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UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA

INTERNATIONAL PAYMENT  
SERVICES, LLC, a Nevada Limited  
Liability Company, dba ELITEPAY  
GLOBAL,

Plaintiff,

v.

CARDPAYMENTOPTIONS.COM,  
INC., A Texas Corporation;  
PHILLIP PARKER, an individual;  
and DOES 1-10 inclusive,

Defendants.

CASE NO. 2:14-cv-02604-CBM-JC<sub>x</sub>  
ORDER

Before the Court is Defendants’ Motion For Summary Judgment and Request for Attorneys’ Fees Pursuant to 15 U.S.C. § 1117(c) (the “Motion”). (Dkt. No. 22.) The Motion is fully briefed, and oral arguments were heard.

**I. JURISDICTION**

This Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 1331, 1338, 1367(a).

## II. FACTUAL AND PROCEDURAL BACKGROUND

### A. **Factual Background**

Plaintiff is the holder of a registered trademark for “ELITEPAY GLOBAL” (the “Mark”) (Declaration of Brian Bentley (“B. Bentley Decl.”) ¶¶ 6, 7, Exs. A, B, Dkt. No. 28-4.) Since at least September 2012, Plaintiff has used the Mark as its trade name for its merchant payment solutions equipment, services and training business in the credit card processing industry. (*Id.* at ¶ 2.) Plaintiff launched its website using the [www.elitepayglobal.com](http://www.elitepayglobal.com) domain in or about September 2012 (“Plaintiff’s Website”). (*Id.* at ¶ 3.) Plaintiff has never granted Defendants permission or a license to use the Mark. (*Id.* at ¶ 13.)

Defendant Parker is the CEO and owner of Defendant CPO. (*Id.* at ¶ 2.) Defendants operate an internet website located at [www.CardPaymentOptions.com](http://www.CardPaymentOptions.com) (the “Website”). (Declaration of Phillip Parker (“Parker Decl.”) ¶ 3, Dkt. No. 22-2.) Defendants do not provide credit card processing services. (*Id.* at ¶ 10.) Defendant CPO is paid by placing advertisements from processors on its Website. (*Id.* at ¶ 6.) Defendant CPO maintains and publishes a review page regarding Plaintiff on the Website (the “Webpage”), wherein Plaintiff’s Mark and logo appear under the heading “ElitePay Global Review.” (*Id.* at ¶ 8, Ex. B; Complaint Ex. D; B. Bentley Decl. ¶ 11, Ex. D.) “ElitePay Global Logo” is written underneath Plaintiff’s logo on the Webpage. (Parker Decl. ¶ 8, Ex. B; Complaint Ex. D; B. Bentley Decl. ¶ 11, Ex. D.) The Webpage contains a review of Plaintiff written by Parker and additional comments or reviews regarding Plaintiff. (Parker Decl. ¶ 8; Parker Depo. at 60-61; Complaint Ex. D; B. Bentley Decl. ¶ 11, Ex. D.) Defendants rated Plaintiff’s service with a “C-” grade or 1.875 out of 5 stars on the Webpage. (Complaint Ex. D.) The Webpage also contains more than 40 negative comments or reviews about Plaintiff’s services. (Parker Decl. ¶ 8, Ex. B; Complaint Ex. D; B. Bentley Decl. ¶ 11, Ex. D.) The Website and Webpage provide links to the websites of credit card service processors other than Plaintiff.

1 (Complaint Ex. D.)

2 Defendant CPO previously purchased keyword advertising within Google's  
3 search engine results via Google's "AdWords" program, which caused a labeled  
4 advertisement and links to Defendants' Webpage to appear among the sponsored  
5 results published in response to Google searches for Plaintiff's trademarked name  
6 "ElitePay Global." (Parker Decl. at ¶¶ 11-12; Complaint Ex. C.) Defendant CPO  
7 ceased using AdWords advertising on July 21, 2014. (Parker Decl. ¶ 11.)

