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## Keeping it Wreal: How The Eleventh Circuit's Wreal Decision Is Better Suited For A Uniform Reverse Confusion Multifactor Analysis

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# KEEPING IT WREAL: HOW THE ELEVENTH CIRCUIT’S *WREAL* DECISION IS BETTER SUITED FOR A UNIFORM REVERSE CONFUSION MULTIFACTOR ANALYSIS

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## REVERSE CONFUSION ANALYSES NEED A UNIFORM MULTIFACTOR ANALYSIS

As major companies grow ever so large, they become more involved in every market. There are many benefits to this; for example, receiving a product within the same day the customer orders it online. However, for owners of valid trademarks, large companies infringing on your mark can be bad for business. As companies continue to increase in size, the number of infringements might increase. Fortunately, the legal system has a process for fixing these infringements called reverse confusion. However, there is no uniform factor analysis for that process—meaning a mark owner may get relief in one jurisdiction but not another.

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This comment will first analyze the definition of traditional “forward confusion” and reverse confusion, regarding the likelihood of confusion of trademarks. Next, this comment will highlight three approaches, which are used by different circuits with their own unique multifactor analysis. In doing so, this comment will discuss the recent decision in *Wreal, LLC v. Amazon.com, Inc.*<sup>1</sup> and explain how the Eleventh Circuit used the *market plus intent* approach to structure its multifactor analysis. Finally, this comment will apply the reasoning and the factors from *Wreal* to a Seventh Circuit case to show how cases could have been decided differently and offer better reasoning for the decisions.

*Brief Discussion of Traditional Likelihood of Confusion (Forward Confusion) and Reverse Confusion.*

Under Section 43(a) of the Lanham Act, to show direct infringement of a trademark, the plaintiff needs to prove that they: (1) have ownership of a valid mark; (2) that is used by the defendant in commerce; and (3) in a way that causes confusion as to source, sponsorship, or authorization.<sup>2</sup> The third element of Section 43(a) focuses on what is commonly referred to as the likelihood of confusion, or how likely the allegedly infringing mark would cause a consumer to mistake a party’s mark for the infringing party’s mark.<sup>3</sup> There are two doctrines that are used to determine the likelihood of confusion: the forward confusion doctrine and the reverse confusion doctrine. The remainder of Section A will briefly discuss the forward confusion doctrine and capture a more in-depth discussion of the reverse confusion doctrine.

Defining Forward Confusion.

In regular, or “forward” confusion, there is a senior (first) user of a mark and a junior (secondary) user of a mark. The confusion, then, occurs “when customers mistakenly think that the junior user’s goods or services are from the same source as or are connected with the senior user’s goods or services.”<sup>4</sup>

Essentially, a junior user attempts to ride the coattails and success of the senior user to sell its products. While fleshing this out in court sounds fairly straightforward, the exact opposite is true. As discussed further in this comment, there are a multitude of factors that courts can use to determine

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1. *Wreal, LLC v. Amazon.com, Inc.*, 38 F.4th 114 (11th Cir. 2022).

2. 15 U.S.C. § 1125(a)(1).

3. *AMF Inc. v. Sleekcraft Boats*, 599 F.2d 341, 348 (9th Cir. 1979).

4. 4 McCarthy on Trademarks and Unfair Competition § 23:10 (5th ed.).

forward confusion. Unfortunately, for traditional forward confusion cases, circuit courts apply their own, unique multifactor analyses that they establish.<sup>5</sup>

#### Defining Reverse Confusion.

To make a trademark infringement analysis even more confusing, there is the doctrine of reverse confusion. While forward confusion is the statutory claim recognized by the language of the Lanham Act, reverse confusion is a product of common law. The idea of reverse confusion did not exist until Justice Holmes described it in his dissent to the majority decision in *International News Service v. Associated Press*.<sup>6</sup> *International News* involved a newspaper company taking information that the other company had gathered and selling it as their own.<sup>7</sup> The majority ultimately found that there was no infringement with forward confusion.<sup>8</sup> However, Justice Holmes dissented and stated that:

