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SID J. WHITE
SEP 23 1992
CLERK, SUPREME COURT
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IN THE SUPREME COURT OF FLORIDA

TALLAHASSEE, FLORIDA

CASE NO: 80,414

10 p8

GREAT SOUTHERN BANK,

Petitioner,

vs.

FIRST SOUTHERN BANK, a Florida Banking Corp.,

Respondent.
_____/

On Certified Question from
the Fourth District Court of Appeal

PETITIONER'S BRIEF ON THE MERITS

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PREFACE

Petitioner, Great Southern Bank, was the defendant in the lower court and Respondent, First Southern Bank, was the plaintiff. The parties will be referred to as the plaintiff and defendant or by their proper names. The following symbol will be used:

(R) - Record on Appeal

(A) - Appendix.

STATEMENT OF THE CASE

First Southern Bank sued Great Southern Bank in the Circuit Court for Palm Beach County, seeking injunctive relief resulting from the similarity of their names (R 1). The case was tried before the court, which entered a final judgment on December 17, 1990, enjoining defendant, Great Southern Bank, from continuing to use its name or any name similar to it (R 245).

Defendant appealed to the Fourth District Court of Appeal, which affirmed, and on rehearing certified the following question as being of great public importance (A 1):

> IS THE NAME "FIRST SOUTHERN BANK" DESCRIPTIVE OR GENERIC, AND THEREFORE NOT ENTITLED TO PROTECTION IN THE ABSENCE OF PROOF THAT IT HAS ACQUIRED A SECONDARY MEANING?

STATEMENT OF THE FACTS

Plaintiff, First Southern Bank, alleged in its complaint that it opened for business on September 14, 1987, as a bank operating

under that name. It further alleged that the defendant, Great Southern Bank, adopted its name in November of 1988. Plaintiff, First Southern Bank, alleged that its name had acquired a secondary and special meaning, and that it was entitled to an injunction against Great Southern Bank using its name (R 140). Plaintiff, First Southern Bank, is in Boca Raton. Defendant, Great Southern Bank, is in Lantana. They are 20 miles apart (R 3).

It was the defendant's position in the trial and appellate court that plaintiff's name, First Southern Bank, was generic, descriptive or geographic, and not entitled to protection in the absence of proof that it had acquired a secondary meaning. The trial court concluded that the name, First Southern Bank, was arbitrary or fanciful, and protectible even in the absence of proof that it had acquired a secondary meaning. The trial court granted injunctive relief to First Southern Bank and ordered Great Southern Bank to cease the use of its name (R 245).

Great Southern Bank appealed to the Fourth District, again maintaining that the name First Southern Bank was descriptive or generic, and not entitled to protection in the absence of a secondary meaning. The majority of the Fourth District affirmed the trial court's conclusion that the name was arbitrary or fanciful, with a dissenting opinion (A 3). On rehearing, the court certified the issue as one of great public importance (A 1).

SUMMARY OF ARGUMENT

The question of whether a name is protected depends on which of four categories it falls in. The four categories are: 1) fictitious, arbitrary or fanciful; 2) suggestive; 3) descriptive or geographic; 4) generic. Names in the first two categories are protected without the necessity of the plaintiff establishing a secondary meaning. Generic names are not protected at all. Descriptive or geographic names are only protected if the plaintiff establishes that its name has acquired a secondary meaning.

The name First Southern Bank is not fictitious, arbitrary or fanciful. It is generic, descriptive and geographic. The Fourth District, therefore, erred in concluding that it was entitled to protection in the absence of a finding of fact that it had acquired a secondary meaning.

ARGUMENT

CERTIFIED QUESTION

IS THE NAME "FIRST SOUTHERN BANK" DESCRIPTIVE OR GENERIC, AND THEREFORE NOT ENTITLED TO PROTECTION IN THE ABSENCE OF PROOF THAT IT HAS ACQUIRED A SECONDARY MEANING?

