UNITED STATES: Auction Drives Company to Protect LA-Z-BOY Mark

A Minnesota police department made news after its eBay auction of a motorized reclining armchair, confiscated from a citizen after his arrest for driving the chair while intoxicated, was halted as a result of complaints of trademark infringement.

The recliner, which runs on a converted lawnmower engine and features a steering wheel, cup holder and stereo, was built by Dennis Anderson, of Proctor, Minnesota. In August 2009, Anderson was arrested for driving while intoxicated after crashing the recliner into a parked car while driving the chair home from a bar. As authorized under Minnesota law, the Proctor police department subsequently confiscated the recliner and listed it for sale on the online auction website eBay as “La-z-boy DWI Chair, Motorized.” Many news reports recounting the bizarre incident referred to the chair generically as “a la-z-boy.”

In fact, LA-Z-BOY is a registered trademark owned by La-Z-Boy Incorporated, and the recliner in question was not a LA-Z-BOY brand chair. Upon discovering the auction and the press’s widespread generic use of the LA-Z-BOY mark in relation to the motorized chair, the trademark owner took action to protect its mark by submitting a complaint via eBay’s mechanism for reporting trademark infringement. With 11 hours remaining in the five-day auction, and bids for the chair exceeding US $40,000, the sellers received notice that the auction had been terminated by eBay owing to the trademark owner’s infringement complaint.

The situation highlights the need for vigilance by trademark owners, both in monitoring infringing uses of trademarks on websites such as eBay and in making ongoing efforts to prevent well-known marks from becoming generic. Moreover, for infringers, the consequences of unauthorized use can be severe. Although La-Z-Boy did not take action directly against the police department, the sellers were forced to relist the chair under a non-infringing label and restart the auction. In the second auction, bids topped out at $10,000—over $30,000 less than the highest bid in the first auction at the time it was terminated.