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Tiffany protects trademark after court rules in its favor

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The Tiffany[®] Setting

The Tiffany setting from Tiffany & Co.

By STAFF REPORTS

U.S. jeweler Tiffany & Co. has won its trademark infringement lawsuit against wholesale club Costco in a New York court.



In 2013, Tiffany claimed Costco was using its name as a generic term to describe an engagement ring setting that has become a signature design for the jewelry brand. Costco filed a counterclaim disagreeing with the jeweler, saying that the term is in fact generic and can be used in its store promotions, but on Sept. 8, 2015, a U.S. District Court for the Southern District of New York granted Tiffany's motion for summary judgement.

What's in a name?

Tiffany worried that by allowing Costco to continue using its name in promotions and to describe rings not designed by the jeweler that its products would become seen as commonplace, thus diluting its industry standing and public perception (see story).

On Sept. 8, the court denied Costco's claim that "Tiffany" is a generic term for a pronged ring setting. The court also found that Costco was liable for trademark infringement and trademark counterfeiting in its use of Tiffany on signage in its jewelry cases at its store locations.

The placement of the signage likely mislead consumers to believe that the engagement rings on display were unbranded, although they were not made by or associated with the Tiffany brand.



Tiffany setting engagement rings by Tiffany & Co.

Tiffany-cut prong engagement rings have been designed by the jeweler for the past 130 years and are backed by a lifetime guarantee. The design, always accompanied by the branded and iconic Tiffany blue box, is sourced and manufactured to strict specifications to meet the brand's level of quality standards.

In a statement, Leigh Harlan, senior vice president, secretary and general counsel at Tiffany, said, "We are gratified that the court found Costco's use of the Tiffany trademark infringed on our rights."

She concluded her statement by saying that "Tiffany had proffered uncontroverted evidence demonstrating the strength of its mark. We believe this decision further validates the strength and value of the Tiffany mark and reinforces our continuing efforts to protect the brand."

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