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The Biggest TM Rulings Of 2026: A Midyear Report

By **Ivan Moreno**

Law360 (July 10, 2026, 4:58 PM EDT) -- The Seventh Circuit placed limits on trademark plaintiffs in cases against foreign online sellers accused of counterfeiting, and the Trademark Trial and Appeal Board issued precedential decisions with fresh guidance on what marks can get on — or stay on — the federal trademark register. Here is Law360's list of the biggest trademark rulings so far this year.

Yinnv Liu v. Monthly et al. and Kangol LLC v. Hangzhou Chuanyue Silk Import & Export Co. Ltd.

The Seventh Circuit vacated a default judgment against online vendors accused of selling counterfeit goods, saying in March that checkout-page screenshots showing products that could be shipped to Illinois were not enough to establish personal jurisdiction without evidence that state sales actually occurred. The appellate court redesignated the opinion as precedential a few weeks after issuing it.

The case, Yinnv Liu v. Monthly et al., was among the thousands of so-called Schedule A cases filed annually across the country — most of them in Chicago federal court — that target online sellers en masse, with their names and aliases often initially sealed to avoid tipping them off. The litigation model has raised concerns about ex parte relief, personal jurisdiction theories based on website accessibility and service methods used against foreign defendants.

"It's not enough for a plaintiff to claim that XYZ companies are just operating a website that they could ship products to Illinois," said Emily Kappers, counsel at Crowell & Moring LLP.

In May, the Seventh Circuit issued another precedential Schedule A decision, this time addressing email service on Chinese defendants. The court held that if the Hague Service Convention applies, it prohibits service by email in China, but remanded for the district court to decide the threshold question of whether the treaty applied at all, because it does not when the defendant's address is unknown.

Both Seventh Circuit decisions are notable because they address two procedural foundations that have made Schedule A cases move quickly, making clear that plaintiffs seeking fast relief and default judgments against overseas sellers need a stronger record on forum contacts and service than courts have accepted in the past.

The email service decision has implications beyond Schedule A cases and the Seventh Circuit because the appellate court joined a growing body of appellate authority treating the Hague Service Convention as an exclusive set of service methods when it applies. In December, the Second Circuit reached the same result in a counterfeiting **case** involving "Baby Shark" trademarks.

Kappers said Schedule A litigation remains "a strong mechanism for plaintiffs."

"There's a lot of benefits to the process, but I also think that we need to be a little bit more conservative with the way that we utilize the process to go after potential infringers, potential counterfeiters," she said.

The cases are Yinnv Liu v. Monthly et al., case number 25-2074, and Kangol LLC v. Hangzhou Chuanyue Silk Import & Export Co. Ltd., case number 25-2205, in the U.S. Court of Appeals for the Seventh Circuit.

Illinois Tamale Co. Inc. v. LC Trademarks Inc. et al.

The Seventh Circuit sided with Little Caesars in a dispute over its "Crazy Puffs," reversing an injunction that had blocked the pizza chain from using "pizza puff" to describe the muffin-pizza products.

In a precedential decision in January, a Seventh Circuit panel said a Chicago federal judge made several errors in concluding that Illinois Tamale Co.,known as Iltaco, was likely to succeed on its claim over "pizza puff." The panel concluded the lower court applied the wrong test for whether the mark had become generic, saying the focus should have been on whether consumers primarily understand "pizza puff" as a brand or as the common name for a type of food.

The Seventh Circuit also said the district court took too narrow a view of Little Caesars' fair use defense, explaining that Little Caesars did not have to show Crazy Puffs were literally "pizza puffs" to use the phrase descriptively, as long as the phrase described a feature of the product.

Olivia Clavio, counsel at Faegre Drinker Biddle & Reath LLP, said the ruling reflects how the internet has changed the evidence available in genericness disputes, because courts and litigants can now look beyond traditional advertising to websites, social media and online marketplaces to assess how consumers encounter a term.

"So there's just more material out there to look over and scrutinize," she said. "I think that creates a potential larger body of evidence to move a mark from what could have been a more distinctive mark to start to dilute it over time."

That means owners of older marks, especially those with descriptive qualities, may need to pay closer attention to whether marketplace use is shifting a term from a brand identifier toward the name of a product category, Clavio said.

Illinois Tamale Co. sued Little Caesars and accused it of infringing its "Pizza Puff" and "Puff" trademarks by advertising Crazy Puffs with the phrase "4 Hand-Held Pizza Puffs." Little Caesars pointed to evidence including a survey showing that 83.3% of consumers of dough-based, pizza-ingredient-filled foods viewed "pizza puff" as a common term, while only 12.7% viewed it as a brand name.

The case is Illinois Tamale Co. Inc. v. LC Trademarks Inc. et al., case numbers 24-3317, 25-1072, 25-1076 and 25-1112, in the U.S. Court of Appeals for the Seventh Circuit.

Diece-Lisa Industries Inc. v. Disney Store USA et al.

A California federal judge kept alive part of a long-running trademark fight over Disney's "Toy Story 3" character Lots-o'-Huggin' Bear in January, refusing to give Walt Disney Studios Motion Pictures and Buena Vista Home Entertainment a partial victory on claims brought by stuffed animal company Diece-Lisa Industries Inc.