[t]he ordinary case, I say, is palming off the defendant's product as the plaintiff's but the same evil may follow from the opposite falsehood—from saying whether in words or by implication that the plaintiff's product is the defendant's, and that, it seems to me, is what has happened here.<sup>9</sup>

While forward confusion is when consumers associate a junior's mark with the senior user, reverse confusion is just that—reversed. Reverse confusion is when consumers associate a senior user's mark with a junior user.<sup>10</sup> More specifically, reverse confusion is when:

the [junior] user's promotion of the mark may so overwhelm the use by the [senior] user that most purchasers come to associate the mark with the [junior] user . . . purchasers are likely to believe that the goods sold by the [senior] user are actually those of the [junior] user.<sup>11</sup>

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5. Christina P. Mott, *Multifactors, Multiconfusion? Refining "Likelihood of Confusion" Factors for Reverse-Confusion Trademark Infringement Claims to Achieve More Consistent and Predictable Results*, 47 SUFFOLK U. L. REV. 421 (2014).

6. *Int'l News Serv. v. Associated Press*, 248 U.S. 215, 247 (1918).

7. *Id.* at 231.

8. *Id.* at 245.

9. *Id.* at 247 (Holmes, J., dissenting).

10. Restatement Third, Unfair Competition, § 20, comment f (1995).

11. *Id.*

Essentially, the junior user overwhelms the senior user's mark to the point that consumers believe that the senior user is associated with the junior user. The harm from reverse confusion arises from this consumer association.<sup>12</sup>

Still to this day, there is no statutory definition of reverse confusion. Additionally, there is no United States Supreme Court precedence to rely on as Justice Holmes's dissent in *International News* is non-binding. Although the Supreme Court has officially recognized the existence of the doctrine of reverse confusion,<sup>13</sup> the Supreme Court, unfortunately, did not explain or clarify any of the details of the doctrine, nor did it provide any factors that should be used when applying the doctrine.<sup>14</sup> Therefore, as explained in further detail in this comment, the circuits have created their own set of factors to use in determining reverse confusion.

#### *The Different Approaches to Analyzing Reverse Confusion Cases.*

Similar to forward confusion analyses, each circuit either creates its own multifactor analysis for reverse confusion, or the jurisdiction merely uses its already established forward confusion factors. Although each circuit, indeed, uses its own set of forward confusion factors, many of the factors used are similar or directly the same. Therefore, the remainder of this Section B focuses on the distinct approaches that various circuit courts utilize and, ultimately, recommends that the third approach be uniformly adopted across the Circuits.

#### The Change Nothing Approach.

As discussed later, many circuits have developed their own multifactor analyses specifically for reverse confusion claims; however, not all circuits have adopted the same approach. The first approach to handling reverse confusion cases is, for the purposes of this comment, called the *change nothing* approach. The First, Second, Sixth, and Eighth Circuits have yet to change any of the factors in their analysis when dealing with a reverse confusion claim.<sup>15</sup>

These courts are simply neglecting to modify their current forward confusion multifactor analysis to reverse confusion claims. In doing so, these

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12. *Wreal*, 38 F.4th at 121.

13. *Lucky Brand Dungarees, Inc. v. Marcel Fashions Grp., Inc.*, 140 S. Ct. 1589, 1596 (2020).

14. *Id.* The only mention of reverse confusion by the Supreme Court was mere discussion of the procedural history of the case it was currently reviewing. Therefore, the Court did not expand further on the doctrine, as it was not the issue at hand.

