

Likelihood of Confusion

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I. INTRODUCTION

Confusion among consumers is the grave iniquity against which trademark laws and jurisprudence are intended to guard. In the guise of preventing confusion, however, trademark holders can interfere with competitors' ability to market competing products, and everyone's ability to mock or criticize trademarked goods or services. Expansive constructions of trademark rights discourage third parties from using trademarks of their own that are even mildly similar to preexisting marks, impede legitimate competition, and dissuade and chill legally permissible free speech uses of trademarks.

In the context of trademark litigation, trademark holders aggressively assert that consumers are extremely easy to confuse because judicial acceptance of this assumption facilitates victory in trademark infringement suits. Convincing courts that consumers will be confused is sometimes required, and always useful, for succeeding in trademark dilution actions as well. Trademark law is doctrinally structured to motivate trademark holders to negatively appraise the intelligence, powers of observation, and discernment of consumers.

Those defending against charges of trademark infringement or dilution will typically and understandably respond to such claims with narrowly tailored arguments that consumers are unlikely to be confused by their specific marks or particularized usages. Usually, for defendants in trademark suits, it is neither tactically effective nor efficient to offer expansive counter-assertions about the relative intelligence and acumen of consumers at large. As a result, it is fact finders who are best situated to defend consumers against the broad negative generalizations and empirically unsupported disparagement aimed by mark holders at buyers

of goods and services. However, familiarizing oneself with a broad range of federal court opinions in trademark cases raises a series of disturbing questions: Why, in trademark litigation decisions, do judges so often write about representative members of the public as if we are astoundingly naïve, stunningly gullible, and frankly stupid? Do jurists truly believe that consumers are complete idiots? What is it about trademark law that seems to elicit from courts such offensive and humiliating views of the citizenry?

Admittedly, one can never decipher with any certainty what views, assumptions, notions, or biases lead a jurist to adopt a particular analytic approach or ground a given court's legal conclusions. Also, one can certainly pick and choose cases out of the fairly robust trademark jurisprudence to support or refute any number of conflicting theories. Judges' assumptions about the ignorance and base confusability of consumers may, in fact, be merely pretextual, a populace-debasing and intellectually dishonest, but analytically efficient, normative platform from which to reach trademark-strengthening outcomes that appear doctrinally compliant. This Article rejects that possibility,¹ and assumes *arguendo* that the judicial rulings in the trademark cases discussed (and frequently criticized) throughout this work were rendered with good faith beliefs that these holdings were countenanced, and indeed required, by trademark law. However, nothing in the Lanham Act directs courts to assume that the American public is comprised of unsophisticated, easily confused rubes; if indeed this is trademark law, it has been manufactured by judges at the behest of trademark holders.

The primary objective of this Article is to illustrate the tendency of judges to inappropriately rely on personal intuition and subjective, internalized stereotypes when ruling on trademark disputes. Where jurists perceive consumers as ludicrously easily confused, trademark holders can exploit these views to secure broad trademark "rights," often without offering a shred of evidentiary corroboration concerning such confusion. As a consequence, the proof required to support allegations

1. As a general matter, this Author certainly does not dismiss the possibility, but wishes to focus this particular scholarly work elsewhere. Interested readers should review the excellent article by Glynn S. Lunney, Jr., *Trademark Monopolies*, 48 EMORY L.J. 367 (1999) (arguing that the recent doctrinal shift from regarding trademarks as a source of product information to regarding trademark holders as possessing property-like rights in the mark has created market incentives for trademark holders to seek "trademark monopolies" which are fundamentally at odds with social welfare justifications for trademark protection).

that a trademark usage creates a likelihood of confusion is potentially lessened in all cases, making trademarks normatively stronger, broader, and ever easier to “protect” for mark holders. Whether consumers realistically benefit from this, in terms of avoiding future confusion, seems highly questionable, especially if they were never actually bewildered or fooled in the first place.

Where judges find defendants’ unauthorized uses of a trademark repugnant, such as in the context of ribald parodic sexual allusions, they are especially willing to find likelihood of confusion, often in circumstances where actual confusion, as most lay people understand the term, is improbable enough to render such decisions facially absurd. However, when judges find a plaintiff’s marked product deserving of derision or ridicule, they are more likely to endorse the concept that free speech rights can supersede the interests of trademark owners. Judicial biases result in inconsistent approaches to balancing speech rights against trademark interests, which in turn foment uncertainty and unfairness.

Trademark rights should not be strengthened and expanded by reliance on unproven and demonstrably incorrect allegations about the ignorance, poor reasoning, and deficient observational powers of the public, nor should trademark rights be calibrated by how appalling or appealing a judge finds a product or service. If trademark holders are to be broadly privileged by the courts without explicit direction by Congress, then an alternative doctrinal justification to protecting consumers is required,² and the resulting protections should adhere fairly consistently to all similarly situated trademarks.

Part II of this Article discusses the foundation and development of pertinent aspects of trademark law and policy, and asserts that the true intended and actual beneficiaries of the Lanham Act are trademark holders, rather than consumers. Part III explains the importance of context in trademark law, especially with regard to assessments of the likelihood of consumer confusion in trademark infringement actions. The use of consumer confusion analysis in trademark dilution cases is also critiqued. In Part IV, the extreme and problematic subjectivity of

2. See generally Robert Denicola, *Freedom to Copy*, 108 YALE L.J. 1661, 1664 (1999). The article asserts that Ralph Brown’s principal achievement was to win acceptance for a mode of analysis that tied the protection of trademarks to their economic role in the marketplace. He had demonstrated that any extension of trademark protection beyond the limits of the confusion rationale was at least debatable, and after the publication of his article any case for expanded protection required more than unadorned allusions to property rights and unjust enrichment. In the decades that followed, as the debate over the scope of trademark protection played out on several fronts, Ralph fought to retain consumer confusion as the touchstone for excluding copiers.

Id.

the likelihood of confusion inquiry is explained and illustrated, as is the tendency of judges to assume that consumers are naïve and stupid. Special emphasis is given to the consequences of gender and class stereotyping by judges, with respect to trademark infringement analyses and case outcomes. Part V charts the impact that the substantive defects in trademark jurisprudence identified by the previous portions of the Article have upon freedom of speech when trademark holders object to unauthorized communicative uses of their marks. Finally, Part VI concludes that all consumers should be presumed reasonably prudent, and all trademarks should be treated in a gender and class neutral manner.

II. U.S. TRADEMARK LAW: THE LANHAM ACT AND THE FEDERAL COURTS

To fully understand the problematic manner in which the “likelihood of confusion” test is often applied, it is necessary to consider what trademarks are, why they are protected, the statutory and doctrinal limits of trademark rights, and the reasons that judges sometimes expand or ignore these limits. A trademark is a word, short phrase, symbol, picture, design, or other feature that is used in trade, in conjunction with specific goods or services, to indicate the source of the goods or services and distinguish them from the commercial offerings of competitors.³ Trademarks are intended to perform a source-identifying function with respect to goods or services in commerce,⁴ but trademark rights are not doctrinally intended to provide any right of exclusivity with respect to the underlying products and services that are identified by the marks.⁵ Though popularly referred to as a form of intellectual property, there is very little that is “intellectual” about trademarks in the sense that protectable marks, unlike copyrighted works or patented inventions, are not required to reflect any innovation or creativity whatsoever.⁶

3. 15 U.S.C. § 1127 (2000). Marks that identify the source of services (such as the name of a travel agency or dry cleaner) are correctly denominated as “service marks,” but are treated virtually identically to trademarks as a matter of law. *Id.* § 1053. Trademarks usually appear on a product or on product packaging, while service marks appear in promotional material for services. However, service marks are commonly incorporated within the general “trademark” rubric, and therefore “trademark” or “mark” will be used to denote both trademarks and service marks here, in conformity with common practice.

4. *See id.* § 1052.

5. *See, e.g.,* Wal-Mart Stores, Inc. v. Samara Bros., Inc., 529 U.S. 205, 212–14 (2000).

6. The Lanham Act accords trademark protection based on use in commerce

Trademarks are creatures of commerce. Patent owners receive a finite term of limited monopolistic control over their inventions to reward them for inventing (or investing in the invention of)⁷ new, useful, and nonobvious products and processes, and making the innovative knowledge underlying the inventions available to the public.⁸ Copyright owners also receive finite terms of monopolistic control over copyrighted works, though a copyright is enforceable far longer than a patent, and the nature of a copyright monopoly is somewhat different and narrower than the exclusivity conferred by a patent.⁹ Copyright owners are given their bundle of exclusive rights to reward them for creating original works of authorship.¹⁰ By contrast, trademark owners can assert and retain ownership of their marks in perpetuity (as long as they remain in commercial use)¹¹ and are not even theoretically obliged to provide a marked product or service that is creative, unique, or of value to the

rather than on the content of the mark. Content based prohibitions are unrelated to creativity. Section 1052, for example, states that “[n]o trademark by which the goods of the applicant may be distinguished from the goods of others shall be refused registration on the principal register on account of its nature unless it—” and sets categories of marks that may not be registered, such a mark which “[c]onsists of or comprises immoral, deceptive, or scandalous matter.” 15 U.S.C. § 1052(a); *see also* Lunney, *supra* note 1, at 373 (“Unlike patent and copyright, trademark law neither ties its prerequisites for protection to a need for additional incentive, nor defines its protection to ensure an appropriate incentive level.”); Steven Wilf, *Who Authors Trademarks?*, 17 CARDOZO ARTS & ENT. L.J. 1, 32–36 (1999) (describing how public perception and use creates the “secondary meaning” associated with a trademark).

7. Patent owners are often the corporate entities that employ human inventors. *See, e.g.*, Ann Bartow, *Inventors of the World, Unite! A Call for Collective Action by Employee-Inventors*, 37 SANTA CLARA L. REV. 673, 674–75 (1997).

8. *See generally* 35 U.S.C. §§ 1–376 (2000).

9. *See generally* Copyright Act of 1976, 17 U.S.C. §§ 101–1332 (2000).

10. *See, e.g.*, Ann Bartow, *Educational Fair Use in Copyright: Reclaiming the Right to Photocopy Freely*, 60 U. PITT. L. REV. 149, 154–55 (1998).

The Copyright Act does not bestow absolute exclusive rights upon a copyright owner, but rather confers a limited monopoly with respect to use of the copyrighted work. A copyright is intangible (or “intellectual”) property that is vested with a public interest, intended to achieve an “important public purpose.” There is a societal bargain implicit in the copyright law. Copyright owners are given tools in the form of exclusive rights with which to exploit creative endeavors financially, but this gift is conditioned upon an understanding that the ultimate goal of copyrights is to maximize the number of creative works available to the public, and not to benefit individual copyright owners. Alternatively expressed, “copyright is a bargain between the public and publishers, in which the public consents to restrict its rights as a kind of bribe to publishers.” To effectuate this bargain, copyrights should be no more restrictive than is necessary to create incentives for the promotion of knowledge and learning. Where public interests conflict with those of copyright owners, the public interests should prevail.

Id. (footnotes omitted).

11. *See* 15 U.S.C. §§ 1058–59 (2000).

public.¹² Trademark laws do not materialize from the so-called Intellectual Property Clause of the U.S. Constitution, which gives Congress the following enumerated power: “To promote the progress of science and useful arts, by securing for limited times to authors and inventors the exclusive right to their respective writings and discoveries.”¹³ Rather, congressional power to federally regulate trademarks comes from the Commerce Clause.¹⁴

Statutory U.S. trademark law has been expansively altered in recent years.¹⁵ When amendments to the Lanham Act made it possible for

12. Trademark rights are obtained by either using the mark in commerce (and perhaps subsequently registering the mark with the Patent and Trademark Office (PTO) or by filing an application to register the mark with the PTO and asserting (in the application) a bona fide intention to use the mark in commerce. *See id.* § 1051. Federal registration is not required to begin use of a mark, nor necessary to acquire rights in a mark, but it provides trademark owners with a host of significant advantages. Holders of federally registered marks are the presumptive owners of the marks on a nationwide basis and can use the machinery of the federal court system to defend their trademark rights. The term of a federal trademark registration is ten years, with the ability to renew for a potentially unlimited number of subsequent ten-year terms. *Id.*

13. Patents and copyrights are alluded to in Article 1, Section 8 of the Constitution, which is known as the Enumerated Powers Clause. *See* U.S. CONST. art I, § 8. This constitutional power authorizes Congress to enact laws for certain purposes, such as the creation of money and to “promote the progress of science and the useful arts.” *Id.*; *see* Trade-Mark Cases, 100 U.S. 82, 93–95 (1879); *Buti v. Perosa*, S.R.L., 139 F.3d 98, 102 (2d Cir. 1998).

“[C]ommerce,” for purposes of delimiting “use in commerce” under the Lanham Act, is expressly defined by Section 45 to be “all commerce which may lawfully be regulated by Congress.” We recently affirmed that the “history and text of the Lanham Act show that ‘use in commerce’ reflects Congress’s intent to legislate to the limits of its authority under the Commerce Clause.” *Id.* (citations omitted); *United We Stand Am., Inc. v. United We Stand, Am. N.Y., Inc.*, 128 F.3d 86, 92 (2d Cir. 1997); *see also* 3 J. THOMAS MCCARTHY, MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION § 19:117 & n.2 (4th ed. 2003) (citing *Trade-Mark Cases*, 100 U.S. 82 (1879), for the proposition that “the power of Congress to register marks stems only from the ‘Commerce Clause’ of the U.S. Constitution”). The Supreme Court, moreover, has made clear that Congress’s authority under the Commerce Clause extends to activity that “substantially affects” interstate commerce. *See* *United States v. Lopez*, 514 U.S. 549, 559 (1995).

14. *See, e.g.*, 1 MCCARTHY, *supra* note 13, § 5.3.

15. *See, e.g.*, Kenneth L. Port, *The Congressional Expansion of American Trademark Law: A Civil Law System in the Making*, 35 WAKE FOREST L. REV. 827, 829–30 (2000).

Three major developments have happened in roughly the last decade. First, in 1988, section 1051 of the Lanham Act was amended to provide for the reservation of marks which claimants intend to use in commerce. In 1996, Congress passed the Federal Dilution statute, which was expanded in 1999 to include dilution as grounds for cancellation or opposition proceedings before the Trademark Trial and Appeal Board (“TTAB”). Also, but certainly not

entities to obtain trademark rights by simply asserting that they “intended to use” a trademark in commerce,¹⁶ the United States moved closer, in some respects, to harmonization with the laws of countries in which trademarks belong to the first entity to register them, rather than vesting trademark rights through commercial use.¹⁷ However, nations with strong trademark protections generally make trademark registrations far more difficult to obtain than in the United States.¹⁸

The original justification for recognizing enforceable rights in trademarks was premised on the idea that trademarks could simultaneously benefit both consumers and producers of goods and services. The classic description of the dual advantages of the trademark system describes

finally, in 1999 Congress further amended the Lanham Act to add a new section 43(d), which provides for statutory damages and in rem jurisdiction when a cybersquatter registers another’s trademark as its domain name with the intent to traffic in the domain name. This trend drastically expands the boundaries of what the common law had long settled as the scope of American trademark right. None of the existing social, economic, or legal justifications supporting American trademark law encourage, let alone tolerate, such expansion.

Id. (footnotes omitted); see also International Trademark Association, *The Lanham Act*, at <http://www.inta.org/about/lanham.html> (last visited Feb. 20, 2004).

16. 15 U.S.C. § 1051. The intent-to-use application allows federal clearance and approval for registration of a trademark (the entire examination and clearance procedure of federal registration) without a showing of actual use of the mark in commerce. After an intent-to-use application has successfully made its way through the PTO, a Notice of Allowance, rather than a certificate of registration, issues: Actual use of the mark in commerce must be made before the mark can be registered. The Notice of Allowance operates to assure registration once actual use in commerce has begun and the additional filing requirements have been met. See, e.g., U.S. Patent & Trademark Office, *What Happens After I File My Application?*, at <http://www.uspto.gov/web/offices/tac/doc/basic/afterapp.htm#cert> (last visited Mar. 30, 2004).

If the mark is published based upon the applicant’s bona fide intention to use the mark in commerce, the USPTO will issue a NOTICE OF ALLOWANCE about twelve (12) weeks after the date the mark was published, if no party files either an opposition or request to extend the time to oppose. The applicant then has six (6) months from the date of the NOTICE OF ALLOWANCE to either:

- use the mark in commerce and submit a STATEMENT OF USE; or
- request a six-month EXTENSION OF TIME TO FILE A STATEMENT OF USE.

Id.; see also 15 U.S.C. § 1051(d)(1) (requiring trademark applicant to file a verified statement that the trademark is used in commerce with the PTO).

17. Port, *supra* note 15, at 831–32; see also Jenkins, *Community Trade Marks*, at http://www.jenkins-ip.com/serv/t_trad05.htm (last visited Apr. 26, 2004) (noting that unlike U.S. law, French trademark law generally provides protection based upon registration, regardless of prior use); Ladas & Parry, *United Kingdom—New Trademark Law*, Nov. 1994, at http://www.ladas.com/BULLETINS/1994/1194Bulletin/UK_NewTMAct.html.

[T]he United Kingdom has to a large extent moved to a first-to-file system, thus making it highly advisable for trademark owners to try and avoid a difficult and costly opposition based on prior use against a similar mark, by registering their marks before they are anticipated by others.

Id.

18. Port, *supra* note 15, at 831–32.

how trademarks serve the interests of consumers by reducing search costs and allowing buyers to “make rational purchasing and repurchasing decisions with speed and assurance,” while simultaneously “creat[ing] incentives for firms to create and market products of desirable qualities, particularly when these qualities are not observable before purchase.”¹⁹ That is a succinct articulation of the views contained in an influential and oft-cited²⁰ law review article written by William Landes and Richard Posner in 1987, which purports to explain the economics of trademarks and endorses an expansive view of trademark strength and protectability.²¹ However, when balanced against the unfettered ability of producers of goods and services to acquire new trademarks, jettison old trademarks, use multiple trademarks simultaneously, and communicate through advertisements, the Landes and Posner analysis can be seen to exaggerate the positive utility that shoppers derive from trademarks.

A. Problems with Broad Trademark Protection: Overstatement of Consumer Benefits

Intended to both justify and reinforce court effectuated trademark protection of broad scope, the legal analysis of Landes and Posner conceptualizes trademarks as devices that reduce information gathering

19. Marshall A. Leaffer, *The New World of International Trademark Law*, 2 MARQ. INTELL. PROP. L. REV. 1, 5–6 (1998); see also S. REP. NO. 79–133, at 3 (1946), reprinted in 1946 U.S.C.C.A.N. 1274 (detailing the legislative history of the Lanham Act.)

