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**United States District Court  
Central District of California**

ARCONA, INC.,  
Plaintiff,  
v.  
FARMACY BEAUTY, LLC; DAVID C.  
CHUNG; and MARK VEEDER,  
Defendants.

Case No. 2:17-cv-07058-ODW (JPR)

**ORDER GRANTING DEFENDANTS’  
MOTION FOR PARTIAL SUMMARY  
JUDGMENT [49]**

**I. INTRODUCTION**

Plaintiff, Arcona, Inc., brings this action against Defendants Farmacy Beauty, LLC (“Farmacy”), and its officers, David C. Chung and Mark Veeder (collectively, “Defendants”), for various trademark infringement claims related to Plaintiff’s “EYE DEW” mark. Pending before the Court is Defendants’ Motion for Partial Summary Judgment (“Motion) on Plaintiff’s counterfeiting claim. (Mot., ECF No. 49.) For the following reasons, the Court **GRANTS** Defendants’ Motion.<sup>1</sup>

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<sup>1</sup> After considering the papers filed in connection with this Motion, the Court deemed this matter appropriate for decision without oral argument. Fed. R. Civ. P. 78(b); C.D. Cal. L.R. 7-15.

1 **II. FACTUAL BACKGROUND**

2 Plaintiff holds a registered trademark, Registration No. 4,706,079, in the United  
3 States for the EYE DEW mark. (Defs.’ Statement of Uncontroverted Facts (“SUF”) 3,  
4 ECF No. 49-17.) This International Class 003 trademark includes cosmetic creams for  
5 skincare; cosmetic preparation for skin renewal; eye cream; non-medicated  
6 stimulating lotions for the skin; skin conditioning creams for cosmetic purposes; skin  
7 moisturizer; and wrinkle removing skin care preparations. (First Am. Compl. (“FAC”)  
8 Ex. 1., ECF No. 34-1.) The trademark registration provides that the “mark consists of  
9 standard characters without claim to any particular font, style, size, or color.” (*Id.*)  
10 Further, the registration provides that it was filed on April 18, 2012, with a first use  
11 date of January 1, 2002. (*Id.*)

12 Farmacy was organized in 2015 by Defendants David Chung and Mark Veeder  
13 in 2015. (SUF 6.) Farmacy began selling an eye cream product entitled “EYE DEW”  
14 in 2015. (*Id.* 8.) Farmacy stopped selling this product in September 2017. (*Id.* 10.)

15 The products are shown below:

16 Arcona “Eye Dew”



16 Arcona “Eye Dew Plus”



Farmacy “Eye Dew”



Plaintiff filed its Complaint against Defendants in September 2017 and subsequently amended its Complaint in April 2018. (Compl., ECF No. 1; FAC.) Defendants move for partial summary judgment only as to Plaintiff’s counterfeiting claim. (Mot.)

**III. LEGAL STANDARD**

A court “shall grant summary judgment if the movant shows that there is no genuine dispute as to any material fact and the movant is entitled to judgment as a matter of law.” Fed. R. Civ. P. 56(a). Courts must view the facts and draw reasonable inferences in the light most favorable to the nonmoving party. *Scott*, 550 U.S. at 378. A disputed fact is “material” where the resolution of that fact might affect the outcome of the suit under the governing law, and the dispute is “genuine” where “the evidence is such that a reasonable jury could return a verdict for the nonmoving party.” *Anderson v. Liberty Lobby, Inc.*, 477 U.S. 242, 248 (1986). Conclusory or speculative testimony in affidavits is insufficient to raise genuine issues of fact and defeat summary judgment. *Thornhill’s Publ’g Co. v. GTE Corp.*, 594 F.2d 730, 738 (9th Cir. 1979). Moreover, though the Court may not weigh conflicting evidence or make credibility determinations, there must be more than a mere scintilla of contradictory



1 **A. Counterfeiting**

2 The parties do not dispute the material facts. However, the parties disagree on  
3 the law.

4 The Lanham Act prohibits the use of a counterfeit “mark in connection with the  
5 sale, offering for sale, or distribution of goods or services.” 15 U.S.C.  
6 § 1116(d)(1)(A). “A counterfeit is a spurious mark which is identical with, or  
7 substantially indistinguishable from, a registered mark.” *Id.* § 1127 (internal  
8 quotation marks omitted). Courts consider trademark counterfeiting as the “hard core  
9 or first degree . . . trademark infringement that seeks to trick the consumer into  
10 believing he or she is getting a genuine article, rather than a colorable imitation.”  
11 *Gucci America, Inc. v. Guess?, Inc.*, 868 F. Supp. 2d 207, 242 (S.D.N.Y. 2012) (citing  
12 4 McCarthy on Trademarks § 25:10) (internal quotation marks omitted).