15. The forward confusion factors, while sometimes differing slightly, are more or less the same. For example, the forward confusion factor analysis used in the Second Circuit is: "[T]he strength of [the plaintiff's] mark, the degree of similarity between the two marks, the proximity of the products, the likelihood that the [plaintiff] will bridge the gap, actual confusion, and the reciprocal of defendant's good faith in adopting its own mark, the quality of defendant's product, and the sophistication of the buyers." *Polaroid Corp. v. Polarad Electronics Corp.*, 287 F.2d 492 (2d Cir. 1961).

circuits created inadequate reverse confusion multifactor analyses. A table of the circuits, their decisions, and their (lack of) application of a reverse confusion analysis follows:

CIRCUIT	RELEVANT CASES	REVERSE CONFUSION APPLICATION
FIRST	DeCosta v. Viacom Int'l, Inc. <sup>16</sup>	Does not apply factor analysis to facts of the case.
SECOND	RiseandShine Corp. v. PepsiCo, Inc. <sup>17</sup>	Applies forward confusion factors without amending to fit reverse confusion doctrine.
FOURTH	Dick's Sporting Goods, Inc. v. Dick's Clothing & Sporting Goods, Inc.; <sup>18</sup> MicroStrategy Inc. v. Motorola, Inc. <sup>19</sup>	Has not adopted reverse confusion doctrine yet; recognized only in dissent.
FIFTH	Cap. Films Corp. v. Charles Fries Prods., Inc. <sup>20</sup>	Does not apply factor analysis to facts of the case.
SIXTH	Ameritech, Inc. v. American Information Technologies Corp.; <sup>21</sup> Progressive Distribution Services, Inc. v. United Parcel Service, Inc. <sup>22</sup>	Applies forward confusion factors without amending to fit reverse confusion doctrine.
EIGHTH	Minnesota Pet Breeders, Inc. v. Schell & Kampeter, Inc. <sup>23</sup>	Does not apply factor analysis to facts of the case.

Each circuit listed in the table above has recognized reverse confusion, but they have not amended their forward confusion analysis to conform to the reverse confusion doctrine. For example, the First Circuit refused to apply the

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16. DeCosta v. Viacom Int'l, Inc., 981 F.2d 602 (1st Cir. 1992).

17. RiseandShine Corp. v. PepsiCo, Inc., 41 F.4th 112 (2d Cir. 2022).

18. Dick's Sporting Goods, Inc. v. Dick's Clothing & Sporting Goods, Inc., 188 F.3d 501 (4th Cir. 1999).

19. MicroStrategy Inc. v. Motorola, Inc., 245 F.3d 335 (4th Cir. 2001).

20. Cap. Films Corp. v. Charles Fries Prods., Inc., 628 F.2d 387 (5th Cir. 1980).

21. Ameritech, Inc. v. Am. Info. Technologies Corp., 811 F.2d 960 (6th Cir. 1987).

22. Progressive Distrib. Services, Inc. v. United Parcel Serv., Inc., 856 F.3d 416 (6th Cir. 2017).

23. Minn. Pet Breeders, Inc. v. Schell & Kampeter, Inc., 41 F.3d 1242 (8th Cir. 1994).

doctrine to a piracy case.<sup>24</sup> Accordingly, the First Circuit, then, did not apply any new factors to the case at hand.<sup>25</sup> For the Second Circuit, the court recognized that the reverse confusion doctrine was being used but, then, applied a forward confusion analysis.<sup>26</sup>

The Fourth Circuit, being on its own, has recognized reverse confusion as used by other circuits, but it did not adopt the doctrine for its own circuit.<sup>27</sup> The Fourth Circuit had the chance to adopt the doctrine in *MicroStrategy*, but the doctrine was only adopted in the dissent.<sup>28</sup> Further, the Fifth Circuit in *Cap. Films Corp.* recognized that the reverse confusion doctrine should apply under the application of state law.<sup>29</sup> However, the Fifth Circuit remanded the case to the district court to apply the doctrine.<sup>30</sup>

The Sixth Circuit recognized reverse confusion in *Ameritech*.<sup>31</sup> The Sixth Circuit then reviewed the forward confusion factors used by the district court and affirmed the district court's decision to find infringement without amending any of the factors.<sup>32</sup> Importantly, the Sixth Circuit in *Progressive Distribution* reaffirmed its decision to use forward confusion factors.<sup>33</sup> Finally, the Eighth Circuit in *Minnesota Pet Breeders* stated that if the plaintiff in the case was correct in their argument of expansion plans, a reverse confusion analysis would be appropriate.<sup>34</sup> Accordingly, the Eighth Circuit remanded the case for further fact-finding.<sup>35</sup>

The issue with each of the preceding circuits is that they did not create a viable approach to handling reverse confusion cases. By using their forward confusion analyses, these circuit courts are not protecting what the reverse confusion doctrine intends to protect—the smaller senior mark holder.<sup>36</sup> To correctly protect the smaller senior mark holder, the circuits must recognize

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24. *Decosta*, 981 F.2d at 610.

