

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

CIVIL MINUTES - GENERAL

Case No. CV 12-5706-GW(SHx) Date May 9, 2013

Title Home Decor Center, Inc. v. Google, Inc., et al

Present: The Honorable GEORGE H. WU, UNITED STATES DISTRICT JUDGE

<u>Javier Gonzalez</u>	<u>Wil Wilcox</u>	
<u>Deputy Clerk</u>	<u>Court Reporter / Recorder</u>	<u>Tape No.</u>

Attorneys Present for Plaintiffs:

Attorneys Present for Defendants:

Christopher K. Jafari

Kevin L. Vick

PROCEEDINGS: DEFENDANT GOOGLE, INC.'S MOTION FOR SUMMARY JUDGMENT, OR IN THE ALTERNATIVE, PARTIAL SUMMARY JUDGMENT (filed 04/11/13)

Court hears oral argument. The Tentative circulated and attached hereto, is adopted as the Court's final ruling. Defendant Google, Inc.'s motion is GRANTED. Defendants will file a proposed judgment forthwith.

Initials of Preparer JG : 15

Home Decor Center, Inc. v. Google, Inc., et al., Case No. CV-12-5706-GW(SHx)
Tentative Ruling on Motion for Summary Judgment

******This tentative ruling has been distributed only to the parties. Some of the documentation submitted in connection with these motions was filed under seal. Should either party wish this tentative ruling redacted so as to maintain the confidentiality of sealed material, such request must be made to the Court at the hearing. Otherwise, this Order will be publicly docketed.******

I. Background

Plaintiff Home Decor Center (“Plaintiff”) filed suit in state court against Google, Inc. (“Google” or “Defendant”) and Home Depot, Inc. (“Home Depot”) on May 29, 2012. *See generally* Compl., Docket No. 1, Ex. A. Google and Home Depot timely removed. Docket No. 1 at 2. Plaintiff filed a First Amended Complaint (“FAC”) on July 25, 2012, asserting nine causes of action under federal and state law related to the alleged infringement of Plaintiff’s trademarks.¹ *See generally* Docket No. 16. On September 20, 2012, the Court granted in part Google’s motion to dismiss the FAC. *See generally* Docket No. 29. Plaintiff filed the Second Amended Complaint (“SAC”) on October 1, 2012. Docket No. 31. On January 29, 2013, Plaintiff and Home Depot stipulated to a dismissal of Home Depot, leaving Google as the sole remaining Defendant in this case. *See* Docket No. 38.²

The SAC asserts five causes of action against Google: (1) trademark infringement and unfair competition under the Lanham Act, 15 U.S.C. § 1125(a); (2) vicarious trademark infringement; (3) contributory trademark infringement; (4) unfair business practices under Cal. Bus. & Prof. Code § 17200 (“Section 17200” or “UCL”); and (5) interference with “prospective contractual relations.”³ *See generally* SAC. Plaintiff’s claims are all premised on Home Depot’s alleged use of Google’s AdWords program to create advertisements for a website Home Depot operates called “www.homedecorators.com.” SAC ¶¶ 13-22, 39-41, 57-58, 64-66, 74, 83-4.

Plaintiff is the owner of a purported mark known as “Home Decor Center” (No.

¹The FAC asserted claims for: (1) federal trademark infringement and unfair competition under 15 U.S.C. § 1125(a); (2) unfair competition under the Lanham Act; (3) unfair business practices under Cal. Bus. & Prof. Code § 17200, *et seq.*; (4) trademark infringement under the Lanham Act; (5) contributory trademark infringement under the Lanham Act; (6) vicarious trademark infringement under the Lanham Act; (7) injunctive relief; (8) interference with prospective contractual relations; and (9) “passing off” under the Lanham Act. *See generally* FAC.

²On February 4, 2013, the Court entered an order dismissing all claims against Home Depot with prejudice. *See* Docket No. 39.

³Though Plaintiff characterizes its fifth cause of action as one for interference with “prospective contractual relations,” the SAC appears to plead a claim for what is more commonly referred to as interference with “prospective economic advantage.” *See* SAC ¶¶ 80-87. There are distinctions between a claim for interference with “prospective economic advantage” (as Plaintiff seems to have pled here), and a claim for interference with “existing contractual relations.” *See Korea Supply Co. v. Lockheed Martin Corp.*, 29 Cal. 4th 1134, 1157 (2003) (“We caution that although we find the intent requirement to be the same for the torts of intentional interference with contract and intentional interference with prospective economic advantage, these torts remain distinct.”). Here, Plaintiff does not allege that Google interfered with its *existing* contractual relations. *See* SAC ¶ 82 (“Plaintiff has *prospective* contractual relationships with its consumers that use Google as a search engine.”) (emphasis added).

85524323), which is registered in the Supplemental Register of the United States Patent and Trademark Office (“USPTO”). Pl.’s Request for Judicial Notice (“RJN”), Docket No. 73, Ex. A.⁴ Plaintiff originally sought to have “Home Decor Center” placed on the USPTO’s Principal Register, but the USPTO rejected Plaintiff’s application in May 2012, indicating that “Home Decor Center” was “merely descriptive” and that the word “Center” was generic in the context of Plaintiff’s claimed mark. Vick Decl., Docket No. 49, Ex. 2 at 3-6. Plaintiff’s amended application to place its mark on the Supplemental Register was later granted. Pl. RJN, Ex. A. Plaintiff also alleges that it owns the registered domain name “homedecorcenter.com,” and that advertisements created or authorized by Google through its AdWords program have caused damage to Plaintiff by confusing its customers and misdirecting them to Home Depot’s “www.homedecorators.com” website. SAC ¶¶ 17, 20-21, 23-27, 40. Plaintiff seeks damages, injunctive relief, and restitution as a result of Google’s allegedly wrongful conduct. *Id.* at Prayer.