20. See, e.g., *Sport Supply Group, Inc. v. Columbia Cas. Co.*, 335 F.3d 453, 460 n.7 (5th Cir. 2003); *Platinum Home Mortgage Corp. v. Platinum Fin. Group, Inc.*, 149 F.3d 722, 734 (7th Cir. 1998); *TMT N. Am., Inc. v. Magic Touch GmbH*, 124 F.3d 876, 882 (7th Cir. 1997); *Door Sys., Inc. v. Pro-Line Door Sys., Inc.*, 83 F.3d 169, 171 (7th Cir. 1996); *New Kids on the Block v. News Am. Publ'g, Inc.*, 971 F.2d 302, 305 n.2 (9th Cir. 1992); *Q Div. Records, LLC v. Q Records, No. Civ.A. 99-10828-GAO*, 2000 WL 294875, at *2 (D. Mass. Feb. 11, 2000); see also Stuart Minor Benjamin, *Spectrum Abundance and the Choice Between Private and Public Control*, 78 N.Y.U. L. Rev. 2007, 2081 n.237 (2003); Dan L. Burk, *Trademark Doctrines for Global Electronic Commerce*, 49 S.C. L. REV. 695, 699 n.15 (1998); Lawrence B. Ebert, *The Supreme Court Decision in Qualitex v. Jacobson—A Comment*, 85 TRADEMARK REP. 100, 101 (1995); Burton Ong, *Why Moral Rights Matter: Recognizing the Intrinsic Value of Integrity Rights*, 26 COLUM. J.L. & ARTS 297, 307 n.47 (2003); Kenneth L. Port, *The Congressional Expansion of American Trademark Law: A Civil Law System in the Making*, 35 WAKE FOREST L. REV. 827, 888 (2000); Kurt M. Saunders, *Confusion Is the Key: A Trademark Law Analysis of Keyword Banner Advertising*, 71 FORDHAM L. REV. 543, 547 n.21 (2002); Harold R. Weinberg, *Trademark Law, Functional Design Features, and the Trouble with Traffix*, 9 J. INTELL. PROP. L. 1, 29 n.119 (2001).

21. William M. Landes & Richard A. Posner, *Trademark Law: An Economic Perspective*, 30 J.L. & ECON. 265 (1987).

and transaction costs by allowing consumers to approximate the nature and quality of goods and services emanating from recognized sources.²² According to Landes and Posner,

[A] trademark conveys information that allows the consumer to say to himself, "I need not investigate the attributes of the brand I am about to purchase because the trademark is a shorthand way of telling me that the attributes are the same as that of the brand I enjoyed earlier."²³

One commentator provided this illustration:

Take laundry detergent for example. Hypothetically, let us presume that *Tidy* brand detergent is desirable because it gets Emily's clothes clean while *Aller* brand detergent is not because although it gets Emily's clothes clean, it also makes her break out in a rash if she wears clothes washed in *Aller* brand detergent. The economic function of trademarks in this setting is realized because Emily can make a quick and inexpensive choice between *Tidy* and *Aller* in the grocery store. Although she knows they each share the quality function of getting her clothes clean, they also do not share the quality function because one makes her break out in a rash and the other does not. As such, Emily can rely on the trademarks to identify one consistent product emanating from one consistent source, even if that source is not specifically known by Emily.

On the other hand, if Emily cannot rely on the source and quality functions of trademarks, she will be forced to research the chemical compositions of *Tidy* and *Aller* and determine precisely which chemical or combination of chemicals irritate her skin. She will then be required to read each package of detergent and study the ingredients to determine which box of detergent contains the undesirable characteristics. Consequently, Emily will incur a significantly higher total cost in purchasing the box of detergent if she cannot rely on trademarks to identify the information she desires about laundry detergent.²⁴

Trademarks can certainly convey information. The obvious flaw in the above analysis, however, is the implicit (and stunningly incorrect) assumption that trademarks play a role in either restricting *Tidy*'s ability to alter its chemical composition to include the ingredient that irritates Emily's skin, or in imposing a duty on *Tidy* to at least inform consumers

22. See, e.g., Anne M. McCarthy, Note, *The Post-Sale Confusion Doctrine: Why the General Public Should Be Included in the Likelihood of Confusion Inquiry*, 67 *FORDHAM L. REV.* 3337, 3340–41 (1999).

The first major principle of trademark protection is predicated on preventing consumer confusion that occurs when a junior user adopts a mark confusingly similar to that used by a senior user. The importance of protecting the public from confusion is obvious. Absent protection for the exclusive use of trademarks, consumers would be unable to distinguish between related goods sold under similar marks. Similarly, consumers may falsely associate goods bearing similar marks as being derived from the same source. Consumers, therefore, "would be forced to re-educate themselves with each purchase or possible purchase of a branded product." This outcome belies an important economic benefit attributed to trademarks by increasing consumer search costs.

Id. (footnotes omitted).

23. Landes & Posner, *supra* note 21, at 268–70.

24. Port, *supra* note 15, at 889.

like Emily when it changes its constitutive formulation. The manufacturer may tout a “new and improved formula” when it modifies a product’s components, or it may choose not to draw attention to such adjustments. Unless Emily continually monitors the small print on the *Tidy* label for changes, she may find her dermis red and itchy, lured by the *Tidy* trademark into a false sense of freedom from the risk of rashes.

Theoretically, because a particular company is the only entity allowed to use trademarked words and logos on particular goods or services in the stream of commerce, consumers can be confident that when they buy a product bearing the company’s marks, it will comport with the company’s standards (whatever they are perceived to be). In addition, there may be a belief that consumers can locate and contact the responsible party if they have questions about, or experience problems with, a product or service associated with that company’s mark. The reality, however, is that trademarks do not impose any actual obligation upon a mark holder to include any particular features, to maintain any particular level of quality, or even to disclose the identity or location of the actual decision makers that orchestrate the production and distribution of the marked goods and services.²⁵

Consider the fact that the catalog clothing company Lands’ End is now owned by Sears Roebuck & Co. (“Sears”), which hopes to use the Lands’ End mark, associated by some consumers with “quality,” to lure affluent college-educated shoppers who are conditioned to paying “full price” to the clothing departments of Sears’ retail stores.²⁶ Sears apparently believes that the Lands’ End mark connotes better products than its own Sears mark, but Sears is now the actual, factual producer of goods distributed bearing Lands’ End labels. Sears advertises the fact that its retail stores now carry Lands’ End clothing, but it does not broadcast the fact that it is now the source of Lands’ End clothing.²⁷

25. See, e.g., Note, *Badwill*, 116 HARV. L. REV. 1845, 1845 (2003) (writing that “[t]o the extent that the purpose of trademark law is to reduce consumer decision costs and to induce producers to make high-quality products, it ought to [but does not] reflect both positive and negative consumer preferences”). But see Gerard N. Magliocca, *One and Inseparable: Dilution and Infringement in Trademark Law*, 85 MINN. L. REV. 949, 957 (2001) (writing that “[i]n a world with marks . . . consumers can easily gauge a product’s quality based on advertising or on the prior performance of items that bore the same mark”).

26. Sandra Guy, *Sears Changes Look*, CHI. SUN-TIMES, Sept. 9, 2002, at 45; Doris Hajewski, *Lands’ End in Stores; Sears Hopes Shoppers Bite as it Begins Brand Rollout*, MILWAUKEE J. SENTINEL, Oct. 28, 2002, at D1.

27. The Lands’ End homepage bears the following notice: “Sears® stores are now

One might say that in this instance trademark usage is intended to confuse consumers, rather than protect or inform them.²⁸ While the use of trademarks to obfuscate source and deceive consumers may be an inevitable consequence of trademark protections generally, the possibility certainly ought to weigh against strong trademark rights.

B. Problems with Broad Trademark Protection: Value to Producers Underestimated

Concurrently, Landes and Posner contend that companies benefit from trademark protection to the extent that the products or services associated with their marks enjoy a good reputation with consumers.²⁹ Corporate interests often view protected trademarks as mechanisms for insuring that they receive the full benefits of their investments in producing quality goods and services and as tools to strengthen the ability of commercial advertising to promote brand identification.³⁰ Advertising and the attributes of goods and services themselves give trademarks meaning. Trademarks give consumers mechanisms for

offering a colorful array of bestselling Lands' End products. See our Sears Store Directory for a location near you." Lands' End, at <http://www.landsend.com> (last visited Feb. 20, 2004).

28. A recent commentator provides this example of the phenomenon:

As AirTran Flight 446 taxied to the runway, the wild-eyed man in the seat next to me began to fidget, making me a bit uncomfortable facing my first flight on this new budget airline. It was not until the plane actually began to take off that the man turned to me and, without introduction, stated plainly, "You know, AirTran used to be ValuJet." No, I hadn't known. But as the plane gained altitude and images of the much-publicized 1996 ValuJet crash in the Everglades drifted through my mind, I knew it would be a long flight back to Boston.

Note, *Badwill*, *supra* note 25, at 1845, 1846 (observing also that "a company whose mark has captured significant consumer badwill because of dangers related to its associated product or service—for example, the badwill associated with the ValuJet Airlines mark after its 1996 crash—can shed this badwill by producing the product or service under a different mark").

29. Landes & Posner, *supra* note 21, at 270; see also *United States v. Torkington*, 812 F.2d 1347, 1353 n.6 (11th Cir. 1987).

It . . . is important to recognize that the enforcement of trademark laws benefits consumers even in cases where there is no possibility that consumers will be defrauded. For, to the extent that trademarks provide a means for the public to distinguish between manufacturers, they also provide incentives for manufacturers to provide quality goods. Traffickers of these counterfeit goods, however, attract some customers who would otherwise purchase the authentic goods. Trademark holders' returns to their investments in quality are thereby reduced. This reduction in profits may cause trademark holders to decrease their investments in quality below what they would spend were there no counterfeit goods. This in turn harms those consumers who wish to purchase higher quality goods.

Id. (citations omitted).

30. Landes & Posner, *supra* note 21, at 270.

responding to the perceived meanings of trademarks by facilitating the making or avoiding of purchases of marked goods.

A mark's meaning, however, may not be the marked product's reality. Arguably, effective advertisements can substitute for investments in quality. Research has demonstrated that consumers often prefer one brand of a product over another (even though the underlying products are identical) based on their subjective feelings about a trademark.³¹ For example, consumers have long paid premium prices for Wisk laundry detergent even though comparable, less expensive products are readily accessible, due to the success of the "Ring Around the Collar" advertising campaign.³² They attribute superlative cleansing properties to Wisk that they do not impute to products bearing less well-regarded trademarks, even though minimal experimentation might demonstrate that collar grime could be more economically eliminated through judicious use of alternate detergents (or perhaps by more effectively washing one's neck).³³ The premium prices paid for particular "elite" brands of bottled water also illustrate the market power of certain trademarks.³⁴ Consumers are undoubtedly attracted to certain trademarks for a variety of reasons besides prior experience with the marked products or services, hence the extensive, diverse, colorful, not to mention well-compensated, output of the advertising industry.³⁵

31. See, e.g., Jessica Litman, *Breakfast with Batman: The Public Interest in the Advertising Age*, 108 YALE L.J. 1717, 1727–28 (1999).

32. What Type of Slogan Attracts the Most Attention?, at <http://bellzinc.sympatico.ca/en/content/503045?skin=sli> (last visited Mar. 30, 2004); Wisk Laundry Detergent, Simpson's Contemporary Quotations, at <http://www.bartleby.com/63/83/2483.html> (last visited Mar. 30, 2004).

33. Landes and Posner assert that consumers will knowingly pay more for a product that can be found in cheaper, identical iterations because of the "assurance" that a particular trademark provides them. Landes & Posner, *supra* note 21, at 270.

34. See, e.g., AboutWater.com, *Brands*, at http://www.water.com/who_we_are/swg1520_bra.asp (last visited Oct. 18, 2003); The Bottled Water Web, *Facts*, at <http://www.bottledwaterweb.com/indus.html> (last visited Oct. 18, 2003); The Bottled Water Web, *News*, at http://www.bottledwaterweb.com/news/nw_061600.html (last visited Oct. 18, 2003).

35. See, e.g., Richard Craswell, *Interpreting Deceptive Advertising*, 65 B.U. L. REV. 657, 672–73 (1985).

Empirical studies establish that consumers' beliefs about a product are affected not only by advertising, but also by a number of other factors, including their prior experience with the product, their inspection of the product's observable characteristics, the price of the product, the reputation of the seller, and the presence or absence of a warranty. Since consumers are likely to differ in their knowledge of each of these factors, they will also differ in the inferences they draw from any given advertisement.

Id. (footnotes omitted).

Judicious abstention of the use of certain trademarks can help an entity escape the repercussions of a bad reputation, as well as reap the benefits from the positive meanings represented by a trademark. Referencing the earlier example of Sears, while this company hopes to benefit from the quality associations that the Lands' End mark evokes due to business practices that occurred before Sears assumed ownership and control of the company, it simultaneously intends to avoid any negative connotations the Sears mark carries in connection with clothing by not appending the Sears mark to Lands' End labels or tags, even though Sears is now the authentic source of the goods.

The producers of commercial goods and services are arguably the true targeted and intended beneficiaries of the statutory, administrative, and legal trademark infrastructures. That trademark usage accrues to the benefit of consumers at all is, in reality, only a coincidental byproduct of a labeling and identification system that mark holders are free to manipulate to their greatest commercial advantage. Manufacturers and service providers can manipulate trademark usage to provide source identification to consumers when it is useful, or obfuscate information when doing that appears beneficial. If consumer associations with a trademark are positive in nature, the mark holder can continue to invest in the mark, commercially exploit the positive associations as profitably as is feasible, and protect the mark from use by competitors. If a mark acquires negative associations, the mark holder can attempt to change the perception of the marked products or services by improving quality, by lowering prices, or through aggressive and creative advertising.

Alternatively, the mark can simply be jettisoned and replaced, providing the underlying product or service with a clean associative slate and a fresh start in the marketplace. Producers are not burdened by trademark law with any legal obligation to inform the public about trademark changes that are made to goods and services that continue to be offered or manufactured by the same entity. A consumer who contracts food poisoning from a commercially purchased prepared food can certainly steer clear of products bearing the trademarks of the product that sickened her. She cannot, however, avoid goods from the same source that bear different, unrelated trademarks, such as those that might be adopted in the wake of bad publicity, at least not by relying on the "information" provided by trademarks alone.

Over the past few years, the corporation long known as Philip Morris Companies, Inc. received widespread criticism and censure for disingenuousness and dishonesty about the addictive properties and deleterious health effects of cigarettes and other tobacco products.³⁶

36. See, e.g., BBC News, *Q & A: Tobacco Litigation* (June 7, 2001), at <http://news>.

Apparently to escape lingering negative associations in the future, the entity has decided to change its name to Altria Group, Inc.³⁷ The company currently avoids negative associations in the present by marketing many of its products under other rubrics, such as the Kraft Foods umbrella, which in turn utilizes hundreds of other trademarks across a broad range of products including the following: Sanka, Yuban, General Foods International Coffees, Maxim, and Maxwell House for coffee, a long list of Post breakfast cereals,³⁸ Good Seasons and Seven Seas for salad dressings, and Athenos, Churny, Di Giorno, Hoffman's, and Polly-O for cheeses.³⁹ A grocery shopper has a pretty formidable task in terms of self-education and selective shopping if she affirmatively undertakes to avoid enriching Philip Morris, Inc. by eschewing the corporation's brands.

Adding to the difficulty of cognitively linking sources to products due to the mutability of trademarks (which can be changed at will) is the fact that trademarks can be transferred to other entities. That the same trademark appears on a product over time does not even remotely guarantee that the same source was producing it during that interval. For example, the Philip Morris website listed Claussen Pickles as one of its trademarked products at the time this sentence was written.⁴⁰ However,

bbc.co.uk/1/hi/business/1374938.stm; Media Backgrounder & Commentary, *Brooklyn Jury in Smoker's Trial Issues First Punitive Damages Award on East Coast in a Tobacco Case—\$20 Million*, Jan. 9, 2004, at <http://www.tobacco.neu.edu/litigation/cases/Backgrounders/frankson2.htm>; Barry Meier, *Punitive Damages Added in Smoking Case Verdict* (Nov. 28, 2000), at http://www.yourlawyer.com/practice/news.htm?story_id=3802&topic=Light%20Cigarettes; Statement of Matthew L. Myers President, Campaign for Tobacco-Free Kids, *Illinois Verdict Against Philip Morris Is Appropriate Response to Decades of Deception About Light Cigarettes* (Mar. 21, 2003), at <http://tobaccofreekids.org/Script/DisplayPressRelease.php3?Display=617>; *Phillip Morris Hit with Record Tobacco Liability Verdict*, CNN.COM (Mar. 30, 1999), at <http://www.cnn.com/US/9903/30/tobacco.trial.02/>. See generally Philip Morris USA, Inc., at www.pmdocs.com (providing a complete database of documents from Philip Morris Tobacco Litigations).

37. See Altria, *Altria Group, Inc. Overview*, at http://www.altria.com/about_altria/01_00_AboutAltriaOver.asp (last visited Mar. 30, 2004); Altria, *Corporate Identity*, at http://www.altria.com/about_altria/01_01_corpidenchange.asp (last visited Mar. 30, 2004).

38. These include Alpha-Bits, Banana Nut Crunch, Blueberry Morning, Cinnamon Cluster Raisin Bran, Cranberry Almond Crunch, Frosted Shredded Wheat, Fruit & Fibre, Golden Crisp, Grape-Nuts, Grape-Nuts O's, Great Grains, Honey Bunches Of Oats, Honeycomb, Natural Bran Flakes, Oreo O's, Pebbles, Raisin Bran, Shredded Wheat, Shredded Wheat 'N Bran, Spoon Size Shredded Wheat, Toasties, Waffle Crisp, and 100% Bran. See http://www.altria.com/about_altria/01_04_02_KraftFoodsNorth.Ameria.asp (last visited May 1, 2004).

39. See *id.*

40. *Id.*

a Federal Trade Commission (FTC) action in October of 2002⁴¹ pertained to the possible acquisition of the Claussen mark by another entity. The FTC's description of the "parties to the transaction" is instructive with respect to the manner in which the sources of trademarked goods can change:

Vlasic, which makes and sells shelf-stable and refrigerated pickles, was spun off by Campbell Soup Company as Vlasic Food International in 1998, after which it was purchased by Hicks, Muse in May 2001. Hicks, Muse is a Dallas-based private investment firm that owns Pinnacle Food Corporation (Pinnacle), the firm that now operates the Vlasic business and which is the nation's largest pickle producer. Pinnacle produces Vlasic pickles at its plants in Imlay, Michigan and Millsboro, Delaware.

