion very similar to the previous factor. *PlayNation*, 924 F.3d at 1168–69; *Sovereign Mil.*, 809 F.3d at 1188 (quoting *Frehling*, 192 F.3d at 1340).

As the District Court found, both parties advertise through similar mediums, i.e., online advertising, magazines, brochures, emails, social media, and their websites. *FCOA*, 416 F. Supp. 3d at 1392. On appeal, FT&E argues that it directs its advertisements to a different "universe of consumers" than FIC, namely "real estate developers, purchasers, sellers, lenders, and borrowers," and so there is no audience overlap. Appellant Br. at 41–42. But FT&E's argument fails on its face. Even if FT&E focuses its advertisements on real estate professionals, it admits it also advertises to "purchasers, sellers, lenders, and borrowers," the exact sort of people who may be interested in buying FIC's homeowner's insurance. For example, FT&E's website—which bears FT&E's logo on each of its pages—lists "homeowners" as among the customers served by FT&E. On summary judgment, this is sufficient to show overlap in advertisement audience.[18]

vi. Defendant's Intent

With respect to the sixth circumstantial fact, the defendant's intent to confuse consumers, the District Court found that FT&E had no intent to "capitalize on . . . [FIC]'s business reputation." *FCOA*, 416 F. Supp. 3d at 1393 (quoting *FIU*, 830 F.3d at 1263). Because FIC did not take issue with this finding nor the weight ascribed to it, FIC has forfeited the analysis applicable to this circumstantial fact and we decline to address it further. *See United States v. Campbell*, 26 F.4th 860, 873 (11th Cir. 2022) (en banc) (explaining that issues not briefed on appeal are forfeited and thus may only be addressed in extraordinary circumstances).

vii. Actual Confusion

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[18] We note, however, that as the internet ages and becomes ubiquitous, having a website or advertising online informs the court precious little about exposure and confusion. *See Network Automation, Inc. v. Advanced Sys. Concepts, Inc.*, 638 F.3d 1137, 1151 (9th Cir. 2011).

Actual confusion asks whether there is evidence in fact of confusion. *Frehling*, 192 F.3d at 1340. Though it is the most important circumstantial fact, it is not a requirement for finding a likelihood of confusion. *Id.* The District Court found no evidence of actual confusion. *FCOA*, 416 F. Supp. 3d at 1393–95. While FIC produced two expert witnesses who used internet surveys as the bases of their opinions that there was the potential for actual confusion, the District Court discounted this evidence. *Id.* at 1394. The District Court stated that survey evidence was of slight weight and viewed unfavorably in the Eleventh Circuit, and FIC's surveys were even less probative because they did not distinguish between confusion caused by a word (that is, "Foremost") and the whole mark. *Id.* On appeal, FIC does not dispute the lack of evidence of actual confusion. Instead, FIC argues that the lack of confusion should be given no weight because there was no time for actual confusion to develop.

We agree with FIC. While no hard and fast rules set how much evidence is necessary to show actual confusion, we have said that courts must take into account the circumstances of each case. *J-B Weld Co.*, 978 F.3d at 793 (citing *Lone Star Steakhouse & Saloon, Inc. v. Longhorn Steaks, Inc.*, 122 F.3d 1379, 1382 (11th Cir. 1997)). Those circumstances include the extent of advertising, the length of time for which an infringing product has been advertised, and any other factors that might influence the reporting of actual confusion. The District Court did not consider these circumstances when assessing the lack of evidence of actual confusion.

In *Hard Candy, LLC v. Anastasia Beverly Hills, Inc.*, we stated that a lack of evidence showing actual confusion can be discounted when there is not an "adequate period of time" for actual confusion to develop among consumers. 921 F.3d 1343, 1362–63 (11th Cir. 2019). In that case, cosmetic maker Anastasia had sold nearly 250,000 makeup kits over a period of eight months, containing a mark allegedly similar to Hard Candy's trademark. *Id.* Despite that, Hard Candy could not point to a single instance of actual confusion. *Id.* We stated that the district court did not clearly err in finding that the lack of evidence of actual confusion was probative. *Id.* However, on summary judgment, we must take every inference in FIC's favor, something the District Court did not do here. Even assuming it was correct to reject the survey data that FIC provided, we think the lack of evidence of actual confusion is not particularly probative. A reasonable inference for FIC is that actual confusion did not have adequate time to develop, given that FT&E started in May 2015, and then conducted at least 20 closings between May 2016 and November 2018, when motions for summary judgment had been filed. This is different from *Hard Candy*, where we held it was not clear error to state that the lack of actual confusion was probative where potentially millions of consumers were exposed to the infringing mark, hundreds of thousands of consumers bought the makeup palette, and not a single instance of actual confusion arose. *See id.*; *see also Tana*, 611 F.3d at 779–80 (finding that no reasonable jury could find actual confusion where there were two instances of actual confusion where a company served over a million customers in five years, and affirming a grant of summary judgment for the defendant). Thus, a reasonable factfinder could discount the importance of the evidence of actual confusion.

viii. Consumer Sophistication

Typically, we analyze likelihood of confusion using only seven factors or, as we put it earlier, seven separate inquiries. *See, e.g.*, *Wreal, LLC v. Amazon.com, Inc.*, 38 F.4th 114, 127 (11th Cir. 2022) ("In determining the likelihood of confusion, we consider the following seven factors . . ."); *Sovereign Mil.*, 809 F.3d at 1181 (same); *Tana*, 611 F.3d at 774–75 (same); *Frehling*, 192 F.3d at 1335 (same). Indeed, courts in this circuit are required to consider the seven factors analyzed above when conducting a likelihood of confusion analysis. *J-B Weld Co.*, 978 F.3d at 794. However, we have recognized that consumer sophistication may also be relevant to assessing likelihood of confusion. *See, e.g.*, *FIU*, 830 F.3d at 1256, 1265 (analyzing consumer sophistication separately from the seven factors); *Welding Servs.*, 509 F.3d at 1361 ("[S]ophisticated consumers [of complex goods or services] . . . are less likely to be confused than casual purchasers of small items."); *Freedom Sav. & Loan Ass'n*, 757 F.2d at 1185 ("[S]ince most of these customers are making a major investment, they are likely to be especially well-informed buyers. The sophistication of a buyer certainly bears on the possibility that he or she will become confused by similar marks."). After all, consumers that either have special knowledge of the industry through education or experience, see *Welding Servs.*, 509 F.3d at 1361, or have invested significant time into becoming well-informed due to the nature of the purchase, *see Freedom Sav. & Loan Ass'n*, 757 F.2d at 1184–85, are more likely to distinguish between similar marks and thereby avoid becoming confused. As both the parties and the District Court considered consumer sophistication, we find it appropriate to do so as well. In so doing, we recognize only that consumer sophistication may impact likelihood of confusion and do not require that the factor be considered in every, or even most, likelihood of confusion analyses. *Cf. J-B Weld Co.*, 978 F.3d at 794; *see also Star Indus., Inc. v. Bacardi & Co. Ltd.*, 412 F.3d 373, 389–90 (2d Cir. 2005) (likewise treating consumer sophistication as a separate factor).

