

1 video fitness games known as “EA SPORTS Active” and “EA SPORTS Active More Workouts.”

2 On March 9, 2010, Defendant announced the Fall 2010 release of “EA SPORTS Active 2” that
3 will, for the first time, allow players who register online accounts with Defendant to upload and share
4 their workout data with friends. (Appl., pg. 6.) Defendant intended to release this game in the Fall
5 in order to take advantage of the holiday shopping season. (Edelstein Decl., ¶¶ 25-26.)

6 On May 28, 2010, Plaintiff initiated this action against Defendant, alleging trademark
7 infringement and unfair competition, among other related claims. (Docket No. 1.) Plaintiff claims
8 that all three of Defendant’s fitness video games are likely to cause confusion or mistake in the
9 marketplace due to the similarity between the games and Plaintiff’s online services and due to the
10 use of the word “active” in the name. *Id.*

11 On May 28, 2010, Plaintiff also filed an Ex Parte Application for a Temporary Restraining
12 Order and Order to Show Cause Why a Preliminary Injunction Should Not Issue. (Docket No. 3.) The
13 Court denied the ex parte request for a TRO on the grounds that Plaintiff failed to demonstrate an
14 exigency and failed to satisfy the procedural requirements of Federal Rule of Civil Procedure 65.
15 (Docket No. 11.) The Court then set a hearing on regular notice for June 28, 2010 for Defendant to
16 show cause why a preliminary injunction should not issue. *Id.* Defendant filed a response, and
17 Plaintiff filed a reply. (Docket Nos. 19, 31.) Plaintiff’s reply clarified that the scope of the requested
18 preliminary injunction was limited to the release of “EA SPORTS Active 2.” (Reply, pgs. 1-2.)

19 On June 28, 2010, the Court held a hearing on Plaintiff’s request for a preliminary injunction.
20 For the reasons stated below, the request is **DENIED**.

21 DISCUSSION

22 To obtain a preliminary injunction, Plaintiff must demonstrate: (1) a likelihood of success on
23 the merits; (2) a risk of irreparable harm absent injunctive relief; (3) the balance of equities tip in favor
24 of injunctive relief; and (4) injunctive relief is in the public interest. *Winter v. Nat’l Res. Def. Counsel*,
25 ___ U.S. ___, 129 S. Ct. 365, 374 (2008); *Stuhlbarg Int’l Sales Co. v. John D. Brush and Co.*, 240
26 F.3d 832, 839-40 (9th Cir. 2001).

27 A preliminary injunction is an “extraordinary and drastic remedy” and “one that should not be
28 granted unless the movant, by a clear showing, carries the burden of persuasion.” *Mazurek v.*

1 *Armstrong*, 520 U.S. 968, 972 (1997). However, “[i]t is not the function of a preliminary injunction
2 to decide the case on the merits, and the possibility that the party obtaining a preliminary injunction
3 may not win on the merits at the trial is not determinative of the propriety or validity of the trial court’s
4 granting the preliminary injunction.” *B.W. Photo Util. v. Republic Molding Corp.*, 280 F.2d 806, 807
5 (9th Cir. 1960).

6 **I. LIKELIHOOD OF SUCCESS ON THE MERITS**

7 To prevail on a trademark infringement claim, Plaintiff must show (A) it has a valid,
8 protectable trademark interest, and (B) Defendant’s use of the title “active” creates a likelihood of
9 confusion in the minds of the relevant consuming public, pursuant to *AMF Inc. v. Sleekcraft Boats*,
10 599 F.2d 341, 348-49 (9th Cir. 1979).

11 **A. Protectable Trademark Interest**

12 Where, as here, a trademark infringement case involves a properly registered mark, a
13 presumption of validity and protectable interest applies and the burden of proving genericness lies with
14 the defendant. 15 U.S.C. § 1057(b) (“A certificate of registration of a mark... shall be prima facie
15 evidence of the validity of the registered mark...”); *Filipino Yellow Pages, Inc. v. Asian Journal*
16 *Publ’ns, Inc.*, 198 F.3d 1143, 1146 (9th Cir. 1999).

17 With its Application, Plaintiff submitted copies of registered trademarks for ACTIVE®,
18 ACTIVE.COM® and THE ACTIVE NETWORK®. (Kehle Decl., Exs. A-C.) Defendant does not
19 dispute the validity of these trademarks and does not otherwise claim that Plaintiff lacks a protectable
20 trademark interest. Thus, the Court finds that, for purposes of a preliminary injunction, Plaintiff has
21 a protectable trademark interest in ACTIVE®, ACTIVE.COM® and THE ACTIVE NETWORK®.