25. *Id.*

26. *RiseandShine*, 41 F.4th at 119 (using the forward confusion analysis from *Polaroid Corp.*, 287 F.2d 492 (2d Cir. 1961)).

27. *Dick's*, 188 F.3d 501.

28. *MicroStrategy*, 245 F.3d at 346–47 (Niemeyer, J., dissenting).

29. *Cap. Films Corp.*, 628 F.2d at 394.

30. *Id.*

31. *Ameritech*, 811 F.2d at 964–65.

32. *Id.* at 966–67.

33. *Progressive Distrib.*, 856 F.3d at 431.

34. *Minn. Pet Breeders*, 41 F.3d at 1246 (8th Cir. 1994).

35. *Id.* at 1246–47 (8th Cir. 1994); In 2017, the U.S. District Court, District of Minnesota did revisit this issue in *Eyebobs, LLC v. Snap, Inc.*, and did amend some of its factors, but the case never made it to the U.S. Court of Appeals. *Eyebobs, LLC v. Snap, Inc.*, 259 F. Supp. 3d 965 (D. Minn. 2017).

36. Nancy Del Pizzo, *Developing A Uniform Test for "Reverse Confusion" Trademark Cases in the Sports & Entertainment Industries*, 14 SETON HALL J. SPORTS & ENT. L. 175, 203–04 (2004).

that some factors in the analysis should differ from a forward confusion analysis.<sup>37</sup> Therefore, the *change nothing* approach creates inadequate reverse confusion multifactor analyses.

#### The Market Without Intent Approach.

Next, this comment discusses—what it refers to for the purposes of this comment—the *market without intent* approach. Specifically, this approach recognizes that the *change nothing* approach is an inadequate response to reverse confusion cases. In doing so, the *market without intent* approach amends its forward confusion factors to better handle the facts of a reverse confusion case.<sup>38</sup> The factors that the circuits amend are only used with the market.<sup>39</sup> Unsurprisingly, the *market without intent* approach excludes the intent of the defendant as a factor.<sup>40</sup> Notably, there is only one circuit that currently follows the *market without intent* approach—the Seventh Circuit.<sup>41</sup>

Public policy dictates two purposes for trademark infringement. The first purpose involves preventing infringed marks from being used, which may cause confusion to the public as to the mark's source.<sup>42</sup> The second purpose entails allowing owners to keep the resources and goodwill associated with their mark.<sup>43</sup> The *market without intent* approach accomplishes these purposes by amending the forward confusion factors—compared to other courts under the *change nothing* approach.<sup>44</sup> Since the harm and the theory of infringement is different, there is a necessity to amend the forward confusion factors to be in line with the public policy purposes.<sup>45</sup> Without amending the factors, the multifactor analysis is not adequately satisfying the public policy purposes.

The two leading cases in the Seventh Circuit are *Sands, Taylor & Wood Co. v. Quaker Oats Co.*,<sup>46</sup> and *SportFuel, Inc. v. PepsiCo, Inc.*<sup>47</sup> In *Sands*, there

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37. *Id.*

38. *See generally* *Fisons Horticulture, Inc. v. Vigoro Indus., Inc.*, 30 F.3d 466, 479–81 (3d Cir. 1994); *see generally* *Sands, Taylor & Wood Co. v. Quaker Oats Co.*, 978 F.2d 947, 959–61 (7th Cir. 1992).

39. *Sands*, 978 F.2d at 959–61.

