



1 quality food offerings, in San Diego, California. (Complaint ¶ 15-  
2 16, 18.) Duck Dive is located very close to San Diego's Pacific  
3 Beach, and derives its name from the surfing term "duck dive," a  
4 method of diving beneath a breaking wave with a surfboard.  
5 (Complaint ¶ 15.) Duck Dive also uses a logo displaying the text  
6 "Duck Dive" alongside a graphic of a woman performing a duck dive.  
7 (Declaration of Todd Winn ¶5; Mot. at 2.) Duck Dive sells shirts  
8 and hats bearing the logo to local customers and beach tourists.  
9 (Winn Decl. ¶ 6.) Duck Dive has been the subject of favorable  
10 media coverage in local outlets such as the San Diego Reader and  
11 more distant sources, such as the Los Angeles-area Government  
12 Center Gazette and Van Nuys News Press. (Mot. Exhs. 3, 4.) Duck  
13 Dive has filed trademark registrations for the "Duck Dive" name and  
14 logo, but has not yet received the registrations. (Compl. ¶ 19.)

15 In May 2013, Defendants opened the "Duck Dive Gastropub" in  
16 Malibu, California, a beachside community near Los Angeles.  
17 Defendants attempted to register the name "The Duck Dive," but  
18 later abandoned that effort. (Compl. ¶ 23; Mot. Ex. 11.)  
19 Defendants continue to pursue efforts to register the name "Duck  
20 Dive Gastropub Malibu," and currently operate an establishment  
21 under that name. (Mot. Ex. 11.)

22 After sending Defendants a cease and desist letter, to no  
23 avail, Plaintiff filed the instant action, alleging trademark  
24 infringement, unfair competition, unfair business practices, and  
25 unjust enrichment. Plaintiff now seeks a preliminary injunction  
26 enjoining Defendants from using the name "Duck Dive" in connection  
27 with bar or restaurant services.

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1 **II. Legal Standard**

2 A private party seeking a preliminary injunction must show (1)  
3 that he is likely to succeed on the merits, (2) that he is likely  
4 to suffer irreparable harm in the absence of preliminary relief,  
5 (3) that the balance of equities tips in his favor, and (4) that an  
6 injunction is in the public interest. Winter v. Natural Res.  
7 Defense Counsel, 555 U.S. 7, 20 (2008). Preliminary relief may be  
8 warranted where a party (1) shows a combination of probable success  
9 on the merits and the possibility of irreparable harm, or (2)  
10 raises serious questions and the balance of hardships tips in favor  
11 of an injunction. See Arcamuzi v. Continental Air Lines, Inc., 819  
12 F.2d 935, 937 (9th Cir. 1987). "These two formulations represent  
13 two points on a sliding scale in which the required degree of  
14 irreparable harm increases as the probability of success  
15 decreases." Id. Under both formulations, the party must  
16 demonstrate a "fair chance of success on the merits" and a  
17 "significant threat of irreparable injury."<sup>1</sup> Id.

18 **III. Discussion**

19 A. Irreparable Harm

20 Defendants first argue that Plaintiff has not demonstrated a  
21 likelihood of irreparable harm, and that irreparable harm cannot be  
22 presumed in trademark infringement cases. Historically, a  
23 demonstration of likely success on the merits of a trademark claim  
24 gave rise to a presumption of irreparable injury. See Marlyn

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26 <sup>1</sup> Even under the "serious interests" sliding scale test, a  
27 plaintiff must satisfy the four Winter factors and demonstrate  
28 "that there is a likelihood of irreparable injury and that the  
injunction is in the public interest." Alliance for the Wild  
Rockies v. Cottrell, 632 F.3d 1127, 1135 (9th Cir. 2011).

1 Nutraceuticals, Inc. v. Mucos Pharma GmbH & Co., 571 F.3d 873, 877  
2 (9th Cir. 2009). In the wake of Winter, the Ninth Circuit then  
3 held that in copyright cases, a presumption of irreparable harm  
4 could no longer follow from a finding of likelihood of success on  
5 the merits. Flexible Lifeline Sys., Inc. v. Precision Lift, Inc.,  
6 654 F.3d 989, 998 (9th Cir. 2011). The Flexible Lifeline court did  
7 not, however, address the viability of the presumption in the  
8 trademark context, and the Ninth Circuit has yet to do so. In the  
9 absence of any binding authority, districts in this court have  
10 taken conflicting approaches. Compare, e.g., BoomerangIt, Inc. v.  
11 ID Armor, Inc., No. 12-CV-0920 EJD, 2012 WL 2368466 at \*4 (N.D.  
12 Cal. Jun. 21, 2012) with Otter Prods., LLC v. Berrios, No. CV 13-  
13 4384 RSWL, 2013 WL 5575070 at \*11 (C.D. Cal. Oct. 10, 2013);  
14 Nordstrom, Inc. v. NoMoreRack Retail Group, Inc., No. C12-1853-RSM,  
15 2013 WL 1196948 at \*13 (W.D. Wash. Mar. 25, 2013).

