

**UNIVERSITY OF UTAH
COLLEGE OF LAW
EXAMINATION COVER SHEET**

Student Examination Number: _____

**Law 7080-004
TRADEMARKS AND UNFAIR COMPETITION
PROFESSOR RITA REUSCH**

SPRING 2009

Monday, April 27; 8:30 AM

⌚ **Time Allowed: 3 hours**

Authorized Materials: COURSE TEXT (GINSBERG, LITMAN & KEVLIN, 4TH ED); SUPPLEMENT (NEW AND STATUTORY MATERIAL); YOUR CLASS NOTES; OUTLINES PREPARED BY YOU OR WITH YOUR COLLABORATION; PRINTOUTS OF ANYTHING POSTED ON TWEN SITE

Special Instructions: The exam consists of four questions, each weighted equally. Take time to read through the entire exam before writing. Organize your answer before writing.

Where appropriate, cite to pertinent statutory provisions and cases we have covered.

For each question, if any of your answers depend on facts not stated in the problem, please identify what assumptions you are making and how they would affect the resolution of issues.

If you are taking the exam on your laptop, avoid excess verbiage – concise analysis and use of the law and facts will be rewarded.

If you are writing in blue books, write as clearly as you can and use only the right-hand side of the page.

GENERAL INSTRUCTIONS FOR ALL EXAMS:

1. Exams do not leave the exam room! Write your exam number on your copy of the examination questions, and return it to the proctor at the end of the exam.
2. Students may NOT take any bluebooks or scratch paper from the examination room, whether blank or used. Return to proctor.
3. If you are using a bluebook print your exam number, the title of the course and the instructor's name on the front of each bluebook.
4. Number each bluebook (1 of 3, 2 of 3, 3 of 3, etc.) and place all bluebooks and examination questions inside the first numbered bluebook.
5. If the examination utilizes a computer answer sheet (Scantron):
 - You must use **BLACK** or **BLUE INK** only; no pencils
 - You may use **CORRECTION TAPE** only; no liquid paper
 - Print your examination number in the box found in the lower left-hand section of the form. Write the number in the first 4 spaces, and zero-fill any remaining spaces.

For example, if your examination number is 2983:

IDENTIFICATION NUMBER

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Fill in the bubbles corresponding to the numbers written.

1. As health consciousness increasingly influences consumer tastes and preferences, fast food chains are adapting their menus and marketing strategies. Out-n-In Burgers, a national chain, has decided to offer a healthier line of products along side its greasy, cholesterol-laden offerings. The suffix TRIM would be common to each product in this new line. On November 10, 2007, Out-n-In Burgers filed intent-to-use applications for BURGER TRIMS, PATTY TRIMS, CHUCK TRIMS, for lean meat burgers, CHICKEN TRIMS, and CHICK TRIMS for roast chicken, and POTATO TRIMS, SPUD TRIMS and TATER TRIMS for oven roasted potato “fries”. Out-n-In Burgers has not yet filed a statement of use with respect to any of these marks. It has, however, begun internal testing and discussion with regard to advertising strategies but with the economy as it is has not moved forward with this line of products.

Meanwhile, Macrobia, a nationwide chain of health food stores, has developed a new non-fried product made with yucca, a root vegetable similar to a potato. Macrobia calls the product TATER TRIMS. The yucca is cut like French fries and is oven roasted. Macrobia has filed a trademark application for TATER TRIMS, alleging first use in commerce in August 2007 (when it gave away samples at its flagship store in Santa Cruz, California). By March 2008, when it filed its application, Macrobia was selling TATER TRIMS in its stores throughout the country.

You are counsel to Out-n-In Burgers. Your client wishes to oppose Macrobia’s registration. What grounds of opposition would you raise? What responses should your client expect from Macrobia? What outcome?

2. Exxon Corporation owns the federally registered trademark “EXXON” for gasoline and uses the mark in connection with the retail sale of gasoline. In September 2007, Smith Oil, a New York company with a reputation for selling cut-rate products, begins marketing a hand cleaner under the mark EXX-OFF. The product is advertised as a solvent for cleaning grime and oil from hands. The mark EXX-OFF appears prominently on the label on the front of the EXX-OFF bottle, along with the Smith brand name and logo. A bottle of EXX-OFF retails in the supermarket at a price of \$2.99. EXX-OFF sells extremely well in its first six months on the market.

EXXON management becomes aware of the EXX-OFF product and has its attorneys send a letter to Smith Oil demanding that it cease and desist use of the mark. Smith Oil continues to market the product. The Exxon management is not only upset with Smith Oil but with themselves: about two years ago, Exxon product managers had suggested marketing a hand cleaning product in Exxon gasoline stations, with the idea that motorists would purchase the product when they were at the gas stations (especially when they spilled gas on themselves when they were at the pump). No action had been taken with this idea so far.

Exxon is further upset when it learns that in the fall of 2007, Smith Oil obtained the domain name registration for exx.com and has established a web site at that address. The web page contains advertising and online merchandising for various automotive and other Smith Oil products, including EXX-OFF. Smith Oil has also registered Exxn.com which directs traffic to the exx.com web page. Exxon attorneys sent another cease and desist letter, demanding transfer or take down of the domain names (and repeating the cease and desist demand as to use of the EXX-OFF mark). Smith Oil responded by inquiring how much Exxon was willing to pay for the exx.com or exxn.com domain names.

Exxon files a complaint against Smith Oil alleging 1) infringement of Exxon’s registered mark under section 32 of the Lanham Act; 2) trademark dilution under section 43(c) of the Lanham Act and 3) cybersquatting under ACPA, section 43(d). Discuss the analysis the court will conduct to determine each claim.

3. The Crescent wrench was developed by the Crescent Tool and Horseshoe Company, which was founded in 1907. It is ubiquitous in tool boxes around the world. It is now owned and made by Cooper Hand Tools, Inc. Discuss issues relating to trademark protection for this tool.



4. A major theme in the study of trademark law is recognition of the tension between trademarks as source identifiers and trademarks as property rights “in gross”. A related theme focuses on the tension between the consumer protection policies of trademark law and policies protecting the TM owner’s good will. Still another theme is where to draw the line between “fair” and “unfair” competition. Do you think that the United States trademark system is currently in balance on these issues? To what extent has it tilted too far in favor of TM owners? To what extent is it giving TM owners fewer protections against uses of their marks by others? *Give examples from the Lanham Act, case law and other anecdotal evidence.*