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Article

POACHING PROFITS: AN EXAMINATION OF THE ABILITY OF A TRADEMARK OWNER TO RECOVER AN INFRINGER'S PROFITS UNDER THE LANHAM ACT AS AMENDED IN 1999

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*258 I. Introduction

A word has "no 'intrinsic' meaning."[1] Rather, a word is a "symbol of meaning."[2] As one author noted, "[w]ords are only meaningless marks on paper or random sounds in the air until we posit an intelligence which selected and arranged them."[3] In other words, a word or a symbol has value only insofar as it is connected to an "external reality."[4] In the field of intellectual property, a word or a symbol that functions as a trademark has little worth absent a relationship with an external reality. In trademark law, that external reality is the public confidence or goodwill associated with a specific good or service.[5]

In 1892, few would have attributed significant value to a word as meaningless as "Coca-Cola." Nevertheless, nearly 115 years later, this seemingly meaningless term is estimated to be worth $65 billion.[6] Fifty years ago, a word such as "Microsoft"--a word with no intrinsic or extrinsic value-- would have garnered little attention. Today, this word has an estimated value of $58 billion.[7] The tremendous economic investments of corporations such as Coca-Cola and Microsoft have, over the course of time, generated overwhelming goodwill in these companies' goods and services. For these entities, significant time and money has translated into a dependable reputation for quality and customer satisfaction. These words with no inherent meaning have become extraordinarily valuable "business assets and today are maybe the most valuable asset[s] on a company's balance sheet."[8]

***259** To protect the trademark owner and "the goodwill which he spent energy, time, and money to obtain"[9] from "the poacher"[10] who would misappropriate the mark for his own profit, Congress enacted the Lanham Act.[11] Congress enacted 15 U.S.C. § 1117, or section 35 of the Lanham Act, providing monetary remedies for violations of the Lanham Act.[12] Prior to August 1999, section 35 stated the following:

> When a violation of any right of the registrant of a mark registered in the Patent and Trademark Office, or a violation under section 1125(a) of this title, shall have been established in any civil action arising under this chapter, the plaintiff shall be entitled, . . . subject to the principles of equity, to recover (1) defendant's profits, (2) any damages sustained by the plaintiff, and (3) the costs of the action.[13]

In August 1999, Congress amended section 35 by replacing "or a violation under section 1125(a) of this title" with "violation under section 1125(a) of this title, or a willful violation under section 1125(c) of this title" (the 1999 Amendment).[14]

***260** Since its enactment, the federal circuits have wrestled with interpreting the 1999 Amendment and its impact on whether a trademark owner must prove that a defendant willfully violated 15 U.S.C. § 1125(a)-- section 43(a) of the Lanham Act--to recover the profits earned by a defendant through the misappropriation of the owner's trademark.[15] Certain circuits have construed the 1999 Amendment as reflecting Congress's plain intent to condition monetary awards for section 43(c) violations (i.e., trademark dilution) on a showing of willfulness, but not for section 43(a) violations (i.e., unfair competition and infringement).[16] In contrast, other circuits continue to require willfulness to recover monetary relief for violations of section 43(a), regardless of the 1999 Amendment.[17]

The Second Circuit serves as a particularly stark case study because it illustrates the larger conflict occurring throughout the federal circuits on this issue. Over the years, Second Circuit district courts have, relying upon circuit precedent, consistently required willfulness to recover a defendant's profits for violations of section 43(a).[18] Yet recently, certain Second Circuit district courts have strayed ***261** from or questioned the long-established precedent regarding willfulness.[19] These district courts have considerable support for their departure from circuit precedent in light of the text, legislative history, and purpose of the 1999 Amendment.

This article argues that the 1999 Amendment authoritatively determined that a showing of willfulness is not required in order for a trademark owner to recover a defendant's profits for violations of section 43(a). Part II briefly reviews the modern statutory framework for the trademark principles relevant to this article. Part III provides a brief analysis of what "willful" means as it relates to a party's state of mind. Part IV reviews the two principal Second Circuit Court of Appeals decisions that are the foundation for the circuit's willfulness requirement and the conflicting district court decisions of the Circuit. Part V examines the positions of the other federal circuits on this issue. Part VI argues that the text of the 1999 Amendment and related provisions are consistent with the proposition that a trademark owner need not prove willfulness. Part VII argues that the legislative history and aim of Congress in enacting the 1999 Amendment and related Lanham Act provisions unequivocally demonstrate that Congress's intent was never to require a trademark owner to prove that a defendant's violation of section 43(a) was willful in order to recover profits. Part VIII provides a concise summary.

II. Trademarks--"The Essence of Competition": A Brief Overview of Trademark Protection

Fritz Lanham, the Texas Congressman for whom the Lanham Act was named, believed that trademarks embodied "the essence of competition."[20] Representative ***262** Lanham's sweeping statement was likely premised on two fundamental functions performed by trademarks: (1) to facilitate consumers' identification of a certain product or service as coming from a particular source and (2) to "assure a producer that it (and not an imitating competitor) will reap the financial, reputation-related rewards associated with a desirable product."[21] Courts past and present have applied trademark principles to protect the economic investment of trademark owners.[22] Justice Holmes referred to the protection of one's mark as a "delicate matter that may be of great value but that easily is destroyed, and therefore should be protected with corresponding care."[23] To that end, legislators have consistently strived to enact laws that adequately preserve this "essence of competition."[24]

A. The Lanham Act of 1946

At the time of the early discussions regarding the bill that eventually became the Lanham Act, trademark law was "a disorderly patchwork" of legislation.[25] Believing that trademark protection was "entirely a State matter," many states had enacted legislation to protect trademark owners.[26] However, Congress, also concerned with protecting trademark rights, enacted its own trademark laws.[27] Eventually, the legal landscape became a confused body of "widely scattered and diffuse" statutes, which led Congressman Lanham to remark that "[a]nyone who has had occasion to read these statutes must be impressed with their obscurity."[28]

***263** One component of the legislative effort to rectify this "confused situation" was section 43(a) of the Lanham Act.[29] Section 43(a) provided a cause of action for "a false designation of origin, or any false description or representation" regarding a good or service.[30] When enacted, section 43(a) was actually regarded as "a minor" provision.[31] For that reason, the legislative history for section 43(a) is meager.[32] Congress did not accord much attention to this provision because it viewed its scope as quite limited. However, the scope of section 43(a) eventually expanded extraordinarily and ultimately became what many initially feared (and others, hoped) the Lanham Act would create--a general federal law of unfair competition.[33] Although section 43(a) is not a "federal 'codification' of the overall law of unfair competition,"[34] a minor provision that was originally viewed as simply covering "false designations or representations as to the geographic origin ***264** of products,"[35] has come to provide the statutory basis for a variety of claims, including trade dress infringement,[36] infringement of unregistered trademarks,[37] passing off and reverse passing off,[38] and false advertising.[39]

Section 35(a) was created to embody the monetary remedies for violations of the Lanham Act.[40] Between the enactment of the Lanham Act in 1946 and the enactment of the Federal Trademark Dilution Act in 1996 (FTDA), Congress made four significant amendments to section 35. In 1975, Congress amended section 35 to authorize courts to award "reasonable attorney fees to the prevailing party" in "exceptional cases."[41] In 1984, Congress added section 35(b) to enhance the remedies available to registered trademark owners by granting them a mandatory award of treble damages or profits, as well as attorney fees, in the event of willful and knowing counterfeiting.[42] In 1988, Congress extended the monetary remedies available under section 35(a) to unfair competition claims arising under section 43(a).[43] Previously, section 35 only provided remedies for the violation of registered trademarks.[44] Finally, in 1996, Congress amended section 35 by granting trademark owners the option of recovering statutory damages from counterfeiters prior to final judgment.[45]

*265 B. The Trademark Dilution Act of 1996

Originally, the Lanham Act provided causes of action for infringement and unfair competition, but not dilution.[46] The sine qua non of trademark infringement and unfair competition actions is a likelihood of confusion,[47] a requirement that naturally leads to the other prominent element of infringement actions--the defendant's product bearing a confusingly similar mark in either direct or indirect competition with that of the plaintiff.[48] However, a question arose as to what sort of trademark protection exists where a party uses a similar mark on non-competing goods. The classic infringement action did not cover such situations and appeared to create a "gap" in trademark law.[49] In 1927, Frank Schechter[50] argued that even if a junior user's mark may not compete with the senior user of a similar mark and may not lead to a likelihood of confusion, that junior's user's mark may "whittle away" the distinctiveness of the senior user's mark.[51] Dilution was conceived to fill this gap.

***266** A federal cause of action for trademark dilution came into being with the enactment of the FTDA.[52] However, its genesis had been in the works long prior to 1996. Between 1985 and 1987, a United States Trademark Association commission conducted "an intensive, comprehensive study of the entire United States trademark system."[53] During the commission's debates and discussions, the subject of dilution emerged as "the most perplexing agenda item."[54] After some tense debates and numerous drafts, the commission completed its report and made recommendations in August 1987--a central portion of the report was a proposal that would constitute a new section 43(c) to the Lanham Act.[55]

Only a few months later, Senator Dennis DeConcini of Arizona introduced a bill in Congress that embodied what became the Trademark Law Revision Act (TLRA).[56] The bill contained several proposed amendments to the Lanham Act, however, one of those amendments was the Federal Trademark Dilution Act, which adopted the "proposed Section 43(c) almost verbatim."[57] However, opposition groups, namely the broadcast and media industry, feared that the proposed dilution statute would result in significant restrictions on First Amendment rights.[58] As a result, the dilution statute was excised from the bill, which proceeded through Congress and was signed by President Reagan on November 16, 1988.[59]

Despite the perceived failure of dilution proponents in 1988, within a decade they returned and tended to their "unfinished business" with dilution.[60] Within a few years, it became apparent to legislators that since the enactment of the TLRA, ***267** "the dilution of well-known marks ha[d] become a greater problem both domestically and, especially, internationally."[61] Therefore, Congress introduced a new bill that largely tracked the language of the bill proposed as part of the TLRA. The second time around, legislators tweaked the language to assuage First Amendment concerns with a dilution cause of action,[62] and successfully enacted the FTDA to preserve "the commercial value and aura of" those marks that were considered "famous"[63]--those marks with such powerful consumer associations that even non-competing uses can impinge on their value."[64]

Under the FTDA, a plaintiff was entitled to both monetary damages and injunctive relief against a junior user of a mark that caused a "lessening of the capacity of a famous mark to identify and distinguish goods or services."[65] Congress provided for monetary relief in section 43(c) itself, stating that if the owner of the famous mark demonstrated willful intent by the defendant to trade on the owner's reputation or to dilute the mark, then the owner would be entitled to the monetary remedies available for a violation of section 43(a), as articulated in section 35 of the Lanham Act.[66]

C. The 1999 Amendment

Although the FTDA had expressly articulated in section 43(c) what monetary remedies were available for dilution, Congress believed certain improvements were still necessary to "clarify[] the remedies available under the Federal trademark dilution statute when it does occur."[67] Legislators believed these changes, among others, constituted "significant and necessary improvements in the trademark law."[68] To that end, Congress amended section 35(a).[69] Prior to the 1999 ***268** Amendment, under section 35(a), a trademark owner not relying upon a federal registration could recover monetary remedies for infringement and other unfair competition claims if the owner could prove "a violation" of section 43(a).[70] Section 35(a) itself made no reference to monetary remedies for dilution. After the 1999 Amendment, according to section 35(a), a trademark owner could recover monetarily by proving either "a violation" of section 43(a), or "a willful violation" under section 43(c).[71] Since the 1999 Amendment, courts have increasingly grappled with the impact of Congress's textual distinction--applying the "willful" qualifier to section 43(c) violations but not section 43(a) violations. This affects whether a plaintiff must show that a defendant acted willfully in order to recover the defendant's profits for violations of section 43(a).[72]

III. Willful Conduct

Articulating an exact definition for "willful" in the legal context is a tricky task. Courts have described this term as a "word of many meanings whose construction is often dependent on the context in which it appears."[73] The tremendous difficulty of pinpointing an exact definition for the term “willful” is what led Judge Learned Hand to call it “an awful word” that should be “purged” from any written index in which it is found.[74] While defining the term “willful” can be a “slippery” endeavor,[75] courts generally agree that there is some distinction in the meaning of “willful” depending on whether it is used in the civil or criminal context.[76] The Supreme Court has noted that in the civil context, willfulness draws ***269** the line between “intentional, or knowing, or voluntary” conduct from “accidental” conduct.[77] However, in the criminal context, willfulness draws the line between conduct that is done with “a bad purpose”-- “the defendant acted with knowledge that his conduct was unlawful”[78]-- or “a culpable state of mind,” and conduct which is not.[79] In other words, in a criminal context, the defendant must have acted knowing that he was acting unlawfully.[80]

For example, in Ratzlaf v. United States, the Supreme Court considered the meaning of language in 31 U.S.C. § 5324(a)(3), a provision that barred transactions structured “for the purpose” of evading certain federal financial reporting requirements.[81] The provision “required that a defendant know he was evading reporting requirements and intend to do so.”[82] This provision’s “corresponding penalty provision, § 5322(a), set out punishments for persons ‘willfully violating’ the statute.”[83] The government argued that a defendant’s knowledge of the illegality of his or her actions in violation of that statute was irrelevant to satisfy the “willfulness” requirement.[84] The Supreme Court disagreed and held that “willful- ness” required “knowledge of the reporting requirement” as well as a “specific intent to commit the crime.”[85] In other criminal cases, the Court has held that the offender need not have a specific intent to commit the crime, but that the offender know generally that the conduct is unlawful.[86]

***270** Although some courts may heed this distinction,[87] the Supreme Court seems to apply this distinction liberally. For example, in Kawaauhau v. Geiger, the plaintiff sued her physician for medical malpractice and recovered a large sum.[88] The physician later petitioned for bankruptcy.[89] The issue was whether the doctor’s debt to the plaintiff under the judgment constituted a dischargeable debt under the bankruptcy code.[90] Under the code, a debt “for willful and malicious injury by the debtor to another” was not dischargeable.[91] The bankruptcy court held that the physician’s care constituted willful and malicious injury; however, the Eighth Circuit Court of Appeals reversed, holding that a debt for malpractice is based on negligent or reckless conduct, rather than intentional conduct.[92] As a result, the debt was dischargeable since it was not willful.[93] Upon review, the Supreme Court distinguished between “acts, done intentionally, that cause injury . . ., [and] acts done with the actual intent to cause injury.”[94] The Court determined that “willful” was not merely intending to do the act that causes the injury, but intending to injure.[95] Thus, in the civil context, the Court construed willful conduct as requiring a “bad purpose” as well. Similarly, in Trans World Airlines, Inc. v. Thurston, the Court noted that it had applied the same standard for willfulness in criminal and civil cases.[96]

***271** Therefore, the term “willful” is one whose meaning is truly contextual. As a result, one must view how courts have construed this term in the context of trademark infringement cases. The Second Circuit Court of Appeals agrees that a defendant has acted willfully for trademark purposes if he or she “intended to deceive the public concerning the origin of the goods.”[97] The Second Circuit has carefully distinguished between the “innocent competitor who inadvertently crosses the line between a ‘free ride’ and liability” and one who engages in “intentionally fraudulent conduct” or “deliberate deceit.”[98] Similarly, the Tenth Circuit Court of Appeals defines willfulness as a “conscious desire” to violate the mark holder’s rights.[99] The D.C. Circuit Court of Appeals views willfulness as synonymous with “deliberate theft of a mark holder’s good will” or “conduct aimed at a victim targeted by the defendant.”[100] The Ninth Circuit Court of Appeals holds that “[w]illful infringement carries a connotation of deliberate intent to deceive.”[101] The Eleventh Circuit Court of Appeals defines willfulness as “knowingly and deliberately cashing in upon the goodwill of [the infringed].”[102] A survey of these circuits’ definitions of willfulness reveals their understanding of willfulness to not merely constitute drawing a line between voluntary and accidental conduct, as some courts construe the term in the civil context. To the contrary, the courts seem to construe willfulness similarly to the criminal context, requiring more than just the intent to use a mark that happens to infringe another party’s mark. Rather, ***272** willful conduct requires a “bad purpose” or a deliberate intent to deceive. Willful infringers must know that they are violating the rights of a trademark owner and that such conduct is unlawful.

