

IN THE HIGH COURT OF UTOPIA

BLUE FIN SURF SPORTS, INC, *(The Claimant)*

v.

SKUYLER FINN ENTERPRISES, LLC and
SKUYLER FINN *(The Defendants)*

Sage, J.

The Claimant Blue Fin Surf Sports, Inc., seeks a preliminary injunction restraining the Defendants Skuyler Finn Enterprises, LLC, and Skuyler Finn individually or together from using, or prosecuting the registration of, the trademark SKUYLER FINN BLUE for a wide variety of goods and services, pending the outcome of these proceedings. For the reasons set forth hereafter, the Court grants the preliminary injunction.

FINDINGS OF FACT

1. The Claimant Blue Fin Surf Sports, Inc. ("BFSS") is a Utopia corporation originally organised as a partnership in 1978, but converted to a limited liability corporation in 1987. Its original purpose was to own and operate The Blue Fin Surf Shop ("The Blue Fin") on Breaker Beach in Eden. Since its inception, The Blue Fin has been Eden's foremost surfing equipment and clothing retailer, selling an extensive selection of surfboards, surf clothing, and related paraphernalia. Located across Shore Avenue from the beach, The Blue Fin has served the surfing community, and grown with it, since its opening. Since 1978, its frontage has expanded from 50 feet and now occupies the entire block from Eel Street to Lobster Lane, about the length of a football field.
2. The second Defendant, Skuyler Finn, is a citizen of Utopia and maintains a residence in Eden, but spends her winters at a training camp in the Paradise Peaks with several

other prominent Utopian snow sport stars. Skuyler is the offspring of Grace Charm, a famous actress, and Mike Finn, an Olympic skiing champion. Ms. Finn is a celebrity in her own right. She is a world-class snowboarder, popular, possesses an ebullient personality, and known by many as a "lulu," which is slang for a remarkable or outstanding person.

3. The first Defendant, Skuyler Finn Enterprises, LLC, is a limited liability company organised under the laws of Utopia by Ms. Finn and her family immediately after the close of the 2010 Winter Olympic Games for the purpose of commercializing and exploiting the name, image, and reputation of Ms. Finn. Ms. Finn is the majority owner of the LLC; her parents and business manager hold minority stakes in the company.

THE BLUE FIN SURF SHOP

4. When it opened in a single storefront in 1978, The Blue Fin was owned and operated by 18-year-old Mark Madigan and 23-year-old Shania Nordquist, both avid surfers who foresaw the boom in the sport soon to come, pooled their savings, earnings, proceeds from pawning certain possessions, and what credit they could get, to bet their foreseeable futures on their shared surfing vision, which turned out to be prescient. Since the store has opened, both its space and inventory have been expanded as fast as finances permitted, driven by the exponential growth of the sport in the local market.
5. Mr. Madigan and Ms. Nordquist also partnered in raising a daughter, Lulu Nordquist-Madigan, who grew up a surfer, worked in the surf shop, and acquired an education culminating last year in an MBA from the Eden College of Business Management.

While historically BFSS sold surfboards and surfing equipment and accessories of the major surfboard manufacturers, it has in recent years (after three years of pestering by Lulu) begun to contemplate selling its own branded line of surfboards, surfing equipment, clothing, and paraphernalia. BFSS engaged the local surfing genius and recent graduate of the Eden College of Engineering to help them design a new surfboard, and BFSS ultimately decided that the name of its new brand would be BLUE FIN BY LULU. Lulu and her parents spent months debating the colour scheme and design graphics to be used on the board, Lulu favouring a turquoise and light blue.

6. Swirl resembling the cone of the wave boldly painted across the board (with the mark BLUE FIN BY LULU painted around the cone of the wave), while her parents favoured a design that featured a large, royal blue dolphin with a cartoon figure resembling Lulu riding atop with her hand on the fin. Finally, in the hopes of persuading her parents that her proposed graphics were more appealing, Lulu had two of the demo boards painted with the competing designs and placed the photos on the HelpUsSelect Internet bulletin board (accessible at HelpUsSelect.com) seeking input from viewers on which design they liked better. After a week of having been posted on HelpUsSelect.com, just over 2,000 people voted on their favorite design—with the winner being Lulu’s stylised wave design, with 1,525 votes. With the confidence of the popular vote on which graphics to use, BFSS went ahead and commissioned the manufacture of its first batch of 1,000 surfboards with Lulu’s stylised wave design [see Exhibit A].

