

FILED
United States Court of Appeals
Tenth Circuit

UNITED STATES COURT OF APPEALS
FOR THE TENTH CIRCUIT

September 7, 2023

Christopher M. Wolpert
Clerk of Court

ALFWEAR, INC.,

Plaintiff - Appellant,

v.

MAST-JAEGERMEISTER US, INC.,

Defendant - Appellee.

No. 21-4029
(D.C. No. 2:17-CV-00936-TC-DBP)
(D. Utah)

ORDER AND JUDGMENT*

Before **HOLMES**, Chief Judge, **KELLY**, and **CARSON**, Circuit Judges.

Plaintiff-Appellant Alfwear, Inc. (“Alfwear”) appeals from the district court’s grant of summary judgment in favor of Mast-Jaegermeister US, Inc. (“MJUS”) on Alfwear’s trademark infringement and unfair competition claims. The district court held that MJUS’s use of the German word “kühl” in its advertising campaign for its Jägermeister brand of alcohol did not infringe on Alfwear’s “KÜHL” trademark, which it uses as a brand name for its line of outdoor apparel and gear, because no reasonable juror

* This order and judgment is not binding precedent, except under the doctrines of law of the case, res judicata, and collateral estoppel. It may be cited, however, for its persuasive value consistent with FED. R. APP. P. 32.1 and 10TH CIR. R. 32.1.

could find a likelihood of confusion between the parties' marks. Exercising jurisdiction under 28 U.S.C. § 1291, we **affirm**.

I

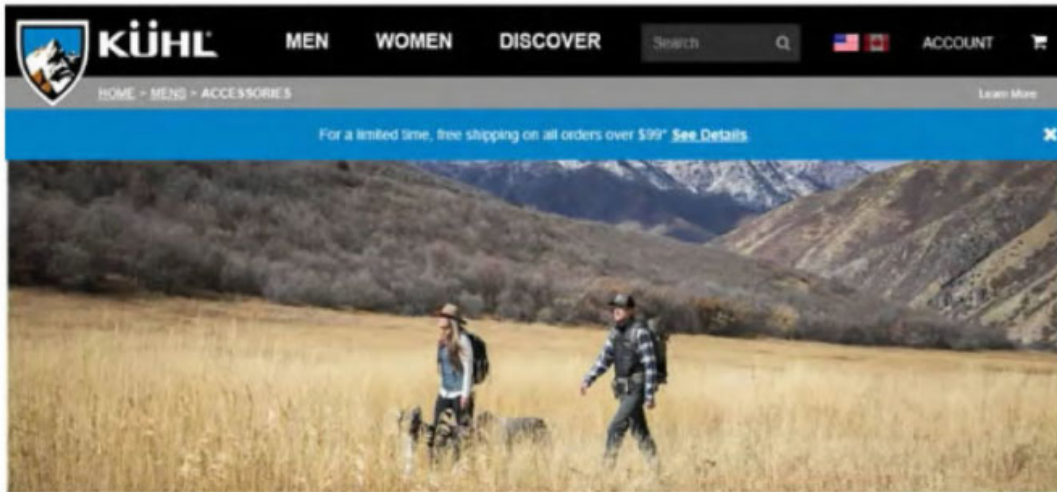
A

Alfwear is an outdoor clothing company founded in the mid-1980s in Salt Lake City, Utah. In 1993, the company rebranded and selected the German word “kühl”, meaning a “cool” temperature, for its clothing line. Alfwear’s founder, Kevin Boyle, also selected the mark “KÜHL” to convey the meaning of “cool” as in hip, stylish, and trendy, for its products. Alfwear has used the KÜHL mark continuously since 1993, using the mark for its expansive apparel line, including items like fleece jackets, hiking pants, and T-shirts, and for its non-apparel items, which include products like backpacks and luggage, lip balms, mints, and posters. Alfwear retails its products nationally, selling its products directly to consumers through its own stores and online website, and by partnering with retailers, such as REI, Backcountry.com, and smaller outdoor gear shops. Alfwear’s products bear the KÜHL brand name as well as the insignia of a shield-shaped emblem containing a snow-covered mountain peak against a blue sky, as depicted below:



Aplt.’s App., Vol. 8, at 2017 (Aplt.’s Opp’n to Aplee.’s Mot. for Summ. J., filed Oct. 23, 2020).

More generally, in its advertising and brand imagery, Alfwear depicts people wearing its clothing while engaged in outdoor activities in various natural settings, as portrayed below:



Aplt.'s App., Vol. 9, at 2102 (Aplt.'s Opp'n to Aplee.'s Mot. for Summ. J., App. Ex. 5, filed Oct. 23, 2020).



Aplt.'s App., Vol. 8, at 2018 (Aplt.'s Opp'n to Aplee.'s Mot. for Summ. J., filed Oct. 23, 2020).

Alfwear has obtained federal registrations for three different variations of the “KÜHL” trademark to brand its products.¹ The first, registered in 1996, is for the stylized word mark (with the word in lowercase letters, in bold block font, with the umlaut over the “u”) for Alfwear’s rugged outdoor clothing and its bottled spring water.² The second trademark, registered in 2011, is for the standard character mark “KÜHL” in capital letters with the umlaut over the “u”, for clothing items (predominantly jackets, pants, shirts, shorts, tops, bottoms, belts, and hats). The third, registered in 2013, is for the standard character mark “KUHL”, without the umlaut, with respect to clothing items, clothing fabric, bottled water, and lip balm.

kühl KÜHL KUHL

Aplt.’s Opening Br. at 10–11 (with the 1996, 2011, and 2013 trademarks appearing left to right).

¹ In its reply brief, “in the interest of candor,” Alfwear informed us that the U.S. trademark office “recently cancelled one of those registrations . . . for failure to file a declaration,” but that Alfwear had “filed a petition for reinstatement, which is currently pending.” Aplt.’s Reply Br. at 6 n.4. We agree with Alfwear’s assessment that this development has no material bearing on our resolution of this appeal.

² Alfwear points out that the first mark with lower case letters has been classified as “incontestable” under 15 U.S.C. § 1065. Aplt.’s Opening Br. at 10; *see also Beer Nuts, Inc. v. Clover Club Foods Co.*, 805 F.2d 920, 924 (10th Cir. 1986) (“A registered trademark, even a descriptive mark, may become incontestable if it has been in continuous use for five years following the date of its registration. Once a mark has become incontestable, its registration constitutes ‘conclusive evidence’ of the holder’s right to use the mark.” (citation omitted) (quoting 15 U.S.C. § 1065)).

In addition, Alfwear acquired by assignment a federal trademark registration for KÜHL for use in connection with wine and has a pending federal trademark application for KÜHL for use in connection with beer.³

³ To the extent that Alfwear bases any argument on appeal on its use of the KÜHL mark in connection with the sale or promotional use of beer, we conclude that Alfwear has effectively waived such an argument. *See United States v. Lamirand*, 669 F.3d 1091, 1099 n.7 (10th Cir. 2012) (“[T]he failure to argue for plain error and its application on appeal . . . surely marks the end of the road for an argument for reversal not first presented to the district court” (first omission in original) (citation omitted) (quoting *Richison v. Ernest Grp., Inc.*, 634 F.3d 1123, 1131 (10th Cir. 2011))).

