

NIESAR & VESTAL LLP

Law Alert

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Willfulness is not required as a precondition to recovering lost trademark profits

On April 23, 2020, the U.S. Supreme Court unanimously held that a plaintiff alleging trademark infringement under § 1125(a) of the Lanham Act is not required to prove willful infringement as a precondition to recovering lost profits. *Romag Fasteners, Inc. v. Fossil Group, Inc.*, 590 U.S. ____ (2020).

Prior to this decision, a number of circuits, including those covering California and New York, required a Plaintiff to establish that the Defendant's adoption and use of an infringing trademark was willful. That is no longer the case. Thus, even in cases where a party acts in good faith in adopting a trademark later found to infringe, that party will be liable to disgorge its profits and possibly pay damages.

Given the Court's ruling, we recommend that whenever you seek to adopt a new trademark, you make certain that the trademark does not conflict with a prior registered or in use trademark.

If you have any questions regarding this decision or about the conditions to recovering lost profits, please feel free to contact Jay Begler (jbegler@nvlawllp.com) or Carolina Aricu (caricu@nvlawllp.com).

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