

*Hana Financial, Inc. v. Hana Bank*, No. 13-1211 (described in the June 23, 2014, Docket Report)

To have a protected interest in a trademark, a party must be the first to use it; such a party has “priority” and thus may exclude others from using the mark. To permit a party to update or modernize a mark without losing priority, courts have recognized a trademark “tacking” doctrine. If the later mark is so similar that it is “legally equivalent” to the earlier mark, the two marks may be “tacked,” meaning that the later mark takes on the priority date of the earlier mark. Today, in *Hana Financial, Inc. v. Hana Bank*, No. 13-1211, the Supreme Court resolved a conflict among the courts of appeals over whether trademark tacking is a question of law for a court or a question of fact for the jury. The Court held that it is a question of fact for the jury.

Petitioner Hana Financial, Inc., the owner of the federally registered trademark “Hana Financial,” sued respondents Hana Bank and Hana Financial Group for trademark infringement based on their use of “Hana Bank.” Respondents argued that they had priority based on the trademark-tacking doctrine. Specifically, they claimed that the mark “Hana Overseas Korean Club” could be tacked to a later mark, “Hana World Center,” and that “Hana World Center” could then be tacked to “Hana Bank,” making the priority date for “Hana Bank” the same as the one for “Hana World Center.” The district court held that it was for the jury to determine whether these marks are “legal equivalents.” The jury found that they were, and returned a verdict in favor of respondents. The Ninth Circuit affirmed, explaining that, “[i]n our circuit, tacking presents a question of fact that must ultimately be decided by the jury unless the evidence is so strong that it permits only one conclusion.” *Hana Financial Inc. v. Hana Bank*, 735 F.3d 1158, 1168 (9th Cir. 2013).

In a unanimous opinion by Justice Sotomayor, the Supreme Court affirmed. The Court held that “[b]ecause the tacking inquiry operates from the perspective of an ordinary purchaser or consumer,” “a jury should make th[e] determination” “whether tacking is available in a given case.” The Court observed that it has “long recognized across a variety of doctrinal contexts that, when the relevant question is how an ordinary person or community would make an assessment, the jury is generally the decisionmaker that ought to provide the fact-intensive answer.” The Court made clear, however, that its holding is limited to situations in which “a jury trial has been requested” and “the facts do not warrant entry of summary judgment or judgment as a matter of law.”

Any questions about this case should be directed to Paul W. Hughes (+1 202 263 3147) or Charles A. Rothfeld (+1 202 263 3233) in our Washington office. Paul and Charles represent petitioner Hana Financial.