At the time the district court granted summary judgment for MJUS on February 3, 2021, the district court found that “to date, Alfwear has not actually used KÜHL in connection with any alcoholic beverages.” *Alfwear, Inc. v. Mast-Jägermeister US, Inc.*, No. 2:12-cv-00936-TC-DBP, 2021 WL 364109, at *1 (D. Utah Feb. 3, 2021). Indeed, in its briefing before the district court, Alfwear did not raise any argument based on its sale *or promotional use* of “KÜHL Beer.” On appeal, Alfwear concedes in its opening brief that at the time of summary judgment, it had not yet entered the market with respect to alcohol, and so it does not rely on this argument on appeal, even though it has since entered the market. In spite of this concession, Alfwear asserts in its opening brief that it uses the KÜHL mark in connection with promotional products—including “KÜHL Beer”; notably, it relies on Mr. Boyle’s deposition testimony from December 11, 2018 (testimony taken approximately two years before the district court granted summary judgment) that “[Alfwear] use[s] KÜHL Beer at trade shows and in branding and parties and events.” Aplt.’s Opening Br. at 8–9 (alterations in original) (quoting Aplt.’s App., Vol. 15, at 3254 (Dep. of Kevin Boyle, taken Dec. 11, 2018)). In its reply brief, Alfwear attempts to clarify that “evidence of Alfwear’s *sale or manufacture* of alcohol was not before the district court on summary judgment,” but that evidence of “Alfwear’s *promotional* distribution of alcohol, in the form of KÜHL Beer,” was before the district court. Aplt.’s Reply Br. at 9.

However, our review of the record belies this assertion. In our view, Alfwear has failed to properly preserve this argument before the district court. Nor has Alfwear argued for plain-error review on appeal. We thus conclude that Alfwear has effectively waived any argument based on its actual use of KÜHL Beer for promotional uses or otherwise. *See United States v. Leffler*, 942 F.3d 1192, 1196 (10th Cir. 2019) (“When an appellant fails to preserve an issue and also fails to make

MJUS, which has as its parent company Mast-Jaegermeister SE, a German corporation, is a company that distributes a German herbal liqueur under the Jägermeister brand. In 2016, MJUS launched an advertising campaign to distance itself from its association with “pukey frat guys” and spring break parties and to remake the Jägermeister image as a “more premium” brand and emphasize its German heritage. Aplt.’s Opening Br. at 12–13; Aplee.’s Resp. Br. at 7. To accomplish this, MJUS’s new advertising campaign incorporated German words with easily understood English equivalents, such as “kühl,” “darke,” “perfekt,” “meister,” and “dekadent.” Aplee.’s Resp. Br. at 7 (quoting Aplt.’s App., Vol. 2, at 304 (Aplee.’s Mot. for Summ. J., filed Sept. 17, 2020)).

MJUS’s campaign featured the term “KÜHL” on billboards, in commercials, and in its digital advertising campaign, using the word in phrases like “KÜHL AS ICE” and “DRINK IT ICE KÜHL” to convey “in its literal sense . . . that Jägermeister was German and best consumed ice-cold.” Aplee.’s Resp. Br. at 8, 16.

a plain-error argument on appeal, we ordinarily deem the issue waived (rather than merely forfeited) and decline to review the issue at all—for plain error or otherwise.”); *Jacks v. CMH Homes, Inc.*, 856 F.3d 1301, 1306 (10th Cir. 2017) (“We have held that an appellant waives an argument if she fails to raise it in the district court and has failed to argue for plain error and its application on appeal.” (quoting *Campbell v. City of Spencer*, 777 F.3d 1073, 1080 (10th Cir. 2014))).



Aplt.’s App., Vol. 9, at 2131 (Aplt.’s Opp’n to Aplee.’s Mot. for Summ. J., App. Ex. 31, filed Oct. 23, 2020); Aplt.’s App., Vol. 8, at 2002 (Aplt.’s Opp’n to Aplee.’s Mot. for Summ. J., filed Oct. 23, 2020).

In limited circumstances, MJUS also used the word “KÜHL” in phrases like “BE KÜHL – THROW IT BACK” and “KÜHL SPOT”, employing the term for its “other common and ordinary meaning referring to a calm and collected demeanor, or hip and trendy thing or event.” Aplt.’s App., Vol. 2, at 308 (Aplt.’s Mot. for Summ. J., filed Sept. 17, 2020). While the term “KÜHL” was thus used in MJUS’s various advertisements, MJUS did not actually use or sell any product—including any promotional clothing item—with the KÜHL mark on (i.e., affixed to) it.

B

On August 17, 2017, Alfwear filed suit against MJUS, asserting federal trademark infringement under 15 U.S.C. § 1114(a), federal unfair competition under 15 U.S.C. §

1125(a), and common law unfair competition.⁴ Alfwear asserted that MJUS’s unauthorized use of the term “KÜHL” in connection with the advertising of MJUS’s goods or services infringed Alfwear’s registered trademarks and constituted federal and common law unfair competition.

After discovery, MJUS moved for summary judgment.⁵ It offered two main arguments: (1) that its use of “kühl” is fair use under 15 U.S.C. § 1115(b)(4) because it used the term to merely describe the proper temperature of its liqueur; and, regardless, (2) no reasonable juror could find a likelihood of confusion between MJUS’s and Alfwear’s marks.

The district court granted MJUS’s motion. *See Alfwear, Inc. v. Mast-Jägermeister US, Inc.*, No. 2:12-cv-00936-TC-DBP, 2021 WL 364109 (D. Utah Feb. 3, 2021). The court concluded that there was no likelihood of confusion between the parties’ uses of “kühl”. More specifically, the court concluded that—with only one exception—all of the relevant factors in the controlling balancing test for assessing likelihood of confusion “strongly support[ed]” MJUS; moreover, as to the one exception, that factor only “weigh[ed] slightly in favor of Alfwear.” *Id.* at *3. Because likelihood of confusion is required to establish Alfwear’s federal trademark infringement and federal and common law unfair competition claims, the court perceived no need to ascertain whether MJUS

⁴ Alfwear also brought a claim for dilution, but that claim was dismissed on summary judgment, and Alfwear does not appeal that ruling.

⁵ Before the summary judgment motion, MJUS moved the court to dismiss the case. But the district court denied the motion.

could succeed on its fair-use defense. *See id.* at *8. Instead, the court proceeded to grant summary judgment in MJUS’s favor and subsequently entered final judgment. *See id.* at *8, 10.

Alfwear then timely appealed from the district court’s grant of summary judgment.

II

We review the grant of summary judgment de novo, applying the same standard as the district court. *See Hornady Mfg. Co. v. Doubletap, Inc.*, 746 F.3d 995, 1000 (10th Cir. 2014). Summary judgment is appropriate if “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); *see Hornady Mfg.*, 744 F.3d at 1000–01. “When applying this standard, we examine the factual record and reasonable inferences therefrom in the light most favorable to the party opposing summary judgment.” *King of the Mountain Sports, Inc. v. Chrysler Corp.*, 185 F.3d 1084, 1089 (10th Cir. 1999) (quoting *Universal Money Ctrs. v. Am. Tel. & Tel. Co.*, 22 F.3d 1527, 1529 (10th Cir. 1994)).

III

Alfwear raises one issue on appeal: whether the district court erred in concluding that MJUS’s use of “KÜHL” in its advertising campaign is not likely to cause confusion with Alfwear’s “KÜHL” mark. Whether there is a likelihood of confusion is the central inquiry for Alfwear’s trademark infringement and unfair competition claims, both of which arise under the Lanham Act.⁶ Section 32 of the Lanham Act protects the owner of

⁶ In its briefing on appeal, Alfwear does not clearly state whether it is appealing only the district court’s grant of summary judgment regarding its federal

a registered mark from “[a]ny person who shall, without consent” “use . . . any reproduction, counterfeit, copy, or colorable imitation of a registered mark in connection with the sale, offering for sale, distribution, or advertising of any goods or services,” when “such use is likely to cause confusion, or to cause mistake, or to deceive.” 15 U.S.C. § 1114(1).

