

IN THE COURT OF APPEALS OF THE STATE OF WASHINGTON
DIVISION ONE

DAVID N. BROWN, INC., d/b/a)	No. 67032-8-I
FOX PLUMBING & HEATING,)	
)	
Appellant,)	
)	
v.)	
)	
ACT NOW PLUMBING, LLC, d/b/a)	UNPUBLISHED OPINION
GARY FOX PLUMBING & HEATING,)	
)	
Respondent.)	FILED: September 24, 2012
)	

Ellington, J. — David N. Brown, Inc. appeals dismissal of its trademark infringement suit against Act Now Plumbing, LLC. We agree with the trial court that as a matter of law, there is no likelihood of confusion between the two businesses' marks, and affirm.

BACKGROUND

Fox Plumbing & Heating (Fox) has been operating in the Puget Sound region since 1964. In the early 1980s, David N. Brown, Inc. purchased the company. Brown registered a trademark under the name of Fox Plumbing & Heating with a logo depicting a fox attired in a work jacket and service hat, holding a wrench in his right hand and a leaking pipe in his left hand. The mark includes the slogan "Get Out of the Box . . . Call Fox!"¹

In 1982, Gary Fox began operating a plumbing business in Kent under the name Fox Delux Plumbing, using a trademark with an image of a fox.

In 1984, Fox sought to enjoin Gary Fox from using either the trade name Fox Delux or a fox image. Gary Fox stipulated that his business would thereafter be known as Gary Fox Plumbing. The court entered an agreed permanent injunction, which prohibited Gary Fox from using the trade name Fox Delux or a trademark containing an image of a fox.

Gary Fox Plumbing adopted as its logo a cartoon image of a mustachioed human plumber. For the next 20 years, Gary Fox Plumbing used a trademark containing the company name, the mustachioed plumber cartoon, and the slogan "We Do It Right The First Time For A Fair Price."²

In March 2004, Fox complained that Gary Fox Plumbing's new telephone listings, which identified it as Fox Gary Plumbing, constituted trademark infringement. Fox did not object to use of the name Gary Fox Plumbing, but claimed that reversing the order of words was confusing and deceptive:

Consumers can recognize 'Gary Fox' as an individual's name and arguably avoid confusion with FOX PLUMBING & HEATING. However, when advertisements or directory listings list your business as FOX GARY PLUMBING wherein "FOX" precedes "GARY," the consumer does not readily recognize FOX GARY as a proper name. This results in confusion with our client's trademark. Confusion is strengthened by the fact that the name FOX GARY PLUMBING precedes FOX PLUMBING & HEATING alphabetically and will be the first listing a consumer sees in the yellow pages, a main source of advertising for the plumbing industry.^[3]

¹ Clerk's Papers at 342.

² Clerk's Papers at 267.

³ Clerk's Papers at 397.

Fox's attorney also warned that a purchaser of Gary Fox Plumbing would be subject to the 1984 injunction:

Please know, that if you were to sell your plumbing business with the trade name that includes the word 'fox,' the 1984 injunction and this letter will need to be disclosed as a material disclosure. Any purchaser of the trade name and business will be subject to the terms of the injunction.^[4]

Gary Fox instructed the phone company to change the listing back to Gary Fox Plumbing, and no further action was taken.

In 2008, Gary Fox became ill and sold his business to his employee, Igor Ivanchuk, who formed Act Now Plumbing, LLC. Act Now registered the trade name Gary Fox Plumbing and began doing business under that name. Act Now continues to use the Gary Fox Plumbing mark in essentially the same form as it has been used since 1985.

In October 2009, Fox sued Act Now for statutory trademark imitation and dilution, Consumer Protection Act violations, and tortious interference with business expectations and relations. Fox later added a claim for common law trademark infringement.

In March 2011, the court dismissed the suit on summary judgment, ruling that the statutory infringement claim failed because Fox's trademark registration had expired, and its other claims failed because there was no reasonable likelihood of confusion between the two marks as a matter of law.

Fox contends the latter conclusion was error. We apply the usual standard of review for summary judgment.⁵

⁴ Clerk's Papers at 398.