Google AdWords operates with the Google search engine to permit third-party advertisers “to post their digital fliers where they might be most readily received in the cyber-marketplace.” *Jurin v. Google Inc.*, 695 F. Supp. 2d 1117, 1123 (E.D. Cal. 2010). Beyond the “organic” search results that are linked to potentially relevant websites in response to a user’s search queries, AdWords provides third-party paid advertisements. *See* Vick Decl., Ex. 6 at 38-40.⁵ These advertisements are distinct from organic search results and appear in a separate shaded box on certain parts of Google results webpages and include visual labels such as “Ads.” Vick Decl., Ex. 7A at 93, 113-114; Ex. 10.

AdWords allows advertisers to initially select and bid on “keywords” (including phrases) that trigger ads if they match a Google user’s search query. *See* Vick Decl., Ex. 6 at 38-40; Ex. 7 at 93, Ex. 113-14; Ex. 10, Ex. 11. The advertisers can also use a feature known as “dynamic keywords insertion,” in which they can have a specific keyword inserted into the text of an ad itself. *Id.*; *see also* Ex. 12. The Terms and Conditions of the AdWords program provide that advertisers are “solely responsible for all (i) creative (ii) Ad trafficking or targeting decisions (e.g. keywords)[.]” *Id.*, Ex. 14 ¶ 1.

The advertisements at issue in this case stem from the keywords “home decor center,” “homedecorcenter.com” and “homedecorcenter,” each of which, according to Google, were chosen by Home Depot. *See* Def. Mot., Docket No. 88, at 5-6; Vick Decl., Ex. 9 at 11, 17, 40, 48, 101, 134; Ex. 6 at 19, 41, 155, 184. Plaintiff, conversely, alleges that Google worked “jointly” with Home Depot “to create the content” of the ads, evidenced in part by Google’s policy of “review[ing] each ad.” SAC ¶¶ 25-27. As a result of dynamic keyword insertion, Google admits that some of the advertisements contained the terms “home decor center,” “homedecorcenter” or “homedecorcenter.com” in the ad text itself. Def. Mot. at 5-6. Even though these terms appeared in the ad text, Google maintains that the green Display URL appearing underneath the ads was always “www.homedecorators.com” (as opposed to Plaintiff’s

⁴The Court would GRANT Plaintiff’s request to take judicial notice of this registration pursuant to Fed. R. Evid. 201. *See* Docket No. 73.

⁵ As some of the documents in this case have been filed under seal, the Court’s citations to the parties’ moving papers and exhibits generally refer to page numbers of the non-electronic courtesy copies filed with the Court.

“homedecorcenter.com” URL). *See* Vick Decl., Ex. 9 at 152-53. Plaintiff, however, claims that when users typed “Home Decor Center” or “homedecorcenter.com” into the Google search engine or the address bar of web browsers on mobile devices or personal computers, the resulting ads bearing Plaintiff’s purported mark would redirect users to Home Depot’s website. SAC ¶¶ 17, 32-54.

On April 11, 2013, Google moved for summary judgment on the grounds that “Home Decor Center” is not a valid trademark and that Plaintiff’s state law claims premised on its purported mark must likewise fail. Google also argues that the state law claims are independently defective and barred by Section 230 of the Communications Decency Act, 47 U.S.C. § 230(c)(1) (“Section 230”), which prohibits providers of interactive computer services from being treated as the “publisher or speaker of information provided by another information content provider.” *See generally* Def. Mot. at 20-24.

II. Legal Standard

Summary judgment shall be granted when a movant “shows that there is no genuine dispute as to any material fact and the movant is entitled to judgment as a matter of law.” Fed. R. Civ. P. 56(a). In other words, summary judgment should be entered 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.” *Parth v. Pomona Valley Hosp. Med. Ctr.*, 630 F.3d 794, 798-99 (9th Cir. 2010).

To satisfy its burden at summary judgment, a moving party *without* the burden of persuasion – such as Defendant here – “must either produce evidence negating an essential element of the nonmoving party’s claim or defense or show that the nonmoving party does not have enough evidence of an essential element to carry its ultimate burden of persuasion at trial.” *Nissan Fire & Marine Ins. Co., Ltd. v. Fritz Cos., Inc.*, 210 F.3d 1099, 1102 (9th Cir. 2000). *See also* *Devereaux v. Abbey*, 263 F.3d 1070, 1076 (9th Cir. 2001) (*en banc*) (“When the nonmoving party has the burden of proof at trial, the moving party need only point out ‘that there is an absence of evidence to support the nonmoving party’s case.’”) (quoting *Celotex Corp. v. Catrett*, 477 U.S. 317, 325 (1986), and citing *Fairbank v. Wunderman Cato Johnson*, 212 F.3d 528, 532 (9th Cir. 2000) (holding that the *Celotex* “showing” can be made by “pointing out through argument . . . the absence of evidence to support plaintiff’s claim”). Further,

[i]f the party moving for summary judgment meets its initial burden of identifying for the court the portions of the materials on file that it believes demonstrate the absence of any genuine issue of material fact, the nonmoving party may not rely on the mere allegations in the pleadings in order to preclude summary judgment[, but instead] must set forth, by affidavit or as otherwise provided in Rule 56, specific facts showing that there is a genuine issue for trial.

