

CASE NO: 0056559

**UNITED STATES COURT OF APPEALS
FOR THE NINTH CIRCUIT**

ENTREPRENEUR MEDIA, INC.,

Plaintiff and Appellee

versus

SCOTT SMITH, dba ENTREPRENEURPR,

Defendant and Appellant

Appeal from a Judgment of the
United States District Court for the Central District of California
Case No. CV 98-3607 FMC (BQRx)
Honorable Florence-Marie Cooper, United States District Judge

**AMICUS CURIAE BRIEF
OF CALIFORNIA SMALL BUSINESS ASSOCIATION
AND CALIFORNIA SMALL BUSINESS ROUNDTABLE
IN SUPPORT OF DEFENDANT AND APPELLANT**

Carl K. Oshiro
Counselor at Law
100 First Street, Suite 2540
San Francisco, CA 94105
[415] 927-0158
[415] 927-3515 Fax
Attorney for Amicus Curiae

CORPORATE DISCLOSURE STATEMENT

Pursuant to Rule 26.1 of the Federal Rules of Appellate Procedure, California Small Business Association and California Small Business Roundtable state that they do not have a parent corporation, no publicly held company owns 10 percent or more of their stock and they have not issued any stock to the public.

TABLE OF CONTENTS

<i>INTEREST OF AMICUS CURIAE</i>	1
<i>ARGUMENT</i>	4
<i>I. The District Court Erred in its Analysis of the Strength of Plaintiff’s Mark.</i>	4
<i>I. When Determining the Strength of Marks Courts Have Routinely Considered Whether the Mark Involves the Use of a Commonly Used Word, Third Party Use of the Word, Its Dictionary Definition and Other Factors.</i>	5
<i>A. The Strength of a Mark Depends on Whether It is Arbitrary, Fanciful, Suggestive, Descriptive or Generic.</i>	5
<i>A. Courts Must Also Consider the Strength or Weakness of a Mark in the Marketplace.</i>	8
<i>I. The District Court Erred in Finding That the Mark Was Strong Based on Its Incontestable Status.</i>	9
<i>II. The District Court Did Not Consider Whether the Term “Entrepreneur” is in Common Usage, the Dictionary Definition of the Term or How the Term is Used and Understood by the Public at Large.</i>	11
<i>A. The Term “Entrepreneur” is Commonly Used to Identify Informational Materials of Interest to Small Business Owners.</i>	11
<i>B. “Entrepreneur” is a Term That Is Broadly Used and Understood by the Public to Refer to Small, Independent Business Owners.</i>	15

CONCLUSION

19

***CERTIFICATE OF COMPLIANCE
PURSUANT TO FED. R. APP. 32(a)(7)(C) AND
NINTH CIRCUIT RULE 32-1***

DECLARATION OF SERVICE BY MAIL

TABLE OF AUTHORITIES

Cases

	page
<u>Abercrombie & Fitch Co. v. Hunting World, Inc.</u> , 537 F.2d 4 (2 nd Cir. 1976).	7
<u>AMF Inc. v. Sleekcraft Boats</u> , 599 F.2d 348 (9 th Cir. 1979).	4
<u>CES Publishing Corp. v. St. Regis Publications, Inc.</u> , 531 F.2d 11, 14 (2d Cir. 1975);	7
<u>Comedy III Productions, Inc. v. New Line Cinema</u> , 200 F.3d 593 594 (9 th Cir. 2000).	4
<u>Duluth News-Tribune v. Mesabi Publishing Co.</u> , 84 F.3d 1093 (8 th Cir. 1996).	6
<u>Field Enterprises Corp. v. Cove Industries, Inc.</u> , 297 F.Supp. 989 (E.D.N.Y. 1969)	8
<u>Filipino Yellow Pages, Inc. v. Asian Journal Publications</u> , 198 F.3d 1143 (9 th Cir. 1999).	6, 6 n.1
<u>First Sav. Bank, F.S.B. v. First Bank System, Inc.</u> , 101 F.3d 645 (10 th Cir. 1996).	15 n.4
<u>General Mills, Inc. v. Kellogg Co.</u> , 824 F.2d 622 (8 th Cir. 1987).	15 n.4
<u>Gruner + Jahr USA Publishing v. Meredith Corp.</u> , 991 F.2d 1072, 1077 (2 nd Cir. 1993).	6-7, 18 n.7
<u>Kendall-Jackson Winery. Ltd. v. E. & J. Gallo Winery</u> , 150 F.3d 1042 (9 th Cir. 1998).	9
<u>Lone Star Steakhouse & Saloon v. Alpha of Virginia</u> , 43 F.3d 922, (4th Cir. 1995).	10 n.1

