

The party moving for summary judgment must demonstrate an absence of evidence to support the nonmoving party's case. *Celotex Corp. v. Catrett*, 477 U.S. 317, 325 (1986). In determining whether this burden is met, the court must view the record in the light most favorable to the nonmoving party and give that party the benefit of all reasonable inferences in its favor. *Nicolo v. Philip Morris, Inc.*, 201 F.3d 29, 33 (1st Cir. 2000). Once the moving party has made a preliminary showing that no genuine issue of material fact exists, the nonmovant must "produce specific facts, in suitable evidentiary form, to establish the presence of a trialworthy issue." *Triangle Trading Co. v. Robroy Indus., Inc.*, 200 F.3d 1, 2 (1st Cir. 1999) (citation and internal punctuation omitted); Fed. R. Civ. P. 56(e). "As to any essential factual element of its claim on which the nonmovant would bear the burden of proof at trial, its failure to come forward with sufficient evidence to generate a trialworthy issue warrants summary judgment to the moving party." *In re Spigel*, 260 F.3d 27, 31 (1st Cir. 2001) (citation and internal punctuation omitted).

II. Factual Background

The statements of material facts submitted by the parties pursuant to this court's Local Rule 56 include the following undisputed facts, appropriately supported by references to the summary judgment record.

Delica is in the business of selling clothing in Japan under the name "Cecil McBee." Local Rule 56 Statement of Material Facts in Support of Defendant's Motion for Summary Judgment on Laches ("Defendant's SMF") (Docket No. 41) ¶ 1; Plaintiff's Opposing Statement of Material Facts Pursuant to Local Rule 56 ("Plaintiff's Responsive SMF") (Docket No. 48) ¶ 1. On January 17, 1996 the plaintiff sent a letter to Delica demanding that Delica cease its use of the name "Cecil McBee." *Id.* ¶ 2. The complaint in this action was filed on October 1, 2002. *Id.* ¶ 3; Docket. In 1996 Delica sold a total of over \$20 million worth of goods under the name "Cecil McBee." Defendant's SMF ¶ 5; Plaintiff's Responsive SMF ¶ 5.

Between January 1, 1997 and December 31, 2001 Delica sold a total of over \$280 million worth of goods under the name “Cecil McBee” and spent over \$1.1 million in advertising such goods. *Id.* ¶ 6. In 2002 Delica sold a total of over \$110 million worth of goods under the name “Cecil McBee” and spent over \$1.3 million in advertising such goods. *Id.* ¶ 7. From January 1, 2003 through August 31, 2003 Delica sold a total of over \$78 million worth of goods under the name “Cecil McBee” and spent over \$800,000 in advertising such goods. *Id.* ¶ 8.

At no time has the plaintiff authorized or permitted Delica to utilize his name in connection with commercialization of services, products or stores. Plaintiff’s Additional Statement of Material Facts (“Plaintiff’s SMF”) (included in Plaintiff’s Responsive SMF, beginning at p. 2) ¶11; Local Rule 56 Reply Statement of Material Facts, etc. (“Defendant’s Responsive SMF”) (Docket No. 51) ¶ 11. Delica applied for registration for the use of the name “Cecil McBee” in Japan in October 1984. *Id.* ¶ 13; Third Affidavit of Cecil McBee (Docket No. 49) ¶ 15. When he was first informed in the fall of 1995 that Delica had adopted the name Cecil McBee for its line of clothing, stores and products, he sought counsel in Japan and wrote Delica, directing it to cease and desist from the use of his name. Plaintiff’s SMF ¶ 18; Defendant’s Responsive SMF ¶ 18.¹ Delica did not stop using the name Cecil McBee after being notified to do so. *Id.* ¶ 19. The plaintiff was first informed in the fall of 1999 that Delica had instituted an application to the Japan