T.W. Elec. Serv., Inc., v. Pac. Elec. Contractors Ass’n, 809 F.2d 626, 630 (9th Cir. 1987) (internal citations and quotation marks omitted). At the summary judgment stage, the court does not make credibility determinations or weigh conflicting evidence, and views all evidence and draws all inferences in the light most favorable to the non-moving party. *See id.* at 630-31 (citing

Matsushita Elec. Indus. Co., Ltd. v. Zenith Radio Corp., 475 U.S. 574, 587 (1986)); *Hrdlicka v. Reniff*, 631 F.3d 1044 (9th Cir. 2011); *Motley v. Parks*, 432 F.3d 1072, 1075 n.1 (9th Cir. 2005) (en banc); *Miranda v. City of Cornelius*, 429 F.3d 858, 860 n.1 (9th Cir. 2005).

III. Analysis

A. *The Validity of Plaintiff's "Home Decor Center" Trademark*

Plaintiff argues that it “does in fact have a valid registered trademark that was used since November of 2007 as reflected by the USPTO Certificate of Trademark the Plaintiff obtained.” Pl. Opp., Docket No. 85, at 17. Plaintiff further asserts that because it has used “Home Decor Center” and “HomeDecorCenter.com” since early 2006 and has “exhausted a substantial amount of resources over the past seven years” promoting the mark, “Home Decor Center” has acquired secondary meaning and is thus valid. *Id.* Plaintiff also cites the expert declaration of Howard Marylander to argue that the mark is “not a generic” term. *Id.* (citing Marylander Decl., Docket No. 72, Ex. A at 6).⁶

To succeed on its trademark infringement claim, Plaintiff must show that it has a protectable mark and that the alleged infringer’s imitating mark is similar enough to cause confusion, or to cause mistake, or to deceive. *Survivor Media, Inc. v. Survivor Productions*, 406 F.3d 625, 630 (9th Cir. 2005). “[U]nder Section 32 or 43(a) of the Lanham Act, a plaintiff has the burden to establish that” it has “a valid, protectable trademark.” *Multi Time Mach., Inc. v. Amazon.com*, No. 11-9076, 2013 U.S. Dist. LEXIS 23333, at *11 (C.D. Cal. Feb. 20, 2013). “[U]nlike principal registration, supplemental registration is not ‘prima facie evidence of the validity of the registered mark . . . of the registrant’s ownership of the mark, [or] of the registrant’s exclusive right to use the registered mark in commerce.’” *CreAgri, Inc. v. USANA Health Sciences, Inc.*, 474 F.3d 626, 629 n.6 (9th Cir. 2007) (citation omitted). “[T]he fact that a term is registered on the Supplemental Register does not entitle it to any statutory presumption that the term is a trademark and not a generic name.” 3 *McCarthy on Trademarks and Unfair Competition* (“*McCarthy*”) § 19:36 (2012); *Novartis Consumer Health v. McNeil-PPC, Inc.*, No. 99-280, 1999 U.S. Dist. LEXIS 20981, at *11-13 (D.N.J. Sep. 13, 1999) (same). Some courts have found that the USPTO’s rejection of a trademark application for the Principal Register can serve as “persuasive authority indicating that the mark is not protectable[.]” *See Closed Loop Mktg., Inc. v. Closed Loop Mktg.*, 589 F. Supp. 2d 1211, 1217-18 (E.D. Cal. 2008) (“In rejecting plaintiff’s application, the PTO answered the same question facing this court, whether the name is protectable.”); *see also Schwan’s IP, LLC v. Kraft Pizza Company*, 379 F. Supp. 2d 1016, 1021 (D. Minn. 2005).

There are “four different categories of terms with respect to trademark protection: (1) generic, (2) descriptive, (3) suggestive, and (4) arbitrary or fanciful.” *Filipino Yellow Pages, Inc. v. Asian Journal Publications, Inc.*, 198 F.3d 1143, 1147 (9th Cir. 1999) (citing *Surgicenters of America, Inc. v. Medical Dental Surgeries Co.*, 601 F.2d 1011, 1014 (9th Cir.1979)). Only the first two of these categories are implicated here. Google argues that “Home Decor Center” is a generic term, while Plaintiff argues that the term is protectable because it is descriptive and has

⁶ Howard Marylander is president of a company that specializes in “the conduct and evaluation of survey research for litigation.” *See* Marylander Decl. ¶ 1.

secondary meaning. *Compare, e.g.*, Def. Mot. at 7-10 with Pl. Opp. at 17.

“A ‘generic’ term is one that refers, or has come to be understood as referring, to the genus of which the particular product or service is a species. It cannot become a trademark under any circumstances.” *Filipino Yellow Pages*, 198 F.3d at 1147. “To determine whether a term has become generic, we look to whether consumers understand the word to refer only to a particular producer’s goods or whether the consumer understands the word to refer to the goods themselves.” *Yellow Cab Co. v. Yellow Cab of Elk Grove, Inc.*, 419 F.3d 925, 929 (9th Cir. 2005) (citation omitted). One method of determining whether a product is generic is to evaluate whether “buyers understand the term as being identified with ‘a particular producer’s goods or services or ‘with all such goods and services, regardless of their suppliers.’” *Surgicenters*, 601 F.2d at 1016. In the latter instance, the term is generic. Similarly, courts in the Ninth Circuit use the “who-are-you” or “what-are-you” test: A valid mark answers the buyer’s questions, “Who are you? Where do you come from? Who vouches for you?” *See Filipino Yellow Pages*, 198 F.3d at 1147 (quoting *Official Airline Guides, Inc. v. Goss*, 6 F.3d 1385, 1391 (9th Cir. 1993)). The generic name of the product, on the other hand, answers the question “What are you?” *Filipino Yellow Pages*, 198 F.3d at 1147. “Whether a mark is generic is a question of fact.” *Stuhlberg Int’l Sales Co., Inc. v. John D. Brush & Co., Inc.*, 240 F.3d 832, 840 (9th Cir. 2001).”