<u>McGraw-Hill Pub. Co.v. American Aviation Associates</u> , 117 F.2d 293 (1940 D.C. Cir.).	7
<u>Metro Publishing. Ltd. v. San Jose Mercury News</u> , 861 F.Supp. 870 (N.D.Cal.1994).	7
<u>Miss World (UK) Limited v. Mrs. America Pageants</u> , 856 F.2d 1445 (9 th Cir. 1988).	3, 5, 8, 9, 10, 14
<u>Munters Corp. v. Matsui Am., Inc.</u> , 909 F.2d 250 (7th Cir. 1990), <u>cert. denied</u> 498 U.S. 1016 [112 L.Ed.2d 595, 111 S.Ct. 591].	10 n.2
<u>National Information Corp. v. The Kiplinger Washington Editors, Inc.</u> , 771 F.Supp. 460 (D.D.C. 1991).	7
<u>Oreck Corp. v. U.S. Floor Systems, Inc.</u> , 803 F.2d 166 (5th Cir. 1986) <u>cert. denied</u> , 481 U.S. 1069 [95 L.Ed. 871, 107 S.Ct. 2462].	10 n.2
<u>Reese Publishing Co. v. Hampton International Communications</u> , 620 F.2d 7 (2d Cir. 1980).	7
<u>Rodeo Collection, Ltd. v. West Seventh</u> , 812 F.2d 1215 (9 th Cir. 1987).	8
<u>Scholastic, Inc. v. Macmillan, Inc.</u> , 650 F.Supp. 866 (S.D.N.Y. 1987).	6 n.1, 7
<u>Societe Comptoir De L'Industrie Cotonniere Etablissements Boussac v. Alexander's Department Stores, Inc.</u> , 299 F.2d 33, 36 (2d Cir. 1962).	18
<u>Surgicenters of Am., Inc. v. Medical Dental Surgeries, Co.</u> , 601 F.2d 1011 (9 th Cir. 1979).	9, 16 n.5
<u>Technical Publishing Co. v. Lebhar-Friedman, Inc.</u> , 729 F.2d 1136 (7th Cir. 1984).	6 n.1, 7

Statutes and Regulations

15 U.S.C. § 272a	17 n.6
15 U.S.C. § 631a	17 n.6
15 U.S.C. § 634b	17 n.6
15 U.S.C. § 636	17 n.6
15 U.S.C. § 3705	17 n.6
15 U.S.C. § 6901	17 n.6
22 U.S.C. § 2181	17 n.6
42 U.S.C. § 12572	17 n. 6
47 U.S.C. § 257	17 n. 6
49 U.S.C. § 70101	18 n. 6
Fed. R. App. P. 29	3
Fed. R. Evid. 201	12 n.3
3 CFR Proclamation 7311	16-17

Treatises

- Jerome Gilson, Trademark Practice and Protection (2000). 11 n. 2
- J. Thomas McCarthy, Trademarks and Unfair Competition (4th ed. 1996). 5, 11 n.2

Other References

- Office of Advocacy, U.S. Small Business Administration, The Facts About Small Business 1999, <http://www.sba.gov/advo/stats/facts99.pdf>. 12
- 6 Books in Print: 1999-2000 (R.R. Bowker, 52nd ed. 1999) 12 n.3
- The Oxford English Dictionary on Compact Disk (2nd ed. 2000) 16
- Random House Unabridged Dictionary (2nd Edition 1993) 16 n.5
- Keith W. Schlitt, Entrepreneur's Guide to Preparing a Winning Business Plan & Raising Venture Capital (Prentice-Hall, 1990). 13
- Entrepreneur's Guide to Buying a Small Business Franchise (Carlyle Publishing 1997). 13
- Kris Jamsa, Entrepreneur: 365 Steps to a Successful Startup (Gulf Publishing 1998). 13

H. Brade Antin & Alan J. Antin, <u>Entrepreneur's Guide to Common Sense Marketing</u> (The Marketing Group 1999).	13
James Ray, <u>Entrepreneur's Handbook: A Complete Guide to Venture Selection and Business Planning</u> (McGraw-Hill 1994).	13
Sean Melvin, <u>Entrepreneur's Handbook for Business Law: The Business Owner's Answer Book to Most Common Legal Questions</u> (Macmillan 1997).	13
Lyle R. Maul & Dianne C. Mayfield, <u>The Entrepreneur's Road Map to Business Success</u> (Saxtons River Publications 1992).	13
Constance E. Bagley, <u>Entrepreneur's Guide to Business Law</u> (West Publishing Co. 1997).	13
<u>Entrepreneur's Business Directory: 1999-2000</u> (American Business Directories: 1999).	13
Courtney Price, <u>Entrepreneur's Resource Handbook</u> (Entrepreneurial Education Foundation 1997).	13
Lloyd Shesky, <u>Entrepreneurs Are Made Not Born</u> (McGraw Hill, 1996).	13
Steven Brandt, <u>Entrepreneurship: The Ten Commandments for Building a Growth Company</u> (Addison-Wesley 1982).	13
<u>Entrepreneurial Finance</u> (McGraw Hill 2000).	13
<u>Entrepreneurship: Creating & Managing New Ventures</u> (Bruce Lloyd editor, Pergamon 1989).	14

Entrepreneurship: A Career Alternative (Center for
Education and Training for Employment, 1984).

