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UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

MERCADO LATINO, INC. dba)	Case No. CV 13-01027 DDP (RNBx)
CONTINENTAL CANDLE COMPANY,)	
)	
Plaintiff,)	ORDER DENYING DEFENDANT'S MOTION
)	FOR JUDGMENT ON THE PLEADINGS
v.)	
)	
INDIO PRODUCTS, INC., a)	
California corporation,)	[Dkt. No.79]
)	
Defendants.)	
_____)	
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Presently before the court is Defendant Indio Products, Inc. ("Indio")'s Motion for Judgment on the Pleadings.¹ Having considered the submissions of the parties and heard oral argument, the court denies the motion and adopts the following order.

I. Background

¹ Although Defendant's Notice of Motion refers to a motion to dismiss, the memorandum in support of the motion concerns a motion for judgment on the pleadings.

1 Indio and Plaintiff Mercado Latino, Inc. ("Mercado") both
2 sell devotional prayer candles bearing images of saints and other
3 religious figures. (Second Amended Complaint ("SAC") ¶¶ 7, 12,
4 23.) Mercado's "Sanctuary Series" candles feature "a clear
5 cylindrical container that is approximately 2.25 x 2.25 x 8.0
6 inches in length, width and height, filled with a solid, single
7 color wax, the clear cylindrical container has an opaque die-cut
8 label with two opposite sides - a 'front' and 'back'. The front
9 side of the die-cut label has a silhouette outlined by a black
10 border with a top portion that tapers together and forms a pointed
11 tip that resembles a 'bullet' shape, with segments of shapes in
12 varying and alternating sizes and colors, similar to a stained
13 glass window. Placed over that label is a depiction of a saint or
14 other religious icon. Directly beneath the depiction of the saint
15 or religious icon, (sic) is a separate segment on the label that
16 resembles a scroll with the name of the saint or religious icon."
17 (SAC ¶ 12.) Mercado alleges that this trade dress is inherently
18 distinctive and non-functional. (Id. ¶¶ 11, 13.) Mercado further
19 alleges that it has promoted, advertised, and sold Sanctuary Series
20 candles for over twenty years, and that Sanctuary Series candles
21 are sold at large, nationwide retailers and "smaller independent
22 Latino retailers." (Id. ¶ 15.)

23 Mercado alleges, among other things, that Defendant sells a
24 line of candles that infringe upon Plaintiff's Sanctuary Series
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1 trade dress.² Defendant now moves for judgment on the pleadings
2 with respect to the trade dress claim.

3 **II. Legal Standard**

4 A party may move for judgment on the pleadings “[a]fter the
5 pleadings are closed [] but early enough as not to delay the
6 trial.” Fed. R. Civ. P. 12(c). Judgment on the pleadings is
7 proper when the moving party clearly establishes that no material
8 issue of fact remains to be resolved and that it is entitled to
9 judgment as a matter of law. Hal Roach Studios, Inc. v. Richard
10 Feiner & Co., 896 F.2d 1542, 1550 (9th Cir. 1990); Doleman v. Meiji
11 Mut. Life Ins. Co., 727 F.2d 1480, 1482 (9th Cir. 1984). The
12 standard applied on a Rule 12(c) motion is essentially the same as
13 that applied on a Rule 12(b)(6) motion to dismiss for failure to
14 state a claim, with the court accepting all of the non-moving
15 party’s allegations as true. Lyon v. Chase Bank USA, N.A., 656
16 F.3d 877, 883 (9th Cir. 2011).

17 A complaint will survive a motion to dismiss when it contains
18 “sufficient factual matter, accepted as true, to state a claim to
19 relief that is plausible on its face.” Ashcroft v. Iqbal, 556 U.S.

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21 ² An earlier iteration of Plaintiff’s complaint alleged that
22 Defendant also infringed upon Plaintiff’s copyrights on artwork
23 depicted on Sanctuary Series candles. (First Amended Complaint ¶¶
24 12-14, 29.) Plaintiff specifically identified “artwork of border
25 with appearance of cathedral window-shaped stained glass.” This
26 court dismissed Plaintiff’s copyright claim, concluding that the
27 shape of the artwork was not protectable, and that Plaintiff’s
28 border artwork is not substantially similar to Defendant’s design.
(Dkt. 25 at 4-7.) The court also concluded that Plaintiff’s trade
dress claim was duplicative of its copyright claim, and therefore
dismissed the trade dress claim as preempted by the Copyright Act.
(Dkt. 25 at 7.) Mercado appealed this Court’s decision regarding
the trade dress claim, but not the court’s dismissal of the
copyright claim. The Court of Appeals for the Ninth Circuit
concluded that Plaintiff’s trade dress claim is not preempted by
the Copyright Act and remanded to this Court. (Dkt. 59.)