“A descriptive term, unlike a generic term, can be a subject for trademark protection under appropriate circumstances.” *Filipino Yellow Pages*, 198 F.3d at 1147. “Although descriptive terms generally do not enjoy trademark protection, a descriptive term can be protected provided that it has acquired ‘secondary meaning’ in the minds of consumers, i.e., it has “become distinctive of the [trademark] applicant’s goods in commerce.” *Id.* (citing *Abercrombie & Fitch Co. v. Hunting World, Inc.*, 537 F.2d 4, 10 (2d Cir. 1976) (Friendly, J.) and 15 U.S.C. § 1052(f)). Courts occasionally refer to descriptive terms as “merely descriptive” terms (as opposed to generic or “common descriptive” terms. *Filipino Yellow Pages*, 198 F.3d at 1147 (citation omitted).

For a descriptive term to obtain secondary meaning, a plaintiff must show that there is a “mental association by a substantial segment of consumers and potential consumers between the alleged mark and a single source of the product.” *Levi Strauss & Co. v. Blue Bell*, 778 F.2d 1352, 1354 (9th Cir. 1985) (en banc). “Secondary meaning can be established in many ways, including (but not limited to) direct consumer testimony; survey evidence; exclusivity, manner, and length of use of a mark; amount and manner of advertising; amount of sales and number of customers; established place in the market; and proof of intentional copying by the defendant.” *Filipino Yellow Pages*, 198 F.3d at 1151. “[T]he question of secondary meaning is one of fact.” *Levi Strauss & Co.*, 778 F.2d at 1355.

Here, the Court would conclude that Plaintiff’s purported “Home Decor Center” mark is generic. “[T]he primary significance of [Plaintiff’s claimed] trademark is to describe *the type of product* rather than the *producer*,” and thus merely answers the question, “what are you?” *Filipino Yellow Pages*, 198 F.3d at 1147 (emphasis in original). Combining the words “home decor” with “center” does not primarily denote a specific origin or source. Rather, it merely identifies the “type of product” sold by Plaintiff, answering the consumer’s “what are you” question with the response, a “center” that provides “home decor.” *See id.* The evidence before the Court confirms this conclusion. A “TEFLON” genericness survey found that 79.6% of the

relevant consumer group viewed the phrase “Home Decor Center” as a generic description of a product category or type of store; by contrast, only 5.4% of that group perceived “Home Decor Center” as a brand name, and 14.9% did not know what it was. *See* Vick Decl., Ex. 17 at 7-8, 16, 24-27, 95-111, 137-153.⁷ Under the “primary significance” test in 15 U.S.C. § 1064(3), “[m]ajority use controls” whether a term is generic or not. 2 *McCarthy* § 12:6. “For example, if a survey showed 75% of the public regard the word as generic, then that is its majority usage and its ‘principal significance.’” *Id.*; *see also Intel Corp. v. Advanced Micro Devices, Inc.*, 756 F. Supp. 1292, 1297 (N.D. Cal. 1991) (“If a properly conducted [TEFLON] survey shows that 72% of the relevant public regards [the claimed mark] as generic, then that is its principal significance, and a court is justified in according substantial weight to such a survey.”). Defendant has submitted additional evidence indicating that businesses selling home decor goods use the term “home decor center” to generically describe stores or sections of stores that sell home decor products, and consumers use the phrase “home decor center” when seeking home decor goods. *See* Vick Decl., Exs. 23-27. A variety of definitions of “home decor” and “center” further suggest that the purported mark is generic (*id.*, Ex. 28), and one of Plaintiff’s USPTO applications actually disclaimed any right to exclusively use “center” apart from the mark. *See id.*, Ex. 3 at 4; *see also* Ex. 2 at 4, 6 (USPTO’s written rejection of Plaintiff’s initial application). Plaintiff is apparently not even the only business named “Home Decor Center” in the United States. *See id.*, Ex. 26.⁸

In response to Defendant’s arguments, Plaintiff has not provided any meaningful evidence or legal authority indicating that its mark is not generic. Rather, Plaintiff argues that because its claimed mark appears on the USPTO’s Supplemental Register, Plaintiff has a valid trademark, and that “actual confusion should be determined by the trier of fact.” *See, e.g.*, Pl. Opp. at 14, 17-19. But, as explained above, merely registering a term on the Supplemental Register does not create prima facie evidence of the validity of the purported mark, *see CreAgri*, 474 F.3d at 629 n.6, and the likelihood of confusion analysis becomes relevant here only if Plaintiff’s mark is in fact valid. The Opposition thus puts the cart before the horse. While Plaintiff suggests that genericness is disputed because the mark has acquired secondary meaning (Pl. Opp. at 18), “[t]he question of genericness and secondary meaning are indeed two distinct issues; if the object is generic, the question of secondary meaning is irrelevant.” *Glassybaby, LLC v. Provide Gifts, Inc.*, No. 11-380, 2011 U.S. Dist. LEXIS 113215, at *5-6 (W.D. Wash.

⁷ Defendant’s surveys were conducted by Dr. Jerry Yoram Wind, a Professor of Marketing at the Wharton School at the University of Pennsylvania. *See* Vick Decl., Ex. 17, at 1. Dr. Wind received his B.S. and M.A. from the Hebrew University of Jerusalem and received a PhD in marketing from Stanford University. *Id.* Dr. Wind has been a member of the Wharton faculty since 1967 and has authored 22 books and more than 250 research papers. *Id.* He has testified or been deposed in a number of cases over the last four years. *See id.* at Appendix G to the report.

