¹ All further references to "Rule" or "Rules" are to the Federal Rules of Civil Procedure unless otherwise noted.

Alternatively, Defendant moves to dismiss under Rule 41(b) for failure to prosecute. For the reasons set forth below, Defendant's Motion for Summary Judgment is GRANTED.²

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BACKGROUND³

Defendant is an internet search engine provider. In this dispute, Plaintiff challenges the lawfulness of Defendant's Keyword Suggestion tool in its for-profit "Google AdWords" program.

A. Background on Search Engines

In operating its search engine, Defendant "indexes" websites, collecting information on the websites' contents for use in formulas that respond to search queries. Generally, when a user enters a query into Defendant's website, the search engine will process relevant sites and then return results to the user.

Businesses routinely use the indexing and search query process to influence their website's ranking on a results page. Prior to building a website, businesses will often utilize various available keyword tools to determine what keywords internet users are most commonly searching for. A business will then build its site around more popular search terms in order to ensure a higher rank on a search engine results page.

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² Because oral argument will not be of material assistance, the Court orders this matter submitted on the briefs. E.D. Cal. Local Rule 78-230(h).

³ Unless otherwise stated, the following facts are derived from Plaintiff's Second Amended Complaint (ECF No. 40) and Defendant's Motion for Summary Judgment or, in the Alternative, Motion to Dismiss for Failure to Prosecute (ECF No. 74).

Alternatively, a business may "bid" on keywords. "Bidding" allows businesses to pay search engines a fee as a bid on selected keywords in an effort to appear on a results page as an "Ad." The higher a business's bid, the higher their "Ad" placement will be when their bid-upon keywords are searched for. "Ads" appear either at the top or along the side of a search engine results page.

Defendant allows advertisers to bid on keywords in a program called "Google AdWords." In addition to allowing advertisers to select their own keywords, the program offers a "Keyword Suggestion Tool," which suggests popular search terms to advertisers for bidding.

B. Plaintiff's Suit

Plaintiff holds the trademark for a building material known as "Styrotrim." He markets and sells his product to homeowners, contractors and those in the construction and remodeling industries.

Defendant's AdWords program picked up the trademark name "Styrotrim" as a commonly searched term. It thereafter suggested it to bidders in its "Keyword Suggestion Tool" in the AdWords program. Defendant thus enabled Plaintiff's competitors to bid on the keyword "Styrotrim" and to subsequently appear as a "Ad" on a results page whenever the term "Styrotrim" was searched for.

Plaintiff alleges that Defendant, through its AdWords program, misappropriated Plaintiff's trademark for its own use, generated advertising revenue from Plaintiff's competitors and facilitated Plaintiff's competitors in infringing on Plaintiff's trademark.

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⁴ "Ads" were once identified by Defendant as "Sponsored Links," and are referred to as such in Plaintiff's Second Amended Complaint. However, Defendant now labels these paid advertisements simply as "Ads." (ECF No. 74-1 at 7.)

STANDARD

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Rule 56 provides for summary judgment when "the pleadings, depositions, answers to interrogatories, and admissions on file, together with affidavits, if any, show that there is no genuine issue as to any material fact and that the moving party is entitled to a judgment as a matter of law." Fed. R. Civ. P. 56(c); Celotex Corp. v. Catrett, 477 U.S. 317, 322 (1986). One of the principal purposes of Rule 56 is to dispose of factually unsupported claims or defenses. Celotex, 477 U.S. at 325.

Rule 56 also allows a court to grant summary adjudication on part of a claim or defense. See Fed. R. Civ. P. 56(a) ("A party may move for summary judgment, identifying . . . the part of each claim or defense . . . on which summary judgment is sought."); see also Allstate Ins. Co. v. Madan, 889 F. Supp. 374, 378-79 (C.D. Cal. 1995); France Stone Co., Inc. v. Charter Twp. of Monroe, 790 F. Supp. 707, 710 (E.D. Mich. 1992).

The standard that applies to a motion for summary adjudication is the same as that which applies to a motion for summary judgment. <u>See</u> Fed. R. Civ. P. 56(a), 56(c); <u>Mora v. ChemTronics</u>, 16 F. Supp. 2d. 1192, 1200 (S.D. Cal. 1998).

Under summary judgment practice, the moving party always bears the initial responsibility of informing the district court of the basis for its motion, and identifying those portions of 'the pleadings, depositions, answers to interrogatories, and admissions on file together with the affidavits, if any,' which it believes demonstrate the absence of a genuine issue of material fact.

<u>Celotex</u>, 477 U.S. at 323 (quoting Fed. R. Civ. P. 56(c)). However, when the opposing party would have the burden of proof on a dispositive issue at trial, the moving party need not produce evidence which negates the opponent's claim. <u>See, e.g., Lujan v. Nat'l Wildlife Fed'n</u>, 497 U.S. 871, 885 (1990). Rather, the moving party need only point to matters which demonstrate the absence of a genuine issue of material fact.

