



Use Caution When Considering the Use of Disclaimer Notices

Nearly everyone can relate to the experience of returning from the grocery store and, while unpacking bags, realizing the name brand product you thought you purchased was actually the generic product equivalent. Upon closer examination of the packaging, you realize why the mistake occurred: a similarly shaped packaging, similar name, even similar color scheme. Most of us think that because there are such similarities, the name brand product and the generic product are related, or at least made by the same company. This is a situation of consumer confusion and it concerns the producers of name brand products as Trademarks and Trade Dress rights are vital to a brand's longevity and success.

Additionally, producers of new products, whether generic or name brand, often struggle with the balance between choosing new trademarks, trade dress or effective marketing and respecting others' trademark and trade dress rights. While everyone knows that blatant copying of another's brand is illegal, to what extent can competitors brands be similar to each other without resulting in consumer confusion? Depending on the particular facts, the use of a disclaimer notice may help to alleviate potential consumer confusion between two similar brands and consequently overcome infringement challenges. Additionally, use of a disclaimer notice prior to learning that an infringement suit has been filed decreases or may eliminate so-called intent.

A disclaimer notice is a statement denying the connection or affiliation between trademark owners. To be successful in overcoming an infringement challenge, the alleged infringer must prove the disclaimer is effective to dispel consumer confusion. However, the presence or absence of a disclaimer notice is only one factor courts consider among many in determining whether a particular brand infringes another. Furthermore, courts have determined that the effectiveness of a disclaimer diminishes as the similarities between brands increases. Moreover, it should be noted that some consumer studies have indicated that disclaimers are ineffective in curing consumer confusion over similar brands and can actually aggravate, not alleviate, confusion.

The specific language used, font size, as well as the location of a disclaimer notice can have a strong impact on the weight it has in eliminating any potential consumer confusion. A relatively inconspicuous disclaimer will generally not alleviate confusion. For example, courts have held that the miniscule print of a disclaimer notice on the very bottom of an ad is not effective to dispel consumer confusion, compared to the relatively large print in the remainder of an ad.

In general, disclaimers maintaining disassociation must be placed in a prominent location and must not be overshadowed by the trademark in question (i.e. a disparity in size between the similar trademark and a disclaimer). Further, the specific language of a disclaimer is important to consider. For example, courts have determined that the single words "no", "not", or "unauthorized" are not generally adequate in alleviating confusion.

While some consider the prior examples a guideline in creating an effective disclaimer notice, it is important to remember that a disclaimer notice does not overcome an otherwise clear case of infringement. For example, especially where the infringement consists of verbatim copying, the presence of a disclaimer will not be effective. A federal appellate court whose jurisdiction includes Ohio recently decided a trademark infringement case involving the issue of whether the use of a disclaimer notice eliminated consumer confusion. The court reaffirmed the notion that disclaimer notices are ineffective when the infringer uses an exact replica of the relevant trademark.

Knowing what language used in disclaimer notices courts consider to be effective in eliminating consumer confusion between brands is important when choosing a brand, and in marketing that brand. While the exact font size, language and location a disclaimer notice should have to be effective varies, and largely depends on the facts of each case, the goal of a disclaimer notice remains constant: to eliminate consumer confusion. It is always a challenge to find the balance between effective advertising of a product while still being respectful of others trademark and trade dress rights.

If your company is considering a disclaimer notice in marketing a product, or you have encountered a disclaimer notice used by a competitor and are concerned about its effectiveness, contact Rita E. Kline at ritakline@tarolli.com

or (216) 621-2234 x 121 for further advice on whether the language, font size and location is effective to alleviate consumer confusion and avoid possible infringement.