DISCUSSION

Trademark Infringement

“The likelihood of confusion is the central element of trademark infringement, and the issue can be recast as the determination of whether ‘the similarity of the marks is likely to confuse customers about the source of the products.’”⁶ We employ the eight-factor test articulated by the Ninth Circuit to evaluate the likelihood of confusion: (1) the similarity of the marks; (2) the relatedness of the two companies’ services; (3) the marketing channel used; (4) the strength of Fox’s mark; (5) Act Now’s intent in selecting its mark; (6) evidence of actual confusion; (7) the likelihood of expansion into other markets; and (8) the degree of care to be exercised by purchasers.⁷

Act Now concedes that the two companies offer substantially similar services and use similar marketing channels, and that Fox’s mark is strong. Both parties acknowledge that the “likelihood of expansion” factor is not pertinent. Thus, of the eight factors, only four are disputed: the similarity of the marks, Act Now’s intent, actual confusion, and the degree of care exercised by consumers.

⁵ This court reviews summary judgment de novo. Vallandigham v. Clover Park Sch. Dist. No. 400, 154 Wn.2d 16, 26, 109 P.3d 805 (2005). Summary judgment is affirmed when there is no genuine issue of material fact and the moving party is entitled to a judgment as a matter of law. Id.; CR 56(c). All facts and reasonable inferences are considered in the light most favorable to the nonmoving party, and summary judgment is appropriate only if, from all the evidence, reasonable persons could reach but one conclusion. Id.

⁶ GoTo.com, Inc. v. Walt Disney Co., 202 F.3d 1199, 1205 (9th Cir. 2000) (quoting Official Airlines Guides v. Goss, 6 F.3d 1385, 1291 (9th Cir. 1993)), overruled on other grounds, Winter v. Nat. Res. Def. Council, Inc., 555 U.S. 7, 22, 129 S. Ct. 365, 172 L. Ed. 2d 249 (2008).

⁷ Id. (citing AMF Inc. v. Sleekcraft Boats, 599 F.2d 341, 348-49 (9th Cir. 1979)).

Similarity of the Marks. This factor “has always been considered a critical question in the likelihood-of-confusion analysis.”⁸ To determine whether the marks are similar, courts consider the marks “in their entirety and as they appear in the marketplace.”⁹ We also consider the “appearance, sound, and meaning” of the two marks,¹⁰ and “similarities weigh more heavily than differences.”¹¹

Fox’s mark consists of a cartoon image of a fox fixing a leaking pipe and the words “Fox Plumbing & Heating.” The words are in a traditional font, with the word “Fox” in larger and bolder letters. The mark also includes the slogan “Get Out of the Box . . . call Fox!”

Gary Fox Plumbing’s mark consists of a cartoon image of a mustachioed human plumber holding a wrench and leaning on a water heater, the words “Gary Fox Plumbing,” and the slogan “We Do It Right The First Time For A Fair Price.” The word “Gary” is in italicized script and slanted above the word “Fox,” which is distinctive because the letters “F” and “O” appear to be formed by pipes and the “X” resembles two crossed wrenches.

Fox contends that a visual comparison of the marks begins with the naked text version of the companies’ names: “FOX PLUMBING & HEATING” versus “GARY FOX PLUMBING & HEATING.” But nothing in the record suggests that either mark ever

⁸ Id.

⁹ Id. at 1206 (citing Filipino Yellow Pages, Inc. v. Asian Journal Publ’ns, Inc., 198 F.3d 1143, 1147-50 (9th Cir. 1999)).

¹⁰ Id. (citing Dreamwerks Prod. Grp. v. SKG Studio, 142 P.3d 1127, 1131 (9th Cir. 1998)).

¹¹ Id. (citing Goss, 6 F.3d at 1392).

appears in the marketplace without its graphical elements, and Fox's registered trademark explicitly includes the fox image.

The two graphical elements do not have a similar appearance. The text fonts are different, the slogans are different, and the plumber does not resemble the fox.