Claussen, which makes and sells primarily refrigerated pickles, is a business operated by Kraft's Oscar Mayer Foods division. Oscar Mayer bought the Claussen Pickle Company in 1970, before being acquired by Kraft, which is owned by Philip Morris. Philip Morris is a Virginia corporation with its principle place of business in New York. In addition to owning Kraft, it is a prominent producer of cigarettes, beer, and food, including Post cereal, Maxwell House coffee, Jell-O desserts, and Altoids mints.

On May 4, 2002, Pinnacle and Kraft entered into an agreement under which Pinnacle would acquire Claussen's pickle business, including relish, sauerkraut, and pickled tomatoes. The Claussen assets being sold include the brand trademark, as well as a Kraft production facility in Woodstock, Illinois used to make dill pickles.⁴²

Thus, nothing definitive or permanent about the source of the pickles is established by the Claussen mark. The actual source of the pickles has changed repeatedly and may do so again, without notice to consumers. The content and quality of the pickles may change as well; there is nothing in trademark law that prevents this, impedes this, or provides consumers with any notification at all. Trademarks clearly do not provide information or assurance to consumers—quite the contrary.

Consider a more ominous example: Television networks NBC and MSNBC are owned by General Electric,⁴³ one of the largest defense contractors on earth.⁴⁴ General Electric stands to make incredible profits

41. See Federal Trade Commission, *Federal Trade Commission Votes to Challenge Hicks, Muse's Proposed Acquisition of Claussen Pickle Company*, Oct. 22, 2002, available at <http://www.ftc.gov/opa/2002/10/vlasic.htm>.

42. See *id.*

43. See General Electric, *NBC*, at http://www.ge.com/en/company/businesses/ge_nbc.htm (last visited Oct. 22, 2003).

44. See General Electric, *Aircraft Engines*, at http://www.ge.com/en/company/businesses/ge_aircraft_engines.htm (last visited Oct. 22, 2003); see also Mike Ward, *Top Ten Conspiracy Theories of 2002*, Jan. 2, 2003, at <http://www.alternet.org/story.html?storyID=14873>.

Examine this question for even a minute and you will stumble onto a proven, card-carrying evil conspiracy: It's called the U.S. Congress, and conclusive evidence links them to a truly terrifying document known as the Telecommunications Act of 1996.

from weapons build-ups and wars. Trademark law does not require General Electric to remind television viewers that it is the owner of NBC and MSNBC news. Instead, trademarks affirmatively hamper the ability of consumers to keep the “source” of the information in mind when General Electric’s subsidiary media outlets are reporting the news, enabling General Electric to rely on the shield of alternative trademarks to aid and abet any consumer confusion this corporation finds useful.⁴⁵

Reflection on the ways in which trademarks are actually deployed and employed by commercial interest makes the assertion that trademarks protect consumers from being confused, mistaken, or deceived in their purchasing decisions⁴⁶ almost laughable, and the contention that broadly protecting trademarks permits consumers to rely on trademarks as accurate source indicators⁴⁷ is bizarre indeed.⁴⁸ The benefits allocation

This legislation is relevant post-9/11 because it allowed the megamergers of media conglomerates to become ultra-monstermergers. As a result, today a handful of multinationals control most of what is said in the U.S. about military actions overseas and the reasons for them. At least one of these companies—General Electric—has financial stakes in the weapons racket as well, but this blatant conflict of interest gets as much coverage as the Telecommunications Act originally got when it was on the floor of Congress: next to none. Some media observers and academics, like MIT’s Noam Chomsky and Norman Solomon of Fairness and Accuracy in Reporting, have doggedly pointed out that the bloated media emperor has no clothes. Too bad they stand little chance of appearing regularly on *Face the Nation*.

Id.; see also Annie Lawson, *US Media Dig Deep for Politicians*, THE GUARDIAN, Apr. 7, 2003, available at <http://media.guardian.co.uk/broadcast/story/0,7493,930075,00.html>.

45. One apparently independent website, The Memory Hole, rather cleverly follows articles it reposts from MSNBC with the notice: “News article(s) copyright 2002 MSNBC/Microsoft/NBC/General Electric. Reprinted here for the purposes of education, media criticism, and political comment.” See, e.g., The Memory Hole, at <http://www.thememoryhole.org/media/msnbc-iaea-report.htm> (last visited Oct. 22, 2003).

46. See, e.g., 1 MCCARTHY, *supra* note 13, at §§ 2.1–2.3.

47. *Id.*

48. On the other hand, trademarks can become undesirable for reasons that have nothing to do with product qualities or corporate behavior. For example, at present, citizens of many countries are engaged in boycotts of American products that are recognized by American-identified trademarks such as McDonald’s and Coca-Cola. See, e.g., Erik Kirschbaum, *EU: Boycott of American Goods over Iraq War Gains Momentum*, CORPWATCH, Mar. 25, 2003, at <http://www.corpwatch.org/news/PND.jsp?articleid=6072>; *Saudis Boycott American Products and Services*, ARABICNEWS, May 8, 2002, at <http://www.arabicnews.com/ansub/Daily/Day/020508/2002050806.html>; *UAE: May 11 World Day to Boycott USA Products and Services*, ARABICNEWS, May 6, 2002, at <http://www.arabicnews.com/ansub/Daily/Day/020506/2002050602.html>; David Pallister, *Arab Boycott of American Consumer Goods Spreads*, GUARDIAN UNLIMITED, Jan. 8, 2003, at <http://www.guardian.co.uk/international/story/0,3604,870412,00.html>; *Calls in Syria to Boycott American Goods*, ARABICNEWS, Apr. 12, 2002, at <http://www.arabicnews.com/>

generated by trademark rights is clearly tilted toward mark holders. If trademark rights are to be further strengthened and broadened, such actions should be forthrightly linked to advantaging commercial interests, rather than pretextually and inaccurately justified as being helpful to consumers.

III. APPLICATION OF U.S. TRADEMARK LAW: CONTEXT IS EVERYTHING

In most aspects and applications of U.S. trademark law, context is everything. For example, whether a word can even function as a protectable trademark can only be determined within the context in which it is used in conjunction with the good or service. The trademark taxonomy is generally deemed to contain four categories: “generic,” “descriptive,” “suggestive,” and “arbitrary or fanciful.”⁴⁹ Sorting marks into these malleable categories is performed as a matter of law, and judges generally accomplish this task by referencing their internal visceral impressions. This type of subjective contextualizing by courts deciding trademark disputes is seemingly required by extant legal doctrine and accustoms judges to using intuition, and to make instinctive rather than evidence driven legal determinations under the Lanham Act.

A. Trademark Categories

1. Generic Marks

Words that are generic with respect to the associated product or service can never be protected as trademarks, because this would be unfair to competitors:⁵⁰ For example, to allow one company a monopoly on the words “ice cream” when the product is ice cream would force another entity marketing the same substance to call its product something along the lines of “sweet frosty dairy confection.” If that second company obtained an enforceable trademark on “sweet frosty dairy confection,” a third competitor might have to resort to the somewhat unappealing appellation “frozen flavored high fat milk solids” to communicate the nature of the goods it was selling to consumers. A

ansub/Daily/Day/020412/2002041216.html.

49. These are often referred to as the “Abercrombie & Fitch” categories because they were first specifically enunciated in *Abercrombie & Fitch Co. v. Hunting World, Inc.*, 537 F.2d 4, 9–11 (2d Cir. 1976).

50. *See, e.g., Soweco, Inc. v. Shell Oil Co.*, 617 F.2d 1178, 1183 (5th Cir. 1980). Trademarks can also become unprotectable over time if they “commit genericide”—that is, become used as the generic term for a product or service. *See, e.g., International Trademark Association, FAQs*, at <http://www.inta.org/info/faqsD.html#4> (last visited Apr. 26, 2004); Candi Hinton, *When Good Marks Go Bad*, International Trademark Association, at http://www.inta.org/press/news2002_10.html (last visited Oct. 26, 2003).

fourth competitor, if sufficiently cowed by the threat of a trademark infringement suit, might forgo entering the ice cream marketplace altogether, thus freezing out the presumptive benefits in terms of quality, price, and selection that consumers might otherwise milk from commercial competition. Keep in mind the fact that ice cream is only generic in certain contexts, and would not be so if invoked as a trademark for, say, furniture polish.

2. *Descriptive Marks*

A descriptive term references a quality or characteristic of the underlying good or service, such as “Arthriticare” for a topical heat analgesic designed to provide arthritis relief,⁵¹ “Pet Pals” for a program that promotes the well-being of pets,⁵² and “Skinvisible” when applied to medical and surgical tapes through which the skin of the user is visible.⁵³ A descriptive term can only function as a valid trademark if it acquires “secondary meaning,” which means the mark is recognized by the consuming public as referencing a particular product from a unitary source.⁵⁴ For example, all businesses in which eyeglasses and contact

51. *Bernard v. Commerce Drug Co.*, 964 F.2d 1338, 1339 (2d Cir. 1992).

52. *P.A.W. Safety Charities v. Petco Animal Supplies, Inc.*, No. 3-99-CV-0212-P, 2000 WL 284193, at *3 (N.D. Tex. Mar. 15, 2000).

The concept of descriptiveness is broadly construed. A mark need not convey every relevant piece of information about the nature of a product to be characterized as descriptive. Rather, it must only “immediately convey[] an important attribute of plaintiffs’ products.” The noun “pet” commonly refers to “a domesticated animal kept for pleasure rather than utility.” The dictionary defines “pal” as “a close friend.” Thus, the literal interpretation of “pet pal” is one who is a friend to his or her pet. It is a common and distinctive quality of friendship to care for and seek the well-being of one’s friend. Thus, it takes no imagination or perception to conclude that a program called “Pet Pals” is one that promotes the well-being of pets. The mark describes the essence of plaintiff’s program, even though it does not specifically spell out all the associated services.

Id. (citations omitted) (alteration in original).

53. *Minn. Mining & Mfg. Co. v. Johnson & Johnson*, 454 F.2d 1179, 1179 (C.C.P.A. 1972).

54. 15 U.S.C. § 1052(e)(1) (2000); *see also Bernard v. Commerce Drug Co.*, 774 F. Supp. 103, 108 (E.D.N.Y. 1991).

[W]here the issue [in a trademark infringement action] becomes one of establishing secondary meaning, the relevant inquiry focuses upon whether the mark, “although not inherently distinctive, comes through use to be uniquely associated with a single source,” that is, “whether the public is moved in any degree to buy an article because of its source.” Moreover, the burden of proof rests upon the party claiming rights in the mark, and “entails vigorous

lenses are available for purchase may be referred to as “vision centers” but one specific enterprise cannot obtain a valid trademark in the descriptive words “Vision Center” unless it can demonstrate that the public distinctly associates the term “Vision Center” with its particular optical merchandise establishment.⁵⁵ Though proving that a mark connotes a specific source rather than a general concept may sound as difficult and perhaps metaphysical as other aspects of trademark law, courts generally require mark holders to produce empirical evidence to that effect.⁵⁶

3. Suggestive Marks

A suggestive term is one that suggests, rather than describes, an attribute of the marked good or service, and requires imagination to cognitively link the trademark to the exact nature of the product.⁵⁷ The term “Pizza Rolls” was held to be suggestive when “used in association with party snacks consisting of pillow shaped egg batter crusts filled with various food products to obtain different flavors.”⁵⁸ The court concluded:

The term PIZZA ROLLS could suggest a number of items, including small pizzas, pizza rolled up, pizza flavored candy, or a bread dough roll filled with pizza flavoring. It takes imagination and thought to perceive the nature, quality, characteristics or ingredients of plaintiff’s products based upon the mark PIZZA ROLLS, all of which clearly indicate that the term is suggestive.⁵⁹

Other marks that have been deemed to be suggestive include “psychocalisthenics” for a combination of “various yoga systems, dance and calisthenics” designed to produce “specific mental, emotional and spiritual results,”⁶⁰ “brown-in-bag” for transparent plastic film bags in

evidentiary requirements.” Direct or circumstantial evidence may establish secondary meaning, including the use of survey evidence by a representative sample of consumers. The extent of public exposure to the mark as determined by the sales volume, length of time of use, and promotional efforts may also be utilized to establish secondary meaning.

Id. (citation omitted).

55. See *Vision Ctr. v. Opticks, Inc.*, 596 F.2d 111, 119 (5th Cir. 1980).

56. See, e.g., *Sugar Busters LLC v. Brennan*, 177 F.3d 258, 269 (5th Cir. 1999); *Sunbeam Prods., Inc. v. W. Bend Co.*, 123 F.3d 246, 254 (5th Cir. 1997); *Soweco, Inc. v. Shell Oil Co.*, 617 F.2d 1178, 1184 (5th Cir. 1980); *First Sav. Bank, F.S.B. v. U.S. Bancorp.*, 117 F. Supp. 2d 1061, 1070–71 (D. Kan. 2000).

57. *Soweco, Inc.*, 617 F.2d at 1184.

58. *Jeno’s Inc. v. Comm’r of Patents & Trademarks*, 227 U.S.P.Q 224, 228 (D. Minn. 1985) (quoting Plaintiff’s Memorandum in Support of Its Motion for Summary Judgment at 7–8).

59. *Id.*

60. *W. & Co. v. Arica Inst., Inc.*, 557 F.2d 338, 343 (2d Cir. 1977).

While “psychocalisthenics,” as noted, bears some relationship to the physical exercises conducted by Arica, this would be expected of any suggestive mark, and, in fact, would be one of the purposes of the mark. But we cannot say that “psychocalisthenics” merely describes “a combination of various yoga

which foods could be cooked,⁶¹ and “The Money Store” for money lending services.⁶²

Trademarks held to be suggestive are deemed inherently distinctive and therefore valid and enforceable without proof of secondary meaning.⁶³ This makes the distinction between “descriptive” and “suggestive” very important to the mark holder.⁶⁴ However, where to situate the taxonomic division between the two categories can be difficult to ascertain. According to one court:

In the 1930s two courts split on the question of whether the trademark “Chicken of the Sea” for tuna was descriptive or suggestive. The indirectness of the association between “Chicken of the Sea” and tuna may thus be taken as a rough indicator of where the borderline between descriptive and suggestive marks lies.⁶⁵

As another court observed, “The line between descriptive and suggestive terms is often blurred, and the categorization of a name as ‘descriptive’ or ‘suggestive’ is frequently ‘made on an intuitive basis rather than as a result of a logical analysis susceptible of articulation.’”⁶⁶

4. Arbitrary and Fanciful Marks

“Arbitrary” trademarks are usually defined as those that adapt a

systems, dance and calisthenics” which require continual motion and are designed to produce specific mental, emotional and spiritual results. We think the term does “requir[e] imagination, thought and perception to reach a conclusion as to the nature of [the services].”

Id. (alterations in original).

61. *In re* Application of Reynolds Metals Co., 480 F.2d 902, 904 (C.C.P.A. 1973).

62. *The Money Store v. Harriscorp Fin., Inc.*, 689 F.2d 666, 673–74 (7th Cir. 1982).

63. *See, e.g., Zatarain’s, Inc. v. Oak Grove Smokehouse, Inc.*, 698 F.2d 786, 791 (5th Cir. 1983).

64. *See, e.g., W. & Co.*, 557 F.2d at 342.

In the broad middle ground where most of the trademark battles are fought are the terms which are primarily descriptive and those which are only suggestive. The distinction, while not always readily apparent, is important, because those which are descriptive may obtain registration only if they have acquired secondary meaning, while suggestive terms are entitled to registration without such proof.

Id. (footnote omitted); *see also* *Abercrombie & Fitch Co., v. Hunting World, Inc.*, 537 F.2d 4, 9 (2d Cir. 1976); *W.E. Bassett Co. v. Revlon, Inc.*, 435 F.2d 656, 661 (2d Cir. 1970).

65. *Lewis Mgmt. Co. v. Corel Corp.*, 36 U.S.P.Q.2d 1534, 1537 (S.D. Cal. 1995) (citations omitted).

66. *Calamari Fisheries, Inc. v. The Village Catch, Inc.*, 698 F. Supp. 994, 1008 (D. Mass. 1988) (quoting *Pizzeria Uno Corp. v. Temple*, 747 F.2d 1522, 1528 (1984)).

common word to an unfamiliar circumstance, such as “automobile” as a mark for a brand of paper napkins, for a line of plumbing supplies, or any other good or service not even remotely associated with motorized transportation.⁶⁷ The identical word can be generic or arbitrary depending on context; generic if it is the name of the good or service in common parlance (“car” as a textual mark for an automobile), and arbitrary if it has no logical association whatsoever with the underlying product (“car” as a textual mark for fabric softener).

The “fanciful” appellation is generally reserved for words and symbols that are “invented solely for their use as trademarks.”⁶⁸ Fanciful marks include Kodak, Xerox, and “the word ‘CHAMS’ on the top side of a curved, inverted almost-equilateral triangle with a triple-bar wing-like design and a heavy letter ‘C’ superimposed in the center of the shield,” embroidered on garments.⁶⁹ Like trademarks held to be suggestive, arbitrary and fanciful marks are considered inherently distinctive and protectable without proof of secondary meaning.⁷⁰

Arbitrary and fanciful marks are the strongest marks in the sense that associations between these types of marks and the marketed goods and services can be accorded entirely to the mark holder’s efforts. “Kodak” signifies cameras and film to the consuming public only because the Eastman Kodak Company has created this associative meaning through its long term, widespread production of Kodak goods and services and extensive marketing campaigns.⁷¹ However, made-up words are not strong trademarks in a commercial sense if few consumers recognize them or perceptually link them to underlying goods and services. The strength of a mark is a function of both its categorical denotation and the quantum of recognition it enjoys among the targeted members of the consuming populace.⁷²

67. *Abercrombie & Fitch Co.*, 537 F.2d at 11 n.12; *see also* *McKee Baking Co. v. Interstate Brands Corp.*, 738 F. Supp. 1272, 1274 (E.D. Mo. 1990) (explaining that fanciful marks are coined terms with no dictionary meaning, while arbitrary marks are common words applied in an unfamiliar, nondescriptive way).

68. *Abercrombie & Fitch Co.*, 537 F.2d at 11 n.12.

69. *Chams De Baron Ltd. v. H. Cotler Co.*, No. 84 Civ. 1237, 1984 U.S. Dist. LEXIS 18993, at *6 (S.D.N.Y. Mar. 1, 1984).

70. *See, e.g., Zatarain’s, Inc. v. Oak Grove Smokehouse, Inc.*, 698 F.2d 786, 791 (5th Cir. 1983).