16 Here, the court need take no position on the existence of a  
17 presumption because Plaintiff has presented evidence of irreparable  
18 harm. As discussed in further detail below, press reports have  
19 mistakenly associated Plaintiff's establishment with Defendants',  
20 and multiple patrons have confused one gastropub for the other.  
21 While Defendants are correct that monetary losses alone do not  
22 constitute irreparable injury, harm to a business' reputation and  
23 goodwill and loss of prospective customers do qualify as  
24 irreparable damage. Stuhlberg Int'l Sales Co. v. John D. Brush and  
25 Co., Inc., 240 F.3d 832, 841 (9th Cir. 2001); MySpace, Inc. v.  
26 Wallace, 498 F.Supp.2d 1293, 1305 (C.D. Cal. 2007).

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1 B. Likelihood of Success

2 To prevail on a trademark claim, a plaintiff must show that it  
3 has some protectable interest in the mark. Applied Info. Sciences  
4 Corp. v. eBay, Inc., 511 F.3d 966, 696 (9th Cir. 2007). Beyond  
5 ownership, the "core element" of a trademark infringement claim is  
6 the likelihood that the similarity of the marks will confuse  
7 consumers as to the source of goods or services. Freecycle  
8 Network, Inc. v. Oey, 505 F.3d 898, 902 (9th Cir. 2007). Relevant  
9 factors include the strength of the mark, proximity of the goods,  
10 similarity of the marks, evidence of actual confusion, marketing  
11 channels used, degree of care likely to be exercised by consumers,  
12 defendant's intent, and likelihood of expansion of product lines.  
13 AMF Inc. v. Sleekcraft Boats, 599 F.2d 941, 348-49 (9th Cir. 1979).

14 1. Ownership of the Mark

15 Defendants suggest, without any citation to authority, that  
16 Plaintiff has no protectable interest in the "Duck Dive" mark  
17 because other businesses around the country, including musicians,  
18 housing providers, artists, and restaurateurs as far away as North  
19 Carolina use the term "Duck Dive" in some form. (Opp. at 7-8.)

20 The test of trademark ownership is priority of use. Sengoku  
21 Works Ltd. v. RMC Int'l, Ltd., 96 F.3d 1217 (9th Cir. 1996). "The  
22 first to use a mark is deemed the 'senior' user and has the right  
23 to enjoin 'junior' users from using confusingly similar marks in  
24 the same industry and market or within the senior user's natural  
25 zone of expansion." Brookfield Commc'ns. Inc. V. West Coast Entm't  
26 Corp., 174 F.3d 1036, 1047 (9th Cir. 1999) (emphases added). The  
27 fact that others may use the term "Duck Dive" with respect to art,  
28 clothing, or even food services thousands of miles from Plaintiff's

1 establishment has no bearing on Plaintiff's ability to obtain  
2 trademark protection in its industry and market, within which  
3 Plaintiff is undisputedly the senior user of the Duck Dive mark.  
4 (Winn Decl. ¶ 7.)

5           2. Likelihood of Confusion

6           The strength of a trademark depends, in part, on its position  
7 on a spectrum ranging from generic to arbitrary. Rearden LLC v.  
8 Rearden Commerce, Inc., 683 F.3d 1190, 1211 (9th Cir. 2012).  
9 Arbitrary marks consist of words that have no connection with the  
10 product. Id. Here, "Duck Dive," a surfing term, has nothing to do  
11 with the bar or restaurant services that both Plaintiff and  
12 Defendant provide.<sup>2</sup> The mark is, therefore, strong. Defendant  
13 does not dispute that its use of "Duck Dive gastropub" is virtually  
14 identical to the "Duck Dive" mark Plaintiff seeks to protect in  
15 relation to its gastropub.

