

Trademark Law

Case 19:
The
Alligator
Bites Back!

Lacoste Alligator, S.A. v. Bluestein's Men's Wear, Inc.

Trademark Infringement and Trademark Licenses

OBJECTIVE

To understand the basics of trademark infringement and the concept of exclusive licensee of a trademark.

TOPICS COVERED

- Intentional Tort
- Trademark
- Trademark Infringement
- Exclusive Licensee of a Trademark

CASE: 19

Lacoste Alligator, S.A. v. Bluestein's Men's Wear, Inc.

Trademark Infringement and Trademark Licenses

BACKGROUND

- The Plaintiffs, Lacoste Alligator, S.A. and General Mills, Inc. are the trademark owner and its exclusive licensee, respectively. Together, they marketed clothing bearing the registered trademarks, Lacoste and the Izod Alligator, which were well-known due to considerable advertising and promotion. These trademarks and logos were copied without authorization and sold to several stores and individuals, including the Defendant, Elvin Floyd, doing business at Anderson Jockey Lot Flea Market. Floyd then sewed the trademarks/logos on garments and sold the garments at the public flea market.
- The Defendant purchased 10,000 Alligator logos from a non-authorized vendor and sewed them onto clothing for resale, without the knowledge or consent of Lacoste or General Mills.
- The Plaintiffs sought a permanent injunction against Elvin Floyd and the other Defendants asking the court to stop the Defendants from any further selling of the Lacoste and Izod Alligator label.

BEFORE YOU BEGIN

What is an intentional tort?

An intentional tort describes a civil wrong resulting from an intentional and wrongful act on the part of the defendant against another, such as intentionally stealing another person's or company's trademark.

What is a trademark?

A trademark is a unique word, phrase, or symbol that distinguishes a company. The essential function of a trademark is to exclusively identify the commercial source or origin of products—in other words the manufacturer—like the Nike “swoosh” symbol or, in this case the Lacoste Izod Alligator.

What is trademark infringement?

Trademark infringement occurs when a party uses another's trademark without the authorization of the owner. If the respective trademarks or products are not identical, the courts will assess the similarity based upon the “likelihood of confusion” by consumers as to the origination (owner) of the products or services.

What is an exclusive licensee of a trademark?

An exclusive licensee of a trademark is a person or company who has the sole authorization from an owner of a trademark to reproduce and sell the trademark item.

ISSUE BEFORE THE COURT

Whether a likelihood of confusion could exist in the minds of the general public between the actual Izod alligator logo and the counterfeit logos sewn on non-Izod apparel.

THE FACTS

The Plaintiff, Lacoste Alligator, S.A., is the record owner of several trademarks for Lacoste and the famous Izod Alligator emblem. An additional Plaintiff, General Mills, Inc., is the exclusive United States licensee of the above trademarks, as well as the record owner of several United States Trademark Registrations for the Izod Alligator trademark for various types of apparel.

The Plaintiffs' trademarks have been advertised and promoted throughout the United States beginning as early as 1950. The Plaintiffs have expended considerable effort and money in the advertising and promotion of their apparel bearing these trademarks, which has resulted in their widespread popularity and public acceptance. The Plaintiffs' sales in the United States since 1964 exceeded one billion dollars, with approximately half of this amount generated in the two years preceding this case. This case is an attempt by Lacoste to stop several Defendants in South Carolina from manufacturing, selling, and distributing apparel bearing counterfeits or imitations of the Plaintiffs' trademarks.

Elvin Floyd, one of the Defendants, admitted that he purchased 10,000 Izod Alligator logos with the belief that they were originals of the Plaintiffs' trademarks. Floyd admitted that he personally sewed these logos on garments which he had purchased to resell, none being purchased from the Plaintiffs and none originally bearing the Lacoste or Izod Alligator trademarks. Floyd also admitted that he sold garments bearing the Izod Alligator logo at booths he operated at the Anderson Jockey Lot Flea Market in Anderson, South Carolina.

At trial, Mr. Floyd testified as follows:

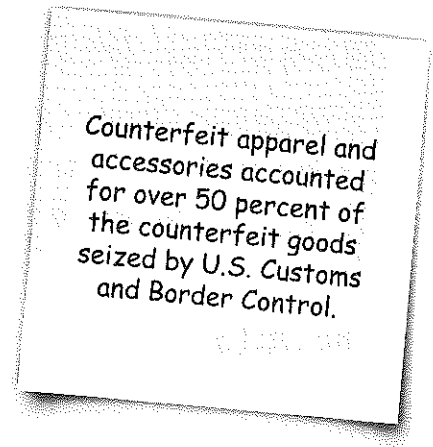
Q. Where did you buy the alligator logos?