8 **B. Procedural History**

9 Plaintiff filed the instant action on April 7, 2014, asserting the following  
10 thirteen causes of action against Defendants: (1) Federal Trademark Infringement;  
11 (2) False Designation of Origin and Unfair Competition in Violation of the  
12 Lanham Act § 43; (3) Trademark Dilution in Violation of the Lanham Act § 43;  
13 (4) Common Law Trademark Infringement; (5) Unfair Competition, False  
14 Designation of Origin, and False Advertising Under Cal. Bus. & Prof. Code §§  
15 14200, 17200 and 17500 *et seq.*; (6) Injury to Business Reputation and Dilution  
16 under Cal. Bus. & Prof. Code §§ 14200 *et seq.*; (7) Accounting; (8) Involuntary  
17 Trust of Wrongful Gain; (9) California Unfair Competition, Violation of Cal. Bus.  
18 & Prof. Code §§ 17200, 17500, 14245; (10) Common Law Misappropriation; (11)  
19 Unjust Enrichment; (12) Permanent Injunction; and (13) Declaratory Relief.  
20 Defendants' Motion seeks summary judgment on all of Plaintiff's causes of  
21 action.

22 On August 26, 2014, the parties filed their Rule 26(f) Joint Report, wherein  
23 Defendants stated that they expected to file a motion for summary judgment prior  
24 to November 7, 2014. (Dkt. No. 18.) On September 12, 2014, the Court issued a  
25 scheduling order setting the fact discovery completion date for January 30, 2015,  
26 the expert discovery completion date for February 28, 2015, and the motion cut-  
27 off date for April 28, 2015. (Dkt. No. 20.) Defendants filed the instant Motion on  
28 September 23, 2014. (Dkt. No. 22.) On September 24, 2014, Plaintiff filed an *ex*

1 *parte* application for an order continuing the hearing date for Defendants’ Motion,  
2 which effectively sought to extend Plaintiff’s deadline to file its Opposition to the  
3 Motion from September 30, 2014, to December 17, 2014, in order to conduct  
4 additional discovery.<sup>1</sup> (Dkt. No. 23.) The Court issued an order granting  
5 Plaintiff’s *ex parte* application and extending the deadline for Plaintiff to file its  
6 Opposition to November 4, 2014. (Dkt. No. 26.) On November 4, 2014, Plaintiff  
7 filed its Opposition, requesting that the Court deny the Motion or again defer  
8 briefing on the Motion to permit Plaintiff to conduct additional discovery. (Dkt.  
9 No. 28.)

### 10 III. LEGAL STANDARD

11 On a motion for summary judgment, the Court must determine whether,  
12 viewing the evidence in the light most favorable to the nonmoving party, there are  
13 any genuine issues of material fact. *Simo v. Union of Needletrades, Indus. &*  
14 *Textile Employees*, 322 F.3d 602, 609-10 (9th Cir. 2003); Fed. R. Civ. P. 56.  
15 Summary judgment against a party is appropriate when the pleadings, depositions,  
16 answers to interrogatories, and admissions on file, together with the affidavits, if  
17 any, show that there is no genuine issue as to any material fact and that the  
18 moving party is entitled to judgment as a matter of law. Fed. R. Civ. P. 56. A  
19 factual dispute is “material” only if it might affect the outcome of the suit under  
20 governing law. *Anderson v. Liberty Lobby, Inc.*, 477 U.S. 242, 248 (1986). An  
21 issue is “genuine” only if there is a sufficient evidentiary basis on which a  
22 reasonable jury could find for the non-moving party. *Id.* at 249.

23 The evidence presented by the parties must be admissible. Fed. R. Civ. P.  
24 56(e). In judging evidence at the summary judgment stage, the Court does not  
25 make credibility determinations or weigh conflicting evidence. *T.W. Elec. Serv.*,

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27 <sup>1</sup> The additional discovery identified in Plaintiff’s *ex parte* included deposing  
28 Defendant Parker and propounding written discovery on Defendants, Google and  
other third parties.

1 *Inc. v. Pac. Elec. Contractors Ass'n*, 809 F.2d 626, 630 (9th Cir. 1987). Rather,  
2 “[t]he evidence of the nonmovant is to be believed, and all justifiable inferences  
3 are to be drawn in [the nonmovant’s] favor.” *Anderson*, 477 U.S. at 255. But the  
4 non-moving party must come forward with more than “the mere existence of a  
5 scintilla of evidence.” *Id.* at 252.