16           Defendants argue that consumers are not likely to confuse the  
17 two establishments because Plaintiffs operate in San Diego and  
18 Defendants' business is in Malibu, near Los Angeles. The court  
19 disagrees. While the distance between the two Duck Dives is not  
20 insignificant, both are located in popular Southern California  
21 beach communities, thus placing Malibu within Plaintiff's zone of  
22 natural expansion. Indeed, Plaintiff has submitted evidence that  
23 it has considered expanding to the Los Angeles area, where it has

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26           <sup>2</sup> While the word "dive" could describe certain downscale bars,  
27 Plaintiff does not characterize its establishment as such, nor does  
28 the evidence presented suggest that the parties' relatively upscale  
businesses qualify as dive bars. Indeed, a "dive bar gastropub"  
would border on the oxymoronic.

1 already received some media attention. (Winn Decl. ¶ 15; Mot. Ex.  
2 4.)

3 Lastly, though evidence of actual confusion is not necessary  
4 to a finding of likelihood of confusion, evidence of "actual  
5 confusion among significant numbers of consumers provides strong  
6 support for the likelihood of confusion." Playboy Enters., Inc. v.  
7 Netscape Comms. Corp., 354 F.3d 1020, 1026 (9th Cir. 2004). Though  
8 Defendants make unsupported assertions that consumer confusion is  
9 unlikely, Plaintiff has presented evidence of actual consumer  
10 confusion. Tom Winn, a limited partner of Plaintiff Duck Dive, has  
11 declared under penalty of perjury that multiple customers have  
12 called Plaintiff's San Diego Duck Dive in the mistaken belief that  
13 it is Defendants' Malibu establishment, and that confused customers  
14 have placed to-go orders with Plaintiff that are then never picked  
15 up. (Winn Decl., ¶ 14.) Furthermore, a Los Angeles-based food  
16 blog erroneously reported, even after communicating with  
17 Defendants, that Defendants' establishment is Plaintiff's "second  
18 location." (Mot. Exs. 10, 11.) These factors weigh heavily in  
19 favor of a preliminary finding of likelihood of confusion.

20 **IV. Conclusion**

21 For the reasons stated above, Plaintiff's Motion for  
22 Preliminary Injunction is GRANTED.

23 **IT IS HEREBY ORDERED** that Defendants and their employees,  
24 servants, agents, affiliates, distributors, dealers, attorneys,  
25 successors and/or assigns, and all persons in active concert or  
26 participation with any of them, are, pending trial on the merits or  
27 until further order of court, preliminarily enjoined from:

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- 1 a. Using "DUCK DIVE" or "DUCK DIVE GASTROPUB" as a  
2 trademark, trade name, or service mark for bar/restaurant  
3 services, or for the retail and/or internet sale of  
4 apparel, or any confusingly similar mark, or any  
5 colorable imitations thereof;
- 6 b. Using "DUCK DIVE" or "DUCK DIVE GASTROPUB" in any  
7 advertisements, media promotions, or in any internet  
8 posting containing audio over which Defendants have  
9 control, including but not limited to Facebook and  
10 Pinterest;
- 11 c. Opening any new gastropubs or other commercial corporate  
12 locations bearing the name or signage "DUCK DIVE" or  
13 "DUCK DIVE GASTROPUB" or any similar mark;
- 14 d. Using the mark "DUCK DIVE" or "DUCK DIVE GASTROPUB"  
15 inside any new gastropub locations, on displays or  
16 otherwise;
- 17 e. Selling in any current or new gastropub locations any  
18 goods bearing the marks "DUCK DIVE" or "DUCK DIVE  
19 GASTROPUB";
- 20 f. Advertising or publicizing any current or new gastropubs  
21 bearing the name "DUCK DIVE" or "DUCK DIVE GASTROPUB";
- 22 g. Performing or allowing any act or thing which may tarnish  
23 the distinctive quality of DUCK DIVE's Duck Dive Marks.

24 Nothing herein shall prevent Defendants from the use of the  
25 generic term "Gastropub" by itself; the use of the name "Gastropub"  
26 by itself in any advertisements, media promotions, or any internet  
27 postings; or the use of the generic term "Gastropub" by itself in  
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1 connection with any of the activities described in paragraphs (c)  
2 through (g) above.

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5 IT IS SO ORDERED.

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8 Dated: March 27, 2014



DEAN D. PREGERSON  
United States District Judge

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