7. BFSS is the owner of the following Utopia Trademark Registrations, all of which are valid and subsisting, according to official records:

a. Mark: BLUE FIN SURF SHOP

Services: Retail store services in the field of surfing and other water sports, in International Class 35.

Disclaimer of “SURF SHOP”

Application Date: June 1, 1991

Claimed Date of First Use: January 31, 1978

Reg. Date: July 5, 1993

Renewed: June 3, 2003

Reg. No: 5000001

b. Mark: BLUE FIN BY LULU

Goods: Surfboards, in International Class 28.

Application Date: September 19, 2011

Claimed Date of First Use: April 2, 2012

Reg. Date: October 15, 2012

Reg. No: 5802644

SKUYLER FINN and SKUYLER FINN ENTERPRISES

8. Ms. Finn was raised in the spotlight—both her mother and father have been famous public and tabloid figures since before she was born. Skuyler took to snowboarding at age 5. She is an enormously popular celebrity in her own right, largely because she is articulate, and always seems to be happy and carefree. Since she was a child touting a breakfast cereal that tasted great and was less filling, Skuyler has been in the public eye. She managed to get through her teenage years without any known incidents of alcohol abuse, drug use, shoplifting, or romance more lurid than holding hands with boys, all while making a more than small fortune endorsing a wide variety of products and services, many intended for consumers far older than she. Perhaps the most notable was the ready-to-eat breakfast bar intended for senior citizens, which she endorsed with the youthfully sincere admonition “It is never too late to start eating healthy!”
9. Ms. Finn is also an accomplished athlete. In her early teens, she appeared in Barston Snowboard commercials, sliding down some formidable slopes with her typical *joie de vivre*. Barston snowboards, it might be noted, are all “Barston Blue” (a deep, vivid turquoise), and since then, Skuyler has taken a fancy to the colour and made “Skuyler Blue” a *nom de plume* for “Barston Blue.” Many advertising professionals attributed the success of her snowboard advertisements to the fact that besides being great at snowboarding, Skuyler’s love for the sport is infectious. At the Winter Olympic Games in February 2010, she won the gold medal for freestyle snowboarding with a self-choreographed run that she called, and the press publicised as, the “Blue Avalanche.” The run was, to say the least, challenging—incorporating four 180-degree reverse flips, a cartwheel, and some shimmies that only Skuyler could pull off.
10. On April 4, 2010, Ms. Finn and her management team organised Skuyler Finn Enterprises (“SFE”) to “commercialise the Skuyler Finn name and reputation.” Specific plans to exploit Ms. Finn’s celebrity, if there were any such plans, remain a closely guarded secret.
11. The following dates are important. The Court has carefully reviewed all the evidence, and concludes that the following chronology is supported by the overwhelming weight of evidence:

SFE

- April 12, 2010: SFE filed two trademark applications to register the words SKUYLER FINN BLUE and a logo incorporating the intertwined letters SFE as shown on SFE's snowboard [see Exhibit B] for a wide range of goods in Classes 3, 14, 16, and 21, as well as for bikini swimwear in Class 25 and snowboards in Class 28. As of the application date, SFE's specifications were for "product development and design, product sourcing, and product marketing/business plans for sunscreen, sun-protective lipstick and sun protective cosmetic preparations, posters and photographs, snowboard boots, sweaters and shirts, and snowboards." SFE would later amend its specifications during prosecution of the applications. During the year following the application date, there were one-page "Study papers" listing the pros and cons of launching the remaining products. Listed as strongly desirable products to be launched as soon as possible were magazines, slacks, knitted headwear, and bikini swimwear. Socks and books were listed as "optional." The other goods were not mentioned.
- The SKUYLER FINN BLUE word mark was registered on September 20, 2012, for sunscreen, sun protective lipstick, and sun-protective cosmetic preparations in Class 3; posters and magazines in Class 16; and snowboards in Class 28. The remaining goods were divided into separate applications. SFE's application for its logo is still pending.
- The affidavits filed by SFE in this application shows evidence of its use of the SKUYLER FINN BLUE word mark and SFE logo mark since May 14, 2012, for the following goods:
 - i. sunscreen, sun protective lipstick, and sun-protective cosmetic preparations in Class 3;
 - ii. posters and magazines in Class 16; and
 - iii. snowboards in Class 28.

