

Second Circuit Overturns Tiffany's \$21M Judgment Against Costco in Trademark Battle

"Despite winning a relatively swift victory in the district court, Tiffany & Co. will not be collecting its \$21 million judgment against Costco Wholesale Corp. anytime soon. In a 3-0 decision on Aug. 17, 2020, the U.S. Circuit Court of Appeals for the Second Circuit vacated the district court's judgment for Tiffany, holding that factual questions improperly decided by the court instead should have gone to a jury," report Andriana Shultz Daly and Stephanie A. Martinez in *McGuireWoods' Resources*.

"The dispute between Tiffany and Costco began in 2012 when Tiffany, a well-known purveyor of high-end jewelry, discovered that Costco was using 'Tiffany' on point-of-sale signs for certain of its otherwise 'unbranded' diamond rings. Tiffany demanded that Costco cease use of 'Tiffany' in connection with its rings, and Costco complied. Costco also notified purchasers of such rings that Costco used 'Tiffany' merely to indicate that the rings had Tiffany-style settings, and reminded customers that they could return their rings at any time. Still, Tiffany sued for trademark infringement and counterfeiting. In response, Costco asserted that its use of 'Tiffany' constituted descriptive fair use."

Read the article.