

Trademark Outline

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9:37 AM

I. Introduction to TM and UC Law

- A. Quality Inns v. McDonalds
- B. Origins and sources of TM Protection
 - i. Early marks about **ownership**; then transition to **source** (but also about ownership); and today, we have **source** but also encompasses positive **goodwill** associated with the product & **monopoly** in the name (ownership of the mark itself)
 - ii. INS v. AP
 - 1. INS "reaped where is had not sewn" and that would not be fair competition
- C. **What is a TM?**
 - i. Indicator of source of origin (Hanover)
 - 1. Distinctive word, name, symbol, etc (Restatement 9, Lanham Act Sec 45)
 - ii. Symbol with psychological value (Mishawaka)
 - iii. Something that protects goodwill [positive assoc consumers have with that product] (Hanover)
- D. Justifications for TM Protection
 - i. **§45 "intent of act"** - The intent of this act is to regulate commerce within the control of Congress by making actionable the deceptive and misleading use of marks in such commerce; to protect registered marks used in such commerce from interference; to protect persons engaged in such commerce against UC; to prevent fraud and deception by use of reproductions, copies, or colorable imitations; to provide rights and remedies stipulated by treaties and conventions respecting TMs.
 - ii. The fundamental purpose of TM is to reduce consumer search costs by providing a concise and unequivocal identifier of the particular source of particular goods. The consumer knows at a glance whose brand he is being asked to buy know to hold responsible if the brand disappoints and whose product to buy in the future if the brand pleases. This in turn gives producers an incentive to maintain high and uniform quality, since otherwise the investment in their TM may be lost as customers turn away in disappointment from the brand. A successful brand, however, creates an incentive in unsuccessful competitors to pass off their inferior rand as the successful brand by adopting a confusingly similar TM, in effect appropriating the goodwill created by the producer of the successful brand. The traditional and still central concern of TM law is to provide remedies against this practice. (Ty v. Perryman, 619)
- E. **Goals of TM Law**
 - i. Both consumers and TM holders are two primary beneficiaries of TM law.
 - 1. Two main goals:
 - a. **Consumer focused**: Focuses on source-identifying value of TMs: consumers know and can get what they want, and protect them from being deceived
 - i) Encourages maintenance of quality, which helps consumers
 - b. **Producers**: unfair comp, unjust enrichment idea that we want to reward ppl for their labors by protecting them from pirates/cheats.
 - i) Diversion language
 - c. Generally, 1 and 2 go hand in hand. When 2 happens, consumers will be confused. And when 2 happens, the businesses suffer.
 - 2. Third goal:
 - a. **To encourage free & fair competition**. To protect the public from deceit, foster fair comp....
 - i) We would want businesses to compete
 - ii) Competitive marketplace
 - iii) Lots of choices at reasonable prices
 - iv) Discourage monopolies - TM doesn't give excl rights

II. Types of Marks

- A. Mark
- B. Trade name
- C. Trademark
- D. Service mark
- E. Certification mark
- F. Collective mark
- G. Domain name

See notes for these

III. Acquisition of TM Rights - What you need to get a protectable mark

- A. **Distinctiveness**
 - i. **Inherently distinctive marks** - A mark is source-identifying without need to acquire secondary meaning. These are immediately protectable.

1. Abercrombie & Fitch Classifications
 - a. **Arbitrary**
 - i) existing word, but applied in an unfamiliar way (EG. Ivory for soap, not elephants)
 - b. **Fanciful**
 - i) a term that is coined/ made up
 - c. **Suggestive**
 - i) a term suggestive if it requires imagination, thought and perception to reach a conclusion as to the nature of the goods (EG: beanie babies suggestive as a toy; Goldfish for crackers) CB:80
 - d. **Descriptive w/ secondary meaning**
 - e. **Descriptive**
 - i) conveys an immediate idea of the ingredients, qualities or characterizes of the goods. (EG: buffrin; Quik-print; frosted flakes)
 - ii) "patents.com"
 - iii) International Kennel Club - is this mark descriptive? Court thinks so. (but agreed that it had 2d meaning)
 - f. **Generic**
 - i) A generic term is one that refers, or has come to be understood as referring to the genus of which the particular product is a species.
 - ii) **Once we no longer know who owns the source of the product, it loses source iden feature and it becomes generic**
 - iii) EG: yo-yo; escalator; thermos (insulated container); they completely stop indicating source
 - iv) Cf. Kleenex still has rights to protect their mark
- ii. **Acquisition of Secondary Meaning** - Requirement that a mark, not otherwise inherently distinctive, attain consumer association between the mark (or product or trade dress) and the source/producer.
 1. Where a mark is descriptive, or otherwise not inherently distinctive (ie. it's **trade dress**), it must acquire secondary meaning. TM protection doesn't attach until 2d meaning has been acquired.
 2. **There is a presumption that after 5yrs of use, the mark has acquired 2d meaning.**
 3. **To prove 2d meaning:**
 - a. **Use direct evidence showing consumer assoc.**
 - i) Consumer testimony
 - ii) Consumer survey
 - iii) [arguably these are circumstantial since they don't poll the market as it exists]
 - b. **Circumstantial evidence**
 - i) Amount and manner of advertising - national media>
 - ii) Volume of sales
 - iii) Length and manner of use.
 [from Rothman's slides]
 4. It matters WHICH consumers we refer to
 - a. In the IKC case, the relevant consumer was all consumers everywhere, not just Chicago where the dog show took place
 5. **Waltham Watches** - Sr. user of a geographically descriptive mark on watches sought to enjoin use of Jr. user of the mark on watches.
 - a. Jr. users argued - the mark isn't protectable bc its geographically descriptive; even so, we should be able to tell customers where we are located; ppl want to know where their goods are from. C/A - the mark has attained 2d meaning so it's protectable; JR. user simply wanted to benefit off of good will and reputation of SR. user; **dilution/tarnishment argument**; consumers would be confused because the marks are similar.
 - b. To reach a fair balance between the competing interests, court allows Jr. user to use "Waltham" on watch packaging and brochure, but not on the watch face.
 - c. **To prove 2d Meaning:**
 - i) Been around a long time, very widely known, success in business, longstanding ads, reputation.
 6. **Chippendales** - mark was so famous they thought the trade dress/mark was descriptive of the underlying service of stripping.
 7. **International Kennel Club** -
- iii. **Trade Dress** - Refers to the distinctive features of a product's packaging or the distinctive features of the product configuration itself; it is "the total image of a product and may include features such as size, shape, color, or color combinations, texture, graphics, or even particular sales techniques." "Trade dress is the total image of the business... including general appearance of the exterior of the restaurant, identifying sign... menu... uniforms.. Other features identifying total image of the restaurant." (Two Pesos, pg 482)
 1. **In order for trade dress to be inherently distinctive: It should be unique, immediately source iden, must be separate from the underlying product/service (akin to packaging or a wrapper)** - and restaurant décor can potentially meet this criteria (tertium quid = nonfunctional aspects of trade dress/ restaurant décor that are inherently distinctive.)
 2. **Trade dress refers to:**
 - a. **Product packaging** - Product packaging is the trade dress of a product that is severable from the product itself; It can be inherently distinctive

- i) Klondike bar, "O" vodka
 - ii) Could be problematic when the packaging and the product are indistinguishable/inseparable
 - b. **Tertium Quid** - A category "akin to product packaging" that would signal origin to the consumer - possibility that trade dress can be inherently distinctive without need for 2d meaning.
 - i) **Two Pesos** - Restaurant Décor
 - c. **Product design** - The design of a product cannot be inherently distinctive because design of a product does not signal origin to a consumer; It needs 2d meaning
 - i) People are more likely to think product design is something that makes the product more appealing, more awesome, not something that identifies source.
 - ii) **Wal Mart v. S** - Product design
 - iii) Areon Chair hypo
 - d. **Color**
 - i) **Qualitex** - color can never be protected as a TM - it must always attain 2d meaning. (as interpreted in Wal-Mart, pg 492)
 - e. **Building design - Rock n Roll Hall of Fame case -**
3. **Trade Dress (design, overall look) Cannot be Functional**
- a. **Functional = essential to the use or purpose of the article or if it affects the cost or quality of the article, that is, if the exclusive use of the feature would put competitors at a significant non-reputation related disadvantage.**
 - b. **Only discuss functionality when it's used to attack a mark's protectability in a section 32 claim**
 - i) **But the Plaintiff has the burden of proving their unregistered trade dress is NOT functional under section 43**
 - c. **Qualitex** - color is functional, but that specific shade of green-gold is not
 - d. Two types of Functionality
 - i) Traditional functionality
 - ii) Aesthetic functionality
 - e. Sound and Scents can be functional
 - i) Hypos from class
 - f. Features in RX and related products are more likely functional
 - i) RX pills - In RX scenarios, more latitude is given to competitors copying the color of pills. This is because the color of pills is functional to ensure consumers distinguish their pills and avoid taking the wrong ones
 - ii) **Splenda and Sucralose** - With respect to chemical compounds and common condiments (like sucralose), courts are more inclined to find the color of trade dress to be functional, since we want consumers to know what they are getting. It is less confusion. Though there are countervailing arguments as to why it shouldn't be allowed: consumer confusion if too similar, reap where you haven't sown, diversion.

B. **Use in Commerce**

- i. **§ 45 - Use means the bona fide use of a mark in ordinary course of trade and not made merely to reserve a right in a mark.**
- ii. **Use**
 - 1. **Needs to be used as a TM**
 - a. The mark must be placed on the goods/ packaging to indicate source when the goods are transported/rendered interstate.
 - b. Must be used as a TM to identify source. If you're not using a mark to identify source, then it's not "used" in commerce. A Defendant can argue this point - that the Sr. mark holder didn't use the mark as a TM.
 - 2. **Needs to be an actual bona fide use**
 - a) Rule: To satisfy the use in commerce requirement, a good/service must be rendered in ISC, or must substantially affect ISC.
 - b) SA ISC: **Bozo restaurant case** - Bozo the clown opposed registration of small restaurant predating Bozo the clown, arguing that he has nationwide protection and the restaurant is only known in TN.
 - i) A service/good rendered in only one state [like Bozo Restaurant in TN] can satisfy the "use in commerce" requirement if they:
 - (1) Have a nationwide reputation and they are: **proximate to a major city, they have publicity, advertising, and recognition, and services are rendered to interstate travelers.**
 - c) **As opposed to mere Adoption**
 - i) **TM protection is appurtenant to an established business or trade in connection with which the mark is employed. The right to protect the TM grows out of its use, not adoption. Usage which is sporadic, nominal, and intended solely for TM maintenance is insufficient to establish and maintain TM rights. (P&G)**

ii) **P&G** - Minor brands program - cannot have a program that simply reserves names for future TM use.

3. **Analogous use is credited** when mark becomes source-identifying [showing of 2d meaning]

a) Can establish analogous use by promotion and advertisement enough to credit use in commerce if: **(1) there is consumer association; and (2) they occur w/in a commercially reasonable time prior to actual rendition of service/goods.**

i) Again, **so long as the totality of the acts create an association of the marks w the producer, analogous use is credited as use in commerce. (Maryland Stadium case).**

ii) **Fame Jeans** - "must of such a nature and extent as to create public identification of the target term with the opposer's product."

b) In **Maryland Stadium** case, the stadium wanted to open. In '87, they picked a location; in '89-90 they started announcing a new park at Camden yards. In '91, they had promotional events, gave tours, had charity functions. It wasn't until '92 that they fully decided to name it Camden Yards.

i) A very extreme view would consider use in commerce as starting in '92. But most will credit use as early as '91 because consumers associated the name with the particular source.

ii) **Protection attaches when the mark is source-identifying.**

iii) [Arguments for why Stadium shouldn't have a protectable mark:

(1) The name is geographically descriptive that's not protectable without 2d meaning (just like Waltham Watches)

1) Though they'd have to show 2d meaning for analogous use anyway

(2) The term is not a mark, it is a location]

iii. **Commerce**

1) **Commerce** = "all commerce which may lawfully be regulated by Congress"

2) Needs to be use interstate for protection under Lanham Act, or a use that substantially affects ISC, such as Bozo restaurant [indicate factors - render near a large city; render to interstate travelers; larger reputation]

3) Can be intrastate use for protection under state law

iv. **Territoriality Principle**

1) TM law is governed by the territoriality principle. This means that TMs are geographically bounded and TM owners only get protection as far as your product.

a. This means that if you have a TM in one place, it doesn't mean you have TM rights all over the country, or world.

b. But, you need not render your goods/services in EVERY area, if you have consumer association in an area, you can have protection. (Bozo)

c. **Famous Marks Exception**

i) Famous Marks Exception = Very famous, well-known marks are afforded lee-way for the use requirement because consumers are likely to have association with a very famous mark, and thus cause confusion. Thus, we afford them wider protection.

(1) **Would apply with a very famous mark abroad seeking to register in USA - we'd give them domestic TM protection.**

(2) c/a - how famous? **Gigante** case says "you need to show a substantial % of relevant consumers associate the mark with the foreign company" and by substantial they meant majority.

ii) **Most jxs do not recognize this exception**

v. **Extraterritorial Use**

1) **General Rule: Foreign mark seeking to attain protection under US law, mere advertisement is not enough. Need to actually render the product/service in the USA.**

a. **Buti v. Impresa** - Fashion café in Milan wanted to expand business to USA and wanted to prevent someone else from using the mark.

i) Held, nominal advertisement and promotion in USA, absent actually rendering the product or service in USA, is insufficient to attain TM protection. (note - Impresa simply handed out promotional t-shirts and key chains to promote the Milan restaurant, and didn't have any imminent plans to expand to USA).

ii) But:

(1) If Impresa actually had plans to open a business in US, the court would need to evaluate whether imminent enough, and may credit advertisement in anticipation of business.

(2) If Impresa sponsored NYFW, that probably isn't use in commerce either, since they are more likely promoting their Milan restaurant, and not opening a business in USA.

(3) If Impresa started catering NYFW, that would likely be a legitimate use in commerce since they are rendering their service in USA

(4) If Impresa started selling T-shirts with "Milan Fashion Café" on them - it can go either way. On one hand, they're selling t-shirts and that is fashion and commercial; on the other hand, they are just promoting their Milan café without intent to render service in USA.

b. **Fame Jeans** - Bestseller does not have actual use because they did not render the goods in USA

a. **Exceptions to General Rule**

i) Famous marks exception [see above]

ii) **The commerce clause doesn't care where the commerce occurs, but rather whether the trade brings**

US and foreign citizens together as transacting partners. If you have lots of trade, lots of advertisements, then you can analogize to Monte Carlo.

- (1) **Monte Carlo Casino** - Defendant starts registering domain names that arguably infringe MC's TMs, if they had TMs in USA. MC argued that they had a use in commerce in USA because they had an office in NYC and spent \$\$ promoting the Casino in USA. Court didn't decide whether they adequately rendered the service in USA.
- (2) Court took a very different approach to use in commerce for foreign TMs. Court said Commerce clause regulates international trade; and MC brings foreign consumers together to engage in trade. That is enough.
- (3) In the end, it's not just the ads that did it; it's lots of trade, lots of advertisement, and consumers really know the mark.

vi. Constructive Use and Priority

- 1) Under Lanham Act § 7(c) the filing of a registration of a mark is considered constructive use of the mark, conferring priority nationwide in effect, unless someone else has priority [has used the mark before; has filed an application to register [ITU]; or has a foreign application]
- 2) Priority Use can trump a registrant's constructive use.
- 3) **Intent to Use and Priority**
 - a) **§7(c) - ITU allows applicants to use the mark in commerce, obtain registration, and thereby secure priority retroactive to the ITU filing date.**
 - i) One can file an ITU even before use has started so long as you have a bona fide intention. Then you can use your product in commerce, and you can backdate priority to date of filing ITU.
 - ii) Two purposes for ITUs:
 - (1) To put the world on notice;
 - (2) To back date your priority
 - b) **Eg. Empire case**
 - i) Eg. **Empire** filed an ITU on Sept 23, 1994. Warner used the same mark in commerce in 1995. Warner seeks to enjoin Empire because they claim they used the mark first in commerce. Court says, when Empire starts using the mark in commerce, and files their statement of use to perfect their application, their priority dates back to Sep 1994. When that happens, Empire can sue Warner! If Empire never uses the mark in commerce and lets the ITU expire, then Warner can go on living their lives.
 - ii) Open question whether Empire can sue right now [before filing their statement of use]. This is probably because they don't have a harm [standing] to sue. Also, it may be inefficient since sometimes ppl file ITU's and don't go thru with them.
 - iii) Review of **analogous** use and priority: if Warner had put out lots of ads and promotion prior to Empire's ITU, then they can claim priority based on analogous use. Warner would have to prove: consumer assoc with the mark and that goods/services are forthcoming. Then, Warner could enjoin Empire.
 - (1) **ITU versus Analogous use**: One could argue that Warner, if they wanted to establish use, should have just filed an ITU to preserve their priority date. It's a good idea to err on the side of filing an ITU because it is safer for a smaller company / ITU system is agnostic about the money spent and extent of advertisement and promotion. In contrast, the analogous use method favors larger and richer business. This is seen with how much advertisement and promotion is needed.
 - c) **Rationale**: Concern about piracy. If Warner's argument really were the rule, then people could wait until people filed ITUs, then steal their ideas and use them quickly in commerce. No bueno.
 - d) Eg. Suppose A filed an ITU on Jan. 1. B then filed a 1(b) registration on Jan. 2. Normally, A would win because he filed first. BUT the fact that B was able to file a 1(b) application shows that he was already using the mark prior to that date - as it is a prerequisite for registration. So B would have priority probably.
 - e) Eg. **Kodak v. B&H** - Kodak opposes ITU registration for "6200" "8100" etc for film types on the basis that they're descriptive, lack 2d meaning, and have not been used in commerce.
 - i) Court CAN reject an application on the basis that the mark is merely descriptive (without 2d meaning)
 - (1) "Psychological Methods" was deemed descriptive on its face for a magazine revolving around that topic.
 - (2) ITU filed for "Cinnamon Toast Crunch Bars" for bars that taste like CTC. Though descriptive, the court allowed it.
 - ii) The court here, however, said we can't tell whether the 6200 marks will be used in a descriptive way, or whether it will be used in a suggestive way. Or, maybe by the time they file their statement of use, it will have attained 2d meaning.
 - iii) **Secondary Meaning and ITU**:
 - (1) A mark must be inherently distinctive to be registrable. If an ITU purports a mark that is merely descriptive on its face, there is a question as to when 2d meaning must be shown. At time of filing ITU? At time of filing statement of use? Regardless, it needs to show 2d meaning before it can go on the principal registry.
 - f) **ITU Priority Hypos**
 - i) "EARLY BIRD"
 - (1) Jan 00 - EB files ITU

- (2) May 01 - notice of allowance for EB (MEANS THE ITU WENT THRU)
- (3) June 1, 01 - SC used the mark in commerce
- (4) Oct 15 01 - EB used in commerce and filed statement of use
- (5) EB wins bc they filed ITU in Jan 2000, and the date of the commercial use dates back; assuming they filed their statement of use had extensions for 24 months
 - 1) Their statement of actual use backdates under section 7 to the date of their ITU
- ii) Suppose
 - (1) Same as above, but EB test markets in April 04
 - 1) These test markets, even if valid, (might be analogous use if enough ads and large enough market for testing) -- their ITU has already expired, because they needed to file statement of use before 04
 - (2) Jan 06 - sells in commerce
 - 1) If this is the operative date, they've exceeded all their extensions.
 - (3) *EB loses chance to backdate
- iii) Suppose
 - (1) April 04 - EB test marketed by putting labels on existing shampoo
 - (2) Jan 06 - uses in commerce
 - (3) Same as above -- it's late; and the use seems like P&G
- iv) Suppose
 - (1) There was test marketing before Sparrow's use of the market
 - 1) Once it's within the correct time, Then we have to ask whether the test marketing counts as analogous use
 - 2) If you have analogous use that predates someone else's use, you can get priority on analogous use not on the ITU.
 - (2) You can back-date to ITU date.
- v) Same analysis under Foreign ITUs - someone registers under section 44, they can date back to ITU of home country, so long as they file in US within 6 months.
 - (1) Foreign co can also file an ITU in the USA also. So long as they show its bona fide, and they show a game plan in the USA.

g) [see more about ITU in Registration Part IV infra.]

