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TRADEMARKS—Successful Plaintiffs in Trademark Infringement Actions Under the Lanham Act May Not Recover Attorney's Fees—Maier Brewing Co. v. Fleischmann Distilling Corp.*

In an action for trademark infringement under the Lanham Act and for unfair competition, the District Court enjoined the defendant company from further use of the trademark and awarded the plaintiff $60,000 in attorney's fees. On appeal, held, reversed in part. The issuance of the injunction was upheld but the court declared that attorney's fees are not recoverable in trademark infringement cases prosecuted under the Lanham Act since Congress had not expressly provided for such awards.

The decision in the principal case accords with the well-established general rule in the United States that, absent a contrary statute

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2. The plaintiff Fleischmann Distilling Corporation is the sole American distributor of "Black and White" Scotch whiskey. The trademark is owned and registered by James Buchanan & Co., Ltd., also a party to the action. Defendant Maier Brewing Company brewed and distributed in the Los Angeles area a "Black and White" beer which was held to infringe the registered trademark.
3. No damages were proved in the trial court. An accounting for defendant's profits is pending this interlocutory appeal on the question of attorney's fees, certified to involve a controlling question of law pursuant to 28 U.S.C. § 1292(b) (1964).
4. This is the second appeal in this somewhat protracted litigation. The first appeal, dealing with the question of whether there was an infringement, was expressly grounded on the Lanham Act rather than the state unfair competition cause of action. Fleischmann Distilling Corp. v. Maier Brewing Co., 314 F.2d 149, 161 (9th Cir.), cert. denied, 374 U.S. 830 (1963).
or contract, attorney's fees are not recoverable in an ordinary action at law or in equity by either a successful plaintiff or a successful defendant. It has been suggested that an explanation for the American departure from the "English Rule" under which attorney's fees are generally awarded may be found in history. During the formative stages of our country's development, relatively few litigants engaged attorneys to represent them in court so that the question of attorney's fees was not commonly encountered; when the question was presented, the courts, seeking to promote free access to the judicial processes, felt constrained not to award attorney's fees since they believed that such an award to a successful litigant might discourage a potential litigant from bringing a somewhat dubious suit. Contemporary arguments have reinforced these historical bases of judicial reluctance to award attorney's fees to the successful litigant. Attorney's fees, it is argued, cannot properly be classified as damages because they are too remote from the wrong done, are not reasonably foreseeable as flowing from the act of the defendant, and accrue only after the cause of action is complete. Furthermore, there is the fear that attorney's fees would tend to become exorbitant if they could be charged to the losing party and that there would be administrative difficulty in determining what amount is "reasonable." Finally, it is argued that a party should be compensated only for harm suffered as a result of "wrongful conduct" and that to institute or defend a suit in a court of law should not be considered wrongful unless it is totally unfounded and malicious.

Those who press for the adoption of the English Rule in this country attempt to answer the above arguments as follows: (1) today's court congestion and crowded calendars dispel the notion that there is a need to encourage litigation; (2) litigants acting pro se...
today are the exception rather than the rule, and attorneys may, in fact, be deemed essential to most litigation; (3) attorney's fees may not be "direct" results of the wrong, but they are certainly consequential and should be foreseeable; (4) judges and Masters today determine "reasonable" amounts in many other contexts and the English system of Taxing Masters has been satisfactorily administered for many years;\(^1\) (5) as a matter of policy, the successful party is entitled to be fully compensated for injuries sustained and expenses incurred, since these expenses were necessitated by the opposing party. It is perhaps this last argument, which in effect urges the natural extension of the theory of compensation which underlies the awarding of damages, that is the most compelling.

