

STATE OF NORTH CAROLINA
ON SLOW COUNTY

IN THE GENERAL COURT OF JUSTICE
SUPERIOR COURT DIVISION
21 CVS 549

STAR MEDICAL CLINIC, PLLC,
Plaintiff,

v.

STAR MED URGENT + FAMILY
CARE, P.A.,
Defendant.

**ORDER ON PLAINTIFF'S MOTION
FOR A PRELIMINARY INJUNCTION**

1. Pending is Plaintiff Star Medical Clinic, PLLC's motion for a preliminary injunction. (ECF Nos. 5, 8.) The motion has been fully briefed, and the Court held a hearing on 29 March 2021 at which both parties were represented by counsel. (ECF No. 33.)

2. This is a trademark dispute between two North Carolina medical clinics. Plaintiff is based in Onslow County. It has offered primary and urgent medical care services under the name "STAR MEDICAL" since 2016. (V. Am. Compl. ¶¶ 5, 6, ECF No. 30.) Defendant StarMed Urgent + Family Care, P.A. opened in 2017 and, since that time, has offered primary and urgent medical care services in Mecklenburg County. (V. Am. Compl. ¶¶ 14, 15.)

3. In April 2020, Defendant began providing COVID-19 testing in Onslow County. (V. Am. Compl. ¶ 18.) A few months later, Defendant entered into an agreement with the North Carolina Department of Health and Human Services to provide COVID-19 testing and vaccination services around the State, including in Onslow County. (Br. in Supp. Exs. A, C, ECF Nos. 12.1, 12.3.) Plaintiff claims that

it began to receive communications from confused patients who mistook “StarMed” for “STAR MEDICAL.” (V. Am. Compl. ¶¶ 20–22.) Attempts to convince Defendant not to use the “StarMed” name in the area were unsuccessful. According to Plaintiff, patient confusion has increased over time, and it now fields fifteen to twenty misdirected communications daily. (Aff. Scyoc ¶ 10, ECF No. 11.)

4. Plaintiff filed this suit in February 2021, asserting common-law trademark infringement, unfair competition, and related claims. Plaintiff now seeks to enjoin Defendant from using the “StarMed” name in Onslow County and surrounding areas.

5. A preliminary injunction is “an extraordinary remedy and will not be lightly granted.” *Travenol Lab’s, Inc. v. Turner*, 30 N.C. App. 686, 692 (1976) (citation omitted). The plaintiff bears the burden to establish the “right to a preliminary injunction,” *Pruitt v. Williams*, 288 N.C. 368, 372 (1975), and must demonstrate not only a likelihood of success on the merits but also a likelihood of irreparable harm in the absence of an injunction, *see A.E.P. Indus., Inc. v. McClure*, 308 N.C. 393, 401 (1983). In addition, the trial court must weigh the potential harm a plaintiff will suffer if no injunction is entered against the potential harm to a defendant if the injunction is entered. *See Williams v. Greene*, 36 N.C. App. 80, 86 (1978).

6. “A common law claim for trademark infringement under North Carolina law is analyzed under essentially the same standards as a federal Lanham Act claim regarding an unregistered trademark.” *Johnson & Morris PLLC v. Abdelbaky & Boes, PLLC*, 2016 NCBC LEXIS 78, at *11 (N.C. Super. Ct. Oct. 11, 2016) (citations omitted). “Where a mark is not registered, the plaintiff has the burden of proving

that its mark is a valid trademark.” *Id.* at *12 (quoting *Trs. of Columbia Univ. v. Columbia/HCA Healthcare Corp.*, 964 F. Supp. 733, 742 (S.D.N.Y. 1997)).

7. “To be valid and protectable, a mark must be ‘distinctive.’” *Zobmondo Ent., LLC v. Falls Media, LLC*, 602 F.3d 1108, 1113 (9th Cir. 2010). There are four generally accepted categories of marks: (1) generic, (2) descriptive, (3) suggestive, and (4) arbitrary or fanciful. *Id.* (citation omitted). “Suggestive, arbitrary, and fanciful marks are considered ‘inherently distinctive’ and are automatically entitled to . . . trademark protection” *Id.* (citation omitted). “Merely descriptive marks are somewhere in-between; although they are not inherently distinctive and are therefore not entitled to automatic trademark protection, a merely descriptive mark can become protectable if it has acquired distinctiveness” *Id.*

8. Where a mark falls on the spectrum is a question of fact. *See id.* “[A] term that is in one category for a particular product may be in quite a different one for another,” and “the proper designation of a mark will vary with the relationship between the term and the product or service” *BigStar Ent., Inc. v. Next Big Star, Inc.*, 105 F. Supp. 2d 185, 195 (S.D.N.Y. 2000) (citation omitted). Ultimately, the “inquiry . . . [turns on] ‘an evaluation of what prospective consumers perceive in terms of an indication of source’” *Lone Star Steakhouse & Saloon, Inc. v. Alpha of Va., Inc.*, 43 F.3d 922, 936 (4th Cir. 1995) (citation omitted). Relevant evidence may include dictionary definitions, the owner’s use and advertising practices, consumer surveys, the competitor’s needs, and extent of use. *Zobmondo Ent.*, 602 F.3d at 1116–

20; *Fortune Dynamic, Inc. v. Victoria's Secret Stores Brand Mgmt.*, 618 F.3d 1025, 1033–35 (9th Cir. 2010).