Similarly, under § 43(a) of the Lanham Act, the federal unfair competition law provides that a person who “uses in commerce any word, term, name, symbol, or device,” that “is likely to cause confusion, or to cause mistake, or to deceive as to the affiliation, connection, or association of such person with another person . . . shall be liable in a civil action.” 15 U.S.C. § 1125(a)(1).⁷ The likelihood-of-confusion test also governs common law claims of unfair competition. *See, e.g., Amoco Oil Co. v. Rainbow Snow*, 748 F.2d 556, 558 (10th Cir. 1984).

Thus, whether proceeding under a claim for trademark infringement or federal or common law unfair competition, “the central inquiry is the same: whether the junior

trademark infringement claim, or whether it is also appealing from the district court’s judgment regarding its unfair competition claims. Regardless, as Alfwear recognizes, the likelihood-of-confusion test governs federal trademark infringement claims as well as federal and common law claims of unfair competition, and so the key inquiry for all three claims on appeal is whether the district court erred in this analysis. *See Water Pik, Inc. v. Med-Systems, Inc.*, 726 F.3d 1136, 1143 (10th Cir. 2013) (likewise finding that although the appellant “does not clarify whether it is appealing summary judgment on its § 32 counterclaim, its § 43(a) counterclaim, or both, the central inquiry is the same: whether the junior user’s mark is likely to cause confusion with the senior user’s mark.”).

⁷ Under the Lanham Act, the term “person” encompasses corporations and other business entities, “as well as a natural person.” 15 U.S.C. § 1127.

user's mark is likely to cause confusion with the senior user's mark.” *Water Pik, Inc. v. Med-Systems, Inc.*, 726 F.3d 1136, 1143 (10th Cir. 2013); *see also Hornady*, 746 F.3d at 1001 (same). “In this circuit, likelihood of confusion is a question of fact but one amenable to summary judgment in appropriate cases.” *Sally Beauty Co. v. Beautyco, Inc.*, 304 F.3d 964, 972 (10th Cir. 2002). As illustrated by the statutes themselves, the likelihood of confusion encompasses any type of confusion, including confusion of source, sponsorship, or affiliation. *See* 15 U.S.C. §§ 1114(1)(a), 1125(a)(1); *John Allan Co. v. Craig Allen Co.*, 540 F.3d 1133, 1138 (10th Cir. 2008) (“[C]onfusion results when a mark is likely to deceive purchasers or users as to the source, endorsement, affiliation, or sponsorship of a product.”); *Team Tires Plus, Ltd. v. Tires Plus, Inc.*, 394 F.3d 831, 835 (10th Cir. 2005) (“[T]he relevant confusion under trademark law is not limited to confusion of consumers as to the source of the goods, but also includes confusion as to sponsorship or affiliation . . .”). Alfwear, “[a]s the party alleging infringement . . . bears the burden of proving a likelihood of confusion at trial.” *Water Pik*, 726 F.3d at 1144.

To determine whether a likelihood of confusion exists, we examine six, non-exhaustive factors:

- (1) the degree of similarity between the marks;
- (2) the intent of the alleged infringer in adopting its mark;
- (3) evidence of actual confusion;
- (4) similarity of products and manner of marketing;
- (5) the degree of care likely to be exercised by purchasers; and
- (6) the strength or weakness of the marks.

Sally Beauty, 304 F.3d at 972. We consider these same six factors for any type of confusion—whether source, sponsorship, or affiliation. *See King of the Mountain Sports*, 185 F.3d at 1090 (“[W]e consider these factors to determine whether a likelihood of

confusion exists regardless of whether the trademark infringement suit involves source or sponsorship confusion”); *Amoco Oil*, 748 F.2d at 558 (concluding that the “factors should be considered not only in the context of confusion of source, but also in the context of confusion that results from a mistaken belief in common sponsorship or affiliation”).

“These factors are interrelated and no one factor is dispositive.” *Sally Beauty*, 304 F.3d at 972; *accord Hornady*, 746 F.3d at 1001 (“No one of the six factors is dispositive, and ‘a genuine dispute of material fact will not exist if all relevant factors, properly analyzed and considered *together*, . . . indicate consumers are not likely to be confused.” (omission in original) (emphasis added) (quoting *Heartsprings, Inc. v. HeartSpring, Inc.*, 143 F.3d 550, 558 (10th Cir. 1998))). Nevertheless, the first factor—the degree of similarity between the marks—is the “most important.” *King of the Mountain Sports*, 185 F.3d at 1091. However, “the final determination of likelihood of confusion must be based on consideration of *all* relevant factors.” *Heartsprings*, 143 F.3d at 554. And “[a]t all times . . . ‘the key inquiry is whether the consumer is likely to be deceived or confused by the similarity of the marks.’” *Team Tires Plus*, 394 F.3d at 833 (quoting *Heartsprings*, 143 F.3d at 554).

Alfwear contends that the district court applied the correct six factors, but that the court erred by too narrowly construing the possible likelihood of confusion. Specifically, Alfwear argues that the district court’s likelihood-of-confusion analysis asked only whether there was confusion as to source—that is, whether consumers would mistake Alfwear as the source of MJUS’s herbal liqueur products—but did not consider the

broader question of whether there may be confusion as to sponsorship or affiliation. As a result, Alfwear claims that the district court’s analysis of the six factors was flawed, and that, in actuality, several of the factors—such as the commercial strength of Alfwear’s marks, the degree of care likely to be exercised by purchasers, and the degree of similarity between the marks—favor Alfwear and support a finding that MJUS’s use of “KÜHL” causes confusion in the marketplace.

We disagree with Alfwear’s arguments and conclude that the district court did not err in granting summary judgment in favor of MJUS. Conducting our own *de novo* review of the six factors—which would necessarily negate any alleged singular focus of the district court on source-based confusion—we determine that the factors collectively favor MJUS. As we explain in detail *infra*, even if we assume without deciding that the third factor—evidence of actual confusion—slightly favors Alfwear (as the district court found), we conclude that the other five factors all favor MJUS.⁸ Therefore, we determine that Alfwear has failed to show that there exists a genuine dispute of material fact concerning the likelihood of confusion. Accordingly, we affirm the district court’s judgment.

A

⁸ Although the district court determined that the other five factors “strongly support[ed]” MJUS, *Alfwear*, 2021 WL 364109, at *3, we see no need to opine on whether that is so. We consider it sufficient to resolve the likelihood-of-confusion inquiry in favor of MJUS that five of the six relevant factors definitively favor MJUS and the sixth—at best—may be assumed to slightly favor Alfwear.

The similarity of the marks is the “first and most important factor.” *King of the Mountain Sports*, 185 F.3d at 1091. We analyze similarity on three levels: “sight, sound, and meaning.” *Id.* at 1090. The similarities in the marks get “more weight than the differences.” *Id.* However, in comparing marks, “we do not independently examine each syllable of the marks but consider ‘the marks as a whole as they are encountered by consumers in the marketplace.’” *Water Pik*, 726 F.3d at 1155 (quoting *King of the Mountain Sports*, 185 F.3d at 1090); *see also Hornady*, 746 F.3d at 1002 (“Marks must be considered as a whole.”). We must compare the full marks in the way in which consumers would come across them in the real world. *See Water Pik*, 726 F.3d at 1157. As a result, even if two marks are identical, if they are encountered in different contexts in the real-world marketplace, then the consumer can often easily distinguish between the two products associated with the marks, and any degree of similarity between the marks amounts to very little in terms of confusion. *See Nautilus Grp., Inc. v. ICON Health & Fitness, Inc.*, 372 F.3d 1330, 1345 (Fed. Cir. 2004).

Applying these principles, the Alfwear and MJUS marks have some similarities, but ultimately their differences are significant and outweigh any similarities such that the likelihood of confusion is minimal. Thus, we conclude that the district court correctly found that this factor favors MJUS.

