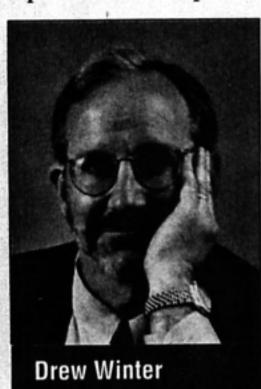
DC Lawsuit Marks a New Industry Low

Brand equity isn't about slotted plastic grilles

BY DREW WINTER

ack in the late 1950s, U.S. car designers were obsessed with tailfins. General Motors Corp. Chief Designer Harley Earl reportedly got the idea of putting fins on cars one day when he saw fighter planes parked at an airport.



The car-buying public loved them, and competitors soon followed GM's lead. Soon, lots of cars were trying to imitate airplanes with fins. Starting out subtly in the late '40s, they became styling elements that grew bigger

and more garish almost every model year.

Competition got so intense by the late '50s that William L. Mitchell, Mr. Earl's successor, reportedly was desperately afraid of being "outfinned" by the competition.

Legend has it that Mr. Mitchell spied a prototype Chrysler running around a test track with huge tailfins and immediately ordered a redesign of the '59 Cadillac that had even bigger ones.

The result was one of the most original – and outrageous – designs that has ever come out of Detroit: the now classic '59 Cadillac. For better or worse, those fins showed the kind of creative oomph that Detroit could deliver when it pulled out all the stops. In the 40 years since the car was introduced, fins

have grown from mere styling elements to icons symbolizing the U.S.'s industrial might and the flamboyance and excesses of the 1950s.

Listen to Brew Winter and other Ward's editors

Monday and Thursday on WJR 760 AM radio in Betroit.

drew_winter@intertec.com

Imagine if Mitchell had taken the more modern-day approach and just sued Chrysler, claiming trademark infringement.

Now the shoe is on the other foot, so to speak. DaimlerChrysler Corp. apparently fears it's Jeep Div. is being "outgrilled" by GM's upcoming H2 "baby Hummer," which is based on the Chevrolet Tahoe (see Auto Talk, p.35).

DCC filed a federal lawsuit in mid February contending that the grille on the H2 is too similar to Jeep's and will confuse consumers. It alleges trademark infringement and asks the court to block GM's use of the grille and seeks unspecified damages.

GM, which acquired the Hummer brand name from AM General two years ago, filed a competing lawsuit, and contends that AM General received a trademark for the grille in 1996 and should be allowed to use it.

I can't fault DC for aggressively defending the Jeep franchise. It is one of the best – and best-known – brands in the world, and preserving it is crucial to the automaker's survival.

But in their zeal to protect the franchise,

corporation bullying an innocent small business.

I remember wondering at the time if GM and Daimler-Benz might then sue Chevy Chase and Mercedes Ruehl for trademark infringement.

Well, DC lawyers have stepped over the line again.

They claim that most SUV owners recently surveyed thought the H2 was a Jeep. Really? I've been an automotive journalist for more than 20 years – I really do notice such things. Even so, it never crossed my mind that the H2 was trying to steal some brand equity from Jeep with its flat, seven-slot grille. I've never heard anyone else mention it, either; not in print and not in private.

That's probably because the real Hummer, which the H2 is designed to look like, features a flat, 7-slot grille. GM designers were not working with a blank slate.

Look, just because car and truck buyers sometimes are impulsive in their purchases does not mean they are dumb. They are not going to be fooled – one way or the other – by a plastic fascia or grille. Volkswagen is finding this out now in Europe, as savvy consumers see through its overly aggressive platform strategy (see cover story, p 46).

I know all about the concept of building brand equity, but as a consumer – and an SUV owner – I can tell it has little to do with the slotted piece of plastic on the front of my truck.

And if this industry seriously believes it





DC's lawyers sometimes have stepped over the line and done more harm than good. Some year's ago they had the nerve to sue a small restaurant named "Jeep's," even though it was named after the owner,

not the SUV.

In the news reports I saw, Chrysler
Corp. was portrayed as a dumb, greedy,

does, then we are in worse trouble than I thought.

I have the following suggestion for DC: Instead of wasting millions on a lawsuit that makes you look whiny and desperate, do what GM did to you in 1959: create a new design that makes everyone forget about the other guy.