¹ The defendant purports to admit “receiving a cease and desist letter from plaintiff’s counsel in January 1996” but, as to the remaining facts alleged in this paragraph of the plaintiff’s statement of material facts, “cannot either admit or deny these facts at this time, as they concern information in plaintiff’s possession and Delica has not yet [sic] the opportunity to depose or seek other discovery on this issue from plaintiff.” Defendant’s Responsive SMF ¶ 18. The defendant makes the latter response to all but nine of the nineteen paragraphs of the plaintiff’s statement of material facts. This is not an acceptable response under this court’s Local Rule 56(d). Discovery in this case has been ongoing at least since August 22, 2003. Amended Scheduling Order (Docket No. 37) at 1. If the defendant believed that it needed additional discovery in order to be able to respond to the plaintiff’s statement of material facts as required by Local Rule 56, it should have sought a continuance pursuant to Fed. R. Civ. P. 56(f). No such motion was filed by the defendant; indeed, it moved for a stay of discovery until this motion was resolved (Docket No. 39), a motion that was denied. Under the circumstances, all paragraphs of the plaintiff’s statement of material facts to which this response has been made by the defendant will be (*continued on next page*)

Patent Office for registration of the English version of the name Cecil McBee. *Id.* ¶ 20. The plaintiff instituted an action before the Japan Patent Office to invalidate the registration obtained by Delica in the year 2000. *Id.* ¶ 22. Delica’s prior registration of the name was invalidated by a decision dated February 28, 2002, but that decision was reversed in December 2002 by the Tokyo High Court on Delica’s appeal. *Id.* ¶¶ 22, 26. Delica opened its Cecil McBee website in April 2000 without the consent of the plaintiff. *Id.* ¶ 24. Delica did not have an available agent for service of process within the United States prior to the initiation of this suit. *Id.* ¶ 28. Delica continues to use the plaintiff’s name without permission, consent or authorization. *Id.* ¶ 29.

The plaintiff regularly performed in Tokyo at least two years prior to Delica’s adoption of the name “Cecil McBee.” *Id.* ¶ 12. Recordings of the plaintiff’s jazz music began to be released in 1974, after which the plaintiff had substantial worldwide fame. *Id.* ¶ 14. The plaintiff released an album entitled “Alternate Spaces” in 1977; the album cover design is virtually identical to Delica’s use of his name. *Id.* ¶ 15. Individuals throughout Japan were aware of the plaintiff’s name as a noted jazz musician during his performances in 1982 through 1984. *Id.* ¶ 16. Delica had exposure to the name Cecil McBee before choosing that name for its company in 1984. *Id.* ¶ 17.

III. Discussion

The parties agree that the defendant in a trademark infringement case, such as this, Complaint (Docket No. 1) at 1, may assert a defense of laches² under certain circumstances. Defendant’s Motion for Summary Judgment on Laches (“Motion”) (Docket No. 40) at 2; Plaintiff’s Memorandum in Opposition to

deemed admitted to the extent supported by the references given to the summary judgment record.

² “Laches is applied when the omission to assert the right has continued for an unreasonable and unexplained lapse of time, and under circumstances where the delay has been prejudicial to an adverse party, and where it would be inequitable to enforce the right.” *Glew v. Glew*, 734 A.2d 676, 681 (Me. 1999) (citation and internal quotation marks omitted).

Defendant's Motion for Summary Judgment on Laches ("Opposition") (Docket No. 47) at 2. Under the Lanham Act, 15 U.S.C. § 1051 *et seq.*, both injunctive relief, 15 U.S.C. § 1116(a), and money damages, 15 U.S.C. § 1117(a), are available, but damages are specifically made available "subject to the principles of equity," *id.* The equitable, affirmative defense of laches in this context is applied with reference to the limitations period for the analogous action at law. *Jarrow Formulas, Inc. v. Nutrition Now, Inc.*, 304 F.3d 829, 835 (9th Cir. 2002). The parties agree that the analogous action at law would be subject to the six-year statute of limitations imposed by 14 M.R.S.A. § 752. Motion at 3; Opposition at 3. *See generally Conopco, Inc. v. Campbell Soup Co.*, 95 F.3d 187, 191-92 (2d Cir. 1996). As the Ninth Circuit has noted:

If the plaintiff filed suit within the analogous limitations period, the strong presumption is that laches is inapplicable. However, if suit is filed outside of the analogous limitations period, courts often have presumed that laches is applicable.