The law appears to be well established in Florida as well as other jurisdictions that generic, geographical or descriptive names are not protected unless they have acquired a secondary meaning. Gaeta Cromwell, Inc. v. Banyan Lakes Village, 523 So.2d 624 (Fla. 4th DCA), rev. denied, 531 So.2d 1353 (Fla. 1988); American Bank

of Merritt Island v. First American Bank and Trust, 455 So.2d 443 (Fla. 5th DCA), rev. denied, 461 So.2d 114 (Fla. 1984). Williamson v. Answer Phone of Jacksonville, Inc., 118 So.2d 248 (Fla. 1st DCA 1960). See also, Quality Courts United v. Jones, 59 So.2d 20 (Fla. 1952).[1]

The precise issue of whether a name such as First Southern Bank is generic, descriptive or geographical, and thus not entitled to protection in the absence of a secondary meaning, has not yet been determined in Florida. The trial court cited Gaeta, supra, in which the issue was whether the name Congress Park, as applied to an office building complex, was generic, descriptive or geographical. The Fourth District held that the name Congress Park was arbitrary as used in this context because the word Congress has a meaning unrelated to office buildings, i.e. the legislative body. In contrast, Southern Bank only means one thing - a bank in a geographical area. If, in Gaeta, the name of the park was Southern Park, instead of Congress Park, it would clearly not have been entitled to protection in the absence of proof of a secondary meaning.

Plaintiff relied heavily on American Bank of Merritt Island, supra; however, that case does not support plaintiff's position.

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[1] Although plaintiff was seeking relief both under the common law and Section 495.51, Florida Statutes, plaintiff conceded that these claims were identical, requiring the same elements of proof (R 193, footnote 11).

American Bank alleged in the complaint that it had established a secondary meaning, which would entitle it to protection even if its name was merely descriptive or geographic. The Fifth District held that the complaint stated a cause of action. The Fifth District pointed out, in footnote 8 on page 448, that there is a split of authority on whether the word American is protectible in the absence of secondary meaning. The Eleventh Circuit, in a Florida case, has held that the name "American Television and Communications Corporation" is not protectible in the absence of secondary meaning. That name was held to be merely a combination of generic and descriptive terms. American Television and Communications Corp. v. American Communications and Television, Inc., 810 F.2d 1546 (11th Cir. 1987).

In American Heritage Life Ins. Co. v. Heritage Life Ins. Co., 494 F.2d 3 (5th Cir. 1974), the Fifth Circuit decided in a Florida case that the name American Heritage Life Insurance Company is generic or descriptive and not protectible unless it has acquired a secondary meaning. It is thus rather ironic that in American Bank of Merritt Island, supra, the Fifth District held that when American is used with bank it is not necessarily a generic term, while at the same time citing Federal cases. It appears clear from the American Television and American Heritage cases, supra, that the Eleventh Circuit would have concluded that the name American Bank is not protectible.

In Sun Banks of Florida, Inc. v. Sun Federal Sav. and Loan Ass'n, 651 F.2d 311 (5th Cir.), reh. denied, 659 F.2d 1079 (5th Cir. 1981), Sun Banks had obtained an injunction at the trial level against Sun Federal Savings and Loan using its name. In reversing, the court held that even if Sun Bank was an arbitrary name, it was still too weak to be protected. The Fifth Circuit pointed out that over 4,400 businesses registered with the Florida Secretary of State had the word "Sun" in their names, and that a significant number were financial institutions. Similarly, in the present case defendant introduced in evidence a Florida Secretary of State print-out of corporations having Southern or First as the first word in their name. There were 6,067 corporations in Florida which started their name with Southern. There were 23 banks or savings and loans alone in Florida beginning with Southern.[2] There were

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[2]
1. Southern Capital Savings & Loan Association;
2. Southern Floridabanc Savings Association;
3. Southern Home Savings Bank;
4. Southern Industrial Savings Bank;
5. Southern Industrial Savings Bank of Orlando;
6. Southern Bancorp, Inc.;
7. Southern Bancorp;
8. Southern Bancorporation of Alabama;
9. Southern Bank Corp., Inc.;
10. Southern Bank of Broward County;
11. Southern Bankcard Corporation;
12. Southern Bankcard;
13. Southern Bank of Central Florida;
14. Southern Banks of Florida, Inc;
15. Southern Bank of St. Petersburg;
16. Southern Bank of Tallahassee (The)
17. Southern Bank and Trust Co.;
18. Southern Bank of West Palm Beach;
19. Southern Commerce Bank;
20. Southern Exchange Bank;
21. Southern Florida Bancorporation;
22. Southern Industrial Bank of Jacksonville;
23. Southern Interim Bank.

