

Trademark Rights & Piano Rebuilders --- A Response

By Morgan Malino, JD

It has come to my attention that an article titled "Trademark Owners Legal Interests in Rebuilt Musical Instruments" was published in the June 1997 issue of the *Piano Technicians Journal*. It seems that the article was nothing more than a marketing ploy for large manufacturers of musical instruments. Throughout the article is the suggestion that rebuilders of musical instruments who do not use replacement parts supplied by the original instrument manufacturer (termed "o.i.m." in the article) may be subject to legal action. I, however, would recommend that rebuilders continue to use factors of price and quality when making their purchasing decisions and not be frightened into making bad choices.

At its core, Trademark law is not about protecting companies, but protecting consumers. If consumers are savvy enough to know that 20th Century Fox has nothing to do with the Century 21 real estate company, then the law will not prevent either from using its name. The gravamen of trademark infringement suits has always been consumer confusion. A rebuilder who has honest advertising and truthful disclosures should not have to be concerned with the threat of a trademark infringement suit. If, however, a rebuilder conducts his business in such a way as to have the likely effect of confusing consumers, he may indeed be guilty of trademark infringement. A showroom, for example, which has both new and rebuilt models displayed without any reference to which is which could be potentially harmful to a trademark owner. The typical consumer may then associate inferior qualities of the reconditioned instrument with the o.i.m., thereby harming the o.i.m.'s reputation.

The June article suggests that to prevent such confusion rebuilders are required to disclose: (1) the nature and extent of the work done; (2) the absence of any association between themselves and the o.i.m.; and (3) dispel any notion that the o.i.m. is the guarantor of the goods. This is merely one commentator's opinion of what is necessary to prevent consumer confusion. The relevant legal standard is that a rebuilder must prevent likelihood of confusion on the part of a typical purchaser as to

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source, affiliation or sponsorship. In certain markets, this can be done merely with a statement that the product is used and the date of original manufacture. The typical purchaser of a used car, for example, knows that routine maintenance is necessary to keep the vehicle working properly. If you buy a car that is five years old, you might expect the tires and the brake pads to have been replaced. The older the car gets, the more likely it is that the transmission or the carburetor had some work done to it. Similarly, the typical purchaser of a piano recognizes that the routine servicing of the instrument is required for its proper maintenance.

The author of the June article, however, claims that although vintage instruments are purchased mainly by educated consumers, "the likelihood of confusion cannot always be eliminated by the degree of care

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taken in selection.” He states: “Anecdotal and survey evidence of consumer confusion as to a perceived association between the o.i.m. and the rebuilder will often strengthen this point.” The simple reality is that purchasers of vintage instruments know that if the instrument is in good condition, it is probably because a rebuilder has put a significant amount of time and energy into restoring it. Money spent on a survey would be wasted and any anecdotes would certainly fall short of their mark.

Furthermore, the article attempts to use language in *Champion Spark Plug Co. v. Sanders*, 331 U.S. 125 (1947), to support the contention that since a particular component of an instrument might be considered its “soul,” the removal of that component would cause the rebuilder to have made a “new construction” on which it would be improper to use the o.i.m.’s trademark even with adequate labeling. There is a paucity of legal authority concerning the new construction language found in the *Champion Spark Plug* case.

Of the few cases which have discussed the “new construction” possibility, I found no case which ruled that a reconditioned product was a new construction. For example, both *Singer Manufacturing Co. v. Brileg*, 520 F.2d 519 (5th Cir. 1953) and *Singer Manufacturing Co. v. American Appliance Co.*, 86 F. Supp. 737 (N.D. Ohio 1949) involved sewing machine rebuilders who bought old Singer sewing machines and retrofitted them with non-Singer parts including: replacing spoke wheels with disk wheels; adding components such as electronic motors, bobbin winders, and reverse stitch devices; re-painting the machines with more modern colors and replacing the portion of the casing which made the machines look older. Although both cases found consumer confusion was likely, the remedy was adequate labeling, not the total removal of the Singer trademark. As one court said, “In other words, after your Mustang has been squashed into a metal cube by the wrecker, you cannot rebuild a Mustang from the scrap and sell it as a ‘used Ford Mustang,’ even though it was once a Mustang.” *In re Circuit Breaker Litigation*, 852 F. Supp. 883, 892 (C.D. Cal. 1994). Short of such extensive repair, adequate disclosure is all the protection to which the o.i.m. is entitled.

Adequate disclosure does not include the requirement that a medallion or decal which states that the

instrument has been used or rebuilt be placed on the instrument. The article described a post-purchase situation where confusion may occur downstream of the initial purchase. I know of no authority, either legislative or judicial, which applies post-consumer confusion to rebuilt articles. Even if a court decides to apply post-consumer confusion to rebuilt articles, *Electronic Design & Sales, Inc. v. Electronic Data Systems Corp.*, 954 F.2d 713 (Fed. Cir. 1992) cautions that only users who might influence future purchases can be considered in determining downstream likelihood of confusion. This takes us back to the sophisticated purchaser who recognizes that routine maintenance is required for an instrument’s continued usefulness.

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abuses could be rectified if the rebuilder uses parts distributed by the o.i.m. There is absolutely no authority anywhere to support this point. If a court ever finds that a certain practice is likely to cause confusion, this confusion will be present regardless of where the replacement parts originated. Merely using a particular o.i.m.’s parts

will not negate the confusion a consumer would have as to source, affiliation or sponsorship of the instrument. If a piano is poorly rebuilt, it does not matter whether only o.i.m. parts are used — the o.i.m. will still have an action against the rebuilder if the consumer associates the inferior qualities with the o.i.m. and not the rebuilder.

Perhaps the author of the article is referring to the fact that it might not be in the best interest of an o.i.m. to sue a rebuilder who only purchases their parts. I must, however, caution o.i.m.s who plan to engage in selective litigation. There is a strong possibility that such practices would amount to unfair trade practices and antitrust abuses. Both the Sherman Act and the Clayton Act provide strong protections against individuals who restrain trade, improperly lessen competition or attempt to create monopolies. The government takes a dim view of attempts to dominate the marketplace improperly with a product that could not otherwise survive. My advice to original instrument manufacturers is to improve the quality and price of their parts and not look to the trademark laws to strengthen their market share. ■