The two marks also do not sound similar. As in La Mexicana Inc. v. Sysco Corp., where the court concluded the marks "Casa Solana" and "Solena" sound different because the former is a two word, five syllable mark and the latter is a single word, three syllable mark,¹² the inclusion of the first name "Gary" distinguishes the sounds of the two marks.¹³ Additionally, Gary Fox Plumbing's mark always includes its distinctive slogan.¹⁴

Both marks include the terms "plumbing and heating," which have the same commercial meaning. But the marks do not consist of those terms alone, and Fox provides no analysis of the commercial meaning of the marks in their entirety.

The dissimilarity of the marks indicates little likelihood of confusion. This does not end our inquiry, however.¹⁵

Actual Confusion. Fox contends there is evidence of actual confusion in the marketplace. But Fox relies on material that is not part of the record on review, and is

¹² 49 U.S.P.Q.2d 1204, 1207 (W.D. Wash. 1998).

¹³ Fox argues that the evidence of actual confusion confirms that customers refer to both plumbing companies solely as "FOX." Reply Brief at 14. As discussed below, the evidence to which Fox refers is not properly before us.

¹⁴ See Flagstar Bank, FSB v. Freestar Bank, N.A., 687 F. Supp. 2d 811, 825 (C.D. Ill. 2009) (considering slogans in comparing marks).

¹⁵ See Jada Toys, Inc. v. Mattel, Inc., 518 F.3d 628, 633-34 (9th Cir. 2008) ("[T]hough it may be true that very dissimilar marks will rarely present a significant likelihood of confusion, dissimilarity alone does not obviate the need to inquire into evidence of other important factors.").

of questionable persuasive value.¹⁶ In support of its own motion for summary judgment, Fox produced a call log indicating that between April 2009 and March 2010, 25 unidentified persons called Fox believing it to be Gary Fox Plumbing or demonstrating confusion as to whether the two businesses were related. The log contained little detail and almost no identifying information. The record does not indicate that the trial court considered or relied upon it in deciding Gary Fox Plumbing's summary judgment motion. In any event, given that Fox "answers 3,600 customer calls per year,"¹⁷ such a small percentage of misplaced calls does not, without more, demonstrate noticeable confusion.¹⁸

Further, Fox has repeatedly acknowledged that the Gary Fox Plumbing mark does not cause confusion.

To resolve the litigation in 1984, Gary Fox offered to use Gary Fox Plumbing instead of Fox Delux. The parties entered an agreed permanent injunction which barred Gary Fox Plumbing from using the name Fox Delux or a picture of a fox. It did not bar use of the name Gary Fox Plumbing.

¹⁶ The evidence was submitted six months earlier in support of Fox's unsuccessful motion for summary judgment. The record does not indicate it was submitted or considered for the motion that was granted. It was not designated in the order granting summary judgment and was not made part of the record by supplemental order or stipulation. Accordingly, it is not part of the record on review. RAP 9.12. We grant Act Now's motion to strike.

¹⁷ Clerk's Papers at 68.

¹⁸ See D & J Master Clean, Inc. v. ServiceMaster Co., 181 F. Supp. 2d 821, 828 (S.D. Ohio 2002) ("If there is a very large volume of contacts or transactions which could give rise to confusion and there is only a handful of instances of actual confusion, the evidence of actual confusion may be disregarded as de minimis.") (quoting J. William McCarthy, McCarthy on Trademarks § 23:14).

Twenty years later, in the phone listing skirmish, Fox expressly acknowledged that “[c]onsumers can recognize ‘Gary Fox’ as an individual’s name and arguably avoid confusion with FOX PLUMBING & HEATING” and asserted that the permanent injunction, which allowed Gary Fox to use the name Gary Fox Plumbing, would bind any successor.¹⁹ Additionally, when Fox registered its mark in 2004, 2009, and 2010, Fox formally stated that “no other person has the right to use such trademark . . . in the identical form or in such near resemblance thereto as to be likely . . . to cause confusion or mistake or to deceive.”²⁰ Fox thus repeatedly denied that the Gary Fox Plumbing mark would cause consumer confusion.