4) Extraterritorial Constructive Use

- a. **§44(d) confers a right of priority for foreign registrants so long as they:**
 - i) **Have an active foreign registration**
 - ii) **The application in the US was filed within 6 mo of the foreign registration**
 - iii) **Statement of bona fide intent to use in US**
- b. **If a foreign registrant satisfies these elements, the US filing can date back to the date of the foreign filing.**
- c. **Fame Jeans** - Since Bestseller didn't display actual use, they could have relied on constructive use, based on foreign registrations. They didn't because the allotted 6 mo period expired.

5) Token use is not credited for use in commerce

vii. Priority

- 1. Watch out for Constructive Use.
- 2. **Courts credit bona fide use, as opposed to token use/ adoption, for purposes of priority analysis. Whoever has the first sales, huge ad campaign creating consumer assoc, or any other way of creating consumer assoc, has priority.**

3. **Blue Bell** - the date each company first shipped its clothing to customers is determinative. Secret/internal sales are not credited. Touchstone consumer assoc

- a) Timeline: Farah (1973)
 - i) May 16- Farah conceived of the mark and two days later,
 - ii) May 18 - they made a new hourglass logo.
 - (1) Authorized extensive ad campaign
 - iii) June 5- F presented their fall line of clothes to sales personnel -- internal
 - (1) Their counsel approved the TM mark
 - (2) Samples were given to customers at the time (without mark on the samples)
 - iv) June 27 - tags containing the new design were completed.
 - v) July 3 - distributed (sold) the clothes to regional managers w the mark.
 - (1) The regional managers SHOWED the goods to Customers, who started ordering them
 - (2) Internal use is not credited since priority is based on consumer assoc
 - vi) July 11 & 14 - shipments of sample garments mailed to rest of the sales people (not consumers)
 - vii) September - first sales/shipments to customers.**
 - viii) Oct - more orders and already 2.7 million \$.
- b) Blue Bell (1973)
 - i) June 18 - management arrived at the name, received clearance by counsel.
 - (1) Authorized manufacture of several hundred labels bearing the mark
 - ii) June 29 - labels completed
 - iii) July 5 - several hundred items (from the old line) were shipped with the tags (they were double-labeled).

- (1) Mere token use
- iv) End August - production of new time out items began
- v) Sept 4-6 - sales meeting to discuss new designs
- vi) **Oct - shipments of garments scheduled**
 - (1) Too late!
 - (2) If BB had a huge advertising campaign in July, that would likely be enough to constitute priority, since it would garner consumer association.

4. **ITC Bukhara Restaurant case - ??**

5. **Murky Magazine Hypo**

- a) Murky plans launch of new magazine. Remember, consumer association is the touchstone here.
 - i) **Murky**, think Rupert Murdoch, plans launch of new magazine: **New Greed**
 - (1) -- Jan. '06 announces publication to potential advertisers & sells ads
 - 1) Could be analogous use - major publisher, major ads
 - 2) Touchstone is consumer association
 - 3) Important how many consumers became aware of this
 - (2) -- Feb. -- mailings to subscribers of other periodicals describing New Greed and offering subscriptions
 - 1) Can challenge the goodwill established here by surveys
 - 2) Can challenge by using bias against small companies
 - (3) -- March 5 -- prototype issue as center insert in one of other mags
 - (4) -- April -- magazine released**
 - 1) **Actual use**
 - ii) **Market Magazine** -- smaller publisher picks same title independently but then hears about Murky magazine and rushes to market
 - (1) -- Feb. -- ad in Wall St. Journal
 - 1) Can attack Murky by saying - they're advertising to ppl who buy cosmo; we are advertising to actual potential customers - ppl who are interested in finance
 - (2) -- March 1 -- photocopied version hits newsstands (B&W, minimal content)
 - 1) Can attack this bc this is a token use; this is not bona fide; not what it's actually gonna look like ; shouldn't count.
 - 2) You can argue for this here -- it's different than when Time Out/ Blue Bell put tags on their existing clothes, this is the actual underlying product
 - (3) -- May -- full color version**
 - 1) **Actual use**
 - iii) Who has priority? Murky, based on priority use.
 - iv) What if March 1 was full version?
 - (1) Then Market would have priority because actual release date would be earlier than Murky's
 - v) What if Market filed ITU on Jan. 1?
 - (1) Constructive use till the time of their ITU app, and Market would have priority (unless, of course, the ITU is defeated for some reason)
- a) **Brookfield** - West Coast Rentals argued they had priority; court said they didn't because they didn't have a space between the words for the web address

6. **Analogous use can Establish Priority**

- a) Eg. Bozo Restaurant predates Bozo the Clown. Bozo clown opposes Bozo restaurant's registration. Bozo argues he has nationwide protection so his use should trump Bozo restaurant. Held, Bozo restaurant established sufficient use in commerce to establish priority

7. **Incontestable Marks can be Opposed based on Priority**

- a) **Tavern on the Green** - priority of opposer can effectively cancel an incontestable mark.
- b) **Thrifty** - Thrift, the local mark user, is entitled to keep priority in all the land they used their mark in commerce in, up until Thrifty's registration.
 - i) 1962 - Thrift sold in Mass and Taunton, and sent some ads to New England and sent some cars there too.
 - ii) 1964 - Thrifty got USPTO registration -- had become incontestable
 - iii) Thrift has priority in those 1962 activities.

viii. **Concurrent Use**

- 1) Under § 2(d), concurrent use proceedings may be instituted where an applicant seeks to register a mark that resembles another mark already registered or in use, but the USPTO determines that confusion, mistake, or deception will not arise from concurrent registrations if appropriate conditions and limitations are imposed on the use of each mark. However, concurrent registrations are only permitted so long as:
 - a) Both users became entitled to use their respective marks in good faith, or
 - b) The prior user in a limited geographic area has priority here.
- 2) When there is prior good faith use of a mark in a limited area, say Louisville, and then there is a mark holder with national registration, the prior user in Louisville can be deemed the sr. user in Louisville only, leaving the rest of the

nation to the National registrant.

3) **United Drug v. Theodore**

- a) Ellen Regis used the word "Rex" -- based on her surname - SENIOR USER
 - i) 1977 - created/sold dyspepsia tablets under Rex label
 - ii) In 1898, she registered the Rex word as a TM under mass law.
 - iii) **1900, she got registration under USPTO**
 - iv) 1904 - won lawsuit v. rexall remedies - supreme court sustained their TM right
 - v) 1911 rexall stores (united drugs) bought the business with this TM right and carried it on in connection with medicinal preparations, distribution, etc.
 - vi) June 1911 - informed of Ted Rex's product
 - vii) Sept 1911 - 5 boxes sent to KY but not Louisville area
 - viii) 1912 - 1st sale in Louisville and began ads
- b) Rectanus - Jr. User.
 - i) **1883 - druggist named Rex used mark for a medicinal prep (it's his name and its acquired 2d meaning) used as blood purifier; located in Louisville and sold in city and vicinity**
 - ii) 1906 - sold business and rt to mark to respondent
- c) Who has priority in Louisville? Rectanus the Jr. User has used the mark in Louisville already in 1883 BEFORE her TM was registered in 1900. so he has priority there.
- d) Can Rexoll go into Louisville? NO - because Teddy rect is the sr. user in Louisville and can keep Rexoll out. (but of course Rexoll is much wealthier, and actually buys them out)
- e) Can Rectanus expand outside Louisville? No, Rexoll is the otherwise national senior user.
- f) Suppose Rex's registration made their mark Incontestable under s. 33(b)(5). Rectanus's prior use predated Rex's registration, so Rectanus still has priority in Louisville.

4) **Thrifty**

- a) Thrifty - overall SR user in the country
 - i) 58 - first use; began renting cars in OK
 - ii) 62 - sold business, expanded to Houston, TX; Wichita; St. Louis
 - iii) Jul 30 62 - applied to register at USPTO
 - iv) **Jul 26, 64 - TM granted from USPTO**
 - v) Dec 67 - expand - opens first outlet in MASS
- b) Thrift
 - i) **Oct 62 - began in MASS (before Thrifty moved into MASS)**
 - (1) Shipped cars around the New England area; advertisements, etc
 - ii) 63 - ads in Nantucket paper
 - iii) 70 - moved to Nantucket
- c) Thrifty had an incontestable mark by this time - it had been used continuously for 5 years. But one can challenge an incontestable mark by priority.
- d) Thrift has priority in MASS because they started in 62.
- e) What else does Thrift Get? Wherever Thrift was using the mark prior to Thrifty's registration. Thus, Thrift is limited to Mass and Taunton. Thrift's advertisements in Nantucket and shipping to new England areas were not credited, since they were sporadic, and did not create association.

5) **Dawn Donuts**

- a. Dawn Donuts has national registration. After the registration, Hart sold "Dawn" Donuts w. different trade dress in their stores.
 - i) Court said, even though Dawn has nat'l rights, they can't enforce them against Hart since Dawn didn't try to establish or expand their business to Hart's area.
 - ii) But if Dawn did want to expand, they can enjoin Hart, the jr. user.
 - iii) This is mostly a standing issue.
- b. What if Dawn had an internet site that sold donuts in Rochester (where Hart located)? That seems like an overlap and a potential harm such that they can sue Hart.

6) Rationale

- a. Fairness - when you have two good faith users of a mark, its fair to let them both use their marks, subj to limits
- b. Competition - encourages competition
- c. Consumer confusion - if the Louisville user was able to shut down Rex, the nationwide mark, that would be incredibly confusing for consumers

C. **Ownership**

- i. Dispute over ownership most often arises when competing parties who once collectively owned the mark are now fighting amongst themselves. Eg. Bands, businesses, creative pursuits.
- ii. **Who Owns the Mark New Edition? (Bell Biv Devoe)**
 - 1) **Does someone have a registration?**

- a. If yes, then that creates a rebuttable presumption of ownership. Does the use by the band members predate the registration? If yes, then the members would have prior use. If no, The members of New Edition could prove they have ownership via joint endeavors test.
- 2) **Who had priority?**
 - a. **What is the underlying goods/services?** Bell says "entertainment services"; Record co says "records."
 - i) **The public is the primary determiner of what the underlying product is.** Court says public would most readily recognize the services to be entertainment services.
 - b. **Who used it in commerce first?** Bell had gigs in Mass early on, and Record co put out "candy girl" nationwide - Record co would get the rest of the nation (based on concurrent use reasoning). But court said that wouldn't allow Bell to expand beyond Mass, wouldn't make sense.
 - c. Court says we think Bell had priority, but alternatively, Bell is the owner:
- 3) **Who owns the mark?**
 - a. **Joint Endeavors Test: Prior ownership is impossible to ascertain, so the legal task is to determine which party "controls or determines the nature and quality" of the goods which have been marketed under the mark in question.**
 - i) Court cites to evidence in the record that the band members made the final decisions. They refused to change their names, they refused to play certain songs, etc.
 - b. Even if that is wrong, court says the consumers associate the band name with the band members.
- 4) **Consumer Association goes to?**
 - a. Consumer confusion/ association is not a test for ownership, but it informs the court's reasoning as to what the underlying product is, and who the owner should be.
 - b. We want to protect consumers from confusion; underlying consumer confusion analysis drives the court's outcome again.
- iii. Concept bands are different
 - 1) **Menudo** is a boy band with refillable/ replaceable band members. Per the **New Edition** reasoning:
 - a. Priority: maybe Menudo
 - b. Ownership/control: Record producers, since members themselves came and went
 - c. Consumer assoc: with the record producers, not the members, because consumers would know they're not permanent.
 - 2) **Robi v. Reed** - former member wanted name "Silver Platters"; same reasoning as above for concept bands. Plus, court said the member left the band voluntarily so he cannot assert his rights over it.
- iv. Suppose Jerry Garcia wants to leave Grateful Dead. Who gets to keep/ use the name?
 - 1) Jerry left voluntarily, so he loses the right to assert his rights over it per Robi v. Reed
 - 2) On the other hand, JG is like the main star of the band (like Dave Matthews), and he maintains control/ determines nature, quality of the band, and consumers associate the band with him. (like New Edition) If consumers didn't see JG at a grateful dead concert, they'd be very confused.
- v. Suppose Jerry Garcia is in a band called Jerry Garcia Band, and he leaves. The band wants to keep the name without him in it, but he wants it too.
 - 1) Joint endeavor/ ownership/control?
 - 2) Ppl not being able to use their own names?
 - a. **Once you use a personal name and it attained 2d meaning, and that person leaves, the company/band can continue to use that name.**

IV. **Registration**

A. Federal Registration does not confer TM rights; it is simply a presumption of distinctiveness, use (and priority) and ownership. You can have a registration without TM rights; you can have TM rights without a registration.

B. Benefits for Registering

- i. Nationwide priority and rights
- ii. Incontestability within 5 years
 - 1) Extra presumption of validity
 - 2) Makes your mark harder to challenge
- iii. Notice to others
- iv. Evidentiary advantages
 - 1) A registered mark is prima facie evidence of validity, ownership, distinctiveness.
- v. Protection against counterfeiting

C. Procedure for Registration

- i. **Can file a 1(a) application alleging actual use**
- ii. **Can file an ITU**
 - 1) **§1(b) a person who has a bona fide intention, under circumstances showing good faith of such person, to use a TM in commerce, may request registration of its TM:**
 - a. Good faith intent to actually use it
 - b. Application has info about goods, drawing of the mark

- c. That the mark is inherently distinctive (not generic, not descriptive w/o 2d meaning)
 - d. No one else has the right to use a similar mark (not LOC, mistake, deceit)
 - e. Need to file a statement of use, where a second examination occurs
 - i) Statement of use must be filed within 6 mo; with extensions given for another 6 mo; then another 24 mo at their discretion for the issuance of notice of allowance. You get potentially 4.5 years to file statement of use.
 - f. Or alternatively, you can amend your ITU to allege actual use prior to your application being approved for publication; in which case, your application changes from an ITU to a straightforward 1(a) application, but your app still dates back to the ITU file date.
- iii. More ITU
- 1) Others can oppose an ITU (if they have standing to do so) just like they can oppose a regular registration
 - 2) **Criticism is that ITU is a glorified "minor brands program" that was condemned in P&G but there is rather widespread approval**
 - 3) **Benefits of ITU system: protect investments in the mark; protect against foreign companies swooping in; abolishes token use system**

D. **Bars to registration**

- i. There are numerous bars on registration. You can either be prevented from registering if your mark is one of the below; or your mark can be challenged, at any time, based on one of the below.
- ii. **A person challenging, opposing or cancelling registration must have STANDING to do so.**
- iii. **§14 - a petition to cancel a registration of a mark may be filed by any person who believes that he will be damaged**
 - 1. **Richie Test** for Standing
 - a. Opposer must have a "real interest" in the proceedings; and
 - i) Direct and personal stake
 - ii) Whose interests are directly relevant/ implicated by the mark
 - (1) "family man" has standing to oppose a mark symbolizing a killer.
 - (2) "man" doesn't have standing to oppose "Dykes on Bikes" registration because the mark doesn't implicate the man
 - b. Must have a "reasonable" basis for his belief that he will be damaged.
- iv. **§2(a) Immoral, deceptive, scandalous, disparaging, falsely suggesting a connection [absolute bar]**
Whether a mark is immoral, scandalous, disparaging is a subjective judgment.
 - 1. **Immoral**
 - a. **Defined: Immoral means "not moral, inconsistent with rectitude, purity, or good morals, contrary to conscience or moral law, wicked, vicious, licentious, as an immoral man or deed." (Simms Dissent, Bad Frog)**
 - b. Criticism: Lawrence v. TX - Supreme Court said we cannot have laws based PURELY on morality; and here we are, having an atty at the USPTO decide based on completely subjective morals.
 - 2. **Scandalous**
 - a. **Defined: Shocking to the sense of propriety, offensive to the conscience or moral feelings or calling out for condemnation.**
 - b. Test:
 - i) **Determine likely meaning of mark in context;**
 - (1) Context is people who buy, associate with the mark
 - (2) Eg. If the context of Bad Frog beer is bars, clubs, then the meaning is a badass frog with an FU appeal. c/a - ppl buy it to drink at home, children see it and think it's a cartoon character.
 - ii) **Evaluate whether the matter is scandalous to a substantial composite of the general public**
 - (1) The reference group is "general public," not necessarily buyers of this beer.
 - (2) Keep in mind **contemporary contexts and changing social mores.**
 - iii) Is it shocking to the sense of propriety, offensive to moral feelings?
 - c. KATRINA the Drink
 - i) Likely meaning in context makes it SO much worse; c/a - dark sense of humor about the hurricane.
 - ii) Definitely offensive, bad taste; based on person's own beliefs.
 - 3. **Disparaging**
 - a. **Defined: Disparagement is the publication of a statement which the publisher intends to be understood, or the recipient reasonably should understand, as tending to cast doubt upon the quality of another's land, chattels, or intangible things. [from class lecture]**
 - b. Harjo Test:
 - i) **What is the meaning of the matter in question as it appears in the marks, and as those marks are used in connection with the marketplace?**
 - (1) Taking into account dictionary definitions, relationship of the matter to other elements in the mark, nature of the goods/services, manner in which the mark is used in marketplace in connection with goods/services
 - (2) "most people would find the mark to be offensive/disparaging"
 - ii) **If it's a meaning that refers to identifiable persons/ beliefs, is it a meaning that may disparage a substantial composite of the reference group.**
 - (1) Look to members of the reference group themselves

