

APRIL 9, 2021 | NEWS

Shumaker Defeats Preliminary Injunction in Trademark Infringement Case Seeking to Shut Down Covid-19 Relief Clinics in Eastern N.C.

SERVICE LINE

Intellectual Property

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CHARLOTTE, NC – On April 8, 2021, the North Carolina Business Court denied a motion by Plaintiff Star Medical Clinic, PLLC (Star Medical) for a preliminary injunction seeking to enjoin Shumaker client StarMed Urgent + Family Care, P.A.'s (StarMed) from operating a COVID-19 testing and vaccination clinic in Onslow County, North Carolina, using its StarMed business name under contract with the State of North Carolina. Shumaker partners W. Thad Adams, III and Christina D. Trimmer represented StarMed.

The plaintiff, Star Medical, filed suit against StarMed in February 2021 asserting claims of common-law trademark infringement, unfair competition, and related claims, and seeking preliminary injunctive relief. Over the past year, StarMed has been providing COVID-19 relief services across North Carolina, particularly in historically underserved communities, under contract with the North Carolina Department of Health and Human Services. StarMed argued that the harm to the residents of Onslow County in eliminating its COVID-19 testing and vaccination services during the pandemic grossly outweighed any common-law trademark interest alleged by the plaintiff.

In his April 8, 2021 Order, Judge Adam Conrad of the North Carolina Business Court found that the plaintiff had failed to show that it was likely to succeed on its claims, failed to demonstrate valid common-law trademark rights, and also failed to offer evidence that it had been irreparably harmed by StarMed's COVID-19 clinics in Onslow County. The Court further noted that the plaintiff's knowledge of defendant's activities for almost a year before bringing suit weighed against granting a preliminary injunction.

According to Christina, the Court properly applied well-established trademark principles in determining that the plaintiff was unlikely to prevail on the merits. “The filing of this litigation had the unfortunate effect of diverting attention and resources from the important goal of COVID-19 testing and vaccinating individuals against the COVID-19 pandemic. The Court’s ruling allows StarMed to concentrate on fulfilling its obligations under its contract with the State of North Carolina.”

Thad and Christina are intellectual property lawyers with collectively more than 60 years of experience assisting clients with worldwide portfolio management, counseling, and enforcement related to trademarks, trade dress, and branding.

The order *STAR MEDICAL CLINIC, PLLC v. STARMED URGENT + FAMILY CARE, P.A.*, 21 CVS 549 (N.C. Super. Ct.) can be found [here](#).