



Supreme Court Finds Tacking to Be an Issue of Fact

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The doctrine of “tacking” deals with priority in trademark law. A trademark owner “tacks on” its period of using an earlier version of its mark to the time it has been using the current version of the mark. For tacking to be accepted by the court or the T.T.A.B., however, the respective versions of the marks must be “legal equivalents,” creating “the same, continuing commercial impression.” In a rare opportunity to decide a substantive issue of trademark law, on January 21 the Supreme Court in a unanimous opinion held that tacking is an issue to be decided by a jury. See [Hana Financial, Inc. v. Hana Bank](#), 574 U.S. __ (2015). In affirming the Ninth Circuit’s decision that tacking is an issue of fact, the Court settled a circuit split, with the Federal Circuit and Sixth Circuit having held tacking to be an issue of law.

In this case, the petitioner Hana Financial began using its HANA FINANCIAL mark in commerce in 1995, and in 1996 obtained a federal registration of a logo that included the HANA FINANCIAL mark for financial services. Meanwhile, in 1994, the respondent Hana Bank started to advertise financial services under the name Hana Overseas Korean Club in the United States, targeting Korean expatriates. These advertisements included the name “Hana Bank” in Korean. In 2000, Hana Bank changed its name to Hana World Center, and in 2002 it started operating a bank in the U.S. called Hana Bank.

In 2007, Hana Financial sued Hana Bank for infringing its HANA FINANCIAL mark, and in response Hana Bank claimed priority based on tacking. The case went to trial, at which the jury was given a tacking instruction. The jury found that Hana Bank did not infringe the HANA FINANCIAL mark, and the district court denied Hana Financial’s motion for judgment as a matter of law.



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In its brief and straightforward opinion, the Court wrote that tacking was properly in the jury's hands as an issue of fact because "the tacking inquiry operates from the perspective of an ordinary purchaser or consumer." It emphasized that it has "long recognized . . . that, when the relevant question is how an ordinary person or community would make an assessment, the jury is generally the decisionmaker that ought to provide the fact-intensive answer."

The Court acknowledged that courts could decide a tacking issue in a bench trial or on summary judgment or judgment as a matter of law when the facts warrant such a determination. But when the parties request a jury trial, and summary judgment or JMOL is not warranted, tacking must be decided by the jury.

The Court rejected the four arguments Hana Financial made for why tacking is an issue of law. First, even though the "legal equivalents" test in tacking involves the application of a legal standard, the court found no reason why the jury could not properly apply that standard, essentially stating in dicta that the jury could consider this mixed question of law and fact. Next, it rejected Hana Financial's argument that tacking questions must be decided by comparing the marks at issue to the marks in other tacking cases. Third, it found that juries deciding tacking would not make the trademark system "unpredictable." Finally, it found that courts have not historically decided the issue of tacking as a matter of law, and that Hana Financial's cited cases in which the court ruled on tacking included bench trials and summary judgments.

On its facts, *Hana* holds only that tacking an issue of fact for the jury. But the analysis seems to apply to other issues in trademark law as well, such as likelihood of confusion – even though the opinion does not address these other issues. If *Hana* is extended to such other issues, it could make it more difficult to obtain summary judgment in trademark litigation.

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