6 “Because of the intensely factual nature of trademark disputes, summary  
7 judgment is generally disfavored in the trademark arena.” *Interstellar Starship*  
8 *Servs., Ltd. v. Epix, Inc.*, 184 F.3d 1107, 1109 (9th Cir.1999). The Ninth Circuit,  
9 however, has affirmed summary judgment to defendants on trademark  
10 infringement and related claims based on nominative fair use. *See, e.g., Playboy*  
11 *Enterprises, Inc. v. Welles*, 279 F.3d 796, 803-04 (9th Cir. 2002) (affirming  
12 summary judgment to defendant on use of plaintiff’s trademark in her headlines,  
13 banner advertisements, and metatags for her website upon finding that use  
14 constituted nominative fair use); *New Kids on the Block v. News Am. Pub., Inc.*,  
15 971 F.2d 302, 305-09 (9th Cir. 1992) (affirming summary judgment to defendants  
16 on trademark infringement and related claims upon finding that defendants’ use  
17 was nominative fair use).

#### 18 **IV. DISCUSSION**

##### 19 **A. Plaintiff’s Rule 56(d) Request**

20 Plaintiff’s Opposition requests that the Court deny the Motion or defer  
21 briefing on the Motion to permit Plaintiff to conduct additional discovery based on  
22 Federal Rule of Civil Procedure 56(d). Rule 56(d) provides, “[i]f a nonmovant  
23 shows by affidavit or declaration that, for specified reasons, it cannot present facts  
24 essential to justify its opposition, the court may: (1) defer considering the motion  
25 or deny it; (2) allow time to obtain affidavits or declarations or to take discovery;  
26 or (3) issue any other appropriate order.” Fed. R. Civ. P. 56. This rule “provides  
27 a device for litigants to avoid summary judgment when they have not had  
28 sufficient time to develop affirmative evidence.” *U.S. v. Kitsap Phys. Serv.*, 314

1 F.3d 995, 1000 (9th Cir. 2002). The requesting party must show: (1) that it has  
2 set forth in affidavit form the specific facts it hopes to elicit from further  
3 discovery; (2) the facts sought exist; and (3) the sought-after facts are essential to  
4 oppose summary judgment. *Grant v. Unifund CCR Partners*, 842 F. Supp. 2d  
5 1234, 1242 (C.D. Cal. 2012) (citing *State of Cal. v. Campbell*, 138 F.3d 772, 779  
6 (9th Cir.1998)). Failure to comply with these requirements is a proper ground for  
7 denying discovery and proceeding to summary judgment. *Id.* (citation omitted).

8 Plaintiff fails to satisfy the requirements of Rule 56(d) because it does not  
9 identify in an affidavit the facts it hopes to elicit from further discovery, nor  
10 establish that the facts sought exist and are essential to opposing Defendants'  
11 Motion. Plaintiff does not offer any explanation as to why it did not have an  
12 adequate opportunity to develop discovery to oppose the instant Motion after it  
13 was put on notice of Defendant's intent to file the Motion prior to August 2014,  
14 and after the Court granted Plaintiff more than one month to conduct additional  
15 discovery to oppose the Motion. Accordingly, the Court denies Plaintiff's Rule  
16 56(d) request to deny Defendant's Motion or defer briefing on the Motion to  
17 permit Plaintiff to conduct additional discovery.

#### 18 **B. Nominative Fair Use**

19 Plaintiff asserts causes of action for Federal Trademark Infringement in  
20 Violation of Lanham Act § 32(1) (First Cause of Action), False Designation of  
21 Origin and Unfair Competition in Violation of the Lanham Act § 43 (Second  
22 Cause of Action), Trademark Dilution in Violation of the Lanham Act § 43 (Third  
23 Cause of Action), and Common Law Trademark Infringement (Fourth Cause of  
24 Action).

