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13	UNITED STATES DISTRICT COURT	
14	IN AND FOR THE DISTRICT OF ARIZONA	
15	SOILWORKS, LLC, an Arizona corporation,	NO.: 2:06-CV-2141-DGC
16 17	Plaintiff / Counterdefendant / Counterclaimant,	
18	v.	MIDWEST INDUSTRIAL SUPPLY,
19	MIDWEST INDUSTRIAL SUPPLY,	INC.'S MOTION IN LIMINE TO BAR EVIDENCE REGARDING
20	INC., an Ohio corporation authorized to do business in Arizona,	INNOCENT TRADEMARK INFRINGEMENT OF THE MARK SOIL-SEMENT
21	Defendant / Counterclaimant / Counterdefendant.	SOIL-SEWIEN I
22	Counterderendant.	
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### I. INTRODUCTION

Defendant Midwest Industrial Supply, Inc. ("Midwest") moves this Court *in limine* to preclude Plaintiff Soilworks, LLC ("Plaintiff") from presenting any evidence regarding Soilworks' non-willful trademark infringement of the mark Soil Sement.

## II. ARGUMENT

It is undisputed that Midwest and Soilworks are fierce competitors. It is also undisputed that Midwest's Soil-Sement product directly competes with Soilworks' Soiltac and Gorilla-Snot products. It is further undisputed that the main form of advertising by the parties is the Internet. Soilworks has been found to be guilty of trademark infringement, violation of the Lanham Act, False Designation of Origin and has violated the laws of Unfair Competition by using the mark "Soil-Sement" to sell its competing Soiltac and Gorilla-Snot products.

The Court granted Midwest's Counterclaim for Lanham Act Claims for Trademark Infringement, False Designation of Origin, and Unfair Competition (Count I). (August 7, 2008 Order, at p. 15, "the Court will grant summary judgment in Midwest's favor with respect to liability – not damages or other relief – on the Lanham Act claims asserted in Count I of the counterclaim with respect to Soil-Sement.") In the August 7, 2008 Order, the Court further found that (1) "Soilworks clearly uses the [Soil Sement] mark to attract customers to Soilworks' websites" (Id, footnote 6, at p. 13); (2) Soilworks is using Midwest's mark, in the Internet where Midwest does business, to divert potential customers to Soilworks' websites." (Id, at p. 13.) "In its use of keywords and metatags, Soilworks thus capitalizes on Midwest's "Soil-Sement" trademark to attract clients to its websites."

The Lanham Act does not define "willfulness" or "intentional" infringement, however, a Lanham Act case is exceptional if the infringement is "malicious, fraudulent, deliberate, or willful." *Online Partners.Com, Inc. v. Atlanticnet Media Corp.*, 2000 WL 101242 N.D.Cal., 2000 *citing* S.Rep. No. 93-1400, 93d Cong., 2d Ses's. (1978). "The proper focus is whether defendant had the intent to derive benefit from the reputation or goodwill of plaintiff." Sicilia Di R. Biebow & Co. v. Cox, 732 F.2d 417 (5th Cir. 1984). That is exactly what this Court found in its Order of August 7, 2008 and Soilworks should be precluded from offering any evidence that it is not an intentional, willful infringer of the mark Soil-Sement.

As further background, Mr. Falkenberg, an officer of Soilworks, stated that Soilworks purchased Midwest's Soil-Sement® trademark as a "keyword" so that someone searching for Soil-Sement® on the internet would also find Soilworks' Soiltac® product, which is desirable because they "compete in similar industries." (Statement of Material Facts, ECF Docket No. 80, at ¶39.) Pursuant to this and all of the evidence offered during the summary judgment stage, the Court found that "Soilworks clearly uses the [Soil Sement] mark to attract customers to Soilworks' websites." (August 7, 2008 Order, footnote 6, at p. 13). Thus, Soilworks' acts cannot be characterized as anything but intentional, deliberate and willful.

In the view of the Federal Circuit, intentional infringement is where the infringement is "willfully calculated to exploit the advantage of an established mark." *Bandag, Inc. v. Al Bolser's Tire Stores, Inc.*, 750 F.2d 903 (Fed. Cir. 1984), *on remand*, 228 U.S.P.Q. 211 (W.D. Wash. 1985), *aff'd without op.*, 809 F.2d 788 (Fed. Cir. 1986). That is exactly what

this Court has found that Soilworks has done, namely, taken advantage of an established mark with the intent to trade off of the goodwill of its competitor, Midwest.

## III. CONCLUSION

For the foregoing reasons, Midwest respectfully submits that the Court should enter an order precluding Soilworks from introducing any evidence at trial that Soilworks' infringement of the Soil-Sement mark was not intentional or willful, *i.e.*, that is was innocent.

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# CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of the foregoing MIDWEST INDUSTRIAL SUPPLY, INC.'S MOTION IN LIMINE TO BAR EVIDENCE REGARDING INNOCENT TRADEMARK INFRINGEMENT OF THE MARK SOIL-SEMENT has been electronically filed on this 17th day of September, 2008. Notice of this filing will be sent to all parties by operation of the Court's electronic filing system. Parties may access this filing through the Court's system.

/s/ John M. Skeriotis
John Skeriotis