- (2) Must be disparaging **at time of registration**
 - 1) c/a - changing social mores
- c. Greyhound Test for Corporate Disparagement:
 - i) That the communication reasonably would be understood as referring to P;
 - ii) That the communication is disparaging -- would be considered offensive or objectionable by a reasonable person of ordinary sensibilities.
 - (1) Doesn't look to reference group, looks to general public.
- d. REDSKINS football team
 - i) Native Americans sought to cancel this registration for a football team; it disparaged the reference/social group.
- e. SEX ROD
 - i) Boston Red Sox opposed a registration for t-shirts, etc.
 - ii) Argued that it was vulgar (which is not in the Lanham Act); Immoral/scandalous. Their best argument for that was the registrant sought to put the mark SEX ROD on children's clothing.
 - iii) Disparaging because it brought the RED SOX into contempt/ disrepute
 - (1) But this looks like a back-door to a dilution claim for Tarnishment.
- f. KHORAN for Armenian wine
 - i) USPTO refused registration on grounds it would disparage Muslims. Meaning of the matter is context that would create an association with Muslims; and its disparaging because it's advocating wine, which is a violation of their religious tenet.
 - ii) Dissent said we should look at the meaning of the mark in context of the general population; and the general population wouldn't think it's associated with Muslims because they don't drink wine. ALTERNATIVELY if it's with respect to the Muslim population, they are most likely to know that this is not associated with Muslims because they're the most likely to know.
 - (1) Dissent says, the wine just seems out of whack with a Muslim tenet, but it doesn't seem disparaging
- g. DYKES ON BIKES
 - i) A lesbian has standing to oppose this registration claiming it's disparaging
 - (1) Has a clear stake in use of the word, real interest in trying to eradicate that word
 - ii) Harjo Test
 - (1) Likely meaning of the matter - refers to lesbian community; meaning that has been historically disparaging (Can use dictionary definitions of the word, surveys of the word)
 - (2) c/a - use of the word defangs the word; gives sense of empowerment; perhaps tolerance; the reference group has used it and registered it; not a meaning that disparages bc it's empowering, and members of the reference group are more likely to be aware of this use.
 - iii) Immoral/scandalous
 - (1) Use of the word is derogatory and thus immoral (like using the N-Word); it's approving of a lifestyle that ppl might think is immoral/scandalous. The Lanham act asks us to make these moral determinations, and it's offensive and immoral.
 - (2) c/a - because it rhymes, it's not as "shocking" to sense of propriety, it sanitizes the meaning; the fact that the in group uses the term means they're cool with it.
- 4. **Deceptive**
 - a. **Defined:**
 - b. **In re Budge Test [determining if Deceptive or Deceptively Misdescriptive (2(e)(1))]:**
 - i) **The mark must falsely describe the character, quality, function, composition, or use of the goods or services**
 - (1) Is it describing it?
 - (2) It is not true?
 - ii) **The misdescription must be one that the prospective purchaser is likely to believe is true;**
 - iii) **Mistaken belief must be likely to materially affect the consumer's purchasing decision.**
 - iv) If only 1 is yes, then the mark may be **suggestive or arbitrary**
 - (1) Does not require finding of 2d meaning
 - 1) Eg. Suggestive that CAFETERIA serves food, but is not a cafeteria.
 - v) If 1 & 2 are yes, then the mark is **deceptively misdescriptive** under 2(e)(1)
 - (1) If you show 2d meaning, the mark can be registrable [see 2(f)]
 - vi) If 1, 2, & 3 are yes, then the mark is **deceptive**.
 - (1) The mark cannot be registered; 2(a) deceptive is an absolute bar
 - c. **CAFETERIA**
 - i) Petitioner was denied registration for CAFETERIA on the grounds that it was deceptive. Court held CAFETERIA for a restaurant was DECEPTIVE, thus an absolute bar to its registration.
 - ii) Applying the factors:
 - (1) It describes the restaurant, and the description is false, because it says it has the character, quality of a cafeteria, which isn't true
 - (2) Majority says that the consuming public would likely believe the misdescription to be true; consumers cannot inspect the qualities of a restaurant until they enter the restaurant. And at that point, **consumers are already duped.**
 - 1) Dissent says no - consumers are likely to know what the restaurant is, and even so, consumers can walk out.

- (3) Majority says that once the consumers are misled, they are already duped. Court is concerned with needless waste of time that goes into it.
 - 1) c/a - whatever confusion is de minimus; and lasts about 30 seconds. They can just walk out.
- iii) Kind of a strange outcome for this case.
- iv) Court seems to credit initial interest confusion - a fleeting 30 second confusion that is cleared up before the time of purchase.

d. Deceptive Hypos:

- i) Lovee Lamb for seat covers (not made of lambskin)
 - (1) Misdescriptive of chara, quality, use of goods? YES
 - (2) Likely to believe? Yes, esp if its expensive
 - (3) Likely to affect decision to purch? Yes, for better or worse
 - (4) Has been held to be deceptive.
- ii) Ice cream for chewing gum (not ice cream flavored)
 - (1) Misdr? Yes
 - (2) Believed? Can argue that its not describing a flavor, ice cream is a thing withotu flavor, so consumers just think it's a name, and its just arbitrary (it was found to be arb)
 - 1) But you can also argue that it's a flavor of the gum
 - (3) And might affect your purchase.
- iii) One minute for washing machines (7-11 m cycles)
 - (1) Misdr? Yes
 - (2) Believe? No one would think that it gets washed in one minute (at time, thought of as suggestive); on other hand, today we could think that there's some kind of new crazy technology.
- iv) George Washington Ate Here for restaurant (he didn't
- v) Organik for garments (100% natural cotton, but grown w chemicals)
 - (1) Misdr? Yes
 - (2) Believed? probably
 - (3) Purchase? Yes. Definitely. There's lots of ppl who want to buy only organic/green products.
 - (4) Deemed deceptive, can't register.
- vi) Holeproof for women's stockings
 - (1) Misdr?
 - (2) At the time, not believed by consumers, deemed suggestive

5. **False Suggestion of Connection**

a. **Defined:**

b. Note Dame Test:

- i) **The applicant's mark is the same as, or closely approximates, another's previously used name or identity;**
 - (1) If the mark is or is similar to P's name
- ii) **The mark would be recognized as such;**
 - (1) That the mark evokes P's name, not quite presuming a connection
- iii) **No connection between P and the product under the mark;**
 - (1) P is not affiliated with the product
- iv) **Connection presumed by consumers because the name or identity of the P is of sufficient fame or reputation that when the applicant's mark is used on goods or services, a connection with the other party would be presumed.**
 - (1) Whether P is famous
 - (2) Famous people are likely to make clothing, perfume, accessory lines

c. TWIGGY case

- i) Court said, twiggy is her name; the mark evokes twiggy's image; twiggy isn't affiliated with the product; and Twiggy is famous enough that ppl would think she probably had something to do with the mark.
- ii) The False Suggestion of a Connection analysis doesn't really concern consumer confusion that much. It has to do with free riding and possible dilution. Free riding - twiggy is famous, using her name will subconsciously make ppl want to buy more; and ppl shouldn't be able to benefit from the use of her name.

v. **§2(b) & (c) Insignias, Identities of living persons or dead Presidents w. widows**

1. Rule: cannot seek to register a mark that contains a flag; or consists of a name/portrait/signature of any living person or a dead President with a living widow.
2. Absolute bar.
3. Can use flags as part of a trade dress, if you disclaim the flag.
4. Why only living ppl's names?
5. Why only dead presidents w widows?

6. **Section 2(c) Hypos**

- a. Can you register Joe Schmo Beer? (assuming there are 250 Joe Schome's living)
 - i) "particular living individual" -- means you have to be referring to a particular Joe Schmo, not just a name
- b. Suppose you happen to share the same name as Gwen Paltrow or will smith -- can you register your own name

- for a cosmetics line, if also belongs to someone famous?
 - i) There is also rt to publicity concerns
 - ii) Will: hard to make this argument bc there are lots of will smiths; on the other hand, he is very famous and lots of celebs have cosmetic lines.
 - (1) If the goods/service was more closely related to actor's profession, much better argument that you are trading-off.
 - (2) On the other hand, we'd want a real Will Smith who has that name to be able to work in movies.
 - iii) Gwen: have a good argument that other use should be prohibited; very unique name; likely to iden a particular individual

- c. Can you register Marilyn Monroe stockings or James Dean for leather jackets?
 - i) Marilyn and Dean : under 2(c) these are fine because they are DEAD and they weren't presidents, and they don't have widows.
 - ii) When a person is dead, you can still bring a 2(a) claim. But you need identifiable heirs or ppl holding that person's identity for standing purposes.
 - iii) But under 2(a), there's likely be a false suggestion/connection with those persons.
 - (1) 2(a) prohibits the use /false connection with someone living/dead -- but courts have often required a living heir to have stake in name to be able to have standing to challenge.

7. MATERIAL GIRL

- a. 2(a) claim
 - i) She has been known/called Material girl - that's her name or identity
 - (1) Surveys - ppl would associate it with her
 - ii) She's super famous, probably false suggestion of connection.
- b. 2(c) claim
 - i) She's living, but it's hard to make the argument that the mark holder is using her actual name, image, signature.
 - ii) Should argue that "name" means an identifier.

vi. **§2(d) Confusingly similar marks**

1. Rule: a mark that is likely to cause confusion cannot be registered.
2. Absolute bar.
3. Same analysis as LOC
4. Factors
 - a. **Similarity of marks - Sight, sound, meaning**
 - b. **Products/markets**
 - c. **Buyers - sophistication; specialized or general public**
 - d. **Strength of the sr. user's mark - famous, arbitrary, incontestable**
 - e. **Actual confusion - survey**
 - f. **Intent - intent to create similar mark; intent to confuse; knowing there's prior mark and adopting similar mark anyway (some jxs credit this as intent)**

5. **NUTRASWEET versus NUTRA SALT**

- a. Sight, sound, meaning (similarity of marks)
 - i) Best arg for NUTRASWEET for similarity
 - (1) Both have NUTRA; they look the same and sound the same
 - (2) "sweet" and "salt" are similar in meaning because they're both tastes.
 - (3) Both are condiments you'd use
 - (4) Both mean sth nutritious - Nutra evokes something about healthy or nutritious
 - ii) Not similarity
 - (1) NUTRA SALT is written on different lines with a space between
 - (2) Salt and sweet are opposite - someone who makes sweetener doesn't probably make salt.
 - (3) NUTRI SWEET uses the mark on EQUAL and other things -- ppl wouldn't notice the nutri sweet mark - NUTRI sweet is always a secondary label - smaller and off to the side .
 - (4) But when you see Nutri Salt that's the primary mark on the packaging
 - (5) There are lots of foods that start with NUTRA - less likely confusing
 - iii) **Court said NUTRISWEET wins. Opposer wins.**
- b. Products/mkts
 - i) Similar - for NUTRASWEET
 - (1) Same types of market, same aisle
 - (2) Appealing to similar market of the public
 - (3) Salt and sweet are condiments
 - (4) Similar product/category even though not identical
 - ii) Different
 - (1) Nutrisweet is marketed to manufacturers and thus not consumer oriented (equal or soda, etc)
 - (2) But nutrisalt actually markets directly to consumers.
 - (3) Not direct competitors, just bc ppl buy salt doesn't mean they will also buy sugar; there's not much overlap and ppl won't buy both -- ppl want one or another
 - iii) **Nutrisweet wins - Opp.**
 - (1) Ct said ppl may buy the sale thinking its made by nutrisweet
 - (2) Nutrisweet was largely advertised to consumers eventhough it ended up being used in other products. So NUTRISWEET is still quite prominent mark for consumers
- c. Buyers (soph or not; impulse or not; specialized market or general pub)

- i) Cheap product - impulse purchase for buyers; not likely to spend time
 - ii) Looking at the general public
 - iii) Not a sophisticated purchase
 - iv) **This factor goes to Nutrisweet - Opp.**
- d. Strength of mark (of the sr. user) (famous mark; arbitrary mark; how much ground does the mark get)
 - i) NUTRISWEET is strong
 - (1) Priority registration (we'd need to show nutrisweet had priority in order to even get to this inquiry)
 - (2) Length of use
 - (3) It's fanciful or arbitrary; maaaaaybe suggestive.
 - (4) Advertisement - they spent tons of ad money
 - (5) Surveys would show that
 - ii) Nutrisweet is not strong
 - (1) Simply suggestive
 - (2) Third party uses - there are lots of uses of NUTRA in food marks and so when lots of ppl use it, it's not such a strong indicator of source.
 - (3) The fact that NUTRISWEET is a secondary mark geared toward manuf; not consumer oriented
 - iii) **Court favors NUTRISWEET - opp - weighs in favor of likelihood of confusion**
- e. Actual confusion (surveys to show likelihood of conf are considered here)
 - i) 3rd party uses - ppl recognize that it's a general type of mark that's used.
 - ii) Court said no ev of actual confusion -- because nutrisalt hadn't really been out very long.
 - iii) Court takes this factor out.
- f. Intent (could mean intent to create similar mark; intent to confuse; knowing there's a prior mark and adopting a similar mark anyway)
 - i) Court doesn't talk about this.
 - ii) Could argue that Nutrisalt is trying to use NUTRISWEETs good will, but not necessarily to confuse.
 - iii) Potential copying because NUTRA doesn't even mean anything - consumers can think that's the typical way to describe a nutritional alternative to salt/sweet
 - iv) Court doesn't really analyze.
- g. Four of the six go toward NUTRISWEET, so that shows likelihood of confusion, and registration is barred.

6. Nutrasweet Hypos - can these be registered?

1. NutraChoice for dry dog food (or nutro)
 - i) Not people food
 - ii) On different aisles
 - iii) Maybe not same consumers
 - iv) Maybe not same markets
 - v) "choice" doesn't indicate any type of taste or food; choice is very diff from sweet - so it overpowers the similarity of nutra.
 - vi) Probably diff in name and diff of market - likely permits registration even under NUTRA
2. Nutragrain for granola bars (Or Nutri-grain?)
 - i) Both are people foods, but its not a condiment
 - ii) "grain" is tot different - diff product category
 - (1) c/a - ppl might think that nutra grain is granola bars made with nutra sweet sweetener.
3. Nutrosalt?
 - i) In sight, the o is different; but by sound, they sound very similar and it doesn't matter than the letter is different.
 - ii) c/a - if you drop off the sweet and the salt - as the court suggested - then you have nutro vs. nutra and those are different.
 - iii) Third party uses might be more important - if other things have nutri and nutro ; and we'd be concerned by letting NUTRASWEET overpower and take more TM protection.
7. **MARSHALLFIELD vs. MRS FIELDS**
8. **IN RE AMERICAN BOY**

vii. §2(e) Merely descriptive or deceptively misdescriptive; primarily geographically descriptive; primarily geographically deceptively misdescriptive; primarily merely a surname; functional.

1. §2(e)(1) Descriptive or deceptively misdescriptive

1. Use in re budge test to see if something is deceptively misdescriptive
 - i) **The mark must falsely describe the character, quality, function, composition, or use of the goods or services**
 - (1) Is it describing it?
 - (2) It is not true?
 - ii) **The misdescription must be one that the prospective purchaser is likely to believe is true;**
 - iii) **Mistaken belief must be likely to materially affect the consumer's purchasing decision.**
- iv) If only 1 is yes, then the mark may be **suggestive or arbitrary**
 - (1) Does not require finding of 2d meaning
 - 1) Eg. Suggestive that CAFETRERIA serves food, but is not a cafeteria.
- v) If 1 & 2 are yes, then the mark is **deceptively misdescriptive** under 2(e)(1)
 - (1) If you show 2d meaning, the mark can be registrable [see 2(f)]

2. **§2(e)(2) geographically descriptive**

1. Waltham Watches told us that you always need 2d meaning with a geographically descriptive mark.

3. **§2(e)(3) geographically deceptively misdescriptive**

- a. Absolute bar
- b. **Two Tests; analysis is essentially identical**
- c. **If the mark doesn't come from a place, use this 4 factor test from CA Innovations**
 - i) The primary significance of the mark is a generally known geographic location
 - (1) Aka. a geo. Term like "California"
 - (2) The non-geographic meanings of a mark can be considered in determining whether its primary significance is geographic.
 - ii) The consuming public is likely to believe that the place identified by the mark indicates the origin of the goods bearing the mark, when in fact the goods do not come from that place and
 - (1) Goods place association
 - iii) The goods do not come from that place
 - iv) The misrepresentation was a material factor in the consumer's decision.
 - (1) Material is whether the place named is "noted for" the goods or the goods are a principal product of that area.
 - (2) If not this last step, then registration is permitted, because it's not material.
- v) **CA Innovations**
 - (1) Used the term CA for their Canadian auto goods.
 - (2) The goods do not come from that place; case was remanded to figure out whether the use was material and whether there was a goods/place association.
 - (3) The fact that the mark was registered and they disclaimed "CA" shows that they knew it isn't protectable
 - (4) Maybe CA innovations wanted to conjure good quality from the CA word, that might be material
- vi) **In re Spirits International, NV.**
- vii) It doesn't come from Moscow, so we know to use the 4-prong test.
 - (1) Court in BAIK said the relevant consuming public is Russian speakers and that Russian speakers would know, and ultimately be deceived.
 - (2) Fed Circuit says the relevant consuming public should be people who are willing to purchase the goods/services, they need not be Russian speakers.
 - (3) Doctrine of foreign equivalents bears here
- d. **If the product comes from a specific place, use the two factor test from BAIK**
 - i) **The term in the mark sought to be registered is the name of a place known generally to the relevant consuming public**
 - (1) Is it a place known for producing a particular product?
 - (2) Do ppl know that place? Or is it really obscure?
 - ii) **The public would make goods/place association, aka. believe that the goods/services for which the mark is sought to be registered originate from that place.**
 - (1) If the goods really come from that place, we can presume this prong.
 - iii) **IN RE BAIK**
 - (1) Vodka named after a lake in Ukraine

Review of 2(e)(2) and 2(e)(3) Hypos

- i) Waltham Watches from Waltham, MA
 - (1) Would need to acquire 2d meaning bec primarily geo descriptive -- can't be reg, but pursuant to 2(f), can be reg pursuant to 2d meaning
- ii) Nantucket for Men's shirts (not from)
 - (1) 2(e)(3) - would be barred if ppl are deceived - need materiality (maybe no one cares that shirts are from nantucket)
 - (2) Goods/place assoc -- Nantucket isn't really known for manuf shirts, and doesn't evoke shirt type of things; whereas Moscow is known for manuf vodka.
 - (3) WOULD be registrable as an arb/sugg mark, rather than being descriptive.
- iii) Paris for perfume (not from)
 - (1) Goods/place assoc
 - (2) Its not from there
 - (3) Materiality - ppl might want to buy it more - more likely
- iv) Paris for disposable diapers (not from)
 - (1) No goods/place assoc
 - (2) Not material - bc ppl wouldn't buy diapers just bc from paris
- v) Park Ave for Cigarettes (not from)
- vi) Dodge City for chewing tobacco (not from)
- vii) Swiss Army for pocket knives (from)
 - (1) 2(e)(2) problem - banned initially, but if it acquires 2d meaning, it's registrable under 2(f).
 - (2) Goods/place assoc is presumed
- viii) Hollywood for Fries (not from)

- ix) Japan Telecom for CA based telephone and computer service (serving Japanese clients)
 - (1) Def a geo term
 - (2) Certainly misdescribc not from japan
 - (3) Goods/place assoc issue - assoc japan with having good technology and communication
 - (4) Material - might want to buy bc its from Japan
 - (5) USPTO said there's no goods/place assoc between Japan and telecom.