The District Court accepted FT&E's argument that its "client base is largely comprised of real estate developers, referring realtors, sellers, lenders and mortgage brokers who are sophisticated and unlikely to be confused." *FCOA*, 416 F. Supp. 3d at 1392. We agree with FT&E that real estate developers and realtors are sophisticated in real estate purchases and that individual home buyers and sellers are likely to be sophisticated due to the importance and size of the transaction. Appellee Br. at 19. However, as FT&E points out, "consumers generally have minimal involvement in the selection of a title insurance provider and rely entirely on the recommendations of their agents or professionals." *Id.* at 19–20. Or, in other words, individual home buyers and sellers may be well-informed when buying or selling a home, but that sophistication does not transfer to buying title insurance. This makes sense; title insurance is a complex legal matter that, for the consumer, only involves a single, relatively small payment.[19] Thus, home buyers and sellers are likely to be unsophisticated when buying title insurance.

FT&E argues that the unsophistication of these consumers weighs in its favor because their unsophistication makes them more likely to rely on sophisticated agents and professionals who would be more likely to be able to distinguish between similar marks. Appellant Br. at 18–19. FT&E may well be able to establish this tendency at trial. But on summary judgment, we must draw inferences in the non-movant's favor, and we see an alternative inference that may be drawn from consumers' unsophistication about title insurance. While unsophisticated consumers might rely on the advice of sophisticated professionals, they might also rely on their earlier research into home purchases and insurance. If they came across and trusted FIC's FOREMOST brand, then they may decide to trust another "foremost"-branded insurance company due to its possible affiliation with FIC. In fact, this possibility is precisely what companies seek to avoid when they file trademark infringement lawsuits. So, without sufficient evidence in the record to definitively decide this issue one way or the other and being on summary judgment, we make this

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[19] In Florida, Office of Insurance Regulation sets title insurance premiums. Fla. Stat. § 627.7711; Fla. Admin. Code Ann. r. 69O-186.003(1). Currently, the rates are $5.75 of premium per $1,000 of the purchase price for the first $100,000 of liability written and $5.00 per $1,000 of liability written from $100,000 to $1 million. Fla. Admin. Code Ann. r. 69O-186.003(1). So, for a policy that insures the new owner for $500,000, the title insurance premium would be at most a one-time payment of $2,575.

inference and hold that a reasonable factfinder could find FT&E's customer base to be unsophisticated and thus more likely to be confused by the similarity between the parties' marks.

B.

To recap, our separate inquiries on the evidence have yielded the following circumstantial facts under the summary judgment standard: (1) FIC's mark is strong; (2) FIC and FT&E's marks are similar; (3) FIC and FT&E sell similar products; (4) FIC and FT&E's trade channels and customers overlap; (5) FIC and FT&E's advertising audiences overlap; (6) FT&E did not intend to cause consumer confusion about the existence of a relationship between the parties; (7) there is no evidence that consumers have actually confused FT&E with FIC; and (8) title insurance purchasers are unsophisticated and thus may be confused by similar marks. Now, at the second step, we must weigh these circumstantial facts in the light most favorable to FIC to determine whether a reasonable factfinder could infer the ultimate fact, likelihood of confusion. Here, similar unsophisticated consumers would see similar marks, displayed in similar advertising media directed at similar audiences, selling similar insurance products through similar mediums in the state of Florida. While there is no evidence of actual confusion amongst consumers about the parties' relationship, this lack of evidence has relatively little weight under these facts because there simply was not enough time for actual confusion to develop. *See Hard Candy*, 921 F.3d at 1362–63. Similarly, while evidence of an intent to cause consumer confusion weighs heavily in favor of finding a likelihood of confusion amongst consumers,[20] absence of that evidence in no way prevents consumers from likely becoming confused. *Frehling*, 192 F.3d at 1340. Consequently, a reasonable factfinder could find a likelihood that consumers would be confused by the marks.

IV.

In closing, two thoughts.

First, on cross-motions for summary judgment and *especially* when applying the *Nunez* framework, courts should be very careful in their analysis to ensure that the proper party receives the benefit of the summary judgment standard. When parties jointly move for summary judgment, the court has three options: granting summary judgment for the plaintiff under the defendant's best case, granting summary judgment for the defendant under the plaintiff's best case, or denying both motions for summary judgment and proceeding to trial. Before granting summary judgment for a party, the court *must* consider the evidence in the light most favorable to the non-movant and, unless "there are no genuine issues of material fact," i.e., all material facts have "been incontrovertibly proved," *and* the trial judge is the finder of fact, the court must also draw all inferences in the non-movant's favor. *Nunez*, 572 F.2d at 1123–24. Only once this is done may a court determine if a party is entitled to judgment as

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[20] *See Freedom Sav. & Loan Ass'n*, 757 F.2d at 1185 ("If a person intends to induce confusion among customers, he or she is likely to succeed").

a matter of law; should any material questions of fact remain that may cause a reasonable factfinder to rule in the non-movant's favor, summary judgment must be denied.

Our review of the decision in this case revealed that the District Court *never* discussed the summary judgment standard in its analysis after citing Nunez in the "Legal Standard" section for its decision. *See generally FCOA*, 416 F. Supp. 3d at 1387–95. The closest the Court came to applying the summary judgment standard was quoting a footnote from *Tana* stating that "[a]lthough likelihood of confusion is a question of fact, it may be decided as a matter of law." *Id.* at 1388 (quoting *Tana*, 611 F.3d at 775 n.7). True— but only after viewing the evidence in the light most favorable to the non-movant. While the Court implicitly decided this case under the *Nunez* framework, it never actually decided whether all the material facts had been "incontrovertibly proved." *Nunez*, 572 F.2d at 1124*; see generally FCOA*, 416 F. Supp. 3d at 1387–95. A district court may not ignore the traditional summary judgment standard merely by invoking the specter of *Nunez*.

Nunez itself acknowledged that summary judgment can be "a 'lethal weapon' capable of 'overkill'" and that situations where the *Nunez* standard is appropriate "may be rare." 572 F.2d at 1223– 24 (quoting *Brunswick Corp. v. Vineberg*, 370 F.2d 605, 612 (5th Cir. 1967)). Indeed, the *Nunez* standard can easily become a trap for unwary district courts and litigants; wise lawyers and judges would do well to remember that this Court's *de novo* standard of review is "unaffected by any inferential conclusions reached below." *Useden*, 947 F.2d at 1573 n.14. Accordingly, the *Nunez* standard should be reserved for those rare cases where it is justified.

Second, cross-motions for summary judgment in non-jury cases are a very inefficient method by which to decide a case. When parties move for summary judgment, they tell the court that they are ready for a determination on the merits and that no material fact issues remain for a factfinder to decide. If both parties move for summary judgment after conducting extensive discovery, then the parties effectively agree that no fact issues exist. But when the court grants summary judgment in these situations, the loser will invariably take an appeal and argue that there was a fact dispute or credibility issue that prevented the court from deciding the case, despite arguing the opposite below. The winner will argue that no fact issues remain. If a fact issue does remain, the case must be reversed and remanded to hold a bench trial, which should have occurred in the first place. And, of course, the loser of the bench trial will then appeal.

In this case, for efficiency's sake, the parties should have eschewed moving for summary judgment, informed the court that discovery was complete and that the case was ready for trial, and then held a bench trial.[21]

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[21] The case's docket sheet indicates that on May 16, 2019, the case had been scheduled for a bench trial on September 3, 2019. The order granting FT&E summary judgment was entered on August 1, 2019.

Because we hold that a reasonable factfinder could determine that a likelihood of confusion exists, we reverse the District Court's grant of summary judgment as to Count I of FIC's complaint and remand the case for trial on the merits.

REVERSED AND REMANDED.

APPENDIX B – Order on rehearing – 03/29/23
(UNITED STATES COURT OF APPEALS
For the Eleventh Circuit

No. 19-13390

FCOA LLC,

Plaintiff-Appellant

v.