IV. The Second Circuit and Willfulness

As a “trend-setting court for trademark cases,” the Second Circuit is an important forum for adopting the rule that trademark owners do not need to prove willfulness to recover the defendant’s profits.[103] In 1992, the Second Circuit Court of Appeals unequivocally held that willfulness is required,[104] and generally, the courts of the circuit have faithfully applied that precedent--even after the 1999 Amendment.[105] Nonetheless, in the past few years, certain district courts in the circuit have questioned the firmly established precedent in light of the 1999 Amendment.[106] This shift among Second Circuit courts, triggered by the 1999 Amendment, reflects a larger movement taking place throughout the federal circuits as more courts remove the requirement of willfulness. This section reviews the two principal Second Circuit Court of Appeals cases that are the foundation of the Circuit's current precedent and then it evaluates what the district courts have done since the 1999 Amendment.

*273 A. W.E. Bassett Co. v. Revlon, Inc.

In W.E. Bassett Co. v. Revlon, Inc., a manufacturer of manicuring instruments sued Revlon, a well-known manufacturer of beauty care products, for infringing its mark TRIM with a cuticle trimmer called CUTI-TRIM.[107] The court articulated three grounds upon which an accounting of a defendant's profits is appropriate: (1) if the plaintiff has sustained damages from the infringement; (2) if the defendant is unjustly enriched; and (3) if necessary to deter a willful infringer from doing so again.[108] Even though the court believed that Revlon had not been unjustly enriched by its infringing sales, the court held that because Revlon had "deliberately and fraudulently infringed" the plaintiff's mark, a full accounting was merited as a deterrent.[109]

B. George Basch Co. v. Blue Coral, Inc.

Twenty-two years later, the Second Circuit Court of Appeals made an important clarification to its W.E. Bassett decision regarding the requirement of willfulness for recovery of a defendant's profits. In George Basch Co., Inc. v. Blue Coral, Inc., the court noted that although its W.E. Bassett holding was susceptible to an interpretation that a showing of willful infringement was required only to ***274** recover profits on the basis of deterrence, such a showing was also required to recover a defendant's profits on the other two grounds--unjust enrichment and as a measure of the plaintiff's damages.[110] Thus, the court categorically held that, regardless of the rationale, a "defendant's willful deceptiveness is a prerequisite for awarding profits."[111]

C. Since the 1999 Amendment

Generally, district courts throughout the Second Circuit have adhered to the George Basch explicit requirement of willful deceptiveness.[112] However, in recent years, certain district courts have begun to depart from or question George Basch in light of the 1999 Amendment. The decisions essentially can be grouped into four different categories.

First, some judges have deferred to George Basch despite the express language of the 1999 Amendment. In Malletier v. Dooney & Bourke, Inc., the court held that, regardless of the 1999 Amendment, the Second Circuit Court of Appeals has not addressed the impact of the amendment, and therefore, George Basch remains the law for the Second Circuit.[113] In Mastercard International Inc. v. First National Bank of Omaha, Inc., the court held that it is a "well settled" precedent in the Second Circuit that a showing of willfulness is a prerequisite to a recovery of the defendant's profits despite the 1999 Amendment.[114] Second, the ***275** overwhelming majority of courts have applied George Basch without even acknowledging the existence and impact of the 1999 Amendment.[115]

The third group consists of courts that have begun to question or simply overrule George Basch. In Nike, Inc. v. Top Brand Co., the court held that in light ***276** of the 1999 Amendment "willfulness is not a prerequisite to the recovery of profits for infringement."[116] More recently, a court held that "Congress' 1999 revision makes plain that willfulness is a prerequisite for the awarding of profits, damages, and costs under section 43(c) of the Lanham Act. It is not a statutory prerequisite for the awarding of profits, damages, and costs under sections 43(a) and (d)."[117]

The fourth category of decisions includes those courts that have deferred to George Basch regarding the prerequisite of willfulness while simultaneously acknowledging that the 1999 Amendment may "raise[ ] a question as to the continuing viability of the Second Circuit precedent requiring a showing of willfulness as a predicate to recovery" for a violation of section 43(a).[118]

Although George Basch and its requirement of willfulness continue to be the Second Circuit precedent, district courts such as those in the third and fourth group of decisions have correctly decided to overturn or cast doubt on this precedent and should serve as a signal to the Second Circuit Court of Appeals to reverse its holding in George Basch.

V. The Split

Unfortunately, the Supreme Court has not directly addressed the issue of willfulness in the context of awarding profits for violations of section 43(a) of the Lanham Act.[119] Nonetheless, the Second Circuit, as well as those circuits that ***277** similarly hold that willfulness is required, should follow the lead of those circuits that have correctly held that a trademark owner does not have to show that a defendant willfully violated section 43(a) to be awarded the defendant's profits.[120]

***278** Even prior to the 1999 Amendment, certain circuits correctly held that section 35(a) did not require the plaintiff to prove willful conduct on the part of the defendant. One such circuit was the Eleventh Circuit Court of Appeals.[121] In Optimum Technologies, Inc. v. Home Depot USA, Inc., a federal district court articulated the three alternative grounds that the Eleventh Circuit considers for an award of profits: "(1) the defendant's conduct is a deliberate and willful violation; (2) the infringer is unjustly enriched; or (3) the sanction is necessary for future deterrence."[122] The court's language suggests that willfulness is not required in the latter two cases. In that same decision, the district court stated that a "showing of willful infringement or bad faith is grounds for recovering profits . . . [it] is not a prerequisite to recovery."[123] On appeal, the Eleventh Circuit Court of Appeals upheld the district court's holding and repeated the identical three grounds justifying a recovery of profits, expressly requiring willfulness for the first ground, but not the latter two.[124]

In Sands, Taylor & Wood Co. v. Quaker Oats Co., the defendant argued that the plaintiff was not entitled to the defendant's profits because there was no ***279** evidence that the defendant had deliberately traded on the plaintiff's goodwill.[125] Acknowledging that other circuits often require willfulness to order an accounting of profits, the Seventh Circuit Court of Appeals decided that the position of the Seventh Circuit was "not . . . so limited."[126] Borrowing language from a previous decision, the court stated, "there is no express requirement that . . . the infringer wilfully infringe the trade dress to justify an award of profits."[127]

In the 1980s, the Sixth Circuit Court of Appeals rendered two prominent decisions holding that "[f]or a court to order an accounting under section 35(a), bad faith must be shown."[128] However, in 1991, the court reversed that requirement in Wynn Oil Co. v. American Way Service Corp.[129] The district court had denied the plaintiff a recovery of the defendant's profits because the record did not provide sufficient evidence that the defendant's conduct was willful.[130] The Sixth Circuit Court of Appeals reversed the lower court's decision, holding that section 35(a) contains a "statutory directive that subject to certain exceptions which do not apply in this case, 'the plaintiff shall be entitled . . . to recover' any profits defendant gained by the infringement."[131] The court did not even address whether or not the defendant's conduct was willful; it only cited language from the Seventh Circuit Court of Appeals that "there is no express requirement that . . . the infringer willfully infringe the trade dress to justify an award of profits."[132] The Sixth Circuit Court of Appeals recently affirmed the holding of Wynn Oil Co. that the plaintiff is not required to show willfulness.[133]

***280** The First Circuit Court of Appeals took a unique position in Tamko Roofing Products, Inc. v. Ideal Roofing Co. in which it held that where a direct competitor infringes trademark rights, the victim may recover the infringer's profits without a finding of willfulness.[134] It is the rule of the First Circuit that "an accounting of [a] defendant's profits where the products directly compete does not require fraud, bad faith, or palming off."[135] The court went so far as to say that an accounting of a defendant's profits would be recoverable "even when most of the products are not in competition."[136] Therefore, as long as a defendant infringes a plaintiff's mark and a portion of the infringing goods directly competes with those of the plaintiff, then the defendant could be required to disgorge its profits.

Other circuit courts have removed the willfulness requirement expressly due to the 1999 Amendment. The Fifth Circuit Court of Appeals paved the way when it held that in light of the "plain language" of the 1999 Amendment, willfulness is not a prerequisite to an accounting of profits.[137] In Quick Technologies, Inc. v. Sage Group PLC, the court approved a multiple factor test--of which the willful intent of the defendant is a part-- for evaluating a recovery of the defendant's profits.[138]

A few years later, in Banjo Buddies, Inc. v. Renosky, the Third Circuit Court of Appeals denied an appellant's request that the district court's award of its profits had been in error since the appellant had not acted willfully.[139] The court overturned its existing precedent requiring willfulness, holding that "[t]he plain language of the amendment indicates that Congress intended to condition monetary awards for section 43(c) violations, but not section 43(a) violations, on a showing of willfulness."[140]

***281** Most recently, in Synergistic International, LLC v. Korman, the Fourth Circuit Court of Appeals adopted the factor-based approach adopted by the Third and Fifth Circuits.[141] The court expressly relied on Quick Technologies and Banjo

Buddies, holding that a failure to show willfulness on the part of the defendant will not prevent an accounting of profits.[142] As shown from the decisions discussed immediately above, the Second Circuit has ample guidance in holding that willfulness is not required to recover profits for violations of section 43(a).[143]

VI. Text of the 1999 Amendment

In addition to the numerous circuits that have held that willfulness is not a requirement under section 35(a) of the Lanham Act, the Second Circuit need go no further than the text of the statute to see that such circuits have taken the correct position. As previously mentioned, section 35(a) presently entitles a trademark owner to a defendant's profits if there has been "a violation under section 1125(a) or (d) of this title, or a willful violation under section 1125(c)."[144] Prior to the 1999 Amendment, the same section entitled a trademark owner to identical relief if there had been "a violation under section 1125(a)."[145]

A. Text and Congressional Omission

Justice Frankfurter believed that when interpreting a statute, one does not finish with examining the words used by Congress.[146] Instead, he believed that "one certainly begins there."[147] Not only must Congress examine the particular ***282** language at issue, which in this case is the term "violation" as it applies to section 43(a), but Congress must also consider the entire statutory scheme: "In ascertaining the plain meaning of [a] statute, the court must look to the particular statutory language at issue, as well as the language and design of the statute as a whole."[148]

For example, in Russello v. United States, a building owner conspired with an insurance adjuster to fraudulently recover on the owner's insurance policy by setting his building on fire.[149] The district court convicted the owner under the Racketeer Influenced and Corrupt Organizations (RICO) statute and entered a judgment of forfeiture against the owner for the insurance proceeds he recovered.[150] The RICO statute provided that one convicted under 18 U.S.C. § 1962 must forfeit to the United States "any interest he has acquired or maintained in violation of § 1962."[151] The issue was whether the owner's insurance proceeds constituted an "interest" under the statute.

To understand what Congress meant by its use of "interest" in the aforementioned provision, the Court examined how the statute used "interest" throughout the statute. In certain sections, the statute qualified "interest" as being very broad (i.e., "any interest . . . acquired") while others qualified "interest" as being very limited (i.e., "any interest in . . . any enterprise which [the defendant] has established[,] operated, controlled, conducted, or participated in the conduct of, in violation of section 1962").[152] The Court found meaning in Congress's disparate use of the term "interest" throughout the statute, stating that "where Congress includes particular language in one section of a statute but omits it in another section of the same Act, it is generally presumed that Congress acts intentionally and purposely in the disparate inclusion or exclusion."[153] The Court concluded that Congress intentionally inserted the contrasting language and that it would not "presume to ascribe this difference to a simple mistake in draftsmanship."[154] Therefore, the Court interpreted the term "interest" broadly--since the relevant ***283** provision simply used the language "any interest"--so as to include the building owner's insurance proceeds.[155]

Similarly, courts should not ascribe the contrasting language of "a violation under section 1125(a) or (d) of this title" and "a willful violation under section 1125(c)," to a mere drafting error. As the Supreme Court has noted, where the word "willful" is omitted from the description of an offense in one section of a statute, yet present in another, Congress's placement of "willful" "cannot be regarded as mere surplusage; it means something."[156] To interpret "a willful violation under section 1125(c)" and "a violation under section 1125(a) or (d) of this title" as both requiring the same evidence of willfulness for recovery of the defendant's profits renders Congress's 1999 addition of "willful" superfluous and runs counter to the duty of a court "to give effect . . . to every word of a statute."[157]

The language of the Lanham Act reflects a consistent effort by Congress to articulate the mens rea required for liability under a particular provision of the statute. Section 36 provides a remedy to victims of infringement and dilution by allowing the court to order the destruction of materials bearing the offending marks.[158] Prior to the 1999 Amendment, the statute read "the court may order that all labels, signs, prints, packages, wrappers, receptacles, and advertisements in the possession of the defendant, bearing the registered mark or, in the case of a violation of section 1125(a) of this title."[159] However, in 1999, Congress amended section 36 to state that "the court may order that all labels, signs, prints, packages, wrappers, receptacles, and advertisements in the possession of the defendant, bearing the registered mark or, in the case of a violation of section

1125(a) of this title or a willful violation under section 1125(c) of this title."[160] This modification shows that Congress's addition of "willful" in section 35(a) was not an isolated, but rather a deliberate act, and that it believed certain distinctions between sections 43(a) and 43(c) were necessary.

In addition, Congress amended section 35 in 2004 to add subsection (e), which provides that "[i]n the case of a violation referred to in this section, it shall be a rebuttable presumption that the violation is willful for purposes of determining relief if the violator" provides inaccurate or false contact information when ***284** registering a domain name.[161] Under section 32, domain registrars and registries are not subject to an injunction in relation to an action brought under 15 U.S.C. § 1125(a) or (d) unless the registrar or registry, among other things, "willfully fail[s] to comply with any such court order."[162] These latter two provisions indicate that Congress's selective use of the word "willful" is purposeful and is used to impose a higher level of culpability on an infringer. Section 32 is particularly revealing because Congress expressly requires that in order for a trademark owner to enjoin a registrar or registry in relation to a section 43(a) violation, the trademark owner must show that the party has acted "willfully."[163] Congress is clearly not opposed to using the term "willful" to require a particular level of culpability in relation to section 43(a) violations. Its choice to withhold the addition of "willful" to section 43(a) violations in order to recover monetary relief in section 35(a), while inserting it for section 43(c) violations, is persuasive evidence that a plaintiff need not prove willful infringement under section 43(a) to recover a defendant's profits.[164]

In section 35(a), Congress defined the term "violation" in section 43(a) broadly. The broad scope of what conduct is actionable for violating section 43(a) is evident from Congress's defining other actionable violations throughout the statute more narrowly. In section 35(b), Congress created special monetary remedies for counterfeiting, allowing a trademark owner to recover treble damages or profits for counterfeiting.[165] Congress defined the conduct that constitutes counterfeiting narrowly. First, the defendant must "intentionally" use a mark.[166] Second, the defendant must intentionally use the mark "knowing such mark or designation is a counterfeit mark."[167] Congress did not define counterfeiting as simply "using a mark or designation," but instead defined the nature of the counterfeiter's use narrowly, requiring the infringer do so intentionally and knowingly.