25 When a defendant uses another's trademark to refer to the trademarked  
26 good itself, this use is called nominative fair use and does not constitute trademark  
27 infringement. *Toyota Motor Sales, U.S.A., Inc. v. Tabari*, 610 F.3d 1171, 1175  
28 (9th Cir. 2010). *See also New Kids on the Block*, 971 F.2d at 309 (affirming

1 summary judgment to defendant on plaintiff's common law trademark  
2 infringement, and Lanham Act false advertising, false designation of origin and  
3 unfair competition causes of action upon finding that defendants' use of the mark  
4 was purely nominative); *Playboy*, 279 F.3d at 805-06 (nominative fair use is  
5 excepted from anti-dilution law because "nominative uses, by definition, do not  
6 dilute the trademarks").<sup>2</sup> The nominative fair use defense applies where: (1) the  
7 product is not "readily identifiable" without use of the mark; (2) defendants did  
8 not use more of the mark than necessary; and (3) defendants do not falsely suggest  
9 they were sponsored or endorsed by the trademark holder. *Id.* at 1175-76  
10 (citations omitted). This three-factor test is "designed to evaluate likelihood of  
11 confusion." *Interstellar Starship Servs., Ltd. v. Epix, Inc.*, 184 F.3d 1107, 1109  
12 (9th Cir.1999). Defendants seeking to assert nominative fair use defense "need  
13 only show that [they] used the mark to refer to the trademarked good. . . . The  
14 burden then reverts to the plaintiff to show a likelihood of confusion." *Tabari*,  
15 610 F.3d at 1182-83 (citations omitted).

16 Defendants use Plaintiff's Mark to refer to Plaintiff's services and not to  
17 Defendants' own products or services. (Parker Decl. ¶ 8, Ex. B; Complaint Ex. D;  
18 B. Bentley Decl. ¶ 11, Ex. D.) Thus, the nominative fair use analysis applies. *See*  
19 *Cairns v. Franklin Mint Co.*, 292 F.3d 1139, 1151 (9th Cir. 2002) ("[T]he  
20 nominative fair use analysis is appropriate . . . where a defendant has used the  
21 plaintiff's mark to describe the plaintiff's product," whereas the "classic fair use  
22 analysis is appropriate where a defendant has used the plaintiff's mark *only* to  
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24 <sup>2</sup> 15 U.S.C. § 1125(c)(3)(A) provides that nominative fair use of a famous mark by  
25 another person other than as a designation of source for the person's own goods or  
26 services is not actionable as dilution by blurring or dilution by tarnishment,  
27 including use in connection with (i) "advertising or promotion that permits  
28 consumers to compare goods or services;" or (ii) "identifying and parodying,  
criticizing, or commenting upon the famous mark owner or the goods or services  
of the famous mark owner."

1 describe his own product, *and not at all to describe the plaintiff's product.*")  
2 (Emphasis in original).<sup>3</sup>

3 **1. Whether Plaintiff's Services Were Not "Readily Identifiable"**  
4 **Without Use of the Mark**

5 The first prong of the nominative use test analyzes whether Plaintiff's  
6 services were readily identifiable without use of the Mark. *Tabari*, 610 F.3d at  
7 1175-76. Defendants use Plaintiff's Mark and logo to identify Plaintiff in reviews  
8 and comments on the Webpage regarding Plaintiff's services. (Parker Decl. ¶ 8,  
9 Ex. B; Complaint Ex. D; B. Bentley Decl. ¶ 11, Ex. D.) Defendants' referential  
10 use of Plaintiff's Mark to review and criticize Plaintiff's services are not readily  
11 identifiable without use of Plaintiff's Mark. *See New Kids*, 971 F.2d at 308; *J.K.*  
12 *Harris & Co., LLC v. Kassel*, 253 F. Supp. 2d 1120, 1127 (N.D. Cal. 2003).  
13 Defendants also used Plaintiff's Mark as part of its Google AdWords campaign  
14 which caused a labeled advertisement and links to Defendants' Webpage to appear  
15 among the sponsored results published in response to Google searches for  
16 Plaintiff's trademarked name "ElitePay Global." (Parker Decl. at ¶¶ 11-12;  
17 Complaint Ex. C.) There was no substitute for Plaintiff's Mark for Defendants'  
18 Google AdWords campaign. *See Playboy*, 279 F.3d at 804.

19 The first prong of the nominative fair use test is therefore met because  
20 Plaintiff's services were not readily identifiable without use of the Mark. *See New*  
21 *Kids*, 971 F.2d at 308; *Playboy*, 279 F.3d at 804; *J.K. Harris*, 253 F. Supp. 2d at  
22 1127.