As the result of a balancing of the conflicting considerations mentioned above, a number of exceptions to the general rule denying attorney's fees have been made in the United States. Putting to one side the "fractional recovery" of attorney's fees as part of the normally taxed costs, several federal statutes do expressly provide for reasonable attorney's fees.\(^2\) Analytically, each of these statutes rests on one of the three justifications for departing from the general rule in cases involving a successful plaintiff. The three justifications are: (1) to encourage policing and enforcement of the act by the general citizenry (Securities and Antitrust legislation); (2) to give some compensation for vindicating a just claim (Tort Claims Act); (3) to effect an additional measure of deterrent (Patent and Copyright Acts). Judicial decisions have extended the limited boundaries of this legislative fabric so as to allow attorney's fees in situations where they are not provided for by statute. These decisions, which award not only costs "between party and party" but also costs "as between solicitor and client," rely primarily upon the "historic

\(^1\) Under the English system, solicitors' fees are fixed by statute, but barristers' fees are generally related to the difficulty of the case and the amount in controversy. If the losing party does not agree to the amounts with which he is charged, he may petition for submission of the matter to the Taxing Master, who has great discretion in allowing or disallowing items of costs. See, Goodhart, supra note 6, at 865.

\(^2\) That is, the traditional allowance of an item denominated "counsel fees" as part of the ordinary taxable costs, which bears no relation at all to the actual amount expended for counsel. See, e.g., Conn. Gen. Stat. Rev. § 52-257 (Supp. 1965), allowing $25.00 counsel fees. See also Federal Taxable Cost Bill, 28 U.S.C. § 1923 (1964).

equity jurisdiction" of the courts, stemming from the traditional
discretion of the chancellor to do justice between the parties
according to the circumstances.\textsuperscript{14}

In the area of trademark infringement and unfair competition,
recognition by the federal courts of their equity power has led to
the development of a rather substantial body of case law holding
that attorney's fees are recoverable by a successful plaintiff, notwith-
standing the absence of express statutory authority in the Lanham
Act.\textsuperscript{15} It is this line of authority which the principal case repudi­
ates.\textsuperscript{16} An early leading decision holding that attorney's fees may be
recovered by a plaintiff in a trademark case is \textit{Aladdin Mfg. Co. v. Mantle Lamp Co.},\textsuperscript{17} decided under the Trademark Act of 1905.\textsuperscript{18}
In that case, the Second Circuit relied on the district court's finding
that the infringer was "willful and fraudulent," on its own general
equity power, and on the "governing principles of compensatory
damages." The \textit{Aladdin} court neither cited authority for nor dis­
cussed the reasoning behind its holding; the only clue to its \textit{ratio decidendi} is the denomination of the defendant as "a deliberate
tortfeasor," which suggests that the recovery of costs was in the
nature of a penalty against the defendant rather than compensation
for the plaintiff. Later cases under the Lanham Act, reaching the
same result,\textsuperscript{19} have applied a plethora of "tests" in evaluating the


\textsuperscript{15} Unless an indication is made to the contrary, the discussion in the text relates
only to awards of attorney's fees to \textit{plaintiffs} in Lanham Act suits. See note 48 infra.

\textsuperscript{16} The court expressly overruled one prior Ninth Circuit case which had allowed
counsel fees under the Lanham Act, Wolfe v. National Lead Co., 272 F.2d 807 (9th Cir.
1959), and limited another Ninth Circuit case to "its actual holding," National
Van Lines v. Dean, 237 F.2d 688 (9th Cir. 1956). It is perhaps noteworthy that the
arguments before the court did not challenge the validity of these prior cases, but
rather urged that "exceptional" circumstances did not exist. Thus the research,
examinations, and arguments in the opinion are the court's own. Appellant's Opening
Brief, p. 14, Maier Brewing Co. v. Fleischmann Distilling Corp., 359 F.2d 156 (9th Cir.
1966). Although \textit{National Van Lines} is grounded on both a state claim of unfair
competition and federal trademark infringement under the Lanham Act, the court
did not differentiate between the two grounds as support for the award of attorney's
fees.

The court in the principal case also specifically disapproves of several leading
cases in other circuits which had approved the award: Baker v. Simmons Co., 325 F.2d
580 (1st Cir. 1963); Maternally Yours, Inc. v. Your Maternity Shop, 234 F.2d 538 (2nd Cir.
1956); Keller Prods., Inc. v. Rubber Linings Corp., 215 F.2d 382 (7th Cir. 1954);
Admiral Corp. v. Penco, 203 F.2d 517 (2d Cir. 1953); Aladdin Mfg. Co. v. Mantle Lamp
Co., 116 F.2d 708 (7th Cir. 1941).

