

ALERT

April 2020

Supreme Court Rules That Willful Infringement Is Not A Prerequisite For Awarding Profits For Trademark Infringement

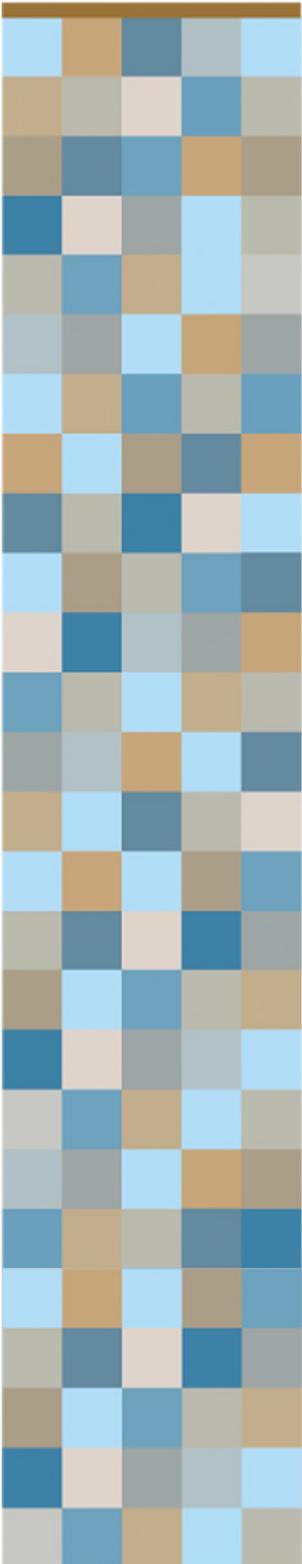
By: **Brian A. Bloom & Michael F. Sarney**

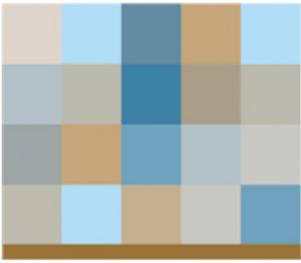
On April 23, 2020, the United States Supreme Court vacated and remanded the US Court of Appeals for the Federal Circuit's decision in *Romag Fasteners, Inc. v. Fossil, Inc.*, No. 2018-2417 (Fed. Cir. 2019), ruling that a plaintiff is not required to show that a defendant willfully infringed the plaintiff's trademark as a precondition to a profits award. Under existing Second Circuit precedent, which controlled in trademark infringement actions filed in the federal district courts within the State of New York, as well as several other States, a finding of willful infringement by the judge or jury was a prerequisite to an award of the infringer's profits. This requirement was contrary to the precedent of federal Courts of Appeals in other parts of the country. The U.S. Supreme Court therefore heard the case in order to resolve the conflict among the Circuit Courts of Appeal. While the Supreme Court did state that a trademark defendant's mental state is a highly important consideration in determining whether an award of profits is appropriate, it nevertheless held that the relevant sections of the federal trademark statute do not make a finding of willful infringement a precondition to a recovery of the defendant's profits from the infringement. Accordingly, this is now the controlling law for claims of trademark infringement in federal courts throughout the United States.

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