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23  
24 <sup>3</sup> The Court rejects Plaintiff's contention that the nominative fair use defense is  
25 simply a likelihood of confusion substitute, and that the classic fair use analysis  
26 therefore applies in the instant case. *See Cairns*, 292 F.3d at 1150 ("[T]he classic  
27 fair use analysis only *complements* the likelihood of customer confusion analysis  
28 set forth in [*AMF Inc. v. Sleekcraft Boats*, 599 F.2d 341 (9th Cir. 1979)], whereas  
the nominative fair use analysis *replaces* the *Sleekcraft* analysis.") (Emphasis in  
original.).



1           **2. Whether Use of Plaintiff’s Mark Was “More than Necessary”**

2           The second prong of the nominative use test analyzes whether Defendants’  
3 use of the Mark was more than necessary. *Tabari*, 610 F.3d at 1175-76. “What is  
4 ‘reasonably necessary to identify the plaintiff’s product’ differs from case to  
5 case.” *Cairns*, 292 F.3d at 1154. “Where . . . the description of the defendant’s  
6 product depends on the description of the plaintiff’s product, more use of the  
7 plaintiff’s trademark is reasonably necessary to identify the plaintiff’s product  
8 than in cases where the description of the defendant’s product does not depend on  
9 the description of the plaintiff’s product.” *Id.* (internal quotations omitted).

10           Plaintiff relies on evidence that its Mark is used over 50 times on  
11 Defendants’ Webpage in arguing that Defendants’ use of the Mark is so excessive  
12 that it does not constitute nominative fair use. (B. Bentley Decl. ¶ 45.)  
13 Defendants, however, used Plaintiff’s Mark to refer to Plaintiff’s services in  
14 reviews and comments published on the Webpage. (Parker Decl. ¶ 8, Ex. B;  
15 Complaint Ex. D; B. Bentley Decl. ¶ 11, Ex. D.) In *J.K. Harris*, the district court  
16 found that evidence that defendants’ website contained “frequent references” to  
17 Plaintiff’s trademarked name did not cause defendants’ use of the mark to be  
18 gratuitous and therefore fall outside the scope of the nominative fair use, where  
19 the defendants referred to J.K. Harris by name on their website in order to make  
20 statements about it. 253 F. Supp. 2d at 1127. The court found that “[t]his  
21 referential use of Plaintiff’s trade mark is exactly what the nominative fair use  
22 doctrine is designed to allow.” *Id.* Likewise, Plaintiff’s evidence that Defendants  
23 used Plaintiff’s Mark more than 50 times in reviews and comments about Plaintiff  
24 on Defendants’ Webpage merely demonstrates referential use of Plaintiff’s Mark,  
25 not gratuitous use. *Id.*

26           With respect to Defendants’ use of the Mark in its Google AdWords  
27 campaign, Plaintiff submits evidence that Defendants’ Webpage has on occasion  
28 appeared above Plaintiff’s Website in Google search results for the Mark during

1 the past two years but fails to present evidence of how often that has occurred.<sup>4</sup>  
2 (*Compare* Complaint Ex. C (Defendants’ Webpage appears below Plaintiff’s  
3 Website) *and* B. Bentley Decl. Ex. C (same) *with* B. Bentley Decl. ¶ 30, Ex. G  
4 (link to Plaintiff’s Website appears below Defendant’s Webpage in Google  
5 organic search results on September 30, 2014.) In *Playboy*, the Ninth Circuit held  
6 that the defendant’s use of Playboy’s trademark in metatags (i.e., hidden code  
7 used by search engines to determine the content of websites in order to direct  
8 searchers to relevant sites) was not more than necessary. 279 F.3d at 803-04. In  
9 affirming summary judgment to the defendants on the infringement claims as to  
10 their use of metatags with plaintiff’s mark, the Circuit noted that its decision that  
11 the defendant’s use of metatags constituted nominative fair use “might differ if the  
12 metatags listed the trademarked term so repeatedly that [defendant’s] site would  
13 *regularly* appear above [plaintiff’s] in searches for one of the trademarked terms.”  
14 *Id.* at 804 (emphasis added). Since Plaintiff does not present evidence that  
15 Defendants’ Webpage regularly appears above Plaintiff’s Website in Google  
16 search results, there is no genuine issue of material fact regarding whether  
17 Defendants’ use of the Mark in its Google AdWords advertising was more than  
18 necessary. *Id.*