Fox contends these events are immaterial because Gary Fox had a personal right to use his own name to market his business, and asserts “the court [in 1984] found actual confusion between the marks and entered a preliminary injunction that restricted use, but allowed Gary Fox, *personally*, a limited equitable right to use his surname provided that such use did not deceive the purchasing public.”²¹

But the preliminary injunction contains no findings, makes no mention of any “limited equitable right,” and does not refer to Gary Fox’s right to use his surname. The only other cited evidence is an affidavit from Fox’s attorney in the 1984 action which asserts that “the [c]ourt has ruled that there is confusion between the names and trademark of plaintiff and defendant” and that “Mr. [Gary] Fox is entitled to use his name in the business.”²² The “names and trademarks” at issue in that action, however, were

¹⁹ Clerk’s Papers at 397.

²⁰ RCW 19.77.030(1)(f).

²¹ Reply Br. at 20-21.

Fox Plumbing & Heating and Fox Delux, not Gary Fox Plumbing. There is no evidence that the court found the Gary Fox Plumbing mark confusing, or allowed its use only as a limited equitable right that would be extinguished once Gary Fox no longer owned the business.

Thus, for more than 20 years Fox has acknowledged that the Gary Fox Plumbing mark avoids confusion with Fox's mark. "It is at least difficult to maintain a subjective view that confusion will occur when those directly involved say it won't."²³

The court properly dismissed Fox's trademark infringement claim. And because that claim formed the basis of Fox's tortious interference and Consumer Protection Act causes of action, the court properly dismissed those claims as well.²⁴

Intent to Deceive. "When an alleged infringer knowingly adopts a mark similar to another's, courts will presume an intent to deceive the public."²⁵ Because the marks here are dissimilar, no such presumption arises. Fox produced no evidence to indicate that Act Now intended to deceive the public by continuing to use the mark associated with the business for 20 years.

Degree of Care. The degree of care with which "the typical buyer exercising

²² Clerk's Papers at 182.

²³ Application of E. I. DuPont DeNemours & Co., 476 F.2d 1357, 1363 (1973) ("[W]hen those most familiar with use in the marketplace and most interested in precluding confusion enter agreements designed to avoid it, the scales of evidence are clearly tilted. . . . A mere *assumption* that confusion is likely will rarely prevail against uncontroverted evidence from those on the firing line that it is not.").

²⁴ See Appellant's Br. at 31 (arguing that trademark infringement establishes a prima facie violation of the Consumer Protection Act); id. at 33-34 (arguing that tortious interference was demonstrated because Act Now knew of Fox's mark and adopted the confusingly similar Gary Fox Plumbing mark as means to siphon customers from Fox).

²⁵ Goss, 6 F.3d at 1394.

ordinary caution”²⁶ would choose a plumber is relevant to the likelihood of confusion because consumers exercising more care are less likely to be confused by similar trademarks. Fox contends that consumers in a plumbing or heating emergency may use little caution. Act Now argues it is unlikely a customer would use a low degree of care in choosing a plumber.

Neither party produced direct evidence on the subject, so we must judge the matter “solely on the nature of the product or its price.”²⁷ Unlike “cheaper products sold in the rough-and-tumble world of the supermarket,” where consumer attention is generally low,²⁸ plumbing services are expensive and require intrusion into private homes. It is therefore reasonable to conclude that consumers use at least moderate caution in selecting a plumber, regardless of the circumstances.

Both businesses offer substantially similar services and use similar marketing channels, and Fox’s mark is strong. But the two marks are sufficiently distinctive in sight, sound and meaning that there is no likelihood of confusion as a matter of law.

Discovery Violation

During the course of this litigation, Fox made several discovery requests for documents related to Ivanchuk’s purchase of Gary Fox Plumbing. Act Now disclosed a preprinted form purchase and sale agreement executed in October 2008, which indicates Ivanchuk purchased the company “including all vendors, name of company,

²⁶ Sleekcraft, 599 F.2d at 353.

²⁷ See Star Indus., Inc. v. Bacardi & Co. Ltd, 412 F.3d 373, 390 (2d Cir. 2005) (applying the similar “Polaroid” balancing test for likelihood of confusion).

²⁸ Id. (citing Patsy’s Brand, Inc. v. I.O.B. Realty, Inc., 317 F.3d 209, 219 (2d Cir. 2003)).

