

# Supreme Court Reaffirms the Power of the Jury to Decide Issues of Commercial Impression in a Trademark Tacking Decision

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In *Hana Financial v. Hana Bank*, 574 U.S. (Jan. 21, 2015), a unanimous Supreme Court held that the issue of whether two trademarks are “*legal equivalents*” as to “*create a single, continuing commercial impression*” and may be tacked together for determining priority of the marks as a whole is a question of fact and should be decided by a jury.

*Hana Bank* (“*Bank*”), a Korean entity originally named the “Korean Investment Finance Corporation,” established *Hana Overseas Korean Club* (“*Club*”) to provide financial services to Korean expatriates in the United States. In 1994, Hana Financial Inc. (“*Financial*”) was incorporated in California and then obtained a federal service mark registration for the mark “Hana Financial” in 1996. In 2001, in part because of *Financial*’s registration, *Bank* was unable to register “Hana Bank” as a trademark but continued to use its mark, starting operations in New York in 2002. *Financial* sued *Bank* for trademark infringement and *Bank* denied infringement and counterclaimed seeking cancellation of the “Hana Financial” mark.

During trial, the issues narrowed to the issue of infringement for which *Bank* relied on the doctrine of “*trademark tacking*,” which allows owners of two marks that are “legal equivalents” to view them as one for the purposes of establishing priority. *Bank* offered evidence that the use of the name “Hana Bank” was a part of the logo associated with *Club*’s offering of financial services and thus sufficient to become the senior user of the mark. *Financial* argued that the marks are not similar enough for tacking to be appropriate.

The District Court allowed the issue of tacking to be presented to the jury, which found for *Bank* and

decided the marks are legally the same. The Ninth Circuit affirmed, although the court noted that there was a split amongst the circuits. On June 23, 2014, the Supreme Court granted certiorari to resolve the circuit split and decide whether a judge or jury should decide on the issue of tacking.

The Supreme Court held that when a test relies on what an ordinary consumer understands to be the impression that a mark conveys, the test “falls comfortably within the ken of the jury.” The Supreme Court clarified that judges may still make a tacking determination on a motion for summary judgment and if the parties have chosen to try their case before a judge; otherwise, the tacking issue is properly reserved for the jury.

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