71. *See, e.g.,* Kodak, *History of Kodak: Introduction*, at <http://www.kodak.com/US/en/corp/aboutKodak/kodakHistory/kodakHistory.shtml> (last visited Feb. 20, 2004).

72. *See, e.g., Banfi Prods. Corp. v. Kendall-Jackson Winery, Ltd.*, 74 F. Supp. 2d 188, 195 (E.D.N.Y. 1999).

It is well settled that the strength of a mark refers to “the distinctiveness, or more precisely, its tendency to identify the goods sold under the mark as emanating from a particular, although possibly anonymous source.” A mark’s strength is measured by considering two factors: “its inherent distinctiveness, and its distinctiveness in the marketplace.”

B. Trademark Categorization Requires Context

The word “apple” is the generic word for a particular tree-growing fruit, so “apple” cannot be a valid trademark for apples. It is, however, an arbitrary or fanciful trademark for computers, or for musical sound recordings, hence Apple Computers⁷³ and Apple Records.⁷⁴ Similarly, “popcorn” is generic when it references eponymous kernels of snack food drenched in butter and salt, but was found suggestive when pertaining to a line of oddly shaped silver anodes.⁷⁵

The word “ice” is generic for cubes of frozen water, but was held to be a suggestive and therefore protectable mark with respect to chewing gum.⁷⁶ “Ice” also has been used as a trademark for beer, and in one lawsuit was asserted to be generic by one litigant, while the mark holder claimed that the relationship between ice and beer was “either arbitrary, fanciful or suggestive.”⁷⁷ The keys to correctly categorizing the mark are consumer understanding and common usage of the term at the time the issue is presented to a court.⁷⁸ Thus, categorizing trademarks can require substantial amounts of intuitive contextualizing by jurists, who perhaps become acclimated to or enamored of the practice, and too readily apply it to other trademark precepts such as consumer-confusion analysis.

Id. (citations omitted); *see also* E. & J. Gallo Winery v. Consorzio Del Gallo Nero, 782 F. Supp. 457, 462 (N.D. Cal. 1991).

[T]he Gallo mark itself has been held by a sister court of this Circuit to have achieved “virtually universal recognition as a trademark for wine,” and that it is “universally known both nationally and in California, and has become an extraordinarily strong and distinctive mark.” This conclusion is further supported by Gallo’s undisputed showing that it has used the Gallo mark in relation to its wines for over 50 years; it has spent some \$500 million in advertising its wines distributed under the mark; and it has sold to consumers some 2 billion bottles of wine bearing the Gallo mark.

Id. (citations omitted).

73. U.S. Trademark No. 78,170,383 (filed Oct. 2, 2002); *see* Apple Computer, Inc., at <http://www.apple.com> (last visited Feb. 20, 2004).

74. U.S. Trademark No. 74,693,839 (filed June 26, 1995); *see* Apple Records, at <http://www.schomakers.com> (last visited Feb. 20, 2004).

75. RFE Indus., Inc. v. SPM Corp., 105 F.3d 923, 925–26 (4th Cir. 1997).

76. Nabisco v. Warner-Lambert Co., 32 F. Supp. 2d 690, 696–97 (S.D.N.Y. 1999) (holding that to trademark “ice” for mint flavored chewing gum was suggestive).

77. Anheuser-Busch, Inc. v. John Labatt Ltd., No. 4:93CV02516, 1995 U.S. Dist. LEXIS 5341, at *6 (E.D. Mo. Jan. 11, 1995) (writing that “A-B [Anheuser-Busch] argues that the ‘ice’ marks are generic while Labatt argues that they are either arbitrary, fanciful or suggestive.”).

78. *Id.*

C. Consumer-Confusion Analysis

Legal protections for trademarks are doctrinally justified by the need to prevent consumer confusion, which potentially disadvantages both individuals who are tricked by confusing or deceptive trademarks into purchasing goods and services other than those they intended to procure, and the providers of goods and services who lose sales when consumers are confused or deceived.⁷⁹ Alternatively phrased, trademark infringement occurs when one party adopts a trademark that is the same as or is so similar to an existing mark that, when it is applied to the second user's goods or services, the purchasing public is likely to be confused, mistaken, or deceived about the source of goods or services themselves, or about the relationship between the parties that make the goods or provide the services.⁸⁰ Referentially compressed into the term "likelihood of confusion," this concept is the touchstone of trademark infringement liability.⁸¹

79. Leaffer, *supra* note 19, at 5–6.

A reliable, stable, and efficiently structured trademark system benefits consumer and business interests alike. Trademarks serve the interests of consumers because they reduce search costs and allow buyers to make rational purchasing and repurchasing decisions with speed and assurance. Just as important, a strong trademark system creates incentives for firms to create and market products of desirable qualities, particularly when these qualities are not observable before purchase.

Id. (footnote omitted).

80. See 15 U.S.C. § 1114(1) (2000).

81. *Id.*; *Minn. Mining & Mfg. Co. v. Rauh Rubber, Inc.*, 130 F.3d 1305, 1308 (8th Cir. 1997) (writing that the "likelihood of consumer confusion . . . is the 'hallmark of any trademark infringement claim'") (quoting *Polymer Tech. Corp. v. Mimran*, 37 F.3d 74, 80 (2d Cir. 1994)). See generally Case Law, *Sabel v. Puma*, 5 COLUM. J. EUR. L. 135 (1998) (discussing the German Supreme Court's establishment of a uniform "likelihood of confusion" standard for trademark protection in the Federal Republic of Germany); Kristan Friday, *How the Ninth Circuit Interprets "Likelihood of Confusion,"* 12 J. CONTEMP. LEGAL ISSUES 246 (2001); Patricia J. Kaeding, Comment, *Clearly Erroneous Review of Mixed Questions of Law and Fact: The Likelihood of Confusion Determination in Trademark Law*, 59 U. CHI. L. REV. 1291 (1992) (outlining features of the Ninth Circuit's "likelihood of confusion" analysis); Richard L. Kirkpatrick, *Likelihood of Confusion Issues: The Federal Circuit's Standard of Review*, 40 AM. U. L. REV. 1221 (1991) (outlining features of the Federal Circuit's "likelihood of confusion" analysis); Lisa Kobialka, Note, *Not Likely, But Possible: A Lesser Standard for Trademark Infringement in Versa Products Co. v. Bifold Co.*, 31 U.S.F. L. REV. 477 (1997) (arguing the Third Circuit had disrupted standard "likelihood of confusion" analysis in *Versa Products Co. v. Bifold Co.*); David J. McKinley, *Proving Likelihood of Confusion: Lanham Act vs. Restatement*, 12 J. CONTEMP. LEGAL ISSUES 239 (2001) (arguing that potentially relevant "likelihood of confusion" factors have converged for all the Federal Circuit Courts of Appeal); Micah D. Nesson, *Marca Mode CV v. Adidas AG: An End to the "Confusion"?*, 9 TUL. J. INT'L & COMP. L. 629 (2001) (discussing the European Court of Justices' application of the "likelihood of confusion" test in *Marca Mode CV v. Adidas AG*, 2 C.M.L.R. 1061 (2000)); Jacqueline Pasquarella, *Confusion over the Likelihood of Confusion?: Dranoff-Perlstein Associates v. Sklar*, 38 VILL. L.

A trademark can be infringed by the unauthorized use of exact replicas of the mark on the same products (where the act might be characterized as counterfeiting) or on related goods.⁸² Trademarks can also be infringed by the nonpermissive use of “colorable imitations” of the mark.⁸³ Whether a mark accused of infringing another mark is similar enough to constitute an actionable colorable imitation is a subjective decision that courts make and is usually articulated as a judgment about whether the contemporaneous coexistence of the marks underlying the dispute is likely to cause consumer confusion.⁸⁴

When trademark holders attempt to convince a court that the trademark related activities of another entity should be enjoined, they argue overtly or by implication that consumers are easily confused because this helps them prevail in both infringement and dilution actions, which in turn broadens the scope of, and increases the strength of, their trademarks. Strong, broadly enforceable trademarks are desirable because they may discourage competitors from using otherwise attractive and advantageous trademarks of their own that are even mildly similar, and simultaneously frighten away those who might otherwise make noncompeting or even arguably noncommercial uses of the mark

REV. 1317 (1993) (discussing the Third Circuit’s standard of review of lower court’s “likelihood of confusion” determinations); David M. Perry, Comment, *Possibility of Confusion in Third Circuit Trademark Infringement: A Standard Without a Test*, 71 TEMPLE L. REV. 325 (1998) (outlining the development of the “likelihood of confusion” test in Third Circuit trademark cases); Jonathan Pavlovcak, Recent Decisions, *Johnny Come Lately Gets Some Relief from the Third Circuit—A & H Sportswear Inc. v. Victoria’s Secret Stores, Inc.*, 1999 WL 23441 (3d Cir. 1999), 17 TEMP. ENVTL. L. & TECH. J. 193 (1998) (discussing the Third Circuit’s formulation of the “likelihood of confusion” test in *A & H Sportswear Inc. v. Victoria’s Secret Stores, Inc.*); Stephen C. Root, *Trade Dress, the “Likelihood of Confusion,” and Wittgenstein’s Discussion of “Seeing As”*: *The Tangled Landscape of Resemblance*, 30 SETON HALL L. REV. 757 (2000) (arguing “likelihood of confusion” test will necessarily remain “contingent, incomplete, and . . . unsatisfactory” given the philosophical issues involved in determining “similarity”); Jeffrey J. Rupp, *Trademark Law: The Third Circuit’s Rejection of the Possibility of Confusion Test*, 5 B.U. J. SCI. & TECH. L. 16 (1999) (discussing the Third Circuit’s formulation of the “likelihood of confusion” test in *A & H Sportswear Inc. v. Victoria’s Secret Stores, Inc.*); Richard E. Stanley, Jr., Comment, *Reverse Confusion as Applied in Dream Team Collectibles, Harlem Wizards Entertainment Basketball, and Illinois High School Association*, 50 BAYLOR L. REV. 1007 (1998) (discussing the application of the “likelihood of confusion” factors in “reverse confusion” cases among the Federal Courts of Appeals).

82. Lanham Act, 15 U.S.C. § 1114.

83. *Id.* § 1114(1)(a).

84. See, e.g., *Wash. Speakers Bureau, Inc. v. Leading Auths., Inc.*, 33 F. Supp. 2d 488, 501 (E.D. Va. 1999).

without the mark holder's explicit authorization.

1. Colorable Infringement

Accusations of trademark infringement are generally raised when one entity makes use of a mark that is the same or similar to a mark that is "owned" by another. In this context, the term "ownership" connotes the holding of trademark rights, often (but not always) by virtue of use of the mark in commerce,⁸⁵ and by federal registration of the mark obtained through the U.S. Patent & Trademark Office. If a competitor makes unauthorized use of another's exact trademark in a clearly deceptive manner, that rival may be accused of criminal counterfeiting⁸⁶ as well as trademark infringement.⁸⁷

While there is fairly universal agreement that unauthorized uses of confusingly similar trademarks by competitors is unfair and should be prevented, a meaningful explanation of what "confusingly similar" means eludes even a careful reader of the Lanham Act, the federal statute

85. See generally 15 U.S.C. § 1052; *id.* § 1127 (defining "commerce").

86. See, e.g., Department of Justice, *1701 Trademark Counterfeiting—Introduction*, at http://www.usdoj.gov/usao/eousa/foia_reading_room/usam/title9/crm01701.htm (last visited Feb. 20, 2004).

The Trademark Counterfeiting Act of 1984, Pub. L. No. 98-473, Tit. II, § 1502(a), 98 Stat. 2178 (1984), and the Anticounterfeiting Consumer Protection Act of 1996, Pub. L. No. 104-153, 110 Stat. 1386 (1996), address the growing problem of trafficking in counterfeit trademark goods, which has primarily involved the clandestine manufacture and distribution of imitations of well-known trademarked merchandise. The 1984 Act created an offense, codified at 18 U.S.C. § 2320, which provides that "(w)hoever intentionally traffics or attempts to traffic in goods and services and knowingly uses a counterfeit mark on or in connection with such goods or services" shall be guilty of a felony. 18 U.S.C. § 2320(a). Section 2320(b) enables the United States to obtain an order for the destruction of articles in the possession of a defendant in a prosecution under this section upon a determination by the preponderance of the evidence that such articles bear counterfeit marks.

These Acts also amend the Lanham Act, 15 U.S.C. § 1501 *et seq.*, to create stronger remedies in civil cases involving the intentional use of a counterfeit trademark. They provide mechanisms for obtaining statutory damages, treble damages and attorney's fees. 15 U.S.C. § 1117. The Lanham Act also provides for ex parte application by a trademark owner for a court order to seize counterfeit materials and instrumentalities where it can be shown that the defendant is likely to conceal or transfer the materials. *Id.* § 1116(d). New amendments permit the seizure order to be served and executed either by federal law enforcement officers or by state or local law enforcement officers. *Id.* § 1116(d)(9). The Lanham Act also requires applicants to file a notice of application for an ex parte seizure order with the United States Attorney, who may participate in such proceedings if they appear to affect evidence of a federal crime.

Id.

87. "Counterfeit" is defined as "a spurious mark which is identical with, or substantially indistinguishable from, a registered mark." 15 U.S.C. § 1127.

underpinning trademark law. The Lanham Act defines infringement as the “use in commerce of any reproduction, counterfeit, copy or colorable imitation of a registered mark” in commerce in a manner “likely to cause confusion, or to cause mistake, or to deceive,”⁸⁸ and then rather circularly and unhelpfully defines “colorable imitation” as a term that “includes any mark which so resembles a registered mark as to be likely to cause confusion or mistake or to deceive.”⁸⁹ This means that for all practical purposes, a confusingly similar mark is statutorily defined as a mark likely to cause confusion or mistake or to deceive that is used in a manner likely to cause confusion, to cause mistake, or to deceive. This certainly provides a powerful conceptual illustration of the word “confusing,” but gives little guidance to courts about when a competing mark accused of being infringing is “confusingly similar.” As a result, federal judges give meaning to the term on a case-by-case basis as they issue verdicts and opinions in the context of trademark litigation.

Actual confusion of consumers need not be demonstrated to prevail in an infringement action, merely likelihood thereof.⁹⁰ If the judges assume the average shopper is rather guileless and simpleminded, then anything that is even arguably mildly perplexing can be understood to meet this low threshold. Once it is met, the jurist’s task is essentially complete because likelihood of confusion connotes likelihood of success on a trademark infringement claim, and irreparable injury to the mark holder is then presumed.⁹¹ Judges who enjoin infringers conveniently

88. *Id.* §§ 1114(1), 1125.

89. *Id.* §§ 1114(1), 1127.

90. *See, e.g.*, *Lois Sportswear, U.S.A., Inc. v. Levi Strauss & Co.*, 799 F.2d 867, 875 (2d Cir. 1986) (“Of course, it is black letter law that actual confusion need not be shown to prevail under the Lanham Act, since actual confusion is very difficult to prove and the Act requires only a likelihood of confusion as to source.”); *Scarves by Vera, Inc. v. Todo Imports Ltd.*, 544 F.2d 1167, 1175 (2d Cir. 1976) (holding that “‘a showing of actual confusion is not necessary and in fact is very difficult to demonstrate’ with reliable proof”) (quoting *W.E. Bassett Co. v. Revlon, Inc.*, 435 F.2d 656, 662 (2d Cir. 1970); *see also* Kobialka, *supra* note 81, at 488.

The “likelihood of confusion” standard is a happy medium between a “possibility of confusion” standard and an “actual confusion” standard. Demonstrating a possibility of confusion is quite easy. On the other hand, proof of actual confusion is difficult, if not impossible, to establish. However, evidence of actual confusion is only one of several factors employed to make a likelihood of confusion determination. Any proof of actual confusion is persuasive evidence that there is a likelihood of confusion, but a lack of actual confusion is not dispositive.

Id. (citations omitted).

91. *Lois Sportswear, U.S.A., Inc.*, 799 F.2d at 875.

escape the difficult task of precisely articulating how likely confusion has to be before “likelihood of confusion” is found. They are not required to ground their determinations in even euphemistically quantitative constructs like “preponderance of the evidence,”⁹² by finding that a majority of consumers are likely to be confused. Nor do they typically elucidate any theory of causation, neither explaining how likelihood of confusion in a given context leads to harm, nor specifying how to measure the amount of confusion that is likely to be generated by a particular usage or substantiality of similarity.

Even the very nature of the confusion inquiry is ambiguous. The Restatement (Third) of Unfair Competition characterizes the conclusion that “likelihood of confusion [is] a question of fact subject to the clearly erroneous rule” as “the better view, adopted by the majority of courts.”⁹³ The Court of Appeals for the Federal Circuit, however, views likelihood of confusion as a question of law,⁹⁴ while the Second and Sixth Circuits assert that it is a mixed question of law and fact.⁹⁵ The authors of one of

92. See, e.g., BLACK’S LAW DICTIONARY 1201 (7th ed. 1999).

93. See RESTATEMENT (THIRD) OF UNFAIR COMPETITION § 21 cmt. m (1993).

94. See, e.g., *Giant Food, Inc. v. Nation’s Foodservice, Inc.*, 710 F.2d 1565, 1569 (Fed. Cir. 1983).

Some circuit courts hold that the question of likelihood of confusion is one of fact and is subject to the “clearly erroneous” standard of Fed. R. Civ. P. 52(a). However, other courts hold that it is a conclusion of law. Our predecessor court, the Court of Customs and Patent Appeals, recognized in *Du Pont* that the question of likelihood of confusion “has been termed a question of fact” by other courts, but did not specifically adopt that view. It went on to say that “if labeled a mixed question or one of law, it is necessarily drawn from the probative facts in evidence.” Subsequently in the case of *Interstate Brands v. Celestial Seasonings*, Chief Judge Markey . . . stated for the majority that the question of likelihood of confusion “is a legal conclusion” and cannot be “admitted” as a fact.

However the ultimate issue of likelihood of confusion is characterized, it is clear that our predecessor court did not apply the “clearly erroneous” standard of review to the issue. In *Du Pont*, Chief Judge Markey wrote that “. . . it is the duty of the examiner, the board, and this court (emphasis added) . . . “ to determine the ultimate issue of likelihood of confusion. A review of cases in which the CCPA reversed the decision of the TTAB on this issue will demonstrate that our predecessor court did not consider itself bound by a narrow standard of review of the question. We have held that the decisions of the Court of Customs and Patent Appeals are binding upon us. Therefore, we hold that the issue of likelihood of confusion is the ultimate conclusion of law to be decided by the court, and that the clearly erroneous rule is not applicable.

Id. (citations omitted).