9. Here, Plaintiff has glossed over the question of distinctiveness. Although Plaintiff contends that “STAR MEDICAL” is suggestive (or even arbitrary), it has not offered evidence to support that contention. And as other courts have recognized, the word “star” is commonly used “as a superlative by businesses,” and “the five pointed star . . . has also been used often to evoke excellence.” *Int'l Star Class Yacht Racing Ass'n v. Tommy Hilfiger, Inc.*, 1994 U.S. Dist. LEXIS 17182, at *13–14 (S.D.N.Y. Nov. 30, 1994). In other words, “star” is often considered a self-laudatory term that is “descriptive of the alleged merit of a product” or service. *DuoProSS Meditech Corp. v. Inviro Med. Devices, Ltd.*, 695 F.3d 1247, 1256 (Fed. Cir. 2012) (quoting *In re Boston Beer Co.*, 198 F.3d 1370, 1373 (Fed. Cir. 1999)). Perhaps Plaintiff will be able to prove that “STAR MEDICAL” is suggestive, rather than laudatory, on a more developed record. At this point, however, it has not offered enough evidence to show that its mark is either suggestive or arbitrary for purposes of a preliminary injunction.

10. Likewise, assuming the “STAR MEDICAL” mark is descriptive, Plaintiff has not offered evidence that it has acquired secondary meaning. The law protects “a descriptive mark only if the trademark holder can demonstrate that it has acquired secondary meaning in the marketplace.” *Cross Com. Media, Inc. v. Collective, Inc.*, 841 F.3d 155, 160 (2d Cir. 2016). Courts examine various factors, including “(1) a plaintiff’s advertising expenditures, (2) consumer studies linking the mark to a source, (3) sales success, (4) unsolicited media coverage of the plaintiff’s business,

(5) attempts to plagiarize the mark, and (6) the length and exclusivity of the plaintiff's use of the mark." *Great Star Indus. USA, LLC v. Apex Brands, Inc.*, 2020 U.S. Dist. LEXIS 66123, at *10 (W.D.N.C. Apr. 14, 2020) (citations omitted). In its opening brief, Plaintiff does not address these factors, cite evidence that might support them, or argue that its mark has acquired secondary meaning. For the first time in the reply brief, Plaintiff contends that its evidence of alleged confusion supports a finding of secondary meaning. (See Reply Br. 8–9, ECF No. 38.) This is far from sufficient to carry Plaintiff's burden. See *Great Star Indus. USA, LLC*, 2020 U.S. Dist. LEXIS 66123, at *10–12 (concluding that party had not offered sufficient evidence of secondary meaning to support a preliminary injunction).

11. For at least these reasons, Plaintiff has not shown a likelihood of success on its claims.

12. Neither has Plaintiff offered evidence of irreparable harm. According to Plaintiff, irreparable harm is presumed because it has provided evidence of actual customer confusion. (Br. in Supp. 14, ECF No. 12; Reply Br. 10.) But the cases it cites are no longer good law. As the Third Circuit recently held, "a party seeking a preliminary injunction in a Lanham Act case is not entitled to a presumption of irreparable harm but rather is required to demonstrate that [it] is likely to suffer irreparable harm if an injunction is not granted." *Ferring Pharms., Inc. v. Watson Pharms., Inc.*, 765 F.3d 205, 217 (3d Cir. 2014).

13. Again, Plaintiff has not made this showing. It claims to have suffered an "erosion of goodwill associated with [its]" mark. (Br. in Supp. 15.) But "to establish

harm to its reputation or its goodwill, [Plaintiff] must do more than simply submit a declaration insisting that its reputation and goodwill have been harmed.” *Pom Wonderful LLC v. Pur Beverages LLC*, 2015 U.S. Dist. LEXIS 176834, at *24 (C.D. Cal. Aug. 6, 2015). Although Plaintiff also points to evidence that it has received numerous communications intended for Defendant, “[t]his evidence . . . simply underscores customer confusion, not irreparable harm.” *Herb Reed Enters., LLC v. Fla. Ent. Mgmt. Inc.*, 736 F.3d 1239, 1250 (9th Cir. 2013).

14. Finally, Plaintiff knew about Defendant’s alleged infringement for roughly a year before bringing suit. This too suggests that any harm to Plaintiff’s reputation and goodwill is not irreparable. *See Glob. Textile All., Inc. v. TDI Worldwide, LLC*, 2017 NCBC LEXIS 108, at *30 (N.C. Super. Ct. Nov. 21, 2017).

15. In sum, Plaintiff has failed to carry its burden to show a likelihood of success on the merits and a likelihood of irreparable harm, and it is not entitled to the extraordinary remedy of a preliminary injunction. The Court therefore **DENIES** Plaintiff’s motion.*

SO ORDERED, this the 8th day of April, 2021.

/s/ Adam M. Conrad
Adam M. Conrad
Special Superior Court Judge
for Complex Business Cases

* Having reached this conclusion, the Court need not address Defendant’s arguments that it is immune from suit.