FOREMOST TITLE & ESCROW SERVICES LLC,

Defendant-Appellee.

Appeal from the United States District Court for the Southern District of Florida
D.C. Docket No. 1:17-cv-23971-KMW

<u>On Petition(s) for Rehearing and Petition(s) for Rehearing En Banc</u>

Before BRANCH, GRANT, and TJOFLAT, Circuit Judges.
PER CURIAM:

The Petition for Rehearing En Banc is DENIED, no judge in regular active service on the Court having requested that the Court be polled on rehearing en banc. (FRAP 35) The Petition for Panel Rehearing is also denied. (FRAP 40)

APPENDIX C – District court order on cross motions for summary judgment

United States District Court, S.D. Florida.

FCOA, LLC, Plaintiff,

v.

FOREMOST TITLE & ESCROW SERVICES, LLC, Defendant.

Case No. 17-23971-WILLIAMS

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Signed 07/31/2019

ORDER

KATHLEEN M. WILLIAMS, UNITED STATES DISTRICT JUDGE

THIS MATTER is before the Court on the Parties' cross motions for summary judgment. For the reasons set forth below, Plaintiff' FCOA, LLC's motion for summary judgement (DE 87) is DENIED and Defendant Foremost Title & Escrow, LLC's motion for summary judgment (DE 84) is GRANTED.

I. BACKGROUND

This is a trademark infringement and unfair competition case. Plaintiff, FCOA is a company that is part of the Farmers Insurance Group. (DE 86 ¶ 3).[1] Since its formation in 1952, FCOA, through its related agencies, has marketed and sold insurance products and services under the "FOREMOST" name. (DE 86 ¶ 4).[2] FCOA, however, does not itself

[1] FCOA was originally named Foremost Corporation of America. (*Id.*).

[2] FCOA owns the interest and goodwill to certain trademarks, including FOREMOST (U.S. Reg. No. 1,403,411), FOREMOST INSURANCE SERVICE CENTER (No. 2,894, 849) and FOREMOST (No. 1,900,833). (DE 86 ¶ 6)

issue or sell insurance policies, and does not hold any licenses or employ any insurance agents which would enable it to offer insurance services in Florida. (DE 84-1 ¶ 12). FOREMOST branded insurance products are offered by over 33,000 contracted agents at more than 77,000 locations nationwide. (DE 86 ¶ 11). Over the years, FCOA has spent millions of dollars to advertise its marks. (DE 86 ¶ 14). Although FCOA has no physical presence in Florida, over 95,000 customers in Florida hold FOREMOST insurance policies. (DE 86 ¶ 10; DE 96 ¶ 10). FCOA markets its FOREMOST brand using online advertising, websites and social media. (DE 86 ¶ 17). The mark is also featured in numerous magazines ads and brochures. (*Id.*). FCOA does not offer title insurance services, nor is it permitted to do so under Florida law. (DE 84-1 ¶ 1).

Defendant, Foremost Title & Escrow, LLC ("FT&E") is an affiliate of the law firm Stok Folk + Kon. (DE 84 at 1). FT&E began its operations in 2015 to offer real-estate closing services including title insurance. (DE 108 at 9). Other than title insurance, FT&E does not offer any additional insurance related products. (DE 84-1 ¶ 1). FT&E utilizes online advertising, websites and social media to advertise its services. (DE 86 ¶ 25; DE 96 ¶ 25). FT&E also advertises its services through trade shows, public events and by direct emails to homeowners. (DE 86 ¶ 28; DE 96 ¶ 28).

On December 15, 2016, FT&E received a cease and decease letter from FCOA, claiming that FT&E

was infringing on FCOA's marks. (DE 84-1 ¶ 3). FT&E disputed the allegations of infringement and in the ensuing ten months invested time and money to develop a website to promote its services, create public awareness in FT&E's specific market and develop customers and partners. (DE 84-1 ¶ 3). On February 2, 2017, FCOA sent a letter to the Department of Financial Services ("DFS") of Florida requesting that it disapprove FT&E's use of the FOREMOST mark. (DE 84-1 ¶ 5). But the DFS denied FCOA's request explaining that "the name Foremost Title & Escrow Services, LLC is not viewed by the [DFS] as being too similar." (*Id.*). On March 24, 2017, FCOA renewed its request to the DFS and the DFS again denied it. (DE 84-1 ¶ 5). Although FCOA has not been able to identify a single instance of actual consumer confusion (DE 84-1 ¶ 10), FCOA conducted two surveys that revealed that 74.2% of the participants who said they had heard of "Foremost Insurance" and "Foremost Title & Escrow" believed the two marks were associated or affiliated. (DE 86 ¶¶ 45-46). Fifty eight percent of the group of participants that believed the two marks were associated or affiliated based their belief on the fact that the names sounded the same. (*Id.*).

FCOA brings this action against FT&E asserting five claims all stemming from the alleged trademark infringement of its FOREMOST marks.

II. LEGAL STANDARD

Summary judgment is appropriate "if the movant shows that there is no genuine dispute as to any material fact and the movant is entitled to judgment as a matter of law." Fed. R. Civ. P. 56(a). Under this standard, "[o]nly disputes over facts that might affect the outcome of the suit under the governing [substantive] law will properly preclude the entry of summary judgment." *Anderson v. Liberty Lobby, Inc.*, 477 U.S. 242, 248, 106 S.Ct. 2505, 91 L.Ed.2d 202 (1986). And any such dispute is "genuine" only "if the evidence is such that a reasonable jury could return a verdict for the nonmoving party." *Id.*

In evaluating a motion for summary judgment, the Court considers the evidence in the record, "including depositions, documents, electronically stored information, affidavits or declarations, stipulations ..., admissions, interrogatory answers, or other materials ...." Fed. R. Civ. P. 56(c)(1)(A). The Court "must view all the evidence and all factual inferences reasonably drawn from the evidence in the light most favorable to the nonmoving party, and must resolve all reasonable doubts about the facts in favor of the non-movant." *Rioux v. City of Atlanta*, 520 F.3d 1269, 1274 (11th Cir. 2008) (quotation marks and citations omitted). At the summary judgment stage, the Court's task is not to "weigh the evidence and determine the truth of the matter but to determine whether there is a genuine issue for trial." *Anderson*, 477 U.S. at 249, 106 S.Ct. 2505.

For issues for which the movant would bear the burden of proof at trial, the party seeking summary judgment "must show affirmatively the absence of a genuine issue of material fact: it must support its motion with credible evidence...that would entitle it to a directed verdict if not controverted at trial. In other words, the moving party must show that, on all the essential elements of its case on which it bears the burden of proof at trial, no reasonable jury could find for the non-moving party. If the moving party makes such an affirmative showing, it is entitled to summary judgment unless the non-moving party, in response, come[s] forward with significant, probative evidence demonstrating the existence of a triable issue of fact." *Fitzpatrick v. City of Atlanta*, 2 F.3d 1112, 1115-16 (11th Cir. 1993) (emphasis in original).

However, in a nonjury case such as this, in which the Court is the trier of fact and there are "no issues of witness credibility," the Court may draw inferences against the non-moving party at the summary judgment stage based on the affidavits, depositions and other evidence in the record, because "[a] trial on the merits would reveal no additional data" nor "aid the determination." *Nunez v. Superior Oil Co.*, 572 F.2d 1119, 1123-24 (5th Cir. 1978).