BFSS

- September 13, 2011: Ms. Nordquist-Madigan announced, via press release, that starting the following day, she would devote all her time and energies to developing a new, leading edge BLUE FIN BY LULU surfboard. Her goal was to achieve the world's most responsive surfboard for championship surfers.
- December 12, 2011: Ms. Nordquist-Madigan completed consultations with

surfboard builders, surfers, and theoretical physicists, and commenced testing on several prototype surfboards she had designed and built.

- February 13, 2012: Ms. Nordquist-Madigan fixed the final design for the first model BLUE FIN BY LULU surfboard. The first prototype boards were built by April 1, 2012. On that day, BFSS began advertising and soliciting orders from surfers for delivery commencing April 2, 2012. The boards were sold solely through BFSS and its website and it is planned that selected other surf shops may sell the BLUE FIN BY LULU board in 2014. The retail price for the BLUE FIN BY LULU board, which are custom-designed but mass-produced, is \$2,150, and has shattered all previous price records for mass-produced surfboards.
- April 16, 2012: The BLUE FIN BY LULU surfboard was launched at a firelight luau on Breaker Beach in Eden. Lulu herself arrived from the sea at the height of festivities, making the first ceremonial ride on the new board which was a colour of blue. The event attracted national media coverage and a large number of celebrities, including an uninvited Skuyler Finn.
- April 20, 2012: Skuyler Finn, holding torch aloft, led a procession of snowboarders down the melting snow cover on the lower slope of Mount Paradise, to a reception on the Paradise Lodge terrace commemorating the launch of SKUYLER FINN BLUE snowboards and snowboard clothing. The snowboard has a cobalt blue underside, which is slightly concave laterally for better control. Skuyler's normally blonde hair was heavily streaked with blue. The event also attracted local celebrities and national media attention. Lulu Nordquist-Madigan was invited, but did not attend.
- May 3, 2012: The May issue of *CelebPersona* magazine featured a tenpage photo gallery of the two events under the title "Lulu & Skuyler Team to Launch Their Line of Personalised Surf and Snow Boards." Three issues later, a small "correction" of the word "line" to "lines" was printed, along with certain other corrections to articles in other issues, beneath the magazine's masthead on the page behind the Contents page.
- May 15, 2012: SKUYLER FINN BLUE snowboards began shipping to sporting goods stores.
- May 31, 2012: BFSS filed a writ of summons against Skuyler Finn and Skuyler Finn Enterprises, and applied for a preliminary injunction to be issued against them forbidding the sale or offering for sale of SKUYLER FINN BLUE snowboards in commerce. This is the decision on the preliminary injunction.

