

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF PENNSYLVANIA

PARKS, LLC,

Plaintiff,

v.

TYSON FOODS, INC. ;
HILLSHIRE BRANDS COMPANY,

Defendants.

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No. 5:15-cv-00946

MEMORANDUM OPINION

Defendants’ Motion for Summary Judgment, ECF No. 124 – Granted

Joseph F. Leeson, Jr.
United States District Judge

May 10, 2016

I. Introduction

This case involves a trademark and false advertising dispute.

The Plaintiff, Parks, LLC, claims to be the owner of the trademark “Parks” that is used to sell sausages and other food products. Defendants Tyson Foods, Inc. and Hillshire Brands Company are owners of the “Ball Park” trademark that is used to sell a popular brand of frankfurters.

In 2014, Defendants launched a new line of “super-premium” frankfurters under the name “Park’s Finest.” Parks claims that by doing so, Defendants have infringed upon its “Parks” trademark and engaged in false advertising and other unlawful conduct.

In February 2015, Parks filed a complaint charging Defendants with engaging in false advertising, trademark infringement, and trademark dilution in violation of the Lanham Act, 15 U.S.C. § 1125, as well as violating Pennsylvania law prohibiting unfair trade practices, trademark dilution, and unfair competition. Parks moved for a preliminary injunction on the

basis of its false advertising claim, seeking to have Defendants enjoined from using the name “Park’s Finest” on any of Defendants’ products. After a hearing, the Court denied the motion because Parks failed to demonstrate that it was likely to succeed on its false advertising claim. See Parks, LLC v. Tyson Foods, No. 5:15-cv-00946, 2015 WL 4545408 (E.D. Pa. July 28, 2015). The parties then commenced discovery, and the Court was called upon to resolve a number of disputes, including a dispute over Defendants’ written discovery requests, see Parks, LLC v. Tyson Foods, 2015 WL 5042918 (E.D. Pa. Aug. 26, 2015), Parks’s written discovery requests, see Parks, LLC v. Tyson Foods, 2015 WL 9316060 (E.D. Pa. Dec. 23, 2015), and the scope of a deposition, see id.

Discovery has concluded, and Defendants have moved for summary judgment. Parks has conceded that judgment is warranted in Defendants’ favor on its claims of trademark dilution and its claim under the Pennsylvania Unfair Trade Practices and Consumer Protection Law. See Pl.’s Mem. Opp’n 1, ECF No. 138. That leaves Parks’s claims of false advertising and trademark infringement in violation of the Lanham Act and unfair competition under Pennsylvania law. The Court has determined that no reasonable factfinder¹ could find in Parks’s favor from the evidence the parties have presented. Therefore, Defendants’ Motion for Summary Judgment is granted.

II. Legal standard – Motion for summary judgment

Summary judgment is appropriate if the moving party “shows that there is no genuine dispute as to any material fact and the movant is entitled to judgment as a matter of law.” Fed. R. Civ. P. 56(a). A fact is material if the fact “might affect the outcome of the suit under the governing law,” Anderson v. Liberty Lobby, Inc., 477 U.S. 242, 248 (1986), and a dispute is genuine if “the evidence is such that a reasonable jury could return a verdict for the nonmoving

¹ The parties disagree over whether Parks would be entitled to a jury trial on these claims.

party,” *id.* When the evidence favoring the nonmoving party is “merely colorable” or “not significantly probative, summary judgment may be granted.” *Id.* at 249-50 (citations omitted).

The parties must support their respective contentions—that a fact cannot be or is genuinely disputed—by “citing to particular parts of materials in the record” or by “showing that the materials cited do not establish the absence or presence of a genuine dispute.” Fed. R. Civ. P. 56(c)(1). “The court need consider only the cited materials, but it may consider other materials in the record.” Fed. R. Civ. P. 56(c)(3).

III. Judgment is warranted in Defendants’ favor on Parks’ claim of false advertising.

A. Parks’s allegations do not relate to the “nature, characteristics, qualities, or geographic origin” of Defendants’ Park’s Finest product.

Parks’s false advertising claim was the basis for its request for preliminary injunctive relief. In the course of explaining why Parks was not likely to succeed on the merits of this claim, the Court laid out the scope of the Lanham Act’s prohibition on false advertising:

[15 U.S.C. § 1125(a)(1)(B)] prohibits using “in commerce any word, term, name, symbol, or device, or any combination thereof, or any false designation of origin, false or misleading description of fact, or false or misleading representation of fact” either “on or in connection with any goods or services, or any container for goods,” which “in commercial advertising or promotion, misrepresents the nature, characteristics, qualities, or geographic origin of his or her or another person’s goods, services, or commercial activities.” 15 U.S.C. § 1125(a)(1)(B); see Groupe SEB USA, Inc. v. Euro-Pro Operating LLC, 774 F.3d 192, 198 (3d Cir. 2014).

