

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

R&B, INC.

CIVIL ACTION

V.

:
:

NEEDA PARTS
MANUFACTURING, INC., et al.

NO. 01-1234

MEMORANDUM AND ORDER

McLAUGHLIN, J.

August 10, 2001

This case involves a dispute between the largest supplier in the after-market for automotive parts, the plaintiff, R&B, Inc. ("R&B"), and a new competitor in that market, the defendant, Needa Parts Manufacturing, Inc. ("NPM"). R&B claims that NPM and its CEO, defendant James Koleszar, infringed R&B's copyrights and trademarks. The Court held an evidentiary hearing on the plaintiff's motion for a preliminary injunction on April 18-19, 2001. The Court denies R&B's request for a preliminary injunction on the ground that the plaintiff has failed to show a likelihood of success on the merits with respect to any of its claims.

The most substantial claim brought by R&B is that the defendants infringed its copyright by copying its most popular part numbers. The defendants admit to copying the part numbers.

The issue presented is whether the part numbers satisfy the originality requirement of the copyright laws. The Court of Appeals for the Third Circuit recently analyzed the originality requirement in the context of part numbers. See Southco, Inc. v. Kanebridge Corp., No. 00-1102, 2001 WL 821438 (3d Cir. filed July 20, 2001). The Court of Appeals held that Southco's part numbers "fall short of the minimal level of creativity required for copyright protection." Id. at *3. Although R&B's part numbers are somewhat less predictable than the numbers in Southco, the Court finds that the Southco analysis dictates a finding that R&B's part numbers are not copyrightable.

The Court has carefully reviewed the other claims made by R&B - claims that the defendants infringed four of its trademarks and an additional copyright claim relating to R&B's catalog of parts - and holds that the plaintiff has failed to show a likelihood of success on the merits of any of them. Because the plaintiff has not carried its burden with respect to the first requirement for a preliminary injunction, the Court will not decide whether the other factors are met.

I. CLAIMS AND PROCEDURAL POSTURE

R&B's complaint, filed on March 15, 2001, makes the following claims against the defendants: (1) trademark

infringement in violation of 15 U.S.C. § 1055; (2) common law trademark infringement; (3) false designation of origin in violation of 15 U.S.C. § 1125(a); (4) common law unfair competition; (5) copyright infringement in violation of 17 U.S.C. § 101, et sea.; (6) breach of contract; (7) breach of fiduciary duty; and (8) tortious interference with contractual relations.

R&B filed a motion for a temporary restraining order and preliminary injunction on March 16, 2001. After a telephone conference with the parties on March 21, 2001, the Court denied the plaintiff's motion for a temporary restraining order. By letter dated April 17, 2001, **R&B** withdrew Counts VI, VII, and VIII of its complaint (breach of contract, breach of fiduciary duty, and tortious inference with contractual relations) for purposes of its motion for preliminary injunction. Pl. Letter dated 4/17/01.

The plaintiff makes three sets of claims in its motion for preliminary injunction. First, **R&B** claims that the defendants have infringed **R&B's** copyrights in its catalogs and in its part numbers. Second, **R&B** claims that the defendants have committed trademark and unfair competition violations as to **R&B's** registered and unregistered trademarks. **R&B's** registered trademarks include "Motormite" and "NEED!"; **R&B's** unregistered trademarks include the "MM" designation and the part numbers.

Third, R&B claims that NPM's repackaging and resale of genuine R&B products constitutes trademark infringement.

11. BACKGROUND

A. Parties

1. The plaintiff, R&B, is a corporation organized and existing under the laws of the Commonwealth of Pennsylvania, with its principal place of business at 3400 E. Walnut Street, Colmar, Pennsylvania 18915. R&B is a national supplier of about 35,000 automotive parts, fasteners, and service line products, as well as non-automotive fasteners. Complaint, ¶¶ 1, 7-8; Transcript of Apr. 18, 2001 Hearing at 164 (testimony of Robert Calvosa) (hereinafter "Tr. I"). R&B's total sales amount to around \$200 million per year. Tr. I at 179 (testimony of Robert Calvosa).

2. The defendant, NPM, is a corporation organized and existing under the laws of the State of Michigan with its principal place of business at 3040 Dye Road, Flint, Michigan 48507. Complaint, ¶ 2. NPM currently offers about 1,000 different products and has had sales of approximately \$18,000 since its inception in July of 2000. Transcript of Apr. 19, 2001 Hearing at 25-26, 60-61 (testimony of James Koleszar) (hereinafter "Tr. II"); Tr. II at 125 (statement of Douglas Sprinkle).

3. The defendant, Koleszar, is the Chief Executive Officer of NPM. See Tr. II at 23 (testimony of James Koleszar). Koleszar was employed by R&B from 1984 to 1998. At the time of his termination, he was R&B's vice president of national accounts. Id. at 21.

B. Jurisdiction and Venue

1. The Court has jurisdiction over this matter pursuant to 28 U.S.C. § 1338(a), which gives federal courts original jurisdiction over federal claims related to trademark and copyright infringement.

2. There is original jurisdiction over R&B's claims of unfair competition under state common law, because they are unfair competition claims joined with a substantial and related federal trademark claim. See 28 U.S.C. § 1338(b).

3. There is supplemental jurisdiction over the remaining common law claims of trademark infringement, breach of contract, breach of fiduciary duty, and tortious interference with contractual relations because they are part of the same case or controversy as a federal claim. See 28 U.S.C. § 1367(a).

4. Venue is proper under 28 U.S.C. § 1391.

C. Findings of Fact

1. In July of 1983, a trademark for "Motormite" was registered with the United States Patent and Trademark Office ("USPTO") by R&B Automotive, Inc., an entity that later changed its name to R&B (RegistrationNumber 1,244,128). In July of 1991, another trademark for "Motormite" was registered by R&B with the USPTO (RegistrationNumber 1,649,280). See Pl. **Ex. A, B, E.**

2. R&B supplies automotive parts under the "Motormite" trademarks to two types of consumers: retailers and warehouse distributors ("primaryconsumers"). Retailers, such as Pep Boys retail stores, purchase R&B products and resell them to do-it-yourself members of the general public ("DIYers"). Warehouse distributors, such as Auto Value or CarQuest, purchase **R&B** products and resell them to jobbers, which are smaller, independent retail stores, such as corner auto parts stores. **R&B** also attempts to sell products directly to the jobbers. These jobbers then resell the products to professional installers. Professional installers use the products in the course of providing services to the general public. The DIYers and the professional installers constitute the "end users" of R&B products. Tr. I at 203-05, 207-09 (testimony of Todd Northey).

3. Of the 35,000 different items offered by R&B, about 18,000 are sold under the two Motormite trademarks. See 1994 Motormite Buyers Guide, Pl. Ex. J (hereinafter "1994 Catalog" or "R&B's catalog"). These items are sold under various product lines or brands, such as "CLUTCH-IN!," "PEDAL-UP!," and "HELP!." Id.; Tr. I at 55, 117 (testimony of Robert Calvosa).

4. In November of 1986, a trademark for "NEED!" was registered by R&B with the USPTO (Registration Number 1,416,389). The certificate of registration lists items such as picture hangers, door stops, nails, electrical plugs, night lights, paintbrushes, and cotton cords. It does not list any automotive parts. Pl. Ex. O.