40. *Id.*

41. This approach was followed by the Third Circuit in *Fisons*, 30 F.3d at 480. However, the Third Circuit then changed approaches in *Freedom Card, Inc. v. JPMorgan Chase & Co.*, 432 F.3d 463, 472 (3d Cir. 2005).

42. Inna Kaminer, *Set the Statutes Straight: Amending the Lanham Act to Dispel the Confusion Regarding Reverse Confusion*, 36 LOY. L.A. ENT. L. REV. 71 (2016).

43. Leah L. Scholer, *Righting the Wrong in Reverse Confusion*, 55 HASTINGS L.J. 737 (2004).

44. *See Wreal*, 38 F.4th at 127.

45. *Id.*

46. *Sands*, 978 F.2d at 947.

47. *SportFuel, Inc. v. PepsiCo, Inc.*, 932 F.3d 589 (7th Cir. 2019).



was an infringement action over the term “Thirst Aid.” In determining the likelihood of confusion, the court listed seven forward confusion factors.<sup>48</sup> The court then amended some of their forward confusion factors.

The first factor the Seventh Circuit amended is the conceptual strength of the plaintiff’s mark.<sup>49</sup> The amended factor focused on the junior user’s mark in association with the junior user’s goods.<sup>50</sup> The second factor that the Seventh Circuit amended is the intent of the defendant.<sup>51</sup> The Seventh Circuit removed intent as a factor as it was deemed “essentially irrelevant.”<sup>52</sup>

Utilizing these amended factors, the Circuit Court affirmed the District Court’s finding that there was infringement.<sup>53</sup> Importantly, in the 2019 case of *SportFuel*, the Seventh Circuit reaffirmed its removal of the intent of the junior user in reverse confusion cases.<sup>54</sup> While the *market without intent* approach does not have the same issue as the *change nothing* approach because it amends its forward confusion factors, it is still not the best approach for a reverse confusion factor analysis.

#### Market Plus Intent Approach

The more comprehensive approach that should be uniformly used throughout the circuits is, for this comment, the *market plus intent* approach. This approach is the same as the *market without intent* approach, but it also includes the intent of the defendant as a factor.<sup>55</sup> The *market plus intent* approach is followed by the Third, Ninth, Tenth, and Eleventh Circuits.<sup>56</sup> The inclusion of the intent of the defendant as a factor in the analysis adheres to one of the main, and original purposes, of trademark law—preventing unfair competition.

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48. *Sands*, 978 F.2d at 959. The traditional forward confusion factors listed are: “The degree of similarity between the marks in appearance and suggestion; the similarity of the products for which the name is used, the areas and manner of concurrent use, the degree of care likely to be exercised by consumers; the strength of the complainant’s mark; actual confusion; and an intent on the part of the alleged infringer to palm off his products as those of another.”)

49. *Id.*

50. *Id.*

51. *Id.* at 961.

52. *Id.*

53. *Id.*

54. *SportFuel*, 932 F.3d 589, 602 (7th Cir. 2019).

55. *Freedom Card*, 432 F.3d at 473 (citing *A & H Sportswear, Inc. v. Victoria’s Secret Stores, Inc.*, 237 F.3d 198, 237 (3d Cir. 2000), and changing from the *market without intent* approach earlier prescribed to in *Fisons* to the *market plus intent* approach).

56. *Id.*; *Marketquest Grp., Inc. v. BIC Corp.*, 862 F.3d 927, 934 (9th Cir. 2017); *King of the Mountain Sports, Inc. v. Chrysler Corp.*, 185 F.3d 1084, 1091 (10th Cir. 1999) (changing from the *change nothing* approach as detailed in *Big O Tire Dealers, Inc. v. Goodyear Tire & Rubber Co.*, 561 F.2d 1365 (10th Cir. 1977)).