Parks, 2015 WL 4545408, at *7. At the time, the Court suggested that Parks may not have a viable claim for false advertising because the allegedly false representation that Defendants are making—calling their product “Park’s Finest”—does not relate to the “nature, characteristics, qualities, or geographic origin” of the product. See *id.* at *7 n.15. The Court now holds that for this reason, Parks’s allegations do not state a claim for a violation of § 1125(a)(1)(B).

Section 1125(a) prohibits “two major and distinct types” of conduct. 5 J. Thomas McCarthy, McCarthy on Trademarks and Unfair Competition § 27:9, Westlaw (database updated Mar. 2016). Section 1125(a)(1)(A) prohibits misrepresentations that are “likely to cause confusion, or to cause mistake, or to deceive as to the affiliation, connection, or association of [a] person with another person, or as to the origin, sponsorship, or approval of his or her goods, services, or commercial activities by another person.” 15 U.S.C. § 1125(a)(1)(A). Section 1125(a)(1)(B), by contrast, prohibits advertising and promotional activities that “misrepresent[] the nature, characteristics, qualities, or geographic origin of [a person’s] goods, services, or commercial activities.” Id. § 1125(a)(1)(B). “Section 1125(a) thus creates two distinct bases of liability: false association, § 1125(a)(1)(A), and false advertising, § 1125(a)(1)(B).” Lexmark Int’l, Inc. v. Static Control Components, Inc., 134 S. Ct. 1377, 1384 (2014) (citing Waits v. Frito-Lay, Inc., 978 F.2d 1093, 1108 (9th Cir. 1992)). The two provisions have “separate . . . substantive rules and applicability,” see McCarthy, supra, § 27:9, which means that to properly analyze a claim under this section of the Lanham Act, the claim must be correctly classified. Section 1125(a)(1)(A) acts as a “vehicle for assertion of a claim of infringement of an unregistered mark,” McCarthy, supra, § 27:14, and claims under this provision are generally analyzed under the “law governing infringement of registered trademarks.” Island Insteel Sys., Inc. v. Waters, 296 F.3d 200, 206 n.1 (3d Cir. 2002). False advertising claims under § 1125(a)(1)(B) are analyzed under a different framework that is designed to assess whether an advertisement about a product has a tendency to deceive prospective purchasers about the nature or characteristics of the product. See Groupe SEB, 774 F.3d at 198 (quoting Pernod Ricard USA, LLC v. Bacardi U.S.A., Inc., 653 F.3d 241, 248 (3d Cir. 2011)) (setting forth the test that applies to a claim of false advertising).

According to Parks, Defendants' use of the name "Park's Finest" constitutes false advertising because "Park's Finest unambiguously refer[s] to Parks," see Pl.'s Mem. Opp'n 4, which "misrepresent[s] Tyson's products as products of Parks," see Am. Compl. ¶ 51, ECF No. 4. This is a claim of false association, not false advertising. Parks is not contending that Defendants have misrepresented the nature, characteristics, or qualities of their new line of frankfurters; its claim is that the name "Park's Finest" is "likely to cause confusion, or to cause mistake, or to deceive as to the affiliation, connection, . . . association . . . [or] origin" of the product. "Absent a false statement about geographic origin, a misrepresentation is actionable under § 1125(a)(1)(B) only if it misrepresents the 'characteristics of the good itself'—such as its properties or capabilities." Kehoe Component Sales Inc. v. Best Lighting Prods., Inc., 796 F.3d 576, 590 (6th Cir. 2015) (quoting Sybersound Records, Inc. v. UAV Corp., 517 F.3d 1137, 1144 (9th Cir. 2008)); see Forschner Grp., Inc. v. Arrow Trading Co. Inc., 30 F.3d 348, 357 (2d Cir. 1994) (rejecting a claim that use of the phrase "Swiss Army knife" to describe "an inexpensive and shoddy multifunction pocketknife manufactured in China" constituted false advertising because the representation did not relate to either the geographic origin or the quality of the product). As the Court observed in connection with Parks's request for preliminary injunctive relief, Defendants' use of the name "Park's Finest" could deceive consumers only if it led them to believe that the product was associated with Parks. That could happen only if the word "Parks" "identif[ies] and distinguish[es]" Parks's products "from those manufactured and sold by others"—in other words, only if the word "Parks" constitutes a protectable trademark. See 15 U.S.C. § 1127 (defining "trademark"). Because Parks's claim rises or falls based on whether it is able to establish that "Parks" functions as a trademark in the minds of consumers, the proper analytical framework in which to assess this claim is the law of trademarks.

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