5. Initially, the NEED! product line was targeted towards the same customer base as other Motormite products, i.e., DIYers in the automotive after-market. Tr. I at 222-23 (testimony of Todd Northey). NEED! products were sold in the same channels of trade as other Motormite products, including HELP! products. A Motormite catalog from 1985 includes a section entitled "Household Items" that features NEED! products. Id.; 1985

Motormite Catalog Supplement 2, Hearing Ex. P-1, at 36.¹ The 1994 Catalog does not list any NEED! products. See 1994 Catalog, Pl. Ex. J.

6. R&B considered discontinuing the NEED! product line around 1989. Tr. II at 9-10, 18-19 (testimony of Robert Leedom). Although the plaintiff has not introduced into evidence any NEED! products or current catalogs that list NEED! products, several witnesses testified at the hearing that the "NEED!" trademark is still in use. See, e.g., Tr. I at 117-18 (testimony of Robert Calvosa). The defendants do not dispute that fact. See Tr. II at 105 (statement of Douglas Sprinkle). For the past two years, the only item to be sold under the "NEED!" trademark has been paintbrushes. For the past five years, sales under the "NEED!" trademark have averaged around \$10,000 per year. Tr. I at 179 (testimony of Robert Calvosa); 258 (testimony of Todd Northey).

7. The HELP! product line consists of about 700 of the most popular and fast-moving automotive replacement parts sold by R&B, some of which are available under other Motormite product lines as well. Tr. I at 85-87, 93 (testimony of Robert Calvosa).

¹ Exhibits introduced at the preliminary injunction hearing on April 18, 2001 will be labeled "Hearing Ex." followed by the exhibit letter or number.

HELP! products are packaged in bright red. The packages bear the word "**HELP!**" across the top in thick white letters and feature R&B's and Motormite's names and address. See **HELP! PCV Valve Grommet**, Hearing Ex. P-11.

8. The **HELP!** line of products is divided into five general categories, each of which is associated with a different color for use on product packaging. Interior parts are dark blue, exterior parts are light blue, under-hood parts are green, under-car parts are yellow, and maintenance parts are white. Tr. I at **93** (testimony of Robert Calvosa); 245-46 (testimony of Todd Northey).

9. Some of R&B's Motormite products have the letters "**MM**" embossed or forged into them. Tr. I at 251-52 (testimony of Todd Northey). The "**MM**" designation has not been registered as a trademark with the USPTO. Because of the vertical configuration of the two letters, the designation also appears to be a thick "**M**."

10. R&B's vice president of field sales, a former regional sales manager, has witnessed some of R&B's customers (i.e., warehouse distributors, jobbers, and automotive retailers)

identify the "MM" designation with Motormite. Tr. I at 191, 208-09, 235, 250-51 (testimony of Todd Northey).

11. R&B's Motormite products are each identified by a five-digit part number. Tr. I at 103-05 (testimony of Robert Calvosa). These part numbers were created independently by R&B, but have not been separately registered as trademarks with the USPTO. Id. at 39-48.

12. The first two digits of each five-digit R&B part number generally indicate the family of the product. For example, a number with the first two digits "76" belongs to the family of window handles. Tr. I at 143 (testimony of Robert Calvosa); 285 (testimony of Barry D. Myers).

13. The correlation between the first two digits and the product family is not perfect. Tr. I at 142 (testimony of Robert Calvosa).

14. Within the HELP! line of products, the product family cannot always be discerned from the first two digits alone. For example, brake backing plates, brake shims, maintenance fasteners, and suspension components all begin with the first two digits "13"; the product family is not obvious. In such cases, the first three digits are needed to identify the product family.

For example, the first three digits "130" indicate brake shims, whereas the first three digits "131" indicate maintenance fasteners. Tr. I at 141-42 (testimony of Robert Calvosa).

15. The remaining two or three digits of each R&B part number is assigned according to a different rubric for each product family. The rubric for one product family does not necessarily apply to other product families. Tr. I at 151-52, 163 (testimony of Robert Calvosa); Tr. II at 12 (testimony of Robert Leedom). For example, in some product families, such as O-rings, the last three digits of each part number is the same as the industry standard reference number for that part. Tr. I at 143, 145-46 (testimony of Robert Calvosa). For a handful of other product families, such as snap rings and battery hold-downs, the last three digits can reflect the relative size of the product, as compared to others in its same product category. Id. at 62-63, 148. Certain other product families contain "sub-families" based on the size of the product packaging. For example, in the family of brake pedal pads, parts requiring size "A" packaging have part numbers ranging from 20700 and 20749. Id. at 58. Once within the appropriate range, or when there is no rubric for number assignment, part numbers are assigned sequentially. Id. at 58, 132.

16. When the number of different products in a given product family exhausts the range of contiguous part numbers that are available, a new range of part numbers is designated, even if the first two digits of the new numbers are associated with another product family. For example, when a group of products in the CLUTCH-IN! family outgrew its initial range of **14500** to **14549**, the family first expanded to the range from **14591** to **14599**, and then to the range below **14500**. When those ranges were exhausted, the family expanded to numbers beginning with the first two digits "74." Tr. I at 79-82 (testimony of Robert Calvosa).

17. The plaintiff's vice president of field sales, a former regional sales manager, has experienced a "handful" of instances where consumers in retail stores asked for a Motormite product by part number. Tr. I at **191, 212, 216** (testimony of Todd Northey). This familiarity applied only with respect to "[t]he most popular movers [products] that have repetitive usage." Id. at **214**. There is no evidence that these consumers associated the part number with R&B or Motormite, as opposed to the part itself.

18. In July of **1985**, R&B registered the following catalogs with the Copyright Office: **1985 Motormite Catalog** (Registration

Number VA 196-809); 1985 Motormite Catalog Supplement 1 (RegistrationNumber VA 193-362); 1985 Motormite Catalog Supplement 2 (RegistrationNumber VA 208-040); 1983 HELP! Catalog (RegistrationNumber VA 195-445); and 1983 HELP! Supplemental Catalog (RegistrationNumber VA 193-276) (collectively, "1985 Catalogs"). See Certificates of Registration, Hearing Ex. P-1, P-2, P-3, P-4, P-5.

19. In April of 2001, R&B applied for registration of the 1994 Catalog. Pl. Reply Ex. D. The 1994 Catalog is the current Motormite catalog, and contains about 685 pages. Tr. I at 110 (testimony of Robert Calvosa); 1994 Catalog, Pl. Ex. J.

20. Koleszar was employed at R&B from 1984 to 1998. At the time of his resignation in 1998, Koleszar was R&B's Vice President of National Accounts. Tr. II at 21 (testimony of James Koleszar).

21. NPM was formed in July of 2000 to compete with R&B in the automotive parts market. Tr. II at 60-61 (testimony of James Koleszar). NPM targets some of the same customers as R&B and identifies itself a competitor of R&B. Id. at 43, 45, 70. NPM's philosophy is to sell the most popular and fastest-selling automotive parts. Id. at 68.

22. NPM offers about 1,000 different parts. Tr. II at 125 (statement of Douglas Sprinkle). These parts are also available from R&B under various Motormite product lines, including HELP! Tr. I at 90-91, 106-07 (testimony of Robert Calvosa).