4. **§2(e)(4) merely a surname**

- a. Need 2d meaning
- b. Whether or not a mark is primarily merely a surname depends on whether the purchasing public knows the primary significance of the mark is a name.
- c. **Benthin Test for Determining if Primarily Merely a Surname**
 - i) **Degree of surname rareness**
 - (1) If very rare, it's less likely that ppl will know/ treat it like a surname
 - (2) Examining atty will look in phonebook to determine
 - ii) **Whether anyone connected w applicant has the surname**
 - (1) If it's the applicant's name, or someone associated with the mark's name. want to allow ppl to use their own names.
 - iii) **Whether the term has any recognized meaning other than that of a surname**
 - iv) **The structure and pronunciation or look and sound of the surname**
 - (1) Does it sound and look like a surname?
- d. **BRAMLEY case**
 - i) Applicants argued it's the name of a town in England; also the name of a type of apple.
 - ii) Court said no, it looks and sounds like a surname, and it's primarily a surname.

5. **§2(e) Functionality**

- a. Absolute bar.
- b. Functional features/ marks are not registrable, even if they attain 2d meaning.
- c. Qualitex Rule Revisited
 - i) Essential to the use/purpose of the article
 - ii) If it affects the cost/quality of the article, aka, it puts competitors as a significant non-reputation related disadvantage
- d. Morton-Norwich Factors for determining if sth is functional
 - i) **Utility Patents: The existence of a utility patent disclosing the utilitarian advantages of the design**
 - (1) Strong ev that it's a useful feature; How is the feature described in the patent; is that feature one of the prime features described as one of the useful parts for the patent
 - (2) What is the history of patent prosecution - what did they argue to USPTO
 - (3) What is the infringement history - trying to enforce their patent rights
 - ii) **Advertising: Advertising materials in which the originator of the design touts the design's utilitarian advantages**
 - (1) Are the Ads pointing out that feature as being useful
 - iii) **Alternative Designs: The availability to competitors of functionally equivalent designs and**
 - iv) **Cost and Ease of Alternatives: Facts indicating that the design results in a comparatively simple or cheap method of manufacturing the product.**
- e. **MORTIN-NORWICH** - spray bottle shape and design not registrable; expired utility patents suggested utilitarian features for the bottles. Court said there were tons of alternative designs. Not functional.
- f. **WEBER** - bbq makers sought to register their design. Court said there are a million other designs, so it means that it's not a functional design.
- g. **HOWARD LEIGHT** - the utility patent claims it's functional to have bullet shape; the ads tout the utilitarian features; court said we don't need to consider alternatives or go beyond the first step after TRAFFIX. The fact that the shape is utilitarian and functional is enough. This was before TRAFFIX, but took on a similar reasoning.
- h. **Traffix Rule for Functionality**
 - i) **If the feature is essential, useful, utilitarian - it's functional.** No need to discuss alternatives.
 - (1) A little more like aesthetic functionality
 - ii) If it's not essential, useful, utilitarian, go on to discuss alternatives.
- i. **TRAFFIX** - court said alternatives don't matter because the effect of the utility patent meant that they are useful features, and usefulness is enough to show functionality
- j. **QUALITEX** - green/gold was not functional
- k. **GIBSON** - there was no patent for the guitar design; but the ads touted the functional features of the shape - better sound, etc. This seemed to be touting and promoting the useful features, and after TRAFFIX, no need to discuss alternatives.

viii. **§2(f) A showing of 2d meaning allows/permits registration for the above EXCEPT: 2(a),(b),(c),(d),(e)(3) & (e)(5).**

V. Standing to Oppose / Cancel a Registration

VI. **Loss of TM Rights**

- A. § 14 - petition to cancel a registration may be filed by a person at any time if (3) the registration in question becomes the **generic**

- name for the goods or services [or portion thereof] for which it is registered; it is **functional**; or has been **abandoned**.
- B. § 15 - An Incontestable mark [continuous use of a mark for 5 years] is presumed protectable unless it is the **generic** name for the goods/services for which it is registered.
- C. **Genericism - §§ 14,15**
- i. A generic mark is a term that refers to the goods/ services, and not the source of a particular merchant's goods.
 - ii. Generic terms are per se ineligible for TM protection - generic terms are by its definition unable of indicating source.
 1. Generic terms cannot be registered in the first place - they are not inherently distinctive even with de facto 2d meaning;
 2. A registration can be challenged on the basis that it's become generic.
 3. BOP: The Plaintiff has the burden of proving they have a protectable mark. They, thus, have to prove the mark is inherently distinctive (or with 2d meaning) and not generic, not functional; that they are the owners, and that they used the mark in commerce.
 - iii. **De Facto Secondary Meaning**
 1. When there is an association between the mark and a source, but not a source -identifying association.
 - a. Eg. Most people have an association with "You've Got Mail" and AOL. But this is a simple association, not source-identifying.
 - i) c/a - AOL says, we made this up, it's source identifying, it has de jure 2d meaning.
 - ii) Defendant says you have only de facto 2d meaning, and your mark is generic, so it doesn't indicate source.
 - iii) Thus, court would go through the generic factors [see below] and see if it is generic.
 - iv. **Classifying a Generic Mark**
 1. "the primary significance of the registered mark to the relevant public" is the test for determining if a mark is generic. (§14)
 - a. Consumers need not know the source of their goods, only that it emanates from a source. Need to know that the term refers to a particular branded product, not the product itself.
 2. Factors to look at for determining if a mark is generic
 - a. Third party uses
 - b. How the term is used - use as a noun/adj versus use as an adjective
 - i) Keep note of how the packaging, advertisement, labeling is used
 - ii) Eg. "Bayer's tablets of Aspirin" = makes it generic
 - c. Dictionary definitions
 - d. Media usage - newspapers, articles, etc.
 - e. Trade usage
 - f. Surveys
 - g. Functional or common meaning - "You have mail."
 3. Two Consumer Survey Tests
 - a. Thermos Test [will annihilate a brand name]
 - i) Just ask consumers what they call something. "What's a name for containers that keep items hot or cold?" "A thermos"
 - ii) If you're a Defendant, you want a design that elicits the brand name, to prove generic, to prove Defendant can use it.
 - b. Teflon Test [will protect a brand name]
 - i) Ask consumers "Do you know a brand that sells non-stick pots and pans?" "Teflon". Then ask, "Do you know some other term for describing the product?" [self-adhesive bandage instead of band aid]
 - c. Neither test gets to the ultimate question: Do consumers think the mark identifies the product category or that it's a brand name indicating source?
 4. Application to iPod hypo. Is iPod generic?
 - a. iPod is a good example of self-genericide; it is so famous as referring to the only type of mp3 player that's cool -- arguably you could have a genericide problem
 - b. Factors
 - i) 3rd party uses - no other company uses iPod as a term (like Sony iPod or Samsung iPod)
 - ii) Plaintiffs use it as a noun, not as an adjective
 - iii) Media usage - noun
 - c. Surveys - might reveal that consumers know it's a brand name, but call it iPod for linguistic efficiency
 - v. **Split Markets**
 1. A term can be source -identifying and non-generic in one market; but generic in another market.
 2. Eg. **Bayer** case - "Aspirin" was deemed generic with respect to consumers -- and as such, Bayer lost the right to exclude others from using the mark in advertising to consumers; but "Aspirin" was deemed source -identifying with respect to pharmacists who dispensed the drug.
 3. In any split market, a brand can preserve their mark in one market but not another.
 - vi. **Self-Genericide**
 1. When a producer becomes a victim of its own success; when something (like, for eg, iTunes) becomes so successful or novel that people cannot think of any other way to refer to that product except for the mark name.

- a. iPod
- b. XEROX
- 2. Or when a producer simply makes the wrong TM moves; poor branding strategy.
- vii. **Competitor Genericide**
 - 1. A direct competitor cannot run ads and campaigns in order to kill off their competitor's mark
 - a. Eg. Con-Tact paper
- viii. **Avoiding Genericide**
 - 1. Develop a difference between the generic mark and the brand name
 - a. Eg. "Band-Aid brand self-adhesive bandages" -- even if consumers still refer to them as Band-Aids, at least consumers will know that it's a brand name product, and that's sufficient to avoid genericide.
- ix. **Doctrine of foreign equivalence applies here**
 - 1. If a mark is generic in a foreign language, we translate it and determine if its generic in English.
 - 2. Eg. Type of Sake

D. Abandonment

i. Genericism

- 1) § 45 (2) - when a mark becomes generic, the mark loses significance as a mark and is deemed abandoned.
- 2) When a mark becomes generic, you no longer own that mark.

ii. Non-use

- 1. § 45 Abandonment of a Mark. A mark shall be deemed "abandoned" when its use has been discontinued with intent not to resume such use; and non use of 3 consecutive years is prima facie evidence of abandonment. Use means bona fide use.

a. Non use - 3 years of no use; infer from circumstances

- i) Eg. CBS hadn't used the "Amos n Andy" mark in 21 years, but contended that they were still "using" the mark by licensing the mark in various contexts. Circuit court held that the use was sporadic, occasional, and is not enough to produce consumer-association.

- (1) Also, the mark was arguably not used in "commerce" because they weren't selling anything with the mark, they were simply licensing
- (2) c/a - CBS was making money off of the licensing

- ii) Eg. Needs to be a use in USA

- iii) There is a presumption of abandonment after a showing of non use

b. Intent not to resume [NOT intent to abandon] - infer from circumstances

- i) Burden shifts to mark holder to prove intent to resume in the reasonably foreseeable future.

- ii) Eg. If CBS put out an Amos n Andy DVD during time of litigation, this shows an intent to resume use of the mark. Though it's been 21 years of non-use [fits element 1] it wouldn't fit element 2, and the mark wouldn't be deemed abandoned.

2. Loss of priority when abandon a mark

- a) CBS could only regain priority like this ^^ if no one came in between the non-use and the resuming of use.

- i) In the actual case, Defense swooped in and used the mark, which re-set CBS's priority date. They'd have to start from scratch.

- ii) As a result, jr. user was able to use the mark in his musical, and assert the mark against other musical users. Probably couldn't prevent CBS from making a new TV show if they wanted to. [unless jr. user showed that the musical was so famous and had source-identification beyond the musical genre]

3. Other considerations

a. Confusion is still an issue

- i) When a famous mark technically meets the above two requirements (non use with intent not to resume), consumers could still have an association with the brand, and court wouldn't want to find "abandonment".

- (1) Eg. Brooklyn Dodgers abandoned their mark because they moved to LA and became LA Dodgers. A restaurant opened up named Brooklyn Dodgers opened up. It didn't infringe the LA Dodgers mark because consumers wouldn't be confused - Brooklyn Dodgers ceased to exist.

- (2) Eg. Daytona Spyder is a car that's no longer manufactured, no longer sells cars, but the car is still driven/seen on the road, and replacement parts are still offered.

- 1) Probably not considered abandoned since consumers would still associate the mark.

- 2) But if they stopped making replacement parts and there were only 5 cars left in America, that's closer to abandonment, but you could still argue that consumer confusion may be too high -- consumer assoc with cars spans over longer period of time, especially with more distinctive cars.

- ii) When an entity wants to **change their name**, it doesn't mean jr. users can swoop in and take the old name. this is because courts are concerned about consumer confusion. (American Assoc for Justice v.

American Trial Lawyer's Assoc.)

- (1) Court would probably credit a # of continued uses of the old name
- (2) Court could require a disclaimer saying "formerly known as..." to protect themselves and consumers.

b. Perhaps First Amendment can come in here

- i) Another reason to allow Jr. user. If the Jr. user is providing a critical social commentary, and the mark holder has abandoned the mark -- more likely the court will find a way to let the Jr. user express themselves.
- ii) In the face of maybe consumer confusion with the Jr. user's mark, the social value of the Jr. user's use outweighs whatever minimal harm of confusion.

c. International use

- i) Bukhara mark hadn't been used in USA for many years - jr. users wanted to use it, argued that Bukhara abandoned it. They argued we used the mark abroad, and even sold packaged foods in USA.
- ii) Court discredited this use as not sufficient to refute a finding of non-use and abandonment.

4. Rationale for involuntary abandonment

- a. We have involuntary abandonment because we want free competition, want ppl making socially useful commentaries, don't want ppl stockpiling marks.
- b. C/a - consumers will still be confused, especially if the sr. user's mark is quite famous.
 - i) That's why in many cases of non-use of a rather famous mark, courts require a disclaimer or something to tell the consuming public.

iii. Assignment in gross

1. §10 - a registered mark can be assignable so long as the good will of the business follows. This means that the assignee has to take over the business and maintain the quality, good will, or manufacture/render a good/service with similar quality.
2. **Assignment in gross is when a mark is transferred separate from the underlying goodwill it represents. Because a TM has no independent significance apart from its function as a symbol of goodwill, the mark simply evaporates when it is assigned in gross.**
 - a. The assignee can take the symbol only, and attempt to create its own good will.
3. **Rule: An assignee has to have substantially similar product to the assignor, such that consumers will not be deceived or harmed, in order for a legitimate assignment under § 10.**
 - a. Eg. Clark v. Heartland for boots - Defendant starts selling boots under the Heartland mark. Plaintiff asserts priority because Sears assigned the mark to them in '87, and Sears had been using the mark since '83. In order to determine whether the assignment [and thus the tacking of priority] is valid, must determine if the assignment meets the 'substantially similar' test. Court said the goods were too different. Sears sold men's hiking boots under that mark, and Plaintiff sells women's boots. The goods are too different for the goodwill and association to pass along to Plaintiff.
4. Rationale: When an assignee attains a mark through an assignment in gross, the assignee obtains the symbol but not the underlying good will. Thus, any use by the assignee is necessarily different from that of the assignor. This results in a fraud on the purchasing public, who reasonably assume that marks signify the same thing, regardless of who they indicate as source. [pg. 296 of LaFrance]

iv. Naked licensing

1. Naked Licensing occurs when a TM owner fails to exercise reasonable control over the use of a mark by a licensee such that the presence of the mark on the licensee's goods or services misrepresents their connection with the TM owner since the mark no longer identifies goods/services that are under the control of the owner of the mark. Thus, the mark can no longer provide assurances of reliability and quality.
2. **Rationale:** Concern that a TM owner licenses his mark to someone who does not maintain the quality of the goods, the public will be misled, and the TM will cease to have utility as an informational device.
 - a. Would no longer reduce search costs
 - b. Would deceive the public
 - c. [see Dawn Donut, and pg 293 of LaFrance]
3. **Requirement of Quality Control over Licensee Goods**
 - a. Licensor must exercise supervision and control over the operations of its licensees so that the goods remain at status quo and the public will not be deceived. It is BEST to insert a quality control clause to be contractually reserved in the K, yet courts just need a showing of whether the licensor in fact exercised such control. (**Barcamerica**)
4. **Factors to consider for quality control**
 - a. Actual quality of the goods produced
 - b. Existence/ absence of consumer complaints about quality
 - c. Extent to which licensor actually inspected the goods/facilities where they were produced
 - i) Eg. Licensor should visit a vintner's vineyard about once a year.

- d. Whether licensor selected someone responsible for maintaining quality
- 5. Reliance on Reputation
 - a. In SOME circumstances, where there is a close working relationship between the parties, or where the licensor is familiar with the quality control practices of the licensee, it may be sufficient for the licensor to rely on that reputation
 - i) Court will not credit reliance on "reputation" if licensor doesn't really know what's going on, they never check up, they never inquire. (Barcamerica)
- v. Failure to police third party uses
 - 1. If there is numerous third party uses of your mark, and you do nothing about, there is a chance that you abandoned your mark by failing to police your mark against infringers.

VII. **Infringement of Registered Marks under § 32**

A. Direct infringement - §32

§ 32 (15 U.S.C. §1114). Remedies; infringement; innocent infringers

(1) Any person who shall, without the consent of the registrant--

(a) **use in commerce any reproduction, counterfeit, copy, or colorable imitation** of a registered mark in connection with the sale, distribution, or advertising of any goods or services on or in connection with which such use is likely to cause confusion, or to cause mistake, or to deceive...shall be liable in a civil action

i. **Plaintiff must be the holder of a registered mark**

1. Show registered mark - which is presumption of the below:
2. *Plaintiff must show that their mark is distinctive and source-identifying*
 - a) *Not functional*
 - b) *Not generic*
 - c) *Not descriptive*
3. *Plaintiff must show they have used the mark in commerce*
4. *Plaintiff must show ownership of the mark*
5. *If incontestable mark - super presumptions*

ii. **D used mark or colorable imitation of that mark in commerce**

1. Dispute over whether "use" means use as a mark
2. Dispute over whether "in commerce" means that D has to profit off of it
3. We do know, however, that the D must use the mark somehow in public, and a use that Congress can regulate.
4. [see "Infringing Use" below]

5. Infringing Use under §32 [see also §43(a); §§43(c), 45 "use in commerce"]

i. §32 - Plaintiff must show that D used the mark, or colorable imitation, in commerce

- i) P / TM holder would argue broad reading - that an infringing use is any use that Congress can regulate;
 - (1) **This way, D's cannot reap where they have not sown.**
 - (2) **This addresses the consumer confusion aspect of TM law**
- ii) D would argue a narrow reading - that the use must be a TM use as part of a commercial transaction interstate where they use the mark on their product. [is this a viable reading?]
 - (1) **This reading is favored by the free competition perspective of TM law, that consumers want more choices, and want people like Google and When U to use the TMs and provide low-cost alternatives for purchasers.**

ii. **Infringing use needs to be a bona fide use, and at least a use that Congress can regulate**

- i) **Need not be used as a TM**
- ii) **Can be invisible to users [metatags]**

iii. **Circuits are divided over whether simple keyword-triggered advertising can be infringing use. Revolves around:**

- i) **Whether the public can see the TMs being keyed**
- ii) **Whether the Defendant gets money for selling keys**
- iii) **Whether Defendant alters Plaintiff's website**
- iv) **LOC?**

iv. **When a Defendant that provides pop-up advertisements doesn't actually sell the keywords to advertisers, and simply uses categories of terms, not necessarily TMs, to provide pop-ups, does not "use" the mark in commerce. 1-800. [see LaFrance 180]**

- i) **1-800 Contacts v. WhenU** - court held no infringing use to creator of pop-up ads
 - (1) When U argued we didn't even "use" the mark and so we cannot be liable.
 - (2) D said this is a category-based search, has nothing to do with TMs. WhenU Programmed each and every website into their system to compile the "categories" that they used to generate pop-ups. WhenU actually input "1-800 Contacts" into the program.
 - (3) Court said this wasn't a use when WhenU compiled websites according to categories, such as "eye care" "baking" etc. The only reason WhenU was using the TM was because the web address is the same word as the TM. the court says this isn't significant; it's 1-800's fault for using their TM as their web address.