95. See, e.g., *Bristol-Myers Squibb Co. v. McNeil-P.P.C., Inc.*, 973 F.2d 1033, 1043 (2d Cir. 1992).

In this Circuit, a district court’s determination of the individual *Polaroid* factors are subject to review as findings of fact, subject to reversal only if clearly erroneous, while the ultimate balancing of all the *Polaroid* factors to determine the likelihood of confusion in any given case is done *de novo* by this Court.

the leading trademark law textbooks have written: “Predictably, the diverging viewpoints in this area have produced a muddled body of case law, characterized by such inconsistency among and within the circuits that it has become difficult to predict how a court will deal with a particular case.”⁹⁶

Trademark holders of textual trademarks do not “own” the words that their trademarks are comprised of for all communicative purposes.⁹⁷ Neither do they hold a monopoly over all uses of these words for

Id.; Wynn Oil Co. v. Thomas, 839 F.2d 1183, 1186 (6th Cir. 1988).

This Circuit considers the question of whether there is a likelihood of confusion a mixed question of fact and law. When reviewing a lower court’s decision in these cases, we apply a clearly erroneous standard to findings of fact supporting the likelihood of confusion factors, but review *de novo* the legal question whether, given the foundational facts as found by the lower court, those facts constitute a “likelihood of confusion.”

Id.

96. JANE C. GINSBURG ET AL., TRADEMARK AND UNFAIR COMPETITION LAW 419 (3d ed. 2001). Because this Article critiques published opinions, the emphasis here is on judicial rather than jury-based “likelihood of confusion” determinations, regardless of whether they are characterized as factual or legal in nature. One might surmise that juries asked to decide whether consumer confusion is likely could be greatly influenced by the manner in which the inquiry was framed: “Are you likely be confused?” is apt to generate more negative responses than “Is anyone likely to be confused?” In consequence, both jury biases, and judicial biases that improperly affect or color jury instructions, could lead to unjust and unjustified outcomes for individual parties, but such issues are not specifically considered here.

97. See, e.g., Stephen L. Carter, *Does It Matter Whether Intellectual Property Is Property?*, 68 CHI.-KENT L. REV. 715, 720 (1992) (“Certainly, one may conceptualize trademarks as property in the Lockean sense In American law, of course, it is axiomatic that trademarks are not property in this sense.”); Megan E. Gray, *Defending Against a Dilution Claim: A Practitioner’s Guide*, 4 TEX. INTELL. PROP. L.J. 205, 209–10 (1996).

The trademark right is an exclusionary right, not a property right in the word itself. To be more specific, trademark owners do not actually own the underlying mark at issue—they only possess a right to exclude others from using the mark in a manner that would harm consumers. A pure ownership right in a mark has not been granted, nor is it likely to be granted, because of the potential monopolization of language to which this could lead. Dilution statutes obviously grant broader protection than traditional trademark law since a dilution cause of action allows a trademark owner to exclude those who use the mark in a non-confusing manner. However, dilution statutes only grant a quasi-property right in a mark.

Id. (footnotes omitted). *But cf.* Maya Alexandri, *The International News Quasi-Property Paradigm and Trademark Incontestability: A Call for Rewriting the Lanham Act*, 13 HARV. J.L. & TECH. 303, 306 (2000) (“Trademarks are not—or at least, were not—property prior to the passage of the Lanham Act; incontestability . . . raises a serious question, descriptively speaking, as to whether trademarks now are property.”) (footnote omitted).

trademark purposes.⁹⁸ If two products or markets are sufficiently unrelated, two entities can use the same words as trademarks without triggering legally actionable consumer confusion. As one court put it:

[T]wo marks that serve to identify products in two unrelated markets may very well coexist without confusion in the public's eye. Thus *Notre Dame* brand imported french cheese has been permitted to coexist with *Notre Dame* University; *Bulova* watches with *Bulova* shoes; *Alligator* raincoats with *Alligator* cigarettes; "This Bud's for you" in beer commercials with the same phrase used by a florist; *White House* tea and coffee with *White House* milk; *Blue Shield* medical care plan with *Blue Shield* mattresses; *Family Circle* magazine with *Family Circle* department store; *Ole'* cigars with *Ole'* tequila; and *Sunkist* fruits with *Sunkist* bakery products. The list continues.⁹⁹

Two parties may have legitimate, discrete national trademark rights that conflict only when they operate conterminously in a specific marketplace using the same or similar trademarks on the same or similar products or services. This is what might be described as a classic "innocent" trademark dispute in the sense that there is no indication either party has chosen its mark with any nefarious "free riding" or "palming off" motivation, but cognizable numbers of consumers could plausibly be confused, to the detriment of both mark holders. The mark holders would not fully reap the benefits of their "good reputations" and "desirable product features" and might be forced to invest in communicative advertising simply to distinguish its goods or services from those offered by competitors. They may alternatively feel compelled to change their trademarks, or to use whatever legal mechanisms are available to try to get a competitor to stop using a mark, or both. These cases can arise when companies expand into new geographic regions,¹⁰⁰ when two companies begin using the same or similar marks contemporaneously,¹⁰¹ when an entity adopts a mark unaware that another business has been using it, or when a mark is adopted with knowledge of prior use but with the assumption that either the preexisting marks or the underlying goods and services are sufficiently dissimilar such that the adoption and use of

98. Trademarks deemed "famous" receive very broad protections under the Lanham Act. *See, e.g.*, 15 U.S.C. §§ 1125(c), 1127 (2000). Section 1125(c) lists eight factors for determining whether a mark is famous, but application of these factors by the courts has been varied. *See* Xuan-Thao N. Nguyen, *A Circus Among the Circuits: Would the Truly Famous and Diluted Performer Please Stand up? The Federal Trademark Dilution Act and Its Challenges*, 1 J. INTELL. PROP. 158, 173-90 (1999).

99. *Quality Inns Int'l, Inc. v. McDonald's Corp.*, 695 F. Supp. 198, 210 (D. Md. 1988).

100. *See, e.g.*, *United Drug Co. v. Theodore Rectanus Co.*, 248 U.S. 90, 94-95 (1918); *Thrifty Rent-a-Car Sys., Inc. v. Thrift Cars, Inc.*, 831 F.2d 1177, 1179 (1st Cir. 1987); *Dawn Donut Co. v. Hart's Food Stores, Inc.*, 267 F.2d 358, 364 (2d Cir. 1959).

101. *See, e.g.*, *Blue Bell, Inc. v. Farah Mfg. Co.*, 508 F.2d 1260, 1262-63 (5th Cir. 1975); *Lucent Info. Mgmt., Inc. v. Lucent Techs., Inc.*, 986 F. Supp. 253, 254-55 (D. Del. 1997); *Shalom Children's Wear Inc. v. In-Wear A/S*, 26 U.S.P.Q.2d 1516, 1517 (T.T.A.B. 1993).

a particular mark will not be viewed as a problem.¹⁰²

2. Trademark Dilution and Even More Confusion

In the United States, holders of “famous” trademarks¹⁰³ can assert a statutory right to prevent others from “diluting” their marks.¹⁰⁴ Dilution as defined by the Lanham Act “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) competition between the owner of the famous mark and other parties, or (2) likelihood of confusion, mistake,

102. See, e.g., *Int’l Kennel Club of Chi., Inc. v. Mighty Star, Inc.*, 846 F.2d 1079, 1080–81 (7th Cir. 1988); *Procter & Gamble Co. v. Johnson & Johnson Inc.*, 485 F. Supp. 1185, 1190–93 (S.D.N.Y. 1979), *aff’d*, 636 F.2d 1203 (2d Cir. 1980).

103. A definition of famous is not provided in the Lanham Act and has developed somewhat inconsistently in case law. See, e.g., *TCPIP Holding Co. v. Haar Communications, Inc.*, 244 F.3d 88, 98–99 (2d Cir. 2001) (using legislative intent to find that “famous marks” under the Lanham Act must carry “a substantial degree of fame”); *Times Mirror Magazines, Inc. v. Las Vegas Sports News, L.L.C.*, 212 F.3d 157, 163–66 (3d Cir. 2000) (determining a mark can be “famous” within “a niche market”); *Avery Dennison Corp. v. Sumpton*, 189 F.3d 868, 875 (9th Cir. 1999) (explaining that famous marks are “truly famous and registered”); *Star Markets, Ltd. v. Texaco, Inc.*, 950 F. Supp. 1030, 1033 (D. Haw. 1996) (using eight nonexclusive factors from the act to determine famous marks); *Gazette Newspapers, Inc. v. New Paper, Inc.*, 934 F. Supp. 688, 692 (D. Md. 1996) (failing to define “famous marks”). See generally Edward E. Vassallo & Maryanne Dickey, *Protection in the United States for “Famous Marks”*: *The Federal Trademark Dilution Act Revisited*, 9 *FORDHAM INTELL. PROP. MEDIA & ENT. L.J.* 503 (1999) (providing an overview of “famous marks” case law). As one commentator has observed:

The Dilution Act unfortunately provides no instructions for resolving its ambiguous language. The Act mandates that for a mark to enjoy protection it must be “famous,” but does not define the term famous. On one hand, the Act extends protection to famous marks against diluting use of that mark after it has become famous. On the other hand, the act requires the diluting use to cause “dilution of the distinctive quality of the [famous] mark” and provides eight factors to determine whether the mark is “distinctive and famous.” This leads to numerous unanswered questions. Must a mark be both famous and distinctive? Is distinctive a synonym for fame? Should an independent inquiry for distinctiveness be conducted in addition to a fame analysis? What are the factors a mark must possess in order to be distinctive or famous? Can a mark be distinctive and not famous? Is a famous mark automatically a distinctive mark? Is a distinctive mark also a famous mark? Can a famous mark be distinctive? Does distinctive under the Dilution Act have the same meaning as distinctive in the traditional trademark infringement context? Given such ambiguity, it is not a surprise to see that the terms distinctive and famous have been subject to a wide range of interpretations.

Xuan-Thao N. Nguyen, *The New Wild West: Measuring and Proving Fame and Dilution Under the Federal Trademark Dilution Act*, 63 *ALB. L. REV.* 201, 209–10 (1999).

104. 15 U.S.C. § 1125(c) (2000).

or deception.”¹⁰⁵ Trademark dilution is thus the use of a mark, or the use of a “too-similar” mark, by an unauthorized entity that does not fit traditional notions of infringing conduct because there is little risk that consumers will be confused or misled by the use.¹⁰⁶ A mark holder could argue that unauthorized use of a trademark on a dissimilar, noncompeting good or service diluted the mark, undermining the mark’s uniqueness and unfairly usurping the goodwill associated with the mark that the mark holder had worked hard to generate. The nationwide right to enjoin trademark dilution is a fairly recent development, as it was codified in the federal trademark statute in 1995,¹⁰⁷ though many states had antidilution laws previously.¹⁰⁸

By giving famous mark owners the ability to prevent dilution, in addition to infringement, some critics assert that these mark holders are given improperly expansive property rights (sometimes called “trademarks in gross”) in words and symbols.¹⁰⁹ Customarily, a mark

105. *Id.* § 1127.

106. *See Times Mirror Magazines, Inc.*, 212 F.3d at 163; *Lockheed Martin Corp. v. Network Solutions*, 985 F. Supp. 949, 959 (C.D. Cal. 1997); *see also* Jacqueline R. Knapp, *The Federal Trademark Dilution Act: The Circuit Split Makes a Desperate Call to the Supreme Court for Uniformity*, 19 GA. ST. U. L. REV. 853, 877–78 (2003); Dickerson M. Downing, *From Odol to Lingerie: Dilution and the “Victoria’s Secret” Decisions*, 744 PLI/PAT 273, 283 (2003). *But see* *Nabisco, Inc. v. PF Brands, Inc.*, 191 F.3d 208, 217–18 (2d Cir. 1999); Terry Ahearn, Comment, *Dilution by Blurring Under the Federal Trademark Dilution Act of 1995: What Is It and How Is It Shown?*, 41 SANTA CLARA L. REV. 893, 907 (2001) (“Although still used in some state court cases, judges and commentators have largely discredited the test for being too similar to the tests used for determining likelihood of confusion in traditional trademark infringement cases.”).

107. The Federal Trademark Dilution Act of 1995 took effect on January 16, 1996.

108. *See, e.g., Gray, supra* note 97, at 207–08.

Dilution statutes are a relatively new phenomenon in the trademark protection field. The first dilution law was passed in Massachusetts in 1947. Since then, approximately twenty-five states have adopted dilution laws of their own. Three states include dilution as part of their common law. In fact, one court has recently noted that a dilution claim is practically boilerplate in trademark actions. The vast majority of states with dilution laws have adopted statutes that are much the same as section 12 of the Model State Trademark Bill. Despite this similarity in language, courts have been wildly inconsistent in their interpretations of dilution statutes.

Id. (footnotes omitted).

109. *See, e.g., Avery Dennison Corp.*, 189 F.3d at 875 (noting that dilution laws, “much more so than infringement and unfair competition laws, tread very close to granting ‘rights in gross’ in a trademark”); *Ringling Bros.-Barnum & Bailey Combined Shows, Inc. v. Utah Div. of Travel Dev.*, 170 F.3d 449, 454 (4th Cir. 1999) (“This radical dilution proposal, whose practical effect if fully adopted would be to create as the whole of trademark-protection law property rights in gross in suitably ‘unique’ marks, never has been legislatively adopted by any jurisdiction in anything approaching that extreme form.”); *see also* Matthew D. Caudill, *Beyond the Cheese: Discerning What “Causes Dilution” Under 15 U.S.C. § 1125(c)—A Recommendation to Whittle Away the Liberal Application of Trademark Dilution to Internet Domain Names*, 13 FORDHAM INTELL. PROP. MEDIA & ENT. L.J. 231 (contending that the liberal application of dilution

could not be registered unless it was in use, or the registration applicant asserted an intention to begin using the mark in commerce shortly. Warehousing of trademarks for future uses remains doctrinally discouraged.¹¹⁰ Under antidilution principles, however, famous mark owners gain the ability to “reserve” preexisting marks for a wide variety of future uses, even if they have no intention of ever utilizing the marks in alternative ways. For example, the General Motors Corporation may have no interest in making or marketing Chevrolet® ice cream, but can bring a trademark dilution suit against any dairy company that attempts it. As one commentator explained:

Trademark dilution is based not on the notion of protecting consumers from deception, but on protecting mark owners from a possible diminution in the value of their marks. The theory of dilution . . . is that a second use of a well-known mark, even where the second use does not confuse consumers, gradually erodes the unique symbolism of that mark. Over time, many such uses erode the unique connection between a well-known mark and goods produced by the mark’s owner. Once that connection is partially severed by the presence of other (usually non-competing or non-similar) goods with the same brand name, the value of the trademark as a marketing device is eroded. Dilution proponents have cited these as potential examples of diluting uses of a mark: Buick candy bars, Kodak laundry detergent, and the like. In contrast to ordinary trademark infringement, dilution is *not* predicated on any showing of likelihood of confusion. The injury is the reduced marketing value of the mark, rather than confusion in the marketplace.¹¹¹

laws produces property rights in gross and frustrates the purpose of trademark law); Robert N. Klieger, *Trademark Dilution: The Whittling Away of the Rational Basis for Trademark Protection*, 58 U. PITT. L. REV. 789, 864–66 (1997) (finding the FTDA may create property rights in gross for holders of famous marks). *But see* Paul J. Heald, *Trademarks and Geographical Indications: Exploring the Contours of the TRIPS Agreement*, 29 VAND. J. TRANSNAT’L L. 635, 642–43 (1996).

Article 16 of TRIPS requires that a dissimilar use “indicate a connection between [the infringing] goods or services and the owner of the registered trademark.” The requirement of a mistaken belief in a “connection between those goods” seems much closer to the traditional Lanham Act false sponsorship cause of action than to a cause of action for dilution.

Id. (footnotes omitted) (alteration in original).

110. *See, e.g.*, *Procter & Gamble Co. v. Johnson & Johnson Inc.*, 485 F. Supp. 1185, 1203–08 (S.D.N.Y. 1980), *aff’d*, 636 F.2d 1203 (2d Cir. 1980); *see also* *Buti v. Impresa Perosa, S.R.L.*, 139 F.3d 98, 105 (2d Cir. 1998); Michael B. Landau, *Problems Arising out of the Use of “WWW.Trademark.Com”*: *The Application of Principles of Trademark Law to Internet Domain Name Disputes*, 13 GA. ST. U. L. REV. 455, 467 (1997) (writing that “[o]ne cannot simply create ‘catchy’ marks, not use them and then assert them against the users. In order to maintain rights in a mark, the trademark owner must maintain the mark’s usage in connection with goods and/or services”).

111. David S. Welkowitz, *Protection Against Trademark Dilution in the U.K. and Canada: Inexorable Trend or Will Tradition Triumph?*, 24 HASTINGS INT’L & COMP. L.

Thus, dilution was intended to create a cause of action for famous mark holders who objected to uses of the same or similar marks in commerce on unrelated goods or services that did not confuse consumers. Consumer confusion plays no overt role in dilution analysis where the interloper uses the exact same mark as the famous one. Judicial confusion is often apparent when U.S. courts attempt to articulate what it means to “lessen distinctiveness,”¹¹² as is judicial bewilderment, judicial bafflement, and judicial befuddlement; on the other hand, whether consumers are perplexed or deceived by the use of a preexisting mark on unrelated goods is, at least according to some courts, doctrinally irrelevant.¹¹³

However, dilution claims are not limited to exact copying. Famous marks are also protected from dilution by similar marks, and deciding whether an accused mark is similar enough to trigger dilution concerns requires a determination of whether or not it is similar enough to be confused with the famous mark. In the context of dilution claims by similar marks, some courts have even required proof of consumer confusion.¹¹⁴ Though consumer confusion in the dilution context is theoretically a somewhat different construct, the reasoning used by many courts in making this subjective determination often substantially

REV. 63, 67–68 (2000) (footnotes omitted).

112. See, e.g., Port, *supra* note 15, at 831. Port analyzed section 43(c) of the Lanham Act and concluded:

[T]his congressional expansion of the trademark right in the United States has created a state where circuit courts have no real idea of what a likelihood of dilution means and therefore, conclude, in most instances, that a famous mark is a diluted mark without any real justification for this conclusion.

Id.; see also Gerard N. Magliocca, *One and Inseparable: Dilution and Infringement in Trademark Law*, 85 MINN. L. REV. 949, 953 (2001).

Courts repeatedly throw up their hands in frustration when asked “to identify the legal interest sought to be protected from ‘dilution,’ [and] hence the legal harm sought to be prevented.” Since any concurrent use of a mark diminishes that mark’s distinctiveness in some sense, separating unauthorized uses that dilute from those that do not has proven quite difficult. Unless dilution is read to prohibit virtually all unauthorized uses of a given mark, the doctrine can begin “to lose its coherence as a legally enforceable norm.”