14

INTEREST OF AMICUS CURIAE

California Small Business Association (CSBA) is a 501(c)(6), nonprofit organization that grew out of the 1980 White House Conference on Small Business. It is a grassroots, volunteer-driven organization dedicated to helping members “grow their businesses,” informing members about government programs and other resources available to assist them and advocating on their behalf in Congress, the California Legislature and federal and state administrative agencies and courts. CSBA regularly polls its member on public policy issues affecting small business and receives guidance from the California Small Business Roundtable (CSBRT) which consists of 40 leading small business owners from across the State. CSBRT is a nonprofit public benefit corporation which, among other things, provides general advocacy on behalf of small businesses in California, disseminates information relevant to such businesses and represents the interests of small businesses before various public agencies. Together, CSBA and CSBRT represent approximately 187,000 small business owners in the State of California. Each one of these small business owners are (and consider themselves to be) entrepreneurs.

CSBA and CSBRT have a strong interest in this matter. For decades, the word ENTREPRENEUR has been commonly used to refer to small,

independent business owners. Books, articles, news columns, Presidential proclamations and federal statutes make frequent use of the term. Because the word is in the public domain, no provider of products or services to small business owners has had the right to bar others from using the term. As a result, many providers use the word ENTREPRENEUR or variations of thereof to identify their products or services as being specially designed for or of special interest to small business owners. Small business owners benefit from this broad use of the term ENTREPRENEUR to identify products and services suitable for small business owners, both as *consumers* of these products and services and, in many cases, as *providers* of such products and services to other small business owners.

In this case, the District Court enjoined Defendant from using the terms “ENTREPRENEURPR,” “ENTREPRENEUR ILLUSTRATED” and “entrepreneurpr.com” finding that these uses infringed on Plaintiff’s registered trademark ENTREPRENEUR. In reaching this decision, the District Court determined that the term ENTREPRENEUR was a “strong” mark entitled to strong protection based on its “incontestable” status alone.

As shown more fully below, the District Court erred in finding that the ENTREPRENEUR was a “strong” mark. As the Ninth Circuit and a majority of the other circuits have held “[I]ncontestable status does not alone

establish a strong mark.” Miss World (UK) Limited v. Mrs. America Pageants, 856 F.2d 1445, 1449 (9th Cir. 1988). Instead, courts must look to other factors to determine the strength of a mark such as third party usage and how the term is used and understood by the public-at-large. When these factors are considered, the only possible conclusion is the one that comports with common sense: ENTREPRENEUR is a “weak” mark that is entitled only to limited protection and Defendant’s uses pose no likelihood of confusion to consumers. Pursuant to Rule 29(b) of the Federal Rules of Appellate Procedure, CSBA and CSBRT have filed herewith a motion requesting that the Court grant leave to file this amicus curiae brief.

ARGUMENT

Recently, this Court stated

In order to prevail on a Lanham Act claim, a plaintiff must prove the existence of a trademark and the subsequent use of that mark by another in a manner likely to cause consumer confusion. When made successfully, these two arguments—known respectively as the “validity” and “infringement” prongs—form the basic allegations of trademark infringement.

Comedy III Productions, Inc. v. New Line Cinema, 200 F.3d 593, 594 (9th Cir. 2000).

In this case, the validity of Plaintiff’s mark (ENTREPRENEUR) does not appear to be at issue. Plaintiff’s mark is registered and has ripened into an “incontestable” status. Rather, the dispute focuses on the second prong—i.e., whether the Defendant has used the terms “ENTREPRENEURPR,” “ENTREPRENEUR ILLUSTRATED” and “entrepreneurpr.com” in a manner that is likely to cause consumer confusion. A crucial element in this analysis is determining the strength of Plaintiff’s mark. On this issue the District Court erred in finding that ENTREPRENEUR was a strong mark based solely on its incontestable status.

I. The District Court Erred in its Analysis of the Strength of Plaintiff’s Mark.

In AMF Inc. v. Sleekcraft Boats, 599 F.2d 341, 348-349 (9th Cir. 1979), this Court articulated an eight-factor test to determine when a particular use is likely to cause consumer confusion. The first factor is the strength of the mark. Whether a mark is “strong” or “weak” determines the scope of protection to be given to the mark. As Professor McCarthy states

“Strong” marks are given “strong” protection—protection over a wide range of related products and services and variations on visual and aural format. ... Conversely, weak marks are given a relatively narrow range of protection both as to products and format variations.