23. NPM sells products under the name "Needa?." See Needa? PCV Valve Grommet, Hearing Ex. P-12.

24. The name "Needa?" was selected when Koleszar accidentally typed the word "needa" into an internet search engine, instead of the words "need a." Tr. II at 26 (testimony of James Koleszar).

25. NPM's products are each identified by a six-digit part number, consisting of the five-digit part number of the corresponding R&B product, plus an extra sixth digit. NPM copied R&B's numbering system to make it easier for customers to switch from R&B products to NPM products. Tr. II at 35, 39 (testimony of James Koleszar).

26. **As of** mid-April, 2001, NPM had a financial investment of approximately \$1.255 million. Enjoining the defendants' activities would cause the defendants to go out of business. Tr. II at 44 (testimony of James Koleszar).

27. The sixth digit in an NPM part number indicates NPM's recommendation as to where in a retail store the product should be placed. For example, all under-car part numbers end with the number "4." These parts are to be displayed together as a group or separately by sub-category, according to NPM's recommendation. Tr. II at 35, 39, 74-75 (testimony of James Koleszar).

28. Some of the categories represented by the sixth digit are the same as the categories represented by the R&B color groups. For example, interior parts, which are dark blue in the R&B system, all have NPM part numbers ending in "1." Tr. I at 245 (testimony of Todd Northey). However, the numbers were not intended to mimic the colors, and the NPM system contains more categories than the R&B system. See Tr. II at 73-74 (testimony of James Koleszar) (listing eight NPM category numbers, as opposed to R&B's five color groups).

29. NPM publishes lists of its products and part numbers in a catalog entitled "Needa? Parts Manufacturing, Inc. Application & Buyer's Guide 2001" ("NPM Catalog" or "defendants' catalog"). The defendants' catalog contains about 85 pages. NPM Catalog, Pl. Ex. L.

30. The defendants used the plaintiff's catalog in preparing their own catalog. Tr. II at 42 (testimony of James Koleszar).

31. The artwork, layout, text, and photographs of the NPM Catalog were independently created and are different from those of the plaintiff's catalog. Tr. I at 181-84 (testimony of Robert Calvosa). The overall appearances of the two parties' catalogs are different. Compare 1994 Catalog, Pl. Ex. J, with NPM Catalog, Pl. Ex. L.

32. NPM acquires parts from at least ten different suppliers, some of whom may also supply parts to R&B. Tr. II at 145-46 (statement of Douglas Sprinkle); Tr. II at 147-48 (statement of Anthony Volpe).

33. NPM also acquires genuine R&B products from warehouse distributors and retailers with the intent of reselling them to consumers. Tr. II at 27-28 (testimony of James Koleszar).

34. RPM does not allege that NPM alters the parts that it purchases for repackaging.

35. NPM repackages the R&B parts in NPM's packaging. Tr. II at 27-28 (testimony of James Koleszar). NPM packages its

products in bright yellow packages with clear plastic blisters. NPM's packaging bears NPM's name and address, and features the word "Needa?" written across the top in thin white and yellow letters. See, e.g., Needa? PCV Valve Grommet, Hearing Ex. P-12. NPM's packaging does not bear R&B's name or any of R&B's trademarks. See id.; Tr. II at 28 (testimony of James Koleszar); 113 (statement of Douglas Sprinkle).

36. When asked whether they have sold any parts with the "MM" designation forged or embossed onto them, Koleszar stated "I don't know for sure. We very well may have, we haven't sold that much." Tr. II at 28 (testimony of James Koleszar).

111. DISCUSSION / CONCLUSIONS OF LAW

In ruling on the plaintiff's motion for preliminary injunctive relief, the Court must consider four factors: (1) the likelihood that the plaintiff will prevail on the merits at the final hearing; (2) the extent to which the plaintiff is being irreparably harmed by the conduct complained of; (3) the extent to which the defendants will suffer irreparable harm if the preliminary injunction is issued; and (4) the public interest. The Court must find that all four factors favor issuing the injunction before it grants the motion. See Pappan EnterDrises,

Inc. v. Hardee's Food Systems, Inc., 143 F.3d 800, 803 (3d Cir. 1998). The burden of proof lies with the plaintiff. See BP Chemicals Ltd. v. Formosa Chemical & Fibre Corp., 229 F.3d 254, 263 (3d Cir. 2000).

R&B's claims consist of copyright, trademark, and unfair competition claims. Specifically, R&B claims that NPM has infringed R&B's copyright on its part numbers and catalogs, that NPM has infringed four of R&B's trademarks in violation of trademark and unfair competition laws, and that NPM illegally repackages and resells R&B products under NPM's trademark. Because the Court finds that there is no likelihood of success on any of these claims, it does not reach the other three factors.

A. Copyright Infringement

In its original complaint, R&B claimed that the defendants infringed its copyright in its 1994 Catalog and in its part numbers. At the preliminary injunction hearing, the plaintiff stressed the part numbers claim and barely mentioned the catalog claim. The Court, nevertheless, will analyze both claims.

The Copyright Act of 1976 protects "original works of authorship fixed in any tangible medium of expression. . . ." 17 U.S.C. § 102(a). A copyright holder is granted the exclusive

right to use and to authorize the use of the copyrighted work in specific enumerated ways, including the reproduction of the work in copies. See 17 U.S.C. § 106. Congress' purpose in granting this monopoly is "to motivate the creative activity of authors and inventors by the provision of a special reward, and to allow the public access to the products of their genius after the limited period of exclusive control has expired." Sony Corp. of America v. Universal City Studios, Inc., 464 U.S. 417, 429 (1984).

To succeed on the merits of the copyright claims, R&B must show (1) that NPM copied the works in question, and (2) that R&B **owns** a valid copyright in the works. Ford Motor Co. v. Summit Motor Products, Inc., 930 F.2d 277, 290 (3d Cir. 1991). The defendants claim that the plaintiff has not shown a valid copyright in either the 1994 Catalog or in the part numbers contained therein, and that the plaintiff has failed to show a likelihood of success as to either of its copyright claims. The Court agrees.

1. Part numbers

The argument that the plaintiff pursues most vigorously is the claim that the defendants infringed its copyright on the part numbers. The defendants concede that they copied the part

numbers of about 1,000 of the plaintiff's 18,000 Motormite parts. Tr. II at 35 (testimony of James Koleszar). The main issue is whether these part numbers satisfy the originality requirement of copyright law.

