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UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF CALIFORNIA

PADRES, L.P.,  
Plaintiff,  
v.  
RIMEL’S LA JOLLA, LLC,  
Defendant.

Case No.: 3:19-CV-01764 AJB (BLM)  
**ORDER DENYING DEFENDANT’S  
MOTION FOR SUMMARY  
JUDGMENT**  
**(Doc. No. 35)**

Pending before the Court is Defendant Rimel’s La Jolla, LLC’s (“Rimel’s”) motion for summary judgment. (Doc. No. 35.) The motion is opposed by Plaintiff Padres, L.P. (“the Padres”). (Doc. No. 41.) For the reasons set forth below, the Court **DENIES** Rimel’s motion for summary judgment.

**I. BACKGROUND**

This case is a trademark infringement and unfair competition dispute under the Lanham Act brought by the Padres against Rimel’s, a former restaurant which operated a concession stand within the Padres’ stadium. The Padres, L.P. is the owner of the Major League Baseball team, the San Diego Padres. (First Amended Complaint ¶ 6.) Defendant Rimel’s formerly owned and operated a restaurant and a catering business in San Diego, serving potstickers, rotisserie chicken, fresh seafood, and sushi. (*Id.* ¶ 7.) Rimel’s is no longer in business in San Diego.

1 In 2004, the Padres began playing baseball at “Petco Park,” located in downtown  
2 San Diego. (*Id.* ¶ 9.) Petco Park showcases elements of local landmarks, including the  
3 Western Metal Supply Co. building (“Western Metal Building”):



11 Additionally, the Padres developed and used the “Swinging Friar”, depicted below,  
12 as a service mark and trade name in various images and in composite designs:

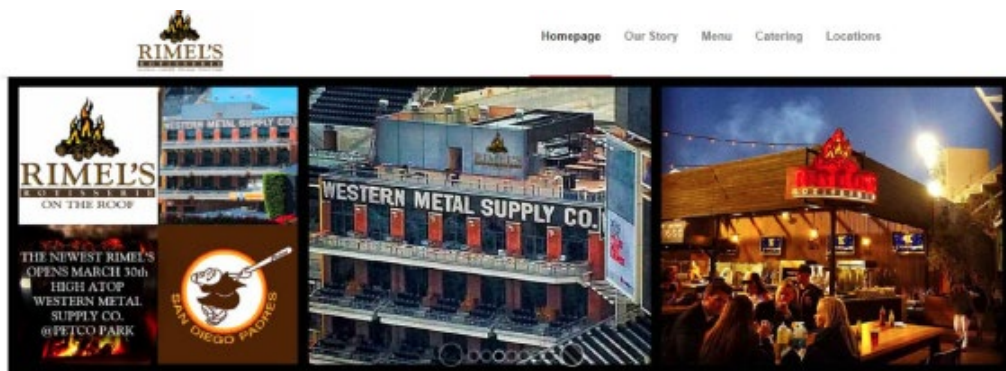


21 The Padres contend that the name “Western Metal Supply Co.” and the “Swinging  
22 Friar” have become well-known and associated with Petco Park and the Padres. (*Id.* ¶ 14.)  
23 The Padres registered and own both the “Swinging Friar” and the “Western Metal Supply  
24 Co.” name as a trademark or service mark. (*Id.* ¶ 14.)

25 The Padres allege that Rimel’s and San Diego Ballpark Funding, LLC (“SDBF”),  
26 owned by the Padres, entered into a sponsorship agreement (“the Sponsorship Agreement”)  
27 on February 28, 2014 for Rimel’s to open a concession stand on the Western Metal Supply  
28 Co. rooftop known as Rimel’s Rotisserie. (Declaration of Trevor Coddington, Doc. No.

1 35-2, Ex. B at 1.) The Sponsorship Agreement was amended on March 15, 2015, to permit  
2 another Rimel's branded concession stand at Petco Park known as Zenbu Sushi. (*Id.*, Ex.  
3 C.)

4 During the 2014 to 2016 baseball seasons, Rimel's denoted its Padres' sponsorship  
5 on its website and social media platforms. (*Id.*, Ex. A at 31:19-21; 39:16-21; 70:5-13; Ex.  
6 D.) In addition to indicating Rimel's Petco Park location, the website displayed the Western  
7 Metal Building and Swinging Friar marks. (*Id.*, Ex. A at 18:21-23; 21:4-25.) In 2017, the  
8 sponsorship ended, but a graphic (as shown below) inadvertently remained on Rimel's  
9 website showing the former Rimel's location at Petco Park. (*Id.*, Ex. A at 39:16-21.)