***285** For a party to "intentionally" use a mark, it requires that "his conscious objective is to cause such result or to engage in such conduct."[168] In other words, the defendant must have a conscious objective of using another party's mark on his goods. This requirement has nothing to do with the defendant's knowledge of trademark law or even whether the mark belongs to another. However, section 35(b) does require that the defendant's use of the counterfeit mark be "knowing."[169] Thus, the defendant must have "knowledge of facts and attendant circumstances" that he or she was using a counterfeit mark,[170] "a spurious mark which is identical with, or substantially indistinguishable from, a registered mark."[171] By restricting the use for which a defendant can be liable for counterfeiting to "knowing" use of a counterfeit mark, Congress restricted liability to parties who use a mark with knowledge that it is registered and therefore owned by another party. Similar to the "intentional" requirement, the "knowing" requirement has nothing to do with the defendant's specific knowledge that his or her conduct is illegal or the relevant provision of the Lanham Act--"[i]n defining 'knowingly,' courts have almost uniformly rejected arguments that the term requires the defendant know his conduct was unlawful; rather, they have interpreted 'knowingly' merely to require that the defendant know he was engaging in the prohibited conduct."[172] Therefore, the term "willful" seems to relate to the defendant's knowledge that his or her conduct is illegal--that is that the defendant knows that he or she is unlawfully misappropriating the valuable property or investment of another and deceiving the public as to the source of that property for profit. Therefore, in this context, Congress was articulating a high standard of proof for plaintiffs in order for a court to hold defendants monetarily liable for trademark dilution.

This conclusion seems more evident in light of section 35(c)(2), which provides that if a counterfeiter's infringement is found to be "willful," only then can a plaintiff be entitled to statutory damages up to $1 million per counterfeit mark per type of goods or services sold, offered for sale, or distributed.[173] The placement ***286** of willful in this provision shows two things. First, conduct that is willful is distinct from conduct that is intentional and knowing. This is evident because within a matter of a few paragraphs, Congress expressly characterized conduct as "intentional," "knowing," or "willful."[174] Even more telling is the fact that Congress placed no such restricting language for violations of section 43(a).[175] Second, Congress established that "willful" constitutes a very high standard of intent. By allowing damages of up to $1 million only where a defendant acts willfully, Congress established that parties held liable for this amount are the most egregious violators, and thus used the "willful" language to define this class. Intentional or knowing use of a counterfeit mark will not trigger statutory damages; the defendant must have acted "willfully" to trigger these extraordinary damages.[176] This establishes a heavy burden on plaintiffs to recover for violations of section 43(c). A reading of section 35(a) that a trademark owner must prove that a defendant acted willfully for violations of section 43(a) is nothing less than willful blindness to Congress's blatant and explicit attempt to provide a broad scope of conduct that may trigger monetary relief for violations of section 43(a).

The Russello Court discerned significant meaning in Congress's decision to define the term "interest" broadly in some places and more limited in others.[177] Similarly, it is relevant that in the Lanham Act, Congress defined a "violation" of the statute by the defendant (i.e., a violation of section 43(a)) broadly in certain provisions, thereby incorporating any action (intentional or unintentional) that infringes a trademark owner's rights--which comports with the ordinary meaning of the word "violation."[178] However, in other places, Congress has defined "violation" by the defendant (i.e., a "willful violation" of section 43(c), "using" a counterfeit mark knowingly and intentionally) much more narrowly, requiring that the act be done with a particular mens rea.[179] Congress's 1999 addition of "willful" in section 35(a) was not "mere surplusage."[180] A reading that negates the willful language placed in section 35(a)--language that "undeniably bears separate meaning"--is "not a step to be undertaken lightly."[181] Congress's careful use of "willful" "means something"[182] and that "something" is that a plaintiff is required ***287** to show willfulness to recover a defendant's profits for a violation of section 43(c), but not for a violation of section 43(a).[183]

B. Ordinary Meaning of "Violation"

Unless Congress provides an explicit definition of a term within a statute, "statutory terms are generally interpreted in accordance with their ordinary meaning."[184] "[T]o discern the ordinary meaning of a term not explicitly defined by statute or regulation," it is appropriate to consult a dictionary.[185]

In Johnson v. Aljian, the relevant statutory provision created a cause of action against "[a]ny person who violates any provision of this chapter or the rules or regulations thereunder by purchasing or selling a security while in possession of material, nonpublic information."[186] The defendant sought to insert another requirement into the text by arguing that the statute required the violation be "viable," "actionable," or "timely."[187] The court consulted the dictionary meaning of violation as shown in the edition of Webster's Third New International Dictionary when Congress enacted the statute, which defined the verb "violates" to mean breaking or disregarding the law.[188] The court reasoned that "[w]hen, for example, someone asks if a person 'violated' the speeding law, she is ordinarily understood as inquiring whether that person disregarded the posted speed limit, not whether a timely action commenced or a successful prosecution resulted."[189]

Black's Law Dictionary defines the term "violation" as "[a]n infraction or breach of the law."[190] Similarly, when one asks if someone has "violated" the speeding law, she is also not understood to be inquiring whether that person disregarded the posted speeding limit accidentally, negligently, or intentionally--which is especially true in the case of a speeding limit since the state of mind when committing such a violation is irrelevant. She is simply asking whether or not the person exceeded the speed limit. Thus, the ordinary meaning of the term ***288** "violation" does not incorporate a "willfulness" requirement any more than it does a "timely" or "actionable" requirement.

C. The Trademark Act of 1920

In addition to evaluating Congress's use of language within the Lanham Act itself, it is revealing to compare language in the Lanham Act to that of the Lanham Act's predecessor statute.[191] Section 3 of the Trademark Act of 1920, the predecessor provision of section 43(a), provided the following:

That any person who shall willfully and with intent to deceive, affix, apply, or annex, or use in connection with any article or articles of merchandise, or any container or containers of the same, a false designation of origin, . . . shall be liable to an action at law for damages and to an action in equity for an injunction.[192]

The failure to import the willfulness language into the succeeding provision was no drafting error. Notably, the Second Circuit Court of Appeals, which strongly supports that section 43(a) violations must be willful to justify an ***289** accounting of profits, has held that by the time the Lanham Act was enacted, section 3 of the 1920 Act was a "'dead letter,' due principally to the requirement of proof of wilfulness or intent to deceive, a defect corrected by successor draft bills and ultimately by section 43(a)."[193] Therefore, the Second Circuit Court of Appeals itself has acknowledged that section 43(a) removed the requirement of willfulness for unfair competition violations. The Third Circuit Court of Appeals has also recognized that section 43(a) "discarded the wilfulness/intent-to-deceive ingredients" of the prior act.[194] The express removal of the willfulness component of the statute when Congress created a new and improved statute in 1946 is additional evidence of Congress's intent to not require a showing of willfulness to recover an infringer's profits for section 43(a) violations.

D. Amending the Lanham Act

Congress's intent to not require willfulness is further demonstrated by the fact that Congress has amended the Lanham Act on multiple occasions; yet, it has never added language to require a trademark owner to make a showing of willful misconduct to recover a defendant's profits. Recently, the Second Circuit Court of Appeals held that the Lanham Act does not incorporate the "famous marks" doctrine.[195] In support of its holding, the court found it meaningful that "Congress has not hesitated to amend the Lanham Act to effect its intent with respect to trademark protection, having done so almost thirty times since the statute took effect in 1947."[196] The court concluded that the extensive amendments by Congress without any express language incorporating the famous marks doctrine was indicative of Congress's lack of intent for the Lanham Act to afford such protection.[197] Similarly, despite Congress's repeated efforts to amend the Lanham Act to carry out its intent, particularly with respect to monetary remedies as embodied in section 35(a), a failure on the part of Congress to qualify the clause "a violation of section 43(a)" with the term "willful" indicates a lack of intent on the part of Congress to impose such a requirement on trademark owners.

In particular, a 2002 amendment to section 35(a) further reveals the deliberate character of Congress's use of the term "willful" for section 43(c) violations, but not section 43(a). From 1999 to 2002, section 35(a) read as follows: "a violation under section 1125(a), (c), or (d) of this title, or a willful violation under ***290** section 1125(c) of this title."[198] Congress amended the statute in 2002 to remove the reference to subsection (c) in the first half of the prior statement. McCarthy notes that the inclusion of subsection (c) under the first part of this clause was a "drafting error" since the double reference to subsection (c) "appeared to undo the amendment made earlier in 1999."[199] This 2002 amendment would have undone the 1999 Amendment because an inclusion of subsection (c) in the first clause would have indicated that willfulness was not required and completely contradicted the second clause's explicit requirement of willfulness for violations of subsection (c). Congressional conduct with respect to amending the Lanham Act, specifically section 35(a), demonstrates that Congress has had ample opportunity to examine and weigh the consequences of the presence and omission of the term "willful," yet has never qualified remedial relief for violations of section 43(a) by requiring that the violation be willful.[200]

VII. Legislative History and Aim of the 1999 Amendment

Justice Cardozo believed that "the meaning of a statute is to be looked for, not in any single section, but in all the parts together and in their relation to the end in view."[201] When legislators enact a statute, they have a particular aim in mind: they are seeking to "obviate some mischief, to supply an inadequacy, to effect a change of policy, to formulate a plan of government."[202] When a court examines a statute's language in light of related externalities, then it can discern the aim of the legislation, and that is the end goal of statutory construction.[203] When one considers the legislative history of the 1999 Amendment, as well as other provisions of the Lanham Act, and the context in which the 1999 Amendment was enacted, Congress's aim in enacting the 1999 Amendment becomes clear--Congress did not intend for a plaintiff to prove a willful violation of section 43(a) to recover the defendant's profits.

*291 A. The 1999 Amendment and Cybersquatters

A willfulness requirement for violations of section 43(c) is consistent with the nature of the parties that Congress intended to be defendants in such actions. In 1999, when Congress amended section 35(a) to expressly require willfulness for violations of section 43(c), but not section 43(a), Congress sought to "clarify[] the remedies available under the federal trademark dilution statute" against one party in particular.[204] The legislative history of the 1999 Amendment reveals that the clarification was especially needed in light of the quickly-developing and dynamic high-tech, online industry.[205] From this new burgeoning online landscape emerged infringers that were of particular concern to Congress--"cyber-pirates and shady dealers who register famous marks as Internet domain names, seeking to sell them at a huge profit to the legitimate trademark owners or to reap where they have not sown, trading on the goodwill of others by confusing consumers about their relationships to famous brand-names."[206] These cybersquatters were the quintessential poachers.

Congress had in mind parties such as Dennis Toeppen, the defendant in both Panavision International, L.P. v. Toeppen[207] and Intermatic, Inc. v. Toeppen.[208] In Panavision, Toeppen registered the domain name "panavision.com."[209] Toeppen ***292** set up a website in connection with the domain name in which he displayed an aerial view of Pana, Illinois.[210] When the company Panavision attempted to set up a website under its own famous trademark, it learned of Toeppen's domain name and approached Toeppen about acquiring the domain.[211] Toeppen offered to sell the panavision.com domain to Panavision for $13,000.[212] After Panavision refused the offer, Toeppen registered another domain name incorporating Panavision's other trademark, "Panaflex."[213] Additionally, Toeppen had registered domain names incorporating the marks of various other companies including Delta Airlines, Neiman Marcus, Eddie Bauer, Lufthansa, and over 100 others.[214]

Cybersquatters such as Dennis Toeppen were the focus of Congress's amendments in 1999.[215] The very reason individuals such as Toeppen inherited the name "cybersquatters" or "cyber-pirates" was the deliberate and fraudulent nature of their conduct in profiting from the goodwill of successful, famous companies and their marks.[216] Furthermore, it is "famous marks" that are the ideal target for cybersquatters and "free-riders"[217] since "famous marks . . . are more likely to be remembered and associated in the public mind" and are thus more attractive as targets for would-be copyists.[218] Therefore, requiring a defendant's conduct to be "willful" to incur monetarily liability under section 43(c) effectuated Congress's intent to punish and deter these truly egregious infringers while sparing innocent parties who unintentionally register a domain name that happens to incorporate the mark of a large company.

*293 B. The Dilution Controversy

While Congress may have resolved certain First Amendment concerns with dilution when it enacted the FTDA, other concerns remained, namely that dilution provided overly broad trademark protection to a small group of parties while not sufficiently preserving the essence of competition that the infringement cause of action sought to protect. When the Lanham Act was enacted, the principal causes of action extended to trademark owners to protect their intellectual property were infringement and unfair competition.[219] The sine qua non of these claims is the confusion that is likely to arise among consumers when similar marks are used for similar goods or services.[220] Therefore, an owner of a mark can pursue remedial action against another party using their mark to the extent there is some competition between the parties' products or services and there is sufficient similarity between the marks.[221] The fame or renown of a mark is irrelevant in an infringement or unfair competition context.[222] In fact, "the less famous a trademark, the less the chance that consumers will be confused as to origin."[223] For infringement and unfair competition claims, therefore, "a carefully-crafted balance exists between protecting a trademark and permitting non-infringing uses."[224]

Dilution, in some ways, turns infringement on its head because it essentially renders the likelihood of consumer confusion a moot issue. Success in a dilution action does not turn on a likelihood of confusion.[225] Two marks do not even need to be competitive to trigger a dilution action. When Congress enacted the FTDA, the statute defined dilution as "the lessening of the capacity of a famous mark to identify and distinguish goods or services, regardless of the presence or absence of . . . competition between the owner of the famous mark and other parties."[226]

As a result, certain courts and scholars expressed concern that dilution "tread[s] very close to granting 'rights in gross' in a trademark."[227] However, a ***294** trademark owner does not "own" the trademark.[228] Black's Law Dictionary defines "property" as an "unrestricted and exclusive right to a thing; [with] the right to dispose of a thing in every legal way."[229] While this definition may fit nicely with the scope of one's rights in a patent, or a copyright, or a piece of real property, this characterization is not consistent with the scope of one's rights in a trademark.[230] A trademark owner does not have unrestricted rights in its mark.[231] To the contrary, "[a] trademark owner has a property right only insofar as is necessary to prevent consumer confusion as to who produced the goods and to facilitate differentiation of the trademark owner's goods."[232] Whereas the value of a patent or copyright lies in the actual underlying work, the value of a trademark is not found in the literal symbol or mark itself, but rather the goodwill associated with a particular source's goods or services and the ability of that trademark to indicate that source.[233]

In addition to going beyond the classic likelihood of confusion premise of trademark law, dilution has been controversial because of the ultimate benefactor of dilution protection. Infringement and unfair competition protection serves two purposes simultaneously: to protect the mark holder's economic investment and to protect consumers from confusion between competing goods.[234] However, instead ***295** of sharing "those twin public policy goals of the laws of trademark infringement," dilution seems to have one objective in mind--to protect the property right of owners of famous marks.[235] This distinction has created an unease among many and lends itself to "[t]he perception . . . that [dilution] does not carry any compelling need to protect the public, and that it benefits only a coterie of American business elite, not the general public."[236]

In order to quell many of these concerns with dilution, Congress amended section 35(a) to extend monetary relief for dilution only if the offender's conduct is "willful." This textual modification in the 1999 Amendment was ultimately an effort by

Congress to "reinstat[e] the balance" between "over-protecting trademarks" and "potential non-infringing uses."[237] With the insertion of this one word, Congress provided a necessary safe harbor for those comparatively small entities that might get swept into the expansive scope of protection afforded by dilution.

In United States v. Hayden, the Third Circuit Court of Appeals considered the Omnibus Crime Control and Safe Streets Act of 1968, which "barred persons convicted of or indicted for serious crimes from receiving firearms."[238] The statute contained no scienter requirement and consequently, courts varied as to their position on what type of mens rea was required, if any at all, to be found guilty under the statute.[239] Eventually, Congress recognized that a lack of a scienter requirement could "inflict severe penalties upon persons who unintentionally violated firearms offenses."[240] In order to prevent the statute from ensnaring parties who only unintentionally violated the statute, Congress amended the statute to contain a mens rea requirement, specifically punishing violations only if they were committed "willfully."[241] Similarly, Congress's insertion of "willful" in the 1999 Amendment was an effort to prevent the infliction of severe penalties upon parties who unintentionally used a trademark that infringed the rights of another party.