Before the court's interpretation of the Lanham Act in 1946 and the Supreme Court's decision in *Erie Railroad Co. v. Thompkins*,<sup>57</sup> unfair competition had been a matter of common law.<sup>58</sup> During this time, trademark law was seen as "a special case of unfair competition" and "part of the broader law of unfair competition."<sup>59</sup> Courts tied trademark law to unfair competition because trademark infringement was the easiest way to steal someone's business.<sup>60</sup> For unfair competition, courts generally required plaintiffs to prove a defendant's intent of infringement.<sup>61</sup> Accordingly, based on trademark law's ties to unfair competition, it is necessary to include the defendant's intent as a factor in a reverse confusion analysis.<sup>62</sup>

The recent Eleventh Circuit decision of *Wreal, LLC v. Amazon.com, Inc.*<sup>63</sup> is an exemplary example of the importance of the defendant's intent in a reverse confusion analysis. For the Eleventh Circuit, this was a case of first impression for a reverse confusion claim.<sup>64</sup> In *Wreal*, a company, Wreal, LLC ("Wreal"), created the term "FyreTV" in 2007 to allow consumers to stream its adult content.<sup>65</sup> In 2011, Amazon.com, Inc. ("Amazon") associated its products with its "Fire" brand.<sup>66</sup> Amazon learned of Wreal's streaming service but decided to continue using its "Fire" brand.<sup>67</sup> In 2014, Amazon launched its streaming service called "fireTV."<sup>68</sup> In response, Wreal brought suit alleging trademark infringement by Amazon.<sup>69</sup>

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57. 304 U.S. 64 (1938).

58. Mark P. McKenna, *Property and Equity in Trademark Law*, 23 MARQ. INTELL. PROP. L. REV. 117, 123–24 (2019) ("Unfair competition had always been conceived of as general law; after *Erie*, courts were forced to conclude it was state law, and that raised the prospects of fifty different versions of unfair competition law. Because that seemed unworkable, particularly as companies were increasingly selling to national markets, courts began to interpret § 43(a) to give cause of action for infringement of unregistered marks.") (citations omitted).

59. *Id.* at 122 (citing JAMES LOVE HOPKINS, *THE LAW OF TRADEMARKS, TRADENAMES AND UNFAIR COMPETITION* § 1, at 2 (2d ed. 1905) (quotations omitted)).

60. *Id.*

61. *Id.* at 121.

62. *Id.* at 126 ("They were instead focused on the defendant's conduct. Specifically, courts in unfair competition asked whether, [plaintiffs should] get relief because the defendant was behaving badly in trying to steal the plaintiff's customers."); *Cap. Films Corp.*, 628 F.2d at 393 ("Reverse Confusion has now become a recognized doctrine within the scope of unfair competition . . .").

63. *Wreal*, 38 F.4th at 114.

64. *Id.* at 121.

65. *Id.*

66. *Id.* at 122.

67. *Id.* at 122–23.

68. *Id.*

69. *Wreal*, 38 F.4th at 121.

The court in *Wreal* listed seven factors that they use for forward confusion.<sup>70</sup> However, the court noted that the forward confusion factors need to be amended to fit the doctrine of reverse confusion “[b]ecause both the harm and the theory of infringement in a reverse confusion case differ from what is claimed in a forward confusion case, the analysis and application of the seven likelihood-of confusion factors differ as well.”<sup>71</sup> The court lists these reverse confusion factors: (1) “the conceptual strength of the plaintiff’s mark and the relative commercial strength of the defendant’s mark;”<sup>72</sup> (2) similarity of the infringed and infringing marks;<sup>73</sup> (3) similarity between the products of the two marks;<sup>74</sup> (4) similarity of the sales methods and customer base;<sup>75</sup> (5) similarity of advertising methods;<sup>76</sup> (6) specific intent from a variety of sources;<sup>77</sup> and (7) direct evidence of actual or reverse confusion.<sup>78</sup>

The court in *Wreal* also clarified that factors (6) and (7) are not prerequisites for reverse confusion, but are merely probative factors.<sup>79</sup> Accordingly, the Eleventh Circuit’s analysis in *Wreal* amended its forward confusion factors to include the market-based factors similarly found in the *market without intent* approach, but it also includes the intent of the defendant.