Id. (footnotes omitted) (alteration in original).

113. Panavision Int’l v. Toeppen, 141 F.3d 1316, 1324 (9th Cir. 1998) (noting that trademark dilution laws protect “distinctive” or “famous” trademarks from certain unauthorized uses of the marks regardless of a showing of competition or likelihood of confusion).

114. See, e.g., Mead Data Cent., Inc. v. Toyota Motor Sales, U.S.A., Inc., 875 F.2d 1026, 1029 (2d Cir. 1989).

Indeed, some courts have gone so far as to hold that, although violation of an antidilution statute does not require confusion of product or source, the marks in question must be sufficiently similar that confusion may be created as between the marks themselves. We need not go that far. We hold only that the marks must be “very” or “substantially” similar and that, absent such similarity, there can be no viable claim of dilution.

Id. (citations omitted).

parallels the analyses applied when ascertaining whether consumer confusion is likely in trademark infringement disputes. For example, one of the first dilution cases was brought by a company that owned the mark Wawa for convenience stores, against an entity that began using the mark HaHa for its own convenience stores.¹¹⁵ Wawa submitted a marketing survey in support of its dilution claim, and the court found the survey persuasive, writing: “Plaintiff buttresses its position by introducing evidence of a marketing survey which concludes that persons in HAHA’s neighborhood who were interviewed about Defendant’s market tended, in 29% of the cases, to associate Defendant’s market with a Wawa market.”¹¹⁶ How this “tendency to associate” differed from a likelihood of confusion was not articulated and is difficult to distill from the wildly oscillating and inconsistent case law that has developed subsequent to this decision.¹¹⁷ Several courts have overtly adopted aspects of the trademark infringement analysis pertaining to consumer confusion for use in deciding trademark dilution cases.¹¹⁸

115. *Wawa Inc. v. Haaf*, 40 U.S.P.Q.2d 1629 (E.D. Pa. 1996).

116. *Id.* at 1632.

117. Criticism of the inconsistent ways in which courts apply antidilution laws come from a variety of normative viewpoints. *See, e.g.*, W. Whitaker Rayner, *In Search of a Dilution Solution: Implementation of the Federal Trademark Dilution Act*, 20 MISS. C. L. REV. 93, 93–94 (1999) (“[F]ederal courts have struggled with the development of a body of case law interpreting the FTDA. As more fully described below, the various circuits have, on occasion, reached diametrically opposed conclusions as to the interpretation of certain provisions of the FTDA.”); Ahearn, *supra* note 106, at 893–94.

The FTDA was designed to provide uniform national protection to the value of trademarks and replace the “patch quilt system” of state laws that had produced inconsistent and unenforceable results. However, dilution theory has never been unanimously accepted as a viable extension of traditional trademark protection, and as previous failed legislation and state court experience has shown, the application of dilution theory is intensely debated and begrudgingly applied.

Id. (footnotes omitted); Nguyen, *supra* note 98, at 158.

Each of the circuit courts that has had the opportunity to address the Act has its own idea about dilution and fame, the meaning of dilution, how to establish fame, and how to prove dilution. With the conflicting rulings from these circuits, there is a circus among the circuits. Each performer at the circus is carrying its own act leaving trademark owners a federal anti-dilution system that is almost as chaotic as the original patchwork system of more than twenty-five state statutes.

Id.

118. *See, e.g.*, *V Secret Catalogue, Inc. v. Moseley*, 259 F.3d 464, 476 (6th Cir. 2001), *rev’d*, 537 U.S. 418 (2003); *Times Mirror Magazines, Inc. v. Las Vegas Sports News*, 212 F.3d 157, 168 (3d Cir. 2001); *Mead Data Cent., Inc.*, 875 F.2d at 1031; *Nabisco, Inc. v. PF Brands, Inc.*, 191 F.3d 208, 217 (2d Cir. 1999); *Eli Lilly & Co. v.*

As one observer has written, “the harm that dilution seeks to address might best be described as a loss of consumer *attention* due to the proliferation of similar or identical symbols of trade.”¹¹⁹ Generally, judges do not address what, in fact, causes consumers to lose attention and how to quantify attendant damages. In fact, U.S. courts have not consistently required evidence of any actual harm to substantiate claims of trademark dilution. In one case, the court stated that requiring proof of lost revenue “seem[ed] inappropriate,”¹²⁰ as did judicially setting forth any specific definition of, or test for, trademark dilution. Instead, the judge wrote that “courts would do better to feel their way from case to case, setting forth in each those factors that seem to bear on the resolution of that case”¹²¹ This approach cannot help but create great uncertainty among any entity that is considering adopting a new mark.

There is some possibility that the Supreme Court’s decision in *Moseley v. V Secret Catalogue*¹²² will bring needed clarity to the meaning and correct application of the trademark dilution statute. After the Court heard oral argument in this case on November 12, 2002, courtroom observers opined that the lawyers on both sides had a hard time articulating a consistent definition of trademark dilution, and the Justices seemed quite frustrated by the exercise.¹²³ Ultimately, on March 4, 2003 the Court concluded that under the Federal Trademark Dilution Act mark holders were required to show “actual dilution” to prevail.¹²⁴ The Court stopped short of requiring proof of the consequences

Natural Answers, Inc., 233 F.3d 456, 468 (7th Cir. 2000); Elvis Presley Enter., Inc. v. Capece, 950 F. Supp. 783, 797–98 (S.D. Tex. 1996), *rev’d*, 141 F.3d 188 (5th Cir. 1998); Clinique Labs., Inc. v. Dep Corp., 945 F. Supp. 547, 562 (S.D.N.Y. 1996).

119. ROBERT P. MERGES ET AL., *INTELLECTUAL PROPERTY IN THE NEW TECHNOLOGICAL AGE* 713 (2d ed. 2001) (emphasis in original).

120. *Nabisco, Inc.*, 191 F.3d at 223.

121. *Id.* at 227.

122. *Moseley v. V Secret Catalogue, Inc.*, 537 U.S. 418 (2003).

123. See, e.g., Dahlia Lithwick, *Thong of the South: How a Kentucky Smut Shop Put the Starch in Victoria’s Secret’s Shorts*, SLATE, Nov. 12, 2002, at <http://slate.msn.com/?id=2073884>.

The case end[ed] on the same confused note on which it began. There is a trademark dilution statute that is supposed to protect more than traditional trademark law, but no one is quite sure how much more or how to prove it. It’s not at all clear to me, or the court, that Victoria’s Secret cat litter or aluminum siding really tarnishes the image of the lingerie giant. Nor is it clear why the cat litter people would choose that name unless they intended to unfairly profit from Victoria’s Secret’s success. The court will need to decide how much copycatting is acceptable, and how much more trademark protection to afford the famous, merely because they’re famous.

Id.; see also Bill Adair, *Victor v. Victoria*, ST. PETERSBURG TIMES, Nov. 17, 2002, at A1; Joan Biskupic, *High Court Mulls What’s in a Name*, USA TODAY, Nov. 12, 2002, available at http://www.usatoday.com/news/washington/2002-11-12-victor-usat_x.htm; Tony Mauro, *Victoria’s Trademark May Carry the Day*, LEGAL TIMES, Nov. 18, 2002, at 6.

124. See, e.g., Bassam N. Ibrahim & Bryce J. Maynard, *Supreme Court Opinion*

of dilution, such as actual loss of sales or profits, but held: “[A]t least where the marks at issue are not identical, the mere fact that consumers mentally associate the junior user’s mark with a famous mark is not sufficient to establish actionable dilution.”¹²⁵ How a mark holder might adequately demonstrate a reduction in the capacity of a famous mark to identify the goods of its owners was not spelled out, though the opinion suggested that establishing that the defendant’s mark caused consumers to “form a different impression” of the plaintiff’s mark was necessary.¹²⁶

The Court did not appear to explicate the concept of trademark dilution in a manner straightforward enough to allow for consistent application across a broad range of factual situations. Mark holders, courts, and defendants still have little additional guidance beyond the list of eight nonexclusive factors for assessing distinctiveness and fame, which do not address how distinctive and famous the mark should be, or what degree of fame, notoriety, or recognition the mark should possess, to qualify for protection.¹²⁷ It is possible, however, that the Court’s holding that the Federal Trademark Dilution Act requires a showing of actual dilution will curtail the invocation of “likelihood of confusion” analysis when considering dilution claims. It is also worth considering that if more than a mental association is required to sustain a dilution claim pertaining to nonidentical marks, than something beyond mere mental associations may be necessary to support likelihood of confusion assertions concerning “colorable imitations” as well.

A recent decision by the Second Circuit in the wake of the Supreme Court’s ruling in *Moseley v. V Secret Catalogue* suggests that some judges will avoid the remaining uncertainties pertaining to the trademark dilution doctrine by shoehorning dilution analysis into the trademark infringement framework. For example, in *Virgin Enterprises Ltd. v. Nawab*¹²⁸ in the context of an appeal from a denial of a preliminary injunction, the court ruled that Virgin Enterprises was entitled to enjoin the use of the marks “Virgin Wireless” and “Virgin Mobile” by another entity that had used these marks in commerce and had pursued

Rules That the Federal Trademark Dilution Act (“FTDA”) Requires Proof of Actual Dilution, FINDLAW, at http://articles.corporate.findlaw.com/articles/file/00320/008759/title/Subject/topic/Intellectual%20Property%20Law_Trademark/filename/intellectualpropertylaw_1_237 (last visited Apr. 25, 2004).

125. *Moseley*, 537 U.S. at 1124.

126. *Id.* at 1125.

127. 15 U.S.C. § 1125(c)(1) (2000).

128. 335 F.3d 141 (2d Cir. 2003).

registration of them with the U.S. Patent & Trademark Office.¹²⁹

One disquieting aspect of the case is the certitude of the language used by the court to express its finding that “Plaintiff’s VIRGIN mark undoubtedly scored high on both concepts of strength,”¹³⁰ though it does not appear to be supported by any evidence, such as the extent of the advertising invested in the mark, or the volume of sales in Virgin stores.¹³¹ In another place the opinion states, “There can be no doubt that plaintiff’s VIRGIN mark, as used on consumer electronic equipment, is a strong mark”¹³² This is a startling conclusion for the court to reach at all, no less with “no doubt,” because there is no indication anywhere else in the opinion concerning how often the plaintiff was using the Virgin mark on consumer electronic equipment. The equipment listed at the company’s website appears to bear only the trademarks of the manufacturers of the equipment, such as Sanyo, Nintendo, and IBM.¹³³ The plaintiff’s trademark registration with the

129. See ITU Serial Numbers 75,845,508, 75,845,511 (abandoned Apr. 9, 2003) (on file with USPTO, accessible via TESS, at <http://www.uspto.gov> (last visited Oct. 24, 2003)). After stating that its inquiry was whether “a significant number of consumers would be confused about the sponsorship of defendants’ retail stores,” the *Virgin* court decided there was a significant likelihood of confusion, writing that “[c]onsumer confusion was more than likely; it was virtually inevitable,” without ever defining or quantifying “significant” in any way. *Virgin Enters., Ltd.*, 335 F.3d at 146, 151. The only evidence on this point that is discussed in the opinion is an affidavit from a former employee of the defendant who worked at a Virgin Wireless mall kiosk, stating that individuals used to ask him if the kiosk was affiliated with plaintiff’s Virgin stores. *Id.* at 151. The exact number of people who asked him is not articulated, and whether they were still confused when he answered “no” is not addressed either. Assuming arguendo that the result was correct, it is still unsettling that the court seems to base the holding on intuition rather than consumer survey evidence.

130. *Virgin Enters., Ltd.*, 335 F.3d at 148.

131. See, e.g., *Banfi Prods. Corp. v. Kendall-Jackson Winery, Ltd.*, 74 F. Supp. 2d 188, 196 (E.D.N.Y. 1999).

In the instant case, as Kendall-Jackson argues and Banfi more or less concedes, ROBERT PEPI COLLINE DI SASSI is an arbitrary mark because it has no meaning to the average consumer, nor does it suggest the qualities and features of the wine. However, a finding that a particular mark is arbitrary does not guarantee a determination that the mark is strong. Instead, this Court still must evaluate the mark’s distinctiveness in the marketplace.

Courts may consider several factors in determining a particular mark’s distinctiveness in the marketplace. For example, the “strength of a mark is . . . often ascertained by looking at the extent of advertising invested in it, and by the volume of sales of the product.” In addition, “extensive third-party use can dilute the strength of a mark.”

Id. (citations omitted).

132. *Virgin Enters., Ltd.*, 335 F.3d at 149.

133. A search on the Virgin.net website under the word “electronics” reveals as much. See Virgin.net, Search Results, at http://gps.virgin.net/search/sitesearch?submit.x=1&start=0&format=1&num=10&restrict=site&sitefilter=site%2Fsite_filter.hts&sitefilter=site%2Fsite_results.hts&sitescorethreshold=28&scope=virgin&q=electronics (last visited Feb. 20, 2004).

U.S. Patent & Trademark Office¹³⁴ lists Virgin goods and services that include:

[direct mail advertising for others]; dissemination of advertising materials for others; preparing advertising, promotions, and public relations materials for other; [management of promotional and incentive plans and services for others]; business organization promotional consulting for others; demonstration of the goods and services of others and the promotion thereof; promoting and advertising the goods and services of others by [aircraft], airships and air balloons; outdoor advertising such as by billboards; and distribution of advertising, promotional materials and sample materials of others. . . .

. . . transportation of goods and passengers by road, [rail], air [and sea]; freight transportation services; [tourist agency services]; travel agency services; [arranging travel tours; and transportation reservation services]. . . .

. . . [clubs, nightclubs]; bars; [hotels; resorts; hotel reservation services; hotel and resort management for others; carry-out restaurant and restaurant services; catering; computer programming for others; computer software design services for others; artwork and graphic design services for others]; and retail store services in the fields of [cosmetics and laundry preparations, metal hardware], cameras, records, audio and video tapes, [audio and video recorders], computers and electronic apparatus, [jewelry, clocks] and watches, [musical instruments, stationery], sheet music, books and photography, handbags, purses, luggage and leather goods, clothing, [lace, embroidery, gifts and sewing materials, toys], games, video game machines and video game cartridges, [processed foods, jellies and jams, coffee, tea, bakery items and candy, beer, ale, mineral and aerated waters and other non-alcoholic drinks, wines, spirits and liqueurs, and tobacco and smokers' articles].¹³⁵

Given this diverse range of uses, whether the Virgin mark is strong in terms of consumer recognition with respect to any particular good or service listed cannot reasonably be a matter of judicial intuition. Whether the mark is actually “strong” with respect to consumer electronic equipment, because significant numbers of consumers associate it with consumer electronic equipment, is susceptible to evidentiary proof, which the court ought to have required, and to have referenced in its opinion.

Far more problematic is the court’s repeated assertion that the Virgin mark is “famous.”¹³⁶ Marks do not have to be famous to receive protection from infringement; famousness is not relevant to an infringement inquiry at all. Famousness is, however, a requirement to receive federal dilution protection under the Lanham Act, which requires a mark holder

134. U.S. Trademark No. 1,851,817 (issued Aug. 30, 1994).

135. *Id.* (brackets in original).

136. *Virgin Enters., Ltd.*, 335 F.3d at 146 (writing that “the district court accorded plaintiff too narrow a scope of protection for its famous, arbitrary, and distinctive mark”); *see also id.* at 149 (writing that “Plaintiff’s VIRGIN mark was also famous”).

asserting famousness to make a fairly substantial evidentiary showing.¹³⁷ While Virgin may have been able to make such a showing, there is no indication that it actually did. In addition, even though the court never mentions the word “dilution” in the entire opinion, it appears to award dilution style protection to the mark holder, a right to own the mark in gross. After asserting, without statutory or case law support, that “the law accords broad, muscular protection to marks that are arbitrary or fanciful in relation to the products on which they are used,”¹³⁸ the court stated:

If a mark is arbitrary or fanciful, and makes no reference to the nature of the goods it designates, consumers who see the mark on different objects offered in the marketplace will be likely to assume, because of the arbitrariness of the choice of mark, that they all come from the same source. For example, if consumers become familiar with a toothpaste sold under an unusual, arbitrary brand name, such as *ZzaaqQ*, and later see that same inherently distinctive brand name appearing on a different product, they are likely to assume, notwithstanding the product difference, that the second product comes from the same producer as the first.¹³⁹

This is a description of the trademark “problem” that the dilution cause of action is intended to remedy. It does not accurately portray an infringement claim, as absent dilution protections, a mark holder cannot prevent others from using the same trademark on products or in markets that are sufficiently unrelated.¹⁴⁰ One can observe additional creeping dilution analysis in this subsequent passage from the opinion:

137. 15 U.S.C. § 1125 states in pertinent part:

In determining whether a mark is distinctive and famous, a court may consider factors such as, but not limited to—

- (A) the degree of inherent or acquired distinctiveness of the mark;
- (B) the duration and extent of use of the mark in connection with the goods or services with which the mark is used;
- (C) the duration and extent of advertising and publicity of the mark;
- (D) the geographical extent of the trading area in which the mark is used;
- (E) the channels of trade for the goods or services with which the mark is used;
- (F) the degree of recognition of the mark in the trading areas and channels of trade used by the marks’ owner and the person against whom the injunction is sought;
- (G) the nature and extent of use of the same or similar marks by third parties;
- and
- (H) whether the mark was registered under the Act of March 3, 1881, or the Act of February 20, 1905, or on the principal register.

15 U.S.C. § 1125 (2000).

138. *Virgin Enters., Ltd.*, 335 F.3d at 147. In fact, this statement is contrary to much case law. See, e.g., *Banfi Prods. Corp. v. Kendall-Jackson Winery, Ltd.*, 74 F. Supp. 2d 188, 196 (E.D.N.Y. 1999) (holding that “a finding that a particular mark is arbitrary does not guarantee a determination that the mark is strong”).

139. *Virgin Enters., Ltd.*, 335 F.3d at 148.

