

# VERDICTS & SETTLEMENTS

## INTELLECTUAL PROPERTY

### TRADEMARK INFRINGEMENT

VERDICT: Plaintiff.

CASE/NUMBER: Internet Specialties West, Inc. v. ISPWest, et. al. / CV05-3296.

COURT/DATE: USDC Central / Nov. 14, 2006.

JUDGE: Hon. Florence-Marie Cooper

ATTORNEYS: Plaintiff — William A. Delgado, Jason H. Wilson (Willenken, Wilson, Loh & Lieb, LLP, Los Angeles).

Defendant — William E. Lloyd, Jr. (Law Office of William Lloyd, Beverly Hills).

TECHNICAL EXPERTS:  
Plaintiff — Peter Kent, internet industry; Howard Marylander, confusion survey.

Defendant — Sandra Cogan, confusion survey; Ralph Sims, internet industry.

FACTS: Plaintiff Internet Specialties West, Inc. (ISWest), an internet service provider, sued defendant Milon DiGiorgio Enterprises, Inc. dba ISPWest (MDE) alleging that MDE's fictitious business name "ISPWest," for internet services, was causing confusion in the market between defendant and plaintiff's company.

PLAINTIFF'S CONTENTIONS: Plaintiff ISWest argued that it was entitled to damages and injunctive relief because: (1) its trade name and service mark "ISWest" was used in commerce prior to defendant's use of the mark "ISPWest"; (2) the "ISWest" mark was valid and protectable; and (3) defendant's use of the "ISPWest" mark was likely to cause confusion in the marketplace.

DEFENDANT'S CONTENTIONS: Defendant MDE argued that it was not liable because: (i) it commenced using the ISPWest name prior to plaintiff's use of the name, ISWest; (ii) "ISWest" was not a valid or protectable mark; and (iii) there was no likelihood of confusion in the marketplace. MDE argued that ISWest's request for an injunction was barred by the equitable defense of laches.

JURY TRIAL: Length, eight days; Deliberation, five hours.

SETTLEMENT DISCUSSIONS: At the commencement of this lawsuit, ISWest offered to attend early settlement talks in the hopes of reaching a business resolution. Defendant rejected these offers for nearly a year. When it finally agreed to attend settlement talks and mediation, defendant subsequently rejected various reasonable proposals presented by ISWest.

RESULT: Jury verdict in favor of plaintiff, finding that defendant committed trademark infringement and unfair competition.

The court issued a separate ruling on defendant's laches defense, which it rejected, finding that laches did not apply to the facts of this case.

The court entered a permanent injunction on Nov. 14, 2006 enjoining defendant from utilizing names similar to ISWest, including ISPWest, and from otherwise unfairly competing with ISWest.

OTHER INFORMATION: The liability phase of the trial was tried to a jury, which found in favor of ISWest, and the laches issue was tried to the court, which also found in favor of ISWest.