\textsuperscript{17} 116 F.2d 708 (2d Cir. 1941).

\textsuperscript{18} 38 Stat. 724 (1905).

\textsuperscript{19} There is some confusion as to whether the allowance of attorney's fees is to be
characterized as compensatory damages or as additions to the taxable costs. Some
courts have clearly deemed the recovery compensatory, \textit{E.g.}, Keller Prods., Inc. v.
Rubber Linings Corp., 213 F.2d 382 (7th Cir. 1954). Others have treated it as part
374 (D. Del. 1962). Most cases do not distinguish between the two. \textit{E.g.}, Maternally
Yours, Inc. v. Your Maternity Shop, 234 F.2d 538 (2d Cir. 1956). While the effect of
the denomination is not clear, it appears that actual recovery is more often denied
conduct of the defendant, such as "unconscionable," 20 "fraudulent," 21 "willful," 22 "in bad faith," 23 "vexatious," 24 "malicious," 25 or "deliberate." 26 All of these cases have several other factors in common. First, all were apparently pleaded and tried on two causes of action: Lanham Act trademark infringement and state unfair competition. 27 Second, the courts did not explicitly tie the awards of attorney's fees to either of these causes of action. 28 Third, none of the courts when the court speaks in terms of the "costs" theory, although this theory also recognizes the power to award attorney's fees. See A. Smith Bowman Distillery, Inc. v. Schenley Distillers, Inc., supra; Apple Growers Ass'n v. Pelletti Fruit Co., 153 F. Supp. 948 (N.D. Cal. 1957); Williamson Dickie Mfg. Co. v. Davis Mfg. Co., 149 F. Supp. 852 (E.D. Pa. 1957). This suggests that the courts are more willing to depart from the general rule where they can tie the departure to compensation for harm done to the plaintiff, rather than the somewhat more vague "justice in the circumstances." The Supreme Court of the United States, in Vaughan v. Atkinson, 369 U.S. 527 (1962), a suit in admiralty brought by a seaman for maintenance and cure, distinguished between allowance of counsel fees taxed as costs as part of the court's equitable powers and as compensatory damages. In that case, the Court awarded fees as compensatory damages, stating that the plaintiff was "forced to hire a lawyer and to go to court to get what was plainly owed him" by a "callous" and "willfully persistent" and recalcitrant employer. Id. at 530-31. Although thus distinguishing the two theories mentioned above, it appears that the Court blurs the distinction in applying what appear to be equitable considerations rather than stressing the compensatory element.

22. National Van Lines v. Dean, 237 F.2d 688, 694 (9th Cir. 1956).
24. Id.
27. With the exception of Wolfe v. National Lead Co., supra note 26, which was overruled by the principal case.
28. Cf. note 4 supra. It has been argued that the Lanham Act comprehends a federal cause of action in unfair competition as well as trademark infringement. See 1 CALLMAN, UNFAIR COMPETITION AND TRADEMARKS 78 n.41.1 (2d ed. 1950, Supp. 1965). But see Note, 66 HARV. L. REV. 1095 (1953). This argument has not, it seems, been adopted by the majority of federal courts. See 1 CALLMAN, op. cit. supra at 78 n.41.1. The Ninth Circuit, however, is perhaps the leading advocate of the view that a cause of action for unfair competition is created where there is present the requisite effect on interstate commerce. Stauffer v. Exley, 184 F.2d 962 (9th Cir. 1950). This view was not a factor in the principal case since unfair competition was pleaded as a state cause of action, with pendant jurisdiction pursuant to 28 U.S.C. § 1338(b) (1964).

However, it is established that state law proscribing unfair competition cannot be utilized to defeat or expand the provisions of the federal patent or copyright laws. Sears, Roebuck & Co. v. Stifel Co., 376 U.S. 225 (1964); Compo v. Day-Brite Lighting Co., 376 U.S. 224 (1964). Assuming, arguendo, that federal trademark law did preclude attorney's fees, it is submitted that the Sears/Comco doctrine would not be permitted to limit state regulation of unfair competition in this regard. The Court in those cases seemed to emphasize the public interest in permitting the monopolistic patents and copyrights to endure for a specified and limited time only and rested its holding on the supremacy clause and the express and exclusively federal provision of the Constitution, Art. I, § 8, cl. 8. In the trademark situation the public interest in limiting "legalized monopolies" is absent since trademarks protect the goodwill built up in a name or symbol and do not operate to restrict the type of products marketed. See 3
discussed the language of the remedy provisions of the Lanham Act or related these provisions to their decisions. Finally, all of the courts apparently rested their decisions on their “inherent equity power” or cited, without comment, earlier decisions which, as noted above, similarly had not enunciated their rationale.

