

## US: TRADE MARKS



**Katten Muchin Rosenman  
LLP**  
**New York**

*Karen Artz Ash*



*and*  
**Bret J Danow**

## No presumption of irreparable harm

In deciding motions for preliminary injunction in a trade mark infringement case, courts have traditionally held that irreparable harm to a trade mark owner was presumed once a finding was made that that a defendant's use of the mark at issue is likely to cause confusion. The US Court of Appeals for the Ninth Circuit, however, in the case *Herb Reed Enterprises, LLC v Florida Entertainment Management, Inc.*, recently broke away from past precedent and took a different approach to the standard for granting injunctive relief in a trade mark infringement matter.

*Herb Reed Enterprises* involved the use of the mark The Platters as the name of a musical group. The District Court had granted the plaintiff a preliminary injunction against the defendant's use of the mark, holding that the plaintiff had satisfied the requirements for obtaining injunctive relief, namely, that the plaintiff had established a likelihood of success on the merits and that it was likely to suffer irreparable harm in the absence of preliminary relief. The Court of Appeals accepted that the plaintiff had established a likelihood of success on the merits but disagreed with the District Court that the record supported a determination on the likelihood of irreparable harm.

Citing a recent US Supreme Court ruling in a patent infringement case, the Court of Appeals held that irreparable harm to a plaintiff trade mark owner could not be presumed simply because the plaintiff was likely to succeed on the merits of its trade mark infringement claim. Such a presumption, according to the Court of Appeals, had the practical effect of combining the likelihood of success and the irreparable harm factors. The Court expressed its view that such combination was improper. Therefore, the Court of Appeals focused on whether there was

evidence of a likelihood of irreparable harm separate and apart from evidence of a likelihood of success. In doing so, the Court of Appeals ruled that the District Court's analysis of the issue of irreparable harm was "cursory and conclusory, rather than being ground in any evidence". Specifically, the Court of Appeals held that a strong case of trade mark infringement does not automatically mean that the plaintiff was irreparably harmed or that money damages would be inadequate. While the plaintiff may be able to establish the likelihood of irreparable harm, there was no evidence in the record to do so.

The Court of Appeals did note in a footnote that, given the character and objectives of the preliminary proceeding, the District Court could have relied on evidence that may not have otherwise been admissible in issuing the preliminary injunction. However, even with that ability, the facts did not support a finding that the plaintiff was likely to suffer irreparable harm. Therefore, the ruling is somewhat case-specific in that the unspecified facts that the Court of Appeals would have found sufficient were not present.

It remains to be seen what amount of evidence of irreparable harm will need to be demonstrated by a trade mark owner in order to obtain injunctive relief in the Ninth Circuit. The ruling does, at a minimum, seem to make the standards more difficult for plaintiffs to meet in the Ninth Circuit. Similarly, only time will tell whether appeals courts in other circuits will adopt the same standard as the Ninth Circuit did in *Herb Reed Enterprises*. Trade mark owners seeking injunctive relief should, in any event, be prepared that other courts will require that they present evidence sufficient to demonstrate a likelihood that they would suffer irreparable harm rather than automatically presuming such harm.