



September 4, 2018

The Honorable Charles Grassley  
Chairman  
Senate Committee on the Judiciary  
U.S. Senate  
Washington, D.C. 20510

The Honorable Dianne Feinstein  
Ranking Member  
Senate Committee on the Judiciary  
U.S. Senate  
Washington, D.C. 20510

Dear Chairman Grassley and Ranking Member Feinstein:

We, the undersigned associations representing trademark owners and the trademark bar, urge the Senate Judiciary Committee to take up legislation to amend the Lanham Act to reestablish a consistent principle that would make injunctive remedies available in appropriate cases involving trademark counterfeiting, infringement, dilution, false advertising and cybersquatting. This would clarify and make consistent how the Lanham Act is enforced across the country in order to best protect the interests of American consumers and businesses.

Trademarks are source identifiers that inform and protect consumers. The Lanham Act serves dual purposes. The statute protects consumers from the confusion and deception caused by acts of trademark counterfeiting, infringement, dilution, false advertising and cybersquatting. At the same time, the law protects businesses from the damage to their goodwill and reputation that is caused by such acts. Recent developments in the law of Lanham Act remedies, however, have resulted in inconsistency across judicial circuits that threatens to undermine Congressional objectives in protecting both consumers and businesses from those harms.

Injury in most Lanham Act violations is typically not readily or immediately quantifiable. Injunctive relief (which requires the claimant to meet a four-part test, including a showing of irreparable harm) most often is the only effective remedy to prevent harm to consumers and protect the trademark owner's reputation. For this reason, historically, U.S. federal courts, when considering a claim under the Lanham Act, almost uniformly applied a rebuttable presumption of irreparable harm upon a

finding of liability or, in the context of a preliminary injunction, when liability was found to be probable. A rebuttable presumption of irreparable harm is an important avenue to adequate relief, given the difficulty of quantifying this type of injury.

Yet, in the past decade, a number of federal courts have reversed course and discarded this long-standing rebuttable presumption of irreparable harm even when liability is found. These courts have based their decisions on a Supreme Court opinion<sup>1</sup> involving patent infringement and the U.S. Patent Act — which never addressed injunctive relief under the Lanham Act. Other federal district and circuit courts have declined to extend the patent decision to trademark cases. The differing views of the circuits on this issue have created uncertainty for Lanham Act claimants and an incentive for forum shopping, and the U.S. Supreme Court has declined to grant certiorari to resolve the conflict in the lower courts and clarify the law in this regard.

Legislation reestablishing a presumption of irreparable harm under the Lanham Act would provide clarity for the courts and litigants alike. It would provide injunctive relief to trademark owners who prevail on the merits of their claim or who, in preliminary injunction proceedings, demonstrate that they are likely to prevail on the merits, and allow them to appropriately protect their brands and reputations. This will also protect consumers from harm arising from confusion about the source of products or services.

We hope the Committee will consider such legislation at the earliest opportunity.

Sincerely,



Lisa Jorgenson  
Executive Director  
American Intellectual Property Law Assn.



Mark Lauroesch  
Executive Director  
Intellectual Property Owners Assn.



Etienne Sauz de Acedo  
Chief Executive Officer  
International Trademark Assn.

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<sup>1</sup> *eBay, Inc. v. MercExchange LLC*, 547 U.S. 388 (2006).