



Ohio's Supreme Court Finds Where There Is No Confusion There Is No Deceptive Trade Practice

Ohio's Supreme Court found because there was no customer confusion as to which business they would be purchasing from, Green Thumb Floral & Garden did not commit a deceptive trade practice by using a website containing the trade name of a competitor's business to direct traffic to its own website.

Background

Kimberly Gantz owned and operated Wooster Floral from 2000 to 2015 and in late 2014 sold some of the business's assets to the store's then-manager, Kimberly Heimberger. Among those assets was the trade name "Wooster Floral." Ms. Heimberger incorporated Wooster Floral & Gifts LLC and recorded an assignment of the trade name "Wooster Floral, LLC," as previously used by Ms. Gantz. Wooster Floral & Gifts operated out of the same location as had Wooster Floral without a break in operation throughout the transition.

Ms. Gantz dissolved Wooster Floral, LLC in December 2015. She did not, however, renew the registration of the 'woosterfloral.com' domain name prior to selling the assets to Ms. Heimberger. Ms. Heimberger was aware Ms. Gantz did not own that domain at the time of that sale of the assets.

Green Thumb Floral & Garden Center was a direct competitor to Wooster Floral and Wooster Floral & Gifts. Green Thumb purchased the 'www.woosterfloral.com' domain name after Ms. Gantz's failure to renew. Green Thumb owned and used several other, similarly named websites, all of which directed traffic to Green Thumb's home page.

Ms. Heimberger approached Claudia Grimes, owner of Green Thumb, and asked her to transfer the

domain into her possession. Ms. Grimes refused, offering instead to sell the domain, at which point Wooster Floral & Gifts initiated litigation.

Wooster Floral & Gifts sued Green Thumb for trademark infringement and violation of Ohio's Deceptive Trade Practices Act. Wooster Floral & Gifts filed in state court whereas one might expect such claims to be brought in Federal Court, thereby implicating the Lanham Act and/or the Anticybersquatting Consumer Protection Act.

The trial court ruled in Green Thumb's favor as to the trademark infringement claim concluding



Wooster Floral did not own a registered trademark and therefore could not bring a civil claim for unauthorized use or reproduction of that mark¹. It also ruled in Green Thumb's favor on the deceptive practices claim concluding Green Thumb's website clearly identified Green Thumb's Floral as the source of the goods and services sold and did not include the use of the trade name Wooster Floral anywhere. Accordingly, there was no likelihood of confusion between the two stores.

Wooster Floral & Gifts appealed only the ruling on the deceptive practices claim to the Ninth District Court of Appeals, which, in a split decision, affirmed the trial court's finding that there was no likelihood of confusion. Wooster Floral appealed to Ohio's Supreme Court, which agreed to hear the case.

Without Confusion There Is No Deceptive Trade Practice

The issue before the Supreme Court was whether Green Thumb's use of the domain name 'www.woosterfloral.com' "causes likelihood of confusion or misunderstanding as to the source, sponsorship, approval, or certification of goods and services." *Wooster Floral & Gifts, LLC v. Green Thumb Floral & Garden Ctr., Inc.*, Slip Opinion No. 2020-Ohio-5614 (Dec. 15, 2020), ¶2.

Wooster Floral & Gifts argued the likelihood of confusion arose when customers typed "woosterfloral.com" into an internet browser those customers are then directed to Green Thumb's website, not Wooster Floral & Gifts, which is not the customer's expectation. Green Thumb countered; the proper focus of examination was whether customers that were already on the 'www.woosterfloral.com' domain were likely to become confused as to what they saw on that website.

The majority opinion found Ohio's Deceptive Trade Practices Act was designed specifically to prevent confusion as to the person selling the products and because there was no evidence that Green Thumb using the 'www.woosterfloral.com' domain name "creates customer confusion about the source, sponsorship, approval, or certification of goods or services" there was no violation of the Deceptive Trade Practices Act. *Id.*, ¶20 (emphases in original).

In other words, it matters not whether internet users are "initially confused about the origin of a website"; rather, whether those users are confused about the source of the goods and services and here it was clear to all domain traffic directed to Green Thumb's website via the 'www.woosterfloral.com' domain that they would be purchasing goods and services from Green Thumb. The Court reinforced its decision by finding geographic trade names are less distinctive and therefore generally weaker trade names.

The Dissent

In Justice French's dissent² she argues Ohio's Supreme Court should recognize the "initial interest confusion"³ concept Federal Courts use to "measure source confusion at the point when a consumer types a trade name into a web browser" to determine whether using another person/entities' trade name as a Uniform Resource Locator (URL) constitutes a deceptive trade practice. *Id.*, ¶37.

Justice French highlighted the similarities between Ohio's code and the federal code as to their "proscription of trade practices that cause confusion about the source of goods or services" and noted they should be "interpreted similarly." *Id.*, ¶38. Citing to the eight-factor test federal courts use "to assess the likelihood of consumer confusion when one competitor uses another competitor's trade name commercially," Justice French commented the Court has "not had the opportunity to adopt the factors or any other standard for assessing the likelihood of consumer confusion for claims brought under Ohio's [Deceptive Trade Practices Act]" and stated the majority "squanders the opportunity away" to "[a]dopt a standard for lower courts to apply to [Deceptive Trade Practices Act] claims with its decision in this matter. *Id.*, ¶41.

In the modern world of internet dependence, appropriate domain name ownership and maintenance is crucial. What is more, had Wooster Floral & Gifts owned a registered trademark it could have pursued its claim for infringement and could have brought claims of cybersquatting in Federal Court, perhaps even being able to force Green Thumb to surrender the domain.

¹ R.C. §1329.66 provides, "[a]ny owner of a trademark or service mark registered under the sections 1329.54 to 1329.67 of the Revised Code, may proceed by suit to enjoin the manufacture, use, display, or sale of any counterfeits or imitations of the mark . . ." (emphasis added).

² Justice Melody J. Stewart joined Justice French's dissent.

³ The federal doctrine of "initial interest" trademark infringement holds infringement can exist in those situations where a customer is initially attracted by a competing trademark, even where a minimum amount of investigation would reveal the truth of the competing trademarks.