

LEGAL/PRIVACY

## Tiffany, Costco resolve nearly decade-long legal dispute

July 21, 2021



*Tiffany accused Costco of selling counterfeit engagement rings. Image credit: Tiffany & Co.*

By LUXURY DAILY NEWS SERVICE

LVMH-owned jeweler Tiffany & Co. has settled a more than eight-year-old lawsuit accusing U.S. wholesale retailer Costco of trademark infringement and counterfeiting.

Subscribe to **Luxury Daily**  
Plus: Just released  
State of Luxury 2019 **Save \$246 ▶**

The New York-based jewelry brand initially sued Costco in 2013 for selling generic diamond engagement rings using the Tiffany name ([see story](#)). In response, Costco argued that "Tiffany" had become a household term describing the specific prong setting.

Fight over rings

Financial terms of the settlement were not disclosed by either party.

The settlement this week comes after the Manhattan federal appeals court threw out a decision in August that Tiffany had won the suit after a jury trial in 2017, where a trial judge ruled Costco was liable for selling counterfeit rings ([see story](#)).

Despite this ruling, the Manhattan appeals court stated that Costco customers were intelligent enough to understand that Tiffany & Co. did not produce nor support Costco's "Tiffany" rings.



*Counterfeiting and trademark infringement has become a huge issue for luxury brands with the rise of ecommerce. Image credit: Tiffany & Co.*

It is **reported** that 3,349 customers purchased Costco's Tiffany-set rings during the period covered by the lawsuit. The dismissal filed with the federal court in Manhattan is with prejudice, meaning Tiffany cannot file the lawsuit again.

Several luxury brands have been challenged with counterfeiting, as ecommerce platforms lack authentication, making it easier for counterfeiters to sell goods.

Italian fashion house Gucci and social tech giant Facebook filed a joint lawsuit against the head of an alleged international counterfeiting business.

The lawsuit claims that the defendant used multiple Facebook and Instagram accounts, eluding Facebook's enforcement efforts and policies, to sell counterfeit Gucci products (**see story**).

---

© 2021 Napean LLC. All rights reserved.

Luxury Daily is published each business day. Thank you for reading us. Your **feedback** is welcome.