See Celotex, 477 U.S. at 323-24 (1986) ("Where the nonmoving party will bear the burden of proof at trial on a dispositive issue, a summary judgment motion may properly be made in reliance solely on the pleadings, depositions, answers to interrogatories, and admissions on file.") Summary judgment should be entered, after adequate time for discovery and upon motion, against a party who fails to make a showing sufficient to establish the existence of an element essential to that party's case, and on which that party will bear the burden of proof at trial. Celotex, 477 U.S. at 322.

If the moving party meets its initial responsibility, the burden then shifts to the opposing party to establish that a genuine issue as to any material fact actually does exist. Matsushita Elec. Indus. Co. v. Zenith Radio Corp., 475 U.S. 574, 585-87 (1986); First Nat'l Bank v. Cities Serv. Co., 391 U.S. 253, 288-89 (1968).

In attempting to establish the existence of this factual dispute, the opposing party must tender evidence of specific facts in the form of affidavits, and/or admissible discovery material, in support of its contention that the dispute exists. Fed. R. Civ. P. 56(e). The opposing party must demonstrate that the fact in contention is material, i.e., a fact that might affect the outcome of the suit under the governing law, and that the dispute is genuine, i.e., the evidence is such that a reasonable jury could return a verdict for the nonmoving party. Anderson v. Liberty Lobby, Inc., 477 U.S. 242, 248, 251-52 (1986); Owens v. Local No. 169, Assoc. of W. Pulp and Paper Workers, 971 F.2d 347, 355 (9th Cir. 1987). In other words, "before the evidence is left to the jury, there is a preliminary question for the judge, not whether there is literally no evidence, but whether there is any upon which a jury could properly proceed to find a verdict for the party producing it, upon whom the onus of proof is imposed." Anderson, 477 U.S. at 251 (quoting Improvement Co. v. Munson, 81 U.S. 442, 448 (1871)). As the Supreme Court explained, "[w]hen the moving party has carried its burden under Rule 56(c), its opponent must do more than simply show that there is some metaphysical doubt as to the material facts

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Where the record taken as a whole could not lead a rational trier of fact to find for the nonmoving party, there is no 'genuine issue for trial.'" Matsushita, 475 U.S. at 586-87.

In resolving a summary judgment motion, the evidence of the opposing party is to be believed, and all reasonable inferences that may be drawn from the facts placed before the court must be drawn in favor of the opposing party. Anderson, 477 U.S. at 255. Nevertheless, inferences are not drawn out of the air, and it is the opposing party's obligation to produce a factual predicate from which the inference may be drawn.

Richards v. Nielsen Freight Lines, 602 F. Supp. 1224, 1244-45 (E.D. Cal. 1985), aff'd, 810 F.2d 898 (9th Cir. 1987).

ANALYSIS

Defendant's motion for summary judgment is unopposed. A district court may not grant a motion for summary judgment solely because the opposing party has failed to file an opposition. Cristobal v. Siegel, 26 F.3d 1488, 1494–95 n.4 (9th Cir. 1994) (unopposed motion may be granted only after court determines that there are no material issues of fact). The Court may, however, grant an unopposed motion for summary judgment if the movant's papers themselves are sufficient to support the motion and do not on their face reveal a genuine issue of material fact. See United States v. Real Property at Incline Village, 47 F.3d 1511, 1520 (9th Cir. 1995) (citing Marshall v. Gates, 44 F.3d 722 (9th Cir. 1995); Henry v. Gill Indus., Inc., 983 F.2d 943, 949 (9th Cir. 1993)), rev'd on other grounds, 517 U.S. 820 (1996). In this case, Defendant's papers in support of the motion for summary judgment establish that Defendant did not violate Plaintiff's trademark rights under federal or state law, as alleged by Plaintiff.

More specifically, the Lanham Act, 15 U.S.C. § 1114, "allows the holder of a protectable trademark to hold liable any person who, without consent, 'uses in commerce any . . . registered mark in connection with the sale, offering for sale, distribution, or advertising of any goods or services' which is likely to cause confusion." KP Permanent Make-Up, Inc. v. Lasting Impression I, Inc., 408 F.3d 596, 603 (9th Cir. 2005) (quoting 15 U.S.C. § 1114(1)(a)). However, the Lanham Act requires that a plaintiff first prove that it owns a valid mark. Id. The plaintiff must then show that "the alleged infringer's use of the mark 'is likely to cause confusion, or to cause mistake, or to deceive." Id. (quoting 15 U.S.C. § 1114(1)(a)-(b)). A claim for false designation of origin pursuant to 15 U.S.C. § 1125(a)(1)(A) likewise requires a plaintiff to show that there is a likelihood of confusion in order to succeed on his claim. Walter v. Mattel, Inc., 210 F.3d 1108, 1111 (9th Cir. 2000). Finally, the Lanham Act's "likelihood of confusion standard applies equally to claims under California law." E. & J. Gallo Winery v. Pasatiempos Gallo, S.A., 905 F. Supp. 1403, 1415 (E.D. Cal. 1994).