Additionally, in trademark infringement cases, courts in this Circuit have decided the issue of likelihood of confusion as a matter of law. *Alliance Metals, Inc., of Atlanta v. Hinely Industries, Inc.*, 222 F.3d 895, 907 (11th Cir. 2000) (affirming grant of summary judgment to former employer for former employee's infringement through use of confusingly similar trade name); *Investacorp, Inc. v. Arabian Inv. Banking Corp.* (*Investcorp*) *E.C.*, 931 F.2d 1519, 1523 (11th Cir.1991) (affirming grant of summary judgment finding no infringement of descriptive term "invest" used by defendant *Investcorp*); *Beef/Eater Restaurants, Inc. v. James Burrough Limited*, 398 F.2d 637, 639 (5th Cir.1968) ("the trial judge, by inspection of trademarks, may himself determine, and must determine, the likelihood of confusion"); *see also Little League Baseball, Inc. v. Daytona Beach*

Little League, Inc., 1977 WL 22777, 193 U.S.P.Q. 611, 614 (M.D. Fla. 1977) (granting summary judgment to franchisor on infringement claim against former franchisee).

III. DISCUSSION

Both parties argue they are entitled to full summary judgment.[3] FCOA alleges that FT&E's use of the term "Foremost" has infringed on FCOA's registered marks, in violation of 15 U.S.C. § 1114 of the Lanham Act. Under the Lanham Act, a defendant is liable for infringement if, without consent, he uses "in commerce any reproduction, counterfeit, copy or colorable imitation of a registered mark" which is "likely to cause confusion, or to cause mistake, or to deceive." 15 U.S.C. § 1114(1)(a). To prevail on a federal trademark infringement claim, a plaintiff must demonstrate (1) that its mark has priority, and (2) that the defendant's mark is likely to cause consumer confusion. *Frehling Enters., Inc. v. Int'l Select Grp., Inc.*, 192 F.3d 1330, 1335 (11th Cir. 1999). FT&E does not dispute that at least some of FCOA's marks have priority. (See DE 86 ¶6; 86 ¶6). The issue is whether FT&E's mark is likely to cause consumer confusion.[4]

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[3] The Court addresses both motions for summary judgment together because the main disputed issue – likelihood of confusion – is central to all causes of action and requires the same legal analysis.

[4] The tests for common law trademark infringement and unfair competition are the same as the tests for federal trademark infringement and unfair competition. See also Tally-Ho, Inc. v. Coast Cmty. Coll. Dist., 889 F.2d 1018, 1025–26 and n.14 (11th Cir. 1989) (recognizing that the "elements of common law and statutory trademark infringement are the same" and that a claim of unfair competition premised on an alleged trademark infringement is "practically identical" to an infringement

Courts assessing claims pursuant to either § 32(a) or § 43(a) apply the same seven-factor "likelihood of confusion" test. *See Tana v. Dantanna's*, 611 F.3d 767, 781 n.5 (11th Cir. 2010). "Although likelihood of confusion is a question of fact, it may be decided as a matter of law." *Tana*, 611 F.3d at 775 n.7. At summary judgment, courts must assess all seven likelihood of confusion factors. *See Dippin' Dots, Inc. v. Frosty Bites Distribution, LLC*, 369 F.3d 1197, 1207 (11th Cir. 2004). The Court addresses each factor below.

1. Strength of the "FOREMOST" marks

"This first factor assesses the strength of the plaintiff's marks." *Sovereign Military Hospitaller Order of Saint John of Jerusalem of Rhodes & of Malta v. Florida Priory of the Knights Hospitallers of the Sovereign Order of Saint John of Jerusalem, Knights of Malta, The Ecumenical Order*, 809 F.3d 1171, 1182 (11th Cir. 2015) (citing *John H. Harland Co. v. Clarke Checks, Inc.*, 711 F.2d 966, 973 (11th Cir. 1983)). It is the "second most important factor in the seven-factor balancing test for confusion." *Id*. at 1182 (quotation marks and citation omitted). "The stronger the mark, the greater the scope of protection accorded it, the weaker the mark, the less trademark protection it receives." *Frehling*, 192 F.3d at 1335.

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claim); *Florida Int'l Univ. Bd. of Trustees v. Florida Nat'l Univ., Inc.*, 91 F. Supp. 3d 1265, 1288 (S.D. Fla. 2015) ("The parties agree that the test for ... common law trademark infringement and unfair competition is the same as that for federal tradermark infringement and unfair competition.") (citing *Investacorp. Inc. v. Arabian Inv. Banking Corp.*, 931 F.2d 1519, 1521 (11th Cir.1991)), aff'd 830 F.3d 1242 (11th Cir. 2016).

"A factfinder assesses the strength of a mark in two ways." *Sovereign Military*, 809 F.3d at 1182 (citing *Custom Mfg. & Eng'g, Inc. v. Midway Servs., Inc.*, 508 F.3d 641, 648 (11th Cir. 2007)). It first classifies the mark into one of four categories of distinctiveness, listed below in ascending order of strength:

(1) generic—marks that suggest the basic nature of the product or service;

(2) descriptive—marks that identify the characteristic or quality of a product or service;

(3) suggestive—marks that suggest characteristics of the product or service and require an effort of the imagination by the consumer in order to be understood as descriptive; and

(4) arbitrary or fanciful—marks that bear no relationship to the product or service, and the strongest category of trademarks.

See Tana, 611 F.3d at 774.

In this case, it is undisputed that many of FCOA's registered marks are "incontestable" under the Lanham Act, 15 U.S.C. §§ 1115, 1065. In the Eleventh Circuit, "[a] mark's strength is enhanced if it has 'incontestable' status." *Florida Int'l Univ. Bd. of Trustees v. Florida Nat'l Univ., Inc.*, 830 F.3d 1242, 1257 (11th Cir. 2016) (citation omitted). Specifically, "[a]n incontestable mark is presumed to be at least descriptive with secondary meaning, and therefore a relatively strong mark." *Sovereign Military*, 809 F.3d at 1183 (quotation marks omitted).[5]

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[5] The Court notes, however, that the Sovereign Military court expressed serious doubts about the use of incontestability as a proxy for the strength of a mark. It noted that the Eleventh

FCOA—relying on a 1986 case from the district court of New Mexico—argues that its FOREMOST marks are strong as a matter of law. In that case, the court found that the FOREMOST marks were descriptive with secondary meaning mainly because they were incontestable. *Foremost Corp. of Am. v. Burdge*, 638 F. Supp. 496, 500 (D.N.M. 1986). Additionally, FCOA argues that the strength of the marks should not be assessed by its degree of distinctiveness, but on other factors such as (1) the length and manner of the mark's use; (2) the nature and extent of advertising and promotion; (3) the owner's efforts to connect the mark with its services; and (4) the extent to which the public identifies the mark with the owner's venture. Because FCOA has used these marks for over 60 years, has spent millions of dollars in advertising them and has made efforts "to create a conscious connection in the public's mind between FOREMOST and insurance services," FCOA argues that the mark is strong.