Specifically, in appearance, the marks have some similarities. Both marks consist of the word “KÜHL”, in capital letters, in a block-style font, and with an umlaut over the letter “u”. But our analysis does not end with this side-by-side comparison of the component parts of the marks. “[B]ecause we must consider the parties’ trademarks in

their entirety as they are experienced by consumers in the marketplace, we are not free to focus solely on name similarity.” *Heartsprings*, 143 F.3d at 555. In the real-world marketplace, Alfwear often depicts the KÜHL mark alongside a logo of a shield-type shape containing a stylized, snow-covered mountain peak in the colors brown, black, and white, against a bright blue sky.

MJUS, by contrast, mostly uses the word “kühl” in phrases like “KÜHL SHOTS” or “KÜHL AS ICE,” on top of a black or green background, and accompanied by a combination of either the mark “Jägermeister” (most often in black, gothic font on top of a red rectangle), the Jägermeister logo (a circular, bronze emblem containing a stag head in front of a cross), or images of a Jägermeister bottle. Thus, the visual impact of the marks is starkly different and is not likely to cause confusion.



See, e.g., Alfwear, 2021 WL 364109, at *4.

With respect to “sound,” though the individual word “kühl” may be pronounced the same in both marks, MJUS primarily uses the word in phrases like “DRINK IT ICE KÜHL” or “BE KÜHL – THROW IT BACK.” The monosyllabic, single word “kühl” does not sound at all like *phrases* that contain the word “kühl”.

As for “meaning,” the marks are again dissimilar. While the word “kühl” means a “cool” temperature in German, and both Alfwear and MJUS rely on this direct translation to refer to coolness of temperature and to convey coolness as in being hip or trendy, they employ these meanings in entirely different contexts. Alfwear uses the KÜHL mark as a brand name for its outdoor clothing line, and the meaning of the mark is that its clothes and gear may actually protect the consumer from cold, inclement weather and that its clothing is hip or stylish. By contrast, in advertising its herbal liqueur, MJUS uses the word to emphasize Jägermeister’s German roots, and to convey that its liqueur should be consumed at an ice-cold temperature, and, in limited circumstances, to convey that people who drink its liqueur are trendy or hip people. The significant contextual differences between the marks of Alfwear and MJUS thus render these marks substantially different in the minds of consumers experiencing these marks in the marketplace.

Additionally, MJUS’s use of the KÜHL mark alongside the Jägermeister mark is significant. The consistent appearance of a possibly infringing mark alongside a “house mark” or trade name can itself make confusion less likely.⁹ *See Autozone, Inc. v. Tandy*

⁹ “A ‘house mark’ is a mark used on several different goods or services which themselves use a particular ‘product mark.’” 4 J. Thomas McCarthy,

Corp., 373 F.3d 786, 796–97 (6th Cir. 2004) (“The use of a challenged junior mark together with a house mark or house tradename can distinguish the challenged junior mark from the senior mark and make confusion less likely. . . . POWERZONE almost never appears without its accompanying Radio Shack house mark . . . such that it would [be] nearly impossible for an internet user to see POWERZONE without simultaneously recognizing its connection to Radio Shack.”); *Water Pik*, 726 F.3d at 1157 (“[T]he SinuSense mark does not appear in isolation when used in commerce. Rather, it is routinely accompanied by the ‘waterpik’ house mark. . . . [T]he presence of the ‘waterpik’ house mark confirms our view that the similarity factor weighs in Water Pik’s favor.”). Where a house mark is added to a possibly infringing mark, it “has the potential to reduce or eliminate likelihood of confusion.” 4 J. Thomas McCarthy, MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION § 23:43 (5th ed.), Westlaw (database updated Sept. 2023). The Jägermeister house mark consistently, if not always, accompanies the KÜHL mark in MJUS’s advertisements. In our view, this consistent association of marks further minimizes the possibility of confusion between the Alfwear and MJUS marks here.

Therefore, even if the “KÜHL” portion of MJUS’s mark is similar to Alfwear’s, the marks are significantly different overall. Bearing in mind that the key question is whether MJUS’s use of the KÜHL mark is likely to create consumer confusion in the marketplace, see *King of the Mountain Sports*, 185 F.3d at 1089 (“Likelihood of

MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION § 23:43 (5th ed.), Westlaw (database updated Sept. 2023).

confusion forms the gravamen for a trademark infringement action.”), we conclude that the dissimilarities here outweigh any minor similarities, and these differences between the two marks would prevent any likelihood of confusion. Thus, in similar fashion to the district court, we conclude that this factor favors MJUS.

B

The second factor looks to whether “the alleged infringer chose a mark with the intent to copy, rather than randomly or by accident.” *Utah Lighthouse Ministry v. Found. for Apologetic Info. & Rsch.*, 527 F.3d 1045, 1055 (10th Cir. 2008); *see also Sally Beauty*, 304 F.3d at 973 (“Proof that a defendant chose a mark with the intent of copying the plaintiff’s mark may, standing alone, justify an inference of likelihood of confusion.”). The focus of this inquiry is “whether defendant had the intent to derive benefit from the reputation or goodwill of plaintiff.” *King of the Mountain Sports*, 185 F.3d at 1091 (quoting *Jordache Enters., Inc. v. Hogg Wyld, Ltd.*, 828 F.2d 1482, 1485 (10th Cir. 1987)).

Here, the district court found that this factor favors MJUS because Alfwear cannot demonstrate that MJUS intentionally attempted to trade on or benefit from Alfwear’s reputation. *See Alfwear*, 2021 WL 364109, at *4. Indeed, the evidence shows that MJUS and its creative agency were not aware of Alfwear’s clothing brand when they designed and conceived of the new marketing campaign for Jägermeister, and once they discovered Alfwear’s trademark, MJUS intended to *avoid* infringement by refraining from using the KÜHL mark on any of its promotional clothing or apparel and deliberately never putting “KÜHL” on the Jägermeister bottle. *See id.* Based on this evidence, the

district court concluded that MJUS did not use KÜHL with the intent to derive benefit from Alfwear’s reputation. *See id.*

Alfwear does not dispute the district court’s analysis of this factor and concedes in its opening brief that MJUS did not intend to copy Alfwear’s mark. Based on this concession, we have no need to assess the matter further. We uphold the district court’s conclusion here and find that this factor weighs in favor of MJUS.

C

As to the third factor, “[e]vidence of actual confusion in the marketplace is often considered the best evidence of a likelihood of confusion.” *Hornady*, 746 F.3d at 1004. However, “evidence of some actual confusion does not dictate a finding of *likelihood* of confusion.” *Universal Money Ctrs.*, 22 F.3d at 1535 (emphasis added). This is because a likelihood of confusion requires a *probability* of confusion, not the mere *possibility* of confusion. *See Elvis Presley Enters., Inc. v. Capece*, 141 F.3d 188, 193 (5th Cir. 1998) (“Likelihood of confusion is synonymous with a probability of confusion, which is more than a mere possibility of confusion.”); 4 McCarthy, *supra*, § 23:3 (“Likelihood of confusion is synonymous with ‘probable’ confusion—it is not sufficient if confusion is merely ‘possible.’”). Here, Alfwear cites to two different kinds of evidence of actual confusion: anecdotal examples of confusion recounted by two of Alfwear’s executives, and survey evidence gathered by Alfwear’s expert, Dr. Michael Belch.

