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**UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF CALIFORNIA**

SUNTECH POWER HOLDINGS CO.,  
LTD., a corporation of the Cayman  
Islands; WUXI SUNTECH POWER CO.,  
LTD., a corporation of the People’s  
Republic of China; and SUNTECH  
AMERICA, INC., a Delaware  
corporation,

Plaintiffs,

vs.

SHENZHEN XINTIAN SOLAR  
TECHNOLOGY CO., LTD., a  
corporation of the People’s Republic of  
China; and SUN TECH SOLAR CO.,  
LTD., a Honk Kong corporation,

Defendants.

CASE NO. 08-CV-01582 H (NLS)

**ORDER GRANTING  
PLAINTIFFS’ MOTION FOR  
PRELIMINARY INJUNCTION**

Plaintiffs filed their Complaint against Defendants on August 28, 2008. (Doc. No. 1.) Presently before the Court is Plaintiffs’ Motion for Preliminary Injunction filed September 8, 2008. (Doc. No. 10.) The Court scheduled a noticed hearing on the motion for October 6, 2008. Under Local Rule 7.1(e)(2), Defendants’ opposition to the motion was due on September 22, 2008. The Court has received no opposition from Defendants. For the following reasons, the Court grants Plaintiffs’ motion for preliminary injunction and orders

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1 that, pending a final resolution of this action, Defendants, their partners, agents, servants,  
2 employees, attorneys and those persons in active concert with them:

- 3 (1) Cease all use of the trademarks SUN TECH, SUN TECH SOLAR, and any other  
4 mark confusingly similar to Plaintiffs' trademarks in connection with the  
5 promotion and sale of its products in the United States;
- 6 (2) Cease operating the website located at www.solarsuntech.com;
- 7 (3) Refrain from any other action likely to cause consumers or the trade to believe  
8 that any products or services provided by Defendants originate with the  
9 Plaintiffs.

10 The Court further orders that Plaintiffs give security in the amount of \$1,000.00. This amount  
11 is sufficient to cover the costs and damages sustained by any party found to be wrongfully  
12 enjoined by this order pursuant to Federal Rule of Civil Procedure 65(c).

### 13 **Background**

14 Plaintiffs Suntech Power Holdings Co, Ltd, Wuxi Suntech Power Co., Ltd, and Suntech  
15 America, Inc. (collectively, "Suntech") seek a preliminary injunction against Defendants  
16 Shenzhen Xintian Solar Technology Co., Ltd. ("Shenzhen") and Sun Tech Solar Co., Ltd.  
17 ("Sun Tech Solar").

18 Suntech designs, manufactures and sells solar energy products to homeowners,  
19 commercial owners, architects and builders. (Efird Decl. ISO Mot. for Prelim. Inj. ¶ 3.)  
20 Suntech's products are sold nationwide through a network of sales offices, installation partners  
21 and authorized dealers. (Id. ¶ 4.) Sales of Suntech's products have increased dramatically in  
22 recent years – reaching approximately \$125 million in 2007. (Id. ¶ 5.)

23 Suntech owns United States Trademark Registration No. 3,111,705, which consists of  
24 the word SUNTECH and an accompanying design ("the '705 Registration"). (Efird Decl. Ex.  
25 A.) This trademark is registered for use in connection with batteries and other related  
26 products. (Id.) Suntech also claims ownership of the unregistered trademark SUNTECH in  
27 connection with the sale of solar energy products. (Efird Decl. ¶ 7.) Suntech makes extensive  
28 use of these marks in promoting and selling its products. (Efird. Decl. Ex. B.) Suntech's

1 promotional expenses for the last two years have exceeded \$300,000. (Efird Decl. ¶ 10.)

2 Suntech became aware of Defendant Sun Tech Solar when Suntech’s president received  
3 several telephone calls from individuals seeking information about “Sun Tech” branded  
4 products not sold by Plaintiff. (Id. ¶ 12.) Defendants manufacture and sell solar modules.  
5 (Efird Decl. Ex. G.) Sun Tech Solar is the Hong Kong branch of Shenzhen. (Id.) Defendants’  
6 products are marketed under the marks SUN TECH or SUN TECH SOLAR or both. (Efird  
7 Decl. Ex. H.) Defendants also operate a website at www.solarsuntech.com. (Id.)

8 Defendant Sun Tech Solar plans to exhibit its products at this year’s Solar Power  
9 International conference and trade show, which will take place October 13-16, 2008 in San  
10 Diego, California. (Efird Decl. Ex. F.) Plaintiff Suntech displays its products at 10 to 20 trade  
11 shows annually and will also have a booth at the Solar Power International show this year.  
12 (Efird Decl. ¶ 9; Ex. F.)