⁸Courts routinely consider extrinsic evidence such as usage by sellers and consumers in the relevant trade, advertisements on the Internet, dictionary definitions and newspaper articles when ruling on genericness in the context of summary judgment motions. *See, e.g., Surgicenters*, 601 F.2d at 1017-18; *Premier Nutrition, Inc. v. Organic Food Bar, Inc.*, No. 06-827, 2008 U.S. Dist. LEXIS 78353, at *15-21,29 (C.D. Cal. Mar. 27, 2008) *aff’d*, 327 F. App’x 723 (9th Cir. 2009) (relying in part on definitions, term usage, and marketing materials to conclude that claimed “organic food bar” mark was generic).

Sept. 30, 2011) (citing *Two Pesos, Inc. v. Taco Cabana, Inc.*, 505 U.S. 763, 768 (1992)); *see also Indonesian Imports, Inc. v. Old Navy, Inc.*, No. 97-3534, 1999 U.S. Dist. LEXIS 4237, at *12 (N.D. Cal. Mar. 30, 1999) (“If [plaintiff’s] claimed dress is generic—no amount of secondary meaning evidence can save it”).

In granting summary judgment to defendants in similar cases of alleged trademark infringement, courts have found that marks consisting of a type of product or service plus “center” or “house” or “store” are generic. In *Surgicenters*, for instance, the Ninth Circuit held that Plaintiff’s “Surgicenter” mark “obviously means surgical center” and was thus generic. *Surgicenters*, 601 F.2d at 1017-18. Similarly, in *Ale House Mgmt., Inc. v. Raleigh Ale House*, 205 F.3d 137, 141 (4th Cir. 2000), the court held that the plaintiff “has no protectable interest in the words ‘ale house’” because “[t]hey are generic words for a facility that serves beer and ale.” *See also Convenient Food Mart, Inc. v. 6-Twelve Convenient Mart, Inc.*, 690 F. Supp. 1457, 1464 (D. Md. 1998) *aff’d* 870 F.2d 654 (granting summary judgment for defendant because “Convenient Food Mart” mark was generic). Thus, for the foregoing reasons, the Court would conclude that Plaintiff’s claimed mark is generic and not entitled to trademark protection.

However, even if the evidence set forth by Google were insufficient to sustain a finding of genericness by itself, “Home Decor Center,” if held to be descriptive, lacks the requisite secondary meaning to warrant trademark protections. “Home Decor Center,” if descriptive, “would be the feeblest of descriptive marks – in the words of one court, ‘perilously close to the generic line.’” *Filipino Yellow Pages*, 198 F.3d at 1151 (citation omitted). “Such a weak descriptive mark could be a valid trademark only with a strong showing of secondary meaning.” *Id.*

When evaluating the sufficiency of the evidence of secondary meaning, courts consider factors “including (1) whether the actual purchasers of the product bearing the claimed trademark associate the trademark with the producer, (2) the degree and manner of advertising under the claimed trademark, (3) the length and manner of use of the claimed trademark, and (4) whether the use of the claimed trademark has been exclusive.” *Japan Telecom, Inc. v. Japan Telecom Am. Inc.*, 287 F.3d 866, 873 (9th Cir. 2002).

Here, the evidence indicates that few customers associate the claimed mark with Plaintiff. In addition to the data discussed above, Defendant submitted another survey indicating that only 10.1% of the relevant public associates “Home Decor Center” with a single company. Vick Decl., Ex. 17 at 7-9, 23-27, 112-53. Even among the respondents who heard or saw the term or phrase “Home Decor Center,” none described it as a brand, store, or website. *Id.*, Ex. 17 at 18-22, 86-91.⁹ While Plaintiff argues that it has “exhausted a substantial amount of resources over the past seven years in advertising and promoting” the claimed mark (Pl. Opp. at 18), the only expert survey in the record indicates that Plaintiff’s efforts have apparently been unable to create an association between Plaintiff and its purported mark.¹⁰ *See Art Attacks Ink, LLC v. MGA*

⁹ Plaintiff claims that the expert report prepared by Defendant was a “late submission,” but the report was provided to Plaintiff consistent with the timeline set forth in Rule 26(a)(2)(D)(i), and Defendant’s summary judgment motion was filed in accordance with the Scheduling Order. *See* Docket No. 97 at 2-3. Plaintiff submitted a rebuttal expert report from Howard Marylander. *See* Docket No. 72.

¹⁰ Plaintiff’s advertising efforts have been relatively modest, given that its business was founded in 2007, little advertising has taken place outside Southern California, and ad spending has been insubstantial. *See* Vick

Entm't Inc., 581 F.3d 1138, 1146 (9th Cir. 2009) (“The true test of secondary meaning is the effectiveness of the advertising effort”). Moreover, there are no survey results from which a trier of fact could reasonably conclude that “Home Decor Center” is not generic or has obtained secondary meaning, and the Court should not find Plaintiff’s criticisms of Professor Wind’s surveys relevant or sufficiently supported by the evidence in the record. *See* Def. Reply, Docket No. 93, at 6-12.

In addition to the demonstrable absence of a strong association between Plaintiff and its purported mark, the length and manner of Plaintiff’s use of “Home Decor Center” – as well as the mark’s lack of exclusivity – also weigh against finding secondary meaning. Plaintiff’s business was founded in one of its co-owner’s garages in 2007, and Home Decor Center has never had more than one physical store. Vick Decl., Ex. 8 at 7, 22, 205. There are also at least two other businesses named “Home Decor Center” in the United States (*see* Vick Decl., Exs. 26-27), further undermining Plaintiff’s position. *See Carter-Wallace, Inc. v. Procter & Gamble Co.*, 434 F.2d 794, 802 (9th Cir. 1970) (lack of exclusivity weighed against secondary meaning); *Echo Travel, Inc. v. Travel Associates, Inc.*, 870 F.2d 1264, 1269 (7th Cir. 1989) (same).