Before the Court discusses the originality issue, it will mention two other threshold issues. The plaintiff, in its oral and written arguments, has used the phrases "part numbers" and "parts numbering system" interchangeably. The plaintiff, however, has presented no evidence that the defendants used the plaintiff's "system." There is no claim, for example, that **NPM** created a new part and used the R&B numbering system to assign a new number to that part. Rather, the plaintiff argues that the defendants copied R&B's part numbers in creating **NPM's** part numbers. The Court, therefore, will analyze the claim as one with respect to part numbers. Cf. Southco, Inc. v. Kanebridge Corp., No. 00-1102, 2001 WL 821438, at *2 - *3 (3d Cir. filed July 20, 2001).²

² Indeed, numbering systems may not be eligible for copyright protection under 17 U.S.C. § 102(b). That section provides that "(i)n no case does copyright protection for an original work of authorship extend to any idea, procedure, process, system, method of operation, concept, principle, or discovery, regardless of the form in which it is described, explained, illustrated, or embodied in such work." See also Baker v. Selden, 101 U.S. 99, 104 (1879). The Third Circuit recently declined to express a view on this issue. See Southco, Inc. v. Kanebridge Corp., No. 00-1102, 2001 WL 821438, at *3 n.6

The second threshold issue involves the defendants' claim that the Court must limit its analysis to R&B's catalogs because the part numbers have not been registered with the Copyright Office as "works." Indeed, the defendants contend that the Copyright Office would likely refuse an application to register an R&B part number as a work. See 37 C.F.R. § 202.1(a). Because this issue was mentioned in passing during oral argument and not briefed, and because the Court finds that the part numbers lack the required originality, the Court will not reach this issue.

Turning to the originality issue, copyright protection only extends to "original works of authorship" under 17 U.S.C. § 102(a). The Supreme Court has held that the term original "means only that the work was independently created by the author (as opposed to copied from other works), and that it possesses at least some minimal degree of creativity." Feist Publications, Inc. v. Rural Telephone Service Co., Inc., 499 U.S. 340, 345 (1991). R&B's part numbers were independently created by R&B. Tr. I at 39-48 (testimony of Robert Calvosa). The question is whether the numbers possess the "minimal degree of creativity"

(3d Cir. filed July 20, 2001). In any event, the answer to this question does not affect the outcome of this case because R&B's claim concerns the part numbers themselves.

required to qualify them for copyright protection under the principles set forth in Feist.

The Court of Appeals for the Third Circuit very recently issued an opinion that analyzes the originality requirement in the context of part numbers. See Southco, 2001 WL 821438. In Southco, the district court granted a preliminary injunction prohibiting Kanebridge from using Southco's part numbers in any way. The Court of Appeals reversed.

The Court of Appeals held that the part numbers were "completely devoid of originality" because they were the result of the "mechanical application of the numbering system." Southco, 2001 WL 821438 at *3. Because Southco is so important to the analysis of this case, the most critical paragraph is quoted here in full:

Southco unquestionably devoted time, effort, and thought to the creation of the numbering system, but Southco's system makes it impossible for the numbers themselves to be original. Under that system, there is simply no room for creativity when assigning a number to a new panel fastener. The part has certain relevant characteristics, and the numbering system specifies certain numbers for each of those characteristics. **As** a result, there is only one possible part number for any new panel fastener that Southco creates. This number results from the mechanical application of the system, not creative thought. If Southco were to develop a new fastener and for some reason decide to exercise creativity when assigning it a number, the resulting part number would fail to accomplish its purpose. Regardless of how small the change

is, customers could not effectively identify the relevant characteristics of the panel fastener by simply looking at its part number.

Id.

It is not surprising that, in a conference with the Court after the issuance of the Court of Appeals' decision in Southco, the parties have reversed their positions on the similarity of the facts of this case with the facts of Southco. Prior to the Court of Appeals' decision, the plaintiff, in both its presentation of evidence and in argument, stressed the similarities between Southco's system and R&B's system, whereas the defendants spent their time cross-examining witnesses to show the differences between the two. Now, the plaintiff emphasizes the ways in which the two systems differ, while the defendants focus on the similarities.

The Court finds that the plaintiff's numbering system is not as fully developed and predictable as Southco's system appears to be. Nevertheless, the Court finds that the plaintiff's system is similar enough to Southco's system that the part numbers it produces are uncopyrightable under the Southco decision. Like the part numbers in Southco, the first two or three digits of R&B's part numbers denote the product family and are specifically assigned to identify each product. For example, all numbers with the first two digits "76" belong to the family

of window handles. See Tr. I at 143 (testimony of Robert Calvosa); 285 (testimony of Barry D. Myers). All numbers with the first three digits "131" denote maintenance fasteners. Tr. I at 141-42 (testimony of Robert Calvosa).

The balance of each R&B part number is assigned according to a specific rubric. Different product families have different rubrics. Tr. I at 151-52, 163 (testimony of Robert Calvosa); Tr. II at 12 (testimony of Robert Leedom). For example, in the family of battery hold-downs, increasing part numbers indicate increasing product size. Tr. I at 62-63, 148 (testimony of Robert Calvosa). Items 60318, 60319, and 60320 represent battery hold-downs that measure 10-3/4", 12-5/8", and 13-1/8" in length. See 1994 Catalog, Pl. Ex. J, at 370. As the numbers increase, so do the size. Similarly, in the family of brake pedal pads, part numbers are assigned based on the size of the package required by the part. Thus, when a new brake pedal pad is developed, it is first assigned to the "20" product family. Within that product family, the pedal pad is assigned to a "sub-family" based on the size of the package it requires. Pads requiring size "A" packaging have part numbers from 20700 and 20749. Tr. I at 58 (testimony of Robert Calvosa). When a product family lacks a rubric, part numbers are assigned sequentially. Id. at 58, 132.

As the defendants argue, and as the plaintiff now agrees, this system does not yield perfect results. The numbers produced by R&B's system are not correlated with the parts to the extent and with the predictability that Southco numbers are. For example, the first two digits do not always indicate the correct product family. Tr. I at 142 (testimony of Robert Calvosa). This often occurs when the number of products in a given product family outgrows the range of part numbers that were initially assigned to it. Thus, when a group of products in the CLUTCH-IN! family outgrew its initial range of 14500 to 14549, the family first expanded to the range from 14591 to 14599, and then to the range below 14500. When those ranges were exhausted, the family expanded to numbers beginning with the first two digits "74." Id. at 79-82.

Because of these inconsistencies, the Court finds that R&B part numbers fall somewhere between the numbers in Southco and the numbers in Toro Co. v. R&R Products Co., 787 F.2d 1208 (8th Cir. 1986). In Toro, the Eighth Circuit held that a system that randomly and arbitrarily assigns part numbers yields only non-creative, uncopyrightable part numbers. Id. at 1213. Similarly, the Tenth Circuit in Mitel, Inc. v. Iqtel, Inc., 124 F.3d 1366, 1373-74 (10th Cir. 1997), held that arbitrarily chosen four-digit computer codes were not original and did not warrant

copyright protection. To the extent that R&B's part numbers reflect randomness and arbitrary number assignment, they are uncopyrightable under the principles enunciated in Toro and Mitel.

The Mitel court came to a different conclusion about the "values" that were assigned to the fourth digit of each computer code. The Tenth Circuit held that these values were original because they revealed "the existence of . . . intellectual production, of thought, and conception." Id. at 1374 (quoting Feist, 499 U.S. at 362). R&B argues that this holding supports the originality of R&B's part numbers. Even if the Court were bound by Mitel, the Court would not agree. The values in Mitel are not analogous to R&B's part numbers, but rather to the physical specification of the parts themselves. Thus, Mitel would apply only to R&B's decision to make a particular battery hold-down 10-3/4 inches in length, as opposed to 11 inches or 10 inches.³ Such a decision is not the same as the decision to assign the digits "76" to the family of window handles, which is the decision that R&B claims reflects

³ Even so, Mitel suggests that this value would not be copyrightable under the fair use doctrine because the selection of 10-3/4 inches as the length of the product is dictated by the external standards of the auto industry. Mitel, 124 F.3d at 1374-75.

creativity. See Southco, 2001 WL 821438 at *5. Therefore, ~~Mitel~~ does not support the position that R&B's part numbers are original.