- (4) Silly argument - most brands do this.
- (5) Also silly because they're getting around the obvious. **Court seems to credit the fact that WhenU didn't sell keywords to advertisers**, and instead, they linked categories to weblinks.
- (6) Thus, WhenU did not use the P's TM because they were simply attaining a collection of websites that would be relevant to their consumers.

v. **When a Defendant sells search terms that are TMs to advertisers, makes money off of it, and does it explicitly, that is a "use" (Rescue.com)**

i) **Rescue.com v. Google** - similar to 1-800 Contacts, but the court found an infringing use. Google sold keywords to advertisers, and also had a suggestion program that, based on the advertiser's content, would suggest keywords to buy, and packages of keywords to buy. This is a use.

- (1) Different than 1-800
 - 1) Google is making money here. We have a much more direct transaction with the TM. Google sells the TM, and the competitors use the TM as part of their advertisement.
 - 2) Google does it more explicitly and publicly here
 - 3) Google is often telling advertisers explicit TMs they can use.
- (2) Similar to 1-800
 - 1) Google is selling "packages" or "categories" of search terms that may or may not contain TMs.
- (3) Thus, "use" is really broad -- **can be invisible use that consumers don't see; can be**

vi. **Vent sites**

i) When a Defendant uses another's mark on a website purely devoted to commentary about that product, no "use" unless that site also offers goods/services, advertizes, etc. then that is "use."

ii) Suppose that X came up with a website called "moviebuff.org" that was a vent site that talked crap about Brookfield's database. X doesn't accept any money for the site, doesn't advertise, doesn't gain anything from it

- (1) Arguably, this is not commercial use because no profit is generated
 - 1) c/a - Lanham act doesn't require profit, simply requires use that Congress can regulate - it's certainly something that Congress can regulate in ISC
- (2) **Free Speech defense**

vii. **Playboy v. Netscape** - Recall that Netscape sold keyed ads to advertisers, one of which was "playboy" where a user could input that search term and confusingly similar ads would pop up.

- a. Playboy obviously sued Netscape. How?
- b. Use: Netscape used the mark (though not visibly to consumers) by selling the ads to advertisers

viii. **Brookfield** - arguably West Coast didn't even use Brookfield's mark in commerce:

- i) So if you were West Coast - a Defendant - you would argue that we're not "using" the mark as the intended meaning under the Lanham Act.
- ii) They just used the mark in its metatags that is **invisible** to consumers
- iii) Wasn't a TM use because they didn't affix the mark to their services, and never suggested anywhere that it was their mark

ix. **See also "fair use" in defenses, infra.**

iii. **Plaintiff then must show LOC between P's mark and D's mark**

- 1. Use causes confusion mistake, or to deceive as to source, sponsorship, or affiliation

Factors	Considerations
Strength of mark	Registration Federal, State? Incontestability? Type of Mark Classification under A&F Advertizing, sales, years in use Third party uses Many third party uses = weaker mark Diversified mark?
Similarity	Sight Same spelling? Same words? Hyphens? Logo? Font? Sound Does it sound the same? Meaning Doctrine of Foreign Equiv. Consider translating, and whether likely consumers would know the language and translate it.
Proximity/Bridge the Gap	Proximity of the goods/services Aunt Jemima doctrine - when goods/services are closely related, like pancakes and syrup, consumers are more likely confused.

	Likelihood P will bridge the gap Will P likely move into the market that D is in? or are they in identical markets?
Actual confusion	Years in Use without confusion? Misdirected mail, calls, emails or statements of confusion? Surveys Even though not evidence of actual confusion, it just shows indication of suspected LOC.
Intent	Different tests: Intent to adopt a confusingly similar mark D had intent to confuse consumers Intent to use same or similar mark D chose to use a same/similar mark - they wanted to do sth similar to an existing mark - like Quality Inns Knowledge of an existing mark, but adopt anyway (if the d knew of the P's mark and adopted a similar one anyway) some courts infer intent to copy in that instance
Consumer care/ sophistication / cost of products	Price of the goods If cheap, impulse buy If expensive, think about it a lot

1. LOC Considerations

- a) Court considers these factors with respect to potential purchasers
- b) Court often cares about Sr. user's mark
 - i) Though Court cares about Jr. user's mark in reverse confusion analysis
- c) Certain qualities are more important than others -- intent and actual confusion are arguably most important in driving a court's analysis of finding LOC and infringement.
 - i) Once the court finds those, there is usually a stampede effect
- d) Must be "likely" confusion
 - i) No set % or likelihood, just must be more than mere possibility of confusion.

2. LOC examples

- a) E&J v. Gallo Nero - wine is wine reasoning; for this reason, court found LOC at MSJ stage.
- b) Banfi v. Kendall-Jackson - opposite outcome of Gallo Nero because court had a sophisticated understanding of nuances of wine. Different markets, different consumers, different labels, no finding of LOC. Complete different perceptions of wine drove the analysis home.

B. Pre-sale, Post-sale, Initial interest confusion

- i. **Mostly, the LOC determination revolves around point-of-sale confusion.**
- ii. **But now, the Lanham Act recognizes pre sale and post sale confusion, as evinced by the phrase "LOC for potential purchasers."**

iii. Two types of initial interest confusion

1. Pre-sale confusion

- a. Brief period of confusion that is rectified before time of purchase
 - i) Rationale: we want consumers to know exactly what they're going to get; furthers the underlying justification of TM law to reduce search costs.
 - (1) c/a - there is no harm to consumers at all -- fleeting period of confusion
 - 1) c/a - depends on how long they're confused for; they might spend lots of money/ time
- b. **CAFETERIA case**
- c. MOBIL oil and Pegasus case
 - i) Court went through LOC factors to find LOC for Mobil even though there was no point of sale confusion
 - ii) Court alternatively held that there was pre-sale confusion. Court said the Pegasus word evokes the Pegasus symbol of Mobil and that creates an association to Mobil.
 - iii) UC argument - Pegasus was reaping where they didn't sew.
 - iv) Dilution argument - if consumers thought PP was Mobil, maybe consumers would dislike Mobil
 - v) Subconscious credibility - subconsciously, the flying horse evokes good feelings about buying oil, and Pegasus is reaping off of that
- d. Keyword-Triggered advertising often raises the question of initial interest confusion. Internet search engines sell keyed rights in TMs to advertisers, and when a user puts in a TMs, they can advertise. When the advertisement or sponsored links are not authorized by the actual owner of the TM (which is often the case), this can give rise to an infringement claim based on LOC.

2. Mere diversion

- a. Interest in a product, and diversion to that product, because it evokes qualities and feelings of another mark, though consumers are not confused and never were.
- b. Brookfield Case - court crediting mere diversion without any confusion
 - i) West Coast Rentals adopted the mark "moviebuff" in their web address, a TM that belonged to

Brookfield.

- ii) Internet users searching for Brookfield, and entering "moviebuff.com" or searching for moviebuff via a search engine, would find themselves on West Coast's site [though they would go there voluntarily, they wouldn't be hijacked.]. Though they may realize immediately that the site is NOT operated or related to Brookfield, they may nonetheless remain on that site and business will be diverted from Brookfield. This initial interest in Brookfield's good will ends up diverting business away from Brookfield.
- iii) Rationale: WC is trading off of the value of MovieBuff because it reaps off of consumer's associating to its good will. The search will bring up alternatives and consumers may pick, thus diverting business away from Brookfield. Not fair.
 - (1) c/a - this is astounding because the Lanham Act requires a finding of Confusion, and the court blatantly says there is no confusion whatsoever.
 - (2) c/a - this is how business and competition go
 - (3) c/a - this is contrary to the underlying principle of free trade.
 - (4) c/a - Also contrary to principle of consumer confusion - since consumers are not confused at all. It actually is a benefit to them.
 - (5) Very producer-centric view.

- c. **Playboy v. Netscape** - Netscape sold search terms to advertisers. Sold "playboy" and "playmate" to advertisers that would show unlabeled links to nude women. Playboy said there's LOC because naked women is naked women, and the ads are not labeled. Consumers would go there, thinking its playboy, but once they go, they realize it isn't.
 - i) Thus, there is some potential LOC, and those few seconds are given credence.
 - ii) Judge Berzon in her concurrence said that there is no harm here, confusion is de minimus, and that shouldn't be enough for infringement. Mere diversion is how the world works. The concurrence also expressed concern about the Brookfield holding, and how it would apply to the Netscape case. Per Brookfield, even if the ads were labeled, there would be diversion.
 - iii) Berzon dislikes mere diversion.
- d. **Welles** - playmate advertised herself as a playmate of the year on her website - court said it was legit under "fair use" defense. You are allowed to accurately describe yourself or your product by reference to another's TM.
- e. **Can use the mark when describing your own product -- "our database is just like Brookfields, but it's free" or "our adult entertainment is just like playboys!" you can refer to other's TMs if you make it clear to customers.**

- 3. Some circuits recognize both types of initial interest confusion, some one, some neither. 9th Circuit recognizes both. 1st circuit only recognizes point of sale confusion (which is strange, bc Lanham Act says "potential customers")

iv. Post-Sale Confusion

- 1. Occurs when use of a TM leads individuals (other than the purchaser) mistakenly to believe that a product was manufactured by the TM-holder. (from Gibson, pg 516)
- 2. Rationale: others will be confused; dilution of the mark because ppl associate your mark with something shitty.
- 3. **Jockey Boxers case** - post sale confusion was not credited because the public doesn't see them post -sale.
- 4. If this were jeans, there could be a finding of post -sale confusion.

C. Reverse Confusion

- i. Infringement actions under §32 and 43(a) may be based on "forward" or "reverse confusion".
 - 1. **Forward (or "traditional") confusion is where a jr. user adopts a mark that so closely resembles the sr. user's mark that it creates a LOC that the sr. user affiliated with/ sponsors/ is the source of the jr. user's goods/services.**
 - a. Eg. Suppose there is Starbucks, and someone comes and makes a Starblocks. Everyone will rightly think that Starblocks is made/affiliated with Starbucks
 - 2. **Reverse confusion is where the jr. user causes LOC because the jr. user is more famous, and it creates a LOC because consumers think the sr. user's goods come from the jr. user.** It arises when a larger, more powerful entity adopts the TM of a smaller, less powerful TM user and thereby causes confusion as to the origin of the sr. TM user's goods or services.
 - a. Because the jr. user is a larger company with greater financial ability and TM recognition in the mktplace, it can easily overwhelm the sr. user by flooding the market with promotion of its similar TM. This leads consumers to believe that the sr. user is infringing, and that makes the jr. user lose value of their TM.
 - b. Thus, the strength of the Jr. User's mark is important here.
 - c. Eg. Suppose Starblocks came first, and Starbucks came second -- everyone will think Starbucks is the original, and Starblocks copied.
 - d. Two related arguments:
 - i) The jr. mark holder is so famous and well-known that consumers are more likely to distinguish between jr. mark and all others - so less likely confusion.
 - ii) Consumers of the sr. mark will think the sr. mark is copying/ is a bad actor, and will dislike the mark.
 - (1) Dilution argument, **tarnishment - if the jr. user engages in negative conduct, that can tarnish the sr. user's good will.**

- (2) Reverse dilution - sr. user can argue that if the jr. user takes away the mark, it would blur the meaning of the mark and make it hard for the sr. user to build their brand.

- ii. **Harlem Wizards** case - found no confusion because consumers of the jr. mark holder would not be confused because the services are really different
1. **Court says, "the most important thing is whether the services are the same, and whether the channels of trade and audience are the same or different."**
 2. One is a trick b-ball show; the other is an NBA b-ball team. Opposite of "wine is wine"
 3. The argument doesn't make all that much sense -- the fact that the players/teams are so different means that the respective consumers are not likely to be confused into a purchase decision.
 4. Court said no LOC here. But if this were a forward confusion analysis, where the NBA team was suing, there'd DEF be LOC. Should be different outcomes in forward and reverse confusion analyses.
- iii. **Dreamwerks** case - court found confusion because the marks are basically identical; used Aunt Jemima reasoning for the markets.
1. **The main factor is the similarity of the marks**
 2. Same arguments as above: ppl would think that DreamWorks put on the convention, and if it's shitty, the sr. user would pay for it. Same with the fact that ppl would think the Sr. user ripped off the jr. user's idea.
 3. Court said there's LOC because same marks, Americans can't spell, aunt jemima.
 4. Court said if this were a forward confusion analysis, the outcome is LOC. The outcome should be the same in forward and reverse analyses.
- iv. **Reconciling Harlem Wizards with Dreamwerks**
1. NBA is a house mark and puts their mark on everything, so ppl are more likely to distinguish things that aren't NBA
 2. If you accept Harlem Wizard's "most important" factor being similarity of the services, the Dreamwerks services are identical, and that leads to finding of LOC. Whereas the services in Harlem Wizards was not the same, so no LOC.
 3. If you accept J. Kazinski's "most important" factor being the name, Harlem Wizards is different than Washington Wizards because the geo location is easily distinguished. Whereas Dreamwerks and DreamWorks is SO similar.
- v. **Amazon bookstore hypo -**

D. Secondary Liability - When a third party can be liable for another party's infringement under § 32, § 43(a)

- i. With any form of secondary liability, there must also be direct infringement
1. Direct infringement - infringing use; LOC
 2. Secondary liability - intent/ knowledge [see below]
- ii. **Vicarious Liability**
1. Where a D derives a financial benefit from the infringement and has ability to control the conduct of the infringer.
- iii. **Contributory Infringement**
1. **Intentional inducement of infringement ; or**
 - a. Need something that shows intent for the D to make someone else infringe a TM.
 - b. Eg. If manufacturer wrote a letter to the pharmacy saying, "please re-label and substitute."
 - c. Eg. One could argue that Google, in its advertising to ppl, said look you can make ads that are confusingly similar to other TMs
 2. **If continues to supply its product to one whom it knows or has reason to know it's going to infringe .**
 - a. Knowledge or reason to know
 - i) If they had knowledge or had reason to know, there would be a duty for them to act and investigate it.
 - ii) Can make this determination by considering the nature/extent of the communication between franchisor and franchisees regarding infringing acts; whether franchisor explicitly encouraged the infringing acts; how widespread/ how long the infringement has been going on; franchisor's bad faith refusal to halt the infringing activities.
 - b. Willful blindness (suspect wrongdoing but deliberately fail to investigate) also counts, because it is tantamount to knowledge for purposes of the Lanham Act. It is not permitted as a defense to contributory liability.
 3. "Thus, if a manuf or distributor intentionally induces another to infringe a TM, or if it continues to supply its product to one whom it knows or has reason to know is engaging in TM infringement, the manufacturer or distributor is contributorily responsible for any harm done as a result of the deceit."
 - a. Applies beyond mere manufacturer-distributor.
 4. Classic example: Drug manufacturer is liable for actively encouraging pharmacists to pass off their medicine as a competitor's more expensive medicine that was similar in taste/color. [see more passing off and reverse passing off below]
 5. **Inwood Labs** - Defendant drug manufacturer/supplier continued to supply generic drugs to a pharmacist who was intentionally mislabeling them with another maker's TM. In determining whether the manufacturer was liable under § 32 the court held that the manufacturer could only be liable if they intentionally induced the pharmacists to mislabel the drugs, and the court said they did not so induce.

6. **Hard Rock** - a flea market owner was sued because people were selling old/counterfeit Hard Rock Café t-shirts. They were not liable.
 - a. Not vicarious liability, because though there's some financial benefit, the flea market does not exercise control.
 - b. Contributory: there was no evidence of intentional inducement. There was no evidence of actual knowledge by the flea market owners, thus no duty to investigate.
 - c. Hard Rock argued that the owner should have known, and thus had a duty to investigate, because Hard Rock T-shirts are only for sale at the restaurants; so any flea market sale is per se infringement.
 - i) c/a - obviously people can re-sell their official t-shirts and that is not infringement.
 - d. The Flea market owners had no reason to know about illegitimate t-shirt sales, and did not have a duty to investigate. Not liable.
 - e. If someone sent a letter saying "stalls are selling fake Hard Rock T-shirts" then the owners would have reason to know since they have warning and maybe knowledge.

7. **Tiffany** - Tiffany sued Ebay under secondary liability for allowing the sale of counterfeit Tiffany jewels. Not liable.
 - a. No evidence of intentional inducement; no evidence of knowledge or reason to know -- though Tiffany sent a general letter saying you have some infringers, that was too general to put Ebay on notice.
 - b. But if someone sent a letter saying person X is selling counterfeit Tiffany merch, Ebay would have to kick him out.

8. **Playboy v. Netscape** - Recall that Netscape sold keyed ads to advertisers, one of which was "playboy" where a user could input that search term and confusingly similar ads would pop up.
 - a. Secondary liability must have been found if Playboy sued Netscape, and not the advertisers. How?
 - b. Netscape used the mark in commerce by selling it to advertisers. See Rescue.com.
 - c. Direct infringement - the advertisers bought the marks/terms to use them [c/a they bought them as part of a package; they are invisible]; and they created consumer confusion.
 - d. Thus the court said there was direct infringement, and Netscape intended or knew that the mark would be used in an infringing way. Liable.