As a result of its departure from this precedent, the court in the principal case apparently stands alone in concluding that the Lanham Act’s failure to provide expressly for attorney’s fees precludes courts from granting such awards in trademark cases. In arriving at its conclusion, the Ninth Circuit, speaking through Judge Duniway, did not summarily dismiss the contrary authority, but rather meticulously examined the cases which had considered the question and found them to be without merit. Nevertheless, it is submitted that a consideration of the aforementioned “historic equity jurisdiction of the federal courts,” in conjunction with the language and “spirit” of the remedies section of the Lanham Act, should have resulted in a contrary decision on the question of law. That is, the Lanham Act does not preclude the courts, as a matter of law, from awarding attorney’s fees to a successful plaintiff in a trademark infringement action.

The Supreme Court of the United States has recognized that “in exceptional cases and for dominating reasons of justice” the federal courts may exercise their “historic equity jurisdiction” in

CALLMAN, op. cit. supra, at 974-86. Also federal supremacy invoked here would rest on the less thunderous grounds of trademark jurisdiction pursuant to the interstate commerce power. Trademark Cases, 100 U.S. 82 (1879).


30. Accord, Gold Dust Corp. v. Hoffenberg, 87 F.2d 451 (2d Cir. 1937). This was also an unfair competition and trademark infringement case, but arose under the Trademark Act of 1905, 33 Stat. 724. The District Court allowed the recovery of attorney’s fees to the defendant, reasoning that the plaintiff had not sustained his “gross and willful” allegations and had not promptly prosecuted the suit. The Second Circuit did not distinguish between allowance to a defendant and a plaintiff, but reversed as a matter of trademark law. See Note, 34 ILL. L. REV. 111 (1937). The Second Circuit, in Maternally Yours, Inc. v. Your Maternity Shop, 234 F.2d 538, 545 (2d Cir. 1956), has stated that Gold Dust had apparently been overruled sub silentio by Admiral Corp. v. Penco, 203 F.2d 517 (2d Cir. 1953). See also Philco Corp. v. F. & E. Mfg. Co., 86 F. Supp. 81 (N.D. Ill. 1949), disallowing attorney’s fees to the defendant due to lack of authorization in the Lanham Act, but wherein the court expressly found that the conduct of the plaintiff was not “vexatious.” The remainder of the cases denying attorney’s fees do so on the ground that the unsuccessful litigant’s conduct in that case was not so exceptional as to permit such awards. See, e.g., A. Smith Bowman Distillery, Inc. v. Schenley Distillers, Inc., 204 F. Supp. 374 (D. Del. 1962).

31. The court also relied on two Supreme Court decisions denying attorney’s fees in patent infringement actions: Teese v. Huntington, 64 U.S. (23 How.) 2 (1859) and Philp v. Nock, 84 U.S. (17 Wall.) 460 (1873). It is perhaps noteworthy that Teese has not been cited by any federal court or state appellate court in the United States on this issue since 1901, and Philp, so far as can be determined, had never been cited on the issue prior to the principal case.

awarding counsel fees to the prevailing party. This concept of "equity jurisdiction" has not been crystallized into any precise rules of law, but it has been traditionally exercised by the federal courts in such cases as when the plaintiff brings into court a "common fund" for the benefit of a class of which he is a part, when willful contempt of court or court processes are involved, or when the unsuccessful litigant's conduct is fraudulent, vexatious, or oppressive. In refusing to acknowledge a court's equity power in a case brought under the Lanham Act, the court in the principal case

33. Sprague v. Ticonic Nat'l Bank, 307 U.S. 161 (1939). Mr. Justice Frankfurter, speaking for the Court on the question of allowing counsel fees to the prevailing party, stated that "allowance of such costs in appropriate situations is part of the historic equity jurisdiction of the federal courts." Id. at 164.