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19 On January 30, 2018, Rimel's filed suit against SDBF in state court to recover unpaid  
20 royalties due under the Sponsorship Agreement. (*Id.*, Ex. F.) The Padres then commenced  
21 the present trademark infringement lawsuit in this Court on September 13, 2019. (*Id.*, Ex.  
22 A at 57:3-12.) Because Rimel's was no longer in business and the graphic had remained  
23 accessible inadvertently, Rimel's immediately shut down its website in response. (*Id.*, Ex.  
24 A at 64:2-11.) The First Amended Complaint asserts two claims for relief for (1) trademark  
25 infringement (15 U.S.C. § 1114), and (2) federal unfair competition (15 U.S.C. § 1125).  
26 On January 8, 2021, Rimel's filed a motion for summary judgment, which the Padres  
27 opposed. This order follows.

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## 1 II. LEGAL STANDARD

2 Federal Rule of Civil Procedure 56 empowers the Court to enter summary judgment  
3 on factually unsupported claims, and thereby “secure the just, speedy and inexpensive  
4 determination of every action.” *Celotex Corp. v. Catrett*, 477 U.S. 317, 325 (1986).  
5 Summary judgment is appropriate if the “pleadings, depositions, answers to  
6 interrogatories, and admissions on file, together with the affidavits, if any, show that there  
7 is no genuine issue as to any material fact and that the moving party is entitled to judgment  
8 as a matter of law.” Fed. R. Civ. P. 56(c). “Where the record taken as a whole could not  
9 lead a rational trier of fact to find for the nonmoving party, there is no ‘genuine issue for  
10 trial.’” *Matsushita Elec. Indus. Co. v. Zenith Radio Corp.*, 475 U.S. 574, 587 (1986).

11 A party seeking summary judgment bears the initial burden of establishing the  
12 absence of a genuine issue of material fact. *See Celotex*, 477 U.S. at 323. Where the  
13 nonmoving party bears the burden of proof on a matter at trial, the moving party need only  
14 demonstrate to the Court that there is insufficient evidence to support the nonmoving  
15 party’s case. *Id.* at 325. The moving party can satisfy this burden in two ways: (1) by  
16 presenting evidence that negates an essential element of the nonmoving party’s case; or (2)  
17 by demonstrating that the nonmoving party failed to establish an essential element of the  
18 nonmoving party’s case on which the nonmoving party bears the burden of proof at trial.  
19 *See id.* at 322–23. “Disputes over irrelevant or unnecessary facts will not preclude a grant  
20 of summary judgment.” *T.W. Elec. Serv., Inc. v. Pacific Elec. Contractors Ass’n*, 809 F.2d  
21 626, 630 (9th Cir. 1987).

22 Once the moving party establishes the absence of genuine issues of material fact, the  
23 burden shifts to the nonmoving party to provide facts showing that a genuine issue of  
24 disputed fact remains. *See Celotex*, 477 U.S. at 314. The nonmoving party cannot rest on  
25 the mere allegations or denials of its pleading, but must “go beyond the pleadings and by  
26 its own affidavits, or by the depositions, answers to interrogatories, and admissions on file,  
27 designate specific facts showing that there is a genuine issue for trial.” *Id.* at 324 (citing  
28 Fed. R. Civ. P. 56(c)). When making this determination, the Court must view all inferences

1 drawn from the underlying facts in the light most favorable to the nonmoving party. *See*  
2 *Matsushita*, 475 U.S. at 587; *Fontana v. Haskin*, 262 F.3d 871, 876 (9th Cir. 2001). The  
3 Court must not weigh the evidence or make credibility determinations in evaluating a  
4 motion for summary judgment. *See Anderson v. Liberty Lobby, Inc.*, 477 U.S. 242, 255  
5 (1986).

### 6 **III. DISCUSSION**

7 Rimel's moves for summary judgment, arguing (1) it may not be held liable for  
8 trademark infringement because the Padres and Rimel's occupy entirely different  
9 industries; and (2) the fair use doctrine shields Rimel's from liability. (Doc. No. 35-1 at 6.)  
10 The Court addresses both grounds for summary judgment below but concludes that neither  
11 are persuasive.

