

Chicago Daily Law Bulletin®

VOLUME 168, NO. 102

LAW BULLETIN MEDIA

Which AIG is that? Case to examine when trademark confusion begins

Question: When does laches start for barring a trademark infringement action?

Discussion: Plaintiff A.I.G. Agency (Agency) is a family-owned insurance broker in Missouri. American International Group (International) is a large insurance company. Agency first started using AIG as a trademark in 1958. International started using AIG as a trademark somewhere between 1968 and 1970.

In 1995, International sent a demand letter to Agency demanding that it cease using the AIG trademark. Agency responded that it had the right to use AIG in Missouri and Illinois long before International obtained a federally registered trademark in AIG.

International sent a second demand letter in 2008. This time, International stated that it would not contest Agency's use of the mark in two counties in Missouri but would contest its use beyond that geographical scope. Almost a decade years later, in 2017, Agency sued International for common law trademark infringement and unfair competition. Both parties



IP NEWS CHALLENGE

BEVERLY A. BERNEMAN

BEVERLY A. BERNEMAN is a partner and chair of the Intellectual Property Practice Group at Golan Christie Taglia LLP. Beverly works with businesses to protect their patents, trademarks, copyrights and trade secrets. Reach her at baberneman@gct.law.

moved for summary judgment.

The district court granted International's motion on the basis of laches. Agency appealed.

The 8th Circuit U.S. Court of Appeals reversed and remanded the case. The court first explained the difference between laches (which is meant to bar claimants from bringing unreasonably delayed claims) and the doctrine of

progressive encroachment (under which the period of delay in a trademark infringement case is measured not from when a claimant first learned of the allegedly infringing mark, but from when that infringement first became actionable).

The court instructed the district court to "conduct a meaningful analysis" to determine when the infringement became actionable by looking at the factors of a likelihood of confusion.

Answer: Laches begins when the claim becomes actionable. The claim becomes actionable when the likelihood of confusion factors weigh in favor of the owner of the trademark.

Case Cite: *A.I.G. Agency, Inc. v American International Group, Inc.*, No. 21-1948 (8th Cir. May 13, 2022).

Sur-Reply: Progressive encroachment takes the "sting" out of laches. It helps alleviate a dilemma: Do you sue immediately and risk losing because the alleged infringement does not yet rise to the level of likelihood of confusion? Or, do you wait and get dismissed for unreasonable delay?