The Third Circuit further explored the originality requirement for part numbers in its discussion of ~~American Dental Ass'n v. Delta Dental Plans Ass'n~~, 126 F.3d 977 (7th Cir. 1997). In ADA, the Seventh Circuit held that the five-digit codes developed by the plaintiff to denote various dental procedures were copyrightable because the codes were the product of creative thought. Id. at 979. As the Third Circuit observed, the codes were assigned after significant debating and editing by a committee of representatives from interested organizations. Southco, 2001 WL 821438 at *6. The codes were neither arbitrarily assigned, as in Toro and Mitel, nor mechanically produced, as in Southco. Id.

In contrast, R&B's part numbers are determined through a combination of arbitrary assignment and mechanical application of the R&B system. R&B's part numbers result from the mechanical application of its numbering system. For any given new product, someone who is familiar with the R&B system and who is given a list of existing part numbers could by and large guess the number that R&B would assign to it. Specifically, the first two or three digits would be assigned according to the product family.

The remaining two or three digits would be assigned according to the product family's particular rubric. Thus, if the new part were a battery hold-down, it would be assigned a number starting with "60" and ending with digits that are higher than the digits of smaller battery hold-downs, and lower than the digits of larger battery hold-downs. **Any** inconsistencies usually arise from human error, such as underestimating the product family's size, and are often resolved by arbitrary means. Such inconsistencies do not evidence creativity for copyright purposes. Like the numbers in Southco, a part number produced in this manner is not sufficiently original for purposes of copyright protection. The plaintiff has failed to show a likelihood of success with respect to this claim.

2. 1994 Catalog

The plaintiff also claims that the defendants infringed R&B's copyright in its 1994 Catalog. To establish infringement, the plaintiff must show that R&B owns a valid copyright in the work in question, and that the defendants copied that work. The defendants admit to using the plaintiff's catalog for research, but they deny copying it. Tr. II at 42 (testimony of James Koleszar).

First, the defendants claim that the plaintiff does not own a valid copyright in the catalog. A certificate of registration with the Copyright Office constitutes prima facie evidence of the validity of a work. 17 U.S.C. § 410(c). R&B's complaint provided certificates of registration for its 1985 Catalogs, but not for its 1994 Catalog. See Certificates of Registration, Hearing Ex. P-1, P-2, P-3, P-4, P-5. After the complaint was filed, R&B submitted an application to the Copyright Office for registration of its 1994 Catalog. See Pl. Reply Ex. D. The Court has granted leave to the plaintiff to file a supplemental pleading with a copy of that application. See Order of July 23, 2001. The Court will assume, for purposes of this motion, that the Copyright Office has received the plaintiff's application and that a certificate of registration is forthcoming. See Apple Barrel Prod., Inc. v. Beard, 730 F.2d 384, 386-87 (5th Cir. 1984) (permitting commencement of action upon the Copyright Office's receipt of application, required copies of the work, and filing fee); Wilson v. Mr. Tee's, 855 F. Supp. 679, 682-83 (D.N.J. 1994) (same); Tans v. Hwang, 799 F. Supp. 499, 502-03 (E.D. Pa. 1992) (same).

Second, the defendants argue that the plaintiff cannot show that NPM copied R&B's catalog. Copying is established by showing that the defendants had access to the plaintiff's work

and that there is a substantial similarity between the two works. See Universal Athletic Sales Co. v. Salkeld, 511 F.2d 904, 907 (3d Cir. 1975). The test for 'substantial similarity' is two-fold. First, the Court must determine whether there is sufficient similarity between the two works to conclude that the defendants used the copyrighted work in making their own. This is called the "extrinsic" test of substantial similarity, and it is used to establish the fact of copying. If the extrinsic test is satisfied, the Court must determine whether "an ordinary lay observer would detect a substantial similarity between the works." This is called the "intrinsic" test of substantial similarity, and it is used to show that there was an illicit or unlawful appropriation of the copyrighted work. See id.; Whelan Assocs., Inc. v. Jaslow Dental Lab., Inc., 797 F.2d 1222, 1232 (3d Cir. 1986). Only when access and both types of substantial similarity are shown is copying established.

The defendants do not dispute that they had access to the plaintiff's catalogs, but they maintain that the NPM catalog is not substantially similar to the plaintiff's catalog. The Court agrees. The plaintiff's catalog consists of about 685 pages; the defendants' consists of about 85. Compare 1994 Catalog, Pl. Ex. J, with NPM Catalog, Pl. Ex. L. The catalogs differ in terms of artwork, layout, text, and photography. Tr. I

at 181-84 (testimony of Robert Calvosa). The defendants' part numbers are similar to the plaintiff's part numbers, but the part numbers are a de minimis portion of the catalogs as a whole. The defendants' 1,000 part numbers constitute less than six percent of the plaintiff's 18,000 Motormite part numbers. Thus, the part numbers do not rise to the level of substantial similarity under either the extrinsic or the intrinsic tests. The Court finds that the plaintiff has not established copying by the defendants with respect to the plaintiff's catalog. The plaintiff has failed to show a likelihood of success with respect to either of its copyright claims.

B. Trademark Infringement

R&B claims that NPM has infringed R&B's rights in four R&B trademarks. Two of those trademarks, "Motormite" and "NEED!," are registered pursuant to the Lanham Act, 15 U.S.C. § 1051, et seq. The other two trademarks, "MM" and R&B's part numbers, are not registered. R&B also claims that NPM repackages and resells genuine R&B parts under NPM's trademark. R&B contends that this practice infringes upon R&B's trademark

rights. The Court finds that the plaintiff has failed to show a likelihood of success as to any of these trademark claims.⁴

A trademark is a word, name, symbol, device, or other designation, or a combination of such designations, that is distinctive of a person's goods or services and that is used in a manner that identifies those goods or services and distinguishes them from the goods or services of others. Restatement (Third) of Unfair Competition § 9 (1995). "The law of trademark protects trademark owners in the exclusive use of their marks when use by another would be likely to cause confusion." Interpace Corp. v. Lam, Inc., 721 F.2d 460, 462 (3d Cir. 1983).

To establish that its mark has been infringed, R&B must show the following: (1) the mark is valid; (2) R&B owns the mark; and (3) NPM's use of the mark is likely to create confusion concerning the origin of the goods and services. See Opticians

⁴ R&B also claims common law trademark infringement (Count II), false designation of origin under the federal law of unfair competition, 18 U.S.C. § 1125(a) (Count III), and common law unfair competition (Count IV), as to the "MM," "NEED!," and "Motormite" trademarks. Under Pennsylvania law, the analysis of common law trademark infringement is governed by the same standards as federal trademark infringement. Mateson Chemical Corp. v. Vernon, 2000 WL 680020, at *5 n.7 (E.D. Pa. May 9, 2000). Similarly, the analysis of unfair competition under both federal and common law is the same as the analysis of federal trademark infringement. A & H Sportswear, Inc. v. Victoria's Secret Stores, Inc., 237 F.3d 198, 210 (3d Cir. 2000); Standard Terry Mills, Inc. v. Shen Mfg. Co., 803 F.2d 778, 780 n.4 (3d Cir. 1986).