12. Surfing, which can be a hobby, recreational activity, or competitive sport, has been reported as early as 1769, in Polynesia. In its simplest terms, it occurs when a surfer rests atop a surfboard and paddles out beyond the breaker line. There, in somewhat calmer waters, the rider turns to face the direction in which waves are running, and when overtaken by a large wave, rises as the board is raised by the front edge of the wave, and, balancing on the board, rides it down the front side of the wave. Because waves are constantly renewing themselves with new water, a skilled surfer can slide down the front side of one rolling wave for hundreds of linear feet, never reaching the bottom of the wave until it breaks on shore or otherwise dies out.
13. Snowboarding is of much more recent origin, evolving from downhill skiing. Essentially, it is like riding a short toboggan down a snow-covered slope while standing up. It lends itself to racing and acrobatics more readily than does surfing. Both are rigorous sports demanding excellent balance, and in which the participants are at greater risk of serious injury or even loss of life than are those in such more sedate activities such as golf, tennis (court or table), jogging, and baseball. The most avid participants tend to be in their late teens to early twenties in age.
14. The primary piece of equipment necessary for surfing is the surfboard.
15. The primary piece of equipment necessary for snowboarding is the snowboard.
16. While undoubtedly there are people who have both surfed and snowboarded, apparently nobody has ever been found who is exceptionally proficient at both. Participation in either requires a high degree of athleticism, determination, and acceptance of risk, but the environments of the two sports are so different that seemingly few are attracted to both.
17. Surfboards are sold primarily through surf-oriented sporting goods stores and are marketed primarily in surfing media (magazines, newsletters, and some TV). Snowboards are sold primarily through ski and winter sport equipment retailers. A few electronic retailers sell both, but they comprise significantly less than five percent of the market by volumes of both articles. One reason the two markets are as discrete as they are is that both sports require considerable instruction to learn, and enormous experience and practice to master. Another reason is that the venues for surfing and

snowboarding are geographically discrete. Yet another reason appears to be that most snowboarders have virtually no experience or interest in surfing; in turn, many surfers appear to have only a slight interest in snowboarding. No brick and mortar stores have been found that sell both surfboards and snowboards, although some e-commerce merchants sell both online. Used, and some new, surfboards and snowboards can be purchased on eBay, although they are mostly lower-end products that are not involved in this case. Due to high shipping costs, the volume can be aptly described as negligible.

18. As far as can be discovered, Lulu's name had never before appeared in conjunction with Skuyler's. In the month following the launches of BLUE FIN BY LULU surfboards and SKUYLER FINN BLUE snowboards, it is documented that both names appeared in the same newspaper article, magazine story, or television segment at least two hundred and nineteen times.
19. Ms. Finn deposed on affidavit that when she decided to apply to register SKUYLER FINN BLUE for snowboards, she was aware of the BLUE FIN surf shop, having met them socially from time to time. However, she was not sure if she knew at the time that Lulu was connected to BLUE FIN. She claimed that the whole idea behind the SKUYLER FINN BLUE mark was to promote her name and enhance her reputation. She acknowledged that BLUE FIN had done a fine job promoting the BLUE FIN BY LULU brand, and that Lulu's name seemed to have struck a responsive chord in the surfing community—something Ms. Finn admitted she would be able to achieve in the snowboard world. She only knew more about BLUE FIN and the surfing world after being sued by them.
20. In the latter part of May, there were reports—perhaps no more than rumours—that the Consumer Watchdog Commission had product safety concerns regarding the SKUYLER FINN BLUE snowboards. Whatever issues there may have been were quickly resolved, but by early June, BFSS reportedly noticed an unusually large number of incidents of prospective customers for BLUE FIN BY LULU surfboards questioning the safety of the board.

THE COURT'S FINDINGS

21. Section 100 of the Utopia Trade Marks Act (UTMA) states as follows (insofar as it is relevant to this claim):

(2) A person infringes a registered trade mark if he or she uses in the course of trade a sign where because

(a) the sign is identical with the trademark and is used in relation to goods or services similar to those for which the trademark is registered; or

(b) the sign is similar to the trademark and is used in relation to goods or services identical with or similar to those for which the trademark is registered, there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the trademark.

(3) For the purposes of this section a person uses a sign if, in particular, he or she—

(a) affixes it to goods or the packaging thereof;

(b) offers or exposes goods for sale, puts them on the market or stocks them for those purposes under the sign, or offers or supplies services under the sign;

(c) imports or exports goods under the sign; or

(d) uses the sign on business papers or in advertising.

22. Section 101 of the UTMA states as follows:

A registered trademark is not infringed by the use in the course of trade of an earlier right.