35. Universal Oil Prods. v. Root Refining Co., 328 U.S. 575, 580, rehearing denied, 329 U.S. 823 (1946) (dictum), where fraud was alleged on the court, the Court stated that this was "precisely a situation where 'for dominating reasons of justice' a court may assess counsel fees as part of the taxable costs," citing Sprague. 307 U.S. at 167. In a very recent case holding that a federal tax lien is superior as against a mortgagee's lien for attorney's fees pursuant to state statute, the Court recognized and reiterated the courts' "inherent equitable powers" to award attorney's fees in a proper case, again citing Sprague. United States v. Equitable Life Assur. Soc'y, 384 U.S. 323, 331 (1966). Courts of appeals cases resting on the "inherent equity power" in awarding counsel fees, without necessity of a common fund include: Cleveland v. Second Nat'l Bank & Trust Co., 149 F.2d 466, 469 (6th Cir.), cert. denied, 326 U.S. 775 (1945); Guardian Trust Co. v. Kansas City So. Ry., 28 F.2d 233, 240-46 (8th Cir. 1928), rev'd on other grounds, 281 U.S. 1 (1930).
seems to adopt an overly restricted view of its own role as a source of law.\textsuperscript{38} This role can perhaps be best justified when the question of using a special remedy is presented, for it is in these circumstances that a judicial body must adopt a sanction or a measure of compensation which is appropriate for the particular facts of the case at bar. Indeed, it is in this context that equity courts, since the days of the chancellor, have traditionally exercised wide discretion, unless limited by legislative enactment or rule of court.\textsuperscript{39}

As the court in the principal case points out, the Lanham Act does not expressly provide for the recovery of attorney's fees either as an element of compensatory or punitive damages or as costs. Thus, Congressional intent has apparently not been expressed on the precise question presented, other than by omission.\textsuperscript{40} Although it is true that Congress does "know how to provide for such a recovery," as is demonstrated in the somewhat analogous areas of copyrights and patents,\textsuperscript{41} one must consider whether an admitted omission in

\textsuperscript{38} See Stone, \textit{The Common Law in the United States}, in \textit{The Future of The Common Law} 120, 123-25 (1937), pointing out that the judicial practice of strict adherence to statutory authority can be attributed to (1) the ability of the legislature to adapt and respond more quickly to changing conditions, (2) the notion fostered by Blackstone and Coke that the common law is self-sufficient and perfect, and (3) the constitutional doctrine of separation of powers. Stone approved what he perceived as a tendency toward more flexible construction. See also Landis, \textit{Statutes and The Source of Law}, \textit{Harvard Legal Essays} 213 (1934), referring to statutes as "an excrescence on the body of law" and advocating freer use of the statutes as a base in creating law. But see Witherspoon, \textit{The Essential Focus of Statutory Interpretation}, 36 Ind. L.J. 423, 435-36 (1961), arguing that a court must determine the "central purposes and principles of the statute" and, once it determines them, it must remain faithful to them.


\textsuperscript{40} The legislative history fails to reveal any conclusive Congressional intent. The Trademark Acts of 1870, 16 Stat. 210, and 1905, 33 Stat. 724, contained no provision regarding attorney's fees. The Senate report accompanying the Lanham Act, S. Rep. No. 1355, 79th Cong., 2d Sess. 8 (1947), states the purpose of that act is to consolidate all federal trademark legislation and to meet international commitments, but does not mention counsel fees. Two subsequent bills proposing various amendments to the act included a provision for attorney's fees in "exceptional" cases. S. 2540, 83d Cong., 1st Sess. § 35 (1953); H.R. 7734, 84th Cong., 1st Sess. § 35 (1955). Both passed in the originating house and died in the other. The Senate report accompanying S. 2540, S. Rep. No. 2266, 83d Cong., 2d Sess. 9 (1954), stated the purpose of the fees provision was to parallel the similar provision in the patent statute, 35 U.S.C. § 285 (1964), which had been added to that act subsequent to the enactment of the Lanham Act by 66 Stat. 792 (1954). In \textit{Hearings on S. 2540 Before a Subcommittee of the Senate Committee on the Judiciary}, 83d Cong., 2d Sess. 48 (1954), the subcommittee heard testimony of the "National Trademark Coordinating Committee" that the courts have, in exceptional trademark cases, permitted the prevailing party to recover reasonable attorney's fees. However, S. 2429, 86th Cong., 1st Sess. (1959), labelled a "housekeeping" amendment in S. Rep. No. 1695, 86th Cong., 2d Sess. 3 (1950), dropped the attorney's fees proposal along with other earlier proposed amendments. There is no indication as to the reasons for this deletion, other than speculation that the bill was trimmed down in order to effect prompt passage. This bill was reintroduced as H.R. 4338, 87th Cong., 2d Sess. (1962) and was subsequently enacted into law, 76 Stat. 769 (1962). It is submitted that this entire "history" is ambiguous and is not determinative of the Congressional intent. See generally McCallum, \textit{Legislative Intenti}, 75 Yale L.J. 754 (1966).