1

Principally, in recounting anecdotal evidence, Alfwear relies on the testimony of its founder and president, Kevin Boyle. Specifically, Mr. Boyle testified that he first

heard about MJUS’s use of the word “KÜHL” in its advertising when the editor of an outdoor magazine that Alfwear advertises in sent Mr. Boyle a message “asking . . . if we were doing something with Jägermeister.” Aplt.’s Opening Br. at 21–22 (omission in original) (quoting Aplt.’s App., Vol. 15, at 3252–53 (Dep. of Kevin Boyle, taken Dec. 11, 2018)). Mr. Boyle further testified—with few specifics—that since then, he has received questions about Alfwear’s association with MJUS “nonstop” “at the ski resorts” from “a lot of skiers [that] play hockey” and that “people come up to [him] all the time,” asking “what’s going on with KÜHL and Jägermeister? What is up with Jägermeister using KÜHL?” *Id.* at 22 (second alteration in original) (quoting Aplt.’s App., Vol. 15, at 3253); Aplt.’s App., Vol. 15, at 3253.

Alfwear also relies on the testimony of its vice president, Evan Shapiro,¹⁰ who stated that “countless” people have asked him whether there is some sort of relationship

¹⁰ We are unable to find anywhere in the record where Alfwear relied on Mr. Shapiro’s deposition testimony before the district court as anecdotal evidence of actual confusion. It should not be surprising therefore that the district court did not discuss Mr. Shapiro’s testimony on this point—much less analyze its import on the actual-confusion question. Instead, concerning anecdotal evidence, the district court focused solely on “examples observed by Alfwear’s founder and president, Kevin Boyle.” *Alfwear*, 2021 WL 364109, at *5. At the very least, this raises a serious question about whether Alfwear may properly rely on Mr. Shapiro’s testimony here to support its actual-confusion argument. *See, e.g., Fye v. Okla. Corp. Comm’n*, 516 F.3d 1217, 1223 (10th Cir. 2008) (“Although our review of the record is de novo, ‘we conduct that review from the perspective of the district court at the time it made its ruling, ordinarily limiting our review to the materials adequately brought to the attention of the district court by the parties.’” (quoting *Adler v. Wal-Mart Stores, Inc.*, 144 F.3d 664, 671 (10th Cir. 1998))). However, MJUS does not challenge in its appellate briefing Alfwear’s reliance on Mr. Shapiro’s testimony as anecdotal evidence of actual confusion. For that reason, *see, e.g., Nelson v. United States*, 40 F.4th 1105, 1111 n.2 (10th Cir. 2022) (applying the concept of forfeiture of a forfeiture), and because we conclude that the inclusion of Mr. Shapiro’s anecdotal

between Alfwear’s KÜHL mark and Jägermeister. Aplt.’s Opening Br. at 22 (quoting Aplt.’s App., Vol. 16, at 3623 (Dep. of Evan Shapiro, taken Dec. 12, 2018)). However, Mr. Shapiro (1) could not remember the names of anyone that he spoke with about the purported KÜHL-Jägermeister connection, (2) testified that—except for only one occasion, involving a vague conversation with an unidentified person on an airplane—he spoke about the matter only with “friends,” including those who “followed hockey,” and, in this same vein, (3) expressly indicated that these conversations were not with retailers, nor could he say that any of the people with whom he spoke were Alfwear customers. *Id.*; see Aplt.’s App., Vol. 16, at 3623–25.

The district court correctly found that the anecdotal examples that Alfwear provided through the testimony of Mr. Boyle were “vague and imprecise” and “[a]t most, . . . show only isolated incidents of actual confusion.” *Alfwear*, 2021 WL 364109, at *5. This observation applies with even greater force to the anecdotal examples that Alfwear offers through the testimony of Mr. Shapiro. Not only is his testimony about his KÜHL-Jägermeister conversations generally nebulous, but Mr. Shapiro testified that, with only one exception, which we deem not particularly helpful to Alfwear’s cause, his conversations were with friends. More specifically, unlike Mr. Boyle—who at least referred to a conversation with an Alfwear business associate—Mr. Shapiro indicated that he could not identify any market actors with whom he spoke, including retailers or

evidence does not materially alter our conclusion, we do not consider further whether Alfwear may properly rely on Mr. Shapiro’s testimony to support its actual-confusion argument.

customers of Alfwear. That in itself would tend to render his testimony of negligible value on the actual-confusion factor, which is focused on “actual confusion in the marketplace.” *Hornady*, 746 F.3d at 1004.

Furthermore, we would be hard pressed to deem this anecdotal evidence of Messrs. Boyle and Shapiro anything other than de minimis. “We have consistently recognized . . . that isolated, anecdotal instances of actual confusion may be *de minimis* and may be disregarded in the confusion analysis.” *Water Pik*, 726 F.3d at 1150; *see M Welles & Assocs., Inc. v. Edwell, Inc.*, 69 F.4th 723, 736 (10th Cir. 2023) (“[The plaintiff] has just one anecdotal instance of what might be actual confusion, and the district court properly found that to be de minimis.”); *Hornady*, 746 F.3d at 1005 (holding that a handful of instances of actual confusion over a ten-year period to be de minimis evidence of a likelihood of confusion); *Water Pik*, 726 F.3d at 1151 (concluding that four instances of customer confusion were “isolated episodes with minimal probative value on whether reasonable consumers as a whole are actually confused”); *King of the Mountain Sports*, 185 F.3d at 1092–93 (ruling that evidence of seven episodes of actual confusion was de minimis); *Universal Money Ctrs.*, 22 F.3d at 1534–35 (determining that testimony by a customer suggesting confusion, two affidavits by plaintiff’s employees that they received

a number of accounts of similar confusion from consumers, together with survey data reflecting a 2.6% rate of actual confusion, was de minimis).

Guided by this authority, we have no difficulty concluding that the anecdotal evidence offered by Alfwear’s executives is de minimis and may be disregarded on the question of actual confusion.

2

Turning to the survey evidence, “[e]vidence of actual confusion is often introduced through the use of surveys, although their evidentiary value depends on the methodology and questions asked.” *Water Pik*, 726 F.3d at 1144 (quoting *Vail Assocs., Inc. v. Vend-Tel-Co.*, 516 F.3d 853, 864 n.8 (10th Cir. 2008)). Here, Dr. Belch was retained by Alfwear to provide an expert report to assess whether there is a likelihood of confusion as to affiliation, sponsorship, or permission resulting from MJUS’s use of the word “kühl” in its marketing campaign. Dr. Belch conducted a research study to measure consumers’ “net confusion” regarding the marks, in which study participants were sequentially shown two advertisements—first, a screenshot of an Alfwear KÜHL advertisement from a Facebook page, followed by either one of two of MJUS’s Jägermeister Instagram ads (either the “KÜHL AS ICE” or “DRINK IT ICE KÜHL” advertisement) or, alternatively, a fake advertisement as a control—and then asked

questions about sponsorship and permissions. Aplt.’s App., Vol. 5, at 1353–54 (Belch Report, dated Aug. 30, 2019).



Aplt.’s App., Vol. 5, at 1396 (Belch Report, App. II, dated Aug. 30, 2019).

Participants were able to view the two advertisements side-by-side, as in the image above, as they were asked questions about whether they thought that the MJUS advertisements that featured the word “kühl” signified that Jägermeister was sponsored by or affiliated with Alfwear. Specifically, Dr. Belch’s first confusion question was the following: “Do you believe or not believe that the company JÄGERMEISTER is sponsored or affiliated with the company KÜHL?” Aplt.’s App., Vol. 5, at 1396 (Belch Report, App. II). If participants answered in the negative, they were then asked this: “Do you believe or not believe that JÄGERMEISTER has permission from KÜHL to use the phrase ‘KÜHL AS ICE?’”¹¹ Aplt.’s App., Vol. 5, at 1398 (Belch Report, App. II). After analyzing participants’ responses, Dr. Belch found that MJUS’s “KÜHL AS ICE” and

¹¹ For participants who were shown MJUS’s “DRINK IT ICE KÜHL” advertisement, the wording of the question was adjusted appropriately.

