



principles of equity: scotus eliminates “willfulness” prerequisite for award of trademark profits

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On April 23, 2020, the Supreme Court weighed in on a question that had split the circuits: to receive an award of profits for trademark infringement under the Lanham Act, does a plaintiff first have to show that the defendant infringed with willful intent? All the Justices agreed that the answer is “no.” *Romag Fasteners, Inc. v. Fossil, Inc.*, No. 18-1233. Instead, a court must consider “principles of equity” in deciding whether to award the equitable remedy of the defendant’s profits. Recognizing that eliminating a threshold requirement of willfulness may create uncertainty in the law, the Court found that the statute’s language clearly mandated that lack of willfulness is not, in itself, a barrier to a profits award. Nonetheless, willfulness remains a factor for strong consideration in deciding whether an award is equitable.

The case arose from a dispute between a supplier of fasteners for handbags and other accessories that respondent Fossil made. Over time, Fossil’s factories in China had started to source counterfeit fasteners. Romag claimed that Fossil was doing little to guard against the practice, and Romag sued. After trial, the jury found that Fossil had acted “in callous disregard” of Romag’s rights, but the jury rejected the claim that Fossil acted willfully. The district court refused Romag’s request that Fossil hand over all the profits from the sales of its bags and other products containing the counterfeit fasteners, pointing out that controlling Second Circuit precedent required a plaintiff seeking profits to prove that the defendant’s violation was willful. Other circuits took a different position from the Second Circuit, so the Court granted *certiorari*.

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