19 The second prong of the nominative fair use test is therefore met because  
20 Defendants’ use of Plaintiff’s Mark in both its Google AdWords advertising and  
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22 <sup>4</sup> The Court denied without prejudice Plaintiff’s application to file under seal  
23 Exhibit A to the Declaration of Douglas Timm (“Timm”) based on Plaintiff’s  
24 failure to make a good cause showing to seal the document (the “Seal Order”).  
25 (Dkt. No. 37.) The Seal Order denied the application without prejudice to being  
26 refiled with a good cause showing, and stated that Exhibit A would be publicly  
27 filed unless retrieved by Plaintiff. Plaintiff retrieved Exhibit A and did not  
28 subsequently file it with the Court. (Dkt. No. 41) Accordingly, there is no Exhibit  
A before the Court. Timm’s Declaration, which purports to describe the contents  
of Exhibit A, is inadmissible hearsay and lacks foundation, and will not be  
considered by the Court in ruling on the Motion.

1 on Defendants' Webpage in reviews of Plaintiff's services do not constitute more  
2 than necessary use falling outside the scope of nominative fair use. *See Playboy*,  
3 279 F.3d at 803-04; *J.K. Harris*, 253 F. Supp. 2d at 1127.

### 4 3. Whether Defendants Suggested Endorsement or Sponsorship By 5 Plaintiff

6 The last prong of the nominative use test analyzes whether Defendants  
7 falsely suggest they were sponsored or endorsed by Plaintiff, the trademark  
8 holder. *Tabari*, 610 F.3d at 1175-76. It is undisputed that Defendants rated  
9 Plaintiff's service with a "C-" grade or 1.875 out of 5 stars, and that negative  
10 comments and reviews about Plaintiff's services are posted on the Website.  
11 (Complaint Ex. D.) In *New Kids*, the Ninth Circuit affirmed summary judgment  
12 for defendants, finding that nothing in the newspapers' announcements suggested  
13 joint sponsorship or endorsement by New Kids On the Block, particularly where  
14 one announcement asked whether New Kids On the Block might be "a turn off."  
15 971 F.2d at 308-09. *See also J.K. Harris*, 253 F. Supp. 2d at 1125 ("A reasonable  
16 consumer would not believe that Plaintiff is the sponsor of this negative  
17 publicity"). For the same reasons, reference to Plaintiff's Mark in negative  
18 commentary and reviews on Defendants' Webpage is not indicative of  
19 sponsorship and endorsement.<sup>5</sup>

20 As to Defendants' use of the Mark in its Google AdWords campaign and  
21 domain name ([www.cardpaymentoptions.com/credit-card-processors/elitepay-  
22 global/](http://www.cardpaymentoptions.com/credit-card-processors/elitepay-global/)), Plaintiff does not present any evidence that such use actively claims  
23 affiliation with or sponsorship by Plaintiff. The Ninth Circuit has recognized that  
24 "[o]utside the special case of trademark.com, or domains that actively claim  
25

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26 <sup>5</sup> Plaintiff argues that it is possible that a reasonable consumer would believe that  
27 Defendants' Webpage was endorsed by Plaintiff because "there is no such thing as  
28 bad publicity." The Court rejects this argument. *See New Kids*, 971 F.2d at 308-  
09; *J.K. Harris*, 253 F. Supp. 2d at 1125.

1 affiliation with the trademark holder, consumers don't form any firm expectations  
2 about the sponsorship of a website until they've seen the landing page," and that  
3 "[s]o long as the site as a whole does not suggest sponsorship or endorsement by  
4 the trademark holder, . . . momentary uncertainty does not preclude a finding of  
5 nominative fair use"). *Tabari*, 610 F.3d at 1179. *See also Playboy*, 279 F.3d at  
6 804 (finding that the third nominative use factor was met where nothing was done  
7 with defendant's use of plaintiff's trademark in its metatags to suggest  
8 sponsorship or endorsement by the trademark holder).