#### 12 **A. Trademark Infringement and Unfair Competition**

13 The Padres alleges two claims for federal trademark infringement, 15 U.S.C.  
14 § 1114(1)(a), and federal unfair competition, 15 U.S.C. § 1125(a)(1)(A). Both claims are  
15 measured by identical standards. *See Brookfield Comm., Inc. v. West Coast Enter. Corp.*,  
16 174 F.3d 1036, 1046 (9th Cir. 1999). Under these standards, a plaintiff must prove (1) that  
17 it has a protectable ownership interest in the mark; and (2) that the defendant's use of the  
18 mark is likely to cause consumer confusion. *See Network Automation, Inc. v. Advanced*  
19 *Sys. Concepts, Inc.*, 638 F.3d 1137, 1144 (9th Cir. 2011); 15 U.S.C. § 1114.

20 Here, only the second criteria for trademark infringement and unfair competition is  
21 at issue because Rimel's does not dispute that the Padres own the trademarks for the  
22 "Swinging Friar" and "Western Metal Supply Co." Rimel's instead focuses on the second  
23 "likelihood of confusion" element, arguing that Rimel's previous use of the marks never  
24 caused consumer confusion. Central to Rimel's argument is that the Padres and Rimel's  
25 are not competitors, and occupy entirely different industries with Rimel's being in the  
26 restaurant business, and the Padres being a MLB team. Based on the dissimilarity of  
27 industries, Rimel's argues it may not be liable for trademark infringement as a matter of  
28 law. In opposition, the Padres contend that the unauthorized use of a mark to imply a



1 sponsorship or affiliation between the infringer and the owner constitutes trademark  
2 infringement. (Doc. No. 41 at 7.) The Court agrees with the Padres.

3 “Likelihood of confusion” exists if consumers would probably be confused about  
4 the source, affiliation, or sponsorship of defendant’s goods as the result of its adoption of  
5 plaintiff’s mark. *See Lindy Pen Co., Inc. v. Bic Pen Corp.*, 725 F.2d 1240, 1243, 1246 (9th  
6 Cir. 1984). Rimel’s relies on case law stating that trademark infringement under 15 U.S.C.  
7 § 1114 requires a plaintiff to show that the “public is likely to be deceived or confused by  
8 the similarity of the marks.” *Century 21 Real Estate Corp. v. Sandlin*, 846 F.2d 1175, 1178  
9 (9th Cir. 1988). Rimel’s argues that “[i]f the goods are totally unrelated, there can be no  
10 infringement because confusion is unlikely.” *Id.* Here, Rimel’s takes the position that  
11 because it is in the restaurant and food business, and the Padres is a baseball team, there is  
12 no risk of customer confusion. As Rimel’s explains, “[t]here is no evidence in this case that  
13 a confused customer who intended to buy a ticket to a Padres game accidentally bought a  
14 Rimel’s rotisserie chicken instead.” (Doc. No. 35-1 at 16.)

15 In opposing the motion, the Padres offers authority finding trademark infringement  
16 where former licensees exceed their permitted use of a licensor’s trademark. Specifically,  
17 the Padres cite to a Fifth Circuit case, *PGA v. Banker’s Life*. *See* 514 F.2d 665 (5th Cir.  
18 1975). In that case, Bankers Life Insurance (“Bankers”) financed the construction of a new  
19 city, including a golf course and clubhouse that housed the Professional Golfers  
20 Association (“PGA”) national headquarters for ten years. *Id.* at 667. When the PGA  
21 vacated the premises, Bankers refused to remove the PGA initials from the title of the club.  
22 *Id.* The PGA sued and the district court found that Bankers had infringed upon the PGA’s  
23 mark and competed unfairly with it through the continued use of the PGA initials. *Id.* The  
24 Fifth Circuit affirmed, concluding that “once the PGA left the premises, Bankers’ right to  
25 bask in the golfing association’s good name ceased,” because “[t]he quality of a trademark  
26 owner’s reputation should lie within his own control.” *Id.* at 670–71. “Once the contract  
27 ends, a licensee’s right to the mark ends, and any subsequent use constitutes infringement.”  
28 *Id.* at 670. The Padres rely on *PGA* to argue that even though Rimel’s and the Padres do

1 not offer the same goods, Rimel's may nevertheless be liable for trademark infringement  
2 because Rimel's did not cease use of the Padres' trademark after the termination of the  
3 Sponsorship Agreement.