In *Wreal*, the District Court found that Amazon had not infringed upon Wreal’s trademark through reverse confusion.<sup>80</sup> The Eleventh Circuit weighed the new reverse confusion factors and found that Amazon could have infringed upon Wreal’s mark.<sup>81</sup> The Eleventh Circuit specifically noted that Amazon had specific intent and that it “specifically tried to flood the market with advertising in an attempt to lower awareness of Wreal’s similarly named mark.”<sup>82</sup> As such,

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70. *Id.* at 127. The seven forward confusion factors are listed as: “(1) distinctiveness of the mark alleged to have been infringed; (2) similarity of the infringed and infringing marks; (3) similarity between the goods or services offered under the two marks; (4) similarity of the actual sales methods used by the two parties, such as their sales outlets and customer base; (5) similarity of advertising methods; (6) intent of the alleged infringer to misappropriate the proprietor’s good will; and (7) existence and extent of actual confusion in the consuming public.”

71. *Id.* at 121.

72. *Id.* at 129.

73. *Id.* at 130.

74. *Id.* at 132.

75. *Wreal*, 38 F.4th at 134.

76. *Id.* at 135.

77. *Id.* at 136.

78. *Id.* at 137–38.

79. *Id.* at 136–38.

80. *Id.* at 121.

81. *Wreal*, 38 F.4th at 140.

82. *Id.* at 137.

the Circuit Court remanded the case for further fact-finding with their set of reverse confusion factors.<sup>83</sup>

As the Eleventh Circuit in *Wreal* shows, the inclusion of the defendant's intent is a necessary factor to include. Either good or bad faith by the defendant may weigh in favor or against a finding of reverse confusion, and this factor does not favor one side. In both *Sands* and *Fisons*, the intent factor was eliminated.<sup>84</sup> Particularly, the reasoning is that the defendant is deemed to be inherently unintentional in its alleged infringing use.<sup>85</sup>

However, this reasoning is misplaced, as *Wreal* shows that even the larger junior users can sometimes be shown to have the intent to infringe.<sup>86</sup> Accordingly, intent should be used as a factor and should weigh appropriately on a case-to-case basis.<sup>87</sup> Therefore, the *market plus intent* approach in a reverse confusion analysis is the best approach to prevent unfair competition.

#### *Applying the Market Plus Intent Approach to Sands*

Since many circuits analyzed reverse confusion without using the *market plus intent* approach, those circuits may not have reached the correct result or had the correct reasoning for their result. Accordingly, the application of a *market plus intent* analysis to the other circuits' decisions results in either different outcomes or the same outcomes but with better reasoning.

To illustrate, the Seventh Circuit applied this analysis in its decision in *Sands*. The Seventh Circuit utilized the *market without intent* approach in *Sands* and later affirmed that doctrine in *SportFuel*.<sup>88</sup> The Seventh Circuit amended its existing forward confusion factors to include two reverse confusion factors. As stated previously, the first factor that the Seventh Circuit amended is the strength of the plaintiff's mark to the strength of the defendant's mark,<sup>89</sup> and the court entirely removed the second factor of the intent element.<sup>90</sup>

The Seventh Circuit first used their reverse confusion factors in *Sands*.<sup>91</sup> In *Sands*, the company, Sands, Taylor & Wood Company (STW), sued The Quaker Oats Company (Quaker) for trademark infringement.<sup>92</sup> STW alleged

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83. *Id.* at 140.

84. *Sands*, 978 F.2d at 961; *Fisons*, 30 F.3d at 480.

85. *Sands*, 978 F.2d at 961.

86. *Wreal*, 38 F.4th at 136–37 (showing the evidence of Amazon's bad faith to use the "fireTV" even though it knew of Wreal's existing mark).

87. *Id.* at 136.

88. *SportFuel*, 932 F.3d at 602.

89. *Sands*, 978 F.2d at 959.

90. *Id.* at 961.

91. *Id.* at 950.