FT&E responds by citing to an USPTO case from 1968, where the USPTO found that the mark "foremost" is typically known as weak. *Foremost Dairies, Inc. v. Foremost Sales Promotions, Inc.*, 158 U.S.P.Q. (BNA) ¶ 360 (T.T.A.B. May 31, 1968). There the USPTO found that the word foremost was

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Circuit was virtually alone in adhering to this rule, that the "law in this Circuit is almost certainly incorrect" because the "incontestability of a mark, by itself, says nothing about its strength." *Sovereign Military*, 809 F.3d at 1183-84. Further, it noted that after the Eleventh Circuit adopted the rule, Congress amended the Lanham Act in a way that arguably severs the link between the incontestability and the strength of a mark. *Id.*

laudatory descriptive and therefore weak. The USPTO stated: "[t]he mark involved here "FOREMOST" is of a type which is technically known as "weak". As the record shows the term "FOREMOST" has been adopted diverse times for diverse and like goods. And the reason therefore is quite apparent for the word "foremost" is highly laudatory." *Id.*

The Court agrees that the term "foremost" is either generic or descriptive when viewed in isolation; however, because this mark is "incontestable," the Court finds that the mark is descriptive with secondary meaning. *See Dieter v. B & H Industries of Southwest Florida, Inc.*, 880 F.2d 322, 329 (11th Cir. 1989). While an incontestable mark is generally considered a "relatively strong mark," *see Frehling*, 192 F.3d at 1336, this presumption may be rebutted by evidence of extensive third-party use of the mark. *See Southern Grouts & Mortars, Inc. v. 3M Co.*, No. 07-61388-CIV, 2008 WL 4346798, at *16-17 (S.D. Fla. Sept. 17, 2008); *Carnival Corp. v. SeaEscape Casino Cruises, Inc.*, 74 F.Supp.2d 1261, 1265-66 (S.D. Fla. 1999); *Michael Caruso and Co., Inc. v. Estefan Enters., Inc.*, 994 F. Supp. 1454, 1459-60 (S.D. Fla. 1998); *Armstrong Cork Co. v. World Carpets, Inc.*, 597 F.2d 496, 505 (5th Cir. 1979).

Consequently, the Court must "consider[ ] 'the degree to which third parties make use of the mark.'" *Sovereign Military*, 809 F.3d at 1182 (quoting *Frehling*, 192 F.3d at 1336). "The less that third parties use the mark, the stronger it is, and the more protection it deserves." *Id.* Here, FT&E argues—citing *Foremost Diaries*—that there are "innumerable third-party registrations and listings of marks comprising the mark FOREMOST." Additionally, Robert A. Stok ("Stok"), FT&E's managing member, testified that a comprehensive search of the USPTO's Trademark Electronic Search System and a comprehensive business entity search in all 50 states revealed the existence of 62 live trademarks containing the word "foremost" that are not owned by FCOA and the existence of 541 companies, unrelated to FCOA, using the name Foremost. (DE 22-1 ¶ 25; Exhibits K and L). FCOA responds in conclusory fashion than there is no evidence of third-party use in the insurance services industry and that there is no evidence of businesses using the term "foremost" as a trademark.

FCOA's argument fails, however, because the USPTO's search specifically targets trademarks. And, even though third-party use is considered more potent when the users are operating in the same field as the plaintiff, *Stuart J. Kaufman, M.D. & Assocs., P.A. v. Bausch & Lomb Inc.*, No. 8:13-CV-461-T-33EAJ, 2013 WL 6154166, at *5 (M.D. Fla. Jul. 25, 2013), third-party use of a mark even in unrelated businesses also serves to narrow the scope of protection of the mark. *See Sun Banks of Florida, Inc. v. Sun Fed. Sav. & Loan Ass'n*, 651 F.2d 311, 316 (5th Cir. 1981). Here, FT&E has shown the existence of 62 marks and 541 entities, unrelated to FCOA, using the term "foremost." In instances with much less third-party use, courts have found marks to be weak. *See, e.g.*, *AmBrit, Inc. v. Kraft, Inc.*, 812 F.2d 1531, 1539 (11th Cir. 1986) (affording lesser protection where eight third-party users in the same market employed similar trade dress); *Homes & Land Affiliates, LLC v. Homes & Loans Magazine,* *LLC*, 598 F.Supp.2d 1248, 1261 (M.D. Fla. 2009) (finding "widespread third-party use" based on 18 instances of third-party use); *El Chico, Inc. v. El Chico Café*, 214 F.2d 721, 725 (5th Cir. 1954) (finding 27 instances of third-party use "for various products and articles" sufficient to classify a mark as weak). Given the prevalence of third-party use of the FOREMOST mark, the Court finds the FOREMOST mark to be relatively weak and that this factor favors FT&E's position.

2. Similarity of marks

"The second factor for confusion—the similarity of marks—requires the factfinder to compare the plaintiff's marks with the defendant's marks and measure their similarity." *Sovereign Military*, 809 F.3d at 1186. "[T]he greater the similarity ..., the greater the likelihood of confusion." *Exxon Corp. v. Tex. Motor Exch. of Hous., Inc.*, 628 F.2d 500, 505 (5th Cir. 1980). Similarity must be determined "by considering the overall impression created by the mark as a whole rather than simply comparing individual features of the marks." *Id.* Relevant points of comparison include "the appearance, sound and meaning of the marks, as well as the manner in which the marks are used." *John H. Harland*, 711 F.2d at 975. The Eleventh Circuit has noted that "similarity is not a binary factor but is a matter of degree." *Sovereign*, 809 F.3d 1171 at 1187.

FCOA argues that because it holds over 20 registered marks containing the term "foremost" and the public associates that term with the insurance services offered by FCOA, FT&E's prominent use of the term "foremost" makes both marks similar.

FCOA further argues that FT&E's logo is similar to one of the Foremost logos used by FCOA. Specifically, FCOA claims that both logos use the word "Foremost" in bold lettering, placed directly above other wording which is smaller and non-bolded. FT&E responds that adding the two "generic terms" "title" ad "escrow" renders its mark different in appearance, sound and meaning. Further, FT&E argues that its mark is closely harmonized with that of its affiliate, SFK. Both FT&E and SFK use the same color scheme of teal and gold and both utilize the same artist and artwork. This distinction in color scheme and style, renders the marks different according to FT&E. Finally, because these marks are used in a highly crowded industry FT&E argues that "prospective purchasers can be expected to distinguish between them."

Both sets of marks at issue are somewhat similar in sound as they both begin with the word "Foremost." However, the appearance of the marks is different considering both marks use different colors, fonts and logos:

The analysis turns, however, on the meaning of the words used in the respective marks. FT&E's foremost mark is followed by the words "title" and "escrow." While it is true that the word title refers to title insurance, this is not something necessarily obvious to the public. Although both marks use the word Foremost, that on its own is not sufficient to find likelihood of confusion and viewing the mark as a whole, there are enough differences to find that this factor does not weigh in favor of a finding of a likelihood of confusion.

3. Similarity of the products

Next, the Court must examine "whether the products are the kind that the public attributes to a single source, not whether or not the purchasing public can readily distinguish between the products of the respective parties." *Freihling*, 192 F.3d at 1338. "The greater the similarity between the products and services, the greater the likelihood of confusion." *Exxon Corp*., 628 F.2d at 505. While the Court should consider the "compositional differences" between the products, the inquiry should focus "on the reasonable belief of the average consumer as to what the likely source of the goods was." *E. Remy Martin & Co., S.A. v. Shaw-Ross Int'l Imports, Inc*., 756 F.2d 1525, 1530 (11th Cir. 1985).

FT&E argues that services are not similar because FCOA and FT&E do not compete and do not even operate in the same state. FT&E then offers a variety of reasons on why the products are different. However, the test is "whether the products are the kind that the public attributes to a single source, not whether or not the purchasing public can readily distinguish between the products of the respective parties." *Frehling*, 192 F.3d at 1338. Here, FCOA offers insurance related products and FT&E offers title insurance as one of its main products. Although these products are different and FCOA and FT&E are not competitors, reasonable consumers could conclude both companies' products are attributable to a single source. Thus, this factor favors FCOA's position.