Thus, the foregoing factors demonstrate that Plaintiff’s use and advertising of its claimed marks are insufficient to establish secondary meaning. “Where the party asserting trademark rights . . . fails to set forth sufficient evidence from which a trier-of-fact could reasonably conclude the establishment of secondary meaning in the relevant market as of the relevant time, summary judgment for the adverse party is appropriate.” *Chrysler Corp v. Vanzant*, 44 F. Supp. 2d 1062, 1074 (C.D. Cal. 1999). The Court would therefore conclude that Plaintiff’s claimed mark is generic and, even if descriptive, lacks secondary meaning. Defendant’s motion for summary judgment with respect to Plaintiff’s claims for trademark infringement, contributory trademark infringement, and vicarious trademark infringement would thus be GRANTED.¹¹

B. Plaintiff’s Remaining State Law Claims

Plaintiff’s remaining state law claims for (1) unfair business practices under Cal. Bus. & Prof. Code § 17200 and (2) intentional interference with prospective contractual relations are both related to the underlying acts of alleged trademark infringement discussed above. Therefore, to the extent these claims rest on the validity of Plaintiff’s purported mark, the Court would GRANT Defendant’s motion for summary judgment on those claims: in the absence of trademark infringement, Google’s conduct was not “unlawful” within the meaning of the UCL, and Google did not wrongfully use a protected trademark to interfere with Plaintiff’s prospective contractual relations.

Decl., Ex. 19 at 6, Ex. 8 at 30, 76, 128, 149, 189-196. The only evidence Plaintiff has submitted to support its claim of substantial advertising efforts consists of a printout from Plaintiff’s website, several press releases, promotional awards, and several Yelp reviews. *See* Jafari Decl., Docket No. 83, Ex. D at 20-49.

¹¹Even if the mark were valid, the Court would find that there is insufficient evidence in the record to support Plaintiff’s Lanham Act claims. *See* Def. Mot. at 16-20. It is also unclear whether there is still a basis for the injunctive relief sought by Plaintiff, given that Plaintiff and Home Depot entered into a stipulation dismissing Home Depot from the action and Home Depot has apparently ceased using the challenged terms. *See* Docket Nos. 38, 39; Vick Decl., Ex. 9 at 36-38, 83-84.

To the extent Plaintiff's state law claims are *not* wholly derivative of its Lanham Act claims, the Court would conclude that they fail for additional reasons. For example, Plaintiff argues that its customers were misled into believing that they received substandard service from the Home Decor Center as a result of being redirected to Google-created ads when searching for Plaintiff's website. Pl. Opp. at 6. Plaintiff claims that Home Depot "admitted in discovery that when Google search users typed in the Plaintiff's 'Home Decor Center' trademark and/or domain name, these users had in fact clicked on the infringing advertisements and made purchases thereafter." *Id.* Plaintiff's expert estimates that damages relating to this matter "are currently at a minimum of \$730,893.00[.]" *Id.* But as this Court noted in ruling on Defendant's motion to dismiss Plaintiff's First Amended Complaint, "the caselaw clearly indicates that neither Google's alleged individual authorization of each ad through the AdWords program, nor allegations that Google profited from the Home Depot's ad, permit Plaintiff's claims against Google to escape [Section 230 of the Communications Decency Act's] broad grant of immunity." See Docket No. 29 at 5. As explained more fully below, the evidence in this case indicates that Home Depot was the party responsible for selecting the "dynamic" keywords containing the terms "home decor center," "homedecorcenter" or "homedecorcenter.com" (none of which are trademarked) in the ad text itself. See Vick Decl., Ex. 9 at 11, 17, 40, 48, 101, 134; Ex. 6 at 19, 41, 155, 184. While this conduct is arguably actionable on various state law grounds as against *Home Depot*, Plaintiff chose to voluntarily dismiss Home Depot from this case. See Docket No. 38. By contrast, courts have repeatedly dismissed claims against Google which attempt to impose liability for claims arising out of third parties' use of the AdWords Program. See, e.g., *Jurin*, 695 F. Supp. 2d at 1122-1123 ("[Google's] AdWords program simply allows competitors to post their digital fliers . . . [Google] is therefore immunized from liability [under Section 230]."); *Goodard v. Google, Inc.*, 640 F. Supp. 2d 1193, 1198-1199 (N.D. Cal. 2009) (holding that Google merited Section 230 immunity because "Google's AdWords program was [not] anything other than 'a framework that could be utilized for proper or improper purposes'" (internal citations omitted)).

While this Court previously granted Plaintiff leave to amend in case it could establish that Google was involved in creating or developing the advertisements at issue (Docket No. 29 at 5), the evidence indicates that Plaintiff has failed to do so. Plaintiff has submitted a presentation that Google presented to Home Depot employees, communications between Google account representatives and Home Depot employees, and a user interface of Home Depot's AdWords account. See generally Jafari Decl., Docket No. 83, Exs. G, M, N, R, S. Much of this material is not facially related to the creation of the Home Depot advertisements at issue or is otherwise benign. The e-mails between Google and Home Depot do not suggest that Google "participat[ed]" in the *creation* of the advertisements at issue.¹² See *id.*, Ex. M at 162-169. For example, while one Google employee wrote that she "stuck with the general promo text" for the (unspecified) advertisements, that statement does not suggest that the Google employee "created" the "promo text" – especially given that the exact same exhibit shows that Larry Hall, the Home Depot