2 J. Thomas McCarthy, Trademarks and Unfair Competition, § 11:73, (4th ed. 1996) and cases cited therein. Miss World (UK) Limited v. Mrs. America Pageants, 856 F.2d 1445, 1448 (9th Cir. 1988) (“The strength of a given mark rests on its distinctiveness. The scope of protection afforded a strong mark is greater than that afforded a weak one”).

II. When Determining the Strength of Marks Courts Have Routinely Considered Whether the Mark Involves the Use of a Commonly Used Word, Third Party Use of the Word, Its Dictionary Definition and Other Factors.

A. The Strength of a Mark Depends on Whether It is Arbitrary, Fanciful, Suggestive, Descriptive or Generic.

In Miss World (UK) Limited, this Court stated “[A] mark's strength can be measured in terms of its location along a continuum stretching from

arbitrary, inherently strong marks, to suggestive marks, to descriptive marks, to generic, inherently weak marks.” 856 F.2d at 1448. Applying this test, courts have held that the following commonly used word and phrases for magazines and related products were either descriptive or generic, entitling the marks to little or no protection.¹

- “FILIPINO YELLOW PAGES” as used for a telephone directory primarily directed to the Filipino American community in Southern California was “a generic or very weak descriptive term.” Filipino Yellow Pages, Inc. v. Asian Journal Publications, 198 F.3d 1143, 1151, fn. 5 (9th Cir. 1999).
- “NEWS-TRIBUNE” was generic. Duluth News-Tribune v. Mesabi Publishing Co., 84 F.3d 1093, 1097 (8th Cir. 1996). (“The widespread use of the words “news” and “tribune” throughout the newspaper industry precludes plaintiff from claiming exclusive privilege to use these words.”).
- The word “PARENTS” for a magazine devoted to parenting was weak for the purposes of confusion analysis. Gruner + Jahr USA Publishing v. Meredith Corp., 991 F.2d 1072, 1077 (2nd Cir. 1993). (“[T]he trademark

¹ The Seventh Circuit has noted that “[M]agazines differ from other goods in that their title is the primary means of conveying their content, the result being that many magazine titles fall near the line between generic and descriptive marks.” Technical Publishing Co. v. Lebharr-Friedman, Inc. 729, F.2d 1136, 1140 (7th Cir. 1984). “[V]irtually all the reported trademark cases about magazine titles are concerned with determining whether the mark is generic or descriptive.” Scholastic, Inc. v. Macmillan, Inc., 650 F.Supp. 866, 870 (S.D.N.Y. 1987). Also, this Court has noted “The difference between a generic mark and weakest of descriptive marks may be almost imperceptible.” Filipino Yellow Pages, Inc. v. Asian Journal Publications, 198 F.3d 1143, 1151, fn. 5 (9th Cir. 1999) (citation omitted).

registration of the title “PARENTS” in its distinctive typeface did not confer an exclusive right on the word “parent,” such term being more generic than descriptive.”).

- “SOFTWARE NEWS” was generic. Technical Publishing Co. v. Lebharr-Friedman, Inc., 729 F.2d 1136, 1140-41 (7th Cir. 1984).
- “Describing a publication as a "SAFARILAND NEWSLETTER", containing bulletins as to safari activity in Africa, was clearly a generic use which is nonenjoinable,” Abercrombie & Fitch Co. v. Hunting World, Inc., 537 F.2d 4, 12 (2d Cir. N.Y. 1976).
- “CONSUMER ELECTRONICS MONTHLY” was generic. CES Publishing Corp. v. St. Regis Publications, Inc., 531 F.2d 11, 14 (2d Cir. 1975).
- “VIDEO BUYER’S GUIDE” was generic. Reese Publishing Co. v. Hampton International Communications, 620 F.2d 7, 11 (2d Cir. 1980).
- “Plaintiff’s trademark “AVIATION” is not “arbitrary or fanciful”, but descriptive.” McGraw-Hill Pub. Co.v. American Aviation Associates, 117 F.2d 293, 295 (1940 D.C. Cir.).
- “Eye” as used in “Public Eye” for a weekly newspaper column was weak. Metro Publishing. Ltd. v. San Jose Mercury News, 861 F.Supp. 870, 875 (N.D.C.A. 1994). (“[E]ven if Metro Publishing had a valid trademark interest in the word eye, it would, at best, receive only the moderate degree of protection afforded weak marks.”).
- “PERSONAL FINANCE” for an investment newsletter was weak. National Information Corp. v. The Kiplinger Washington Editors, Inc., 771 F.Supp. 460, 463 (D.D.C. 1991) (“Because the term "personal finance" is used generically and has been widely employed in a variety of business writings, the mark PERSONAL FINANCE is judged to be relatively weak.”).
- “CLASSROOM” for magazine for teachers was “no more than a descriptive trademark.” Scholastic, Inc. v. Macmillan, Inc., 650 F.Supp. 866, 871 (S.D.N.Y. 1987).