4. Similarity of the Parties' retail outlets (trade channels), customers and advertising media

"Dissimilarities between the retail outlets for and the predominant customers of plaintiff's and defendant's goods lessen the possibility of confusion, mistake, or deception." *Frehling*, 192 F.3d at 1339 (quoting *Amstar Corp. v. Domino's Pizza, Inc.*, 615 F.2d 252, 262 (5th Cir. 1980)). "This factor takes into consideration where, how, and to whom the parties' products are sold." *id.* (citing J. Thomas McCarthy, *McCarthy on Trademarks and Unfair Competition*, § 24:51, at 24-71). "Direct competition between the Parties is not required for this factor to weigh in favor of a likelihood of confusion ... though evidence that the products are sold in the same stores is certainly strong." *Id.* (citation omitted). "The parties' outlets and customer bases need not be identical, but some degree of overlap should be present." *id.* The Court also must consider the level of sophistication and investment required of the parties' customers, which can influence the likelihood of confusion based on a mark. *See Freedom Savings, and Loan Ass'n v. Way*, 757 F.2d 1176, 1185 (11th Cir. 1985). With respect to the similarity of the advertising media, this factor "compares the parties' advertisements and the audiences they reach." *Sovereign Military*, 809 F.3d at 1188 (citations omitted). "The key question in assessing similarity of advertising media is whether the parties' ads are likely to reach the same audience." *Florida Int'l Univ. Bd. of Trustees v. Florida Nat'l Univ., Inc.*, 830 F.3d 1242, 1263 (11th Cir. 2016).

FCOA argues that the "parties' customers are virtually identical," because both parties' are acting as insurance businesses selling insurance policies and both parties' products are purchased by persons who are buying homes or other structures. FCOA goes to suggest that there is actual overlap in the customer base because FT&E markets and provides title insurance to owners of multi-tenant dwellings who then serve as landlords of the transacted properties. Because FOREMOST has a 3% market share in landlord insurance, FCOA suggests there is customer overlap.

FT&E responds that this factor favors FT&E because (1) FT&E offers its products and services directly, whereas FCOA does it through agents; (2) FT&E's business is conducted in Florida where FCOA does not conduct any business; (3) most FT&E clients are referrals from SFK; and (4) FT&E's client base is largely comprised of real estate developers, referring realtors, sellers, lenders and mortgage brokers who are sophisticated and unlikely to be confused. FT&E emphasizes that the Parties are statutorily prohibited from competing under Florida law. Both Parties advertise their services using online advertising, websites and social media.

FT&E's point is well taken. Because FT&E's client base is comprised mostly of SFK clients and referrals and because FT&E's customers generally make their decisions based on recommendations from brokers or agents, most of the Parties' customer bases appear to differ. *See Standard Accident Ins. Co. v. Standard Surety & Casualty Co. of New York*, 53 F.2d 119, 120-121 (S.D.N.Y. 1931) (finding that "[t]he brokers, agents, and insurance managers who actually decide in what company to place the business are sufficiently familiar with the personnel, location, etc., of the various companies that they could not be misled by mere similarity of names as the general public would be."). However, because both Parties offer insurance related products to homeowners, FCOA has presented evidence of some potential degree of overlap between the Parties' customer bases. But the Court gives this factor little weight in its overall analysis, given the significant differences in the kinds of customers targeted by these companies. Thus, the Court finds that this factor is neutral and favors neither party because it does not weigh significantly in favor of a finding of a likelihood of confusion.

5. Defendant's intent

"If it can be shown that a defendant adopted a plaintiff's mark with the intention of deriving a benefit from the plaintiff's business reputation, this fact alone may be enough to justify the inference that there is confusing similarity." *Florida Int'l Univ. Bd. of Trustees*, 830 F.3d at 1263 (quoting *Frehling*, 192 F.3d at 1340). In examining this factor, the Court must consider whether FT&E "had a conscious intent to capitalize on the plaintiff's business reputation, was intentionally blind, or otherwise manifested improper intent" in using the words "foremost" in its mark. *See id.* at 1263 (quoting *Custom Mfg. & Eng'g, Inc. v. Midway Servs., Inc.*, 508 F.3d 641, 648 (11th Cir. 2007)).

FCOA claims two grounds for inferring FT&E's intent. First, it argues, that intent is shown by the fact that the Foremost Insurance Company and the Foremost marks are readily discoverable through minimal investigation. However, Stok has consistently testified throughout this litigation that FT&E was not aware of FCOA's existence until after it received FCOA's cease and desist letter in December of 2015. Additionally, FT&E's website makes clear FT&E's affiliation to SFK. In any event, "prior knowledge of a senior user's trade mark does not necessarily give rise to an inference of bad faith and may be consistent with good faith." *Michael Caruso*, 994 F. Supp. at 1462 (quoting *Arrow Fastener Co., Inc. v. Stanley Works*, 59 F.3d 384, 397 (2d Cir. 1995)). Thus, even if FT&E had prior knowledge of FCOA's mark, this factor does not by itself create an inference of improper intent.

Second, FCOA argues that the Court may infer FT&E's intent at this stage of the litigation because it received the cease and desist letter and nevertheless decided to continue to use its foremost mark. Although FCOA cites to *Kos Pharm., Inc. v. Andrx Corp.*, 369 F.3d 700, 721 (3d Cir. 2004); *Dominion Bankshares Corp. v. Devon Holding Co., Inc.*, 690 F. Supp. 338, 347 (E.D. Pa. 1988); and *Stem's Miracle-Gro Prods. Inc. v. Shark Prods., Inc.*, 823 F. Supp. 1077, 1088 (S.D.N.Y. 1993), none of those cases found that failing to comply with a cease and desist letter is per se evidence of intent. They merely found that ignoring a cease and desist combined with other evidence of misconduct may raise an inference of willfulness. Here, there has been no evidence of misconduct. Indeed, Stok testified that prior to FT&E's formation, FT&E conducted a search of title companies conducting business in Florida and found there were no title companies in Florida using the term "Foremost." (DE 22-1 ¶11). Stok also testified that once FT&E received the demand letter, FT&E contacted FCOA's previous counsel to dispute that there was any infringement, and during that conversation FCOA's previous counsel agreed that there was no infringement. (DE 22-1 ¶13). FT&E received no further communications from FCOA until the filing of this lawsuit. (DE 22-1 ¶14). For these reasons, the Court cannot adopt FCOA's conclusory assertion that the undisputed evidence demonstrates defendant's improper intent to capitalize on FCOA's name and reputation. Therefore, this factor does not favor a finding of a likelihood of confusion as argued by FCOA.

6. Actual confusion

"It is undisputed that evidence of actual confusion is the best evidence of a likelihood of confusion." *Frehling*, 192 F.3d at 1341 (quoting *John H. Harland Co.*, 711 F.2d at 978). "[T]he quantum of evidence needed to show actual confusion is relatively small." *Florida Int'l Univ. Bd. of Trustees*, 830 F.3d at 1264 (11th Cir. 2016) (alteration in original) (quoting *Caliber Auto. Liquidators, Inc. v. Premier Chrysler, Jeep, Dodge, LLC*, 605 F.3d 931, 937 (11th Cir. 2010)). "With regard to actual confusion, we have specifically accorded substantial weight to evidence that actual customers were confused by the use of a mark as opposed to other categories of people." *Aronowitz v. Health-Chem Corp.*, 513 F.3d 1229, 1239 (11th Cir. 2008) (quotation marks and citation omitted). FCOA, offers no valid evidence of actual confusion.

