



Legislation Text

File #: 19-116, **Version:** 1

CITY COUNCIL AGENDA ITEM

ACTION REQUESTED:

Adopt the resolution approving the settlement agreement pertaining to an alleged trademark infringement

DEPARTMENT: Legal Department

SUBMITTED BY: Pat Lord, Senior Assistant City Attorney

BOARD/COMMISSION REVIEW:

N/A

BACKGROUND:

In 2017 the City received a letter from a law firm representing the City of Henderson Redevelopment Agency advising that said state agency provided community redevelopment services in and around Southern Nevada, and further advising that the City of Henderson ("Henderson") owns exclusive, nationwide rights in the trademark "WATER STREET DISTRICT". The letter asserted that the use of that phrase by the City of Naperville ("City") and by the Water Street Property Owner ("WSPO") is unauthorized and violates the City of Henderson Redevelopment Agency's trademark rights protected by registration with the US Patent and Trademark Office in August of 2014. The communication threatened litigation if resolution of the issue could not be reached.

DISCUSSION:

The City's use of the phrase Water Street District has been limited to use in several ordinances related to the development of the Water Street project (e.g. Ordinance No. 14-169 approving the Final Plat of Subdivision for Water Street District - South Phase). Henderson has no objection to the City's continued use of the phrase Water Street District in the context of previously approved ordinances, or when referencing those ordinances. WSPO likewise no longer uses the phrase Water Street District and is willing to agree not to use the phrase in the future.

The attached Settlement Agreement ("Agreement") was negotiated between Henderson, the City, and WSPO. The Agreement provides that neither the City nor WSPO agree that they have violated any trademark rights that Henderson may have in the phrase Water Street District. The provisions affecting the City provide only that the City will not seek to register WATER STREET DISTRICT with the United States Patent and Trademark Office, and will not use the phrase WATER STREET DISTRICT in connection with City newsletters or in City directories or maps published by the City. Further, the Agreement provides that the City and WSPO will not use the phrase WATER STREET DISTRICT in conjunction with goods such as hats, pullovers, shirts, mugs, beach bags, and metal key chains.

On January 15, 2019, Council tabled its consideration of this matter to February 5, 2019.

FISCAL IMPACT:

None