Jarrow, 304 F.3d at 835-36 (citations omitted).

Here, Delica contends that the six-year period began to run when the plaintiff's attorney sent the cease-and-desist letter in 1996, more than six years before the complaint in this action was filed. Motion at 4. The plaintiff responds that the statute of limitations has not run because Delica "was absent from the State of Maine and not subject to service of process in the State until 2002," citing 14 M.R.S.A. § 866. Opposition at 3. It is not necessary to consider the plaintiff's dubious reading of the latter statute, however, because, assuming *arguendo* that the six-year period has run, Delica is not entitled to invoke the affirmative defense under First Circuit precedent on the showing made in the parties' statements of material facts.

In *Baker v. Simmons Co.*, 307 F.2d 458 (1st Cir. 1962), an action for trademark infringement and unfair competition, the court held that the evidence established "a calculatedly deliberate attempt to trade on a name well known in the market place," *id.* at 459, 466. In the summer of 1951 the plaintiff's attorneys

sent notice of infringement to the defendants, which was ignored. *Id.* at 466 n.4. The plaintiff then began to monitor the activities of the defendants and, in 1952, cooperated with a Federal Trade Commission investigation which led to a 1952 cease and desist order against the defendants. The plaintiff successfully opposed the defendants' application for registration of the name at issue in a patent office proceeding in 1957-58. *Id.* The suit was initiated on October 10, 1958. *Id.* at 460. The court held that laches was not available as an affirmative defense under the circumstances.

It may well be true that plaintiff could have acted with more expedition in instituting the present suit but in view of defendants' calculated design to trade upon plaintiff's reputation . . . we do not believe that he is in any position to invoke the defense of laches.

Id. at 466 n.4. In the instant case, a similar period of time expired between the delivery of the cease-and-desist letter and the filing of the complaint. The plaintiff has offered evidence that would allow a reasonable factfinder to conclude that Delica evinced a "calculated design to trade upon [his] reputation." Plaintiff's SMF ¶¶ 12-17. Nothing more is necessary to conclude that Delica is not entitled to invoke laches as a basis for summary judgment. *See also Hermès Int'l v. Lederer de Paris Fifth Ave., Inc.*, 219 F.3d 104, 107 (2d Cir. 2000) ("laches is not a defense against injunctive relief when the defendant intended the infringement"); *Harley-Davidson, Inc. v. Estate of O'Connell*, 13 F.Supp.2d 271, 279 (N.D.N.Y. 1998) ("laches may not be used to shield a party from the consequences of conduct it knows to be wrongful").³

IV. Conclusion

³ *See also Tisch Hotels, Inc. v. Americana Inn, Inc.*, 350 F.2d 609, 615 (7th Cir. 1965) ("It may be that in this case defendants thought they had the legal right to adopt and use plaintiffs' name. Even so, they acted at their peril in doing so, and further acted at their peril in continuing to use the name in the face of a demand to cease.").

For the foregoing reasons, I recommend that the defendant's motion for summary judgment be

DENIED.

NOTICE

A party may file objections to those specified portions of a magistrate judge's report or proposed findings or recommended decisions entered pursuant to 28 U.S.C. § 636(b)(1)(B) for which de novo review by the district court is sought, together with a supporting memorandum, within ten (10) days after being served with a copy thereof. A responsive memorandum shall be filed within ten (10) days after the filing of the objection.

Failure to file a timely objection shall constitute a waiver of the right to de novo review by the district court and to appeal the district court's order.

Dated this 10th day of November, 2003.

David M. Cohen
United States Magistrate Judge

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