“DRINK IT ICE KÜHL” advertisements resulted in net confusion rates of 30.1% and 35.2%, respectively. *See id.* at 1353–54.

Viewing the survey evidence in the light most favorable to Alfwear, the district court found that Dr. Belch’s report “does show some evidence of actual confusion,” but that “it does not prove actual confusion in the marketplace.” *Alfwear*, 2021 WL 364109, at *5. The district court noted methodological flaws in Dr. Belch’s survey—specifically, the court zeroed in on the fact that the study presented participants with a side-by-side comparison of the marks in an isolated setting. *See id.* As a result, the district court found that the reported net confusion rates—when the marks were displayed in this way, “[w]ithout any marketplace context”—may have been inflated because “it is likely that Dr. Belch’s study participants were more confused by the parties’ marks than they would have been in the real world.” *Id.* Thus, while weighing this factor slightly in Alfwear’s favor, the district court nevertheless concluded that this factor does not outweigh all of the other five factors, which all weigh in MJUS’s favor and against finding a likelihood of confusion. *See id.*

We agree with the district court that the survey’s methodology was problematic in that it showed participants a side-by-side comparison of the advertisements, as MJUS and Alfwear’s respective products and advertisements would not ordinarily be seen simultaneously or in close proximity to one another. As we discussed with the first factor, in order to test for actual confusion, “[m]arks should be compared ‘as a whole as they are encountered by consumers in the marketplace’”; consequently, a side-by-side comparison is only appropriate if that is where and how consumers would actually view

the products in the marketplace. *Water Pik*, 726 F.3d at 1146–47 (quoting *King of the Mountain Sports*, 185 F.3d at 1090); cf. *Universal Money Ctrs.*, 22 F.3d at 1531 (explaining, in connection with the first factor, similarity of the marks, that where the marks are not encountered side-by-side in the marketplace, “we must not engage in a ‘side-by-side’ comparison” of the marks). Where, as here, the marks ordinarily would be encountered in separate contexts, a side-by-side comparison format was methodologically flawed and of limited probative value. *See Water Pik*, 726 F.3d at 1147; *see also Jordache Enters.*, 828 F.2d at 1488 (affirming the district court’s decision to afford minimal weight to a survey that used a side-by-side comparison because it bore “little resemblance to the actual workings of the marketplace”).

Furthermore, in our own de novo review of this factor, we also find to be significant an additional methodological flaw in Dr. Belch’s report. Specifically, though not discussed by the district court, we note that Dr. Belch’s survey questions could also be viewed as “improperly leading.” *Water Pik*, 726 F.3d at 1147. By showing participants only three products, telling the participants that KÜHL and Jägermeister were separate companies, and then asking the participants whether they thought the two companies were sponsored by or affiliated with one another—while they were still viewing the side-by-side images of the advertisements—the survey’s methodology and questions risked creating an association between MJUS and KÜHL where none may have otherwise arisen in the minds of the participants. *See id.* at 1148 (“By suggesting the possibility that SinuSense might be connected with another brand, and limiting the

candidates to Sinu*Cleanse* and NeilMed, the survey questions risked sowing confusion between SinuSense and Sinu*Cleanse* when none would have arisen otherwise.”).

Given the negligible value of Alfwear’s anecdotal evidence and the multiple methodological flaws of Dr. Belch’s survey, one might reasonably question whether this actual-confusion factor weighs in favor of Alfwear to any degree at all. However, given that it does not alter our ultimate determination concerning likelihood of confusion, we are content to assume *arguendo* the conclusion that the district court actually reached; that is, we assume that “the third factor—actual confusion—weighs slightly in favor of Alfwear,” *Alfwear*, 2021 WL 364109, *3.

D

Turning to the fourth factor, though trademark law does not solely offer protection in the circumstance of directly competing goods, *see Team Tires Plus*, 394 F.3d at 833–34 (explaining that “federal courts have long since expanded trademark rights to protect against the use of a mark on non-competing but ‘related’ goods”), we previously have held that “[t]he greater the similarity between the products and services, the greater the likelihood of confusion,” *Universal Money Ctrs.*, 22 F.3d at 1532. To analyze this factor, we thus consider both the similarity of the products themselves, and the similarity in the manner of marketing. *See id.* at 1532–33.

As the district court correctly found, Alfwear and MJUS’s products are distinct, and they use separate marketing channels. *See Alfwear*, 2021 WL 364109, at *6.

Alfwear’s product is outdoor apparel and gear, and it sells its clothing in its own stores and on its website, and to outdoors retailers like REI and Backcountry.com. MJUS’s

product, by contrast, is a German herbal liqueur, which it sells to liquor stores, bars, and restaurants. Thus, these products operate in separate markets and use separate marketing channels. Where the products are unrelated in this way, confusion is highly unlikely.

Just because, as Alfwear emphasizes, both parties market their products online and through social media, does not mean that their products are similar—much less that they are competitors. *See, e.g., Network Automation, Inc. v. Advanced Sys. Concepts, Inc.*, 638 F.3d 1137, 1151 (9th Cir. 2011) (“Today, it would be the rare commercial retailer that did not advertise online, and the shared use of a ubiquitous marketing channel does not shed much light on the likelihood of consumer confusion.”). They have distinct products, and they ultimately target different consumers and so operate in separate markets. Similarly, any potential overlap between some of the parties’ products—that is, notably, through MJUS’s promotional apparel—is miniscule and does not establish similarity, as the parties’ primary products and primary markets remain distinct.¹² *See Big Dog Motorcycles, L.L.C. v. Big Dog Holdings, Inc.*, 402 F. Supp. 2d 1312, 1330 (D. Kan. 2005) (“[A]lthough the parties’ product lines are similar with respect to apparel and collectibles, the significance of that similarity is diminished by the fact that the two companies generally occupy two separate and distinct market niches. Thus, there

¹² We note that any potential similarity here is further minimized by MJUS’s deliberate efforts not to use the KÜHL mark on any of its promotional clothing or apparel—or even on the Jägermeister bottle itself.

generally is no overlap between their products except when considering a minor subset of [the plaintiff's] product line.”).

Therefore, like the district court, we conclude that this factor favors MJUS: the parties' products and marketing channels are so dissimilar, there is no reasonable likelihood of confusion stemming from MJUS's advertisements.

E

We next consider the degree of care that consumers are likely to exercise in selecting and purchasing the products at issue. “If consumers are likely to exercise a high degree of care in purchasing a certain product, the likelihood of confusion is reduced.” *Hornady*, 746 F.3d at 1006; *see also King of the Mountain Sports*, 185 F.3d at 1092 (“A consumer exercising a high degree of care in selecting a product reduced the likelihood of confusing similar trade names.” (quoting *Heartsprings*, 143 F.3d at 557)). We previously have held that “buyers typically exercise little care in the selection of inexpensive items that may be purchased on impulse.” *Sally Beauty*, 304 F.3d at 975 (quoting *Beer Nuts, Inc. v. Clover Club Foods Co.*, 805 F.2d 920, 926 (10th Cir. 1986)). Accordingly, “items purchased on impulse are more likely to be confused than expensive items, which are typically chosen carefully.” *Id.*

The district court found that Alfwear's consumers are likely to exercise a high degree of care when they purchase Alfwear's products because its apparel is expensive and of a high quality and that, consequently, this “factor favors” MJUS. *See Alfwear*,

2021 WL 364109, at *7. Alfwear makes two principal arguments to the contrary. Both are unavailing.

As to the first argument, because it may be rejected summarily, we do not apply the same preservation scrutiny to it that we do to the second one *infra*. In the first argument, Alfwear contends that “there is no reason to believe that customers who exercise care when purchasing KÜHL clothing—given that monetary investment—would exercise *any* degree of care in determining whether an advertisement for alcohol bearing KÜHL is associated with Alfwear.” Aplt.’s Opening Br. at 40. Yet we are not persuaded by this bald assertion and believe our caselaw tilts in a contrary direction, in circumstances such as these—where the products at issue are starkly different. *See Heartsprings*, 143 F.3d at 555, 557 (upholding, under a clear-error standard, the district court’s conclusion that this factor weighs in the defendant’s favor where consumers exercised a high degree of care in selecting the defendant’s distinct educational product, even where there was “obvious sameness of spelling” of plaintiff’s and defendant’s respective trade names).