¹²Nor does Google's presentation to Home Depot suggest that Google created the ads at issue. Rather, it provides general information about online marketing and search in relation to the home decor industry. Ironically, Google's use of the phrase "home decor" in this presentation is yet another example of the genericness of Plaintiff's claimed mark. See Ex. G at 82.

employee responsible for the AdWords account, sent an e-mail to the Google employee two hours earlier apparently including the “general” promotional text she references. *Id.* at 162. Plaintiff also cites an e-mail from a Google employee stating that “Larry [Hall] has still be pretty MIA . . . not responsive to the efforts, product plan, etc.” Pl. Opp. at 8. Once again, this e-mail does not suggest that Google *created* the advertisements at issue. In fact, Larry Hall, the Home Depot employee, testified that “[i]t would have been me who implemented the [ad] campaign,” including the keyword “homedecorcenter.com.” Vick Decl., Ex. 9 at 101:3-10; 134:2-7. The evidence supplied by Plaintiff indicates that, at the most, Google merely authorized each ad through its Ad Words program.¹³ As explained by this Court in its previous ruling, such conduct is not actionable. *See* Docket No. 29 at 5; *see also* *CYBERSitter, LLC v. Google, Inc.*, No. 12-5293, 2012 U.S. Dist. LEXIS 168356, at *14 (C.D. Cal. Oct. 24, 2012) (Google entitled to Section 230 immunity “for [the] infringing content of the advertisements at issue” because the state law allegations did “not amount to the heightened level of ‘material contribution’ that the Ninth Circuit requires [under Section 230] . . . to find that [Google] is an information content provider”).¹⁴ Therefore, to the extent Plaintiff’s state law claims are not grounded exclusively in the validity of the “Home Decor Center” mark itself, the Court would conclude that Plaintiff has failed to provide any basis for stripping Google of the Section 230 immunity that applies to the remainder of its state law claims.

Moreover, Plaintiff has not demonstrated that it is entitled to any form of relief available under Section 17200, or that Google knowingly interfered with specific, existing economic relationships as required for Plaintiff’s intentional interference claim. The UCL encompasses a broad range of activity, but it “provides only limited remedies: restitution and injunctive relief.” *Shersher v. Superior Court*, 154 Cal. App. 4th 1491, 1497 (2007). “It has become a common practice for plaintiffs asserting a UCL claim (whether or not in a consumer case) to seek ‘restitution’ in order to invoke the court’s broad equitable powers, even though the term ‘restitution’ does not accurately describe the relief sought.” *Shersher*, 154 Cal. App. 4th at 1497. “Restitution” under the UCL is limited to “money or property that defendants took directly from plaintiff” or “money or property in which [plaintiff] has a vested interest.” *Korea Supply Co. v.*

¹³ Exhibit N, which includes printouts from the AdWords “Ops Control Center,” a user interface, was admittedly accessible to Home Depot and, as explained above, Larry Hall testified that he created and uploaded the content therein. *See* Vick Decl., Ex. 9 at 101:3-10; 134:2-7; Second Vick Reply Decl., Docket No. 94, Ex. 38 at 72:-3-74:22, 77:6-20, 79:15-81:3, 85:23-92:8. Plaintiff’s Exhibit R is similarly non-incriminating; it simply displays a Google employee attempting to resolve an issue with an advertisement that had been flagged as possibly trademarked despite the *lack* of any trademarked terms, and there is nothing to suggest that it relates to the terms at issue here. Jafari Decl., Ex. R. Finally, it is unclear to the Court how any expedited reviews of the ads Home Depot submitted to Google (Exhibit S) has any bearing on the alleged wrongfulness of Defendant’s conduct in this case.

¹⁴ As noted by the *CYBERSitter* court, “to the extent Plaintiff’s claims arise from Defendant’s tortious conduct related to something other than the content of the advertisements, [Section 230] immunity does not apply.” *CYBERSitter*, 2012 U.S. Dist. LEXIS 168356, at *14-15 (citing *Jurin*, 695 F. Supp. 2d at 1122); *see also* *Universal Comm’n Sys., Inc. v. Lycos, Inc.*, 478 F.3d 413, 419 (1st Cir. 2007) (“A key limitation [of the Communications Decency Act] is that immunity only applies when the information that forms the basis for the state law claim has been provided by *another* information content provider.”) (emphasis in original). Here, Plaintiff’s claims appear to be premised entirely on “the content of the advertisements” and thus Section 230 immunity should apply.

Lockheed Martin Corp., 29 Cal. 4th 1134, 1149 (2003). A restitution order “requires both that money or property have been lost by a plaintiff, on the one hand, and that it have been acquired by a defendant, on the other.” *Kwikset Corp. v. Superior Court*, 51 Cal. 4th 310, 336 (2011). While in its Statement of Genuine Issues (“SGI”) (Docket No. 86, ¶ 37) Plaintiff alleges lost business damages, “[c]ompensation for a lost business opportunity is a measure of damages and not restitution to the alleged victims” under Section 17200. *Korea Supply*, 29 Cal. 4th at 1151. Nor is Plaintiff entitled to injunctive relief. Plaintiff and Home Depot entered into a stipulation whereby Home Depot has been dismissed from this case with prejudice, and Home Depot has apparently ceased using the allegedly infringing ads at issue in this case. *See* Docket Nos. 38-39; *see also* Vick Decl. Ex. 9 at 36, 83-84.