Infringement and unfair competition claims are anchored in standard confusion analysis and respect the limited nature of a trademark owner's quasi-property right in its mark. A requirement of willfulness to recover monetary relief ***296** for infringement and unfair competition violations would thus be superfluous because these terms by definition already protect non-infringing users.[242]

However, such is not the case with dilution, and despite a tortuous history, dilution is obviously here to stay.[243] Nonetheless, dilution triggers "a broad regime of trademark rights in gross" where senior famous mark users "could control every commercial and, perhaps, noncommercial use of their marks."[244] Congress sought to install some statutory restraints to prevent mega-corporations from further deepening their pockets unless the offending party's conduct was performed willfully. While this measure will not necessarily preclude the FTDA from ultimately over-extending the trademark rights accorded owners of famous marks, it was a valuable step in protecting many unsuspecting parties from getting caught in this controversy.

C. Lanham Act of 1946

The legislative history of the Lanham Act of 1946 itself reveals that a requirement of willfulness is inconsistent with the original intentions of Congress in protecting trademark owners with a federal statute. Congress created the Lanham Act for the purpose of making "relief against infringement prompt and effective."[245] At the same time, Congress desired to make trademark infringement unprofitable.[246] The Lanham Act was a pro-trademark owner piece of legislation.

A construction of section 35(a) that requires a trademark owner to show that a defendant's conduct was willful leans largely against trademark owners and in favor of infringers. A showing of willfulness requires a trademark owner to prove not only that the defendant used a confusingly similar mark with knowledge that it was violating the trademark owner's intellectual property rights, but also that the defendant did so with a specific intent to infringe the trademark owner's rights and to "deceive the public."[247] Courts in numerous contexts have recognized that "willfulness" constitutes a "very high standard" to satisfy, as it is a more egregious state of mind than where one acts negligently or inadvertently.[248] Section 35 of the ***297** Lanham Act itself affirms that Congress intended for willful conduct to mean a deliberate, egregious violation of another's rights.[249] Therefore, imposing such a high burden upon trademark owners is contrary to Congress's initial purpose in enacting the Lanham Act.

VIII. Conclusion

In 1999, when Congress amended section 35(a) to include the clause, "a violation under section 43(a), or a willful violation under section 43(c)," Congress made an important and meaningful distinction regarding the grounds upon which a trademark owner could recover a defendant's profits. With the mere addition of the term "willful," Congress clearly expressed its intent that willful infringement was not a requirement to recover monetarily for violations of section 43(a).

Although the Second Circuit courts have historically deferred to the circuit's precedent requiring willfulness for violations of section 43(a), certain courts with that circuit have correctly revisited and departed from that precedent in light of Congress's 1999 Amendment. The developing conflict in the Second Circuit reflects a trend in the correct direction to remove willfulness as a requirement to recover a defendant's profits for violations of section 43(a). This pattern should be universally followed throughout the circuits. The "words of a statute must be read in their context and with a view to their place in the overall . . . symmetrical and coherent regulatory scheme and [must] fit, if possible, all parts into an harmonious whole."[250] In light of the text of the 1999 Amendment, the history of the Lanham Act, its legislative history, and the aim of Congress in enacting both the Lanham Act and the 1999 Amendment, an interpretation of the 1999 Amendment that requires willfulness for violations of section 43(c) only contributes to a harmonious legislative scheme to protect the valuable economic investments of trademark owners. As Justice Frankfurter recognized, a trademark owner truly "has something of value" in its mark and therefore must be able to seek redress from one who "poaches upon the commercial magnetism of the symbol" that the owner has created.[251] With the 1999 Amendment, Congress unquestionably established that ***298** trademark owners need not prove willful infringement under section 43(a) to recover the profits of poachers.

Footnotes

a1 The author is an associate in the intellectual property group of Arent Fox LLP in Washington, D.C. The author would like to thank his friend, Ken Kuykendall, for his helpful comments and insight, and would also like to thank his wife, Kayla Bertagna, for her patience and support.

1 PSI Energy, Inc. v. United States, 59 Fed. Cl. 590, 600 (Fed. Cl. 2004), rev'd, 411 F.3d 1347 (Fed. Cir. 2005).

2 Felix Frankfurter, Some Reflections on the Reading of Statutes, 47 Colum. L. Rev. 527, 528 (1947).

3 Richard S. Kay, Adherence to the Original Intentions in Constitutional Adjudication: Three Objections and Responses, 82 Nw. U. L. Rev. 226, 230 (1988).

4 PSI Energy, 59 Fed. Cl. at 600.

5 Vittoria N. Am., L.L.C. v. Euro-Asia Imps. Inc., 278 F.3d 1076, 1082 (10th Cir. 2001). The U.S. Supreme Court has defined goodwill as follows: "Although the definition of goodwill has taken different forms over the years, the shorthand description of goodwill as [sic] 'the expectancy of continued patronage,' provides a useful label with which to identify the total of all the imponderable qualities that attract customers to the business." Newark Morning Ledger Co. v. United States, 507 U.S. 546, 555-56 (1993) (citation omitted). Edward S. Rogers, who played a significant role in the drafting of the Lanham Act, equated "brand equity" with the concept of goodwill, defining both concepts as "that which makes tomorrow's business more than an accident. It is the reasonable expectation of future patronage based on past satisfactory dealings [that] gives [a business] a selling value above that of its leasehold, equipment and stock." Edward S. Rogers, Good Will, Trade-Marks and Unfair Trading 13 (1914).

6 Interbrand, Best Global Brands 13 (2007), http:// www.ourfishbowl.com/images/surveys/Interbrand_BGB_2007.pdf.

7 Id.

8 Rudolf Rayle, The Trend Towards Enhancing Trademark Owners' Rights--A Comparative Study of U.S. and German Trademark Law, 7 J. Intell. Prop. L. 227, 232 (2000).

9 Inwood Labs., Inc. v. Ives Labs., Inc., 456 U.S. 844, 855 n.14 (1982) (citing S. Rep. No. 1333, at 3 (1946)).

10 Mishawaka Rubber & Woolen Mfg. Co. v. S.S. Kresge Co., 316 U.S. 203, 206 (1942), superseded by statute, Lanham Act, 15 U.S.C. § 1117 (1946), as recognized in A & H Sportswear v. Victoria's Secret Stores, Inc., No. 94-CV-7408, 2002 U.S. Dist. LEXIS 233, at *8-*9, 61 U.S.P.Q.2d 1637, 1643 (E.D. Pa. Jan 2, 2002). Perhaps the most perceptive and authoritative explanation of trademarks and their value came from Justice Frankfurter:
The protection of trade-marks is the law's recognition of the psychological function of symbols. If it is true that we live by

symbols, it is no less true that we purchase goods by them. A trade-mark is a merchandising short-cut which induces a purchaser to select what he wants, or what he has been led to believe he wants. The owner of a mark exploits this human propensity by making every effort to impregnate the atmosphere of the market with the drawing power of a congenial symbol. Whatever the means employed, the aim is the same--to convey through the mark, in the minds of potential customers, the desirability of the commodity upon which it appears. Once this is attained, the trade-mark owner has something of value. If another poaches upon the commercial magnetism of the symbol he has created, the owner can obtain legal redress.
Mishawaka Rubber, 316 U.S. at 205.

11 Inwood Labs., 456 U.S. at 855 n.14 (citing S. Rep. No. 79-133, at 3 (1946)).

12 15 U.S.C. § 1117 (1946). See also Fleischmann Distilling Corp. v. Maier Brewing Co., 386 U.S. 714, 721 (1967) (claiming that "[w]e therefore must conclude that Congress intended s[ection] 35 of the Lanham Act to mark the boundaries of the power to award monetary relief in cases arising under the Act").

13 Lanham Act of 1946, Pub. L. No. 79-489, § 35, 60 Stat. 427, 439-40, (1946).

14 Trademark Amendments Act of 1999, Pub. L. No. 106-43, § 3(b), 113 Stat. 218, 219 (1999) (codified at 15 U.S.C. § 1117(a)). See, e.g., 15 U.S.C. § 1125(a) (2006) (creating a federal cause of action for unfair competition, which is largely parallel with a federal cause of action for trademark infringement of an unregistered trademark); 15 U.S.C. § 1125(c) (2006) (creating a federal cause of action for trademark dilution).

15 From its enactment in 1947 until 1992, Congress amended the Lanham Act approximately twenty times. 1 J. Thomas McCarthy, McCarthy on Trademarks and Unfair Competition § 5:5 (4th ed. 2003). From 1992 until 2000, Congress amended the Lanham Act an additional eight times. Id. Since 2000, Congress has made over a dozen other changes with legislative packages that became effective in 2000, 2003, and 2006. See id. § 5:11. See also id. at app.A1, Titles I - XII (2007). The most recent amendment to the Lanham Act was the Trademark Dilution Revision Act, which was in large part enacted in response to the U.S. Supreme Court's 2003 decision in Moseley v. V Secret Catalogue, Inc., 537 U.S. 418, 433 (2003), in which the Court held that a plaintiff was required to show that actual dilution of its famous mark had occurred (rather than a likelihood of dilution). See 1 McCarthy, supra, § 5:11; see also Lanham Act § 43(c), 15 U.S.C.A. § 1125(c) (2006), as amended by Trademark Dilution Revision Act of 2006, Pub. L. No. 109-312, 120 Stat. 1730 (2006).

16 Banjo Buddies, Inc. v. Renosky, 399 F.3d 168, 174 (3d Cir. 2005).

17 See W. Diversified Servs., Inc. v. Hyundai Motor Am., Inc., 427 F.3d 1269, 1274 (10th Cir. 2005) (providing that a federal court's interpretation of a statute commences with the statutory language). See Barnhart v. Sigmon Coal Co., 534 U.S. 438, 450 (2002) (stating that the extent that "the statutory language is unambiguous and 'the statutory scheme is coherent and consistent,"' a court's inquiry is over (quoting Robinson v. Shell Oil Co., 519 U.S. 337, 340 (1997))). While some may find the 1999 Amendment's addition of the term "willful" in the second clause treating section 43(c) violations while simultaneously failing to make the same addition to the clause treating section 43(a) violations to constitute conclusive evidence of Congress's express intent regarding when willfulness is required, the fact is that Congress did not expressly state whether or not "willful" conduct is required to recover profits for section 43(a) violations. The mere omission of the term "willful" from the first clause treating section 43(a) violations does not constitute an express statement by Congress that willfulness is not required. See United States v. U.S. Gypsum Co., 438 U.S. 422, 438 (1978) (noting that the mere omission of a relevant term or phrase related to the required intent of an offender does not necessarily mean that Congress intended to remove such a requirement for the offender to be liable). In the absence of such plain and unambiguous language by Congress, courts seek to discern Congress's intent by examining the language, purpose, and history of the legislative act. Int'l Brotherhood of Teamsters v. Daniel, 439 U.S. 551, 566 n.20 (1979).

18 See, e.g., Merch. Media, LLC v. H.S.M. Int'l, No. 05 Civ. 2817(JES), 2006 WL 3479022, at *11 (S.D.N.Y. Nov. 30, 2006); Cartier, Inc. v. Four Star Jewelry Creations, Inc., 348 F. Supp. 2d 217, 253 (S.D.N.Y. 2004); Mele v. Davidson & Assocs., No. 02-CV-0450E(F), 2004 WL 2285111, at *13 (W.D.N.Y. Oct. 7, 2004); Ahava (USA), Inc. v. J.W.G., Ltd., 286 F. Supp. 2d 321, 324 (S.D.N.Y. 2003); Cache, Inc. v. M.Z. Berger & Co., No. 99 Civ. 12320(JGK), 2001 WL 38283, at *14-*15 (S.D.N.Y. Jan. 16, 2001); Calvin Klein Jeanswear Co. v. Tunnel Trading, No. 98 Civ. 5408(THK), 2001 WL 1456577, at *10 (S.D.N.Y. Nov. 16, 2001); Gidatex, S.r.L. v. Campaniello Imps., Ltd., 82 F. Supp. 2d 136, 141 (S.D.N.Y. 2000); The Am. Auto. Ass'n v. AAA Auto. Club of Queens, Inc., No. 97 CV 1180 SJ, 1999 WL 97918, at *10 (E.D.N.Y. Feb. 8, 1999); Hard Rock Cafe Int'l (USA) Inc. v.

Morton, No. 97 Civ. 9483(RPP), 1999 WL 717995, at *30 (S.D.N.Y. Sept. 9, 1999).

19 See Nike, Inc. v. Top Brand Co., No. 00 Civ. 8179 KMW RLE, 2005 WL 1654859, at *9-*10 (S.D.N.Y. July 13, 2005) (holding that willfulness is not required in light of the 1999 Amendment).

20 S. Rep. No. 79-1333, at 3 (1946), reprinted in 1946 U.S.C.C.A.N. 1274, 1275. By 1937, Congressman Lanham, who was Chairman of the Patent Committee in the U.S. House of Representatives, desired to overhaul the existing trademark laws. Many recognized that the current law, the Trademark Act of 1905, "was outdated and insufficient to meet the commercial requirements of the day." Keith M. Stolte, A Response to Jerome Gilson's Call for an Overhaul of the Lanham Act, 94 Trademark Rep. 1335, 1349 (2004). When Representative Lanham met with Edward S. Rogers, dean of the trademark bar and one of the most prominent trademark specialists in the country, he asked Rogers if he had a "skeleton draft of a new act that could be used as a sort of clotheshorse to hang things on." Jerome Gilson, The International Trademark Association (1878-2003): Trademark Law Champion, 93 Trademark Rep. 24, 26 (2003). In response, Rogers provided Congressman Lanham what the congressman soon thereafter introduced as H.R. 9041 in the 75th Congress on January 19, 1938, which developed into the Lanham Act eight years later. Id.

21 Qualitex Co. v. Jacobson Prods. Co., 514 U.S. 159, 163-64 (1995).

22 See, e.g., Hamilton-Brown Shoe Co. v. Wolf Bros. & Co., 240 U.S. 251, 259 (1916) (drawing an analogy between the property that is the subject of a trust and a trademark); Walt-West Enter. v. Gannett Co., 695 F.2d 1050, 1057 (7th Cir. 1982) (noting that "[t]he wrong to the impersonated party is given legal life by recognizing in that party a right in his identity--a 'property' right in his mark of identification, appurtenant to his property rights in the goods he so marks, enabling the 'owner' of the trademark to enjoin the imposter from continuing misrepresentation").

23 Bourjois & Co. v. Katzel, 260 U.S. 689, 692 (1923).

24 S. Rep. No. 79-1333, at 3 (1946), reprinted in 1946 U.S.C.C.A.N. 1274, 1275.

25 H.R. Rep. No. 76-944, at 4 (1939).

26 S. Rep. No. 79-1333, at 3 (1946), reprinted in 1946 U.S.C.C.A.N. 1274, 1276.

27 S. Rep. No. 76-1562, at 1 (1940).

28 H.R. Rep. No. 76-944, at 2 (1939). The problematic ambiguity of the legislation, unfortunately, was only compounded by "confusing and conflicting interpretations" of the courts struggling to provide cohesiveness to the legislative patchwork. H.R. Rep. No. 78-603, at 2 (1943); see also H.R. Rep. No. 76-944, at 2 (1939) ("If, in an attempt to find out what they mean, one goes further and reads the cases in which they are interpreted and applied, bewilderment is increased because there is no reconciling the decisions.").