There are eight factors that are generally relevant to the Lanham Act's "likelihood of confusion" inquiry: (1) strength of the mark(s); (2) relatedness of the goods; (3) similarity of the marks; (4) evidence of actual confusion; (5) marketing channels; (6) degree of consumer care; (7) the defendants' intent; and (8) likelihood of expansion.

AMF, Inc. v. Sleekcraft Boats, 599 F.2d 341, 348-49 (9th Cir. 1979). These eight factors apply to claims for false designation of origin, Walter, 210 F.3d at 1111, and to claims arising under California law, see E & J Gallo Winery, 905 F. Supp. at 1415. "The test [for likelihood of confusion] is a fluid one and the plaintiff need not satisfy every factor, provided that strong showings are made with respect to some of them." Surfvivor Media, Inc. v. Survivor Productions, 406 F.3d 625, 631 (9th Cir. 2005) (citing Dreamwerks Prod. Grp., Inc. v. SKG Studio, 142 F.3d 1127, 1129 (9th Cir. 1998)).

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In this case, Plaintiff has put forth absolutely no evidence showing that any of these factors weigh in his favor. Because no reasonable factfinder could find that there is a likelihood of confusion based on the evidence presently before the Court, there is no genuine issue of material fact as to whether Defendant's use of Plaintiff's mark is likely to confuse consumers. Accordingly, summary judgment in favor of Defendant is GRANTED for Plaintiff's claims for trademark infringement in violation of 15 U.S.C. § 1114, false designation of origin in violation of 15 U.S.C. § 1125(a)(1)(A), common law trademark infringement, and violation of California Business and Professions Code § 17200.

Defendant's papers likewise establish that Defendant did not falsely advertise in violation of 15 U.S.C. § 1125(a)(1)(B). Such a claim requires the plaintiff to show:

(1) in advertisements, [the] defendant made false statements of fact about its own or another's product; (2) those advertisements actually deceived or have the tendency to deceive a substantial segment of their audience; (3) such deception is material, in that it is likely to influence the purchasing decision; (4) [the] defendant caused its falsely advertised goods to enter interstate commerce; and (5) [the] plaintiff has been or is likely to be injured as the result of the foregoing either by direct diversion of sales from itself to [the] defendant, or by lessening of the goodwill which its products enjoy with the buying public.

Rice v. Fox Broad. Co., 330 F.3d 1170, 1180 (9th Cir. 2003).

Again, Plaintiff has presented absolutely no evidence demonstrating the presence of any of these five elements. Plaintiff has thus failed to make a showing sufficient to establish the existence of multiple elements essential to his claim for false advertising, and Plaintiff will bear the burden of proving these elements at trial. Given the dearth of evidence presented by Plaintiff, "the record taken as a whole could not lead a rational trier of fact to find for the nonmoving party." Matsushita, 475 U.S. at 586-87. Accordingly, there is no genuine issue for trial, and Defendant's motion for summary judgment on Plaintiff's false advertising claim is GRANTED.

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Finally, Defendant's papers establish that Defendant did not dilute Plaintiff's trademark in violation of 15 U.S.C. § 1125(c). A claim for trademark dilution requires a plaintiff to show that: (1) his mark is famous; (2) the defendant is making a commercial use of the mark in commerce; (3) the defendant's use began after the mark became famous; and (4) the defendant's use of the mark dilutes the quality of the mark by diminishing the capacity of the mark to identify and distinguish goods and services. Id. § 1125(c)(1). "A mark is famous if it is widely recognized by the general consuming public of the United States as a designation of source of the goods or services of the mark's owner." Id. § 1125(c)(2)(A). The statute specifically provides that

[i]n determining whether a mark possesses the requisite degree of recognition, the court may consider all relevant factors, including . . . (i) the duration, extent, and geographic reach of advertising and publicity of the mark, whether advertised or publicized by the owner or third parties; (ii) the amount, volume, and geographic extent of sales of goods or services offered under the mark; [and] (iii) the extent of actual recognition of the mark "

<u>Id.</u> § 1125(c)(2)(B).

In this case, Plaintiff has offered no evidence that his mark is famous. Plaintiff has thus failed to make a showing sufficient to establish the existence of an element essential to his claim for dilution, and Plaintiff will bear the burden of proving this element at trial. Accordingly, there is no genuine issue for trial as to this claim, and Defendant's motion for summary judgement on Plaintiff's trademark dilution claim is GRANTED.

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CONCLUSION

For the reasons set forth above, Defendant's Motion for Summary Judgment (ECF No. 74) is GRANTED as to all claims. The Clerk of the Court is directed to enter judgment in favor of Defendant to close the case.

IT IS SO ORDERED.

Dated: October 16, 2012

MORRISON C. ENGLAND, JR UNITED STATES DISTRICT JUDGE