1 662, 678 (2009) (quoting Bell Atl. Corp. v. Twombly, 550 U.S. 544,
2 570 (2007)). When considering a Rule 12(b)(6) motion, a court must
3 “accept as true all allegations of material fact and must construe
4 those facts in the light most favorable to the plaintiff.” Resnick
5 v. Hayes, 213 F.3d 443, 447 (9th Cir. 2000). Although a complaint
6 need not include “detailed factual allegations,” it must offer
7 “more than an unadorned, the-defendant-unlawfully-harmed-me
8 accusation.” Iqbal, 556 U.S. at 678. Conclusory allegations or
9 allegations that are no more than a statement of a legal conclusion
10 “are not entitled to the assumption of truth.” Id. at 679. In
11 other words, a pleading that merely offers “labels and
12 conclusions,” a “formulaic recitation of the elements,” or “naked
13 assertions” will not be sufficient to state a claim upon which
14 relief can be granted. Id. at 678 (citations and internal
15 quotation marks omitted).

16 “When there are well-pleaded factual allegations, a court
17 should assume their veracity and then determine whether they
18 plausibly give rise to an entitlement of relief.” Id. at 679.
19 Plaintiffs must allege “plausible grounds to infer” that their
20 claims rise “above the speculative level.” Twombly, 550 U.S. at
21 555. “Determining whether a complaint states a plausible claim for
22 relief” is a “context-specific task that requires the reviewing
23 court to draw on its judicial experience and common sense.” Iqbal,
24 556 U.S. at 679.

25 **III. Discussion**

26 A. Specificity of the Claimed Trade Dress

27 Trade dress is the “total image of a product, including
28 features such as size, shape, color, texture, and graphics[.]”

1 Millennium Labs., Inc. v. Ameritox, Ltd., 817 F.3d 1123, 1126 (9th
2 Cir. 2016) (internal quotation and citations omitted). A plaintiff
3 bringing a trade dress claim must allege "(1) that its claimed
4 dress is nonfunctional; (2) that its claimed dress serves a
5 source-identifying role[,], either because it is inherently
6 distinctive or has acquired secondary meaning; and (3) that the
7 defendant's product . . . creates a likelihood of consumer
8 confusion." Clicks Billiards, Inc. v. Sixshooters, Inc., 251 F.3d
9 1252, 1258 (9th Cir. 2001).

10 Defendant argues first that Plaintiff has not adequately
11 defined its trade dress. (Motion at 9.) A plaintiff must
12 describe its trade dress clearly enough to give a defendant
13 sufficient notice of the plaintiff's claim. See Homeland
14 Housewares, LLC v. Euro-Pro Operating LLC, No. CV 14-03954 DDP
15 (MANx), 2014 WL 6892141 at *3 (C.D. Cal. Nov. 5, 2014); Millenium
16 Labs., Inc. v. Ameritox, Ltd., No. 12CV1063-MMA(JMA), 2012 WL
17 4863781 at *2 (S.D. Cal. Oct. 12, 2012). Defendant's argument
18 regarding Plaintiff's description of the claimed trade dress
19 appears to be less a question of articulation, however, than of
20 overbreadth. Defendant argues, for example, that the alleged trade
21 dress is described so broadly as "to capture nearly any stained
22 glass type design, essentially making Mercado's stained glass
23 design generic." (Mot. at 10:20-22.) As this argument suggests,
24 problems of overbreadth are better considered as questions of
25 genericness rather than specificity. See Walker & Zanger, Inc. v.
26 Paragon, Indus., Inc., 549 F.Supp.2d 1168, 1174 (N.D. Cal. 2007)
27 ("Cases addressing product design suggests that the term
28 'genericness' covers three situations: (1) if the definition of a

1 product design is overbroad or too generalized; (2) if a product
2 design is the basic form of a type of product; or (3) if the
3 product design is so common in the industry that it cannot be said
4 to identify a particular source.”). Questions of genericness,
5 however, are questions of fact. Yellow Cab Co. of Sacramento v.
6 Yellow Cab of Elk Grove, Inc., 419 F.3d 925, 929 (9th Cir. 2005).
7 Here, Plaintiff’s relatively detailed description of its claimed
8 trade dress is adequate to put defendant on notice, particularly in
9 light of Plaintiff’s inclusion of images of the claimed trade dress
10 in the SAC. (SAC ¶ 12, Ex. A.)

11 B. Distinctiveness

12 Defendant also contends that Plaintiff has not sufficiently
13 pleaded that the claimed trade dress serves a source-identifying
14 role because the Sanctuary Series trade dress is not inherently
15 distinctive and Plaintiff has not adequately alleged secondary
16 meaning.³ As an initial matter, the parties dispute whether
17 Plaintiff’s trade dress claim is a “product design” claim or a
18 “product packaging” claim. (Opposition at 14:12, Reply at 5:9.)
19 The distinction is important because product design trade dress can
20 never be inherently distinctive, and therefore always requires a
21 showing of secondary meaning to support a claim of infringement.