an act as comprehensive as the Lanham Act should operate so as to preclude the use of equity power of the courts. When an act does not specifically state otherwise and the legislative intent is ambiguous, it is a rule of statutory construction to interpret such legislation in accord with the pre-existing common law and practices of the courts. Furthermore, since common law trademark protection has been consistently expanded, it is submitted that neglect in mentioning an "historical" judicial practice should not put an end to the inquiry.

The language of the Lanham Act itself, indicates that Congress has provided rather extensive remedies and has permitted notably wide judicial discretion. Stating that the entire remedy section shall be "subject to the principles of equity," Congress provides the plaintiff with a three-fold recovery: (1) consequential damages suffered by the plaintiff, with a provision that the court may, at its discretion, treble the amount proved; (2) the defendant's profits, with a provision that the court may, if these profits are inadequate or excessive, adjust the recovery to a "just" amount "according to the circumstances"; and (3) the plaintiff's costs, which are not defined in the Act. The express provision that the three components of the recovery, including "costs," shall be granted "subject to the principles of equity" lends support to the view that Congress did not intend to preempt or foreclose the court's traditional powers in this area. On the other hand, the court in the principal case argued that by providing these remedies Congress indicated an intent to avoid "piling Pelion on Ossa," and therefore Congress did not provide for attorney's fees as this would have permitted a double recovery. It may be suggested, however, that, to the contrary, by vesting considerable discretion in the trial judge, Congress has provided for a tailoring of the remedy to the individual facts of the case, including "piling Pelion on Ossa" where warranted. Clearly, double recovery is possible under the existing damages and profits provisions. It is equally clear that the court may "provide" for attorney's fees indirectly under the guise of trebling the damages or adjusting the profit recovery to the trademark owner above the amount of profits specifically established. Furthermore, the explicit reference to "costs" as an element of recovery strongly suggests that something beyond those normally taxable costs which are a part of every suit must have been intended, for otherwise this clause would be mere surplusage. Finally, the very fact of non-definition either implies that

42. See CRAWFORD, THE CONSTRUCTION OF STATUTES § 228 (1940); 3 SUTHERLAND, STATUTES AND STATUTORY CONSTRUCTION § 5501 (5th ed. 1945, Supp. 1966); 82 C.J.S. Statutes § 363 (1953).


the courts are to supply the meaning of the language in accordance with common law and case precedent or it indicates the establishment of a repository of judicial discretion to adopt relief to the circumstances of the case at bar. The language or “flavor” of the section, then, does not appear to be the sort which should be read or interpreted as imposing limits on the discretionary power of the court; indeed, it seems to warrant a contrary conclusion. Lack of an express provision should not preclude this interpretation of the act.