FCOA's expert witnesses—whose testimony is the subject of separate motions to exclude—conducted internet surveys suggesting that FT&E's use of the name creates confusion for those who recognize the 'Foremost' brand and perceive that it emanates from a single source.[6] Although the Court agrees that this evidence is admissible, it does not necessarily go to actual confusion, and FCOA's representative admitted in his deposition that they were not aware of any instances of actual confusion. (DE 82 at 21). Indeed, in the Eleventh Circuit case cited by Plaintiff, a district court gave little weight to a similar survey. Thus, the Court of Appeals specifically declined to find that the survey evidence alone constituted actual confusion. *See Jellibeans, Inc. v. Skating Clubs of Georgia, Inc.*, 716 F.2d 833, 845–46 (11th Cir. 1983) ("Whether [the survey] would be sufficient alone to support a finding of actual confusion, we need not decide."). Moreover, consumer surveys that do not distinguish between the confusion caused by a word and a confusion caused by a mark – such as the ones conducted here – are afforded little weight when assessing likelihood of confusion. *See Holiday Inns, Inc. v. Holiday Out In Am.*, 481 F.2d 445, 448 (5th Cir. 1973) ("[F]ailure of the survey to consider the effect that the word "Holiday" alone had on the responses and the techniques employed in conducting the survey rendered this evidence of slight weight."); *Amstar Corp. v. Domino's Pizza, Inc.*, 615 F.2d 252, 264 (5th Cir. 1980) (finding that survey based on a "word association" test did not present any meaningful evidence of likelihood of confusion in trademark

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[6] Basically, the survey conducted by Dr. Maronick asks Florida residents who have purchased homes whether they have heard of "Foremost Insurance Company" and/or "Foremost Title & Escrow" and whether they believe that both companies are associated or affiliated. (See DE 138-1 at 23-26). The survey conducted by Dr. Harper mainly shows that consumers are generally confused about the types of insurance that different companies offer. (See DE 88-1, Exhibit 1).

infringement case); *see also Frehling*, 192 F.3d 1330 at 1341 n.5 ("This Circuit, however, has moved away from relying on survey evidence.").

FCOA correctly asserts that evidence of actual confusion is not necessary to show likelihood of consumer confusion. However, the failure to offer any evidence of actual confusion here—in conjunction with lack of evidence of infringement with respect to the other *Frehling* factors—precludes summary judgment for FCOA on likelihood of confusion. Accordingly, after examining all of the *Frehling* factors and the relevant evidence and arguments, the Court finds that FCOA has not established that FT&E's mark creates a likelihood of confusion. Though both marks contain the term "foremost," that term is descriptive and relatively weak. Because most of the other factors also weigh in favor of an absence of likelihood of confusion FCOA's claims must fail. On the other hand, the absence of likelihood of confusion warrants granting of FT&E's summary judgment motion.

IV. CONCLUSION

For the foregoing reasons, it is ORDERED AND ADJUDGED that:

1. Defendant FT&E LLC's motion for summary judgment is GRANTED.

2. Plaintiff' FCOA, LLC's motion for summary judgment (DE 87) is DENIED.

3. All pending motions are DENIED AS MOOT.

4. All deadlines and hearings are CANCELED.

5. The Clerk is directed to CLOSE this case.

6. The Court will enter final summary judgment separately pursuant to Rule 58 of the Federal Rules of Civil Procedure.

DONE AND ORDERED in chambers in Miami, Florida, this 31st day of July, 2019.

APPENDIX D – Statutory provisions

1. 15 U.S.C. § 1114 Provides:

(1)Any person who shall, without the consent of the registrant—

(a)

use in commerce any reproduction, counterfeit, copy, or colorable imitation of a registered mark in connection with the sale, offering for sale, distribution, or advertising of any goods or services on or in connection with which such use is likely to cause confusion, or to cause mistake, or to deceive; or

(b)

reproduce, counterfeit, copy, or colorably imitate a registered mark and apply such reproduction, counterfeit, copy, or colorable imitation to labels, signs, prints, packages, wrappers, receptacles or advertisements intended to be used in commerce upon or in connection with the sale, offering for sale, distribution, or advertising of goods or services on or in connection with which such use is likely to cause confusion, or to cause mistake, or to deceive,

shall be liable in a civil action by the registrant for the remedies hereinafter provided. Under subsection (b) hereof, the registrant shall not be entitled to recover profits or damages unless the acts have been committed with knowledge that such imitation is intended to be used to cause confusion, or to cause mistake, or to deceive.

As used in this paragraph, the term "any person" includes the United States, all agencies and instrumentalities thereof, and all individuals, firms, corporations, or other persons acting for the United States and with the authorization and consent of the United States, and any State, any instrumentality of a State, and any officer or employee of a State or instrumentality of a State acting in his or her official capacity. The United States, all agencies and instrumentalities thereof, and all individuals, firms, corporations, other persons acting for the United States and with the authorization and consent of the United States, and any State, and any such instrumentality, officer, or employee, shall be subject to the provisions of this chapter in the same manner and to the same extent as any nongovernmental entity.

(2)Notwithstanding any other provision of this chapter, the remedies given to the owner of a right infringed under this chapter or to a person bringing an action under section 1125(a) or (d) of this title shall be limited as follows:

(A)

Where an infringer or violator is engaged solely in the business of printing the mark or violating matter for others and establishes that he or she was an innocent infringer or innocent violator, the owner of the right infringed or person bringing the action under section 1125(a) of this title shall be entitled as against such infringer or violator only to an injunction against future printing.

(B)

Where the infringement or violation complained of is contained in or is part of paid advertising matter in a newspaper, magazine, or other similar periodical or in an electronic communication as defined in section 2510(12) of title 18, the remedies of the owner of the right infringed or person bringing the action under section 1125(a) of this title as against the publisher or distributor of such newspaper, magazine, or other similar periodical or electronic communication shall be limited to an injunction against the presentation of such advertising matter in future issues of such newspapers, magazines, or other similar periodicals or in future transmissions of such electronic communications. The limitations of this subparagraph shall apply only to innocent infringers and innocent violators.

(C)

Injunctive relief shall not be available to the owner of the right infringed or person bringing the action under section 1125(a) of this title with respect to an issue of a newspaper, magazine, or other similar periodical or an electronic communication containing infringing matter or violating matter where restraining the dissemination of such infringing matter or violating matter in any particular issue of such periodical or in an electronic communication would delay the delivery of such issue or transmission of such electronic communication after the regular time for such delivery or transmission, and such delay would be due to the method by which publication and distribution of such periodical or transmission of such electronic communication is customarily conducted in accordance with sound business practice, and not due to any method or device adopted to evade this section or to prevent or delay the issuance of an injunction or restraining order with respect to such infringing matter or violating matter.

(D)

(i)

(I)

A domain name registrar, a domain name registry, or other domain name registration authority that takes any action described under clause (ii) affecting a domain name shall not be liable for monetary relief or, except as provided in subclause (II), for injunctive relief, to any person for such action, regardless of whether the domain name is finally determined to infringe or dilute the mark.

(II)A domain name registrar, domain name registry, or other domain name registration authority described in subclause (I) may be subject to injunctive relief only if such registrar, registry, or other registration authority has—

(aa)

not expeditiously deposited with a court, in which an action has been filed regarding the disposition of the domain name, documents sufficient for the court to establish the court's control and authority regarding the disposition of the registration and use of the domain name;

(bb)

transferred, suspended, or otherwise modified the domain name during the pendency of the action, except upon order of the court; or

(cc)

willfully failed to comply with any such court order.