- The title “WORLD BOOK” for an encyclopedia is “extremely weak in the trademark sense.” Field Enterprises Corp. v. Cove Industries, Inc., 297 F.Supp. 989, 994 (E.D.N.Y. 1969) (“The “weakness” of the title is emphasized by the proliferation of encyclopedia names incorporating the word “World.””).

B. Courts Must Also Consider the Strength or Weakness of a Mark in the Marketplace.

In addition to determining whether a mark is generic, descriptive, suggestive, fanciful or arbitrary, courts also consider the strength or weakness of a mark in the marketplace. On this issue, the Ninth Circuit has employed two related tests: the “imagination test” and “the need test.”

The “imagination test” focuses on the amount of imagination required in order for a consumer to associate a given mark with the goods or services it identifies. ... The “need test” focuses on the extent to which a mark is actually needed by competitors to identify their goods or services.

Rodeo Collection, Ltd. v. West Seventh, 812 F.2d 1215, 1218 (9th Cir.

1987). The less imagination that is required to associate a mark with a good or service, and the more that a competitor needs the mark to identify his goods or services, the weaker the mark is. Miss World (UK) Limited, 856 F.2d at 1449 (holding that MISS WORLD was a “relatively weak” because “the mark’s imagination aspect [was] low and its needs aspect [was] high.”)

In determining the strength of marks like ENTREPRENEUR, courts have routinely considered whether the mark is commonly used by third parties in the industry. In Miss World (UK) Ltd. v. Mrs. America Pageants, Inc., this Court stated

We view the beauty pageant industry's marks as a "crowded field." In a "crowded" field of similar marks each member of the crowd is relatively "weak" in its ability to prevent the use by others in the crowd.

856 F.2d at 1449. See also Kendall-Jackson Winery. Ltd. v. E. & J. Gallo Winery, 150 F.3d 1042, 1049 (9th Cir. 1998) ("Because the grape leaf is used widely in the industry, it has lost the power to differentiate brands."). Courts also routinely look to dictionary definitions and public usage to determine the strength of a mark. Surgicenters of Am., Inc. v. Medical Dental Surgeries, Co., 601 F.2d 1011, 1015-18 (9th Cir. 1979).

III. The District Court Erred in Finding That the Mark Was Strong Based on Its Incontestable Status.

Rather than assessing the strength of Plaintiff's mark based on whether it was fanciful, arbitrary, suggestive, descriptive or generic and its strength in the marketplace according to the imagination/need tests, the District Court found that the mark was strong based on the mark's

incontestable status alone. The District Court stated “Plaintiff’s registered mark is incontestable and is entitled to protection as a strong mark. This factor weighs in favor of finding a likelihood of confusion.” District Court’s Order Granting in Part and Denying in Part Plaintiff’s Motion for Summary Judgment, p. 12. Appellant’s Excerpts of Record, 405.

The District Court’s finding is directly contrary to Miss World (UK) Limited v. Mrs. America Pageants, Inc., 856 F.2d 1445, 1449 (9th Cir. 1988) where this Court succinctly stated “[I]ncontestable status does not alone establish a strong mark.” This rule has been adopted by a majority of the circuits.²

² See, for example, Oreck Corp. v. U.S. Floor Systems, Inc., 803 F.2d 166, 171 (5th Cir. 1986) cert. denied, 481 U.S. 1069 [95 L.Ed. 871, 107 S.Ct. 2462] (1987) (“Incontestable status does not make a weak mark strong.”); Lone Star Steakhouse & Saloon v. Alpha of Virginia, 43 F.3d 922, 935 (4th Cir. 1995) (“[I]ncontestability affects the validity of the trademark but does not establish the likelihood of confusion necessary to warrant protection from infringement. Likelihood of consumer confusion remains an independent requirement for trademark infringement.” . . . [We] hold that we are free to address whether Plaintiffs’ incontestable trademark is descriptive or suggestive in determining whether the likelihood of consumer confusion exists in this case.”); Munters Corp. v. Matsui Am., Inc. 909 F.2d 250, 252 (7th Cir. 1990), cert. denied 498 U.S. 1016 [112 L.Ed.2d 595, 111 S.Ct. 591] (“Therefore Park ‘N Fly does not preclude consideration of the mark’s strength for purposes of determining the likelihood of confusion.”); 1 Jerome Gilson, Trademark Practice and Protection, § 4.03[3][f] (Matthew Bender 2000) (“Several courts have held, without more, an incontestably registered trademark is presumed to be strong. It now appears, however, that a majority of courts are taking the opposite view, namely, that a defendant is entitled to show that the plaintiff’s incontestably registered mark is weak.”)

IV. The District Court Did Not Consider Whether the Term “Entrepreneur” is in Common Usage, the Dictionary Definition of the Term, or How the Term is Used and Understood by the Public at Large.