E. **Amazon Hypo**

i. **Synthesis of Infringement under § 43(a), since Amazon Bookstore lacks a registration, they cannot bring a § 32 claim.**

1. **§ 43(a) claim for false designation of origin**

- a. **First thing to show in your complaint:** Amazon Bookstore has a protectable mark
 - i) **Distinctive; source identifying; Protectable mark:**
 - ii) Arbitrary mark for a bookstore, so need not show 2d meaning, it is presumed.
 - (1) Mark, arbitrary, associated with selling books.
 - (2) c/a - suggestive; Amazon is suggestive at the most, when referring to feminist books
 - 1) But Amazon.com wouldn't want to argue that, since its their name too
 - (3) c/c/a - been around forever that it has 2d meaning regardless.
 - (4) Thus, distinctive and source-identifying
- b. **Use in Commerce:** Amazon Bookstore has used the mark in commerce
 - i) Early on, they sold locally, within the state.
 - (1) That wouldn't be enough, unless had larger reputation like Bozo, New Edition
 - ii) Yet, by the '80s, they sold **interstate**, and even to Canada.
 - (1) This works, because it still predates Amazon.com so they still get **priority use**.
 - iii) c/a - Amazon.com could argue use is sporadic and not sufficient under Lanham Act
 - iv) c/a - no priority use for the website. Amazon.com opened website 1995, and Amazon opened website in '96. so Amazon.com has priority for website. Thus, those are very different markets. Brick and mortar very different market than internet website; Amazon.com had it first, they have priority.
 - v) c/a - Amazon had a registration and there's a presumption for validity. Pursuant to s. 33. Presumption of nationwide priority that Amazon bookstore doesn't have benefit of.
 - (1) Amazon.com has an incontestable mark - if 5 yrs expired, there'd still be prior use
 - (2) So Amazon bookstore has to do a lot of work to prove their prior use, to refute the presumptions of nationwide priority
- c. **Infringing Use:** Now Amazon bookstore has to show **infringing USE** of the mark (under s. 43 doesn't explicitly say, it doesn't mention D must use or colorable imitation, but still need to show use).
 - i) Amazon.com definitely used the mark, basically the same mark.
 - ii) And used in commerce, no dispute or debate.
- d. Then Amazon Bookstore has to show LOC:
 - i) **Amazon.com should win: Diff markets, diff consumers, LOC is quite low**
 - ii) **Amazon Bookstore: Same name, and books are books**

Element	Amazon bookstore	Amazon.com
Similarity of channels of trade [found most]	- "wine is wine" argument o It doesn't matter, bookstore is wherever, you	Per Harlem Wizards reasoning, an independent bookstore selling fem

important by the Harlem Wizards case]	<p>can buy physical or digital books</p> <ul style="list-style-type: none"> - Argue same markets, same products - And industry custom says that mortar stores that transition to .coms can use the same mark, and its very common for real stores to have online market too 	<p>books is quite different than a large, commercial mega bookstore only available online</p> <p>The Harlem Wizards case thinks the similarity of goods and the channels of trade are the most important [the opposite of "wine is wine"]</p> <p>Amazon bookstore advertize to smaller slice of ppl, narrower market, not selling to same ppl</p> <p>And Amazon.com is an online marketplace and it's not a bookstore at all</p>
Similarity of the marks: Found most important by the Dreamwerks case.	<p>The words are identical, look identical, sound and mean identical. The ".com" adds nothing to changing the meaning.</p> <p>Just like when someone wanted to register "patents.com", the ".com" added nothing to make the mark distinctive or unique.</p> <p>The ".com" makes no difference about the marks distinctiveness, it just indicates where you can find it (on their website). Also, most people just say Amazon when referring to the service.</p> <ul style="list-style-type: none"> - Sounds, looks, means the same thing - "bookstore" and ".com" are obvi not protectable - Context in which consumer is encountering the marks isn't with the logo 	<p>Would argue under Harlem Wizards, similarity, even identicalness, of the marks is not important</p> <ul style="list-style-type: none"> - The .com is distinguishing - Logo is different - Font is different - You'd never see the amazon.com mark in a store AND you'd never see amazonbookstore.com online bc they have a different web address
Strength of the Sr. Mark (but in reverse confusion analysis, the strength of the Jr. mark is important)	<p>Amazon is an arbitrary mark, especially to books</p> <p>Amazon is well known, shipped to various cities, even across nation's borders. The new website offers an online book order form to reach more customers.</p> <ul style="list-style-type: none"> o (note: scope of sales would go to use in commerce) <ul style="list-style-type: none"> - Been around for a long time - Have nationwide reputation and lots of consumer recognition 	<ul style="list-style-type: none"> - No one knows that Amazon bookstore is; only radical feminists know it; AND we sell those books too. <p>Amazon.com has fame, sales, ads, recognition</p> <p>This goes to the reverse confusion problem</p> <p>So the strength of the Jr, not the Sr mark holder is important here</p> <p>Amazon.com is such a strong mark that ppl are more likely to distinguish and no one will be confused.</p> <p>Consumers of Amazon books probably know about Amazon.com as well, and since it's so famous, ppl will be able to distinguish between that and the bookstore.</p>
ii. Actual Confusion [reverse confusion - pre-sale? Point-of-sale? Post-sale?] Would probably be pre-sale confusion And maybe also point-of-sale confusion [the complaints] Could have diversion problem (without confusion) where bookstore consumers would go there, and Amazon.com takes that business Post-sale if ppl complain or got it as a gift or something	Evidence of actual confusion -- emails were misdirected	<ul style="list-style-type: none"> - Amazon.com says those are our few dumb ppl - It needs to be substantial/appreciable # of ppl, and that's not that - The patrons of Amazon bookstore aren't getting confused bc those ppl know who that is, it's a niche bookstore and they know - And some .com ppl are getting confused, but that's not hurting the bookstore - De minimus

Bridge the Gap	One day expand to the internet Once new technology came out - it's reasonable to expect that they would expand to the internet, and we want TMS and co's to expand. Publisher shouldn't be limited to physical books just bc we didn't know the technology didn't exist then	- Bookstore didn't register their mark, so we get all the territory and all the presumptions favor us. They shouldn't be able to expand anywhere.
Intent	No real evidence of bad faith, other than perhaps Amazon.com knowing there is an Amazon mark out there, but continuing anyway. - Could show knowledge evidence, and that could infer intent (in some jxs) - Maybe Jeff Bezos is from Minneapolis, and he liked the name, but without that evidence, no intent.	
Consumer Care/ Sophistication [Consumers of the sr. user are considered, but both are relevant]	Not much distinction between books, so ppl wouldn't exercise a lot of care; and the cost is probably quite low, so consumers won't exercise a lot of care	The types of ppl shopping online are more sophisticated, more affluent, smarter, more educated. The only important consumers are the Sr. user - and they're likely to be savvy and shop at an all women's coop Ppl who read are more sophisticated, better educated, smarter
Note:	Reverse dilution argument - ppl will think we are associated with Amazon.com, the country's largest commercial book distributor. Amazon bookstore is a small and humble store that prides itself on being independent and woman-owned/run.	
Under the Dreamwerks reasoning, if the jr and sr. user were reversed, the outcome should be the same.	If this were a forward confusion case of Amazon.com bringing infringement suit, court would def find Amazon infringing. Thus, the outcome under this reverse confusion situation should be the same too.	Harlem Wizards thinks that the reverse confusion and the forward confusion claims should have different outcomes. Thus, if Amazon.com were sr. user, Amazon would be infringing, but since Amazon.com was the jr user, no infringement.

VIII. **Other Theories of Liability**

A. **§ 43 (15 U.S.C. §1125). False designations of origin; false description or representation**

(a)

(1) Any person who, on or in connection with any goods or services, or any container for goods, uses in commerce any word, term, name, symbol, or device, or any combination thereof, or any false designation of origin, false or misleading description of fact, or false or misleading representation of fact, which--

Any mark holder (unregistered) can bring this cause of action.

Basically, if a person causes consumers to be confused as to origin of the mark, that is a cause of action, regardless of whether the Defendant used the mark or not (though it is often the case).

(A) is likely to cause confusion, or to cause mistake, or to deceive as to the affiliation, connection, or association of such person with another person, or as to the origin, sponsorship, or approval of his or her goods, services, or commercial activities by another person, or

LOC is similar to what we've been doing

Origin here means producer of goods

(B) in commercial advertising or promotion, misrepresents the nature, characteristics, qualities, or geographic origin of his or her or another person's goods, services, or commercial activities, shall be liable in a civil action by any person who believes that he or she is or is likely to be damaged by such act.

This is a false advertising cause of action against commercial speech that is explicitly or implicitly false.

(2)---

(3) In a civil action for trade dress infringement under this Act for trade dress not registered on the principal register, the person who asserts trade dress protection has the burden of proving that the matter sought to be protected is not functional.

Allows one to bring suit on the basis of unregistered trade dress alone.

i. **Generally**

1. § 43 creates numerous causes of action for unregistered and registered marks alike.

ii. **Infringement of Unregistered Marks**

1. **Approach**

a. Plaintiff must show that their mark is protectable

i) Distinctive and source-identifying- A&F

(1) Not functional

- (2) Not generic
 - (3) Not descriptive
 - b. Plaintiff must show they have used the mark in commerce
 - c. Plaintiff must show ownership of the mark
 - d. Plaintiff must show that Defendant used the mark (though s. 43 isn't strict on this requirement - it's often the case)
 - e. Plaintiff must show LOC
2. Jockey Underwear case -
 3. Maryland Stadium case -
 4. Amazon Hypo - [see above]

iii. **Trade Dress Infringement under §43(a)(3)**

1. **Approach**

- a. **Plaintiff needs to show the trade dress is inherently distinctive [like décor, packaging] or it has secondary meaning**
- b. **Plaintiff needs to show the Trade Dress is not functional**
 - i) (only under s. 43, and if brought up by the D in s. 32)
- c. **LOC**
[the order of these elements differ wrt jx, especially the functionality inquiry. The 9th Circ. In Leatherman said look at functionality first, and the S.D. N.Y said look at functionality last, after doing a LOC analysis]
Since P has burden to show their TD is not functional, the 9th circuit's approach may seem more fair

2. **Defined**

- a. Recall trade dress is the look of a product including:
 - i) Product packaging - can be inherently distinctive
 - ii) Design [including color] - needs secondary meaning
 - iii) Tertium quid [restaurant décor including layout, menus] - capable of being inherently distinctive.
- b. Trade dress infringement under § 43(a)(3) proceeds the same way as under § 32 but does not enjoy the benefits of registration under § 33.
 - i) Under § 33, it would be presumed that the trade dress is (1) inherently distinctive/ has 2d meaning, and (2) that it's not functional [which is of course rebuttable].
 - ii) But since § 43(a)(3) is for unregistered trade dress, the burden is on the plaintiff to establish that the trade dress is not functional.

3. **Functionality Issues**

- a. **Functionality = essential to the use or purpose of the article or if it affects the cost or quality of the article, that is, if the exclusive use of the feature would put competitors at a significant non-reputation related disadvantage.**
 - i) **Favorite Brand Name Cookbook** - cookbooks are sometimes deemed traditionally functional or aesthetically functional. The features of the books are often not protectable because they are functional. Tabs, sections, glossy pictures on opposite side, gilded pages, are all functional.
 - ii) **Inwood Labs** - could have been a possible trade dress infringement because the generic brand copied the color and trade dress of the brand name pill. Court said NOT infringement since the color is functional for the way people know what pills are what, and that they avoid taking the wrong ones.

b. **9th Circuit Approach**

- i) **Leatherman** - Leatherman put out a "pocket survival tool" and Cooper introduced a "tools all" which was substantially similar, and there was intent to copy. Though it was obvious they tried to copy, that is not enough to prove liability.
 - (1) Cannot protect the functional features of your product.
 - (2) Court said filter out all the functional features first, then what's left is protectable. (9th Circuit)

c. **S.D. N.Y. Approach**

- i) **Best Cellars** - court says lets look at overall appearance to determine LOC and everything, then what's left, the functional stuff, the D can copy.
- ii) [see below]

4. **Best Cellars v. Grape Finds** - Court took an "overall visual impression" approach to the décor of wine store. Said it is inherently distinctive, plus the court uses the A&F continuum, (which isn't usually used for TD) and said it's arbitrary and Inherently distinctive, certainly unique and identifiable.
 - a. Court said, look at the total visual impression.
 - b. Do LOC

Strength of Mark	Arbitrary; sales; has been in business for many yrs (more likely for consumer assoc to be strong) BC wins overall
Similarity	Walls of wine; lighting; placement with shelf talkers; identical 8 categories - GF argues the layout was wine-shaped, but that didn't work out - The categories were a tiny bit different - GF argues that the layout was functional (which usually goes to another argument) but they argue that the similar features are functional

	BC wins - overall visual impression is the same
Proximity/bridge the gap	Both in the same market of value-wine with novel/useful/simplified categories; bridging the gap is irrelevant since they're in the same place BC
Actual confusion	Some evidence of inquiries that may suggest something of an affiliation Weak - but goes to BC
Intent	Intent to copy - but diff circuits analyze bad intent in diff ways; can copy in various ways if it doesn't create LOC. But many courts are persuaded by a D's bad faith
Consumer care	Consumers not sophisticated; value-oriented wine; cheap wine, ppl wont spend much time thinking about it BC wins

c. **Functionality**

- i) The functional features may be copied -- the same materials, the shelf talkers at eye level, racks of wine, the 8 categories (perhaps a disadvantage (aesthetic functionality) if you don't have categories to help ppl buy wine)

Cannot: wall of wine w back lighting (the non functional features)

- a. Two Pesos
- b. Wal Mart v. Samara
- c. Gibson guitar

5. **LOC and Trade Dress**

a. **Conopco**

- i) Federal circuit said there's no LOC, though there's evidence that one consumer was confused - but private label versus generic is clear for consumers that one is brand name and vice versa. Often there are shelf talkers that say, compare to. Also, the house mark is usually quite prominent (ie. "CVS").
- ii) District Ct in Mich - if you get too close to packaging, then you start to worry that ppl can't distinguish, in that case, you're more likely to find LOC.

b. **Splenda** case - Competitors of Splenda were able to sell sucralose in yellow packaging with similar trade dress, but couldn't get TOO close.

- i) In comparing Trade Dress similarity:
 - (1) Placement of product name
 - (2) Stripes, banners
 - (3) Pitchers of tea and juice
 - (4) Same cup of coffee
- ii) Exception for RX drugs applies here
 - (1) Federal Circuit said, similar color and similar packaging is permitted. We want ppl to know that the items are the same sucralose so we allow yellow; better for consumers to have similar packaging
 - (2) Consumer view
 - 1) Reduces consumer search costs
 - 2) c/a - At a moment's glance, they are all yellow, and they're all confusingly similar
 - (3) Producer centered
 - 1) Reaping where they haven't sewn - they're able to sell competitive product, but can they garner benefit by comparing/ conjuring good will of the brand name.
 - 2) Could be diversion, even if not confusion, if we're in a jx that recognizes mere diversion. And one of the producers would be disadvantaged.
- iii) With emergence of new doctrines like initial interest confusion, we still wonder if these early label cases are still good law

c. **O Olive Oil Hypo**

- i) O Olive Oil LLC has been marketing oil under its mark. Safeway started selling "O Organics" oils like vinegars and salad dressings. Assume none of the trade dress is registered at time of complaint.
- ii) Approach - O Olive oil suing Safeway for infringement
 - (1) Protectable Trade Dress ?
 - 1) Inherently dist? if not, 2d?
 - (2) If protectable, show not functional (only under s. 43, and if brought up by the D in s. 32)
 - (3) LOC
 - 1) Courts are split how to look at the functional features for LOC purposes. If non functional elements remain, courts say those are protectable

	Plaintiffs	Defendants
Protectable Trade Dress; and non functional	Capability of being inherently distinctive requires categorization as packaging, design, or this third category "akin" to packaging. This is product packaging, and is capable of being inherently distinctive.	It's not inherently distinctive Arguments? Elements are functional Olive oil has green on it - signifies that it's an olive oil product.

	<p>Features that are inherently dist: placement, colors, artsy blow up of olives, bottle, all together has dominant appearance as inherently dist that consumers see as source-iden</p> <p>Then, under s. 43, need to prove non functional</p> <p>None of these elements are required, consumers are just as likely to buy olive oil w/o O on top, w/o picture of olives, w/o black and green</p>	<p>Aesthetic functionality that this would put Safeway and other competitors at non-reputation related disadvantage bc consumers would prefer olive oil that is green.</p> <p>The picture of the olives is aesth functional because it's descriptive of the item, and they shouldn't be able to monopolize the picture of olives (just like ppl will buy orange juice w picture of orange on it)</p> <p>The color of the container is functional - light degrades olive oil so high quality oil will be in a dark container.</p>
LOC		
Strength of Sr. User's mark	<p>Priority, thus able to build market and garner reputation. We'd want to know facts about sales, ads. Categorized as arbitrary or very unique, that suggests strength</p>	<p>O for olive oil is descriptive or suggestive.</p> <p>Could say not many sales</p> <p>Not much consumer assoc</p> <p>Surveys</p> <p>Strength of D's mark could matter because Safeway is such a large co that consumers know such about it that they'll be able to distinguish it, and be less likely to be confused. [reverse confusion - where we also take into consideration the jr. user's mark]</p>
Similarity	<p>Layout seems virtually identical; brand name is the same, in the same place; black band, pictures of olives, writing at bottom. Same colors</p> <p>No prominent house logo (though it says O Organics, it doesn't say SAFEWAY)</p> <p>"we can nit-pick about diff features, but the overall impression is one that consumers will think is similar" but that argument wont work in their favor since the overall look is very similar.</p>	<p>Bottle is shorter, more square, top is different. We have olive branch etched on our bottle.</p> <p>Layout is somewhat similar, but there is a different design</p> <p>O is in a different font - slanted</p> <p>The O is blue</p> <p>More colors, and they are recognizable to consumers across the board since it's a house brand</p> <p>O organics versus O olive oil, and since O doesn't have meaning, ppl will focus on the second word, and they are different</p> <p>The layout is functional - brand on top, title of the item,</p> <p>Get expert on marketing to show that top of label is most likely to draw the eye</p> <p>Thus the brand at top is functional/aesth functional</p>
Bridge the Gap	<p>Same stores, same product, sold to same consumers</p> <p>But they could want to expand to organic olive oil, to salad dressings, vinegars.</p>	<p>Organic is different product; O Olive oil is more gourmet, and O organic is cheaper.</p>
Actual Confusion	<p>No evidence, but in discovery, look for emails, misdirected calls, letters of complaint and where directed, survey evidence and the outcomes</p>	
Intent	<p>D knew about the mark, saw the product/trade dress, and adopted sth similar. In a lot of courts, that's enough to show bad faith.</p>	<p>We had no idea. That's proven because we didn't develop a mark just for olive oil. We have a broader market and we weren't think about oil at all</p> <p>Discovery - need to see what you find</p>
Consumer care/sophistication	<p>Oil is a quick expenditure, impulse</p>	<p>Consumers who buy organic items buy different items and thus aren't competing in the same market</p>

iv. **False Designation of Origin under Dastar**

1. **§ 43. False designations of origin and false descriptions forbidden**

(a) Civil action.

