ALM | LAW.COM

New York Law Journal

INTELLECTUAL PROPERTY

Is Trademark Strength a Question of Law or Fact? The Supreme Court Takes Up the Circuit Split

By Catherine Nyarady & Crystal Parker

July 29, 2026

The Supreme Court recently granted certiorari in *RiseandShine Corp. v. PepsiCo, Inc.*, a trademark dispute that presents a question with potentially significant implications for trademark litigation: whether a trademark's inherent strength is a question of fact for a jury or a question of law for a court. *RiseandShine Corp. v. PepsiCo, Inc.*, cert. granted, No. 24-1016 (U.S. June 29, 2026).

The case arises from a dispute between RiseandShine Corporation's RISE coffee products and PepsiCo's MTN DEW RISE ENERGY beverage. The Second Circuit held that a mark's inherent strength is a legal question and affirmed summary judgment for PepsiCo. *RiseandShine Corp. v. PepsiCo, Inc.*, No. 23-1176-CV, 2024 WL 5165388, at *1–2 (2d Cir. Dec. 19, 2024).

While RiseandShine contends that the Second Circuit stands alone in that approach, PepsiCo disputes both the existence and significance of any circuit split. *Pet.* at 1; *Br. in Opp*. at 1–3. The Court's decision may clarify how courts evaluate one of the most important factors in the likelihood-of-confusion analysis and further define the role of judges and juries in trademark litigation.

Trademark Strength and the Likelihood-of-Confusion Analysis

Catherine Nyarady **Crystal Parker**

Trademark strength, or distinctiveness, is an important component of the likelihood-of-confusion analysis in infringement cases and, in some contexts, a determining factor as to whether a mark is protectable. The Lanham Act protects trademark owners against uses "likely to cause confusion, or to cause mistake, or to deceive." 15 U.S.C. §§1114(1), 1125(a).

The Second Circuit evaluates likelihood of confusion under the eight-factor test articulated in *Polaroid Corp. v. Polarad Elecs. Corp.*, 287 F.2d 492 (2d Cir. 1961). Those factors comprise: (1) the strength of the plaintiff's mark; (2) degree of similarity between the marks; (3) proximity of the products; (4) likelihood the plaintiff will bridge the gap; (5) actual confusion; (6) whether the defendant acted in bad faith in selecting the mark; (7) the quality of the defendant's product; and (8) buyer sophistication.

Other circuits employ similar multi-factor balancing tests. For example, the Ninth Circuit's Sleekcraft test considers the strength of the mark, proximity of the goods, similarity of the marks, evidence of actual confusion, marketing channels used, purchaser sophistication, the defendant's intent, and likelihood of expansion of the product lines. See *AMF Inc. v. Sleekcraft Boats*, 599 F.2d 341, 348–49 (9th Cir. 1979).

The first Polaroid factor—the strength of the mark—is at the center of the dispute now before the Supreme Court. In the Second Circuit, trademark strength has two related components: (1) inherent distinctiveness, sometimes called conceptual strength; and (2) acquired distinctiveness, often referred to as secondary meaning. *RiseandShine Corp. v. PepsiCo, Inc.*, 41 F.4th 112, 121–22 (2d Cir. 2022).

In assessing inherent distinctiveness, trademark law generally recognizes four categories of marks in ascending order of strength: generic, descriptive, suggestive, and arbitrary or fanciful. *RiseandShine*, 41 F.4th at 120–22; see also *Sleekcraft*, 599 F.2d at 348–49.

Generic terms receive no trademark protection, while arbitrary and fanciful marks receive the broadest protection. *RiseandShine*, 41 F.4th at 122. Suggestive marks occupy the middle ground and are generally protectable without proof of secondary meaning, whereas descriptive marks require proof that consumers associate the mark with a particular source before receiving protection. *Sleekcraft*, 599 F.2d at 349.

Acquired distinctiveness, or secondary meaning, is a separate inquiry. In the Second Circuit, courts consider factors such as "advertising expenditures, consumer studies linking the mark to a source, unsolicited media coverage of the product, sales success, attempts to plagiarize the mark, and the length and exclusivity of the mark's use." *Car-Freshner Corp. v. Am. Covers, LLC*, 980 F.3d 314, 329 (2d Cir. 2020). Although RiseandShine's evidence of acquired distinctiveness was litigated below, secondary meaning is not the issue presented to the Supreme Court. *Pet*. at 1.

Instead, the Court will address only the inherent distinctiveness inquiry. RiseandShine argues that every circuit other than the Second Circuit treats inherent trademark strength as a question of fact. Pet. at 11 (citing, e.g., *Welding Servs., Inc. v. Forman*, 509 F.3d 1351, 1357 (11th Cir. 2007); *Moke Am. LLC v. Moke Int'l Ltd.*, 126 F.4th 263, 286 (4th Cir. 2025)). PepsiCo, however, disputes both the existence of a meaningful circuit split and the practical importance of any differences, arguing that variations in approach "make virtually no difference" to the likelihood-of-confusion analysis. *Br. in Opp*. at 13–21.