Ass'n of America v. Independent Opticians of America, 920 F.2d 187, 192 (3d Cir. 1990). In general, the test applies to both registered and unregistered marks. See Two Pesos, Inc. v. Taco Cabana, Inc., 505 U.S. 763, 768 (1992).

1. Registered trademarks ("Motormite" and "NEED!")

R&B claims that NPM infringed two of its registered trademarks, "Motormite" and "NEED!", in violation of federal trademark law.

a. "Motormite"

The plaintiff has registered two versions of its "Motormite" trademark with the USPTO under 15 U.S.C. § 1052. See Pl. Ex. A, B. Under 15 U.S.C. § 1057(b), these marks are entitled to a presumption of validity. The defendants do not contest this presumption. Nor do they contest R&B's ownership of the "Motormite" trademarks.

The defendants argue that there is no evidence that NPM has ever used the "Motormite" marks. They insist that their products do not bear the "Motormite" trademarks. Tr. II at 28 (testimony of James Koleszar); Tr. II at 113 (statement of Douglas Sprinkle); see also Needa? PCV Valve Grommet, Hearing Ex. P-12. The **Court so finds**. Nor does the plaintiff's complaint or

motion even allege use by the defendants. The plaintiff's "Motormite" trademark claim, therefore, cannot succeed.

b. "NEED!"

The plaintiff also claims that the defendants' use of the "Needa?" name infringes on R&B's registered trademark, "NEED!." See Pl. Ex. O. As discussed above, the registration of a trademark entitles the owner to a presumption that the mark is valid.' See 15 U.S.C. § 1057(b).

The defendants argue that the presumption of validity is inapplicable because the plaintiff has abandoned the "NEED!" trademark. The Lanham Act provides that a mark is abandoned "[w]hen its use has been discontinued with intent not to resume use," 15 U.S.C. § 1127. "To establish the defense of abandonment it is necessary to show not only acts indicating a practical abandonment, but an actual intent to abandon." Saxlehner v. Eisner & Mendelson Co., 179 U.S. 19, 31 (1900). Intent not to resume may be inferred from circumstances. 15 U.S.C. § 1127. However, "[a]bandonment, being in the nature of a

⁵ The plaintiff claims that this mark is incontestable. See Complaint, ¶ 65. The registration of an incontestable trademark is conclusive evidence of the mark's validity and of ownership. 15 U.S.C. § 1115(b). R&B has not provided any evidence of incontestability under 15 U.S.C. § 1065; therefore, the Court will consider this mark registered and contestable.

forfeiture, must be strictly proved." U.S. Javcees v. Philadelphia Javcees, 639 F.2d 134, 139 (3d Cir. 1981).

The Court finds that R&B has not abandoned the **"NEED!"** trademark. At the hearing, a former regional sales manager for R&B testified that R&B discontinued the **NEED!** product line around 1989. See Tr. II at 9-10, 18-19 (testimony of Robert Leedom). Even if R&B had discontinued the line at that time, there is no evidence that R&B did so with an intent never to resume use of the **"NEED!"** mark. In fact, the evidence shows that R&B continues to use the mark in connection with paintbrush sales of about \$10,000 per year. See Tr. I at 179 (testimony of Robert Calvosa); 258 (testimony of Todd Northey). Thus, for purposes of this motion, the Court finds that the **"NEED!"** mark is valid and that R&B continues to own the mark. The first and second prongs have been met.

As to the third prong of the infringement test, the Court must consider whether there is a likelihood of confusion between the defendants' **Needa?** products and the plaintiff's **NEED!** products. "Likelihood **of** confusion exists when consumers viewing the mark would probably assume that the product or service it represents is associated with the source of a different product **or service identified by a similar mark.**" Pappan Enterprises, 143 F.3d at 804 (citing First Keystone Fed. Sav. Bank v. First

Keystone Mortgage, Inc., 923 F. Supp. 693, 703-04 (E.D. Pa. 1996)). The Third Circuit has held that the following ten factors should be considered in determining likelihood of confusion:

- (1) the degree of similarity between the marks;
- (2) the strength of the owner's mark;
- (3) the price of the goods and other factors indicative of the care and attention expected of consumers when making a purchase;
- (4) the length of time the defendant has used the mark without evidence of actual confusion arising;
- (5) the intent of the defendant in adopting the mark;
- (6) the evidence of actual confusion;
- (7) whether the goods . . . are marketed through the same channels of trade and advertised through the same media;
- (8) the extent to which the targets of the parties' sales efforts are the same;
- (9) the relationship of the goods in the minds of consumers because of the similarity of function; and
- (10) other facts suggesting that the consuming public might expect the prior owner to manufacture a product in the defendant's market, or that he is likely to expand into that market.

Interpace Corp., 721 F.2d at 462-63. These factors should be used regardless of whether or not the goods are in direct competition with each other. See A&H Sportswear, Inc., 237 F.3d at 215.

R&B has presented evidence in support of only three of these factors: first, that the parties' marks are virtually identical; second, that their goods move in similar channels of trade; and third, that the targets of the parties' sales efforts

are the same. The plaintiff's "NEED!" mark is virtually identical to the defendants' "Needa?" mark. Although the defendants' mark was selected independently, both names consist of the same root, and both contain a punctuation mark. Tr. II at 26 (testimony of James Koleszar). NEED! products were initially intended to be marketed in hardware stores along with automotive parts, and were directed towards consumers in the automotive parts after-market - the same market that is being targeted by the defendants with Needa? products. See Tr. I at 222-23 (testimony of Todd Northey); 1985 Motormite Catalog Supplement 2, Hearing Ex. P-1, at 36; Tr. II at 43, 45, 70 (testimony of James Koleszar).

On the other hand, the minimal use of the "NEED!" trademark, in the range of about \$10,000 in paintbrush sales per year, indicates that its strength is limited. The prices of the goods at issue are relatively low, and the functions of the goods are dissimilar. The NEED! certificate of registration lists mostly household items such as picture hangers, nails, and electrical plugs, and the current use of the "NEED!" mark is limited to selling paintbrushes. Pl. Ex. O; Tr. I at 179 (testimony of Robert Calvosa). There is no evidence that "NEED!" has ever been used to sell automotive parts, or that it will ever be so used. Although the plaintiff's Motormite catalog from 1985

included NEED! products, its most recent catalog does not. Compare 1985 Motormite Catalog Supplement 2, Hearing Ex. P-1, at 36, with 1994 Catalog, Pl. Ex. J. On balance, using the factors laid out in Interpace Corp., the Court finds that there is no likelihood of confusion between the two parties' lines of goods.

The plaintiff argues that the Court should consider another factor: the possibility that a consumer, upon seeing a Needa? product among a "sea" of HELP! products, will link the word "Needa?" with R&B's trademark "**NEED!**" and conclude that Needa? products are associated with R&B. Tr. I at 101, 228-30 (statement of Anthony Volpe). The Court rejects this argument as improbable and completely lacking in evidentiary support. Even if this factor were to be considered, however, it would not affect the conclusion under Interpace Corp. that there is no likelihood of confusion.