□



CELEBRATE DETROIT 300



Thursday, February 15, 2001

- Return to Autos

troit News > E-mail this story

▶Previous story ▶Next story

deinews

SITE

Homepage
Search
CyberSurveys
News Talk
Sports Talk
Lions Talk
Wings Talk
Car Talk
Car Talk
Ioroscope
Hot Sites
Lottery
Weather
Staff

NEWS

Autos ► Auto Show ► Joyrides Business Careers Columnists Commuting **Detroit History** Editorials Health Metro / State ► Livingston ► Macomb ►Oakland ►Wayne ►On Detroit Nation / World Obituaries ►Death Notices Politics / Govt. Real Estate Religion Schools Special Reports **Fechnology**

SPORTS

Sports Home
Lions/NFL
Red Wings/NHL
Pistons/NBA
Shock/WNBA
Tigers/Baseball
MSU
MORE Colleges
Golf
High Schools
Motor Sports
More Sports
Scoreboards

ENTERTAINMENT

Entertainment ►Casino Guide

DaimlerChrysler simmers over GM grille

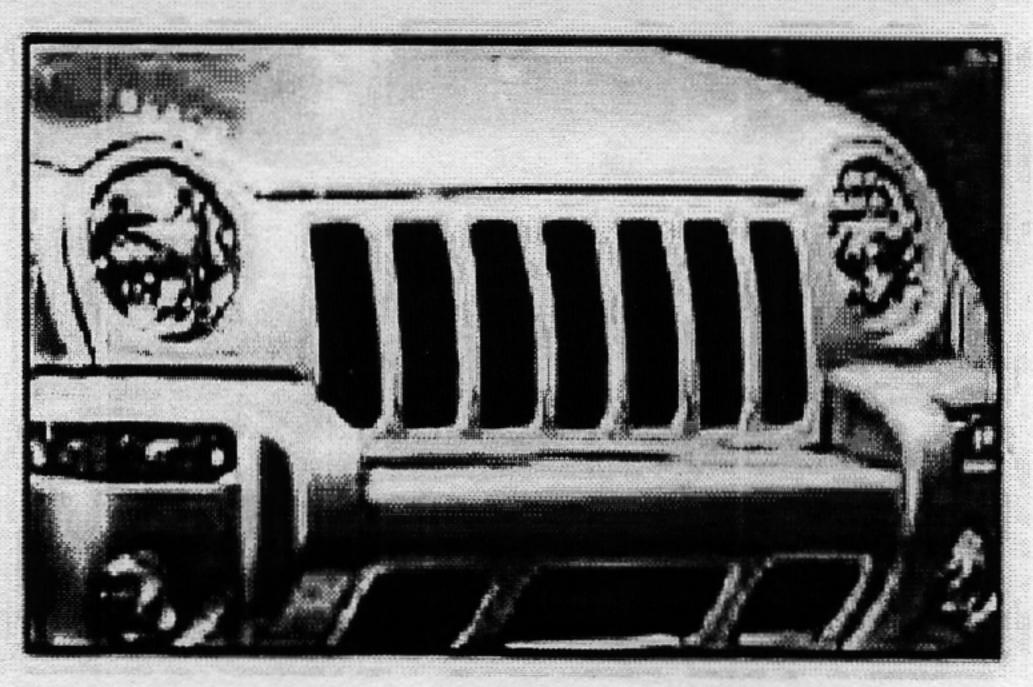
By Joe Miller / The Detroit News
DETROIT -- Call it the great
grille war.

DaimlerChrysler AG and General Motors Corp. are locking horns in court over the seven-slot ornamental grating on the front of GM's upcoming baby Hummer. DaimlerChrysler says the grille on GM's 2002 Hummer H2 is too much like its trademarked Jeep grille.

GM says it has every right to the design -- through partner AM General Corp. -- and says DaimlerChrysler wants to delay the rival H2's debut.

DaimlerChrysler claims the Hummer H2's grille confuses consumers, adding that most SUV owners recently surveyed thought the H2 was a Jeep.

"You can't mistake a Hummer for a Jeep," says GM's Brian Akre.