To return to the more general problem of when to except certain situations from the general rule denying attorney's fees to the prevailing party, it may be helpful to consider briefly the policy considerations which are particularly relevant to trademark cases. It is submitted that the nature of our economic system can supply the justification for excepting this class of cases from the general rule. Mass demand, mass markets, mass advertising, and varieties of goods point toward increased reliance by the consumer on trademarks and brand names as the means of identifying the product he rationally wished to purchase. In order to allocate properly the

729, provided for the granting of an injunction, the recovery of damages and an accounting for profits, but did not mention costs specifically as does the Lanham Act § 1117. Assuming that this change in language, which, together with the discretionary increase in profit recovery, are virtually the only major differences in the relevant sections of the 1905 Act and the Lanham Act, is not mere surplusage and postulating the existence of the Federal Taxable Cost Bill, 28 U.S.C. § 1923 (1964), which embraces the ordinary costs "between party and party," it may be suggested that Congress thought it was, in fact, providing for attorney's fees by the use of this language. Congress recognized the desirability of allowing counsel fees in exceptional cases in most, if not all, of the other federal statutes which contemplated to some degree enforcement of the rules of the marketplace. See note 13 supra. There does not seem to be any policy rationale as to trademarks which is not applicable to these situations. See also Notes of Advisory Committee on the Federal Rules, FED. R. CIV. P. 54(d), 28 U.S.C.A. at 204, specifically exempting the Lanham Act from the taxable costs provisions of Rule 54(d).

46. It is recognized that in trademark infringement actions, the power of the trial judge is considerable in determining whether confusion will or will not arise between the trademarks. There are few, if any, standards to aid the court in this determination, leaving it to the judge to "contemplate, speculate and weigh the probabilities of deception." Colburn v. Puritan Mills, Inc., 108 F.7th 377, 378 (7th Cir. 1995). See generally 3 CALLMAN, THE LAW OF UNFAIR COMPETITION AND TRADEMARKS 1375-82 (2d ed. 1950). Thus the argument may be advanced that any expansion of standard-less discretion, as is suggested by the text, is not to be favored. Mindful of the danger of having controversies decided by men and not by law, it may be pointed out that the granting of attorney's fees is not really an "expansion" of judicial discretion, but rather is within the traditional equity function of courts. See text accompanying note 33 supra. Moreover, this discretion as to an awarding of attorney's fees does not go to the ultimate question being litigated, but rather goes to the remedy to be applied after the court has determined whether there has been an infringement. In any event, weighing the dangers of judicial discretion against the arguments in favor of its exercise here, such as rightful compensation and policing, see text accompanying notes 9 supra & 48 infra, it would appear the balance lies in the permitting of such discretion.

47. See text accompanying note 9 supra.
economic resources in the competitive marketplace, consumer choice must not be confused or thwarted. Trademark infringement however, can confuse the consumer, and in today's market, as a result of large-scale confusion, the infringer may, by design, be able to extract quickly a substantial profit and to affect a congruent misallocation of resources. The trademark owner who protects his own industrial property right also protects, polices, and renders more effective the operation of our competitive markets. Effective enforcement lies in the hands of the injured trademark owner, and he must, therefore, be encouraged, or at least not discouraged, from enforcing his rights.48 It is perhaps not a coincidence that in other causes of action which are provided so as to aid in the policing of the marketplace, attorney's fees are allowed.49 While the Lanham Act does provide for substantial recoveries to the owner by way of treble damages and the recovery of profits at the court's discretion, attorney's fees in this specialized area of the law may be and often are a significant factor. Just as the court has discretion to adjust the recovery in an egregious case as to damages and profits, so ought this discretion apply as to "costs between solicitor and client."50

48. It is apparent that the force of this line of argument goes to the justification of recovery to the successful plaintiff and does not support recovery to a successful defendant. The notion that full compensation to an injured party should be the underlying basis of allowance of counsel fee, see text accompanying note 9 supra, however, applies equally well to plaintiff or defendant, and thus suggests that the principles of mutuality might be used to argue for awards to successful defendants. In the trademark area, the courts have generally confined awards to plaintiffs, suggesting that, in this area, the argument discussed in the text predominates and thus the mutuality principle has been seemingly ignored. In fact, those cases which denied recovery in trademark infringement actions as a matter of law involved defendants seeking recovery. See note 50 supra. But see General Motors Corp. v. Cadillac Marine & Boat Co., 226 F. Supp. 716 (W.D. Mich. 1964) where attorneys' fees were awarded to the defendant because of the "oppressive tactics" used by the plaintiff in the prosecution of his action.

49. See note 13 supra.