92. *Id.* at 949.

that Quaker had infringed upon its term “Thirst Aid” in Quaker’s slogan for Gatorade.<sup>93</sup> The slogan was stated as “Gatorade is Thirst Aid.”<sup>94</sup>

The Seventh Circuit Court in *Sands* stated that the strength of the defendant’s mark was not entirely relevant to their specific fact pattern.<sup>95</sup> The court stated that the two terms were identical and that “there was abundant evidence that consumers strongly associate the words ‘thirst aid’ with Gatorade.”<sup>96</sup> Therefore, the court concludes for this factor, the analysis of the strength of STW’s mark was irrelevant due to the similarity of the marks and the association of the mark with Gatorade.<sup>97</sup>

Further, the Seventh Circuit Court in *Sands* stated that the junior mark holder’s intent is “essentially irrelevant” to a reverse confusion analysis.<sup>98</sup> The district court, preceding the Seventh Circuit’s decision, considered Quaker’s intent in their analysis.<sup>99</sup> The appellate court in *Sands* stated that this was erred.<sup>100</sup> Ultimately, the court in *Sands* decided that the amended factors, along with the traditional forward confusion factors, supported the finding that Quaker infringed upon STW’s mark.<sup>101</sup>

However, if one were to apply the facts of *Sands* and use the *market plus intent* approach under *Wreal*’s factors, the reasoning for the outcome would be sound. The first factor for *Wreal* is to compare the conceptual strength of the senior mark to the commercial strength of the defendant’s mark.<sup>102</sup> The court in *Sands* did not weigh this due to the belief that the marks were identical.<sup>103</sup> While the similarity of the marks is weighed in *Wreal*’s factor analysis, it should not eliminate the first factor. Even if the plaintiff’s and defendant’s marks are almost identical, thereby eliminating the conceptual strength analysis, the defendant’s mark can still be commercially strong, which can be evidence of reverse confusion.

Additionally, another factor the *Wreal* analysis allows for is the use of specific intent by the parties. The court in *Sands* stated that the junior mark holder’s intent is “essentially irrelevant” in a reverse confusion analysis.<sup>104</sup>

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93. *Id.*

94. *Id.*

95. *Sands*, 978 F.2d at 959–60.

96. *Id.*

97. *Id.*

98. *Id.* at 961.

99. *Id.*

100. *Id.*

101. *Id.* at 961.

102. *Wreal*, 38 F.4th at 129.

103. *Sands*, 978 F.2d at 959–60.

104. *Id.* at 961.

However, as stated previously, the intent of the parties is necessary to show good faith or bad faith by the parties. Furthermore, as the facts of *Wreal* demonstrate, the larger junior user can sometimes be shown to have intent to infringe.<sup>105</sup>

Therefore, the court in *Sands* erred in asserting that a junior mark holder's intent is "essentially irrelevant." Applying the intent element to the facts in *Sands*, it appears that the district court did weigh the intent of Quaker in infringing on STW's mark. Using evidence of Quaker's intent would weigh heavily in favor of a finding of reverse confusion.

Accordingly, under the *market plus intent* approach as outlined in *Wreal*, the Seventh Circuit's decision in *Sands* would likely result in the same outcome, but with more compelling reasoning. Given the commercial strength of Quaker's mark and the intent of Quaker, it is likely that the court in *Sands* would have reached the same conclusion using the *Wreal* factors. However, if the court determines that there needs to be additional evidence to definitively show any of the factors, the court may remand the case for further fact-finding.

#### CONCLUSION

As many companies in the United States continue to grow, there is a chance that these now large companies might expand into new markets that are already populated by much smaller companies. Accordingly, like Amazon allegedly did in *Wreal*, these larger companies may utilize the marks of the smaller companies, and the volume of trademark infringements might increase. Currently, there is no uniform multifactor analysis that is used to deal with reverse confusion claims. However, the recent Eleventh Circuit decision in *Wreal, LLC v. Amazon.com, Inc.* offers a more accurate analysis under the *market plus intent* approach that could be used uniformly. When utilized, the *Wreal* factors result in more compelling reasoning to reverse confusion decisions. Therefore, the *market plus intent* approach under *Wreal* should be adopted as the uniform reverse confusion multifactor analysis.

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105. *Wreal*, 38 F.4th at 136–37.