13 As this district recently recognized, “[t]he caselaw on what is required to plead  
14 identity in a counterfeiting claim is understandably thin, as the majority of  
15 counterfeiting cases involve obviously identical marks.” *Gibson Brands, Inc. v. John*  
16 *Hornby Skewes & Co.*, No. CV 14-00609 DDP (SSx), 2016 WL 7479317, at \*6 (C.D.  
17 Cal. Dec. 29, 2016) (internal quotation marks omitted). “The Ninth Circuit has  
18 explained that a ‘counterfeit is something that purports to be something that it is not.’”  
19 *Id.* (quoting *United Pac. Ins. Co. v. Idaho First. Nat. Bank*, 378 F.2d 62, 69 (9th  
20 Cir. 1967)). The court in *Gucci America, Inc.*, in reviewing the caselaw on claims for  
21 counterfeiting involving products, found that “courts have uniformly applied this  
22 provision to products that are stitch-for-stitch copies of those of another brand.” 868  
23 F. Supp. 2d at 242; *see also Idaho Potato Comm’n v. G & T Terminal Packaging,*  
24 *Inc.*, 425 F.3d 708, 721 (9th Cir. 2005) (affirming award of counterfeiting where the  
25 defendant purchased empty bags containing the plaintiff’s logo and repackaged its  
26 own goods in those bags).

27 Plaintiff takes the position that the Court should consider only Defendants’ use  
28 of the phrase “EYE DEW,” and not the entire product. (Opp’n to Mot. 9, ECF No.

1 58.) Although Plaintiff recognizes that its trademark registration does not include the  
2 font, style, size, and color, Plaintiff’s Opposition to the counterfeit claim focuses  
3 exclusively on the typeface and font. (Opp’n 9–11.) The Court gives Plaintiff’s  
4 position little weight, particularly when Plaintiff’s trademark registration states, “[t]he  
5 mark consists of standard characters without claim to any particular font, style, size, or  
6 color.” (FAC Ex. 1.) For Plaintiff to now claim that the font, style, and color of the  
7 “EYE DEW” phrase are the bases for its counterfeit claim is disingenuous and  
8 contrary to its trademark registration.

9 The Court recognizes that in certain circumstances, the inclusion of a house  
10 mark on a product is not sufficient to defeat a counterfeiting claim. *See Tiffany & Co.*  
11 *v. Costco Wholesale Corp.*, 127 F. Supp. 3d 241, 254–55 (S.D.N.Y. 2015) (granting  
12 summary judgment in favor of plaintiff on counterfeiting claim where the only  
13 difference between the parties’ rings was a small generic mark on the inside of the  
14 ring). That is not the case here.

15 Without determining the specific level of similarity between the EYE DEW  
16 products, the Court concludes that no reasonable jury could find that Defendants’  
17 EYE DEW product is a counterfeit of Plaintiff’s EYE DEW products. The only  
18 similarity between the two products are that they both contain the phrase “EYE  
19 DEW.” However, Defendants’ EYE DEW product does not purport to be Plaintiff’s  
20 products. Visually, the products’ packaging is not identical or substantially  
21 indistinguishable. Plaintiff’s products are tall and cylindrical, whereas Defendants’  
22 product is short and wide. Each product bears their respective house marks. Each  
23 presents a distinct color and packaging scheme. Defendants’ product claims that it is  
24 a “total eye cream with echinacea greenenvy™,” while no such claim is made with  
25 Plaintiff’s products. (SUF 11, 12, 14.) Although use of a different source mark  
26 indicator may not always defeat a counterfeiting claim, Plaintiff presents no evidence  
27 that the Farmacy house mark on the product, the dissimilar packaging, and the product  
28 itself do not nullify Plaintiff’s counterfeiting claim. *See Gibson Brands*, 2016 WL

1 7479317, at \*6 (granting summary judgment on a counterfeiting claim where the  
2 plaintiff failed to present evidence that the defendant's use of a brand mark nullified  
3 the plaintiff's claim).

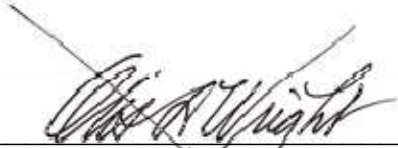
4 The Court finds it implausible that a consumer viewing Defendants' EYE DEW  
5 product would be tricked into believing that the product is actually one of Plaintiff's  
6 EYE DEW products. Accordingly, partial summary judgment for Defendants as to  
7 Plaintiff's claim for counterfeiting is proper.

8 **V. CONCLUSION**

9 For the foregoing reasons, the Court **GRANTS** Defendants' Motion for  
10 Summary Judgment as to Plaintiff's claim for counterfeiting.

11  
12 **IT IS SO ORDERED.**

13  
14 March 19, 2019

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17 **OTIS D. WRIGHT, II**  
18 **UNITED STATES DISTRICT JUDGE**