29 S. Rep. No. 79-1333, at 2-3 (1946), reprinted in 1946 U.S.C.C.A.N 1274, 1276.

30 As originally enacted in 1946, section 43(a) provided the following:
Any person who shall affix, apply, or annex, or use in connection with any goods or services, or any container or containers for goods, a false designation of origin, or any false description or representation, including words or other symbols tending falsely to describe or represent the same, and shall cause such goods or services to enter into commerce, and any person who shall with knowledge of the falsity of such designation of origin or description or representation cause or procure the same to be transported or used in commerce or deliver the same to any carrier to be transported or used, shall be liable to a civil action by any person doing business in the locality falsely indicated as that of origin or in the region in which said locality is situated, or by any person who believes that he is or is likely to be damaged by the use of any such false description or representation.

15 U.S.C. § 1125(a), Pub. L. No. 79-489, § 43, 60 Stat. 427, 441 (1946).

31 5 McCarthy, supra note 15, § 27:7. See also The United States Trademark Association Trademark Review Commission Report and Recommendations to USTA President and Board of Directors, 77 Trademark Rep. 375, 376 (1987) [hereinafter USTA Report] (noting that section 43(a) originally was a "little-noticed section"). Instead of section 43(a), section 44 (15 U.S.C. § 1126) garnered more attention as the basis for an expansion of trademark rights. 5 McCarthy, supra note 15, at § 27:7. Section 44 treats the relationship of international trademark agreements that the United States has ratified and the registration of foreign trademarks. 15 U.S.C. § 1126 (2002).

32 Joseph P. Bauer, A Federal Law of Unfair Competition: What Should Be the Reach of Section 43(a) of the Lanham Act?, 31 UCLA L. Rev. 671, 679-80 (1984) (noting that because section 43(a) was not "a central focus of attention" of Congress, the legislative history for section 43(a) "is quite limited").

33 See 5 McCarthy, supra note 15, § 27:7. The shifting scope of section 43(a) was so peculiar to some that even a Supreme Court justice referred to this section as "an enigma." Two Pesos, Inc. v. Taco Cabana, Inc., 505 U.S. 763, 779-80 (1992) (Stevens, J., concurring). In Two Pesos, Justice Stevens affirmed that with certain amendments to section 43(a) in 1989, "Congress codified the judicial interpretation of section 43(a), giving its imprimatur to a growing body of case law from the Circuits that had expanded the section beyond its original language." Id. at 783 (Stevens, J., concurring).

34 5 McCarthy, supra note 15, § 27:7.

35 USTA Report, supra note 31, at 426.

36 Hartco Eng'g, Inc. v. Wang's Int'l, Inc., 142 Fed. App'x 455, 459-60 (Fed. Cir. 2005).

37 Tumblebus Inc. v. Cranmer, 399 F.3d 754, 760-61 (6th Cir. 2005).

38 Dastar Corp. v. Twentieth Century Fox Film Corp., 539 U.S. 23, 29-30 (2003). The Supreme Court made this distinction between passing off and reverse passing off: "Passing off (or palming off, as it is sometimes called) occurs when a producer misrepresents his own goods or services as someone else's.... 'Reverse passing off,' as its name implies, is the opposite: The producer misrepresents someone else's goods or services as his own." Id. at 27 n.1. While passing or palming off was viewed as being covered by section 43(a) from the beginning, reverse passing off was not expressly recognized by courts as a valid claim under section 43(a) until the John Wright case in 1976. John Wright, Inc. v. Casper Corp., 419 F. Supp. 292, 325-26 (E.D. Pa. 1976).

39 Cooper Indus., Inc. v. Leatherman Tool Group, Inc., 532 U.S. 424, 428-29 (2001).

40 See supra note 13 and accompanying text.

41 5 McCarthy, supra note 15, at app. A1, Title VI; see also Act of Jan. 2, 1975, Pub. L. No. 93-600, 88 Stat. 1955 (1975).

42 5 McCarthy, supra note 15, at app. A1, Title VI; see also Act of Oct. 12, 1984, Pub. L. No. 98-473, 98 Stat. 1837 (1984).

43 5 McCarthy, supra note 15, at app. A1, Title VI; see also Act of Nov. 16, 1988, Pub. L. No. 100-667, 102 Stat. 3935 (1988).

44 15 U.S.C. § 1117(a) (1946).

45 See 5 McCarthy, supra note 15, at app. A1, Title VI; see also Anticounterfeiting Consumer Protection Act of 1996, Pub. L. No. 104-153, 110 Stat. 1386 (1996).

46 See Lanham Act of 1946, Pub. L. No. 79-489, 60 Stat. 427-46 (1946).

47 Visa Int'l Serv. Ass'n v. E. Fin. Fed. Credit Union, No. 92-55038, 1992 WL 138231, at *1 (9th Cir. June 19, 1992).

48 Nissan Motor Co. v. Nissan Computer Corp., 378 F.3d 1002, 1011 (9th Cir. 2004) (noting that two significant distinctions between infringement and dilution is that neither confusion nor competition is required for dilution actions).

49 Frank L. Schechter, The Rational Basis of Trademark Protection, 40 Harv. L. Rev. 813, 824-25 (1927).

50 Schechter has been recognized as "the father of the dilution theory." Mead Data Cent., Inc. v. Toyota Motor Sales, U.S.A., Inc., 875 F.2d 1026, 1028 (2d Cir. 1989). Schechter was a New York City lawyer who worked as in-house counsel for the underwear company, BVD. Sara Stadler Nelson, The Wages of Ubiquity in Trademark Law, 88 Iowa L. Rev. 731, 736-37 (2003). It may have been Schechter's interest in protecting the BVD mark that spurred him to be such a strong proponent of trademark dilution. Symposium, Trademark Dilution: Moseley and Beyond, 14 Fordham Intell. Prop. Media & Ent. L.J. 849, 853-54 (2004).

51 Schechter, supra note 49, at 831. It was not until 1947 that the first state, Massachusetts, enacted its own anti-dilution statute. Robert G. Bone, Hunting Goodwill: A History of the Concept of Goodwill in Trademark Law, 86 B.U. L. Rev. 547, 604 (2006). Over the next twenty years, only a few other states (Illinois, New York, Georgia, and Connecticut) enacted anti-dilution statutes. Caroline Chicoine & Jennifer Visintine, The Role of Trademark Dilution Statutes in Light of the Trademark Dilution Revision Act of 2006, 96 Trademark Rep. 1155, 1158 (2006). Then in 1964, the United States Trademark Association (USTA) drafted the Model State Trademark Bill and its dilution provisions became the model for numerous future state dilution statutes. Id. Approximately fifteen states have enacted dilution statutes patterned after the language contained in section 12 of the 1964 Model State Trademark Bill. 4 McCarthy, supra note 15, § 24:78. In 1992, USTA revised the Model State Trademark Bill. Model State Trademark Bill (U.S. Trademark Ass'n 1992). Whereas the 1964 bill only required marks to be "distinctive," the 1992 bill required a mark to be "famous." Compare 4 McCarthy, supra note 15, § 24:78 with 4 McCarthy, supra note 15, § 24:79. The language that the USTA incorporated into the 1992 bill as section 13 eventually became part of the FTDA. 4 McCarthy, supra note 15, § 24:79. Twenty-five states' anti-dilution statutes are based on the 1992 version of the Model State Trademark Bill. Chicoine, supra, at 1159.

52 Federal Trademark Dilution Act of 1995, Pub. L. No. 104-98, 109 Stat. 985 (1996).

53 Jerome Gilson, A Federal Dilution Statute: Is It Time?, 83 Trademark Rep. 108, 112 (1993). The USTA changed its name to the International Trademark Association (INTA) in 1993. International Trademark Association, History, http://inta.org/ (follow "About INTA" hyperlink; then follow "History" hyperlink) (last visited Jan. 12, 2008). The USTA was formed in 1878 in New York in order "to protect and promote the rights of trademark owners, to secure useful legislation and to give aid and encouragement to all efforts for the advancement and observance of trademark rights." Id.

54 Gilson, supra note 53, at 112.

55 Gilson, supra note 53, at 112-13.

56 Gilson, supra note 53, at 114. See also Trademark Law Revision Act of 1988, Pub. L. No. 100-667, 102 Stat. 3935 (1988).

57 Gilson, supra note 53, at 114.

58 Gilson, supra note 53, at 114 (claiming that specifically these groups were concerned that the statute provided a basis for trademark tarnishment suits, which would "stifle" parodies and other forms of non-commercial expression). The commissions' report actually considered tarnishment to be a distinct cause of action separate from dilution: "The Commission believes that trademark tarnishment and disparagement are a separate form of legal wrong, and recommends amending Section 43(a) to deal with them." USTA Report, supra note 31, at 455 n.135.

59 Gilson, supra note 53, at 115.

60 4 McCarthy, supra note 15, § 24:96 (stating that "the anti-dilution part of the 1988-89 revision package was not passed by Congress").

61 141 Cong. Rec. 38,561 (1995) (statement of Sen. Leahy).

62 See id. The bill contained language so as to protect "noncommercial" expression, and the bill "include[d] specific language exempting from liability the 'fair use' of a mark in the context of comparative commercial advertising or promotion as well as all forms of news reporting and news commentary." 141 Cong. Rec. 36,189 (1995) (statements of Sen. Moorhead). Senator Leahy stated "that parody, satire, editorial, and other forms of expression w[ould] remain unaffected by th[e] legislation." 141 Cong. Rec. 38,561 (1995) (statement of Sen. Leahy).

63 H.R. Rep. No. 104-374, at 3 (1995), reprinted in 1996 U.S.C.C.A.N. 1029, 1030.

64 Avery Dennison Corp. v. Sumpton, 189 F.3d 868, 875 (9th Cir. 1999).

65 Federal Trademark Dilution Act of 1995 § 4, Pub. L. No. 104-98, 109 Stat. 985, 986 (1996) (codified at 15 U.S.C. § 1127). According to Schechter, "the only rational basis" for protection of a trademark was its "uniqueness." Schechter, supra note 49, at 831.

66 Federal Trademark Dilution Act of 1995 § 3a, Pub. L. No. 104-98, 109 Stat. 985, 986 (1996) (codified at 15 U.S.C. § 1125(c)). In 1995, Congress did not simultaneously amend § 35 to expressly refer to remedies available for violations of section 43(c). See id.

67 145 Cong. Rec. 15496 (1999) (statement of Sen. Leahy).

68 145 Cong. Rec. 17756 (1999) (statement of Rep. Coble).

69 See Trademark Amendments Act of 1999, Pub. L. No. 106-43, 113 Stat. 218 (1999).

70 15 U.S.C. § 1117(a) (1988).

71 Trademark Amendments Act of 1999, Pub. L. No. 106-43, § 3(b), 113 Stat. 218, 219 (1999) (codified in relevant part at 15 U.S.C. § 1117) (emphasis added).

72 In 1999, Congress made several other amendments that arguably expanded the rights of trademark owners in the event of dilution. As part of the same legislation in which Congress added the "willful" language in section 35(a), it amended the Lanham Act so that dilution could serve as grounds for cancellation or opposition proceedings before the Trademark Trial and Appeal Board. See Trademark Amendments Act of 1999, Pub. L. No. 106-43, 113 Stat. 218 (1999). Prior to that amendment, dilution could be asserted only in a court action. A few months later, in November 1999, Congress enacted the Anticybersquatting Consumer Protection Act as section 43(d) of the Lanham Act, which provides for in rem jurisdiction against cybersquatters.

Anticybersquatting Consumer Protection Act, Pub. L. No. 106-113, §§ 3001-3010, 113 Stat. 1501, app. A 545-52 (1999).

73 Bryan v. United States, 524 U.S. 184, 191 (1998).

74 Judge Learned Hand's animosity for the word "willful" in criminal statutes led him to state the following: "It's an awful word! It is one of the most troublesome words in a statute that I know. If I were to have the index purged, 'wilful' would lead all the rest in spite of its being at the end of the alphabet." United States v. Hayden, 64 F.3d 126, 129 (3d Cir. 1995) (quoting Model Penal Code and Commentaries, § 2.02, at 249 n.47 (Official Draft and Revised Comments 1985)).

75 United States v. Ladish Malting Co., 135 F.3d 484, 487 (7th Cir. 1998).

76 See RSM, Inc. v. Herbert, 466 F.3d 316, 321 (4th Cir. 2006) (noting that, particularly in criminal cases, the defendant must have acted with "bad purpose" to have acted willfully); Reynolds v. Hartford Fin. Servs. Group, Inc., 435 F.3d 1081, 1098 (9th Cir. 2006), rev'd, 127 S. Ct. 2201 (2007) (noting that in defining "willfulness," the court distinguishes the civil from the criminal context, and in the civil context, "malice or evil motive" is not required); Cousin v. Trans Union Corp., 246 F.3d 359, 372 (5th Cir. 2001) (holding that no "malice or evil motive" is needed to recover punitive damages for willful violations of civil statute); Bakker v. McKinnon, 152 F.3d 1007, 1013 (8th Cir. 1998); Cushman v. Trans Union Corp., 115 F.3d 220, 226 (3d Cir. 1997); Monday v. United States, 421 F.2d 1210, 1215 (7th Cir. 1970) (noting that "[i]n criminal statutes, 'willfulness' generally requires bad purpose or the absence of any justifiable excuse. In civil actions, however, these elements need not be present. Rather, willful conduct denotes intentional, knowing and voluntary acts." (citation omitted)).

77 Bryan, 524 U.S. at 191 n.12.

78 RSM, Inc., 466 F.3d at 321.

79 Bryan, 524 U.S. at 191 n.12.

80 Id. at 191-92.

81 Ratzlaf v. United States, 510 U.S. 135, 136 (1994).

82 United States v. Hayden, 64 F.3d 126, 131 (3d Cir. 1995).

83 Id.

84 Ratzlaf, 510 U.S. at 146.

85 Id. at 141.

86 In Bryan v. United States, the Supreme Court interpreted "willfully" in § 924(a)(1)(D) to mean that the defendant was not required to have knowledge of the law which he is accused of violating but a more general "knowledge that the conduct is unlawful is all that is required." 524 U.S. 184, 196 (1998). The Court drew a distinction between the showing of willfulness under the statute in tax cases such as Ratzlaf and the statute in Bryan. Id. at 195. The Court held that in the former cases, there were "highly technical statutes that presented the danger of ensnaring individuals engaged in apparently innocent conduct." Id. at 194. Therefore, the general rule, according to the Court, is that willfulness requires only general knowledge that one's conduct is unlawful. Id. at 196. Because the Lanham Act could also be construed as being highly technical and drawing innocent parties into its scope, the Ratzlaf and tax line of cases might be more applicable. See id. at 195 n.22 (stating the need for differing rules depending on whether or not

there is danger of convicting innocent defendants).

87 Some circuits appear to strongly acknowledge this distinction. See, e.g., Reynolds v. Hartford Fin. Servs. Group, Inc., 435 F.3d 1081, 1097-98 (9th Cir. 2006), rev'd, 127 S. Ct. 2201 (2007) (interpreting willfulness in the context of the Fair Credit Reporting Act); Denbo v. United States, 988 F.2d 1029, 1034 (10th Cir. 1993) (evaluating willful in the context of employment tax payment).

88 Kawaauhau v. Geiger, 523 U.S. 57, 59 (1998).

89 Id. at 60.

90 Id.

91 Id. at 60-61.

92 Id. at 60.

93 Id.

94 Kawaauhau v. Geiger, 523 U.S. 57, 61 (1998).

95 See id. (noting that the term willful qualified the term injury, and thereby concluded that "nondischargeability takes a deliberate or intentional injury, not merely, as the Kawaauhaus urge, a deliberate or intentional act that leads to injury.").

96 Trans World Airlines, Inc. v. Thurston, 469 U.S. 111, 126-27 (1985) (discussing that the same standard was applied in United States v. Murdock, 290 U.S. 389 (1933), and United States v. Ill. Cent. R.R. Co., 303 U.S. 239 (1938)); see also Kolstad v. Am. Dental Ass'n, 527 U.S. 526, 549 (1999) (Rehnquist, C.J., concurring) (stating that the Court has "interpreted the word 'willfully' the same way in the civil context" as in the criminal context).