Diece-Lisa sued Disney entities over the use of Lots-o'-Huggin' Bear, nicknamed Lotso, in "Toy Story 3," alleging reverse confusion with its "Lots of Hugs" mark and arguing that consumers now think Diece-Lisa's products came from Disney.

January's ruling came after the U.S. Supreme Court sent the case back for another look in light of its 2023 decision in Jack Daniel's Properties Inc. v. VIP Products LLC, which limited the reach of the judicially created Rogers test by holding it does not apply when the accused use of a mark functions as a source identifier for the defendant's own goods or services.

Walt Disney Studios and Buena Vista have since asked U.S. District Judge Terry J. Hatter Jr. to reconsider the ruling or certify it for interlocutory appeal, arguing that the court wrongly treated all Disney defendants alike even though those two entities say they merely distributed "Toy Story 3" and did not sell, license or market Lotso merchandise.

"I'd be curious if the court does do a new order on reconsideration, if it specifically talks about that — about the interconnectivity of the defendants and their role together in bringing this character to market," said Tiffany Gehrke, a partner at Marshall Gerstein & Borun LLP.

The stakes are significant for studios and other creators because the case tests how much protection the Rogers test still gives expressive works when a character or name also appears in merchandise, books, video games or other commercial tie-ins.

Gehrke said the case shows how courts are still grappling with how to apply the Rogers test after the high court's Jack Daniel's decision and suggested there needs to be more clarity about the difference between using a trademark as part of an expressive work and using a trademark to identify the source of goods or services.

For Walt Disney Studios and Buena Vista, Gehrke said the question is whether Lotso was being used as a trademark for their movie distribution services or as part of the film itself.

"Is the mark a source indicator for the movie? I'm not sure it is," she said.

The case is Diece-Lisa Industries Inc. v. Disney Store USA et al., case number 2:20-cv-09147, in the U.S. District Court for the Central District of California.

TTAB Precedential Decisions

The TTAB's precedential rulings so far this year had a common thread: Registration still turns on marketplace reality and whether consumers view a proposed mark as identifying a single source.

In January, the TTAB made precedential a November decision that allowed Brazilian chocolatier Florend Indústria e Comércio de Chocolates LTDA to continue pursuing "Danke" for chocolates despite opposition from August Storck KG, which owns the "Merci" mark for chocolates. The board applied the doctrine of foreign equivalents and found that both words mean "thank you," but said that shared meaning was not enough to create likely confusion because the marks look and sound different, and "thank you" is commonly used in connection with chocolates marketed as gifts.

Dana Justus, counsel at Sterne Kessler Goldstein & Fox PLLC, said the decision was useful because it recognized the marketplace context around the shared meaning of the marks.

"The marks look dissimilar. They sound dissimilar. The only factor that's being pinged on the similarity analysis is that they share the same meaning," she said. "But overall we still look at the overall consumer perception, and meaning is not enough to carry the day."

In April, the board affirmed the cancellation of Everwise Credit Union's registration after finding that the credit union had not made legally sufficient use of the mark by the required deadline. The decision arose from the Trademark Modernization Act's reexamination procedure, which allows registrations to be canceled if a mark was not genuinely in use when the registrant claimed it was. The board said Everwise's website references were either buried in text or used in a tagline rather than as a source indicator.

Kappers, the Crowell & Moring attorney, said the Everwise decision shows the practical force of the TMA's reexamination process.

"[It] laid out a really nice roadmap for future petitioners to challenge registrations that were granted based on improper specimens," she said.

She added the decision is also a cautionary tale for applicants facing final statement-of-use deadlines, saying if the mark is not actually in use in U.S. commerce, filing a new intent-to-use application may be safer than trying to preserve an earlier priority date with weak evidence.

Last month, the TTAB issued three precedential opinions in quick succession involving ex parte appeals. On June 23, it refused TextNow's bid to register "Touch Mobile" for phones and wireless messaging services, ruling that the company could not rely on a canceled registration for the same mark to overcome a likelihood-of-confusion refusal based on another party's registration for "Mobile Touch."

A day later, the board rejected Wemby Corp.'s application to register "Wemby" for athletic apparel, finding that the term falsely suggested a connection with Victor Wembanyama, the San Antonio Spurs basketball player, and identified him without his written consent.

The following day, the TTAB denied a bid to register a blue-and-white vertical stripe pattern as trade dress for frozen treats, saying Ralph's Famous Italian Ices Franchise Corp.'s evidence showed promotion of its business generally, not that consumers recognized the stripe pattern itself as a trademark.

The rulings this year serve as especially important guideposts because there have been fewer precedential TTAB decisions than in past years.

The proceedings are August Storck KG v. Florend Indústria e Comércio de Chocolates LTDA, opposition number 91277224, In re: Everwise Credit Union, reexamination number 2023-100533R, In re: TextNow Inc., serial number 98231457, In re: Wemby Corp., serial number 97752244 and In re: Ralph's Famous Italian Ices Franchise Corp., serial number 90302728, all at the Trademark Trial and Appeal Board.

--Editing by Dave Trumbore.