13 On May 14, 2008, counsel representing Plaintiff Suntech contacted Defendant  
14 Shenzhen and demanded that Defendant stop using the SUN TECH and SUN TECH SOLAR  
15 marks. (Efird Decl. Ex. J.) These efforts have been unsuccessful, prompting this litigation..

## 16 Discussion

### 17 **I. Preliminary Injunction – Legal Standard**

18 A plaintiff alleging trademark infringement is entitled to a preliminary injunction “when  
19 he demonstrates either (1) a combination of probable success on the merits and the possibility  
20 of irreparable injury or (2) the existence of serious questions going to the merits and that the  
21 balance of hardships tips sharply in his favor.” Sardi’s Resturant Corp. v. Sardie, 755 F.2d  
22 719, 723 (9th Cir. 1985) (emphasis in original). The Ninth Circuit explains that “[t]hese are  
23 not separate tests, but the outer reaches ‘of a single continuum.’” Dollar Rent A Car of  
24 Washington, Inc. v. Travelers Indem. Co., 774 F.2d 1371, 1375 (9th Cir. 1985) (quoting Benda  
25 v. Grand Lodge of the Int’l Ass’n of Machinists & Aerospace Workers, 584 F.2d 308, 315 (9th  
26 Cir. 1978)). The Court considers each of these factors in granting Plaintiff’s motion for  
27 preliminary injunction.

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1 **II. Probable Success on the Merits & Likelihood of Confusion**

2 In determining whether there is a likelihood of success on the merits, the Court  
3 recognizes that “likelihood of confusion is the central element of trademark infringement.”  
4 GoTo.com, Inc. v. Walt Disney Co., 202 F.3d 1199, 1205 (9th Cir. 2000). So strongly do the  
5 other factors turn on this question that a plaintiff is “entitled to a preliminary injunction in a  
6 trademark case simply when it shows a likelihood of confusion.” Id. at 1205 n.5. At the  
7 preliminary injunction stage, the plaintiff “must establish that it is likely to be able to show  
8 such a likelihood of confusion.” Brookfield Commc’ns, Inc. v. W. Coast Entm’t Corp., 174  
9 F.3d 1036, 1053 n.15 (9th Cir. 1999).

10 The Ninth Circuit uses the eight factor test from AMF Inc. v. Sleekcraft Boats, 599 F.2d  
11 341 (9th Cir. 1979) to evaluate likelihood of confusion. See, GoTo.com, 202 F.3d at 1205.  
12 The Sleekcraft factors are: (1) strength of the mark; (2) proximity of the goods; (3) similarity  
13 of the marks; (4) evidence of actual confusion; (5) marketing channels used; (6) type of goods  
14 and the degree of care likely to be exercised by the purchaser; (7) defendant’s intent in  
15 selecting the mark; and (8) likelihood of expansion of the product lines. Sleekcraft, 599 F.2d  
16 at 348-49. In this case, an analysis of the relevant Sleekcraft factors suggests Plaintiff’s  
17 probable success on the merits at trial.

18 First, the Court considers the strength of Suntech’s trademarks. Based on its  
19 distinctiveness, a trademark is classified as generic, descriptive, suggestive, arbitrary or  
20 fanciful. KP Permanent Make-Up, Inc. v. Lasting Impression I, Inc., 408 F.3d 596, 602 (9th  
21 Cir. 2005). Generic marks may not be protected. Id. Suggestive, arbitrary or fanciful marks  
22 are inherently distinctive and receive automatic protection. Id. Descriptive marks receive  
23 protection only if they have acquired secondary meaning. Id.

24 Here, Plaintiff Suntech has registered its SUNTECH-plus-design trademark. (Efiled  
25 Decl. Ex. A.) This registration creates a general presumption of validity and a specific  
26 presumption that the trademark is not generic. Coca-Cola Co. v. Overland, Inc., 692 F.2d  
27 1250, 1254 (9th Cir. 1982). If the mark is merely descriptive, it may be strengthened by such  
28 factors as extensive advertising, length of exclusive use and public recognition. Accuride Int’l,

1 Inc. v. Accuride Corp., 871 F.2d 1531, 1536 (9th Cir. 1989). Suntech has spent hundreds of  
2 thousands of dollars on advertising and uses its trademarks regularly. (Efird Decl. ¶ 10; Ex.  
3 B.) The Court concludes that Plaintiff’s mark is sufficiently strong to warrant a preliminary  
4 injunction.