Because the District Court determined that Plaintiff’s mark was strong based on its incontestable status alone, the court did *not* consider whether the term ENTREPRENEUR is in common usage, the dictionary definition of the term or how the term is used and understood by the public at large. Nor did the District Court consider the numerous decisions cited above holding that titles for magazines and related products using commonly used terms (such as PERSONAL FINANCE, CLASSROOM, PARENTS, CONSUMER ELECTRONICS, etc.) are either generic or descriptive marks. Had the court done so, it would have undoubtedly concluded that ENTREPRENEUR is an extremely weak mark.

A. The Term “Entrepreneur” is Commonly Used to Identify Informational Materials of Interest to Small Business Owners.

Over the past decade and especially during the recent economic expansion, there has been a tremendous growth in the number of small

5 J. T. McCarthy, Trademarks and Unfair Competition, § 32:155 and cases cited therein (“[T]he majority view of the courts is correct because the strength of the mark is, and always has been a factor in the infringement analysis of whether there is a likelihood of confusion.”).

businesses. For example, the U.S. Small Business Administration's Office of Advocacy reports that:

New business formation reached another record level in 1998. An estimated 898,000 new firms with employees opened their doors—the most ever and a 1.5 percent increase over the record 885,000 in 1997. Interest in owning or starting a business has broken new records over the last five years.... About 21 million Americans—17 percent of all U.S. non-agricultural workers—are engaged in some sort of entrepreneurial activity, including both full-time and part-time entrepreneurship.

Office of Advocacy, U.S. Small Business Administration, The Facts About Small Business 1999, <http://www.sba.gov/advo/stats/facts99.pdf>, p. 1.

This growth in the number of small businesses and increased interest in starting a business, in turn, has given rise to a large and growing number of materials from a wide variety of sources devoted to the needs and interests of small business owners. For example, the 1999-2000 edition of *Books in Print* lists approximately 250 titles from a number of publishers beginning with the word “Entrepreneur,” “Entrepreneurial,” or “Entrepreneurship.”³ These titles include the following:

³ 6 Books in Print: 1999-2000 (R.R. Bowker, 52nd ed., 1999) pp. 3196-3199. Under Rule 201 of the Federal Rules of Evidence, the Court may take judicial notice of matters that are indisputable because they are capable of immediate and accurate verification through reliable sources. Published for over 50 years, Books in Print is a standard reference work that lists currently available books by title and author for use by librarians and the book trade.

Keith W. Schlitt, Entrepreneur's Guide to Preparing a Winning Business Plan & Raising Venture Capital (Prentice-Hall, 1990).

Entrepreneur's Guide to Buying a Small Business Franchise (Carlyle Publishing 1997).

Kris Jamsa, Entrepreneur: 365 Steps to a Successful Startup (Gulf Publishing 1998).

H. Brade Antin & Alan J. Antin, Entrepreneur's Guide to Common Sense Marketing (The Marketing Group 1999).

James Ray, Entrepreneur's Handbook: A Complete Guide to Venture Selection and Business Planning (McGraw-Hill 1994).

Sean Melvin, Entrepreneur's Handbook for Business Law: The Business Owner's Answer Book to Most Common Legal Questions (Macmillan 1997).

Lyle R. Maul & Dianne C. Mayfield, The Entrepreneur's Road Map to Business Success (Saxtons River Publications 1992).

Constance E. Bagley, Entrepreneur's Guide to Business Law (West Publishing Co. 1997).

Entrepreneur's Business Directory: 1999-2000 (American Business Directories: 1999).

Courtney Price, Entrepreneur's Resource Handbook (Entrepreneurial Education Foundation 1997).

Lloyd Shesky, Entrepreneurs Are Made Not Born (McGraw Hill, 1996).

Steven Brandt, Entrepreneurship: The Ten Commandments for Building a Growth Company (Addison-Wesley 1982).

Entrepreneurial Finance (McGraw Hill 2000).

Entrepreneurship: Creating & Managing New Ventures (Bruce Lloyd editor, Pergamon 1989).

Entrepreneurship: A Career Alternative (Center for Education and Training for Employment, 1984).

Defendant also presented evidence showing that the term “entrepreneur” is widely used by the public-at-large, on the web and by numerous firms with registered trademarks. Appellant’s Opening Brief at p. 4.

With such broad usage of the terms “Entrepreneur,” “Entrepreneurial,” and “Entrepreneurship,” Defendants’ use of the terms ENTREPRENEURPR, ENTREPRENEUR ILLUSTRATED and entrepreneurpr.com cannot create confusion in the minds of small business owners as to the source of these materials. As this Court stated in Miss World (UK) Limited,

In a crowded field of similar marks, each member of the crowd is relatively weak. Simply put, a mark which is hemmed in on all sides by similar marks on similar goods cannot be very distinctive. It is merely one of a crowd of marks. In such a crowd, customers will not be confused between any two of the crowd and may have learned to carefully pick out one from the other.