(1) Any person who, on or in connection with any goods or services, or any container for goods, uses in commerce any word, term, name, symbol, or device, or any combination thereof, or any false designation of origin, false or misleading description of fact, or false or misleading representation of fact, which--

(A) is likely to cause confusion, or to cause mistake, or to deceive as to the affiliation, connection, or association of such person with another person, or as to the origin, sponsorship, or approval of his or her goods, services, or commercial activities by another person, or

i) **Under Dastar, false designation of origin (origin=producer)**

(B) in commercial advertising or promotion, misrepresents the nature, characteristics, qualities, or geographic origin of his or her or another person's goods, services, or commercial activities, shall be liable in a civil action by any person who believes that he or she is or is likely to be damaged by such act.

i) **Only comes up with advertizing or promotion**

2. **Rule: Origin means the producer of the physical product. One may not falsely designate the producer of a product.**

a. **Dastar** - Fox brought suit against Dastar under § 43(a)(1)(A) for false designation of origin; and reverse passing off.

i) **Court held that the producer of the physical product, ie. manufacturer of the physical good = origin. No regard for who came up with the idea, who created it.** Thus, Dastar wrote that the film comes from Dastar, and it DOES come from Dastar. And we can disagree if they should have more info or not.

ii) **Issue of Attribution**

(1) Thus, no affirmative duty to provide attribution to creators.

(2) Slightly different inquiry with misattribution

(A) Suppose Dastar wrote, "originally distributed by WB television, but [disclaimer]" - so we don't have attribution to fox, but to someone else.

i) This could be a false designation of origin because its blatantly telling consumers something that's not true

ii) **Open question whether blatant misattribution is actionable. Rothman thinks it should be credited since its blatant lying, even with the disclaimer. Under a(1)(A) because it's a false desig of sponsorship/approval under plain meaning.**

iii) **Other courts say it doesn't matter if it doesn't involve the producer, that's all we care about.<?>**

iii) **What if Dastar simply repackaged Fox's product?**

(1) If they took the tape, and put the Dastar label on it. That would be actionable under a(1)(A) after Dastar, it misrepresents origin because producer in this instance in Fox, and not Dastar.

(2) TM law would come in to prevent consumer confusion. Consumers would say, I should complain to Dastar for this bad video, but the producer is still Fox. So the Dastar court thinks that Fox can still sue in that instance.

iv) **If they left in Fox's title cards and Fox in the credits?**

(1) That's a question mark. As a misattribution claim, and false desig of origin and whether there'd be confusion

b. **Rationale:** want consumers to be able to identify the producer of the goods and go complain; can rely on producer for consistency.

i) If we say TM law is facilitating consistency from producers, that is undercut from this law bc ppl are just stealing from others and putting their name on it; and if consumers knew the process behind making things, they may be able to select better

ii) If we say TM is about reducing search costs for consumers, this rule may further it, because it makes it simple for consumers to locate where their goods are coming from.

iii) If they do credit fox, consumers may think it comes from Fox, it may confuse them. And if it DID say fox on it, Fox would have sued for sure too.

iv) Argument that this case undercuts the fact that consumers want to know where their goods COME FROM. As in, where they emanate from. Court assumes that People don't care who invented Pepsi, they care that it comes from Pepsi, and it tastes like the Pepsi they know every time

(1) Consumers caring about the producer versus caring about creator

v) Consumers care differently about Communicative products - Ppl are more likely to care about the creator - the director of a film - as opposed that it's a Miramax film - when it's an artistic work

(1) Court says, Copyright law already deals with communicative products.

3. **Alternative Arguments in Dastar**

a) **Passing off - (aka. palming off) occurs when a producer misrepresents his own goods or services as someone else's. Occurs when a firm puts someone else's TM on its own (usually inferior) goods.**

i) Eg. Generic cola maker would be passing off if they claimed their own cola was Coca-Cola.

- ii) **Court said the way to implement the above balance is via the Rogers test**
 - 1) The title clearly has artistic relevance
 - 2) It's not misleading bc there's reference to Ginger/ Rogers, and if anything, it's not explicit.
- 3. **Rosa Parks v. OutKast**
 - 1) **Approach: Rose puts out prima facie case for false ad/false endorsement; OutKast says we have First Amendment defense - and court uses Rogers test [which is most applicable to titles] to analyze whether First Amendment trumps otherwise infringing use of Parks' name.**
 - 2) **False Endorsement - how does one go about this analysis?**
 - i) Standing
 - 1) Rosa Parks had standing, the court said, because she was going to put out a Tribute album under her name, and that was a commercial/financial interest.
 - 2) Court also says that Parks, as everyone, has a property right in her name akin to TM rights. [but doesn't actually have TM right]
 - ii) **Is the representation false as to affiliation with that individual**
 - 1) **"seems like Parks sponsored it"**
 - iii) **LOC**
 - 3) OutKast asserted First Amendment
 - i) Rogers Test
 - 1) Artistically relevant? Court says no [but arguably there's some connection, reference; rap music is reassigning signs and using symbols in a post modern way - linguistic/cultural use that was appropriate in the genre]
 - 2) So they don't get to question of whether it's misleading as to source.
 - 1) But would it have been explicitly misleading as to source?
 - 2) Most ppl don't think a title of a song indicates who sponsored or wrote it
 - 3) Similar situation as the Ginger Rogers
- 4. **Tiger Woods** - photographer made a "champions of Augusta" poster with Tiger's face and body. Infringement of registered name; unregistered likeness
 - 1) Registered mark in his name.
 - i) Is use in supporting materials appended to the painting infringing?
 - ii) No, it's a fair use. This is because they're not using the mark as a TM, they're accurately describing the content of the painting.
 - 1) Two types of fair use:
 - 1) Statutory fair use defense, s. 33b4, saying that you can accurately describe your goods.
 - 2) Common law fair use defense (not accepted in every circuit, but it's accepted in 9th) which is nominative fair use/ referential fair use which allows you to refer to others TMs because you're referring to the other TMs for your own mark.
 - 2) These defenses both apply here. And court disposed on this issue.
 - 3) Could also have been NOT LOC but court didn't get to it.
 - 2) Unregistered mark as to his image.
 - i) Court says he can't be a walking, talking TM, reminds us of the Rock n Roll case. Need some image that consumers associate with the product. Can't treat a person as a mark overall.
 - ii) Majority really wanted to see some commercial use/ protection for the image.
 - 3) First amendment defense
 - i) Rogers Test - artistically relevant for sure; and there's nothing explicitly misleading.
 - 4) J. Clay dissent, a little more in line with Parks decision. Don't need to show a particular mark has been infringed to bring false endorsement claim. Clay says it's an image of him, and ppl are confused as to source. This is a more uniformly adopted view.
- vii. **False Advertising § 43(a)(1)(B)**
 - 1. Under § 43(a)(1)(B), Lanham Act affords a great deal of latitude in copying products and comparing products, as long as the ads do not confuse consumers re. source, origin, sponsorship, or affiliation. The Act also allows producers to tout comparative qualities.
 - 2. **Standing**
 - a) Though the Act emphatically says, "any person," consumers undoubtedly lack standing to bring false advertising claims.
 - b) **Likely only competitors can bring suit for false advertising.**
 - 3. **Commercial Speech**
 - a) **In order to invoke this cause of action, the tm use must be made in context of commercial speech/activities**
 - b) Defined as speech which does no more than propose a commercial transaction.
 - i) Note that Commercial speech is a moving target; this is the law, but not necessarily the law written into Lanham act or First Amendment, whose interpretation of commercial speech could shift
 - ii) This definition is intellectually bankrupt
 - iii) Is the law, but no good reason why it should be

- c) Bolger factors:
 - i) **Whether the communication is an advertisement,**
 - ii) **Whether the communication refers to a specific product, and**
 - iii) **Whether the speaker has a [substantial] economic motivation for the speech**
- 4. **Comparative Ads are OK so long as not confusing and not false**
 - a) **Emphasizing Similarities**
 - i) **Smith v. Chanel** - Smith was allowed to tout similarities between "Second Chance" and "Chanel No. 5"
 - (1) Court did not go into LOC because parties stipulated that there was no LOC
 - (2) Rationale behind this holding
 - (A) Want to inform consumers
 - (B) Consumers are not confused since labeled
 - (C) Want consumers to have reasonably-priced alternatives
 - (3) Chanel's argument that it violates underlying principles of TM law:
 - (A) Reaping where haven't sewn ; free-riding, unjust enrichment argument
 - i) Where should we draw the line for free competition and unfair enrichment?
 - (B) Confusing consumers
 - (C) Encouraging competitors to create knock offs and damage good will of the brand
 - (D) Discourage ppl like Chanel from investing in product if ppl can copy it
 - (E) May make Chanel lose business, since some are worried about diversion
 - (F) May make chanel look bad and overpriced.
 - (G) If there are cheap knockoffs - if someone had a cheap knock off version - it may lose the cache of Chanel.
 - (H) Note that lots of these don't even involve confusion
 - (I) If the product is not in fact duplicative, not as good, that'd make ppl dislike Chanel more.
 - i) In that instance, Chanel could bring COA - Misrepresenting nature quality characteristics
 - ii) **Post Chanel:**
 - (1) Perhaps pre-sale confusion; initial interest; post-sale confusion call this rule into question.
 - (A) Ppl will be diverted for sure (c/a different markets)
 - Post sale - ppl smell sth that its Chanel no 5 and its not
 - (2) Dilution
 - (A) Diluting value of Chanel's mark
 - (3) These are evolutions in TMs since Smith v. Chanel that call it into question
 - iii) **Variations of Chanel**
 - (1) Order from Smith, they send you the Second Chance in Chanel bottle. That's infringement
 - (2) If they also sell used perfume bottles and we happen to sell duplicative perfumes - so if you wanted you can buy a bottle too.
 - (A) Maybe that individual consumer isn't confused, but pours the perfume into that Chanel bottle, and gives it as a gift, that person would be confused.
 - (B) Recall Champion Sparkplugs - there needed to be a stamp on the used sparkplugs so there might need to be a stamp on the bottle
 - i) c/a - distinguishable, they're free to re-sell the bottles because the perfume is the product, not the bottle.
 - ii) **Then policy argument if that should be legit or not**
 - (3) What if Smith said, refill your real Chanel bottles with our fake perfume.
 - (A) Contributory liability - inducing customers to encourage post-sale confusion;
 - i) c/a not clear that there's underlying infringement
 - ii) c/a not clear that consumers are infringing anything that they're pouring perfume in privacy in own home.
 - iii) Hard to make that argument.
 - (4) **In these really close questions, courts argue based on policy**
 - (A) **Protecting producers good will? Sympathetic to diversion and dilution? More likely infringement.**
 - (B) **Consumers choice? Info needed? So long as not really badly confused, that's not infringement**
 - (1) Many knock off scents are marked "if you like, you'll love" right on the bottle so there's no post-sale confusion
 - b) **Emphasizing Differences**
 - i) **Nabisco v. Wethers**
 - (1) Nabisco lifesavers want to compete with Wethers, and indicate that it's 25% lower in calories, thinking it will appeal to more contemporary audience.
 - (2) Does the comparison create LOC? Court says no.
 - (A) Life savers has a well known brand, and it's prominent on the package. Less likely for LOC
 - (B) Butter, churn, vertical stripe, but different enough esp with the dominant mark.
 - (C) Distinction on the package saying -- 25% "Compare To" makes it less likely that consumers

would be confused -- highlights what it's NOT.

- i) Providing more info to consumers
- (D) FDA and FTC encourage comparative advertisements.
 - i) Who we don't want TM law to conflict, courts interpret in harmony

ii) **Netscape v. Playboy** - was that a comparative ad?

- (1) 1-800 Contacts case - comparative ad?
 - (A) Though it shows up with alternatives, it's not explicitly comparative
 - (B) **Need clear labeling and express and explicit reference to the TM product.**
 - (C) Without that, more likely infringing.

5. **Literal Falsehoods are NOT OK**

a) Categories of Falsehoods

i) **Literal/Explicit falsehoods**

- (1) **Coca-Cola v. Tropicana** - Bruce Jenner says "the only leading brand not made with concentrate and water" commercial; squeezes the orange into the carton - literally false
 - (A) **Blatantly/literally/explicitly false image that suggests that's how they make the juice**
 - i) Bruce squeezing the orange trumps the voice-over that says it's pasteurized
 - (B) **Plaintiff need not show any other evidence to demonstrate its impact on consumers.**
 - i) Even if no consumer was confused into thinking that's really how they made their juice.
- (2) *P would not need to show that consumers are actually misled; the fact that the statement is literally false is sufficient to establish prima facie false advertising.*

ii) **Falsehoods by necessary implication**

- (1) Would an audience would recognize as readily as if it had been explicitly stated (587)
- (2) Something that requires a leap, connection, but there is no other interpretation
- (3) Clorox v. P&G - "whiter is not possible" = explicit statement that Ace > bleach
- (4) *Also prima facie evidence of false advertising.*

iii) **Implied falsehoods**

- (1) Something that's not literally, facially false
 - (A) Needs some connection made
 - (B) Could be multiple interpretations of this language, we're not sure, we need surveys
- (2) United v. Clorox - Commercial that United clears up the roaches in 24 hrs, it doesn't clear up the infestation.
 - (A) Voice over
 - i) The exact claim is that it kills roaches in 24 hrs; so the audio is accurate.
 - ii) The commercial doesn't make any claims about infestation; so that's fine too.
 - (B) Visual image
 - i) The visual is ambiguous so not literally false.
 - ii) The visual is potentially false (either implicitly false/misleading) -- and you need evidence of consumer confusion, which they did not have
- (3) *P needs to provide additional evidence that consumers are in fact misled*

iv) **Misleading**

- (1) Gives people the wrong impression
- (2) Eg. Gillette razors had an advertisement that said the razor raises the hairs for a closer shave. That wasn't true, but it wasn't literally false.
- (3) *P needs to provide additional evidence that consumers are in fact misled*

b) **Puffery is unverifiable statements**

- i) Puffery is an exaggerated advertising upon which no reasonable consumer would rely.
- ii) Puffery is completely permissible.
- iii) Eg. #1 detergent!
- iv) Eg. Exclusive offer!
- v) Eg. America's favorite pasta!!

B. **Dilution**

- i. Dilution is the **gradual whittling away or dispersion of the identity and hold upon the public mind of the mark or name by its use upon non-competing goods.** [Schechter]. Dilution is liability **absent confusion** on the principle that the watering down or whittling away of a mark causes some harm to the distinctiveness of the mark holder's mark.

- 1. Dilution has largely been controversial as it's a departure from consumer protection/confusion rationale towards one focused on creating a property-like right for mark holders.

ii. **§§43(c) Dilution by Blurring; Dilution by Tarnishment**

(c)(1) the **owner of a famous mark that is distinctive, inherently or through acquired distinctiveness**, shall be entitled to an injunction against another person who, at any time after the owner's mark has become **famous, commences use of a mark or trade name in commerce that is likely to cause dilution by blurring or dilution by tarnishment** of the famous mark, regardless of the presence or absence of actual or likely confusion, of competition, or of actual economic injury.

1) **Famousness**

(c)(2)(A)... a mark is **famous** if it is widely recognized by the general consuming public of the United States as a designation of source of the goods or services of the mark's owner. In determining whether a mark possesses the requisite degree of recognition, the court may consider all relevant factors, including the following:

- (i) The duration, extent, and geographic reach of advertising and publicity of the mark, whether advertised or publicized by the owner or third parties.
- (ii) The amount, volume, and geographic extent of sales of goods or services offered under the mark.
- (iii) The extent of actual recognition of the mark.
- (iv)

2) **Dilution by Blurring**

(c)(2)(B) For purposes of paragraph (1), '**dilution by blurring**' is association arising from the similarity between a mark or trade name and a famous mark that **impairs the distinctiveness** of the famous mark. In determining whether a mark or trade name is likely to cause dilution by blurring, the court may consider all relevant factors, including the following:

- (i) The degree of similarity between the mark or trade name and the famous mark.
- (ii) The degree of inherent or acquired distinctiveness of the famous mark.
- (iii) The extent to which the owner of the famous mark is engaging in substantially exclusive use of the mark.
- (iv) The degree of recognition of the famous mark.
- (v) Whether the user of the mark or trade name intended to create an association with the famous mark.
- (vi) Any actual association between the mark or trade name and the famous mark.

Note, none of the factors even ask whether it impairs the distinctiveness of the mark, which is the key inquiry

Also note, factors (ii) - (iv) are never disputed and just go to question of fame.

3) **Dilution by Tarnishment**

(c)(2)(C) For purposes of paragraph (1), '**dilution by tarnishment**' is association arising from the similarity between a mark or trade name and a famous mark that harms the reputation of the famous mark.

Like if the allegedly diluting use is inferior, seedy, shoddy, unsavory

- a) Tarnishment - "A trademark may be tarnished when it is linked to products of shoddy quality, or is portrayed in an unwholesome or unsavory context, with the result that the public will associate the lack of quality or lack of prestige in the defendant's goods with the plaintiff's unrelated goods." *Hormel Foods v. Jim Henson Productions, Inc.* (2d Cir. 1996)

The 6th Circuit thinks its about selling sex toys

4) **Exclusions**

(c)(3)(A) **Any fair use**, including a **nominative or descriptive fair use**, or facilitation of such fair use, of a famous mark by another person other than as a **designation of source** for the person's own goods or services, including use in connection with--

- (i) advertising or promotion that permits consumers to **compare** goods or services; or
- (ii) identifying and **parodying**, criticizing, or commenting upon the famous mark owner or the goods or services of the famous mark owner.

(B) All forms of news reporting and news commentary.

(C) **Any noncommercial use of a mark.**

Note, seems like fair use will never apply because even that would be seen as dilution

- a) **Parody defense to dilution** - when the jr. user copies the famous mark holder's mark for comment on that mark holder, not for something else. The only way to comment on it is to borrow/ use it.

But the borrower cannot use the mark as a TM.

Often invoked in First Amendment situations

Parody Defined: OED - "A literary composition modeled on and imitating another work, esp. a composition in which the characteristic style and themes of a particular author or genre are satirized by being applied to inappropriate or unlikely subjects, or are otherwise exaggerated for comic effect. In later use extended to similar imitations in other artistic fields, as music, painting, film, etc."

Approach: "this is expressly protected parody, not expressly used to indicate source, so it should be fair use defense." " court would say, not really a fair use bc you're not commenting on dr. Seuss, you are using the work to comment on society"

- b) This is different than satire, where a famous mark is used by another to comment on society or something else, not the mark itself. This is because you probably don't need to use the mark or take as much to make the same point.