22 **B. Likelihood of Confusion (*Sleekcraft* Factors)**

23 To evaluate the likelihood of confusion, the Court analyzes the following factors: (1) strength
24 of the mark; (2) relatedness or proximity of goods; (3) similarity in appearance, sound, and meaning;
25 (4) evidence of actual confusion; (5) marketing channels used; (6) degree of care likely to be exercised
26 by the consumer; (7) Defendant’s intent in selecting the mark; and (8) likelihood of expansion of the
27 product lines. *Sleekcraft*, 599 F.2d at 352. The Court need not address all of the factors. *Glow Indus.*,
28 *Inc. v. Lopez*, 252 F. Supp. 2d 962, 986 (C.D. Cal. 2002). Nonetheless, after applying each of the

1 factors here, the Court finds that the purported likelihood of confusion is too speculative to warrant
2 injunctive relief.

3 *1. Strength of the Mark.*

4 Plaintiff's dispute is with Defendant's use of the word "active" in "EA SPORTS Active 2."
5 However, the term "active" is generic. According to evidence submitted by Defendant, the USPTO
6 record reflects 1,017 live trademarks using the word "active," including more than 200 such marks in
7 the same class of services as Plaintiff's marks. (Def. RJN, ¶¶ 1-3, Exs. A-C.) Defendant also submits
8 evidence showing there are several websites relating to fitness and health that use "active" in their
9 domain name and cover the same online products purportedly offered by Plaintiff. For example:
10 *activelog.com*, *plusoneactive.com* and *activebody.org*. (Klieger Decl., ¶ 7, Ex. 1.) Plaintiff does not
11 dispute this evidence, but rather claims it uses a common word in an uncommon way because it uses
12 the word "active" as a noun, rather than as an adjective. Plaintiff also tries to distinguish itself from
13 the other "active" services by claiming those other services do not offer coaching and setting fitness
14 goals. Plaintiff does not cite evidence for this position.

15 In light of the evidence presented by the parties, the Court finds that the word "active" in
16 fitness-related products and services is ubiquitous and too generic to warrant injunctive relief.

17 *2. Relatedness of Goods*

18 Related goods are those "which would be reasonably thought by the public to come from the
19 same source if sold under the same mark." *Sleekcraft*, 599 F.2d at 348, n. 10. "[T]he mere fact that
20 two products or services fall within the same general field. . . does not mean that the two products or
21 services are sufficiently similar to create a likelihood of confusion." *Matrix Motor Co., Inc. v. Toyota*
22 *Jidosha Kabushiki Kaisha*, 290 F. Supp. 2d 1083, 1092 (C.D. Cal. 2003) (internal citation omitted).
23 Here, the only game by Defendant that offers online functionality is "EA SPORTS Active 2." This
24 product is first and foremost a video game; the online capabilities are secondary to the entertainment
25 value it provides. On the other hand, Plaintiff's "services are intended for highly-distinguishing
26 individuals looking to participate in a league for a specific group sport, and are not appropriate for use
27 by the ordinary consumer who lacks to achieve such objective." (Def. RJN, Ex. E, pg. 197.) In sum,
28 Plaintiff's product is intended for serious athletes; Defendant's product is intended primarily for

1 entertainment value. The tenuous relatedness of these goods, therefore, does not warrant injunctive
2 relief.

3 3. *Similarity in Appearance, Sound, and Meaning*

4 Under the “anti-dissection” rule, marks must be compared “by looking at them as a whole,
5 rather than breaking the marks up into their component parts for comparison.” 4 McCarthy on
6 Trademarks § 23:41. “[W]hat is critical is the overall appearance of the marks as used in the
7 marketplace, not the deconstructionist view of the different components of the marks.” *Playmakers,*
8 *LLC v. ESPN, Inc.*, 297 F. Supp. 2d 1277, 1283 (W.D. Wash. 2003), *affirmed*, 376 F.3d 894 (9th Cir.
9 2004). In looking at “EA SPORTS Active 2,” Defendant’s house mark “EA SPORTS” displays
10 prominently in the title. The use of all capital letters draws the consumer’s attention to the branding
11 of “EA SPORTS” and diverts attention from the description “active” for the video game. Several
12 courts have held that the prominent use of a housemark reduces or eliminates the likelihood of
13 confusion. *See, e.g., Cohn v. Petsmart, Inc.*, 281 F.3d 837, 842 (9th Cir. 2002); *W.W.W. Pharm.*
14 *Co., Inc. v. Gillette Co.*, 984 F.2d 567, 573 (2nd Cir. 1993) superceded on other grounds, *Deere & Co.*
15 *v. MTD Prods., Inc.*, 41 F.3d 39 (2nd Cir. 1994), (Right Guard Sport Stick not confusingly similar to
16 Sportstick due, in part, to use of company name). Although the typeface used for the word “active”
17 in Defendant’s product is relatively similar to the typeface used by Plaintiff, the wording in
18 Defendant’s product is within teardrop-shaped bubbles and in different colors. That the word “active”
19 in Defendant’s product is in larger font than the housemark is not dispositive because both fonts are
20 large and there is no evidence a consumer would read “active” without also reading “EA SPORTS,”
21 especially since the housemark is highlighted. Accordingly, the purported similarity between the two
22 names does not warrant injunctive relief.