4 On the narrow issue which Rimel's seeks summary judgment—whether the  
5 occupation of different industries precludes liability for trademark infringement—the  
6 Padres' position is prevailing. Rimel's cited authority is inapposite because those line of  
7 cases address allegations where the defendant copied substantial elements of the plaintiff's  
8 trademark. However, this is not the typical trademark infringement case whereby the  
9 plaintiff is alleging that the defendant duplicated a similar trademark. Indeed, there are no  
10 allegations that Rimel's developed a trademark that resembles the Padres' "Swinging  
11 Friar" logo or that Rimel's used a mark which incorporated words similar to "Western  
12 Metal Supply Co." Here, it is undisputed that Rimel's *actually used* the Padres' registered  
13 trademarks even after the parties' Sponsorship Agreement ended.

14 "[C]ourts have found that such continued use of a franchisors' trademarks following  
15 the franchise termination demonstrates not only a strong likelihood of confusion, but is  
16 dispositive by itself on the issue of infringement." *See Gen. Motors LLC v. W. Covina*  
17 *Motors, Inc.*, No. CV 15-705-JFW (AGRX), 2015 WL 12762063, at \*13 (C.D. Cal. Apr.  
18 13, 2015); *AT&T Corp. v. Vision One SecuritySystems*, No. 95-0565-IEG (BTM), 1995  
19 WL 476251, at \*6 (S.D. Cal. July 27, 1995) ("Because the Court finds that Vision One's  
20 license to use the AT&T mark was terminated as of February 28, 1995, any use of the mark  
21 by Vision One after that date was an unauthorized use."). Furthermore, 15 U.S.C. § 1125  
22 allows a plaintiff to recover for a defendant's unauthorized use of trademarks when that  
23 use "is likely to cause confusion, or to cause mistake, or to deceive as to the **affiliation,**  
24 **connection, or association** of such person with another person, or as to the origin  
25 sponsorship, or approval of his or her goods, services, or commercial activities . . ." (emphasis added).  
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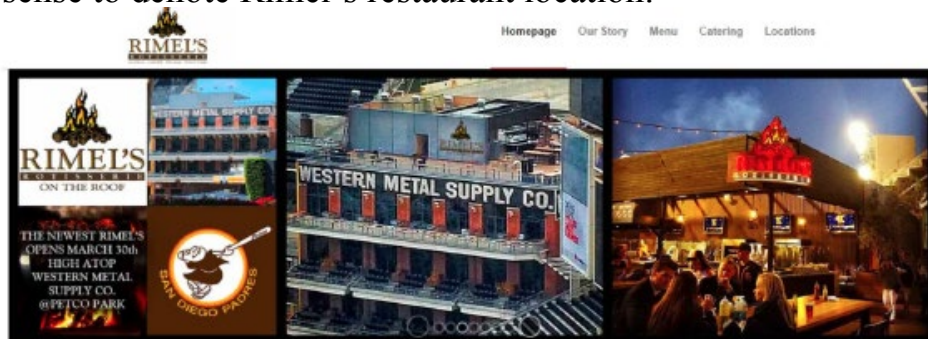
27 Here, the likelihood of confusion does not stem from whether the source of baseball  
28 or rotisserie chicken is the Padres or Rimel's. Rather, the likelihood of confusion stemmed

1 from the appearance that Rimel's remained affiliated with the Padres even after the  
 2 termination of the Sponsorship Agreement. The Padres' grievance is not that Rimel's use  
 3 of its trademark resulted in Rimel's obtaining an unfair advantage in competing in the  
 4 baseball industry. Instead, loss of control over its trademark is the Padres' primary concern.  
 5 Additionally, Rimel's does not explain how this loss of control depends on whether parties  
 6 are of different industries. "Trademarks serve as the identity of their owners and in them  
 7 resides the reputation and goodwill of their owners." *CytoSport, Inc. v. Vital Pharm., Inc.*,  
 8 617 F. Supp. 2d 1051, 1080 (E.D. Cal.), aff'd, 348 F. App'x 288 (9th Cir. 2009). "If another  
 9 infringes on a mark, the person borrows the owner's reputation," preventing the trademark  
 10 owner from exercising control over the quality of its mark and thus "creat[ing] the potential  
 11 for damage to its reputation." *Id.*

12 Again, Rimel's seeks summary judgment on the narrow issue of whether it may  
 13 escape liability because does not compete in the same industry as the Padres. On this  
 14 narrow question, the Court cannot conclude, as a matter of law, that there was no liability  
 15 based on the parties' different industries. Thus, summary judgment is **DENIED** on this  
 16 basis.

