

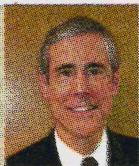
A gem of a name

SPOONFUL OF SUGAR

BY RICHARD A.

SUGAR:

Serving tastings of money, taxes and the law



Are you the owner of your personal name so that you can always use it to start your own business? You may be surprised at the answer.

Let's say your name is Laura Buccellati and your dream has always been to design and sell your own luxury purses and handbags. You are a descendant of the famous, Milan-based jewelry company, Buccellati, which makes high-end jewelry and silver products and sells them worldwide. (In fact, earlier this year, Buccellati released the most expensive bejeweled iPad and iPhone covers ever offered, which list for \$485,000 and \$208,000, respectively). You have been frustrated with the conduct of the family's business, and you feel unfulfilled in your role there, so you sell your interest and start a new handbag company in Florida called "Laura Buccellati LLC." You are not concerned with name brand confusion because there are many similarities in the fashion industry — Calvin Klein and Anne Klein and Lloyd Klein, Mark Jacobs and Adam Jacobs, Diane Von Furstenberg and Egon Von Furstenberg. People really seem to like your handbags and you start to make money. Then the Buccellati company sues you for infringing on their brand.

They claim in U.S. District Court in Southern Florida that you deliberately are trying to associate your handbags with the Buccellati brand which is intended to confuse consum-

ers. You called your product a "jewel of a bag." You continued to advertise that your craftsmanship follows in the long line of Buccellati craftsmanship. You tried to register your name "Laura Buccellati" as a trademark, and the U.S. Patent and Trademark Office refused to do so (because of objections raised by the Buccellati company, which owned the registered brands "Buccellati" and "Laura"). On promotional tours you continue to imply you still have ties to the Buccellati company and that consumers can rely on the Buccellati brand name when considering your handbags. You sell your handbags in the same channels of trade and in some of the same stores where Buccellati fine products are sold.

Here's the surprise. At the end of July 2014, the court ordered Laura to stop using the Buccellati brand name, to take the name off of her handbags or else deliver all of her inventory to the company, to trash all of her marketing and promotional material, in print or online, and to stop using misleading statements about her connection to the famous Buccellati jewelry business. But, Laura did not have to pay one penny of damages to the Buccellati company for past infringement. The jury decided no damages were in order. Probably they were swayed by the fact that even while Laura was infringing, Buccellati sold a controlling interest in the company for \$100 million.

So be careful when you set up your manufacturing operation, consulting service, or mobile app company. You may be foreclosed from using your own name.

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