And second, Alfwear argues that “even assuming consumers exercise care when purchasing Alfwear’s clothing, the district court failed to consider that they may exercise very little care when it comes to purchasing alcohol.” Aplt.’s Opening Br. at 41. In this regard, Alfwear cites to our decisions in *Sally Beauty* and *Heartsprings*, noting that in those cases we considered evidence regarding the degree of care exercised in the purchase of defendants’ products and, in the case of *Sally Beauty*, whether the products at issue were likely to be bought on impulse. Asserting that “many” consumers of alcohol

are impulse purchasers, Alfwear offers the following reasoning: “MJUS’s use of KÜHL in a marketing campaign, with respect to alcohol, minimizes consumers’ level of care and maximizes the potential for consumer confusion—as the ordinarily prudent purchaser is exercising very little prudence.” *Id.*

However, akin to MJUS’s view, we believe that Alfwear has “chang[ed] course for this factor on appeal.” Aplee.’s Resp. Br. at 37. To be sure, in its briefing before the district court, Alfwear did briefly assert that MJUS “conducted a rebranding marketing campaign using the term ‘KÜHL’” and that, in part, it “aimed at impulse purchasers who could have been initially attracted by Jägermeister’s Kühl commercials.” Aplt.’s App., Vol. 8, at 2054 (Aplt.’s Opp’n to Aplee.’s Mot. for Summ. J., filed Oct. 23, 2020).

However, Alfwear’s argument before the district court does not even vaguely resemble the one that it presents here.

In particular, Alfwear never alerted the district court to its rationale that the purported impulse-purchasing habits that MJUS’s marketing campaign—featuring the KÜHL mark—supposedly stimulated must be considered in assessing the potential for consumer confusion. More specifically, Alfwear never suggested that such impulse-purchasing habits concerning alcohol would serve as a counterweight—in the degree-of-care calculus—to the high level of care that Alfwear consumers exercise in purchasing its distinct (non-alcohol) products. In particular, Alfwear did not maintain, as it does here,

that such impulse-purchasing habits would result in confusion regarding whether there was any relationship between its products and MJUS's.

Accordingly, we deem Alfwear's second argument to be forfeited. And, because Alfwear does not invoke our plain-error framework and advance its second argument under it, that argument is effectively waived. *See, e.g., Havens v. Colo. Dep't of Corr.*, 897 F.3d 1250, 1259 (10th Cir. 2018) ("We conclude that [the plaintiff] has forfeited the argument that Title II validly abrogates sovereign immunity as to his claim by failing to raise this argument before the district court, and he has effectively waived the argument on appeal by not arguing under the rubric of plain error.").

On the preservation point, Alfwear's contention in its Reply Brief that we are "not bound by the parties' framing of an issue below or even by the interpretations of law put forward by the parties on appeal," Aplt.'s Reply Br. at 14, is beside the point and entirely off-target. Though there are circumstances where we consider theories that the parties have not advanced before the district court, "we treat arguments for *affirming* the district court differently than arguments for *reversing* it." *Richison v. Ernest Grp., Inc.*, 634 F.3d 1123, 1130 (10th Cir. 2011). Irrespective of the constraints that bind us in considering parties' new theories, our "adversarial system" imposed a "duty" on Alfwear "to craft [its] own legal theories for relief in the district court," *id.* at 1130, and it failed to do so on

this matter. As a consequence of this failure, Alfwear’s second argument is effectively waived.

For the foregoing reasons, we uphold the district court’s conclusion that this degree-of-care factor weighs in favor of MJUS.

F

For the final, sixth factor, we assess the strength or weakness of Alfwear’s mark. *See Brennan’s, Inc. v. Brennan’s Rest., L.L.C.*, 360 F.3d 125, 130 (2d Cir. 2004) (“The strength of a mark refers to its ability to identify the source of the goods being sold under its aegis.”). This factor may be important because even dissimilar, completely distinct products can generate a likelihood of confusion if the senior mark is particularly strong. *See Water Pik*, 726 F.3d at 1151. “The stronger a trademark, the more likely that encroachment upon it will lead to . . . confusion.” *King of the Mountain Sports*, 185 F.3d at 1093.

The strength of a mark has two aspects: “conceptual strength, or the mark’s place on the spectrum of distinctiveness, and commercial strength, or its level of recognition in the marketplace.” *Water Pik*, 726 F.3d at 1151. We analyze these two aspects to assess the overall strength of a mark; however, in certain instances, the potency of one may be determinative concerning the overall strength of the mark. Thus, a conceptually weak mark can be buttressed by a mark’s significant commercial strength, as is true with many big brand names, such as “American Airlines” and “Kentucky Fried Chicken.” *See 2 McCarthy, supra*, § 11:80 (“[M]arks such as AMERICAN airlines, PAYLESS shoe stores, FORD autos and KENTUCKY FRIED CHICKEN fast-food outlets would, at

birth, have been characterized as inherently ‘weak’ marks because they rate lower on the spectrum of inherent distinctiveness. But these examples have all become well recognized by the consuming public.”). “By the same token, a mark with conceptual strength may ultimately be weak if its commercial strength is negligible.” *Water Pik*, 726 F.3d at 1153; *see also* 2 McCarthy, *supra*, § 11:80 (“Even an inherently distinctive and strong[,] coined word mark may have been strong at birth, but feeble sales and little promotion mean that it never realized its potential for fame and recognition in the marketplace.”).

We thus begin by discussing the conceptual strength of Alfwear’s KÜHL mark and then turn to its commercial strength.

1

Conceptual strength is measured on a spectrum of distinctiveness ranging from weakest to strongest as: (1) generic, (2) descriptive, (3) suggestive, (4) arbitrary, and (5) fanciful. *See Hornady*, 746 F.3d at 1007. Only suggestive, arbitrary, and fanciful marks are considered strong and distinctive in and of themselves and do not need to acquire a secondary meaning to warrant protection as trademarks. *See Water Pik*, 726 F.3d at 1152. To distinguish between descriptive and suggestive marks, we have explained that “suggestive terms are those which require the buyer to use thought, imagination, or perception to connect the mark with the goods,’ whereas ‘[d]escriptive terms are those which *directly convey* to the buyer the ingredients, qualities, or characteristics of the

product.” *Id.* at 1152–53 (alteration in original) (quoting *Educ. Dev. Corp. v. Econ. Co.*, 562 F.3d 26, 29 (10th Cir. 1977)).

The district court concluded that the KÜHL mark is “at least suggestive” in terms of its conceptual strength and, therefore, “it is conceptually strong.” *Alfwear*, 2021 WL 364109, at *8. The court reasoned that Alfwear’s KÜHL mark is “not quite descriptive” of Alfwear’s apparel; rather, “KÜHL” vaguely suggests that Alfwear’s clothing products are appropriate in cold or chilly outdoor environments, and that its apparel is cool, hip, and stylish. *Id.* In other words, the court observed, “it takes some imagination to reach a conclusion about the nature or quality of Alfwear’s clothes.” *Id.* Though it took the position before the district court that its KÜHL mark was fanciful, *id.* at *7, on appeal, Alfwear does not challenge the court’s conclusion concerning conceptual strength, *see* Aplt.’s Opening Br. at 33–34. Accordingly, we have no reason to question the court’s reasoning on this matter. We turn to whether the mark is commercially strong.