THE NORTH FACE -- THE SOUTH BUTT is a satire

OED - "A poem, or in modern use sometimes a prose composition, in which prevailing vices or follies are held up to ridicule. Sometimes, less correctly, applied to a composition in verse or prose intended to ridicule a particular person or class of persons, a lampoon."

iii. **§ 45 - Dilution.** The term "dilution" means the lessening of the capacity of a famous mark to identify and distinguish goods or services, regardless of the presence or absence of--

- 1) (1) competition between the owner of the famous mark and other parties, or
- 2) (2) likelihood of confusion, mistake or deception.

iv. **Approach to Dilution Law. P must establish:**

- 1) P has a famous mark
 - a) Go thru the famousness factors
- 2) D uses the mark or name that is likely to cause dilution either:
 - a) By blurring - go thru factors
 - i) Must impair the distinctiveness of the famous mark
 - b) Tarnishment - harms reputation
 - i) **An association to something of shoddy quality, something unsavory [this part is created by courts, not the statute]**
 - ii) Apparently, sexual use of a mark is per se tarnishment.

v. **Rationale:**

- (1) Reduces consumer search costs
 - a) If there are numerous uses of a mark, consumers will have more associations with a single mark, making it hard to distinguish between them.
 - b) Eg. Example of blurring. Tiffany restaurant. Instead of ppl just thinking about Tiffany jewels, they'll have a lot of associations. Reduces distinctiveness of the mark.
- (2) Protect the goodwill of a mark
 - a) If there are negative uses of a mark, consumers will negatively associate the P with that negative use.
 - b) Eg. Example of tarnishment. Tiffany strip club would make people less likely to buy Tiffany jewels because they have a negative association; and also because it would raise many associations in the consumers' mind, also increasing search costs.

vi. **Ty v. Perryman**

- (1) Court doesn't go thru this analysis, but rather gives some justifications for dilution law.
- (2) 43(c)(2)(A) Famousness - Ty is a pretty famous mark, most of us have heard about it
- (3) 43(c)(2)(B) Blurring - degree of similarity there is SOME similarity between bargain beanies and beanie babies; D intent to make an association, yes she did; and any actual association between them, don't really know, but there probably is.
- (4) 43(c)(2)(C) Tarnishment - probably isn't harmful use to tarnish the reputation of the famous mark
- (5) Posner says Perryman's use is a fair use bc accurately describing the products that are being re-sold, thus appropriate and fair.

vii. **Starbucks v. Charbucks**

Starbucks sues, claiming TM infringement and dilution. No infringement claim bc no LOC here.

- (1) Dilution
 - a) Famousness: no question that Starbucks is famous
- (2) Blurring
 - a) Degree of similarity - just requires SOME similarity - char and star are pretty close
 - b) Intent to create an association - Char did intend to create an association, and like in the LOC analysis, since they intended perhaps they succeeded
 - c) Actual association - a small # of ppl were confused as to sponsorship/affiliation
 - d) Does it impair distinctiveness? Charbucks court didn't decide, but it seems like Starbucks is such a famous mark that people will immediately know and distinguish everything that is NOT Starbucks.
- (3) Tarnishment
 - a) Negative association - Charbucks isn't actually very bad, ppl like their coffee, so it isn't tarnishing their name by rendering a negative assoc.
- (4) Defense
 - a) Parody - court says no, because the mark is being used AS A mark, it cannot be a parody
 - b) c/f - **Louis Vuitton v. Haute Diggity Dog** - Chewy Vuitton was deemed a parody
 - i) In Vuitton, the dog toy was very different/ distinguishable from purses
 - ii) It's making a comment on elitist/ fashionable products

viii. **V Secret Catalogue v. Mosely**

- (1) Court held that **there's a presumption that using a mark to sell sex products is likely tarnishment**
- (2) Nothing in the statute mentions this, let alone unsavory/ unwholesome uses.
- (3) Victoria's Secret only won because of this crazy presumption - they didn't show any harm, not even likelihood of harm/ dilution.

ix. **Mobil v. Pegasus**

IX. **Defenses**

A. **Defenses to TM Dilution**

- i. Attack Affirmative Case
- ii. Fair Use (Nominative and Descriptive)
 - (1) Comparative ads
 - (2) Parody (not satire)
- iii. News Reporting & Commentary
- iv. Non-Commercial Use
- v. Federal Registration
- vi. First Amendment?
- vii. Equitable Doctrines

B. Statutory Defenses to TM Infringement

i. § 32 Defenses to TM Infringement [registered, unregistered, and incontestable marks]

(1) Attack Affirmative case

- a) Attack LOC, use in commerce, priority, ownership, distinctiveness

(2) § 14 Cancellation of a Mark [even incontestable ones]

- a) Generic
- b) Functional
- c) Abandoned
- d) Fraudulently obtained
- e) Contrary to collective mark or cert mark requirements
- f) Contrary to Section 2(a), (b), (c) – immoral, deceptive, scandalous, disparaging, false suggestion of connection to persons, GI, consists of flag, insignia etc., name, portrait or signature of living person or president
- g) misrepresentation

(3) § 33(b) statutory defenses - attacks on presumption [below]

- a) Fraud
 - i) The P's mark was obtained in fraud, so you can cancel and also defend.
- b) Abandonment
- c) Misuse
- d) Statutory Fair Use (descriptive fair use only in § 33(b))
- e) Limited Area Defense
 - i) Teddy Rex, Thrifty -- uses prior to registration of the P's mark
 - ii) Limited area defense where the D has to assert this defense to get to use the mark in its limited area
- f) Prior Registration
- g) Antitrust Violation
- h) Functional
- i) Equitable Principles

(4) CL Defenses

- a) Generic
- b) Nominative Fair Use
- c) Non-TM Use
 - i) Didn't use a mark as a TM, as a potential defense could work
- d) First Amendment (?)
- e) First Sale Doctrine
 - i) If you want to resell something
 - ii) Champion Sparkplugs - ppl can sell and advertise their resale goods using the TM
- f) Conflicts with Copyright and Patent Law

ii. Defenses for Incontestable Marks

(1) Attack prima facie case

(2) Can Challenge under 33(b) defenses [above]

(3) Can cancel an incontestable mark pursuant to § 14

- a) Generic
- b) Functional
- c) Abandoned
- d) Obtained fraudulently
- e) Contrary to cert mark
- f) Contrary to section 2(a)-(c)
- g) Misrepresentation

(4) Mere Descriptiveness is not a defense to challenge/ cancel an incontestable mark. (**Park n Fly**)

(5) Cannot challenge an incontestable mark simple on the grounds that there was LOC at the time of registration

(6) Cannot challenge an incontestable mark because there wasn't 2d meaning.

iii. **Lanham Act § 33(b) Incontestability; defenses.** To the extent that the right to use the registered mark has become incontestable under section 15 [15 USC 1065], the registration shall be conclusive evidence of the validity of the registered mark and of the registration of the mark, of the registrant's ownership of the mark, and of the registrant's exclusive right to use the registered mark in commerce. ... and shall be subject to the following defenses or defects:

(1) That the registration or the incontestable right to use the mark was obtained **fraudulently**; or

(2) That the mark has been **abandoned** by the registrant; or
Abandonment is grounds for cancelling a mark, and also can be raised as a defense in an infringement suit.

(3) That the registered mark is being used, by or with the permission of the registrant or a person in privity with the registrant, so as to **misrepresent** the source of the goods or services on or in connection with which the mark is used; or
This means intentionally false or misleading designations of origin, nature, or ingredients of registrant's goods. Courts have read this defense narrowly

(4) That the use of the name, term, or device charged to be an infringement is a **use, otherwise than as a mark**, of the

party's individual name in his own business, or of the individual name of anyone in privity with such party, or of a term or device which is **descriptive of and used fairly and in good faith only to describe the goods or services of such party, or their geographic origin**; or

Use of mark in descriptive sense, or "fair use"

- (5) That the mark whose use by a party is charged as an infringement was adopted without knowledge of the registrant's prior use and has been continuously used by such party or those in privity with him from a date prior to (A) the date of constructive use of the mark established pursuant to section 7(c) [[15 USC 1057\(c\)](#)], (B) the registration of the mark under this Act if the application for registration is filed before the effective date of the Trademark Law Revision Act of 1988, or (C) publication of the registered mark under subsection (c) of section 12 of this Act [[15 USC 1062\(c\)](#)]: Provided, however, That this defense or defect shall apply only for the area in which such continuous prior use is proved; or

Limited Area Defense - This is the limited territory defense, which is a defense to incontestability. This applies to a jr. user who adopts a mark innocently before the sr. user registers it. But the benefits of the defense are restricted to the area of continuous use by the jr. user prior to the P's registration.

- (6) That the mark whose use is charged as an infringement was registered and used prior to the registration under this Act or publication under subsection (c) of section 12 of this Act [[15 USC 1062\(c\)](#)] of the registered mark of the registrant, and not abandoned: Provided, however, That this defense or defect shall apply only for the area in which the mark was used prior to such registration or such publication of the registrant's mark; or

If an alleged infringer registered and used the mark prior to the reg of the Plaintiff and did not abandon it, the sr. registrant may continue to use his mark but only where the area it was used prior to registration by P. this defense only really works/ seems relevant where two uses of a mark were not confusingly similar when they were registered, but then later became confusingly similar.

- (7) That the mark has been or is being used to violate the antitrust laws of the United States; or

- (8) That the mark is **functional**; or

This is a basis for cancellation, and a defense to incontestable marks.

- (9) That equitable principles, including laches, estoppel, and acquiescence, are applicable.

iv. Statutory/ Descriptive Fair Use

1. **Under § 33(b)(4), Fair use is a defense to trade mark infringement, even for infringement of unregistered and incontestable marks. Fair use applies as an affirmative defense when an infringer has used a term in good faith primarily to describe a product, rather than to identify it with a particular source.**
2. Protects a Jr. user's rights to use a descriptive term in good faith in its primary, descriptive sense rather than as a TM.
3. It forbids a TM registrant to appropriate a descriptive term for his exclusive use and so prevent others from accurately describing a characteristic of their goods.
4. **§ 33(b)(4) - That the use of the name, term, or device charged to be an infringement is a use, otherwise than as a mark, of the party's individual name in his own business, or of the individual name of anyone in privity with such party, or of a term or device which is descriptive of and used fairly and in good faith only to describe the goods or services of such party, or their geographic origin; or**
Use of mark in descriptive sense, or "fair use"

5. Approach

- a) **Plaintiff claiming infringement of an incontestable mark must show LOC as part of their case, and the D asserts the affirmative defense of fair use**

6. Rule

- a) To establish classic fair use, a defendant must prove that:
- i) Its use of the P's mark was not a TM or service mark use;
 - ii) It is using the mark "fairly and in good faith";
 - iii) It is using the mark only to describe its goods or services.

7. Courts can say there is fair use even without LOC

- a) **Why do we need to even think about infringement when there's no LOC?**

- i) Isn't it because its easier for the court to dispose of cases on this ground, regardless of whether there was LOC. So after the fact, they'll say, oh and there was no LOC anyhow.

- b) **United Shoe v. Brown** - P had the slogan "looks like a pump, feels like a sneaker" and D then had a slogan "like a sneaker with no strings attached.... Feels like a sneaker." Court said this classic statutory fair use. D was using the same slogan to describe their own goods.

- i) Court also said there's no evidence of confusion.
ii) **What if there was?**

- c) **Car Freshener Case** - Johnson & Johnson used a pine shaped air freshener for their holiday Glade plug-in. Johnson said this is statutory fair use, this is holiday, and it's pine. We're not using it as a mark, we're just using it to say hey this smells like a tree. Court agrees; but same language that there was no evidence of confusion.

- i) LOC analysis: strength of the mark [the pine shape is the design of the item, so consumers are less likely

to think it's source-identifying, and more likely descriptive of the scent or something that makes the product more appealing; similarity [both are pine shaped, both mean the same thing]; consumer sophistication [cheap impulse purchase]; intent [no evidence of bad intent]; actual confusion [no evidence] -- the analysis can go either way.

8. But if there is LOC, some courts go on to discuss the "fairness" of the use -- this is a balancing test. (KP Make up v. Lasting Impression)

- a) **Approach:** in the prima facie case, do LOC analysis. Then, if the defense applies, discuss Descriptive Fair Use, pursuant to 33b4. Ask does it fit the statutory language? Used as TM, accurate description of the goods?
 - i) An add'l consideration in some circuits [incl 9th], is whether there's LOC. If the ct finds LOC [see earlier analysis of LOC,] some cts go further to ask, is it fair, nevertheless, to allow this use.

b) 9th Circ. Post-Script: Factors for Eval Fairness of Use

- i) **Degree of LOC**
 - (1) Maybe a little LOC may make it fair; if lots of confusion, less fair
- ii) **Strength of TM**
 - (1) Sometimes strong mark means less likely ppl are confused
 - (2) But strong marks get more territory
 - (3) Goes each way
- iii) **Descriptive nature of term**
 - (1) Descriptive term gets less protection and more need for it;
- iv) **Availability of alternative descriptive terms that the D could use instead to describe its products/services**
 - (1) If lots of alt's, less fair to use the term
- v) **Pre-reg extent of use of the term**
 - (1) If lots of use of the term prior to P's registration
- vi) **Differences in uses**
 - (1) More different, more fair the use

v. Nominative/ Referential Fair Use

- 1) **NOT a statutory defense to infringement of an incontestable registration.**
- 2) Also an exception to dilution protection
- 3) Applies when a Defendant has used the P's TM to describe or identify P's own goods or services, even though D's ultimate goal is to describe the D's own goods or services. This often occurs because the only practical way to refer to a particular subject matter is to refer to P's mark.
- 4) Contrast to s. 33(b)(4) where the D uses the mark in its mere descriptive sense, nominative fair use is when the D uses the P's mark in its TM sense to refer to the mark holder.
 - a) Eg. VW repairs garage puts the VW logo on their ads so that people know what kind of services D renders.
- 5) Has the strongest free speech impetus to it.

6) New Kids Test: A Defendant can use Nominative Fair Use as a defense provided that:

- a) **The product or service in question must be one not readily identifiable without use of the TM**
 - i) This occurs when a TM describes a person, place, attribute of a product and there is no descriptive substitute for the TM.
 - ii) There is no way the D's could do a survey without using the New Kid's mark
- b) **Only so much of the mark or marks may be used as is reasonably necessary to identify the product or service**
 - i) Must be use that is reasonably necessary
 - ii) Welles - her wallpaper was excessive use; did not need all that repetitive use to describe herself.
- c) **The user must do nothing that would, in conjunction with the mark, suggest sponsorship or endorsement by the TM holder.**
 - i) Requires a showing of something affirmative to suggest endorsement, beyond mere association or LOC.
 - ii) Eg. If D's said "the New Kids want you to vote for them" or "the only official New Kids telephone poll"

C. Free Speech Defenses

- i. Because TM law and UC regulate speech, there is tension with the First Amendment.
- ii. First Amendment is a defense, as seen in the Fair Use [parody, comparative ads], Nominative Fair Use defenses
 - 1) Nominative fair use, Rogers test, trademark use defenses all about First Amendment and free speech interests
 - 2) Parody, criticism or commentary often considered free speech principles
 - 3) Some courts, since we have these separate defenses that champion free speech, say we don't need a separate Free Speech analysis
- iii. **SFAA v. US Olympics** - SFAA wanted to use "Olympics" in their title. The ASA prohibited ANY use of the word "Olympics", regardless of LOC or not. Court said, that's fine.
 - 1) Court said there was no expressive value in the SFAA's desire to use the word Olympics, and it's mere commercial speech
 - a) c/a - this isn't JUST proposing a commercial txn, there's an expressive component.
 - 2) **Court says only commercial, and the law has to pass IS, which it did?**

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- iv. Courts that didn't use First Amendment to Protect
 - 1) **Mutual v. Novak** - Novak makes a critical commentary on the insurance industry
 - a) Court says there is no first amendment protection for parody here because there's LOC.
 - b) But then wouldn't this reasoning obliterate the First Amendment defense entirely?
 - 2) Anheuser-Busch - Michelob Dry parody - court said it doesn't seem to be commenting, and plus, it's confusing.

 - v. Courts that Did Find Free Speech to be Protected
 - 1) **Mattel v. Universal Music**
 - a) Court applied the Rogers test for "Barbie Girl" song
 - i) Is the use of Barbie TM artistically relevant? Yes, comments about materialism and sexism
 - ii) Is it explicitly misleading? No, it's not explicitly misleading, and it may not even be confusing, which is the first order question anyhow. But the court didn't do LOC analysis bc it was really hard in this case, and they said, anyway it's protected by first amendment.
 - 2) **Mattel v. Walking Mountain**
 - a) D used barbies in his photographs that were critical commentary.
 - b) P's argued dilution
 - i) Ct said not a commercial use; and bc its not commercial, that's a defense to dilution
 - c) Argued Nominative/Referential fair use Defense -- need to use the barbies in order to refer to Barbie; there wasn't more use than necessary; and it didn't suggest sponsorship.

 - vi. **First Amendment Analysis**
 - 1) **Commercial or Non-Commercial Speech?**
 - a) If not commercial, then it is much more protected by the First Amendment.
 - b) Commercial – defined as does no more than propose a commercial transaction
 - c) Interpreted to mean things like Ads for detergent, containing no other expressive content.
 - d) Ads for movies are not commercial speech bc they have an underlying expressive content.
 - e) Distinction is not compelling, bc underlying thing may be only a transaction, you can have a commercial that enlightens you, makes you cry, etc.
 - i) Eg. Dove campaign. Not commercial, very meaningful, commercial speech doctrine is bunk.
 - (1) C/a - just trying to sell you a product and it's just a fancy way to get you to do it.
 - 2) **Misleading or Not Misleading?**
 - a) If misleading, can restrict.
 - b) If not misleading proceed to other tests:
 - i) If commercial speech, then *CentralHudson* test applies – Must be substantial government interest and restriction directly advances that interest and not more extensive than necessary [akin to IS].
 - ii) If not commercial speech, is **content-based** restriction that must withstand strict scrutiny: Restriction must be narrowly tailored to compelling state interest. Restriction cannot be over or underinclusive and must be least restrictive alternative.
 - 3) Time, Place and Manner restrictions, content -neutral speech restrictions are evaluated under *O'Brien* test –
 - a) Restrictions are not greater than necessary to further a substantial governmental interest (essentially same as *CentralHudson*).

 - vii. **Approach to First Amendment Defense**: Suppose P sues for false endorsement/false advertisement, and sets out their prima facie case.
 - 1) if you get to the first amendment -- "This likely implicates speech" and argue this if a free speech defense is cognizable [especially if there is no LOC, whether it applies at all bc it's not LOC.]
 - a) Is this commercial speech, yes or no? Is any money involved? More commercial it is, less first A protection.
 - b) Misleading? More misleading, less likely First A protection. Misleading can be like LOC or more.
 - c) If not commercial, ask if it's CB or not. TM cases will almost always be CB. Then that gets SS, and it will likely fail.
 - 2) Rogers test applies with artistic works and titles [and more perhaps] that's been used for artistic works. "this is a n artistic work, some cts use Rogers test to apply the first amendment principles/ analysis" and they permit some LOC as long as it's not explicitly misleading.
 - 3) Parody. If it's dilution, there's explicit defense of parody, as long as not desig of source. Also, parody would get into LOC analysis bc sth that's parody is focusing on differentiating the product and commenting on it.
 - 4) Lastly, you may have a speech interest to comment/ parody, and some courts give lee way / use first A defense in parody; other cts ay, if it's likely confusing, you don't get Firs A protection.