For this purpose, an "earlier right" means a registered or unregistered trademark or other sign continuously used in relation to goods or services by a person, or its predecessor in title, from a date prior to whichever is the earlier of—

(a) the use of the first-mentioned trademark in relation to those goods or services by the proprietor, or its predecessor in title; or

(b) the registration of the first-mentioned trademark with respect to those goods or services in the name of the proprietor, or its predecessor in title.

23. When evaluating whether there is a likelihood of confusion on the part of the public for the purposes of the assessment under Section 100(2), a court must take into

account all the circumstances of the case. In this case, the Court considers that the following factors are particularly relevant:

- (i) The Claimant's marks are BLUE FIN SURF SHOP and BLUE FIN BY LULU.
- (ii) The mark of The Defendant that The Claimant challenges is SKUYLER FINN BLUE. SKUYLER FINN BLUE is readily confusable with BLUE FIN. FIN and FINN are in contemplation of law, virtually identical, albeit one is in fact, a surname. BLUE is identical. SKUYLER, admittedly introduces an element to one mark that is not present in the other, but it is generally agreed that adding one's own name to another's mark does little or nothing to alleviate confusion. Indeed, it can be viewed as an aggravation of the harm. BLUE FIN BY LULU and SKUYLER FINN BLUE are a bit less confusing, but insufficiently so. Indeed, they suggest that there might be an individual named LULU SKUYLER, which is a very confusing notion.
- (iii) Surfboards and snowboards are closely related implements. They both operate in much the same way to permit the rider to "board" along the surface of water, whether liquid or frozen.
- (iv) There is persuasive evidence of actual confusion. *CelebPersona*, the foremost magazine in its field, obviously believed that Lulu and Skuyler's enterprises were connected, and so informed those of its 14 million readers and online followers.

24. The Court also finds that, despite her protestations, Skuyler intended to piggyback on the success of The Claimant's BLUE FIN BY LULU mark. Indeed, she has admitted to intending to imitate the BLUE FIN BY LULU mark's success.

25. The Court holds that SKUYLER FINN BLUE when used for snowboards is likely to cause confusion with BLUE FIN BY LULU for surfboards.

26. Because there is a likelihood of confusion, priority thus becomes an issue. In such situations, the prior mark prevails. There is no doubt that BLUE FIN SURF SHOP for retail store services in the field of surfing and water sports long predates SKUYLER FINN BLUE for snowboards. The Claimant, however, rests its case on its BLUE FIN

BY LULU mark, arguing that it is the conjunction of: (i) BLUE; (ii) some spelling of FIN; and (iii) what is recognisably a girl's given name ("Lulu" or "Skuyler") that makes the marks so similar as to be likely to confuse.

27. Section 72 UTMA states as follows:

The registration of a trademark for goods and/or services with respect to which the trademark is registered shall take effect from (and including) the filing date with respect to the application for registration, save that where a right of priority for the registration of the trademark is claimed by the applicant, the registration shall be deemed to take effect from (and including) the claimed priority filing date.

28. Under this rule, the priority date for BLUE FIN BY LULU is September 19, 2011. The priority date for SKUYLER FINN BLUE is April 12, 2010. Notwithstanding Skuyler's apparent April 12, 2010 priority date, because the Court finds that BFSS began to use its BLUE FIN SURF SHOP mark well before that date, and because the Court finds that surfboards are well within BFSS's natural zone of expansion, BFSS has established that it has an earlier right pursuant to Section 101 of the UTMA.

29. BFSS faces immediate reputational harm as Skuyler's persona becomes associated with BLUE FIN BY LULU, whose reputation will then no longer be entirely within BFSS's own control. In short, The Claimant is losing control of its reputation, and the only way that can be corrected pending fuller trial on the merits is to enjoin further use of SKUYLER FINN BLUE for snowboards or snowboarding-related activities.

30. By reason of the aforesaid circumstances, this Court hereby orders that the Defendants cease all use of the word "Blue," either by itself or in conjunction with other wording (specifically "Skuyler Finn," or any confusingly similar designation) as a trademark, brand name, or any other designation for any article for, or connected with, any "board" activity or sport.

Exhibit A: Blue Fin by Lulu



Exhibit B: Skuyler Finn Blue