The minimal use of the "NEED!" trademark indicates that very few consumers, if any, will ever link "Needa?" to "NEED!" in the first place. Even if consumers make such a connection, they are not likely to conclude that "Needa?" is somehow associated with "HELP!." Although there are certain similarities between NPM's Needa? packaging and R&B's HELP! packaging, there are many more differences. For example, R&B and NPM both package the PCV valve grommet for Toyota vehicles in a rectangular package with a

clear plastic blister, but the similarities end there. R&B's packaging is bright red; NPM's packaging is bright yellow. R&B's packaging has the word "HELP!" written across the top in thick white letters; NPM's packaging has the word "Needa?" written across the top in thin white and yellow letters. R&B's packaging features R&B's and Motormite's names and address; NPM's packaging bears NPM's name and address. Compare HELP! PCV Valve Grommet, Hearing Ex. P-11, with Needa? PCV Valve Grommet, Hearing Ex. P-12.

* * *

In summary, the plaintiff has shown the validity and ownership of its registered trademarks. However, it has failed to show that the defendants have ever used the Motormite marks, or that there is a likelihood of confusion with respect to the "NEED!," "Needa?," and "HELP!" trademarks. Thus, the plaintiff has failed to show a likelihood of success on the merits with respect to its two registered trademark claims.

2. Unregistered trademarks ("MM" and part numbers)

The plaintiff also brings claims of unregistered trademark infringement. The plaintiff claims that the defendants have impermissibly used the plaintiff's "MM" mark and part numbers.

In general, unregistered trademarks are entitled to the same protection under the Lanham Act as registered trademarks, on the principle that the "unlicensed use of a designation serving the function of a registered mark constitutes a false designation of origin and a false description or representation." See A.J. Canfield Co. v. Honickman, 808 F.2d 291, 296 (3d Cir. 1986). As with registered trademarks, the plaintiff must show validity, ownership, and likelihood of confusion in order to show infringement. See Two Pesos, 505 U.S. at 768; Opticians Ass'n, 920 F.2d at 192. However, unregistered marks are not entitled to the same presumption of validity as are marks that are registered. See 15 U.S.C. § 1057(b). In order to determine whether an unregistered mark is valid under the Lanham Act, the nature of the mark must be considered.

Marks are divided into four classifications: (1) generic; (2) descriptive; (3) suggestive; and (4) arbitrary or fanciful. See Two Pesos, 505 U.S. at 768. Generic terms are those that "function as the common descriptive name of a product class." A.J. Canfield Co., 808 F.2d at 296. Descriptive terms convey "an immediate idea of the ingredients, qualities or characteristics of the goods." Id. at 297 (citation omitted). Suggestive marks require consumer "imagination, thought, or perception" to determine what the product is. Id. Arbitrary or

fanciful marks use terms that neither describe nor suggest anything about the product; they "bear no logical or suggestive relation to the actual characteristics of the goods." Id. at 296 (citation omitted).

Generic terms can never be trademarks. Suggestive marks and arbitrary or fanciful marks automatically qualify as valid trademarks. Descriptive terms may qualify as valid trademarks if there is proof of secondary meaning. A.J. Canfield Co., 808 F.2d at 297. Secondary meaning arises when a designation becomes uniquely associated with a person's goods, services, or business, as the result of its use by that person. See Restatement (Third) Unfair Competition § 13 cmt. e (1995). In other words, secondary meaning is acquired when the primary significance of a mark, in the minds of the public, is to identify the product's source, rather than the product itself. See Wal-Mart Stores, Inc. v. Samara Bros., Inc., 529 U.S. 205, 211 (2000).

a. "MM"

The plaintiff claims that the defendants have sold products under the NPM name that are stamped or imprinted with the plaintiff's unregistered "MM" mark, in violation of the plaintiff's trademark rights. Some of the plaintiff's products

are stamped or embossed with an "MM" mark directly on the product itself. The plaintiff, however, has presented no evidence that the defendants' products are stamped with the "MM" mark. The defendants have admitted that they resell R&B products, but they have not specified whether those products are stamped or not. When asked whether they have sold any parts with the "MM" designation on them, the CEO of NPM stated, I don't know for sure. We very well may have, we haven't sold that much." Tr. II at 28 (testimony of James Koleszar). The plaintiff has failed to carry its burden of showing use.

Even if there were use, R&B has failed to show that the "MM" mark is valid and protectable. Because an unregistered mark has no presumption of validity, the plaintiff must show that the "MM" mark is arbitrary, fanciful, or suggestive, and thus inherently distinctive, or descriptive with a secondary meaning. See A.J. Canfield Co., 808 F.2d at 297. R&B has not argued that the "MM" is inherently distinctive, but it has presented evidence relating to secondary meaning. Thus, the Court will evaluate the "MM" as descriptive.⁶ Even with this assumption, the plaintiff

⁶ Because it is an abbreviation, the nature of the "MM" mark depends in part on the nature of the two "Motormite" marks. Abbreviations can be inherently distinctive and thus qualify for trademark protection. See, e.g., American Historic Racing Motorcycle Ass'n, Ltd. v. Team Obsolete Promotions, 33 F. Supp. 2d 1000, 1005 (M.D. Fla. 1998), aff'd 233 F.3d 577 (11th Cir.

has failed to show validity. The plaintiff's evidence consists of one former regional sales manager's testimony that some of R&B's customers (i.e., warehouse distributors, jobbers, and automotive retailers) identify the "MM" designation with Motormite. Tr. I at 191, 208-09, 235, 250-51 (testimony of Todd Northey). This statement alone is insufficient to support a finding of secondary meaning, and therefore, validity has not been shown.

Even if the plaintiff had shown use and validity, there is no evidence that the defendants' use would create confusion as to the source of the goods. The plaintiff has presented no evidence of actual confusion among consumers. Instead, the plaintiff argues that identical or highly similar marks

2000); Official Airline Guides, Inc. v. Churchfield Publications, Inc., 756 F. Supp. 1393, 1402 (D. Or. 1990), aff'd 6 F.3d 1385 (9th Cir. 1992). However, an abbreviation is treated similarly to its underlying phrase where the abbreviation imparts the original generic or descriptive connotation. American Historic, 33 F. Supp. 2d at 1004; Thomas J. McCarthy, McCarthy on Trademarks and Unfair Competition §§ 11:32, 12:37 (4th ed. 1998). The plaintiff did not address the nature of the "Motormite" marks. The marks are registered and are thus presumed to be valid, but there is no indication as to whether they should be considered inherently distinctive marks or descriptive marks with secondary meaning. Although the term "Motormite," a misspelling of the term "Motor might," could be considered descriptive in connection with automotive parts, the Court is reluctant to perform such an analysis without input from the parties. In any event, such an analysis is unnecessary, given the plaintiff's presentation of evidence relating to the secondary meaning of the "MM" mark.

inevitably create a likelihood of confusion, citing Omega Importing Corp. v. Petri-Kine Camera Co., 451 F.2d 1190, 1194 (2d Cir. 1971) (cameras sold under exact same name), and Apple Computer, Inc. v. Formula Intern., Inc., 562 F. Supp. 775, 785 (C.D. Cal. 1983), aff'd, 725 F.2d 521 (9th Cir. 1984) (computers sold under "Apple" and "Pineapple" names).