The RiseandShine-PepsiCo Dispute

RiseandShine Corporation markets canned nitro-brewed coffee and tea under its RISE marks, while PepsiCo launched MTN DEW RISE ENERGY, a caffeinated energy drink. *RiseandShine*, 41 F.4th at 116–17. RiseandShine sued under a reverse-confusion theory, alleging that PepsiCo's larger market presence could cause consumers to believe RiseandShine's products were affiliated with or originated from PepsiCo because of similarities between the parties' marks.

The dispute has generated multiple district court and appellate decisions. The Southern District of New York initially granted a preliminary injunction for RiseandShine. *RiseandShine Corp. v. PepsiCo, Inc.*, No. 21 Civ. 6324 (LGS), 2021 WL 5173862, at *1 (S.D.N.Y. Nov. 4, 2021). The Second Circuit vacated that injunction in 2022, concluding that the district court had erred in its assessment of several Polaroid factors, including the strength of the RISE mark. *RiseandShine*, 41 F.4th at 120–25.

In discussing trademark strength, the Second Circuit explained that strength includes both inherent and acquired strength, and held that although RISE was suggestive, the "strong logical associations" between the word "rise" and coffee placed the mark at the weaker end of the suggestive spectrum.

On remand, the district court granted summary judgment for PepsiCo. *RiseandShine Corp. v. PepsiCo, Inc.*, No. 21 Civ. 6324 (LGS), 2023 WL 4936000, at *1 (S.D.N.Y. Aug. 2, 2023). Applying the Second Circuit's guidance, the court concluded that the RISE mark was inherently weak, that RiseandShine's evidence of acquired distinctiveness was insufficient to overcome that weakness, and that the remaining Polaroid factors did not establish a likelihood of confusion.

RiseandShine appealed. The Second Circuit affirmed, explaining that its cases treat a mark's inherent strength as a legal question. *RiseandShine*, 2024 WL 5165388, at *2. RiseandShine then petitioned for certiorari, arguing that the Second Circuit stands alone in treating inherent trademark strength as a question of law and that the issue should be decided by juries because it turns on consumer perception. *Pet.* at 10–17. RiseandShine also argued that "the Second Circuit's solitary approach favors parties that want to avoid juries."

PepsiCo opposed review, disputing both the existence and significance of any circuit split and arguing that any differences among the circuits have little practical impact on the likelihood-of-confusion analysis. *Br. in Opp*. at 13–21, 31–33. PepsiCo also defended the Second Circuit's approach on the merits, arguing that while a mark's placement within one of the four distinctiveness categories may involve factual determinations, evaluating the relative strength of a mark within that category calls for legal judgment.

According to PepsiCo, no circuit treats that latter inquiry as a purely factual question. PepsiCo further argued that an inquiry may remain predominantly legal even when informed by the perspective of an ordinary consumer. (Citing *Ornelas v. United States*, 517 U.S. 690 (1996)).

After requesting the views of the Solicitor General, the Supreme Court received an amicus brief from the United States recommending that certiorari be denied. Brief for the United States as Amicus Curiae (*U.S. Br.*) at 1.

The Solicitor General acknowledged that the Second Circuit's approach differed from that of other circuits and expressed that inherent trademark strength should be treated as a factual issue. Yet it concluded that the issue was not sufficiently important or outcome-determinative to warrant Supreme Court review.

The Supreme Court nevertheless granted certiorari on June 29, 2026, and will now decide whether inherent trademark strength is properly treated as a question of either fact or law.

Both PepsiCo and the Solicitor General have argued that resolving the question presented may not change the outcome here, because other unchallenged *Polaroid* factors—including similarity of the marks—independently supported summary judgment. *Br. in Opp.* at 23–31; *U.S. Br.* at 19–20.

Potential Implications of the Court's Decision

The Supreme Court's decision could have implications beyond the parties' dispute. If the court concludes that inherent trademark strength is a question of fact, the Second Circuit's approach would come into line with the majority of the circuits, and Second Circuit courts may have less latitude to resolve certain trademark disputes at summary judgment.

Conversely, if the court affirms the Second Circuit's approach, inherent trademark strength would become a question of law across Circuits.

The practical significance of the issue remains disputed. RiseandShine contends that treating inherent trademark strength as a factual issue better reflects the consumer-perception inquiries that underlie trademark law and promotes uniformity among the circuits. *Pet.* at 10–18.

PepsiCo responds that inherent strength is only one component of mark strength and only one factor among the *Polaroid* factors, such that relatively few cases are likely to turn on whether the issue is characterized as legal or factual. *Br. in Opp.* at 31–33.

Regardless of the outcome, the court's decision is likely to provide guidance on the respective roles of judges and juries in trademark litigation and on how courts should evaluate the strength-of-mark factor in likelihood-of-confusion analyses.

Catherine Nyarady *and* **Crystal Parker** *are litigation partners at Paul, Weiss, Rifkind, Wharton & Garrison.* **Zhen Lin**, *an associate at the firm, and* **Elise Belluccia**, *a summer associate at the Firm, assisted in the preparation of this column.*