5,607 corporations beginning with First and 238 banks or savings and loans alone beginning with First (def. ex. 5).

Despite the common use of the words North, East, South, and West in the names of banks or other businesses, our research does not reveal one case in which the use of one of those names along with a generic term such as bank has been protected. The opinion of the Fourth District in the present case is the first instance this type of bank name has been held to be arbitrary or fanciful in Florida or any other jurisdiction.

Arbitrary or fanciful names, which are entitled to protection in the absence of secondary meaning, are names such as Kodak or Xerox. They are words which have been invented to identify a product or service. Freedom Sav. and Loan Ass'n v. Way, 757 F.2d 1176, 1186 (11th Cir.), cert. denied, 474 U.S. 845, 106 S.Ct. 134, 88 L.Ed.2d 110 (1985); Gaeta, supra.

Generic names communicate information about the nature or class of an article or service (e.g. "shredded wheat", "light beer"). Kellogg Co. v. National Biscuit Co, 305 U.S. 111, 59 S.Ct. 109, 83 L.Ed. 73 (1938). True generic terms can never become a protectible service mark or trademark. Sun Banks, supra.

There are two cases which are on all fours with the present case, in which the courts have held that names similar to those in the present case are generic, geographical or descriptive and are not protectible.

In First Southern Federal Sav. & Loan Ass'n of Mobile, Ala. v. First Southern Sav. and Loan Ass'n of Jackson County, Miss., 614 F.2d 71 (5th Cir. 1980), the two savings and loans with similar names were operating in adjoining states and had offices within 25 miles of each other. In holding that there was no protection, the Fifth Circuit stated on page 74:

> As a general rule generic and geographical names are not subject to trade name protection. Dixie Oil Co. v. Picayune "66" Oil Co., 245 So.2d 839, 841 (Miss. 1971) ("Dixie" not subject to protection); Staple Cotton Co-operative Association v. Federal Staple Cotton Co-Op Association, 249 Miss. 465, 162 So.2d 867, 869 (1964). Because "First Southern" is a combination of a generic and a geographical term, we conclude that it is not subject to protection under Mississippi common law.

Although the Fifth Circuit was applying Mississippi law, it is clear from the cases cited by the Fifth Circuit that Mississippi law is the same as Florida law.

In Western Bank v. Western Bancorporation, 47 Or.App. 191, 617 P.2d 258 (1980), plaintiff Western Bank operated 34 branches in various parts of Oregon and the defendant Western Bancorporation was a bank holding company which intended to use the mark Western

Bankcard on a bank card to be marketed throughout Oregon. The court stated on page 260:

> Because the words "Western Bank" are geographically descriptive words, to prove a protectible interest in the name plaintiff first had to establish that the name carries a "secondary meaning," independent of the ordinary meaning of the words comprising it, which identifies the name with plaintiff among a substantial number of plaintiff's customers or prospective customers.

Can there be any argument that the word "Bank" is not generic, or that the word "Southern" is not geographic, or that the word "First" is not generic or descriptive? The name First Southern Bank is no more protectible than the name Southern Fried Chicken. The Fourth District's conclusion that these words are fictitious, arbitrary, or fanciful (such as Kodak or Xerox) is not supported by the case law or the ordinary meanings of the three words making up the name. The opinion of the Fourth District is incorrect and creates confusion. It is, therefore, respectfully submitted that this court should quash the opinion of the Fourth District and clear up what is presently a confusing area of the law in this state.

CONCLUSION

The opinion of the Fourth District should be quashed, and the injunction reversed.

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By: _____
LARRY KLEIN
Florida Bar No. 043381

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a copy of the foregoing has been furnished, by mail, this 21st day of September, 1992, to: Mr. Lawrence S. Gordon, Caruana and Gordon, P.A., 1000 Courthouse Tower, 44 West Flagler Street, Miami, FL 33130.