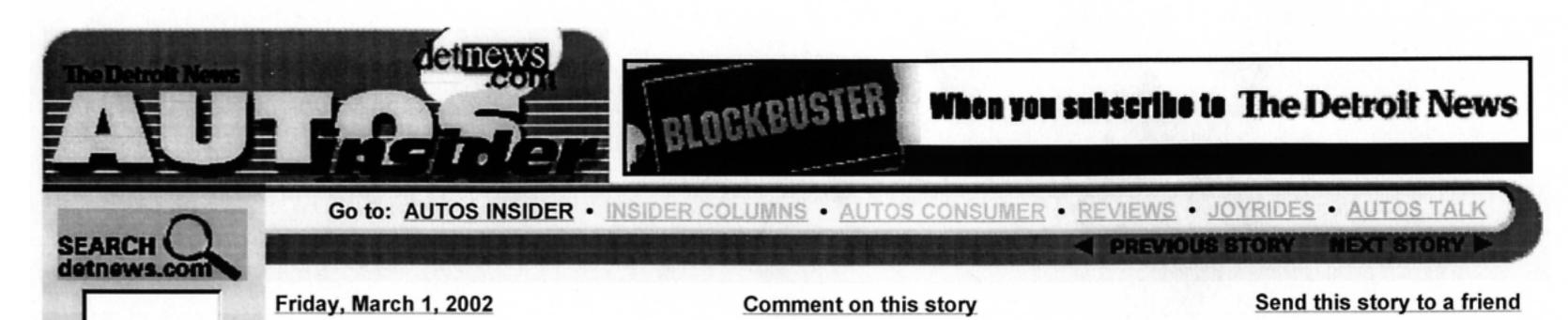


DaimlerChrysler says GM's 2002 Hummer H2 front grille, top, looks too much like Jeep's trademarked sevenslot ornamental grating, below.

"It's like saying Arnold Schwarzenegger looks just like Mr. Rogers because both have nice smiles."

a Comment on this gap !

BETTER BETTER BETTER BETTER BETTER BETTER



GO

SITE INDEX

Homepage Search CyberSurveys ►News Talk

- ►Autos Talk
- ►Sports Talk
 ►Lions Talk
- ▶Pistons Talk
- **►Wings Talk**
- ►Tiger Talk
- ►Tech Talk Horoscope

Hot Sites

Lottery Recommendations Weather Staff

NEWS

Autos ►Insider ►Consumer ►Joyrides Business

Careers Census Columnists

Commuting Detroit History Editorials

Health Metro / State

- ► Livingston
- ►Macomb
- ►Oakland ►Wayne
- ►On Detroit Nation / World

Hummer wins grille dispute with Jeep

By Joe Miller / The Detroit News

DETROIT -- A federal judge rejected Thursday <u>DaimlerChrysler AG</u>'s request to stop the introduction of <u>General Motors Corp.</u>'s upcoming 2003 Hummer H2, giving GM the green light to launch the \$50,000 sport-utility vehicle in July.

DaimlerChrysler had hoped to prevent GM from using a seven-slot grille on the H2, claiming the grille was a copy of its own trademarked Jeep grille.

However, during an injunction hearing in South Bend, Ind., last month, DaimlerChrysler failed to convince U.S. District Court Judge Robert L. Miller that the H2 and its grille will irreparably harm the Jeep brand.

"DaimlerChrysler has virtually no chance of showing a likelihood of consumer confusion between the Jeep Wrangler and the H2," Miller said in his decision.



▶ Get Home Delivery

Miller said DaimlerChrysler "waited far too long" to challenge the Hummer grille, which has appeared on the original Hummer since the early 1990s and the military Humvee.

Obituaries
▶Death Notices
Politics / Govt.
Real Estate
Religion
Schools
Special Reports
Technology

The lawsuit is scheduled to go to trial in December. In a statement, DaimlerChrysler said it is contemplating an appeal of Thursday's ruling and "looks forward to presenting its complete case" in December.

You can reach Joe Miller at (313) 223-3217 or jmiller@detnews.com.

Go to: AUTOS INSIDER . INSIDER COLUMNS . AUTOS CONSUMER . REVIEWS . JOYRIDES . AUTOS TALK

SPORTS

Sports Home

- Olympics ▶Lions/NFL
- ►Red Wings/NHL
- ▶Pistons/NBA
- ►Shock/WNBA
- ►Tigers/Baseball
- ►MSU
- ►U-M

More Colleges

Golf Guide High Schools

Motor Sports

Outdoors

More Sports

Scoreboards

ENTERTAINMENT

Entertainment

- ►Casino Guide ►Movie Finder
- ►TV Listings

Crossword

HOMESTYLE

Homestyle home

- **▶**Decorating
- ▶Food
- **▶**Gardening
- ►Home
- ►Home Life
- ►Home Tech
- ►Wine Report

PHOTOS

Sports
Red Wings
Lions
Autos
Joyrides
News
History