5 As to the second Sleekcraft factor, proximity of the goods, Plaintiff and Defendant  
6 appear to manufacture and sell products that are closely related if not equivalent. (Efird Decl.  
7 ¶ 15; Ex. H.)

8 With respect to the marks themselves, Plaintiff claims the mark SUNTECH while  
9 Defendants use the marks SUN TECH and SUN TECH SOLAR. This degree of similarity is  
10 sufficient to justify a preliminary injunction, satisfying the third Sleekcraft factor.

11 Though actual confusion is not required under Sleekcraft, it is a factor to consider in  
12 evaluating the likelihood of confusion. Plaintiff has provided evidence of some confusion as  
13 to the source of Defendants’ goods. (Efird Decl. ¶ 12.) Such evidence further increases the  
14 probability of Plaintiff’s success on the merits.

15 Additionally, Plaintiff and Defendants use similar marketing channels to promote their  
16 goods. Defendants operate a website at [www.solarsuntech.com](http://www.solarsuntech.com) marketing their products.  
17 (Efird Decl. Ex. H.) Plaintiff operates its equivalent website at [www.suntech-power.com](http://www.suntech-power.com). (Id.  
18 ¶ 8.) Further, Plaintiff and Defendants plan to market their products at the same trade show  
19 in the near future. This similarity of marketing channels presents a risk of consumer confusion  
20 and cuts in favor of a preliminary injunction.

21 There is insufficient evidence with respect to the remaining three Sleekcraft factors –  
22 degree of consumer care, defendant’s intent, and likelihood of expansion. However, the  
23 available evidence adequately demonstrates a likelihood of success on the merits.

### 24 **III. Possibility of Irreparable Injury**

25 Under Sardi’s, the plaintiff must demonstrate the possibility of irreparable injury in  
26 addition to probability of success on the merits in order to obtain a preliminary injunction.  
27 Sardi’s, 775 F.2d at 723. In this case, Plaintiff has already made an adequate showing as to  
28 likelihood of confusion. “Once the plaintiff establishes a likelihood of confusion . . . it is

1 ordinarily presumed that the plaintiff will suffer irreparable harm if injunctive relief is not  
2 granted.” Int’l Jensen, Inc. v. Metrosound U.S.A., Inc., 4 F.3d 819, 827 (9th Cir. 1993).  
3 Plaintiff Suntech is reasonably concerned about a loss of control over its reputation and  
4 dilution of the goodwill associated with its brand. Such harm is difficult – if not impossible  
5 – to measure or undo. The risk of this irreparable injury, combined with Plaintiff’s likelihood  
6 of success on the merits, is sufficient to warrant a preliminary injunction.

7 **IV. Serious Questions Going to the Merits and Balance of Hardships**

8 Plaintiff has not only raised “serious questions going to the merits” of its claim, but has  
9 demonstrated a likelihood of success on the merits. Because Defendants failed to file any  
10 pleading opposing Plaintiff’s motion, there is insufficient evidence for a balance of hardships  
11 analysis. However, in light of Plaintiff’s probable success on the merits and the risk of  
12 irreparable harm, the Court concludes that a preliminary injunction is appropriate.

13 **Conclusion**

14 Plaintiff has adequately shown a probability of success on the merits and a possibility  
15 of irreparable harm if injunctive relief is not granted. Plaintiff is therefore entitled to a  
16 preliminary injunction.

17 Accordingly, the Court orders that, pending final resolution of this action, Defendants,  
18 their partners, agents, servants, employees, attorneys and those persons in active concert with  
19 them:

- 20 (1) Cease all use of the trademarks SUN TECH, SUN TECH SOLAR, and any other  
21 mark confusingly similar to Plaintiff’s trademarks in connection with the  
22 promotion and sale of its products in the United States;
- 23 (2) Cease operating the website located at [www.solarsuntech.com](http://www.solarsuntech.com);
- 24 (3) Refrain from any other action likely to cause consumers or the trade to believe  
25 that any products or services provided by Defendants originate with the Plaintiff.

26 The Court further orders that Plaintiff give security in the amount of \$1,000.00. This amount

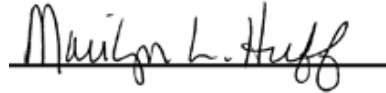
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1 is sufficient to cover the costs and damages sustained by any party found to be been wrongfully  
2 enjoined by this order pursuant to Federal Rule of Civil Procedure 65(c).

3 IT IS SO ORDERED.

4 DATED: October 6, 2008

A handwritten signature in cursive script, reading "Marilyn L. Huff", is written over a solid horizontal line.

MARILYN L. HUFF, District Judge  
UNITED STATES DISTRICT COURT

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