A. I bought them at an Anderson Flea Market.

A counterfeit logo is an imitation, usually one that is made with the intent of fraudulently passing it off as the genuine logo. Counterfeit logos are often placed on products with the intent to take advantage of the superior value of the imitated product.

- Q. From whom?
- A. From someone that came by with alligators for sale. He told me they were genuine Izod Alligators.
- Q. That's the Anderson Jockey Lot Flea Market?
- A. Yes. He approached me at the Flea Market and said, "I've got the alligators for sale. Would you like to buy them?" And I said, "I'm interested, are they real alligators?" He said, "Yes, they're genuine alligators. They came from a factory that makes Izod Alligator merchandise; the alligators are real." And I said, "Well, if you'll guarantee that." He said, "You got my word for it." I said, "What do you want for them?" And he said, "Well, I've got 10,000; if you'll take them all, I'll give them to you for 50 cents." So I gave him \$5,000; he gave me his real alligators.
- Q. How were these alligator logos packaged when you bought them?
- A. Jeepers. In cellophane.
- Q. In a bag?
- A. Yes.
- Q. How did you put the logos on the garments?
- A. I sewed the logos on the garments.
- Q. How many people did you have working to sew them on?
- A. As far as I know, I've done it.
- Q. You personally?
- A. Yes.
- Q. By hand or with a machine?
- A. Machine.

The Plaintiffs claimed that the willful and deliberate attempts of the Defendant to identify with the Plaintiffs' trademark and goodwill and the likelihood of public confusion clearly constituted unfair competition.



Sources

The case briefing above contains excerpts and direct extractions from the sources noted below that have been combined with the author's own expert legal input. The case has been condensed and formatted from its original content for purposes of this workbook.

Lacoste Alligator, S.A. v. Bluestein's Men's Wear, Inc., 569 F.Supp.491 (D.C.S.C. 1983).
United States District Court, D. South Carolina, Columbia Division July 28, 1983. Opinion written by the Honorable Justice Clyde H. Hamilton.

NAME _____

DATE _____

Review the Case

After reading Lacoste Alligator, S.A. v. Bluestein's Men's Wear, Inc., answer the following:

1. Identify the Plaintiff(s) in the case.

2. Identify one of the Defendants in the case.

3. Are Lacoste and General Mills seeking money for their damages? What else did the Plaintiffs want the court to do?

4. When did Lacoste Alligator start selling its product in the United States?

5. How much money has Lacoste and General Mills earned from the sale of items bearing the alligator logo?

6. Where did Elvin Floyd buy the alligators?

7. Who did Floyd buy the alligators from?

8. How many alligator logos did he buy, and how much did it cost him?

NAME

DATE

Review the Case (continued)

9. What did he do with all the logos?

10. Did Elvin Floyd have permission to sew the alligator logos onto clothing and resell the clothing as authentic Lacoste products?

Make the Argument

In order for the judge or jury to render a decision, the following are some of the questions that must be considered:

1. Did Lacoste Alligator, S.A. and General Mills, Inc., as owners of the trademarks Izod and the Izod Alligator, have the exclusive right to manufacture and sell products with those emblems? Explain.

2. Did Elvin Floyd have permission from Lacoste Alligator, S.A. and General Mills, Inc., to purchase and reproduce products bearing the trademarks of Izod and the Izod Alligator?

3. Was there a likelihood that the general public would be confused by products sold with the Lacoste Alligator logos and products sold with the Floyd Alligator logos? Explain.

4. Did Elvin Floyd willfully and intentionally attempt to identify his products as genuine Lacoste products? Explain.

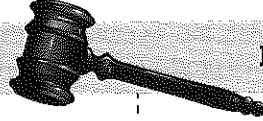
NAME _____

DATE _____

You Be the Judge

Having reviewed the case and considered the questions involved, decide the case for either the **Plaintiff** or the **Defendant**:

Decision for the Plaintiff



Decision for the Defendant

Lacoste Alligator, S.A.

Elvin Floyd

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