97 George Basch Co. v. Blue Coral, Inc., 968 F.2d 1532, 1540-41 (2d Cir. 1992) (quoting WSM, Inc. v. Tenn. Sales Co., 709 F.2d 1084, 1087 (6th Cir. 1983)). The most recent version of Black's Law Dictionary defines "willful" as "voluntary and intentional, but not necessarily malicious." Black's Law Dictionary 1020 (8th ed. 2004).

98 George Basch Co., 968 F.2d at 1541. The Second Circuit actually uses the term "willful deceptiveness" in most cases, which expressly reflects the fact that "willfulness" incorporates more than a mere intentional or voluntary action but rather a fraudulent intent on the part of the offender. Id. at 1537 (holding that "a finding of defendant's willful deceptivenes is a prerequisite for awarding profits" in federal trademark infringement suits). See also Malletier v. Dooney & Bourke, Inc., 500 F. Supp. 2d. 276, 277-79 (S.D.N.Y. 2007); Gucci Am., Inc. v. Exclusive Imps. Int'l, No. 99 Civ. 11490(RCC), 2007 WL 840128, at *8 (S.D.N.Y. Mar. 19, 2007), vacated, No. Civ.A. 99-11490 CMF, 2007 WL 2892668 (S.D.N.Y. Oct. 2, 2007); Pfizer, Inc. v. Y2K Shipping & Trading, Inc., No. 00 CV 5304(SJ), 2004 WL 896952, at *9 (E.D.N.Y. Mar. 26, 2004). A Second Circuit district court recently held that the Second Circuit Court of Appeals uses "willful deceptiveness" and "bad faith" interchangeably. Malletier v. Dooney & Bourke, Inc., No. 04 Civ. 2990(SAS), 2007 WL 1498323, at *1 (S.D.N.Y. May 22, 2007).

99 W. Diversified Servs., Inc. v. Hyundai Motor Am., Inc., 427 F.3d 1269, 1274 (10th Cir. 2005).

100 ALPO Petfoods, Inc. v. Ralston Purina Co., 913 F.2d 958, 966 (D.C. Cir. 1990).

101 Lindy Pen Co. v. Bic Pen Corp., 982 F.2d 1400, 1406 (9th Cir. 1993).

102 Burger King Corp. v. Mason, 855 F.2d 779, 781 (11th Cir. 1988) (quoting Wolfe v. Nat'l Lead Co., 272 F.2d 867, 871 (9th Cir. 1959), overruled in part, Maier Brewing Co. v. Fleischmann Distilling Corp., 359 F.2d 156 (9th Cir. 1966)).

103 Thad G. Long & Alfred M. Marks, Reverse Confusion: Fundamentals and Limits, 84 Trademark Rep. 1, 36-37 (1994). The Second Circuit is important in recognizing the impact of the 1999 Amendment because no other circuit comes close to adjudicating the number of cases that have come before and continue to appear before district courts of the Second Circuit. Since 1999, at least fifteen decisions have been rendered by the district courts of the Second Circuit that treat the issue of whether a plaintiff must prove willfulness to recover a defendant's profits for a violation of section 43(a). See supra note 18. Other circuits that appear to also require willfulness to recover a defendant's profits do not hear these cases as frequently as the Second Circuit. For example, the D.C. Circuit does not appear to have treated this matter since 1999. The only other circuit to decide multiple cases treating this matter since 1999 is the Tenth Circuit, which has heard only a handful since 1999. See Cache la Poudre Feeds, LLC v. Land O'lakes, Inc., 438 F. Supp. 2d 1288 (D. Colo. 2006); W. Diversified Servs., Inc. v. Hyundia Motor Am., Inc., 427 F.3d 1269; Prof'l Bull Riders, Inc. v. Autozone, Inc., 144 F. App'x 735 (10th Cir. 2005); Estate of Bishop v. Equinox Int'l Corp., 256 F.3d 1050 (10th Cir. 2001) (upholding the ruling on willfulness in Estate of Bishop v. Equinox Int'l Corp., No. 96-C-006-E, 1999 WL 33523122 (N.D. Okla. Sept. 22, 1999)); First Sav. Bank, F.S.B. v. U.S. Bancorp, 117 F. Supp. 2d 1078 (D. Kan. 2000). As a general matter, the Second Circuit hears many more trademark decisions than any other individual circuit. According to one author, the Second Circuit hears approximately one-third of all trademark cases. Jesse A. Hofrichter, Tool of the Trademark: Brand Criticism and Free Speech Problems with the Trademark Dilution Revision Act of 2006, 28 Cardozo L. Rev. 1923, 1956 (2007).

104 George Basch Co., Inc. v. Blue Coral, Inc., 968 F.2d 1532 (2d Cir. 1992).

105 See supra note 18.

106 See, e.g., Nike, Inc. v. Top Brand Co., No. 00 Civ. 8179 KMW RLE, 2005 WL 1654859, at *9-*10 (S.D.N.Y. July 13, 2005) (holding that willfulness is not required in light of the 1999 Amendment).

107 W.E. Basset Co. v. Revlon, Inc., 435 F.2d 656, 659-60 (2d. Cir. 1970).

108 Id. at 664. Courts have generally recognized one or all of three different theories or rationales that can justify an award of a defendant's profits under section 35(a). First, profits can be appropriate as a "rough proxy measure" of the trademark owner's damages because "damages from trademark or trade dress infringement are often hard to establish." George Basch, 968 F.2d at 1539. Because the plaintiff under the first rationale is seeking profits principally because it cannot prove actual damages, or the sales it actually lost from the defendant's infringing conduct, this remedy is more akin to a legal remedy than an equitable one. See Daisy Group, Ltd. v. Newport News, Inc., 999 F. Supp. 548, 552 (S.D.N.Y. 1998) (holding that because seeking profits as a proxy for damages is essentially a legal remedy, the plaintiff is entitled to a jury trial on the issue). Second, profits can be appropriate on the basis that, as a matter of equity, a party who has profited from misappropriating another party's trademark is "deemed to hold its profits in constructive trust for the injured plaintiff" since those profits should have gone to the plaintiff in the first place. George Basch, 968 F.2d at 1538. However, to the extent that consumers purchased the defendant's allegedly infringing mark for reasons other than the defendant's unauthorized use of the plaintiff's mark (e.g., the defendant's own reputation), the plaintiff is not entitled to such profits. Mishawaka Rubber & Woolen Mfg. Co. v. S.S. Kresge Co., 316 U.S. 203, 206 (1942). Third, an accounting of profits may be justified solely to deter the infringer from repeating the same act in the future. George Basch, 968 F.2d at 1539. In contrast to the first two rationales, which are more compensatory, the third rationale appears to be more punitive, seeking to penalize the infringer from "fraudulently" deceiving the public. Id. Some courts have been particularly skeptical of the third rationale, seeing it as being based "on questionable foundations," particularly in light of section 35(a)'s own language, which states that either an award of damages or profits "constitute [s] compensation and not a penalty." Nutting v. RAM Sw., Inc., 69 F. App'x 454, 459 (Fed. Cir. 2003) (quoting 15 U.S.C. § 1117(a) (2004)) (emphasis added); see also ALPO Petfoods, Inc. v. Ralston Purina Co., 913 F.2d 958, 969 (D.C. Cir. 1990) (expressing its "concern that deterrence is too weak and too easily invoked a justification for the severe and often cumbersome remedy of a profits award.").

109 W.E. Bassett Co., 435 F.2d at 664.

110 George Basch Co., Inc. v. Blue Coral Inc., 958 F.2d 1532, 1537 (2d Cir. 1992).

111 Id. The court in Monsanto Chemical Co. v. Perfect Fit Products Manufacturing Co. raised a question as to the George Basch willfulness decision. 349 F.2d 389, 391 (2d Cir. 1965). In Monsanto, the court found that the defendant had infringed the plaintiff's mark with full knowledge of the plaintiff's rights. Id. However, the district court judge denied the plaintiff an accounting of profits since the plaintiff had failed to prove that it had suffered any damage. Id. The Second Circuit Court of Appeals reversed, noting that some courts limited a recovery of profits to situations where the parties compete at some level, which then create an inference that the defendant's conduct actually damaged the plaintiff. Id. at 392. The court noted, however, that another view of the trademark right treats a trademark as property in which case an accounting is justified on the basis of unjust enrichment, a principle akin to where "property is used for profit without the owner's permission." Id. The court concluded that under this view, "an accounting should be awarded automatically in most cases." Id. The court found support for this view in Hamilton-Brown Shoe Co. v. Wolf Bros. & Co., 240 U.S. 251, 259 (1916), a Supreme Court decision that awarded an accounting of profits without any mention of willful infringement by the defendant. The court of appeals remanded the decision for an accounting. Monsanto, 349 F.2d at 397. The language of the Second Circuit Court of Appeals here leans towards a rationale that stresses the trademark as a form of property and much like the Court in Hamilton-Brown, does not require willfulness in all circumstances.

112 See supra note 18.

113 Malletier v. Dooney & Bourke, Inc., 500 F. Supp. 2d 276, 279 (S.D.N.Y. 2007).

114 Mastercard Int'l Inc. v. First Nat'l Bank of Omaha, Inc., No. 02 Civ. 3691(DLC), 03 Civ. 707(DLC) 2004 WL 326708, at *10-*11 (S.D.N.Y. Feb. 23, 2004) (basing the court's holding that the 1999 Amendment did not alter the Second Circuit's precedent requiring a willful violation of section 43(a) on the proposition that "[i]t may be presumed that Congress's inclusion, without alteration, of the language concerning Section 1125(a) incorporates the existing judicial interpretation of that language"). The court did not cite to any case to support this proposition. However, one circuit case that may have been the source of this rule of statutory construction is United States v. Langley, 62 F.3d 602 (4th Cir. 1995). In this case, Langley had purchased two firearms from a federally-licensed dealer, but in filling out the necessary paperwork, he failed to disclose that he had been convicted of a crime punishable by a term of imprisonment exceeding one year. Id. at 603. The problem was that the statute under which Langley was convicted, 18 U.S.C. § 922(g)(1), contained no mens rea requirement. Id. at 604. The statute read that it was "unlawful for any person ... who has been convicted in any court of a crime punishable by imprisonment for a term exceeding one year ... to ship or transport in interstate or foreign commerce, or possess in or affecting commerce, any firearm or ammunition; or to receive any firearm or ammunition which has been shipped or transported in interstate or foreign commerce." Id. at 604. Congress amended § 922 in 1986; it also amended 18 U.S.C. § 924(a), the penalty provision applicable to § 922. The new penalty provision made § 922(g) applicable to "whoever ... knowingly violates subsection ... (g)." Id. Langley argued that Congress's insertion of the word "knowingly" in § 924(a) mandated that the government must prove, in a § 922(g)(1) prosecution, not only that the defendant knowingly possessed, transported, shipped, or received the firearm, but also that he knew, at the time he knowingly possessed, transported, shipped, or received the firearm, of his prior felony conviction and the firearm's interstate nexus. Id. at 604-05. The court disagreed, citing to the rule of statutory construction that "Congress is presumed to enact legislation with knowledge of the law; that is with the knowledge of the interpretation that courts have given to an existing statute." Id. at 605. The reason that this rule of statutory construction does not carry over to the current debate of willfulness and a defendant's profits is that in the Langley decision, there was complete consensus among the federal courts as to the applicability of a "knowing" state of mind under § 922(g)(1). The court noted that: "no court prior to FOPA required the government to prove knowledge of felony status and/or interstate nexus in prosecutions under § 922(g)(1)'s predecessor statutes" and that "the only knowledge the government was required to prove in a prosecution under § 922(g)(1)'s predecessor statutes was knowledge of the possession, transportation, shipment, or receipt of the firearm." Id. (emphasis added). In contrast, when Congress enacted the 1999 Amendment, there was no such consensus. In fact, the split among the circuits was more pronounced than it is now since circuits like the Third Circuit changed their position specifically due to the 1999 Amendment. The court in Nike, Inc. v. Top Brand Co., saw right through the Mastercard court's fallacious use of this cannon of statutory construction. No. 00 Civ. 8179 KMW RLE, 2005 WL 1654859, at *10 n.9 (S.D.N.Y. July 13, 2005). In Nike, the court stated that this proposition does not work in the current willfulness debate because "there was no consistent judicial interpretation of the statute across federal courts at the time of the 1999 amendment." Id. Therefore, the basis for the court's holding on the requirement of willfulness in Mastercard was entirely invalid.

115 Merch. Media, LLC v. H.S.M. Int'l, No. 05 Civ. 2817(JES), 2006 WL 3479022, at *11 (S.D.N.Y. Nov. 30, 2006); Cartier, Inc. v. Four Star Jewelry Creations, Inc., 348 F. Supp. 2d 217, 253 (S.D.N.Y. 2004); Mele v. Davidson & Assocs., Inc., No. 02-CV-0450E(F), 2004 WL 2285111, at *13 (W.D.N.Y. Oct. 7, 2004); Ahava (USA), Inc. v. J.W.G., Ltd., 286 F. Supp. 2d 321, 324 (S.D.N.Y. 2003); Cache, Inc. v. M.Z. Berger & Co., No. 99 Civ. 12320(JGK), 2001 WL 38283, at *14-*15 (S.D.N.Y. Jan. 16,

2001); Calvin Klein Jeanswear Co. v. Tunnel Trading, No. 98 Civ. 5408(THK), 2001 WL 1456577, at *10 (S.D.N.Y. Nov. 16, 2001); Gidatex, S.r.L. v. Campaniello Imps., Ltd., 82 F. Supp. 2d 136, 141 (S.D.N.Y. 2000); Am. Auto. Ass'n v. AAA Auto. Club of Queens, Inc., No. 97 CV 1180 SJ, 1999 WL 97918, at *10 (E.D.N.Y. Feb. 8, 1999); Hard Rock Cafe Int'l (USA) Inc. v. Morton, No. 97 Civ. 9483(RPP), 1999 WL 717995, at *30 (S.D.N.Y. Sept. 9, 1999).

116 Nike, Inc. v. Top Brand Co., No. 00 CV 8179 KMW RLE, 2005 WL 1654859, at *11 (S.D.N.Y. July 13, 2005).

117 Gucci Am., Inc. v. Exclusive Imps. Int'l, No. 99 Civ. 11490(RCC), 2007 WL 840128, at *8 (S.D.N.Y. Mar. 19, 2007), vacated, No. Civ. A.99-11490, 2007 WL 2892668 (S.D.N.Y. Oct. 2, 2007).

118 Johnson & Johnson Vision Care, Inc. v. CIBA Vision Corp., No. 04 Civ. 7369(LTS)(HBP), 2006 WL 2128785, at *4 n.2 (S.D.N.Y. July 28, 2006); Koon Chun Hing Kee Soy & Sauce Factory, Ltd. v. Star Mark Mgmt., Inc., No. 04 CV 2293 (JFB)(SMG), 2007 WL 74304, at *11 n.17 (E.D.N.Y. Jan. 8, 2007).