2

Commercial strength is “the marketplace recognition value of the mark.” *Hornady*, 746 F.3d at 1007–08 (quoting *King of the Mountain Sports*, 185 F.3d at 1093). “The commercial strength of an asserted mark in the marketplace is often a key element in determining if the accused mark is likely to cause confusion or deception.” 2 McCarthy, *supra*, § 11:81. “Commercial strength is a concept analogous to secondary meaning. Secondary meaning refers to the level of distinctiveness that a descriptive mark must attain in the minds of consumers before it is eligible for trademark protection.” *Water Pik*, 726 F.3d at 1154. “The difference between commercial strength and

secondary meaning is that the former is a range, while the latter is a threshold: a mark may enjoy anything from a high degree of commercial strength to a low degree, but either it has secondary meaning or it does not.” *Id.*; see 2 McCarthy, *supra*, § 11:81 (“The purpose of enquiring if a designation has a secondary meaning is to determine if this designation qualifies as a ‘trademark’ at all. The issue of strength assumes that there is a mark and seeks to determine if that mark is strong enough such that the accused junior use is likely to cause confusion.”).

“[W]hile secondary meaning is an issue of mark validity[,] and strength is an issue of infringement, the types of evidence to prove both are the same.” 2 McCarthy, *supra*, § 11:81; see *Water Pik*, 726 F.3d at 1154 (noting that “‘the same evidentiary findings’ are generally probative of both” the secondary meaning and commercial strength of the mark (quoting *Vail Assocs.*, 516 F.3d at 866)); see also *Hornaday*, 746 F.3d at 1008 (relying on “several factors as helpful in evaluating secondary meaning” in conducting a commercial-strength analysis). We previously have described the relevant considerations:

The factors we have identified as helpful . . . are “direct evidence, such as consumer surveys or testimony from consumers,” and “circumstantial evidence regarding: (1) the length and manner of [the mark’s] use, (2) the nature and extent of advertising and promotion of the mark and (3) the efforts made in the direction of promoting *a conscious connection, in the public’s mind, between the name or mark and a particular product or venture.*

Water Pik, 726 F.3d at 1154 (alteration in original) (emphasis added) (quoting *Donchez v. Coors Brewing Co.*, 392 F.3d 1211, 1218 (10th Cir. 2004)); see *Hornaday*, 746 F.3d at 1008 (“Viewing the evidence in [the plaintiff’s] favor, we agree that TAP is

commercially strong. First, the TAP mark has been on the market nearly 17 years. Second, there was evidence that [the plaintiff] spent hundreds of thousands of dollars advertising its TAP products in numerous magazines, on two television channels, at several trade shows, and on its two websites. These factors demonstrated that [the plaintiff] fostered *a conscious connection in the public's mind between the TAP mark and its products.*" (emphasis added) (citation omitted)). Notably, one respected commentator has observed:

While evidence of advertising and sales is relevant to prove the strength of a mark, standing alone without a context, such evidence may not be sufficient to prove that a mark is relatively strong. That is, the trademark owner should put its sales and advertising figures in perspective by comparing them to the sales and advertising figures for similar products to show that this mark is relatively strong in its category.

2 McCarthy, *supra*, § 11:81.

Alfwear has been using KÜHL in connection with its products since 1993 and has provided evidence of its spending on advertising and marketing its brand since then. Alfwear emphasizes its online marketing efforts through its website and blog, social media, magazines, email campaigns, and trade shows, and highlights that it has substantial traffic on its own website and almost 60,000 followers on its Facebook page. Alfwear also receives exposure through its sponsorship of various athletes and events and

endorsements of celebrities, such as Dale Earnhardt Jr., Harrison Ford, and Matthew McConaughey, who have donned and promoted its apparel.

However, as the district court correctly found, none of this evidence shows whether consumers consciously associate the KÜHL mark with Alfwear and its products. As we have explained, “evidence of a mark’s promotion . . . standing alone without a context . . . may not be sufficient to prove that a mark is very strong.” *Water Pik*, 726 F.3d at 1155 (second omission in original) (quoting *Vail Assocs.*, 516 F.3d at 867); accord 2 *McCarthy, supra*, § 11:81. Raw data of the dollar amount Alfwear spends on marketing and the number of users who access its website or follow its Facebook account may not be meaningfully probative of the commercial strength of the KÜHL mark, if we do not have any context to assess how these numbers compare to other competitors, or—perhaps more importantly—to assess whether Alfwear’s efforts have generated consumer awareness of the KÜHL mark in the marketplace. Indeed, we have previously found that “[e]vidence that [a party’s] products had millions of users and that its products were sold through well-known retailers does not tell us whether the sales were stimulated by the mark.” *Water Pik*, 726 F.3d at 1154–55. Nor in that case was the promotion of the product “on the Oprah Winfrey Show on at least one occasion . . . enough to establish that consumers thereafter connected the mark and the product.” *Id.*

Alfwear relies on the same types of evidence that it did before the district court—without meaningfully demonstrating error in the district court’s reasoning. The evidence that it has marshalled does not show that it has adequately “fostered a conscious connection in the public’s mind between the [KÜHL] mark and its products.”

Hornaday, 746 F.3d at 1008. Furthermore, contrary to Alfwear’s suggestion, the fact that one of its KÜHL marks “has become incontestable,” Aplt.’s Opening Br. at 35, carries minimal—if any—weight in the commercial-strength inquiry, much less “resolve” it, *Hornady*, 746 F.3d at 1008 n.13; see *Oreck Corp. v. U.S. Floor Sys., Inc.*, 803 F.2d 166, 171 (5th Cir. 1986) (“Incontestable status does not make a weak mark strong.”); 2 McCarthy, *supra*, § 11:84 (“Achieving incontestable status is mainly the result of longevity of use and registration—it says nothing about marketplace recognition.”).

Therefore, we conclude that—though it is undisputed that KÜHL is conceptually strong—Alfwear does not show that this mark is strong enough—measured on the commercial dimension—for this factor to weigh in its favor. In other words, the district court correctly determined that this factor weighs in favor of MJUS.

G

In sum, assuming without deciding that the third factor—evidence of actual confusion—slightly favors Alfwear, we conclude that all of the other five factors favor MJUS. Alfwear and MJUS’s marks are not similar; MJUS did not intend to copy or benefit from Alfwear’s mark; Alfwear and MJUS use the marks for distinct products in separate marketing channels; Alfwear’s consumers exercise a high degree of care in purchasing its products; and, taking into consideration the commercial aspect, Alfwear’s mark is not strong.

As a result, we conclude that Alfwear has failed to raise a genuine dispute of fact regarding the likelihood of confusion by consumers in the marketplace between its mark

and MJUS's, and MJUS is entitled to judgment as a matter of law. Therefore, we uphold the district court's entry of summary judgment in MJUS's favor.

IV

For the foregoing reasons, we **AFFIRM** the district court's grant of summary judgment.¹³

Entered for the Court

Jerome A. Holmes
Chief Judge

¹³ Lest there be any question concerning the matter, we have examined Alfwear's unopposed motion to seal—which our clerk of court provisionally granted, subject to merits-panel reconsideration, on July 21, 2021—and discern no grounds to disturb that ruling. *See, e.g., Eugene S. v. Horizon Blue Cross Blue Shield of N.J.*, 663 F.3d 1124, 1135–36 (10th Cir. 2011). The materials filed under seal will remain sealed.