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24 ³ “A trade dress is inherently distinctive if ‘its intrinsic
25 nature serves to identify a particular source of a product.’”
26 Paramount Farms Int’l LLC v. Keenan Farms Inc., No.
27 2:12-CV-01463-SVW-E, 2012 WL 5974169 at *5 (C.D. Cal. Nov. 28,
28 2012) (quoting Two Pesos v. Taco Cabana, Inc., 505 U.S. 763, 768
(1992)). The distinctiveness of a trade dress is a question of
fact. Paramount Farms, 2012 WL 5974169 at *5 (citing Zobmondo
Entertainment, LLC v. Falls Media, LLC, 602 F.3d 1108, 1113 (9th
Cir. 2010).

1 Wal-Mart Stores, Inc. v. Samara Bros., Inc., 529 U.S. 205, 216
2 (2000).

3 "Product packaging trade dress," or something similar,
4 encompasses a wide variety of forms of trade dress, including not
5 only a physical product's external packaging, but also, for
6 example, the decor of a restaurant. Id. at 215. Although
7 Plaintiff asserts here that its claim is of the product packaging
8 variety, that cannot be the case.⁴ Although a trade dress claim
9 premised on the Sanctuary Series label alone might qualify as a
10 packaging claim, Plaintiff describes its trade dress as
11 encompassing even the essential, physical aspects of the Sanctuary
12 Series candles, including a cylindrical container and a solid,
13 single color wax. (SAC ¶ 12.) The First Circuit, analyzing a
14 trade dress similar to that here, concluded that a claim
15 incorporating physical features inherent to a product, along with
16 other, more packaging-type features, such as labels and a product
17 catalog, fell closer to the product design end of the trade dress
18 spectrum, and therefore required a showing of secondary meaning.
19 Yankee Candle Co., Inc. v. Bridgewater Candle Co., LLC., 259 F.3d
20 25, 40-41 (1st Cir., 2001). This Court agrees, and comes to the
21 same conclusion regarding the trade dress alleged by Plaintiff.
22 Furthermore, the Supreme Court has counseled that "courts should
23 err on the side of caution and classify ambiguous trade dress as
24 product design, thereby requiring secondary meaning." Samara
25 Bros., 529 U.S. at 215. Because Plaintiff's trade dress is best

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27 ⁴ Specifically, Defendant's one-sentence argument states,
28 "Much of Indio's brief on [inherent distinctiveness] is devoted to
insisting that Mercado's trade dress is 'product design' variety
when it is not." (Opp. at 14:12-13.)

1 characterized as product design rather than packaging, and
2 therefore cannot be inherently distinctive, Plaintiff's allegations
3 regarding inherent distinctiveness are of no moment.

4 The question remains, however, whether the SAC sufficiently
5 alleges that the Sanctuary Series trade dress has acquired
6 secondary meaning. "A product's trade dress acquires secondary
7 meaning when the purchasing public associates the dress with a
8 single producer or source rather than just the product itself."
9 First Brands Corp. v. Fred Meyer, Inc., 809 F.2d 1378, 1383 (9th
10 Cir. 1987). Contrary to Defendant's suggestion, Plaintiff need not
11 make any showing or provide any evidence at the pleading stage.
12 Id. ("Whether a particular trade dress has acquired secondary
13 meaning is a question of fact"). The SAC alleges that
14 Plaintiff has promoted and sold Sanctuary Series candles for over
15 twenty years, and has marketed Sanctuary Series candles through
16 advertisements, sales representatives, and catalogs. (SAC ¶¶ 15,
17 20.) The SAC further alleges that consumers seek out Sanctuary
18 Series candles and that Plaintiff is the exclusive source of the
19 trade dress, which identifies Plaintiff as its source. (SAC ¶¶ 15-
20 17, 19.) Although the veracity of those allegations remains to be
21 seen, they are adequate to survive a motion for judgment on the
22 pleadings.⁵ See, e.g., Clamp Mfg. Co., Inc. v. Enco Mfg. Co.,
23 Inc., 870 F.2d 512, 517 (9th Cir. 1989) ("Evidence of use and
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25 ⁵ Plaintiff will also, of course, bear the burden of
26 demonstrating that its trade dress is not generic. Yellow Cab, 419
27 F.3d at 928; see also Brighton Collectibles, Inc. v. RK Texas
28 Leather Mfg., 923 F.Supp.2d 1245, 1251-52 (S.D. Cal. 2013); Big
Island Candies, Inc. v. Cookie Corner, 269 F. Supp. 2d 1236, 1242-
44 (D. Haw. 2003).