856 F.2d 1445, 1449 (citations omitted).⁴

⁴ Finding that ENTREPRENEUR was a “strong” mark based on the incontestable status alone led to other errors as well. For example, the

B. “Entrepreneur” is a Term That Is Broadly Used and Understood by the Public to Refer to Small, Independent Business Owners.

The term “entrepreneur” is broadly used and understood by the public to refer to small independent business owners. “Entrepreneur” is commonly defined as “One who undertakes an enterprise, one who owns and manages a

District Court failed to give proper weight to the differences between Plaintiff’s and Defendant’s marks. As stated above, weak marks are given a narrow range of protection. First Sav. Bank, F.S.B. v. First Bank System, Inc. 101 F.3d 645, 655 (10th Cir. 1996) (emphasis added) (“When the primary term is weakly protected to begin with, ***minor alterations*** may effectively negate any confusing similarity between the two marks.”) “Determining that a mark is weak means that consumer confusion has been found unlikely because the mark’s components are so widely used that the public can easily distinguish ***slight differences in the marks even if the goods are related.***” General Mills, Inc. v. Kellogg Co., 824 F.2d 622, 626 (8th Cir. 1987) (emphasis added) (holding that OATMEAL RAISIN CRISP was not confusingly similar to APPLE RAISIN CRISP stating “The use of identical, even dominant, words in common does not automatically mean that two marks are similar. [citation omitted.] Rather, in analyzing the similarities of sight, sound, and meaning between two marks, a court must look to the overall impression created by the marks and not merely compare individual features.”

In this case, there are ample differences between Plaintiff’s mark (ENTREPRENEUR) and Defendant’s marks (ENTREPRENEURPR, ENTREPRENEUR ILLUSTRATED and entrepreneur.com). In addition to the obvious differences in the words themselves, Plaintiff’s mark appears in red on its publications and Defendant’s mark appears in yellow. There are differences in the font and logo design used by the marks as well. Appellant’s Opening Brief at p. 4. As stated above, given the extremely weak nature of Plaintiff’s mark, “slight differences in the marks even if the goods are related” are sufficient to avoid any likelihood of confusion.

business; a person who takes the risk of profit or loss.” The Oxford English Dictionary on Compact Disk (2nd ed. 2000).⁵

The terms “entrepreneur,” “entrepreneurial and “entrepreneurship” are commonly used in official proclamations, statutes and government programs to refer to small business owners. For example, the President’s

Proclamation on Small Business Week 2000 states:

The men and women who own and operate our Nation’s 25 million small businesses have made, and continue to make, an indispensable contribution to America’s economic strength and success. These *entrepreneurs* possess many of the characteristics that have always defined the American spirit: a fierce independence, an extraordinary work ethic, and an uncompromising commitment to building a better life. Taking risks to fulfill their dreams, they have made a profound and positive impact on the lives and futures of their fellow citizens.

3 CFR Proclamation 7311, May 19, 2000 (emphasis added). Because of the important role small business owners play in our economy, Congress has enacted a number of statutes recognizing the importance of entrepreneurs, entrepreneurship and entrepreneurial activity and supporting these in various

⁵ See also, Random House Unabridged Dictionary (2nd Edition 1993) (defining entrepreneur as “a person who organizes any enterprise, especially as business, usually with considerable initiative and risk.”) Surgicenters of America, Inc. v. Medical Dental Surgeries, Co., 601 F.2d 1011, 1014, fn. 11 (9th Cir. 1979) (“Dictionary definitions have been considered in many cases in determining whether a tradename is generic. [citations omitted.] While not determinative, dictionary definitions are relevant and often persuasive in determining how a term is understood by the consuming public, the ultimate test of whether a trademark is generic....”).)

ways.⁶ In the court below, Defendant presented additional evidence demonstrating that the word “entrepreneur” is widely used to describe independent owners of small businesses. Appellant’s Opening Brief at p. 4.