23 4. *Evidence of Actual Confusion*

24 Plaintiff cites instances where consumers make references to EA SPORTS Active on
25 ACTIVE.COM sites (including ACTIVE.COM’s facebook page), and vice versa. However,
26 Plaintiff cites no evidence that a consumer has purchased one of Defendant’s video games in the
27 mistaken belief that the game originated with Plaintiff. *Echo Drain v. Newsted*, 307 F. Supp. 2d
28 1116, 1126-27 (C.D. Cal. 2003) (noting that the relevant confusion to be avoided is that which

1 affects purchasing decisions, not confusion generally). This is especially telling given that
2 Plaintiff's services and EA SPORTS Active have coexisted in the marketplace for over one year.
3 In fact, Plaintiff itself promoted the EA SPORTS Active franchise on its active.com website as
4 recently as December 2009, without raising any concern or instances of confusion. (Treangen
5 Decl., ¶¶ 7-9, Exs. D, E.) Accordingly, the Court finds there is insufficient evidence of confusion
6 to warrant injunctive relief.

7
8 *5. Marketing Channels Used*

9 Plaintiff concedes it does not advertise on television, radio or newspaper, but rather advertises
10 online and in fitness magazines. (Kehle Decl., ¶¶ 19-20.) Defendant advertises primarily through
11 retailers and mass merchandisers, although it concedes it has also advertised online, through Active
12 Network's website. This minor overlap in marketing is not sufficient to outweigh the other factors that
13 show a preliminary injunction should not issue.

14
15 *6. Degree of Care Likely to be Exercised by the Consumer*

16 As noted, Plaintiff's products are geared for serious athletes; Defendant's products are geared
17 primarily for entertainment value. Given the price point of Defendant's video game (\$100), it is not
18 likely that consumers will purchase the product without exercising some degree of care and precision.
19 *Au-Tomotive Gold, Inc. v. Volkswagen of Am.*, 457 F.3d 1062, 1076 (9th Cir. 2006) ("Confusion is less
20 likely where buyers exercise care and precision in their purchases, such as for expensive or
21 sophisticated items."). Therefore, the degree of care likely to be exercised by the parties' respective
22 consumers weighs against injunctive relief in this case.

23
24 *7. Defendant's Intent in Selecting the Mark*

25 An intent to copy is strong evidence of likelihood of confusion. *Sleekcraft*, 599 F.2d at 354.
26 Although Defendant was clearly aware of Plaintiff's product, the evidence shows Defendant was
27 targeting a different consumer base, driven by a different purpose. Additionally, although the font
28 used for Defendant's product is relatively similar to the font used by Plaintiff, the wording in
29 Defendant's product is within teardrop-shaped bubbles and in different colors. The name "EA
30 SPORTS" also always precedes the word "active." That Defendant has not registered a trademark for
31 the video game does not evidence bad faith because, according to Defendant, Defendant generally does

1 not register trademarks for its sports games (for example EA SPORTS Madden NFL, EA SPORTS
2 Fight Night, EA SPORTS Rugby, etc.) and instead relies on its housemark "EA SPORTS" as the
3 primary source identifier, for which it does have a registered trademark. In fact, Defendant has nine
4 registered trademarks for different variations of this housemark. (Edelstein Decl., ¶ 4.) Accordingly,
5 there is insufficient evidence that Defendant was specifically targeting Plaintiff's product to warrant
6 injunctive relief.

7 8. *Likelihood of Expansion of the Product Lines*

8 Plaintiff claims it is in the process of developing a version of activetrainer.com that allows
9 customers to log their performance, heart rate and other physical attributes in training programs. Even
10 if true, however, these plans do not substantially overlap with EA SPORTS Active 2, as the online
11 functionality of Defendant's product is an integral part of the product itself, rather than a separate
12 service, and will only be useful to consumers who have already purchased the video game. Plaintiff
13 has not alleged it has plans to develop a video game. The only overlap is that both products will be
14 online; however, that is not sufficient to warrant the "drastic remedy" of a preliminary injunction,
15 especially in light of the numerous other fitness websites that use the name "active" and provide
16 similar services.

