

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

MEMORANDUM

Case No. CV 09–6988 DSF (JEMx)

Date 8/5/14

Title Neurovision Medical Products, Inc. v. NuVasive, Inc.

Present: The
Honorable

DALE S. FISCHER, United States District Judge

Debra Plato

Not Present

Deputy Clerk

Court Reporter

Attorneys Present for Plaintiffs:

Attorneys Present for Defendants:

Not Present

Not Present

Proceedings: (In Chambers) Order GRANTING Plaintiff’s Motion for Permanent Injunction and Cancellation of Trademark Registrations (Docket No. 453)

Plaintiff Neurovision Medical Products, Inc. brought this trademark infringement action against Defendant NuVasive, Inc. After a six-day trial, the jury rendered a verdict in favor of Plaintiff in the amount of \$30 million in disgorged profits. Plaintiff now moves for a permanent injunction.

In order to establish its entitlement to a permanent injunction, Plaintiff must demonstrate:

- (1) that it has suffered an irreparable injury; (2) that remedies available at law, such as monetary damages, are inadequate to compensate for that injury; (3) that, considering the balance of hardships between the plaintiff and defendant, a remedy in equity is warranted; and (4) that the public interest would not be disserved by a permanent injunction.

eBay Inc. v. MercExchange, L.L.C., 547 U.S. 388, 391 (2006).

NuVasive argues that injunctive relief is not warranted because Plaintiff has failed to establish irreparable injury and the inadequacy of legal remedies.¹ NuVasive relies

¹ The parties agree that these two prongs involve virtually the same analysis. See Earth Island Inst. v. Carlton, 626 F.3d 462, 474 (9th Cir. 2010) (“[T]here is significant overlap between these two issues.”).

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primarily on a recent Ninth Circuit case making clear that irreparable harm cannot be presumed “based solely on a strong case of trademark infringement.” Herb Reed Enterprises, LLC v. Florida Entm’t Mgmt., Inc., 736 F.3d 1239, 1250 (9th Cir. 2013). Rather, a district court must make an independent finding of irreparable harm. See id.; see also Flexible Lifeline Sys., Inc. v. Precision Lift, Inc., 654 F.3d 989, 998 (9th Cir. 2011) (“[I]n a copyright infringement case, the plaintiff must demonstrate a likelihood of irreparable harm as a prerequisite for injunctive relief, whether preliminary or permanent.”). In making this determination, the Court is bound by the jury’s explicit and implicit findings. See Los Angeles Police Protective League v. Gates, 995 F.2d 1469, 1473 (9th Cir. 1993) (“[I]n a case where legal claims are tried by a jury and equitable claims are tried by a judge, and the claims are based on the same facts, in deciding the equitable claims the Seventh Amendment requires the trial judge to follow the jury’s implicit or explicit factual determinations.” (citation and quotation marks omitted)).

The Court finds that Plaintiff would suffer irreparable harm absent an injunction. The jury found that NuVasive fraudulently obtained its trademark registrations and used Plaintiff’s mark in a manner likely to cause confusion. By determining that \$30 million of NuVasive’s profits was attributable to the infringement, the jury necessarily found that Plaintiff suffered substantial harm from NuVasive’s use of the mark. The jury was presented with evidence of harm to Plaintiff’s goodwill and reputation. “Loss of goodwill and damage to reputation is not readily measurable, and loss of sales is notoriously difficult to calculate, making money damages an inadequate remedy.” Card Tech Int’l, LLLP v. Provenzano, No. CV 11-2434 DSF (PLAx), 2012 WL 2135357, at *25 (C.D. Cal. June 7, 2012) (citation and quotation marks omitted); see also Stuhlbarg Int’l Sales Co., Inc. v. John D. Brush & Co., Inc., 240 F.3d 832, 841 (9th Cir. 2001). Moreover, the jury’s award covers only past harm. If NuVasive were allowed to continue to use the mark, Plaintiff’s only remedy would be to sue NuVasive repeatedly. See Brighton Collectibles, Inc. v. Pedre Watch Co., Inc., No. 11CV00637 AJB (WVG), 2013 WL 5719071, at *5 (S.D. Cal. Oct. 21, 2013) (“Inadequacy [of legal remedies] can be shown . . . where a legal remedy would require a multiplicity of suits.”); Metro-Goldwyn-Mayer Studios, Inc. v. Grokster, Ltd., 518 F. Supp. 2d 1197, 1219 (C.D. Cal. 2007) (“[T]he very need to file multiple lawsuits as a consequence of StreamCast’s inducement is itself supportive of an irreparable harm finding.”); 5 McCarthy on Trademarks and Unfair Competition 30:2 (“It is difficult to imagine an unfair competition case where damages are adequate to remedy the problem of defendant’s continued acts. If an injunction were denied, the court would be telling plaintiff to sit by and watch defendant continue to violate the law and infringe upon plaintiff’s rights until such time as plaintiff decided to sue again for money damages as compensation for the past injury incurred.” (footnote omitted)). Plaintiff would incur significant costs in bringing such lawsuits – costs it would not necessarily be able to recover. See 15 U.S.C. § 1117(a) (allowing

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recovery of attorney's fees in trademark actions only in "exceptional" cases). The disruption repeated litigation would cause to Plaintiff's business operations would also be irreparable. Further, even if NuVasive intends to halt its use of the "Neurovision" mark, Plaintiff "is not required to produce evidence that [NuVasive] is likely to infringe again" to establish an entitlement to injunctive relief. Levi Strauss & Co. v. Shilon, 121 F.3d 1309, 1314 (9th Cir. 1997).²

Finally, NuVasive does not argue that the balance of the hardship weighs in its favor or that the public interest would be disserved by an injunction. Therefore, Plaintiff's motion for a permanent injunction is GRANTED. Plaintiff's motion for cancellation of NuVasive's trademarks is also GRANTED.³

The parties are ordered to meet and confer as to the language of the injunction. If the parties are unable to agree on language, the parties shall file, in addition to separate proposed injunctions, a joint statement setting forth the position of each party.

IT IS SO ORDERED.

² NuVasive still maintains that "NuVasive, not Plaintiff, owns the NEUROVISION trademark." (Opp'n at 1.) The Court has no confidence that in the absence of an injunction, it will stop using the mark.

³ Because the jury found that NuVasive defrauded the USPTO, the Court must order cancellation of the trademarks. See Gracie v. Gracie, 217 F.3d 1060, 1065-66 (9th Cir. 2000). NuVasive offers no authority to the contrary.