⁶ For example, 15 U.S.C. § 631a declares that “[I]t is the continuing policy and responsibility of the Federal Government to use all practical means ... to implement and coordinate all Federal department, agency, and instrumentality policies and programs to ... provide an opportunity for *entrepreneurship*, inventiveness, and the creation and growth of small businesses.” 15 U.S.C. § 634b provides that one of the primary functions of the U.S. Small Business Administration’s Office of Advocacy is to “examine the role of small business in the American economy and the contribution which small business can make in ... stimulating innovation and *entrepreneurship*.” 29 U.S.C. § 2864 provides funding through the Workforce Investment Act for “*entrepreneurial* training.” 15 U.S.C. § 3705 provides for the establishment of Cooperative Research Centers by the Secretary of Commerce to provide “curriculum development, training, and instruction in invention, *entrepreneurship*, and industrial innovation.” 15 U.S.C. § 272a provides support through the National Institute of Standards and Technology for “workshops on technical and *entrepreneurial* topics.” 15 U.S.C. § 6901 et seq. provides assistance to “disadvantaged *entrepreneur*” which includes “an *entrepreneur* that lacks adequate access to capital or other resources essential for business success.” The Small Business Act’s purposes include assisting “women *entrepreneurs*.” 15 U.S.C. § 636 provides for low interest microloans to *entrepreneurs*. 15 U.S.C. § 6901 provides grants to organizations providing support for technical assistance and training for *entrepreneurs*. 22 U.S.C. § 2181 provides that one of the purposes of the International Shelter and Other Credit Programs is to “demonstrate to local *entrepreneurs* and institutions that providing low-cost shelter can be financially viable.” 42 U.S.C. § 12572 provides for grants for “A national service *entrepreneur* program that identifies, recruits, and trains gifted young adults of all backgrounds and assists them in designing solutions to community problems.” 47 U.S.C. § 257 directs the Federal Communications Commission to conduct “a proceeding for the purpose of identifying and eliminating market entry barriers for *entrepreneurs* and other small businesses in the provision and ownership of telecommunications services and information services.” 49

The broad use of the term “entrepreneur” to refer to independent, small business owners further demonstrates the obvious. Like the words PARENTS, PERSONAL FINANCE and CLASSROOM, ENTREPRENEUR is extremely weak in identifying the goods or services sold under the mark as emanating from a particular source. Registration of the mark makes no difference in this regard. As the Second Circuit stated, “The registering of a proper noun as a trademark does not withdraw it from the language, nor reduce it to the exclusive possession of the registrant which may be jealously guarding against any and all use by others.” Societe Comptoir De L'Industrie Cotonniere Etablissements Boussac v. Alexander's Department Stores, Inc., 299 F.2d 33, 36 (2d Cir. 1962).⁷ Under these circumstances, there is little likelihood of confusion among consumers and

U.S.C. § 70101 declares that “new and innovative equipment and services are being sought, produced, and offered by *entrepreneurs* in telecommunications, information services, microgravity research, and remote sensing technologies.” 2 U.S.C. § 635(g) requires the Export-Import Bank to prepare an Annual Report to Congress which, inter alia, reports on the bank’s activities “to enhance the opportunity for growth and expansion of small businesses and *entrepreneurial* enterprises.” (Emphasis added throughout.)

⁷ See also, Gruner + Jahr USA Publishing Co., 991 F.2d 1072, 1078 (2nd Cir. 1993) (citations omitted) (“Further registering the proper noun “Parents” as a trademark scarcely can be held to have removed it from being available by others or grant exclusive possession of this property right to the trademark registrant.”).

consequently uses such as those at issue in this proceeding do not violate the Lanham Act.

CONCLUSION

For the reasons set forth above, California Small Business Association and California Small Business Roundtable request that the Court reverse the judgment of the District Court.

Dated: November 17, 2000

Respectfully submitted

By _____
Carl K. Oshiro
Counselor at Law
100 First Street, Suite 2540
San Francisco, CA 94105
[415] 927-0158
[415] 927-3515 Fax
Attorney for CSBA/CSBRT

**CERTIFICATE OF COMPLIANCE
PURSUANT TO FED. R. APP. 32(a)(7)(C)
AND NINTH CIRCUIT RULE 32-1**

CASE NO: 0056559

I certify that:

Pursuant to Fed. R. App. P. 29(d) and Ninth Circuit Rule 32-1, the attached amicus curiae brief is proportionally spaced, has a typeface of 14 points or more and contains 7,000 words or less.

Date: November 17, 2000

Carl K. Oshiro
Attorney for Amicus Curiae

DECLARATION OF SERVICE BY MAIL

Re: Entrepreneur Media, Inc. v. Scott Smith, dba EntrepreneurPR (CASE NO: 0056559).

I, the undersigned declare as follows:

I am a citizen of the United States, over the age of 18 years of age and not a party to the above action. My business address is: 100 First Street, Suite 2540, San Francisco, California, 94103.

On November 20, 2000, I served the attached AMICUS CURIAE BRIEF OF CALIFORNIA SMALL BUSINESS ASSOCIATION AND CALIFORNIA SMALL BUSINESS ROUNDTABLE IN SUPPORT OF DEFENDANT AND APPELLANT by placing a true copy thereof in an envelope addressed to each of the persons named below at the addresses shown, and by sealing and causing said envelope to be deposited in the United States mail at San Francisco, California, with postage thereon fully paid.

Jerffrey S. Kravitz, Esq.
Attorney at Law
1007 7th Street, Suite 600
Sacramento, CA 95814

Mark Finkelstein, Esq.
Latham & Watkins
650 Town Center Drive, Suite 2000
Costa Mesa, CA 92626

I declare under penalty of perjury that the foregoing is true and correct.

Executed on November 20, 2000, at San Francisco, California.

Carl K. Oshiro
Attorney for Amicus Curiae