119 Although the Supreme Court has not directly addressed this issue, a few cases do provide some insight into how the Court may rule on the subject. In Hamilton-Brown Shoe Co. v. Wolf Bros. & Co., a shoe manufacturer, which had rights in the trademark AMERICAN GIRL, sued another shoe manufacturer for its use of the mark, AMERICAN LADY. 240 U.S. 251, 253 (1916). The Supreme Court ruled in favor of the plaintiff, awarding profits that the defendant earned through its sale of shoes under the infringing mark. Id. at 259-60. The Court articulated its position that a trademark is a form of property; therefore, an infringer that profits from use of the trademark owner's property is required in equity to disgorge those profits on the same grounds that the trustee must disgorge any profits it acquires by wrongful use of the property entrusted to him or her as trustee. Id. However, the Supreme Court's decision to award the defendant's profits made no mention of the defendant's intent. The only relevant fact was that the plaintiff had rights in a mark and the defendant profited from the use of an infringing mark. In Mishawaka Rubber & Woolen Mfg. Co. v. S.S. Kresge Co., the plaintiff, a manufacturer of heels bearing a mark described as a "red circular plug," sued the defendant for selling heels with a confusingly similar mark. 316 U.S. 203, 203-04 (1942). The Court emphasized the tremendous value of a mark, serving as the psychological trigger to draw consumers to one's product. Id. at 208. Once again, the Court justified the award of profits on the grounds that a poacher should not retain what he has earned by taking something that does not belong to him. Id. at 206-07. Justice Frankfurter stated that a plaintiff is entitled to an award of profits even if the award resulted in a "windfall" to the plaintiff. Id. at 207. According to the Court, if someone profits by using the property of another, that party must disgorge those profits. Once again, the intent or bad faith of the infringer played no role in the Court's award of profits. In Champion Spark Plug Co. v. Sanders, the plaintiff, a manufacturer of spark plugs that it sold under the mark CHAMPION, sued the defendant, who essentially recycled used spark plugs of the plaintiff and resold them under the mark CHAMPION. 331 U.S. 125, 126 (1947). The Court clarified its position with respect to an accounting of an infringer's profits, stressing that this remedy was an equitable remedy and as such, if the damage to the plaintiff as a result of the infringement was "slight," a simple injunction would suffice and an accounting of profits was unnecessary. Id. at 131-32. Therefore, if injunctive relief provides a complete and adequate remedy, then the equities of the case may not require an accounting of profits. The Supreme Court recently had an opportunity to address the issue of willfulness in light of the 1999 Amendment, but denied certiorari on the case that would have allowed it to do so. Petition for Writ of Certiorari, Contessa Premium Foods, Inc. v. Berdex Seafood, Inc., 546 U.S. 957 (2005) (No. 04-1693). In Contessa, the plaintiff produced and distributed seafood products using a design logo. See id. (providing the appellate petition in the writ to the Supreme Court). The defendant was an American seafood distributor whose products were purchased from a Bangladeshi seafood packing company that packaged the seafood under a logo virtually identical to that of the plaintiff. Id. The district court denied the plaintiff an award of the American reseller's profits because it could not show that the reseller's conduct was willful. Id. The Ninth Circuit Court of Appeals upheld the lower court's ruling. Contessa Food Products Inc. v. Lockpur Fish Processing Co., 123 F. App'x 747, 749 (9th Cir. 2005). The plaintiff petitioned for a writ of certiorari with the Supreme Court, arguing that willfulness was not required in light of the 1999 Amendment, but the writ was denied. Petition for Writ of Certiorari, Contessa, 546 U.S. 957 (2005) (No. 04-1693).

120 A federal district court in the Ninth Circuit recently sided with the holdings of Banjo Buddies and Quick Technologies; it agreed with the Third and Fifth Circuits that "[t]he plain language of this amendment indicates that Congress intended to condition monetary awards for Section 43(c) violations on a finding of willfulness, but not Section 43(a) violations." R&R Partners, Inc. v. Tovar, No. 03: 04-CV-00145-LRH-PAL, 2007 WL 1202802, at *1 (D. Nev. Apr. 23, 2007). See also Quick Techs., Inc. v. Sage Group PLC, 313 F.3d 338, 349 (5th Cir. 2002); Banjo Buddies, Inc. v. Renosky, 399 F.3d 168, 173 (3d Cir. 2005).
However, other circuits have continued to require willfulness to support an award of profits under section 43(a). In Western Diversified Services, Inc. v. Hyundai Motor America, Inc., the Tenth Circuit Court of Appeals held that a showing that a defendant's conduct was willful is a prerequisite to support an award of profits under section 43(a). 427 F.3d 1269, 1273 (10th Cir. 2005). The Tenth Circuit Court of Appeals held similarly in 1998. Bishop v. Equinox Int'l Corp., 154 F.3d 1220, 1223 (10th Cir. 1998) (stating that "we are mindful that an award of profits requires a showing that defendant's actions were willful or in bad

faith"), aff'd, 256 F.3d 1050 (2001), cert. denied, 534 U.S. 1130 (2002). The district courts have consistently followed circuit precedent. See Cache la Poudre Feeds, LLC v. Land O'lakes, Inc., 438 F. Supp. 2d 1288, 1291 (D. Colo. 2006); First Sav. Bank, F.S.B. v. U.S. Bancorp, 117 F. Supp. 2d 1078, 1088 (D. Kan. 2000).

The most recent decision rendered by the D.C. Circuit Court of Appeals on the matter of willfulness was ALPO Petfoods, Inc. v. Ralston Purina Co., 913 F.2d 958 (D.C. Cir. 1990). The court of appeals reversed the lower court's finding that the defendant had willfully infringed the plaintiff's marks, and consequently, reversed the $10.4 million judgment in favor of the plaintiff. Id. at 960, 966. The court held that such an award, which was based on the defendant's profits, was not justified since "an award based on a defendant's profits requires proof that the defendant acted willfully or in bad faith." Id. at 967. The ALPO decision was consistent with previous holdings by the circuit court. See Foxtrap, Inc. v. Foxtrap, Inc., 671 F.2d 636 (D.C. Cir. 1982) (denying an award of profits in light of the absence of willfulness).

Even Ninth Circuit courts continue to use willfulness as a prerequisite. In Lindy Pen Co. v. Bic Pen Corp., the Lindy Pen Company sued competitor Bic for its use of the mark AUDITOR's on a ballpoint pen. 982 F.2d 1400, 1403 (9th Cir. 1993), cert. denied, 510 U.S. 815 (1993). The Ninth Circuit Court of Appeals refused to award an accounting of profits because there was no evidence of willful infringement. Id. at 1406. The court acknowledged that had Bic's conduct risen to the level of willfulness, an accounting of Bic's profits would have been appropriate. Id. In Adray v. Adry-Mart, Inc., the Ninth Circuit Court of Appeals clarified its Lindy Pen holding, stating that while willful conduct is a prerequisite to an accounting of profits if the plaintiff is seeking profits on the basis of unjust enrichment, willfulness would not be required to recover profits as a measure of the plaintiff's damages. 76 F.3d 984, 988 (9th Cir. 1995). Although the Ninth Circuit Court of Appeals has not directly addressed the effect of the 1999 Amendment on the requirement of willfulness, it has suggested that willfulness is still required. In M2 Software Inc. v. Viacom Inc., the court denied an accounting of profits on the ground that the defendant had not willfully infringed the plaintiff's mark. No. 04-56794, 2007 WL 649733, at *1 (9th Cir. Feb. 28, 2007). The plaintiff raised the issue of the effect of the 1999 Amendment; however, the court dismissed that argument on the grounds that even if the amendment did remove willfulness as a requirement, the impact of the amendment would not have an impact on cases prior to 1999. Id. at *2. Nonetheless, the court categorized the plaintiff's argument as being premised on "the shaky assumption that the 1999 amendments did expand the remedies available for violations of § 1114 by negating the willfulness requirement." Id. at *2.

121 Burger King Corp. v. Mason, 855 F.2d 779, 781 (11th Cir. 1988) (holding that an award of profits is not "dependent upon a higher showing of culpability on the part of defendant").

122 Optimum Techs., Inc. v. Home Depot USA, Inc., No. 1:04 CV 3260 TWT, 2005 WL 3307508, at *2 (N.D. Ga. Dec. 5, 2005).

123 Id.

124 Optimum Techs., Inc. v. Home Depot U.S.A., Inc., 217 F. App'x 899, 902-03 (11th Cir. 2007).

125 Sands, Taylor, & Wood Co. v. Quaker Oats Co., 978 F.2d 947, 961 (7th Cir. 1992), cert. denied, 507 U.S. 1042 (1993).

126 Id.

127 Id. (quoting Roulo v. Russ Berrie & Co., 886 F.2d 931, 941 (7th Cir. 1989)). The court remanded the case to the district court to recalculate the award, which the district court calculated on the basis of a royalty rate. Id. at 963. The circuit court affirmed. Sands, Taylor & Wood Co. v. Quaker Oats Co., 34 F.3d 1340, 1340 (7th Cir. 1994).

128 Frisch's Rests., Inc. v. Elby's Big Boy, 849 F.2d 1012, 1015 (6th Cir. 1988). See also Nalpac, Ltd. v. Corning Glass Works, 784 F.2d 752, 755 (6th Cir. 1986) (stating that "an accounting, the proper remedy when bad faith is shown, is inappropriate where 'there has been no showing of fraud or palming off'" (quoting Champion Spark Plug v. Sanders, 331 U.S. 125, 131 (1947)).

129 Wynn Oil Co. v. Am. Way Serv. Corp., 943 F.2d 595, 606-07 (6th Cir. 1991).

130 Id. at 605.

131 Id. (emphasis added).

132 Id. at 606 (quoting Roulo, 886 F.2d at 941). One district court in the Sixth Circuit seems to have misconstrued the impact of the Wynn Oil decision by holding that a requirement of willfulness was the law of the circuit. See Advance Stores Co. v. Refinishing Specialities, Inc., 948 F. Supp. 643, 655 (W.D. Ky. 1996) (stating that the "Defendant must show Plaintiffs' bad faith in order to receive an accounting.").

133 See Basketball Mktg. Co. v. Upscale Entm't and Mktg. Group, 227 F. App'x 492, 493 (6th Cir. 2007) (upholding the district court's award of the defendant's profits despite a lack of willfulness).

134 Tamko Roofing Prods., Inc. v. Ideal Roofing Co., 282 F.3d 23, 36 (1st Cir. 2002).

135 Id. at 36 (emphasis added).

136 Id. at 35.

137 Quick Techs., Inc. v. Sage Group PLC, 313 F.3d 338, 349 (5th Cir. 2002).

138 Id. The court considers the following factors: (1) whether the defendant has the intent to confuse or deceive; (2) whether sales have been diverted; (3) the adequacy of other remedies; (4) any unreasonable delay by the plaintiff in asserting his rights; (5) the public interest in making the misconduct unprofitable; and (6) whether it is a case of palming off. Id. at 348-49. The Fifth Circuit Court of Appeals and the district courts within the Fifth Circuit have faithfully applied the holding of Quick Technologies. See Blendco, Inc. v. Conagra Foods, Inc., 132 F. App'x 520, 523 (5th Cir. 2005); Am. Rice, Inc. v. Producers Rice Mill, Inc., No. H-05-3227, 2006 WL 1984592, at *6 (S.D. Tex. July 14, 2006).

139 Banjo Buddies, Inc. v. Renosky, 399 F.3d 168, 173 (3d Cir. 2005).

140 Id. at 174. In SecuraComm Consulting Inc. v. Securacom Inc., the owner of the company SecuraComm Associates sued a competitor--who traded under the name Securacom New Jersey--for trademark infringement. 166 F.3d 182, 184-85 (3d Cir. 1999), The Third Circuit Court of Appeals held that "the issue of willful infringement is central to each" of the three monetary remedies available under section 35(a). Id. at 187. Since the court found that the defendant did not willfully infringe the plaintiff's trademark rights, it held that an award of profits was inappropriate. Id. at 190.

141 Synergistic Int'l, LLC v. Korman, 470 F.3d 162, 175 (4th Cir. 2006).

142 Id.

143 The Eighth Circuit Court of Appeals has not directly addressed whether the Lanham Act requires willfulness, either before or after the 1999 Amendment. A few circuit decisions have awarded a defendant's profits where the defendant acted willfully, but there is no indication as to how the court would come out in the absence of willfulness. See, e.g., Porous Media Corp. v. Pall Corp., 110 F.3d 1329 (8th Cir. 1997); Minn. Pet Breeders, Inc. v. Schell & Kampeter, Inc., 41 F.3d 1242 (8th Cir. 1994); Truck Equip. Serv. Co. v. Fruehauf Corp., 536 F.2d 1210 (8th Cir. 1976). Nevertheless, the most recent federal district court decision within the Eighth Circuit to address the matter held that the textual revisions made by Congress with the 1999 Amendment removed any willfulness requirement for claims under section 43(a). Wildlife Research Ctr., Inc. v. Robinson Outdoors, Inc., 409 F. Supp. 2d 1131, 1136 (D. Minn. 2005). Noting that the Eighth Circuit Court of Appeals had not considered the 1999 Amendment, the court relied on the Quick Technologies and Banjo Buddies decisions and held that a requirement of willfulness would "contradict the plain language of" the 1999 Amendment. Id.

144 15 U.S.C. § 1117(a) (1999) (emphasis added).

145 15 U.S.C. § 1117(a) (1994) (prior to the 1999 Amendment).

146 Felix Frankfurter, Some Reflections on the Reading of Statutes, 47 Colum. L. Rev. 527, 535 (1947).

147 Id. See also Griffin v. Oceanic Contractors, Inc., 458 U.S. 564, 570 (1982) ("Our task is to give effect to the will of Congress, and where its will has been expressed in reasonably plain terms, 'that language must ordinarily be regarded as conclusive."'); Geier v. Am. Honda Motor Co., 529 U.S. 861, 895 (2000) (Stevens, J., dissenting) (noting that "the plain wording" of a statute "necessarily contains the best evidence of Congress' ... intent").

148 K Mart Corp. v. Cartier, Inc., 486 U.S. 281, 291 (1988). See also Crandon v. United States, 494 U.S. 152, 158 (1990) (stating that "[i]n determining the meaning of the statute, we look not only to the particular statutory language, but to the design of the statute as a whole and to its object and policy").

149 Russello v. United States, 464 U.S. 16, 19 (1983).

150 Id. (citing Racketeer Influenced and Corrupt Organization Act, 18 U.S.C. §§ 1961-1968).

151 Id. at 16.

152 Id. at 20-22.

153 Id. at 23 (quoting United States v. Wong Kim Bo, 472 F.2d 720, 722 (5th Cir. 1972)).

154 Id.

155 Russello v. United States, 464 U.S. 16, 22-23 (1983).

156 Potter v. United States, 155 U.S. 438, 446 (1894).

157 Duncan v. Walker, 533 U.S. 167, 167 (2001). This duty is particularly poignant where the relevant term occupies a "pivotal" place in the statute. Id. at 168. The meaning of "willful" is highly pivotal in section 35(a), as it determines whether a trademark owner can recover the unlawful profits poached by a third party by using the owner's mark.

158 15 U.S.C. § 1118 (2006).

159 15 U.S.C. § 1118 (1994).

160 Trademark Amendments Act of 1999, Pub. L. No. 106-43, 113 Stat. 218 (1999) (codified at 15 U.S.C. § 1118) (emphasis added).

161 15 U.S.C. § 1117(e) (2006) (as amended in 2004) (emphasis added).

162 15 U.S.C. § 1114(2)(II) (2006) (emphasis added).

163 Id.

164 Other sections of the Lanham Act reflect Congress's efforts to clearly express the need to have a certain state of mind to be liable under the Act. For example, in section 32(2), Congress provided a safe harbor for parties engaged in the printing industry who infringe another's mark. Congress expressly inserted language to ensure that courts would understand that a party who infringes the rights of another who "is engaged solely in the business of printing the mark or violating matter for others and establishes that he or she was an innocent infringer or innocent violator, the owner of the right infringed or person bringing the action under § 1125(a) of this title shall be entitled as against such infringer or violator only to an injunction against future printing." 15 U.S.C. § 1114(2) (2006) (emphasis added). In section 43(d), Congress provided that domain registrars and registries would not be liable for injunctive or monetary relief unless they acted in bad faith or with reckless disregard. 15 U.S.C. § 1125(d)(2)(D)(ii) (2006).

165 15 U.S.C. § 1117(b) (2006).