By: _____
LARRY KLEIN
Florida Bar No. 043381

IN THE DISTRICT COURT OF APPEAL OF THE STATE OF FLORIDA
FOURTH DISTRICT, P.O. BOX 3315, WEST PALM BEACH, FL 33402

GREAT SOUTHERN BANK

Appellant(s),

vs.

FIRST SOUTHERN BANK, a Florida Banking Corp.
Appellee(s).

CASE NO. 91-00091

L.T. CASE NO CL 89-2663 AD
PALM BEACH

July 28, 1992

BY ORDER OF THE COURT:

ORDERED that appellant's motion filed June 2, 1992, for rehearing is hereby denied; further,

ORDERED that appellant's motion filed June 2, 1992, for certification is granted, and the following question of great public importance is certified to the Florida Supreme Court:

IS THE NAME "FIRST SOUTHERN BANK" DESCRIPTIVE OR GENERIC, AND THEREFORE NOT ENTITLED TO PROTECTION IN THE ABSENCE OF PROOF THAT IT HAS ACQUIRED A SECONDARY MEANING?

ORDERED that appellant's motion filed June 2, 1992, for rehearing en banc is hereby denied; further,

ORDERED that appellant's motion filed June 2, 1992, is granted, and the issuance of the mandate in this cause is stayed pending review in the Florida Supreme Court.

A. 1

I hereby certify the foregoing is a
true copy of the original court order.

Marilyn Beu

MARILYN BEUTTENMULLER
CLERK.

cc: George P. Ord
Larry A. Klein
Peter M. Commette
Milton T. Bauer, Clerk
Lawrence S. Gordon
David H. Baker

/CH

A. 2

IN THE DISTRICT COURT OF APPEAL OF THE STATE OF FLORIDA
FOURTH DISTRICT JANUARY TERM 1992

GREAT SOUTHERN BANK,

Appellant,

v.

FIRST SOUTHERN BANK, a Florida banking corporation,

Appellee.

CASE NO. 91-0091.

NOT FINAL UNTIL TIME EXPIRES TO FILE REHEARING MOTION AND, IF FILED, DISPOSED OF.

Opinion filed May 20, 1992

Appeal from the Circuit Court for Palm Beach County; Timothy P. Poulton, Judge.

Larry Klein of Klein & Walsh, P.A., West Palm Beach, and David Baker and George Ord of Alley, Maass, Rogers & Lindsay, P.A., Palm Beach, for appellant.

Lawrence S. Gordon and Robert H. Miller of Caruana and Gordon, P.A., Miami, for appellee.

DELL, J.

Appellant, Great Southern Bank, appeals from a final judgment in favor of appellee, First Southern Bank. The final judgment enjoined Great Southern Bank from using the name "Great Southern Bank" or any name similar to it. Appellant contends that the name "First Southern Bank" is, as a matter of law, geographical, descriptive or generic, and therefore not entitled to protection in the absence of proof that it has acquired a secondary meaning. We affirm.

In September, 1987, appellee, First Southern Bank,

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opened for business in Boca Raton, Florida. In November, 1988, appellant, Great Southern Bank, received approval for a name change to its present name. In April, 1989, appellant opened for business in Lantana, Florida, which is located approximately fifteen to twenty miles north of Boca Raton. Appellee asked that appellant change its name and when appellant refused, appellee filed suit. Appellee's complaint alleged common-law trade name infringement, common-law unfair competition and violation of section 495.151, Florida Statutes (1989). At trial, appellee presented evidence that the similarity of the names caused actual confusion in the public. Appellee's evidence also showed that a potential for confusion exists in the future. The trial court made the following findings of fact and conclusions of law:

> (a) Although we [sic] conclude that plaintiff is entitled to relief under all counts of the complaint, we [sic] believe that plaintiff's easiest task is under Count III which is based upon F.S. 495.151. We [sic] believe that plaintiff has correctly analyzed the statutory requirements at page four of its original memorandum;
>
> (b) The name "Great Southern Bank" is similar to the name "First Southern Bank";
>
> (c) The plaintiff was the first to use its name;
>
> (d) The name "First Southern Bank" is a fictitious, arbitrary, fanciful or suggestive name. It is not a descriptive, geographic or generic name, requiring by actual usage a secondary meaning. I believe that Gaeta Cromwell, Inc. v. Banyan Lakes Village, 523 So.2d 624 (Fla. 4th DCA 1988) is strong au-

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thority for plaintiff's point of view.