1 advertising over a substantial period of time is enough to
2 establish secondary meaning."); see also Spirit Clothing Co. v.
3 N.S. Enterprises, Inc., No. CV 13-2203-RGK, 2013 WL 12144107 at *3
4 (C.D. Cal. July 23, 2013); Bobrick Washroom Equipment, Inc. v. Am.
5 Specialties Inc., No. CV 10-6938-SVW, 2010 WL 11462854 at *3 (C.D.
6 Cal. Dec. 15, 2010).⁶

7 C. Functionality

8 Defendant further argues that Plaintiff failed to make a
9 "factual showing" of non-functionality. (Reply at 12:21.) The
10 test for functionality proceeds in two steps. First, courts
11 examine whether an arguably functional feature is essential to the
12 use of purpose of the article or affects the cost or quality of the
13 article. Millenium Laboratories, 817 F.3d at 1128-29. If so, the
14 trade dress is functional, and the inquiry is over. Id. at 1129.
15 If not, courts must proceed to the second step and determine
16 whether exclusive use of the feature would impose "a significant
17 non-reputation-related competitive disadvantage." Id. This
18 inquiry, however, including the inquiry whether a particular
19 combination of elements is functional, presents a question of fact.
20 Fuddruckers, Inc. v. Doc's B.R. Others, Inc., 826 F.2d 837, 842-43
21 (9th Cir. 1987). At this stage, Plaintiff need not make any
22 factual showing. See, e.g., Stop Staring! Designs v. Tatyana, LLC,
23 No. CV 09-2014 DSF(AJW), 2009 WL 10655208 at *2 (C.D. Cal. June 9,
24 2009) ("The issues of distinctiveness, functionality, and

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26 ⁶ See also Int'l Jensen, Inc. v. Metrosound U.S.A., Inc., 4
27 F.3d 819, 824 (9th Cir. 1993) ("While evidence of a manufacturer's
28 sales, advertising and promotional activities may be relevant in
determining secondary meaning, the true test of secondary meaning
is the effectiveness of this effort to create it.") (citing First
Brands, 809 F.2d at 1383).

1 likelihood of confusion are questions of fact that are not
2 generally amenable to a motion to dismiss.”).

3 D. Likelihood of Confusion

4 Lastly, Defendant argues that Plaintiff has provided no
5 evidence of confusion and, as a result of this court’s dismissal of
6 Plaintiff’s copyright claim, Plaintiff has not adequately pleaded
7 likelihood of confusion for trade dress purposes. To reiterate,
8 Plaintiff is not required to provide any evidence at the pleading
9 stage. Stop Staring!, 2009 WL 10655208 at *2. Likelihood of
10 confusion is not only the “most important element” of trade dress
11 claim, but is a question of fact “routinely submitted for jury
12 determination[.]” Clicks Billiards, 251 F.3d at 1264-65.⁷

13 Furthermore, this Court’s determination regarding Plaintiff’s
14 copyright claim is not dispositive of the trade dress claim.
15 First, substantial similarity for copyright purposes is distinct
16 from likelihood of confusion for trademark or trade dress purposes.
17 Second, the court’s substantial similarity copyright analysis
18 focused on a far narrower set of elements than that presented in
19 conjunction with Plaintiff’s trade dress claim. Whereas this
20 Court’s copyright analysis looked only to border artwork with the
21 appearance of stained glass, Plaintiff’s trade dress claim
22 encompasses numerous elements, including wax, a glass container of
23 a certain shape, size, and opacity, a label of specific manufacture

25 ⁷ Multi Time Machine, Inc. v. Amazon.com, Inc., 804 F.3d 930,
26 939 (9th Cir. 2015) does not support Defendant’s contention that
27 this court should find no likelihood of confusion at the pleading
28 stage. Although the Ninth Circuit did state that likelihood of
confusion is “often a question of fact, but not always[,]” it did
so in the summary judgment context, with references to specific
evidence.

1 and shape, and art depicted thereupon.⁸ The cases cited by
2 Defendant are, therefore, inapt. See, e.g. Lichtfield v.
3 Spielberg, 736 F.2d 1352, 1357-58 (9th Cir. 1984) (holding that two
4 dramatic works were not substantially similar for copyright
5 purposes, and therefore affirming dismissal of Lanham Act claim for
6 reverse passing off).

7 **IV. Conclusion**

8 For the reasons stated above, Defendant's Motion for Judgment
9 on the Pleadings is DENIED.

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11 IT IS SO ORDERED.

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13 Dated: April 11, 2017

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DEAN D. PREGERSON
United States District Judge

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⁸ See note 2, supra.