



Scott USA settles trademark suit

By GREGORY FOLEY
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Ketchum-based sporting goods manufacturer Scott USA and local clothing manufacturer ScotteVest have settled a sometimes-bitter lawsuit that alleged the Scott USA trademark had been violated.

Attorneys for both companies reached a settlement Nov. 30 in U.S. District Court in Boise, bringing to a close a six-month dispute that pitted a ski-industry heavyweight against one of the country's most-publicized specialty clothing businesses. The parties finalized the settlement this week.

The main element of the settlement calls for ScotteVest to change the configuration of its official name and trademark to reduce any potential confusion between the two companies.

Dave Stevens, Scott USA chief financial officer, said the settlement brought a "satisfactory" resolution to Scott's complaint.

"We accomplished what we wanted to accomplish," Stevens said.

Scott Jordan, founder and chief executive officer of ScotteVest, expressed frustration that the case was not settled earlier on, out of court.

"I had no choice but to settle because I'm the little guy," he said. "This has been a huge waste of time, money and effort, and I'm glad it's behind me."

At issue is a June lawsuit filed by Scott USA that alleged ScotteVest violated and diluted the Scott USA company trademark, largely by using a logo that includes the word "Scott" in a font very similar to that used in their own logo.

Scott USA was founded in Ketchum in 1958. The company is known best for its ski goggles and ski poles, but also sells outdoor-sports apparel, bicycles and other gear.

Founded in Chicago and now based in Ketchum, ScotteVest specializes in producing clothing and out-

door wear that integrates and hides electronic equipment, such as digital music players, handheld computers and cellular phones.

The Scott USA lawsuit alleged that by operating under the ScotteVest name, Jordan violated federal trademark-infringement laws and engaged in "unfair competition."

In addition to listing six categories of violations committed by ScotteVest, the lawsuit demanded a permanent injunction against any use of the word "Scott" to promote or sell ScotteVest products, plus monetary damages.

Jordan and Stevens said the settlement—which has not yet been made public by the court—essentially stipulates that Jordan's company can use the name "ScotteVest" only if the middle "e" does not appear in a fashion that would differentiate the word "Scott" from the word "vest." It also mandates a change in font.

Jordan said he has adopted a version of his company name permitted by the settlement, in which ScotteVest appears as a single word in all capital letters. He noted his primary brand

impression will eventually be a logo that incorporates the letters "SeV" as the dominant feature.

The settlement gives ScotteVest 90 days to complete substantial changes to the company name and logo.

Jordan estimated that the case cost a total of approximately \$80,000 for both companies. Stating that he does not want to be confused with Scott USA, he suggested that the same agreement could have been made months earlier in an out-of-court meeting.

"This has been the case of the \$80,000 'e'," he said. "I think it represents an abuse of the legal system and I think it's a shame."

Stevens offered a different take on the lawsuit.

"By making (the name) all one word, we think that takes the confusion out of it."



Graphic courtesy of ScotteVest
Ketchum-based ScotteVest has agreed to change its company logo as part of a court settlement with sporting-goods manufacturer Scott USA.

