



Case Summary: *Hana Financial, Inc. v. Hana Bank*

On January 21, 2015, the Supreme Court issued its opinion in *Hana Financial, Inc. v. Hana Bank*. Justice Sotomayor authored the opinion on behalf of a unanimous Court, which resolved a split among the Circuit Courts of Appeals regarding whether the highly fact-intensive issue of trademark tacking is properly decided by a judge or a jury. The Court held that because the inquiry operates from the perspective of an ordinary purchaser or consumer, the question of whether two trademarks may be tacked for purposes of determining priority is for the jury to decide.

Petitioner Hana Financial, Inc. and respondent Hana Bank both provide financial services to individuals in the United States. Hana Financial sued Hana Bank in 2007 for trademark infringement after Hana Bank, a subsidiary of a Korean company, began operating a bank in the United States. The jury, upon being instructed on the law of trademark tacking, returned a verdict in favor of Hana Bank. The Ninth Circuit affirmed, explaining that tacking “requires a highly fact-sensitive inquiry” that is reserved for the jury. It noted, however, a split of authority among the Circuit Courts of Appeal concerning whether the judge or jury should decide the issue of trademark tacking. The Supreme Court granted *certiorari* to resolve the split, and ruled that it is indeed the province of the jury to decide the tacking issue. In doing so, the Court observed that “[a]pplication of a test that relies upon an ordinary consumer’s understanding of the impression that a mark conveys falls comfortably within the ken of a jury.” It emphasized, however, that if the facts warrant it, a judge may still decide a tacking question on a motion for summary judgment or for judgment as a matter of law, as well as in a bench trial in which the judge acts as the finder of fact.

In reaching its decision, the Court considered Hana Financial’s argument that the “legal equivalents” test, whereby tacking is permitted if currently and previously used marks are legal equivalents, should be decided by the judge because it involves the application of a legal standard. The Court observed, however, that mixed questions of law and fact are typically resolved by juries, and that “insofar as petitioner is concerned that a jury may improperly apply the relevant legal standard, the solution is to craft careful jury instructions that make that standard clear.” The Court likewise rejected Hana Financial’s contention that predictability will be absent if juries are to resolve dispositive factual questions or apply legal standards to facts in a case-dispositive manner. The Court pointed out that juries routinely answer “often-dispositive factual questions” and “make dispositive applications of legal standards to facts” in the context of tort, contract, and criminal cases. “Moreover, decisionmaking in fact-intensive disputes necessarily requires judgment calls. Regardless of whether those judgment calls are made by juries or judges, they necessarily involve some degree of uncertainty, particularly when they have to do with how reasonable persons would behave.” The Court affirmed the Ninth Circuit’s decision in favor of respondent, Hana Bank.

Christensen O’Connor Johnson Kindness^{PLLC} (COJK) is a Seattle-based intellectual property law firm providing legal services in all areas of intellectual property, including patents, trademarks, copyrights, trade secrets, licensing, and litigation. COJK has been protecting and encouraging innovation for over 80 years, handling issues of complexity in a wide variety of industries. Throughout its history, COJK has served as a valued partner for innovators by applying the same focus, passion and creativity to the law as their clients do to their inventions.

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