17 In light of the above, the Court finds the *Sleekcraft* factors weigh against granting injunctive
18 relief.

19 **II. IRREPARABLE HARM**

20 In trademark cases, courts have found irreparable harm in the loss of control of a business'
21 reputation, a loss of trade or a loss of goodwill. *Opticians Ass'n of Am. v. Indep. Opticians of Am.*,
22 920 F.2d 187, 195 (3rd Cir. 1990).

23 For this element, Plaintiff relies entirely on the Ninth Circuit's decision in *GoTo.Com* which
24 held "irreparable injury may be presumed from a showing of likelihood of success on the merits."
25 *GoTo.Com, Inc. v. Walt Disney Co.*, 202 F.3d 1199, 1205 n. 4 (9th Cir. 2000). Not only does this
26 presumption not apply because Plaintiff has not demonstrated a likelihood of success, but the
27 applicability of this presumption is also doubtful in light of the 2008 Supreme Court decision in
28 *Winter*. See *Winter*, 129 S.Ct. at 375-76 (recognizing that "injunctive relief [is] an extraordinary

1 remedy that may only be awarded upon a clear showing that the plaintiff is entitled to such relief”).

2 Here, Plaintiff has not made any particularized showing of irreparable harm, or even of
3 significant hardship, absent injunctive relief. Specifically, Plaintiff has not demonstrated that, absent
4 injunctive relief, it would lose control of its business reputation, lose profits/trade, or lose goodwill.
5 The lack of irreparable harm is even more telling by the fact that Defendant’s first two fitness video
6 games, which also used the name “active,” were released more than a year ago and yet Plaintiff has
7 not cited any damage arising from their release. Although EA SPORTS Active 2 is the game that will,
8 for the first time, have online functionability, the evidence still shows that the product is geared for
9 a different consumer base that is driven more by the entertainment value of a video game than by any
10 serious fitness value.

11 In light of the above, the Court finds that no irreparable harm exists to justify a preliminary
12 injunction in this case.

13 III. BALANCE OF EQUITIES

14 The balance of equities also does not weigh in favor of granting a preliminary injunction. “In
15 each case, a court must balance the competing claims of injury and must consider the effect on each
16 party of the granting or withholding of the requested relief.” *Amoco Prod. Co. v. Village of Gambell*,
17 480 U.S. 531, 542 (1987).

18 As noted, Plaintiff has not demonstrated appreciable harm arising from Defendant’s product.
19 On the other hand, an injunction precluding Defendant from advertising or selling EA SPORTS Active
20 2 would cause Defendant to lose a significant amount of money that it has spent to develop the
21 goodwill of its EA SPORTS Active franchise. (Edelstein Decl., ¶ 13.) An injunction would also
22 prevent Defendant from meeting its November 2010 release date, which is intended to take advantage
23 of the holiday shopping season. According to Defendant, the loss of this sale potential is
24 unrecoverable. (Edelstein Decl., ¶ 25.) Accordingly, the Court finds that the balance of equities
25 weighs against injunctive relief.

26 IV. PUBLIC INTEREST

27 The last element requires the court to consider “whether there exists some critical public
28 interest that would be injured by the grant of preliminary relief.” *Indep. Living Ctr. of S. Cal. v.*

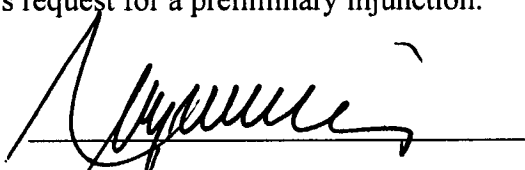
1 *Maxwell-Jolly*, 572 F.3d 644, 659 (9th Cir. 2009) (internal citation omitted). In the trademark context,
2 courts often define the public interest at stake as the right of the public not to be deceived or confused.
3 *See e.g. Moroccanoil, Inc. v. Moroccan Gold, LLC*, 590 F. Supp. 2d 1271, 1282 (C.D. Cal. 2008).
4 Here, however, Plaintiff has not sufficiently shown the possibility of confusion. If anything, an
5 injunction would violate the public's interest in fair and healthy competition.

6 **CONCLUSION**

7 In light of the above, the Court **DENIES** Plaintiff's request for a preliminary injunction.

8 **IT IS SO ORDERED.**

9 Date: August 30, 2010



Hon. Roger T. Benitez
United States District Court Judge

10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28