(ii)An action referred to under clause (i)(I) is any action of refusing to register, removing from registration, transferring, temporarily disabling, or permanently canceling a domain name—

(I)

in compliance with a court order under section 1125(d) of this title; or

(II)

in the implementation of a reasonable policy by such registrar, registry, or authority prohibiting the registration of a domain name that is identical to, confusingly similar to, or dilutive of another's mark.

(iii)

A domain name registrar, a domain name registry, or other domain name registration authority shall not be liable for damages under this section for the registration or maintenance of a domain name for another absent a showing of bad faith intent to profit from such registration or maintenance of the domain name.

(iv)

If a registrar, registry, or other registration authority takes an action described under clause (ii) based on a knowing and material misrepresentation by any other person that a domain name is identical to, confusingly similar to, or dilutive of a mark, the person making the knowing and material misrepresentation shall be liable for any damages, including costs and attorney's fees, incurred by the domain name registrant as a result of such action. The court may also grant injunctive relief to the domain name registrant, including the reactivation of the domain name or the transfer of the domain name to the domain name registrant.

(v)

A domain name registrant whose domain name has been suspended, disabled, or transferred under a policy described under clause (ii)(II) may, upon notice to the mark owner, file a civil action to establish that the registration or use of the domain name by such registrant is not unlawful under this chapter. The court may grant injunctive relief to the domain name registrant, including the reactivation of the domain name or transfer of the domain name to the domain name registrant.

(E)As used in this paragraph—

(i)

the term “violator” means a person who violates section 1125(a) of this title; and

(ii)

the term “violating matter” means matter that is the subject of a violation under section 1125(a) of this title.

(3)

(A)

Any person who engages in the conduct described in paragraph (11) of section 110 of title 17 and who complies with the requirements set forth in that paragraph is not liable on account of such conduct for a violation of any right under this chapter. This subparagraph does not preclude liability, nor shall it be construed to restrict the defenses or limitations on rights granted under this chapter, of a person for conduct not described in paragraph (11) of section 110 of title 17, even if that person also engages in conduct described in paragraph (11) of section 110 of such title.

(B)

A manufacturer, licensee, or licensor of technology that enables the making of limited portions of audio or video content of a motion picture imperceptible as described in subparagraph (A) is not liable on account of such manufacture or license for a violation of any right under this chapter, if such manufacturer, licensee, or licensor ensures that the technology provides a clear and conspicuous notice at the beginning of each performance that the performance of the motion picture is altered from the performance intended by the director or copyright holder of the motion picture. The limitations on liability in subparagraph (A) and this subparagraph shall not apply to a manufacturer, licensee, or licensor of technology that fails to comply with this paragraph.

(C)

The requirement under subparagraph (B) to provide notice shall apply only with respect to technology manufactured after the end of the 180-day period beginning on April 27, 2005.

(D)

Any failure by a manufacturer, licensee, or licensor of technology to qualify for the exemption under subparagraphs (A) and (B) shall not be construed to create an inference that any such party that engages in conduct described in paragraph (11) of section 110 of title 17 is liable for trademark infringement by reason of such conduct.

2. 15 U.S.C. 1115 provides:

(a)Evidentiary value; defenses

Any registration issued under the Act of March 3, 1881, or the Act of February 20, 1905, or of a mark registered on the principal register provided by this chapter and owned by a party to an action shall be admissible in evidence and shall be prima facie evidence of the validity of the registered mark and of the registration of the mark, of the registrant's ownership of the mark, and of the registrant's exclusive right to use the registered mark in commerce on or in connection with the goods or services specified in the registration subject to any conditions or limitations stated therein, but shall not preclude another person from proving any legal or equitable defense or defect, including those set forth in subsection (b), which might have been asserted if such mark had not been registered.

(b)Incontestability; defenses

To the extent that the right to use the registered mark has become incontestable under section 1065 of this title, the registration shall be conclusive evidence of the validity of the registered mark and of the registration of the mark, of the registrant's ownership of the mark, and of the registrant's exclusive right to use the registered mark in commerce. Such conclusive evidence shall relate to the exclusive right to use the mark on or in connection with the goods or services specified in the affidavit filed under the provisions of section 1065 of this title, or in the renewal application filed under the provisions of section 1059 of this title if the goods or services specified in the renewal are fewer in number, subject to any conditions or limitations in the registration or in such affidavit or renewal application. Such conclusive evidence of the right to use the registered mark shall be subject to proof of infringement as defined in section 1114 of this title, and shall be subject to the following defenses or defects:

(1)That the registration or the incontestable right to use the mark was obtained fraudulently; or

(2)That the mark has been abandoned by the registrant; or

(3)That the registered mark is being used by or with the permission of the registrant or a person in privity with the registrant, so as to misrepresent the source of the goods or services on or in connection with which the mark is used; or

(4)That the use of the name, term, or device charged to be an infringement is a use, otherwise than as a mark, of the party's individual name in his own business, or of the individual name of anyone in privity with such party, or of a term or device which is descriptive of and used fairly and in good faith only to describe the goods or services of such party, or their geographic origin; or

(5)That the mark whose use by a party is charged as an infringement was adopted without knowledge of the registrant's prior use and has been continuously used by such party or those in privity with him from a date prior to (A) the date of constructive use of the mark established pursuant to section 1057(c) of this title, (B) the registration of the mark under this chapter if the application for registration is filed before the effective date of the Trademark Law Revision Act of 1988, or (C) publication of the registered mark under subsection (c) of section 1062 of this title: Provided, however, That this defense or defect shall apply only for the area in which such continuous prior use is proved; or

(6)That the mark whose use is charged as an infringement was registered and used prior to the registration under this chapter or publication under subsection (c) of section 1062 of this title of the registered mark of the registrant, and not abandoned: Provided, however, That this defense or defect shall apply only for the area in which the mark was used prior to such registration or such publication of the registrant's mark; or

(7)That the mark has been or is being used to violate the antitrust laws of the United States; or

(8)That the mark is functional; or

(9)That equitable principles, including laches, estoppel, and acquiescence, are applicable.

3. 15 U.S.C. § 1065 provides:

Except on a ground for which application to cancel may be filed at any time under paragraphs (3), (5), and (6) of section 1064 of this title, and except to the extent, if any, to which the use of a mark registered on the principal register infringes a valid right acquired under the law of any State or Territory by use of a mark or trade name continuing from a date prior to the date of registration under this chapter of such registered mark, the right of the owner to use such registered mark in commerce for the goods or services on or in connection with which such registered mark has been in continuous use for five consecutive years subsequent to the date of such registration and is still in use in commerce, shall be incontestable: Provided, That—

(1)there has been no final decision adverse to the owner's claim of ownership of such mark for such goods or services, or to the owner's right to register the same or to keep the same on the register; and

(2)there is no proceeding involving said rights pending in the United States Patent and Trademark Office or in a court and not finally disposed of; and

(3)an affidavit is filed with the Director within one year after the expiration of any such five-year period setting forth those goods or services stated in the registration on or in connection with which such mark has been in continuous use for such five consecutive years and is still in use in commerce, and other matters specified in paragraphs (1) and (2) hereof; and

(4)no incontestable right shall be acquired in a mark which is the generic name for the goods or services or a portion thereof, for which it is registered.

Subject to the conditions above specified in this section, the incontestable right with reference to a mark registered under this chapter shall apply to a mark registered under the Act of March 3, 1881, or the Act of February 20, 1905, upon the filing of the required affidavit with the Director within one year after the expiration of any period of five consecutive years after the date of publication of a mark under the provisions of subsection (c) of section 1062 of this title.

The Director shall notify any registrant who files the above-prescribed affidavit of the filing thereof.