9 The third prong of the nominative fair use test is therefore met because  
10 there is no genuine issue of material fact as to whether Defendants falsely suggest  
11 they were sponsored or endorsed by Plaintiff. *See Tabari*, 610 F.3d at 1175-76,  
12 1179; *Playboy*, 279 F.3d at 804; *J.K. Harris*, 253 F. Supp. 2d at 1125.

13 The Court finds that Defendants' use of Plaintiff's Mark is nominative fair  
14 use, and grants summary judgment to Defendants on Plaintiff's federal and  
15 common law trademark infringement and federal dilution<sup>6</sup> claims (i.e., the First,  
16 Second, Third, and Fourth Causes of Action).<sup>7</sup>

### 17 **C. Plaintiff's Other Causes of Action**

#### 18 **1. Seventh, Eighth, Eleventh, and Twelfth Causes of Action**

19 Plaintiff's Seventh Cause of Action (Accounting), Eighth Cause of Action  
20 (Involuntary Trust of Wrongful Gain), Eleventh Cause of Action (Unjust  
21 Enrichment), and Twelfth Cause of Action (Permanent Injunction), fail as a matter  
22 of law because they are not independent causes of action. *See Jordan v. Star Trak*

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23 <sup>6</sup> Plaintiff also fails to provide evidence creating a genuine issue of material fact as  
24 to whether Defendants' Webpage identified, criticized, or commented on  
25 Plaintiff's services. Accordingly, Plaintiff's federal dilution claim cannot  
26 withstand summary judgment. 15 U.S.C. § 1125(c)(3)(A).

27 <sup>7</sup> Because the Court finds that Defendants' use of the Mark is nominative fair use,  
28 the Court need not consider evidence of actual customer confusion or conduct the  
likelihood of customer confusion analysis set forth in *Sleekcraft*. *Cairns*, 292 F.3d  
at 1150.

1 *Ent., Inc.*, 2010 WL 454374, at \*2 (C.D. Cal. Feb. 8, 2010) (“An accounting is an  
 2 equitable remedy, not an independent cause of action.”) (citations omitted); *In re*  
 3 *Am. Principals Holdings, Inc. Sec. Litig.*, 1987 WL 39746, at \*16 (S.D. Cal. July  
 4 9, 1987) (constructive trust is an involuntary trust); *Jordan v. Star Trak Ent., Inc.*,  
 5 No. CV 09-5123 RSWL FMGX, 2010 WL 454374, at \*1 (C.D. Cal. Feb. 8, 2010)  
 6 (“A constructive trust is not an independent cause of action but merely a type of  
 7 remedy.”) (internal quotations and citations omitted); *In re Toyota Motor Corp.*  
 8 *Unintended Acceleration Mktg., Sales Practices, & Products Liab. Litig.*, 754 F.  
 9 Supp. 2d 1145, 1193 (C.D. Cal. 2010) (unjust enrichment is not an independent  
 10 cause of action); *Kassahun v. JPMorgan Chase Nat. Corporate Servs., Inc.*, No.  
 11 SACV 11-1956 DOC, 2012 WL 1378659, at \*4 (C.D. Cal. Apr. 19, 2012) (“An  
 12 injunction is a remedy, not a cause of action.”) (citations omitted). Accordingly,  
 13 Defendants are entitled to summary judgment on Plaintiff’s Seventh, Eighth,  
 14 Eleventh, and Twelfth Causes of Action.

## 15 **2. Fifth, Sixth, Ninth, Tenth, and Thirteenth Causes of Action**

16 Plaintiff’s counsel identified at the hearing that Plaintiff’s Fifth Cause of  
 17 Action (Unfair Competition, False Designation of Origin and False Advertising  
 18 Under California Business and Professions Code §§ 14200, 17200, and 17500 *et*  
 19 *seq.*), Sixth Cause of Action (Injury to Business Reputation and Dilution under  
 20 Cal. Bus. & Prof. Code §§ 14200 *et seq.*), and Ninth Cause of Action (California  
 21 Unfair Competition, Violation of Cal. Bus. & Prof. Code §§ 17200, 17500, 14245)  
 22 (collectively, the “State Law Claims”) would survive the nominative use defense.  
 23 Accordingly, Plaintiff’s Tenth Cause of Action (Common Law Misappropriation)<sup>8</sup>