The cases cited by the plaintiff involve products that were being marketed and sold under similar names. In contrast, the products in this case are being marketed and sold under different names. NPM's packaging makes no reference to R&B, Motormite, NEED!, or any other Motormite brand. The allegedly infringing use is not on the label or other such prominent place, but rather, imprinted on the product itself. A consumer is not likely to see such an imprint until after the product is purchased and removed from the packaging, and even then, only upon close inspection. In light of these factors, and in the absence of direct evidence of confusion among consumers, the Court finds that the plaintiff has failed to show that an "MM" imprint on products marketed and sold under the "Needa?" name creates a likelihood of confusion as to the source of the product.

Moreover, the plaintiff's evidence of secondary meaning relates to R&B's primary consumers (warehouse distributors,

jobbers, and automotive retailers), whereas the alleged likelihood of confusion relates to R&B's end users (DIYers and professional installers), who purchase and install the products. Compare Tr. I at 208-09, 235, 250-51 (testimony of Todd Northey), with Tr. I at 198 (statement of Anthony Volpe). The plaintiff has not shown that the "MM" mark has acquired secondary meaning among R&B's end users, or that R&B's primary consumers are likely to confuse R&B's products with NPM's products. Consequently, R&B has failed to show that its "MM" trademark claim is likely to succeed on the merits.

b. Part numbers

In its reply brief, R&B added a claim that it did not raise in its complaint or motion for preliminary injunction. R&B argues that its part numbers serve as grade or style designations, and that the defendants' use of the part numbers constitute trademark infringement. Pl. Reply at 14.

The defendants admit that they have used the plaintiff's part numbers, but the plaintiff has not shown that the part numbers are validly trademarked works. Grade or style designations are regarded as descriptive marks, and like descriptive marks, they require a showing of secondary meaning to qualify for trademark protection. J.M. Huber Corp. v. Lowery

Wellheads, Inc., 778 F.2d 1467, 1469 (10th Cir. 1985); Ford Motor Co. v. B&H Supply, Inc., 646 F. Supp. 975, 995 (D. Minn. 1986); Thomas J. McCarthy, McCarthy on Trademarks and Unfair Competition §§ 11:37 (4th ed. 1998).

The plaintiff has presented some evidence relating to secondary meaning, but the Court finds that the evidence is insufficient. The plaintiff's evidence consists of the testimony of a former regional sales manager that a handful of consumers have asked him for products by part number. Tr. I at 191, 212, 216 (testimony of Todd Northey). That witness did not testify as to whether such consumers associate the part number with R&B, or with the part itself. The witness also stated that consumers were only familiar with the numbers of "[t]he most popular movers that have repetitive usage." Id. at 214. The Court finds that the plaintiff has failed to show that its part numbers have become uniquely associated with its goods or business in the minds of consumers. Having failed to show validity, the plaintiff cannot maintain its claim that its part numbers qualify for trademark protection. The Court finds that a likelihood of success has not been shown.

3. Repackaging

Related to the plaintiff's claims of trademark infringement is its claim that NPM purchases new R&B products, repackages them under the "Needa?" name, and resells them as NPM parts. The plaintiff has framed this as a trademark claim throughout its briefs and at the hearing. See, e.g., Pl. Reply at 10-13; Tr. I at 197 (statement of Anthony Volpe). The defendants have also focused on the trademark implications of repackaging. See, e.g., D. Response at 11-12; Tr. II at 111-16 (statement of Douglas Sprinkle). The plaintiff has not shown, however, that the defendants' repackaging involves any of R&B's trademarks. NPM's packaging does not bear R&B's name or any of R&B's trademarks. See Needa? PCV Valve Grommet, Hearing Ex. P-12; Tr. II at 28 (testimony of James Koleszar); Tr. II at 113 (statement of Douglas Sprinkle). The plaintiff does not contest this fact, but claims that the "MM" mark is embossed onto some of the products that are resold by NPM. Complaint, ¶ 40; Tr. I at 198 (statement of Anthony Volpe). **As** discussed above, the plaintiff has not shown by a preponderance of the evidence that any of NPM's products bear the "MM" mark, or that the "MM" mark is even a valid trademark. Therefore, the plaintiff has failed to show that the defendants' repackaging violates any of the plaintiff's trademark rights.

The Court notes that the plaintiff did not make a claim for reverse passing off with respect to the defendants' repackaging.' The complaint stated that the plaintiff's claim of false designation of origin related to "Needa's misuse of (the) MM, NEED! or Motormite trademarks." Complaint at ¶ 87. The plaintiff's subsequent briefs and arguments characterized the repackaging claim as a trademark violation. See Pl. Reply at 10-13; Tr. I at 197 (statement of Anthony Volpe). In addition, the plaintiff's motion for preliminary injunction requested that the defendants be enjoined from "repackaging and reselling R&B products without a disclosure notice." See Pl. Mot. This constitutes a remedy for trademark violation, rather than for reverse passing-off. The Court, therefore, has not considered any possible reverse passing off claims.

IV. CONCLUSION

For the reasons discussed above, the Court finds that the plaintiff has failed to demonstrate a likelihood of success on any of the claims in its motion for preliminary injunction. Because R&B has failed to establish the first factor for

⁷ Reverse passing off has been held to be a form of false designation of origin under 15 U.S.C. § 1125(a). See Williams v. Curtiss-Wright Corp., 691 F.2d 168, 172 (3d Cir. 1982).

preliminary injunction, the Court need not address the remaining factors.

As mentioned at the outset, the plaintiff initially raised breach of contract, breach of fiduciary duty, and tortious interference claims in its complaint, which was verified, and in its motion for temporary restraining order. Due to a lack of evidence, the plaintiff withdrew these claims from the motion for preliminary injunction one day prior to the hearing, on April 17, 2001. The plaintiff preserved these claims for trial. Pl. Letter dated 4/17/01.

The defendants have requested that the Court deny preliminary injunctive relief with respect to these withdrawn claims. The defendants have also requested attorneys' fees for the time spent defending these claims, as well as for the time spent defending the plaintiff's trademark infringement claim with respect to "Motormite." Tr. II at 103-05 (statement of Douglas Sprinkle). The Court will deny the defendants' requests; however, the Court notes that it will scrutinize any motion for preliminary injunction that is brought on the basis of these claims in view of the plaintiff's withdrawal of its earlier request for a preliminary injunction with regard to these claims.

An Order follows.

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

R&B, INC.

CIVIL ACTION

V.

NEEDA PARTS
MANUFACTURING, INC., et al.

NO. 01-1234

ORDER

AND NOW, this 10th day of August, 2001, upon consideration of Plaintiff's Motion for Preliminary Injunction (Docket #3) and all Responses thereto, and after an evidentiary hearing on the Motion, IT IS HEREBY ORDERED that the Motion is DENIED for the reasons expressed in the Memorandum of today's date.

BY THE COURT:



MARY A. McLAUGHLIN J.