(e) The greater weight of the evidence proved:

1. There exists a likelihood of injury to the business reputation of "First Southern Bank" by the defendant's continued use of the name "Great Southern Bank", or that the continued use by the defendant of the name "Great Southern Bank" will result in the dilution of the distinctive quality of the trade name "First Southern Bank";

2 The names of the parties are confusingly similar;

3. There exists the likelihood of confusion among customers within overlapping marketing areas.

Appellant argues that we should ignore the trial court's factual findings concerning the likelihood of injury to the business reputation of appellee, the dilution of the distinctive quality of the trade name, "First Southern Bank," the confusing nature of the name and the likelihood of confusion among customers within the overlapping market areas. Appellant's argument would have merit if we were to conclude that appellee's name constituted a descriptive or generic name. Descriptive names can be protected only where the name has acquired a secondary meaning. A generic name receives no protection. See Gaeta Cromwell, Inc. v. Banyan Lakes Village, 523 So.2d 624 (Fla. 4th DCA), rev. denied, 531 So.2d 1353 (Fla. 1988).

On the other hand, arbitrary or fanciful names receive the greatest protection. In Freedom Savings and Loan

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Association v. Way, 757 F.2d 1176 (11th Cir.), cert. denied, 474 U.S. 845, 106 S.Ct. 134, 88 L.Ed.2d 110 (1985), the court stated:

> An arbitrary or fanciful mark is a word in common usage applied to a service unrelated to its meaning; "Sun Bank" is such an arbitrary or fanciful mark when applied to banking services.

Id. at 1182-83 n.5. Neither the word "First" nor the word "Southern" describes the services offered at appellee's bank. Therefore, we hold that the trial court correctly found that the name "First Southern Bank" was an arbitrary or fanciful name. We also hold that the trial court's factual findings satisfy the statutory requirements for trade name protection.

Section 495.151, Florida Statutes (1989) provides:

> Injury to business reputation; dilution.- Every person, association, or union of workingmen adopting and using a mark, trade name, label or form of advertisement may proceed by suit, and all courts having jurisdiction thereof shall grant injunctions, to enjoin subsequent use by another of the same or any similar mark, trade name, label or form of advertisement if it appears to the court that there exists a likelihood of injury to business reputation or of dilution of the distinctive quality of the mark, trade name, label or form of advertisement of the prior user, notwithstanding the absence of competition between the parties or of confusion as to the source of goods or services.

Accordingly, we affirm the trial court's judgment granting appellee permanent injunctive relief.

AFFIRMED.

POLEN, J., concurs.
GARRETT, J., dissents with opinion.

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GARRETT, J., dissenting.

I cannot conclude that the names Great Southern Bank and First Southern Bank are so similar as to reasonably confuse the public; therefore, I respectfully dissent. No reasonable person would be confused by the names of those banks any more than he or she is confused by the myriad of bank names that already exist in Palm Beach County. There are banks named First National Bank of Lake Park and First National in Palm Beach; First Federal of the Palm Beaches, Palm Beach Federal Savings Bank, Palm Beach Savings, Palm Beach National Bank and Trust Company; Southcoast Bank and Southeast Bank; Chase Federal Bank and Glendale Federal Bank; Flagler National Bank and United National Bank; Harris Trust Company of Florida, Bankers Trust Company of Florida, Northern Trust Company of Florida, and U S Trust Company of Florida; American Savings of Florida and Savings of America; Governors Bank and Guardian Bank; and NBD Bank and NCNB.

Moreover, the Fifth Circuit Court of Appeal in First Southern Federal Savings & Loan Association of Mobile, Ala. v. First Southern Savings & Loan Association of Jackson County, Miss., 614 F.2d 71 (5th Cir. 1980), refused to protect the name "First Southern."