24 \_\_\_\_\_  
 25 <sup>8</sup> *See also Toho Co. v. Sears, Roebuck & Co.*, 645 F.2d 788, 794 (9th Cir. 1981)  
 26 (finding that the tort of misappropriation does not extend to trademark  
 27 infringement and affirming dismissal of plaintiff’s common law misappropriation  
 28 claim); *Bell v. Harley Davidson Motor Co.*, 539 F. Supp. 2d 1249, 1262 (S.D. Cal.  
 2008) (adopting *Toho* in finding that “California’s common law doctrine of  
 misappropriation does not apply to trademark infringement,” and granting

1 and Thirteenth Cause of Action (Declaratory Relief)<sup>9</sup> are dismissed with prejudice.  
2 In reviewing the allegations in Plaintiff's Complaint, it is unclear that the  
3 nominative fair use defense would apply to the entire cause of action for each of  
4 Plaintiff's State Law Claims. The Court therefore declines to exercise  
5 supplemental jurisdiction over Plaintiff's State Law Claims, which are dismissed  
6 without prejudice to being filed in state court.

#### 7 **D. Attorneys' Fees**

8 Defendants request an award of attorneys' fees under 15.U.S.C. § 1117(a).  
9 Section 1117(a) limits an award of attorney's fees to "exceptional cases." 15  
10 U.S.C. § 1117(a). The Ninth Circuit has recognized that a case is "exceptional"  
11 where the case is "groundless, unreasonable, vexatious, *or* pursued in bad faith."  
12 *Cairns*, 292 F.3d at 1156 (citation omitted) (emphasis in original). The Court  
13 finds that this case does not fall within the narrow class of exceptional cases in  
14 which attorneys' fees awards are appropriate. Accordingly, the Court denies  
15 Defendants' Motion for Attorneys' Fees pursuant to 15 U.S.C. § 1117(a).

#### 16 **V. CONCLUSION**

17 The Court **DENIES** Plaintiff's Rule 56(d) request.

18 The Court **GRANTS** Defendants' Motion for Summary Judgment as to  
19 Plaintiff's First, Second, Third, Fourth, Seventh, Eighth, Eleventh, and Twelfth  
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21 summary judgment to defendants on the California common-law misappropriation  
22 claims).

23 <sup>9</sup> Plaintiff seeks a declaratory judgment finding that: (1) Defendants have  
24 infringed on Plaintiff's Mark; and (2) "Plaintiff is the sole owner of all intellectual  
25 property at issue in this case." (Complaint ¶ 100.) Plaintiff cannot withstand  
26 summary judgment on either declaratory relief theory. *See Shoemaker v.*  
27 *Accreditation Council for Graduate Med. Educ.*, 87 F.3d 1322 (9th Cir. 1996)  
28 (affirming dismissal of declaratory relief claim where district court dismissed  
underlying claims); *Hunt v. U.S. Bank N.A.*, 593 F. App'x 730, 732 (9th Cir. 2015)  
(affirming dismissal of declaratory relief claim where plaintiffs failed to show the  
existence of a present, actual controversy).

1 Causes of Action. Judgment will be entered in favor of Defendants as to  
2 Plaintiff's First, Second, Third, and Fourth Causes of Action based on the  
3 nominative fair use defense, and Plaintiff's Seventh, Eighth, Eleventh, and  
4 Twelfth Causes of Action which are not independent causes of action.

5 Plaintiff's Tenth and Thirteenth Causes of Action are dismissed with  
6 prejudice. (*See supra* fn. 8, 9.) Plaintiff's State Law Claims (Fifth, Sixth, and  
7 Ninth Causes of Action) are dismissed without prejudice to being filed in state  
8 court.

9 The Court **DENIES** Defendants' Motion for attorneys' fees pursuant to 15  
10 U.S.C. § 1117(a).

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12 **IT IS SO ORDERED.**

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14 DATED: June 5, 2015.

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Honorable Consuelo B. Marshall  
United States District Judge