

Supreme Court Holds That Whether or Not Trademarks May Be Tacked in Determining Priority is a Question for the Jury

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In a recent case, *Hana Financial Inc. v. Hana Bank et al.*, the Supreme Court of the United States was presented with the question of whether a judge or a jury should determine if tacking was available in a particular trademark case. The Supreme Court held that “when a jury trial has been requested and the facts do not warrant an entry of summary judgment or a judgment as a matter of law, the question whether tacking is warranted must be decided by a jury.”

Trademark and service mark (“mark”) rights in the United States are based on use. The first party to use a mark has priority over any other user. The doctrine of trademark tacking provides for an owner of a mark to present a new mark with the priority position of an older mark in limited situations. Two marks may be tacked only when they are considered “legal equivalents” and when they “create the same, continuing commercial impression” as viewed from the consumer’s point of view.

Both Hana Financial and Hana Bank provide financial services. Hana Financial was established in California in 1994 and obtained a federal trademark registration for a logo including the name “Hana Financial” in 1996. While Hana Bank was first established in Korea in 1971, and started advertising services in the United States in 1994, its first physical presence in the United States under the name “Hana Bank” was not until 2002.

Hana Financial sued Hana Bank in 2007, alleging infringement of the “Hana Financial” mark. Hana Bank denied infringement and relied on tacking to establish priority. The District Court granted summary judgment to Hana Bank and the Ninth Circuit Court of Appeals reversed, stating that there were genuine issues of material fact with respect to priority. On remand, a jury at the District Court found in favor of Hana Bank and the Ninth Circuit affirmed.

In assessing whether or not tacking is a question for a jury, the Supreme Court stated that “when the relevant question is how an ordinary person or community would make an assessment, the jury is generally the decision maker that ought to provide the fact-intensive answer.” However, the Supreme Court was careful to note that in some circumstances a judge may still decide the question of tacking, for example when deciding on a motion for summary judgment for judgment as a matter of law.