
Today, the Supreme Court held that plaintiffs in trademark-infringement actions need not prove that defendants acted willfully in order to recover defendants' ill-gotten profits as damages. Although an infringer's mental state is a factor a court should consider in awarding damages, proof of willfulness is not always required.

Background: Romag sells magnetic snap fasteners for leather goods. Fossil contracted with Romag for fasteners to use on its handbags. Romag soon discovered that some of the factories in China that Fossil had hired to assemble its handbags were using counterfeit Romag fasteners. Romag sued Fossil for trademark infringement. A jury found that Fossil had infringed Romag's trademark but that the infringement was not willful.

The district court declined to award Romag the profits Fossil gained as a result of its infringement based on circuit precedent holding that a trademark-infringement plaintiff seeking a profits award must prove willfulness.

Issue: Whether a plaintiff must show willful infringement to obtain an award of the defendant's profits for trademark infringement under 15 U.S.C. §1117(a).

Court's holding: In an opinion written by Justice Gorsuch, the Court held that the plain text of Section 1117(a) does not require the plaintiff in a trademark-infringement action to prove that the defendant acted willfully in order to recover the defendant's profits. Although the Lanham Act is replete with references to various mental states, the trademark-infringement damages provision does not require willfulness. The Court held that "a trademark defendant's mental state is a highly important consideration in determining whether an award of profits is appropriate," but it rejected the idea that willfulness always is required.

Justice Alito, joined by Justices Breyer and Kagan, concurred and emphasized that "willfulness is a highly important consideration in awarding profits," but it is "not an absolute precondition."

Justice Sotomayor concurred only in the judgment. Although she agreed that Section 1117(a) does not impose a willfulness prerequisite, she doubted whether an award of profits for innocent or good-faith trademark infringement would ever be "consonant with the 'principles of equity.'"