## 17 **B. Fair Use Doctrine**

18 Next, Rimel's seeks summary judgment on its fair use affirmative defense, arguing  
 19 that even if Rimel's can be held liable for trademark infringement, the fair use doctrine  
 20 precludes liability. (Doc. No. 25-1 at 17.) It is undisputed that a Rimel's branded  
 21 concession stand was located at the "Western Metal Supply Co." rooftop. However,  
 22 Rimel's contends it used the Western Metal Supply Co. trademark in its primary,  
 23 descriptive sense to denote Rimel's restaurant location:





1 The Padres do not dispute that during the time of the parties' Sponsorship  
2 Agreement, Rimel's was authorized to display the above graphic on its website. However,  
3 the Padres argue that upon the termination of the Sponsorship Agreement, use of the  
4 Padres' trademarks improperly implied Rimel's continued affiliation with the Padres.  
5 (Doc. No. 41 at 9.)

6 "Fair use is a mixed question of law and fact." *Harper & Row Publishers, Inc. v.*  
7 *Nation Enterprises*, 471 U.S. 539, 560 (1985). There are two types of fair use: "'classic  
8 fair use,' in which 'the defendant has used the plaintiff's mark to describe the defendant's  
9 own product,' and 'nominative fair use,' in which the defendant has used the plaintiff's  
10 mark 'to describe the plaintiff's product.'" *Cairns v. Franklin Mint Co.*, 292 F.3d 1139,  
11 1150 (9th Cir. 2002). Here, Rimel's is using the Padres' trademark to advertise and describe  
12 Rimel's own services, making this akin to a classic fair use case.

13 The precise elements of the classic fair use defense are that the defendant (1) is not  
14 using the term as a trademark, (2) uses the term only to describe its goods and services, and  
15 (3) uses the term fairly and in good faith. *See Cairns*, 292 F.3d at 1151. As to the first and  
16 second elements, the allegedly offending graphic incorporating the Swinging Friar and the  
17 Western Metal Supply Co. building is not used as Rimel's trademark or logo. Rather, the  
18 graphic is being used on its website to describe Rimel's newest location, and when this  
19 new location is set to open. Thus, the first and second elements of the defense are satisfied.

20 However, as to whether the graphic was used fairly and in good faith, this is a  
21 question of fact to be left to a jury. Rimel's has not adequately established the absence of  
22 a genuine issue of material fact. *Celotex*, 477 U.S. at 323. Rimel's argues its use was limited  
23 to introducing its new location opening within Petco Park, but this assertion, alone, is  
24 insufficient for summary judgment. The question of whether the use of the Padres' mark  
25 was fair and in good faith, or whether it was misleading is a question to be answered by a  
26 jury. *See KP Permanent Make-Up, Inc. v. Lasting Impression I, Inc.*, 408 F.3d 596, 609  
27 (9th Cir. 2005) (fair use analysis involves questions of facts); *Playboy Enterprises, Inc. v.*  
28 *Netscape Communications Corp.*, 354 F.3d 1020, 1029 (9th Cir. 2000) (disputed factual


1 issue of consumer confusion also precludes summary judgment as to fair use).  
2 Accordingly, the Court also **DENIES** Rimel’s motion for summary judgment on its fair  
3 use doctrine affirmative defense.

4 **IV. CONCLUSION**

5 In light of the foregoing, the Court **DENIES** Rimel’s motion for summary judgment.  
6 (Doc. No. 35.) The stay on all pretrial deadlines is hereby lifted. The parties are to proceed  
7 according to the pretrial schedule set forth in Doc. No. 48.

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9 **IT IS SO ORDERED.**

10 Dated: April 27, 2021

11   
12 Hon. Anthony J. Battaglia  
13 United States District Judge  
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