140. See *supra* notes 97–102 and accompanying text; *infra* notes 260–351 and accompanying text.

If a mark has been long, prominently and notoriously used in commerce, there is a high likelihood that consumers will recognize it from its prior use. Widespread consumer recognition of a mark previously used in commerce increases the likelihood that consumers will assume it identifies the previously familiar user, and therefore increases the likelihood of consumer confusion if the new user is in fact not related to the first. A mark's fame also gives unscrupulous traders an incentive to seek to create consumer confusion by associating themselves in consumers' minds with a famous mark. The added likelihood of consumer confusion resulting from a second user's use of a famous mark gives reason for according such a famous mark a broader scope of protection, at least when it is also inherently distinctive.¹⁴¹

Again, the court is articulating the rationale for dilution protection for famous marks, but couching it in "likelihood of confusion" language.¹⁴² In so doing, it accorded the mark holder dilution-like protection without ever inquiring into, no less finding as an evidentiary matter the "actual dilution" that the Supreme Court's *Moseley* opinion seems to require.¹⁴³

IV. CONSUMER-CONFUSION ANALYSIS, JUDICIAL SUBJECTIVITY, AND JUDICIAL NOTICE

*The court takes no offense at the possible inference, accurate or not, that Georgia might be a more advantageous forum because there are more rednecks here than in Connecticut.*¹⁴⁴

In an infringement dispute, a federal court will consider allegedly conflicting trademarks in the contexts in which they are used and make a determination about whether the dual usages create a "likelihood of

141. *Virgin Enters., Ltd.*, 335 F.3d at 148 (citation omitted).

142. *Id.* The court ultimately concluded: "Because there is no intrinsic reason for a merchant to use the word 'virgin' in the sale of consumer electronic equipment, a consumer seeing VIRGIN used in two different stores selling such equipment will likely assume that the stores are related." *Id.* at 149. While this may be correct, the trademarks were different in appearance, as "Defendants' logo used a difference typeface and different colors from plaintiff's." *Id.* In addition, the trademarks were somewhat different textually (Virgin Megastores versus Virgin Wireless), the stores were very different (large retail space versus mall kiosks), and the goods were different (plaintiff sold a wide range of products but did not sell telephones, while the defendant sold only telephones and related equipment). Therefore, the conclusion may have been incorrect and is not a one a court should reach simply on the basis of intuition.

143. See, e.g., Bassam N. Ibrahim & Bryce J. Maynard, *Supreme Court Opinion Rules That the Federal Trademark Dilution Act ("FTDA") Requires Proof of Actual Dilution*, FINDLAW, at http://library.lp.findlaw.com/articles/file/00320/008759/title/subject/topic/intellectual%20property%20law_trademark/filename/intellectualpropertylaw_1_237 (last visited Oct. 24, 2003).

144. *Foxworthy v. Custom Tees, Inc.*, 879 F. Supp. 1200, 1208 n.11 (N.D. Ga. 1995).

confusion.” If so, the mark holder with inferior rights to the disputed mark (usually because usage commenced later in time) may be restricted to using the mark in a limited geographic area or may be ordered to stop using it in commerce altogether.¹⁴⁵

As a general policy matter, when the goods produced by the alleged infringer compete for sales with those of the trademark owner, infringement usually will be found if the marks are deemed sufficiently similar that confusion can be expected.¹⁴⁶ For example, an attempt to launch a line of “Levy” denim jeans would almost certainly be met with a trademark suit and would likely be found to infringe the “Levi’s” trademark even if “Levy” was the surname of the individual behind this doomed entrepreneurial effort.¹⁴⁷

When the goods are related, but not competitive, several other factors are added to the confusion calculus including strength of the plaintiff mark, proximity of the goods or services, similarity of the marks, evidence of actual confusion, marketing channels used, type of goods or services, the degree of care likely to be exercised by the purchaser, defendant’s intent in selecting the mark, and the likelihood of expansion of the product lines.¹⁴⁸ The mark “Ben’s Bread” was deemed confusingly similar to the Uncle Ben’s mark for rice products, premised in part on the observation that: “While there are some obvious differences between the marks UNCLE BEN’S and BEN’S BREAD, they both contain the possessive form of the name ‘BEN.’”¹⁴⁹ That both products were sold in grocery stores, and that Uncle Ben’s also used its mark on stuffing mix, were also deemed important.¹⁵⁰ In a similar vein, the Trademark Trial and Appeal Board held that artificial sweetener and salt are “closely related, complimentary products,”¹⁵¹ and concluded:

145. See, e.g., *Thrifty Rent-a-Car Sys. v. Thrift Cars, Inc.*, 831 F.2d 1177, 1180–81 (1st Cir. 1987).

146. *AMF Inc. v. Sleekcraft Boats*, 599 F.2d 341, 348 (9th Cir. 1979).

147. Under the Lanham Act, trademarks that are “primarily merely a surname” cannot be registered with the USPTO on the principal register. 15 U.S.C. § 1502(e)(4) (2000). “The common law also recognizes that surnames are shared by more than one individual, each of whom may have an interest in using his surname in business, and by the requirement for evidence of distinctiveness, in effect, delays appropriation of exclusive rights in the name.” *In re Etablissements Darty Et Fils*, 759 F.2d 15, 17 (Fed. Cir. 1985), *aff’d*, 222 U.S.P.Q. 260 (T.T.A.B. 1984).

148. *AMF Inc.*, 599 F.2d at 348.

149. *Uncle Ben’s, Inc. v. Stubenberg Int’l, Inc.*, 47 U.S.P.Q.2d 1310, 1312 (T.T.A.B. 1998).

150. *Id.* at 1313.

151. *NutraSweet Company v. K & S Foods, Inc.*, 4 U.S.P.Q.2d 1964, 1967 (T.T.A.B. 1987).

While artificial sweeteners and salt with trace minerals are obviously different products, we think it likely that they would be sold in the same sections of grocery stores and supermarkets and would appear side by side in restaurants

We think it quite likely that purchasers familiar with the NUTRASWEET product, either as an ingredient in EQUAL artificial sweetener or as an ingredient in various other food products, would, upon viewing NUTRA SALT salt with trace minerals, be likely to believe that this was a new product line put out by the same producer as the NUTRASWEET producer or that the salt product was somehow associated with or sponsored by the people producing the NUTRASWEET product.¹⁵²

If the goods are totally unrelated, as a doctrinal matter an infringement action should not be supportable because confusion is unlikely.¹⁵³ For this reason, Smith Brothers' Auto Repair and Smith Brothers' Cough Drops can independently coexist without spawning trademark infringement litigation,¹⁵⁴ and there are (for example) almost three hundred different federally registered trademarks featuring the word "lighthouse."¹⁵⁵

In assessing whether confusion is likely, judges are relatively free to base their findings on their purely subjective reactions. As one judicial opinion proclaimed: "The determinative test cannot focus on how close or related the industries or products are, but rather by whether confusion is created so that an appreciable number of typical consumers will likely be confused."¹⁵⁶ Note that the test is not premised on proof that an appreciable number of typical consumers have been confused, only that they are likely to be confused in the court's estimation.

Though evidence of actual confusion is helpful to trademark holders, the absence of any actual confusion does not usually affect them at all, as courts embrace the idea that a showing of actual confusion would be very difficult to demonstrate with reliable proof.¹⁵⁷ In consequence,

and on kitchen tabletops of ordinary consumers. We further note that the respective products are low-cost impulse type items where the purchasing decision is not likely to be as careful as it would be with a higher-priced product. In short, we conclude that the artificial sweetener and salt products are closely related, complementary products and that the use of the same or of a similar mark in connection with these products would likely result in confusion as to source or sponsorship.

Id.

152. *Id.* at 1968.

153. *AMF Inc.*, 599 F.2d at 348.

154. Trademark dilution, however, is another matter, as is discussed above. See *supra* Part III.C.2.

155. Per free search conducted by Author via TESS, *Free Form Search*, at <http://www.uspto.gov> (last visited Oct. 23, 2003).

156. *Quality Inns Int'l, Inc. v. McDonald's Corp.*, 695 F. Supp. 198, 210 (D. Md. 1988).

157. See, e.g., *Lois Sportswear, U.S.A., Inc. v. Levi Strauss & Co.*, 799 F.2d 867, 875 (2d Cir. 1986). "Of course, it is black letter law that actual confusion need not be shown to prevail under the Lanham Act, since actual confusion is very difficult to prove

mark holders do not have to prove much of anything to prevail; they simply have to persuade a judge that it is likely that some consumers could be confused some of the time. Given the low opinions of consumers that some judges hold, this can be fairly easy to accomplish. One has a difficult time imagining a judge holding that a plaintiff in a personal injury suit did not have to submit evidence of soft tissue damage or psychological impairment because such injuries would be too difficult to prove and that compensable harm could be presumed from the fact that the plaintiff had been involved in some sort of accident. Nevertheless, in the realm of likelihood of confusion, evidentiary showings are not required, and judges are free to decide whether consumer confusion is likely to occur based upon their own gut reactions.

It is the application of the likelihood of confusion test that is the problem, rather than the test itself, but the net effect is that judges appear to address the confusion requirement through a framework of judicial notice,¹⁵⁸ rather than by weighing evidentiary showings. Although it is reversible error to explicitly rule in favor of trademark holders based on findings of “possibility of confusion,”¹⁵⁹ courts rarely require more from plaintiffs than articulations of plausible scenarios in which some unquantified cohort of harried, inattentive, and uninformed consumers are likely to experience confusion. Judges start with the proposition that “[t]he category of a buyer protected by trademark law against this confusion includes not only the careful or discriminating buyer, but also the ignorant, the inexperienced, and the gullible.”¹⁶⁰

A. *Bad Intent*

It is fairly well established by case law that “[p]roof of an intent to confuse the public is not necessary to a finding of a likelihood of confusion,” but “[i]f a mark was adopted with the intent to confuse the public, that alone may be sufficient to justify an inference of a likelihood of confusion.”¹⁶¹ In consequence, if something about a defendant’s behavior

and the Act requires only a likelihood of confusion as to source.” *Id.*; see also *Scarves by Vera, Inc. v. Todo Imports Ltd.*, 544 F.2d 1167, 1175 (2d Cir. 1976) (holding that “‘a showing of actual confusion is not necessary and in fact is very difficult to demonstrate’ with reliable proof”) (quoting *W.E. Bassett Co. v. Revlon, Inc.*, 435 F.2d 656, 662 (2d Cir. 1970)); *Am. Home Prods. Corp. v. Chattem, Inc.*, No. 84 Civ. 3671, 1986 WL 6167 (S.D.N.Y. May 27, 1986).

158. See, e.g., FED. R. EVID. 201.

159. See, e.g., *A & H Sportswear Inc. v. Victoria’s Secret Stores, Inc.*, 166 F.3d 197, 199 (3d Cir. 1999); *Versa Prods. Co. v. Bifold Co. (Mfg.)*, 50 F.3d 189, 208 (3d Cir. 1995).

160. *Geoffrey, Inc. v. Stratton*, 16 U.S.P.Q.2d 1691, 1696 (C.D. Cal. 1990).

161. *Elvis Presley Enter., Inc. v. Capece*, 141 F.3d 188, 203 (5th Cir. 1998).

strikes a judge as evidencing bad intent, likelihood of confusion can be sustainably inferred regardless of lack of similarity in the disputed marks or underlying goods or services.

A paradigmatic indicator of bad intentions is intentional copying. Acts of intentional trademark copying fall along a continuum, and at the scurrilously evil end is counterfeiting—the exact duplication of a mark to fool customers about the nature or origin of a product or service. At the other extremity of the continuum, the “lawful and justifiable behavior” side, is copying or colorable imitation of only descriptive marks, or aspects of descriptive marks, because doing so seems necessary to communicate attributes of the product or service itself to potential customers. Consider this tart example: The dominant brand of bottled lemonade may have a fanciful picture of a ripe yellow lemon on its label that it has registered and advertised as a trademark. A competitor may also choose to put a picture of a lemon on its retail container, not so that customers confuse the two products or sources, but to communicate to consumers the fact that inside is a citrus juice beverage. The lemon image is thus legitimately used to convey product attributes.

In the middle of the intentional copying continuum are trademark and packaging similarities in goods that deliberately market themselves as lower priced, comparable alternatives to brand name products. Many successful “national” producers hate this sort of “off brand” or “store brand” competition and will tenaciously work to increase barriers to entry to slow or incapacitate any entity that attempts to compete with them. As a result, mark holders of this ilk will bring trademark suits if there is a reasonable possibility they can prevail and thereby hinder a competitor. Meanwhile, the manufacturers of cheaper, private label alternatives seek to increase their sales and may prefer to do this without incurring advertising expenses by packaging their goods in ways that evoke brand name products and selling them in the same venues, and even from the same shelves where possible. These competing desires are clearly in direct conflict and inexorably lead to trademark litigation, the result of which may be difficult to predict. Some courts have decided that marketing lower priced comparable products in packaging that evokes national brands is legitimate, lawful competition,¹⁶² while

162. See, e.g., *Conopco, Inc. v. May Dep't Stores Co.*, 46 F.3d 1556, 1564 (Fed. Cir. 1994); see also Andrew Corydon Finch, Comment, *When Imitation Is the Sincerest Form of Flattery: Private Label Products and the Role of Intention in Determining Trade Dress Infringement*, 63 U. CHI. L. REV. 1243, 1275–76 (1996).

other courts have deemed it illegitimate, actionable free riding.¹⁶³

While it is easy to see why reasonable minds might disagree on how “off brand” behavior ought to be characterized, application of “likelihood of confusion” analysis in this type of trademark dispute is apt to be convoluted and unsatisfactory to all concerned. Whether trademark law allows a store brand of shampoo, with its own trademark, to adopt a formula, color, scent, and bottle style and shape similar to those of a highly advertised and correspondingly more expensive national brand may be a confusing query. However, any question about whether consumers can tell the difference between the two can usually be straightforwardly answered as follows: Of course they can. Enjoining a producer from calling a fragrant green shampoo in an ovoid bottle “Herbs of Reference,” may seem like a fair and appropriate response to a plea for relief from the mark holder that makes and markets the eerily similar “Herbal Essence,” but premising the injunction on probable likelihood of consumer confusion is preposterous, as label and price disparities will clearly signal the differences between the goods and sources to the vast majority of consumers. Yet, a likelihood of confusion finding is what trademark law requires to support an infringement holding.

B. Confusion in Gross

Before passage of the Federal Trademark Dilution Act, statutory law granted mark holders protectable interests in trademarks that were restricted in scope to the use of the marks in commerce. Mark holders were not accorded “trademarks in gross,”¹⁶⁴ and did not have a right to

The presumption of a likelihood of confusion from intentional copying has outlived its usefulness. With the explosion of private label manufacturing, it no longer makes sense to infer that one who deliberately copies the trade dress of a competitor does so with the intention of confusing consumers. By copying the trade dresses of their brand name competitors, private label manufacturers can effectively describe to consumers the brand name products to which their private label products correspond. A presumption of a likelihood of confusion from intentional copying would discourage such instances of beneficial copying and therefore harm rather than protect consumers by depriving them of information about—and access to—lower-cost alternatives to brand name products. Thus, unless a clear intent to confuse consumers is proved by direct evidence, courts should decline to infer anything at all from evidence of intentional copying. Instead, courts should focus their efforts on the real issue: whether two trade dresses are so similar as to create a genuine likelihood of confusion among consumers.

Id.

163. See, e.g., *McNeil-PPC, Inc. v. Guardian Drug Co.*, 984 F. Supp. 1066, 1074 (E.D. Mich. 1997).

164. See, e.g., *Interstellar Starship Servs. Ltd. v. Epix, Inc.*, 983 F. Supp. 1331, 1334–35 (D. Or. 1997).

Unlike a patent or copyright, a trademark does not confer on its owner any

prevent usage of even an identical mark on an unrelated product or service unless this was deemed likely to confuse consumers. As discussed above, dilution protection creates something akin to trademarks in gross for eligible marks. However, even absent dilution doctrine or analysis, where a large corporation uses the same mark on a diverse variety of products, some courts have been willing to accord a presumptive right on the part of the entity to be the only user of the mark in any commercial context on the grounds that multiple users of a mark will cause consumer confusion.¹⁶⁵ For example, the fact that Virgin Enterprises Limited and its related companies (collectively, the “Virgin Group”) operated various worldwide businesses that included an airline, a travel-related company, a limousine service, a soft drink bottler and distributor, and a chain of retail stores selling CDs, books, and clothing, all using the Virgin trademark and service mark, gave it the right to prevent an unrelated retail gasoline establishment from calling itself “Virgin Petroleum.”¹⁶⁶ This despite the fact that the Virgin Group was not in the fuel business at all, and there were of hundreds of federally registered trademarks using the word “virgin,” most of which had no connection to the Virgin Group and many of which predated Virgin Group’s assertion of broad trademark rights in the word.¹⁶⁷

Similarly, the use of the name Phones-R-Us by a business that sold retail phones, accessories and answering machines was found “likely ‘to cause confusion, or to cause mistake or to deceive’ consumers into believing some sponsorship, association, affiliation, connection or endorsement exists” between the toy store chain Toys “R” Us and the defendant.¹⁶⁸ While Toys “R” Us might now be able to reasonably assert dominion over “Anything R Us” through a dilution claim under the FTDA, a likelihood of confusion determination and subsequent infringement finding gave the company de facto dilution protection and trademark rights in gross five years before Congress authorized federal dilution causes of action.

rights in gross or at large. The law does not *per se* prohibit the use of trademarks or service marks as domain names. Rather, the law prohibits only uses that infringe or dilute an owner’s trademark or service mark.

Id.

165. This right is doctrinally available only to famous marks under dilution principles. *See supra* Part III.C.2.

166. *Virgin Enters. Ltd. v. Virgin Petroleum, Inc.*, No. CV 99-12826, 2000 U.S. Dist. LEXIS 8100, at *1–2, *42 (C.D. Cal. Jan. 19, 2000).

167. A “TESS” query returned 320 trademarks using or referencing the word “virgin.” TESS, *Free Form Search*, at <http://www.uspto.gov> (last visited Oct. 23, 2003).

168. *Geoffrey, Inc. v. Stratton*, 16 U.S.P.Q.2d 1691, 1694 (C.D. Cal. 1990).

Mobil Oil Corporation was deemed to have confusion-rooted trademark dominion over the word “mobile” in any automotive context, even though mobility is a defining feature of automobiles, and mobile is a descriptive term for movable goods and services. In *Mobil Oil Corporation v. Mobile Mechanics*,¹⁶⁹ the court held:

Here the marks are so similar that confusion is not only likely but practically inevitable. The mark “mobile” differs from “Mobil” only by the addition of one letter and by the absence of an initial capital. . . .