166 Id.

167 Id.

168 Matarese v. LeFevre, 801 F.2d 98 (2d Cir. 1986). See also Policano v. Herbert, 430 F.3d 82, 87 (2d Cir. 2005) ("A person acts intentionally with respect to a result or to conduct described by a statute defining an offense when his conscious objective is to cause such result or to engage in such conduct.").

169 15 U.S.C. § 1117(b) (2006).

170 United States v. Weintraub, 273 F.3d 139, 147 (2d Cir. 2001). See also 15 U.S.C. § 1116(d)(1)(B) (2006) (defining "counterfeit marks").

171 15 U.S.C. § 1127 (2006).

172 United States v. Hayden, 64 F.3d 126, 130 (3d Cir. 1995). See RSM, Inc. v. Herbert, 466 F.3d 316, 320-21 (4th Cir. 2006) (noting that "'[k]nowingly' typically refers only to one's knowledge of the facts that make his conduct unlawful, not to one's knowledge of the law ... [w]hereas 'willfully,' especially when used in a criminal statute, usually requires a showing of a 'bad purpose'--proof that 'the defendant acted with knowledge that his conduct was unlawful.') (citations omitted).

173 15 U.S.C. § 1117(c)(2) (2006).

174 15 U.S.C. § 1117(b), (c), (e) (2006).

175 15 U.S.C. § 1125(a) (2006).

176 15 U.S.C. § 1117(c) (2006).

177 Russello v. United States, 464 U.S. 16, 22-23 (1983).

178 See 15 U.S.C. § 1117(a) (2006) (stating that a violation under sections 43(a) or (d) is all that is required for plaintiffs to recover damages).

179 See id. (stating that a violation under section 43(c) requires a willful violation).

180 See generally Potter v. United States, 155 U.S. 438, 446 (1894) (stating that Congress uses the term "wilfull" to imply "knowledge and a purpose to do wrong.").

181 Chickasaw Nation v. United States, 534 U.S. 84, 97-98 (2001) (O'Connor, J., dissenting).

182 Potter, 155 U.S. at 446.

183 See Pa. Dept. of Pub. Welfare v. Davenport, 495 U.S. 552, 562 (1990) (stating that "[o]ur cases express a deep reluctance to interpret a statutory provision so as to render superfluous other provisions in the same enactment").

184 BP Am. Prod. Co. v. Burton, 127 S. Ct. 638, 643 (2006).

185 Am. Express Co. v. United States, 262 F.3d 1376, 1381 n.5 (Fed. Cir. 2001).

186 Johnson v. Aljian, 490 F.3d 778, 781 (9th Cir. 2007) (quoting Securities Exchange Act of 1934 § 20A(a), 15 U.S.C. § 78t-1 (1988) (as amended)).

187 Id.

188 Id. at 781 (citing Webster's Third New International Dictionary 2554 (3d ed. 1986)).

189 Id.

190 Black's Law Dictionary 1564 (7th ed. 1999).

191 Justice Frankfurter argued that because a statute is a "literary composition," having evolved not just from stringing words together but from people with experience, the context to a statute is very important in understanding the meaning of a statute. Frankfurter, supra note 2, at 537. To that end, Justice Frankfurter concluded that "antecedents" as well as the "later history" of a statute are all important parts of interpreting the meaning of the statute. Id. Comparing the predecessor provision of section 43(a) sheds valuable insight on Congress's intent to expand the scope of conduct actionable under the federal statute when it removed "willful" in section 43(a).

192 Trade Mark Act of 1920, ch. 104, § 3, 41 Stat. 534 (1920) (current version at 15 U.S.C. § 1125 (2006)) (emphasis added). In addition to removing the willfulness requirement, section 43(a) broadened the scope of protection available by prohibiting any false description or representations, in addition to false designations of origin, descriptions, or representations. Charles E. McKenney & George F. Long III, 1 Federal Unfair Competition: Lanham Act § 43(a), § 1:2 (2007).
Also, § 3 of the 1920 Act limited violations to claims in connection with "articles of merchandise," while section 43(a) broadened protections to include "any goods or services." Id. Congress first created a federal statute for the regulation of trademarks in 1870, which was amended on several subsequent occasions. S. Rep. No. 100-515, at 44 (1988). The Trademark Act of 1905 Act expanded the previous scheme, which only allowed registration of trademarks used in commerce with foreign nations and Indian tribes, by allowing for registration of all marks that were used in interstate commerce. Daniel H. Lee, Remedying Past and Future Harm: Reconciling Conflicting Circuit Court Decisions Under the Federal Trademark Dilution Act, 29 Pepp. L. Rev. 689, 693 n.40

(2002). Although amended again in 1920, the Trademark Act of 1905 was the law until the enactment of the Lanham Act in 1946. Id. Despite these amendments, the federal trademark statute failed to keep up with modern developments. Legislators stated the following in their discussions of the prospective Lanham Act:

There are many reasons why there should be a new trademark statute. The present act is substantially the act of ... 1905. It has been amended from time to time and supplemented by the act of ... 1920. The result is a confused situation.... Moreover, ideas concerning trademark protection have changed in the last 40 years and the statutes have not kept pace with the commercial development.

S. Rep. No. 79-1333, reprinted in 1946 U.S.C.C.A.N. 1274, 1275-76.

193 Colligan v. Activities Club of N.Y., Ltd., 442 F.2d 686, 691 n.14 (2d Cir. 1971).

194 Serbin v. Ziebart Int'l Corp., 11 F.3d 1163, 1167 (3d Cir. 1993).

195 ITC Ltd. v. Punchgini, Inc., 482 F.3d 135, 142 (2d Cir. 2007), cert. denied, 128 S. Ct. 288 (mem.) (2007).

196 Id. at 164.

197 Id.

198 15 U.S.C. § 1117(a) (2000).

199 McCarthy, supra note 15, at app.A1, Title VI.

200 21st Century Department of Justice Appropriations Authorization Act, Pub. L. No. 107-273, 116 Stat. 1906, 1908 (2002).

201 Frankfurter, supra note 146, at 538 (quoting Panama Refining Co. v. Ryan, 293 U.S. 288, 433, 439 (1935) (Cardozo, J., dissenting).

202 Frankfurter, supra note 152, at 538-39. Justice Frankfurter also noted that Justice Holmes chided courts for being "apt to err by sticking too closely to the words of a law where those words import a policy that goes beyond them." Id. at 538 (quoting Olmstead v. United States, 277 U.S. 438, 469 (1928) (Holmes, J., dissenting), overruled by Katz v. United States, 389 U.S. 347 (1967), and Berger v. New York, 388 U.S. 41 (1967)).

203 Id.

204 145 Cong. Rec. 13,785 (1999) (statement by Sen. Hatch).

205 Id.

206 Id.

207 Panavision Int'l, L.P. v. Toeppen, 141 F.3d 1316 (9th Cir. 1988).

208 Intermatic, Inc. v. Toeppen, 947 F. Supp. 1227 (N.D. Ill. 1996).

209 Panavision, 141 F.3d at 1319. One of the driving forces behind the lucrative enterprise of cybersquatting is pay-per-click advertising, a system in which an advertiser pays a small fee to another party whose website provides a link to the advertiser's website. Each time a consumer visits the domain name owner's website and clicks through the link and visits the advertiser's website, the advertiser pays the domain name owner. See Patrick Thibodeau, Cybersquatting Can Yield Pay-Per-Click Bounties, Computerworld, Apr. 13, 2007, available at http://www.computerworld.com/action/article.do?command=viewArticleBasic&articleId=289576 (noting that serious money can be made from typos). The registration of a domain name can cost as little as $10, and if pay-per-click revenues for one domain name generate a few dollars a month, that domain name is profitable. Id. If you consider that the owner may own another thousand domain names generating the same revenue, that party is making a substantial sum of money every month. Id. The domain name market has developed in such a way, unfortunately, so as to make cybersquatting an easy yet lucrative enterprise. Id. The registration system allows a five-day grace (or "tasting") period during which a party can test out a domain name without incurring any costs and which also allows the party to test the domain names for the pay-per-click profitability. Id. As a result, cybersquatters have created software that enables them to automatically register hundreds of thousands of domain names that have expired and they simply keep the ones that prove profitable. Id.

Cybersquatters can grab thousands of names that they find profitable and generate significant revenue for pay-per-clicks and if they get lucky, eventually sell one of their domain names for a large sum. Id. For example, last year "diamond.com" was sold for $7.5 million and "vodka.com" was sold for $3 million. Id. This is probably one of the reasons that approximately one million websites registered each day. See Keith Ecker, Infringement Hunters: Companies Save Time By Using Brand-Tracking Services To Track Down Online IP Thieves, Inside Counsel, Mar. 2007 at 36, available at http://www.insidecounsel.com/section/technology/1521. In 2006, the World Intellectual Property Organization's (WIPO) Arbitration and Mediation Center received 1,823 complaints alleging cybersquatting, which makes up the most complaints received in the last five years. IP Owners Face Growing Domain Name Danger, Managing Intellectual Property, Mar. 12, 2007, available at http://www.managingip.com/Article.aspx?ArticleID=1257361. WIPO's deputy director general recently stated that "[r]ecent developments in the domain name registration system have fostered practices which threaten the interests of trade mark owners and cause consumer confusion." Id.

210 Panavision, 141 F.3d at 1319.

211 Id.

212 Id.

213 Id.

214 Id.

215 145 Cong. Rec. 13,785 (1999) (statement by Sen. Hatch).

216 See id. (claiming cyber-pirates are tarnishers of famous marks by trading on the goodwill of these legitimate trademark owners).

217 Kenner Parker Toys v. Rose Art Indus., 963 F.2d 350, 353 (Fed. Cir. 1992).

218 Recot Inc. v. Becton, 214 F.3d 1322, 1327 (Fed. Cir. 2000).

219 Lanham Act of 1946, Pub. L. No. 79-489, 60 Stat. 427, 427-46 (1946).

220 Visa Int'l Serv. Ass'n v. E. Fin. Fed. Credit Union, No. 92-55038, 1992 WL 138231, at *1 (9th Cir. June 19, 1992).

221 Nissan Motor Co. v. Nissan Computer Corp., 378 F.3d 1002, 1011 (9th Cir. 2004) (noting that two significant distinctions between infringement and dilution are that neither confusion nor competition is required for dilution actions).

222 Avery Dennison Corp. v. Sumpton, 189 F.3d 868, 875 (9th Cir. 1999).

223 Id.

224 Id.

225 Fed. Express Corp. v. Fed. Espresso, Inc., 201 F.3d 168, 175 (2d Cir. 2000) (stating that "in order to prevail on a dilution claim a plaintiff is not required to prove likelihood of confusion").

226 Federal Trademark Dilution Act of 1995 § 4, Pub. L. No. 104-98, 109 Stat. 985 (1996) (codified in relevant part at 15 U.S.C. § 1127) (emphasis added).

227 Avery Dennison Corp., 189 F.3d at 875.

228 Kenneth L. Port, The "Unnatural" Expansion of Trademark Rights: Is a Federal Dilution Statute Necessary?, 18 Seton Hall Legis. J. 433, 438 (1994). Kenneth L. Port has elsewhere observed the following:
Patent and copyright owners enjoy the "bundle of rights" notion of property. Their rights are divisible, freely alienable, and exclusive for the duration of statutory protection.
Trademarks, on the other hand, enjoy none of the "bundle of rights" that other forms of property enjoy. Trademark holders possess only the right to exclude others from using that specific trademark on similar goods. Holders of marks possess the right to protect the sphere of interest in which they are using the mark by excluding others, but nothing more. Mark holders do not possess a property right in the mark itself, because trademarks are nothing when devoid of the goodwill they have come to represent or the product on which they are used.
Kenneth L. Port, The Illegitimacy of Trademark Incontestability, 26 Ind. L. Rev. 519, 553 (1993).

229 Black's Law Dictionary 1216 (6th ed. 1990). See also Kathleen B. McCabe, Note, Dilution-by-Blurring: A Theory Caught in the Shadow of Trademark Infringement, 68 Fordham L. Rev. 1827, 1834-35 (2000).

230 Am. Footwear Corp. v. Gen. Footwear Co., 609 F.2d 655, 663 (2d Cir. 1979) (discussing "the well-established principle that trademark rights, unlike statutory copyrights or patents, are not rights in gross or at large").

231 See id. (stating that "[t]here is no such thing as property in a trade-mark except as a right appurtenant to an established business or trade in connection with which the mark is employed." (citing United Drug Co. v. Theodore Reetanus Co., 248 U.S. 90, 97 (1918))).

232 Int'l Order of Job's Daughters v. Lindeburg & Co., 633 F.2d 912, 919 (9th Cir. 1980). See McCabe, supra note 229, at 1836.

233 See McCabe, supra note 229, at 1836.

234 See Qualitex Co. v. Jacobson Prods. Co., 514 U.S. 159, 163-64 (1995).

235 Times Mirror Magazines, Inc. v. Las Vegas Sports News, L.L.C., 212 F.3d 157, 170-71 (3d Cir. 2000) (Barry, J., dissenting).

[236] Id. at 170 (Barry, J., dissenting).

[237] Avery Dennison Corp. v. Sumpton, 189 F.3d 868, 875 (9th Cir. 1999).

[238] United States v. Hayden, 64 F.3d 126, 128 (3d Cir. 1995).

[239] See id. at 128-29 (citing Omnibus Crime Control and Safe Streets Act, 18 U.S.C. §§ 921-928 (1970)).

[240] Id. at 129.

[241] Id.

[242] See Avery Dennison, 189 F.3d at 875 (stating that a proper balance already exists in infringement and unfair competition scenarios).

[243] See id. (stating that dilution scenarios inherently over-protect trademarks against non-infringing uses).

[244] Robert N. Klieger, Trademark Dilution: The Whittling Away of the Rational Basis for Trademark Protection, 58 U. Pitt. L. Rev. 789, 811, 851 (1997).

[245] S. Rep. No. 79-1333, at 1 (1946), reprinted in 1946 U.S.C.C.A.N. 1274, 1274 (emphasis added).

[246] See S. Rep. No. 79-1333, at 1-2 (1946), reprinted in 1946 U.S.C.C.A.N. 1274, 1274-75.

[247] George Basch Co. v. Blue Coral, Inc., 968 F.2d 1532, 1540 (2d Cir. 1992) (quoting WSM, Inc. v. Tenn. Sales Co., 709 F.2d 1084, 1087 (6th Cir. 1983)); see also supra, Part III.

[248] Matter of W. T. Grant Co., 4 B.R. 53, 79 (Bankr. S.D.N.Y. 1980). See also, Ryland Group, Inc. v. Travelers Indem. Co., No. Civ. A-00-CA-233 JRN, 2000 WL 33544086, at *10 n.22 (W.D. Tex. Oct. 25, 2000) (noting that willful infringement is more difficult to prove than inadvertent or negligent infringement in copyright context); Marrow v. Allstate Sec. & Investigative Serv., Inc., 167 F. Supp. 2d 838, 844 n.5 (E.D. Pa. 2001) (recognizing that the Supreme Court has noted that it is difficult to prove "willful violations" under the Fair Labor Standards Act); Household Fin. Serv., Inc. v. Mortgage Group, No. 01 C 5567, 2004 WL 2457781, at *11 (N.D. Ill. Oct. 29, 2004) (noting that willful misconduct is more difficult to prove than negligence in context of breach of warranties and representations in loan agreement); United States v. Fountain, 277 F.3d 714, 717 (5th Cir. 2001) (noting that in criminal context, courts have consistently found "willfully" to be a higher standard than "knowingly").

[249] See supra Part VI.A. and accompanying notes.

[250] FDA v. Brown & Williamson Tobacco Corp., 529 U.S. 120, 133 (2000) (citations omitted).

[251] Mishawaka Rubber & Woolen Mfg. Co. v. S.S. Kresge Co., 316 U.S. 203, 205 (1942).