Similarly, Plaintiff has failed to establish each element required to prove that Google intentionally interfered with Plaintiff’s prospective economic advantage.¹⁵ While Plaintiff argues that Google’s Analytics system demonstrates Google’s awareness of the fact that people visit Plaintiff’s website (SGI ¶ 39), this evidence does not establish that Google knew of specific parties with whom Plaintiff had a probability of future economic benefit. *See Brown v. Allstate Ins. Co.*, 17 F. Supp. 2d 1134, 1139 (S.D. Cal. 1998) (“Plaintiff must establish an actual economic relationship or a protected expectancy with a third person, not merely a hope of future transactions.”)¹⁶

In sum, to the extent they are not defeated by the absence of a protectable mark, Plaintiff’s state law claims are also barred by Section 230’s broad grant of immunity and the additional substantive defects discussed in this section.

C. Plaintiff’s Evidentiary Objections and Request Under Rule 56(d)

Plaintiff objects to the declaration and expert report of Dr. Jerry Wind on the grounds that these submissions are untimely and consist of hearsay. *See* Docket No. 76 at 2-3. The Court would OVERRULE these objections. Defendant’s expert report was provided to Plaintiff on March 27, 2013 as required by the expert disclosure guidelines in Fed. R. Civ. P. 26(a)(2)(D)(I). *See* Docket No. 97 at 2-3. Defendant also provided a complete copy of this report at the time the motion for summary judgment was filed, later filing a declaration that simply affirms the accuracy of the same report. *Id.* Courts have held that a later-filed declaration merely attesting to the accuracy of the same report is not suitable grounds for excluding evidence. *See, e.g., Volterra Semiconductor Corp v. Primarion, Inc.*, 796 F. Supp. 2d 1025, 1039 (N.D. Cal. 2011). Plaintiff’s suggestion that it was prejudiced by the timing of the Wind Declaration and report is further belied by its retention of a rebuttal expert witness who prepared a report to counter Defendant’s expert (Docket No. 72).

¹⁵The elements of a prospective interference with economic advantage claim are “(1) an economic relationship between the plaintiff and some third party, with the probability of future economic benefit to the plaintiff; (2) the defendant’s knowledge of the relationship; (3) intentional acts on the part of the defendant designed to disrupt the relationship; (4) actual disruption of the relationship; and (5) economic harm to the plaintiff proximately caused by the acts of the defendant.” *Korea Supply*, 29 Cal. 4th at 1153.

¹⁶Plaintiff did not respond to Defendant’s arguments that the state law claims were defective for these additional reasons.

The Court would also reject Plaintiff's hearsay objections. "Expert witnesses may rely on inadmissible hearsay in forming their opinions, so long as it is of a type reasonably relied upon by experts in their field." See *United States v. Zarate-Morales*, 377 F. App'x 696, 698 (9th Cir. 2010) (citing Fed. R. Evid. 703). Consumer survey results such as those relied on by Professor Wind may serve as the basis for expert opinions. See, e.g., *Prudential Ins. Co. of Am. v. Gibraltar Fin. Corp. Of California*, 694 F.2d 1150, 1156 (9th Cir. 1982) (trademark "[s]urveys are admissible, if relevant, either as nonhearsay or through a hearsay exception," and if "conducted according to accepted principles are routinely admitted.").

Plaintiff also objects to Defendant's exhibits 22 through 28 on the grounds that they were not produced in discovery. *Id.* at 2-3. However, these documents were easily accessible over the internet and were equally available to Plaintiff. See *Allen v. Woodford*, No. CV-F-05-1104, 2007 U.S. Dist. LEXIS 11002, at *13 (E.D. Cal. Jan. 30, 2007) ("A party is [] not in control of records that the requesting party has equal ability to obtain from public sources."). Moreover, any production of these documents prior to Defendant's filing of its motion on April 11, 2012 would have implicated the attorney work product doctrine.

Finally, Plaintiff argues that Google's motion for summary judgment is premature because "Google's Counsel just recently informed Plaintiff's counsel" that Linda Spencer, a Rule 26 witness who allegedly has knowledge of the Ad Words account at issue, will not be available due to maternity leave until after Memorial Day weekend – just weeks before the June 25, 2013 trial date. See Pl. Opp. at 25-26; see also Jafari Decl., ¶¶ 5-8, Ex. X. As such, Plaintiff appears to suggest that the Court exercise its discretion to defer ruling on the motion under Rule 56(d). Pl. Opp. at 25.

A plaintiff seeking a continuance under Rule 56(d) must show that "(1) it has set forth in affidavit form the specific facts [it] hopes to elicit from further discovery; (2) the facts sought exist; and (3) the sought-after facts are essential to oppose" the pending motion. *Family Home & Finance Center, Inc. v. Federal Home Loan Mortgage Corp.*, 525 F.3d 822, 927 (9th Cir. 2008). The Court would hold that Plaintiff has failed to meet these requirements; the Opposition merely states that Plaintiff will suffer nonspecific "prejudice" if it is not permitted to present "additional, relevant evidence" through Ms. Spencer's deposition. Pl. Opp. at 25-26. This Court also denied Plaintiff's ex parte request to continue the trial dates based on her deposition. See Docket Nos. 61, 82. Nor do the cited portions of the Jafari Declaration offer any specific facts that Plaintiff hopes to secure through Ms. Spencer, the basis for believing that those facts exist, or any reasons why such facts would be essential to oppose Defendant's motion. See Jafari Decl. ¶¶ 5-8. In light of Plaintiff's failure to justify the request for a continuance under Rule 56(d), the Court would DENY Plaintiff's request. See *Family Home*, 525 F.3d at 827 (denying request for a continuance because plaintiff's "generically relevant" evidence was not "essential" to opposing the motion for summary judgment). However, at the hearing, if Plaintiff can meaningfully articulate precise, compelling reasons that Ms. Spencer's deposition is "crucial" to oppose the instant motion, the Court may consider reevaluating the request for a continuance.

IV. Conclusion

For the above reasons, the Court would GRANT Defendant's motion for summary judgment in its entirety.