The minor variations defendants point out do not sufficiently differentiate their name from plaintiff’s mark. The fact that they make the letter “o” larger than the other letters and accent it with a gear or wheel design if anything increases the likelihood of confusion.¹⁷⁰

Rather than requiring Mobil Oil Corporation to prove likelihood of confusion between a large, well-known petroleum company and a small start up mobile auto repair service, this court opined that: “It was defendants’ obligation to avoid confusion and it remains defendants’ burden as subsequent user to demonstrate that confusion is not likely to result.”¹⁷¹

C. Confusion Deemed Incurable

Likelihood of confusion can be found even when it is anticipated that consumers will resolve or overcome any actual confusion well before reaching the point of sale. Mark holders can win infringement suits simply by proving so called “initial interest” confusion, which is what piano consumers were deemed likely to experience when they were drawn to Grotrian-Steinweg pianos, though it was clear to the court that no one would actually purchase a Grotrian-Steinweg piano believing it to be a product of the Steinway & Sons company.¹⁷² One somewhat stunning articulation of the adequacy of initial interest confusion to support an infringement finding occurred in a dispute between the Blockbuster chain and an upstart competitor that called itself Video

169. *Mobil Oil Corp. v. Mobile Mechs., Inc.*, 192 U.S.P.Q. 744 (D. Conn. 1976).

170. *Id.* at 747.

171. *Id.*

172. *Grotrian v. Steinway & Sons*, 523 F.2d 1331, 1342 (2d Cir. 1975).

The issue here is not the possibility that a purchaser would buy a Grotrian-Steinweg thinking it was actually a Steinway or that Grotrian had some connection with Steinway and Sons. The harm to Steinway, rather, is the likelihood that a consumer, hearing the “Grotrian-Steinweg” name and thinking it had some connection with “Steinway,” would consider it on that basis. The “Grotrian-Steinweg” name therefore would attract potential customers based on the reputation built up by Steinway in this country for many years. The harm to Steinway in short is the likelihood that potential piano purchasers will think that there is some connection between the Grotrian-Steinweg and Steinway pianos.

Id. (footnote omitted).

Busters. The fact that even clueless consumers would quickly figure out that Video Busters was a different entity was deemed “unimportant” and “irrelevant” by a court that held:

[T]he issue in this case is the degree of likelihood that the name “Video Busters” would attract potential customers based on the reputation built by Blockbuster. That a customer would recognize that Video Busters is not connected to Blockbuster after entry into a Video Busters store and viewing the Video Busters membership application, brochure, video cassette jacket, and store layout is unimportant. The critical issue is the degree to which Video Busters might attract potential customers based on the similarity to the Blockbuster name. The court finds that Video Busters might attract some potential customers based on the similarity to the Blockbuster name. Because the names are so similar and the products sold are identical, some unwitting customers might enter a Video Busters store thinking it is somehow connected to Blockbuster. Those customers probably will realize shortly that Video Busters is not related to Blockbuster, but . . . that is irrelevant.¹⁷³

The implication that a mark holder only has to convince a court that consumers are likely to be confused momentarily suggests the burden of proof on this issue can be feather-light indeed. In addition, the proposition that fleeting confusion cannot be effectively cured at any point in a transaction is confusing in its own right. Consumers who prefer to rent videos from Blockbuster were free to seek that store out, and to leave Video Busters if they were drawn in by an incorrect perception that the two entities were affiliated. Consumers who found the Video Buster offerings attractive and desirable, and who remained there to rent movies rather than seeking out a competing Blockbuster, arguably benefited from any misperception that led them to enter. The judge’s ruling saved the first group of consumers a few minutes, but deprived the second group of opportunities for beneficial transactions, while conceding that no one was confused when exiting the premises. While some observers might agree with this outcome, explaining why trademark law requires it proves problematic.

At least according to some courts, consumer confusion cannot be cured, much less avoided, by the use of disclaimers.¹⁷⁴ Ironically, the

173. Blockbuster Entm’t Group v. Laylco, Inc., 869 F. Supp. 505, 513 (E.D. Mich. 1994).

174. “House marks” are a related concept. A house mark is an umbrella source-identifying mark that may be used on a range of different products in addition to product-specific trademarks. House marks are sometimes given substantial weight in trade dress infringement cases. *See, e.g.*, L.A. Gear, Inc. v. Thom McAn Shoe Co., 988 F.2d 1117, 1134 (Fed. Cir. 1993); Bristol-Myers Squibb Co. v. McNeil-P.P.C., Inc., 973

evidentiary burden on a defendant attempting to prove a disclaimer is effective at preventing or alleviating consumer confusion can be much heavier than the burden on a plaintiff asserting that confusion is likely to occur.¹⁷⁵ However, this makes perfect sense if one's analysis starts with the assumption that consumers are incurably stupid.

D. Confusion, Sophistication, and Class

The sophistication of purchasers is one factor that courts will usually consider when making a likelihood of confusion determination.¹⁷⁶ In a trademark dispute involving a petroleum trading company, a court found that even sophisticated oil traders dealing in large quantity transactions were likely to be initially confused about whether there was a connection between the defendant and the plaintiff based on a perceived similarity between their trademarks.¹⁷⁷ Apparently, the court took judicial notice

F.2d 1033, 1046 (2d Cir. 1992). However, in other cases, likelihood of confusion has been found despite the use of a house mark. *See, e.g.,* Americana Trading Inc. v. Russ Berrie & Co., 966 F.2d 1284, 1290 (9th Cir. 1992); Gen. Foods Corp. v. Borden, Inc., 191 U.S.P.Q. 674, 682 (N.D. Ill. 1976).

175. *See, e.g.,* Home Box Office, Inc. v. Showtime/The Movie Channel, Inc., 832 F.2d 1311, 1316 (2d Cir. 1987). *But see* Westchester Media v. PRL USA Holdings, Inc., 214 F.3d 658, 672 (5th Cir. 2000); Soltex Polymer Corp. v. Fortex Indus., Inc., 832 F.2d 1325, 1330 (2d Cir. 1987).

Like fraudulent speech, speech that misleads or creates confusion is not protected under the First Amendment. Where the allegedly infringing speech is at least partly literary or artistic, however, and not solely a commercial appropriation of another's mark, the preferred course is to accommodate trademark remedies with First Amendment interests. One obvious mode of accommodation is a disclaimer that will officially dissociate the junior user of the mark from the senior user's product. Disclaimers have frequently been approved by this court and others when trademark and First Amendment interests intersect.

Westchester Media, 214 F.3d at 672 (citations omitted).

176. "The sophistication of the buyers" is the eighth of the "Polaroid Factors" articulated by the Second Circuit for the purpose of evaluating likelihood of confusion between nonidentical goods or services. Derived from the holding in *Polaroid Corp. v. Polarad Elecs. Corp.*, 287 F.2d 492, 495 (2d Cir. 1961), they have close analogues in other circuits. *See* Smith Fiberglass Prods., Inc. v. Ameron, Inc., 7 F.3d 1327, 1329 (7th Cir. 1993) (describing the "Helene Curtis" factors of the Seventh Circuit); E. & J. Gallo Winery v. Gallo Cattle Co., 967 F.2d 1280, 1290 (9th Cir. 1992) (describing the "Sleekcraft" factors of the Ninth Circuit); Merchant & Evans, Inc. v. Roosevelt Bldg. Prods. Co., 963 F.2d 628, 637 (3d Cir. 1992) (describing the "Scott Paper" factors of the Third Circuit); Anheuser-Busch, Inc. v. L. & L. Wings, Inc., 962 F.2d 316, 320 (4th Cir. 1992) (describing the "Pizzeria Uno" factors of the Fourth Circuit); Coherent, Inc. v. Coherent Techs., Inc., 935 F.2d 1122, 1125 (10th Cir. 1991) (describing the "Beer Nuts" factors of the Tenth Circuit); Homeowners Group, Inc. v. Home Mktg. Specialists, Inc., 931 F.2d 1100, 1106 (6th Cir. 1991) (describing the "Frisch's" factors, of the Sixth Circuit); Sno-Wizard Mfg., Inc. v. Eisemann Prods. Co., 791 F.2d 423, 428 (5th Cir. 1986) (describing the "Roto-Rooter" factors of the Fifth Circuit); SquirtCo v. Seven-Up Co., 628 F.2d 1086, 1091 (8th Cir. 1980) (describing the "Squirteco" factors of the Eighth Circuit); *see also* GINSBURG ET AL., *supra* note 96, at 391-93.

177. *Mobil Oil Corp. v. Pegasus Petroleum Corp.*, 818 F.2d 254, 260 (2d Cir. 1987).

that even experienced businesspeople might neglect to ask or ascertain with whom they were considering conducting commerce, or speaking to on the phone.

The sophistication of purchasers is even less highly esteemed by judges when, rather than transacting important business, individuals are simply purchasing goods and services for their own consumption.¹⁷⁸ The standard, facially economic, class neutral analysis is that consumers are least likely to pay careful attention to inexpensive purchases and therefore would be most likely to be confused by similar trademarks on the same or similar low cost products.¹⁷⁹ However, at other times the

178. See, e.g., *Versa Prods. Co. v. Bifold Co.*, 50 F.3d 189, 204–05 (3d Cir. 1995).

Much as courts are required to police the boundaries of similarity within which a jury may be permitted to find a likelihood of confusion under the Lanham Act, courts must also establish the perimeters of ordinary care that constrain likelihood of confusion. The following non-exhaustive considerations should guide a court's determination of the standard of ordinary care for a particular product. Inexpensive goods require consumers to exercise less care in their selection than expensive ones. The more important the use of a product, the more care that must be exercised in its selection. In addition, "the degree of caution used . . . depends on the relevant buying class. That is, some buyer classes, for example, professional buyers . . . will be held to a higher standard of care than others. Where the buyer class consists of both professional buyers and consumers, . . . the standard of care to be exercised by the reasonably prudent purchaser will be equal to that of the least sophisticated consumer in the class."

Id. (citations omitted) (alterations in original).

179. See, e.g., *BigStar Entm't, Inc. v. Next Big Star, Inc.*, 105 F. Supp. 2d 185, 215–16 (S.D.N.Y. 2000).

In conducting this analysis, this Court notes the distinction case law recognizes regarding the likelihood of confusion involving expensive versus inexpensive goods. The ordinary, reasonably prudent and reasonably informed customer is expected to be more discerning and less likely to be confused in inverse proportion to the price of the product. Thus, greater likelihood of confusion is presumed in the case where relatively inexpensive items are purchased.

The price of the products here in contention may not be great, but seems sufficiently high to reduce the buyers' clicking impulse and to serve to define more narrowly one segment of the relevant web market to the more interested, probable purchasers of the parties' products. Defendants' registration fee for each entrant is \$19.95. The unit price of plaintiff's videocassettes, DVDs and merchandise, though it not entirely clear from the record, could be under \$20.00 per item.

Id. (citations omitted); see also *Beer Nuts, Inc. v. Clover Club Foods Co.*, 711 F.2d 934, 941 (10th Cir. 1983) ("Buyers typically exercise little care in the selection of inexpensive items that may be purchased on impulse. Despite a lower degree of similarity, these items are more likely to be confused than expensive items which are chosen carefully.") (citing *Sun-Fun Products, Inc. v. Suntan Research & Dev. Inc.*, 656 F.2d 186, 191 (5th

sophistication of the consumers themselves appears to be at issue, rather than the price-driven levels of attention paid to particular purchases. Consider the analysis articulated in a case involving competing “horizontal fly” men’s underwear, where a court wrote:

Generally, the more sophisticated the average consumer of a product is, the less likely it is that similarities in trade dress and trademarks will result in confusion concerning the source or sponsorship of the product. . . . The purchasers of relatively inexpensive goods are held to a lesser standard of purchasing care and do not give much thought to the purchase of such inexpensive goods.¹⁸⁰

This court’s language makes it sound like people with few financial resources are inherently the least discerning consumers and thereby more susceptible to confusion. Yet there is no indication that this court based its conclusion on credible empirical research or any actual evidence whatsoever. Instead, this analysis seems rooted in instinct and personal opinion.

It is certainly possible that poor people are easily confused and unsophisticated in their purchasing habits. It is at least equally plausible, however, that the exact opposite is true—that individuals with few economic resources pay careful attention to how they spend their scarce and highly-valued dollars, while wealthy people are comparatively more apt to spend small amounts of money somewhat carelessly or recklessly. One might expect courts to require specific and persuasive evidence about consumer behavior before weighing in on this issue, but they do not appear to do so. Instead, judges sometimes make very loaded judgments, seemingly on their own volition. Consider this characterization, in the context of a dilution case, of the low level of sophistication of people who attend performances of a circus: “[C]onsumers of Ringling’s product do not have a high level of sophistication. Unlike the attorneys in *Mead Data*, who identified the LEXIS mark with the LEXIS service and

Cir. 1981); *Fotomat Corp. v. Cochran*, 437 F. Supp. 1231, 1244 (D. Kan. 1977)); *ConAgra, Inc. v. Geo. A. Hormel & Co.*, 784 F. Supp. 700, 736 (D. Neb. 1992) (taking the position that, generally, consumers of low-cost goods are less careful, and therefore, more likely to be confused by a similarity in marks); *Uncle Ben’s, Inc. v. Stubenberg Int’l, Inc.*, 47 U.S.P.Q.2d 1310, 1313 (T.T.A.B. 1998) (“Further, the fact that we are here dealing with relatively inexpensive food products means that the average purchaser may exercise less care in the purchasing decision.”); *NutraSweet Company v. K & S Foods, Inc.*, 4 U.S.P.Q.2d 1964, 1967 (T.T.A.B. 1987) (“We further note that the respective products are low-cost impulse-type items where the purchasing decision is not likely to be as careful as it would be with a higher-priced product.”). *But see* *L.A. Gear, Inc. v. Thom McAn Shoe Co.*, 988 F.2d 1117, 1134 (Fed. Cir. 1993) (holding that “[p]urchasers in discount stores are sufficiently sophisticated, we believe, to know whether they are buying the cheaper copies or the expensive originals”).

180. *Munsingwear, Inc. v. Jockey Int’l, Inc.*, 31 U.S.P.Q.2d 1146, 1151–52 (D. Minn. 1994), *aff’d*, 39 F.3d 1184 (8th Cir. 1994).

made conscious, knowledgeable decisions to purchase the product, Ringling's consumers commit no such deliberate, reflective and willful acts."¹⁸¹ Since the defendant would have benefited from a finding that circus goers were highly sophisticated, it is extremely unlikely that the defendant made this argument to the judge. This means that either Ringling Brothers specifically urged the court to find that its own patrons were unsophisticated, inattentive, and impulsive in their ticket buying, or that the court made this unflattering and textually unsupported determination on its own.

Articulated judicial perceptions about particular sorts of consumers demonstrably vary, sometimes dramatically, even within similar factual situations. Wine consumers, for example, are viewed somewhat schizophrenically by judges. In one case a district court found that "wine drinkers tend to be older, wealthier, and better educated than the adverage population."¹⁸² However, a different district court in a different case concluded that "the average American consumer is unlearned in the selection of wine."¹⁸³ In so doing, it relied on a prior court's opinion, which stated as follows: "[T]he average American who drinks wine on occasion can hardly pass for a connoisseur of wines."¹⁸⁴ This judge distinguished the determination by yet another court that "the wine-buying public—insofar as their selection and purchase of wine is concerned—is a highly discriminating group,"¹⁸⁵ with the somewhat snide, startling, and completely unsupported assertion that, "with all due respect to Alabama, it would seem common knowledge that wine was not a widely appreciated beverage in the South in 1959."¹⁸⁶

In counterfeiting situations in which cheap "knock offs" appropriate the actual, identical trademarks of upscale goods, deeming their purchasers as "confused" is almost certainly an analytic stretch; presumably, consumers who buy luxury items, such as designer perfumes, luggage,

181. *Ringling Bros.-Barnum & Bailey Combined Shows, Inc. v. B.E. Windows Corp.*, 937 F. Supp. 204, 212 (S.D.N.Y. 1996).

182. *Banfi Prods. Corp. v. Kendall-Jackson Winery, Ltd.*, 74 F. Supp. 2d 188, 195 (E.D.N.Y. 1999).

183. *E. & J. Gallo Winery v. Consorzio del Gallo Nero*, 782 F. Supp. 457, 465 (N.D. Cal. 1991).

184. *Taylor Wine Co. v. Bully Hill Vineyards, Inc.* 569 F.2d 731, 734 (2d Cir. 1978).

185. *E. & J. Gallo Winery v. Ben R. Goltsman & Co.*, 172 F. Supp. 826, 830 n.2 (M.D. Ala. 1959).

186. *E. & J. Gallo Winery*, 782 F. Supp. at 465.

jewelry, or watches, at low prices from street vendors know that the trademarks are not used legitimately. Nevertheless, it is hard to begrudge a mark holder a cause of action against abject counterfeiters, as the unauthorized use of identical marks on identical goods is the prototypical act of infringement against which the Lanham Act was enacted to protect.¹⁸⁷ Additionally, a plausible argument can be made about whether the consumer purchasing luxury goods from street vendors at astonishing discounts might be confused, mistaken, or deceived about whether the goods are counterfeit, or legitimate in the trademark sense, but illegitimate in a chain of acquisition context, which is to say, stolen.

Less doctrinally coherent cases arise when the “knock off” goods at issue look like more expensive products in form and appearance but bear dissimilar trademarks. Courts will often concede that consumers are not confused about what they are purchasing, but instead express concern that the lesser merchandise enables those in possession to confuse observers into thinking they have spent money (or have the money to spend) on expensive goods. This is generally framed as one variety of post-sale confusion.

Concerns about post-sale confusion led to a finding of trademark confusion in *Hermès International v. Lederer de Paris Fifth Avenue, Inc.*¹⁸⁸ The court found that because the defendants did not use the name “Hermès” on their products, and openly acknowledged to customers that their products were copies of Hermès designs, they “had not deceptively attempted to ‘pass off’ or ‘palm off’ their products as genuine Hermès.”¹⁸⁹ However, the defendants had still “attempt[ed] to encourage consumer confusion in the post-sale context” and were therefore guilty of trademark infringement.¹⁹⁰ As construed by the *Hermès* court, trademark law protects unwary observers from mistakenly assuming, based on a cursory inspection, that a handbag carried by another person was Hermès if she was actually toting a less expensive or elite pocketbook. The court held: “[A] loss occurs when a sophisticated

187. See, e.g., *Smith Fiberglass Prods., Inc. v. Ameron, Inc.*, 7 F.3d 1327, 1329 (7th Cir. 1993); *E. & J. Gallo Winery v. Gallo Cattle Co.*, 967 F.2d 1280, 1290 (9th Cir. 1992); *Merchant & Evans, Inc. v. Roosevelt Bldg. Prods. Co.*, 963 F.2d 628, 636 (3d Cir. 1992); *Anheuser-Busch, Inc. v. L. & L. Wings, Inc.*, 962 F.2d 316, 320 (4th Cir. 1992); *Coherent, Inc. v. Coherent Techs., Inc.*, 935 F.2d 1122, 1225 (10th Cir. 1991); *Homeowners Group, Inc. v. Home Mktg. Specialists, Inc.*, 931 F.2d 1100, 1106 (6th Cir. 1991); *Sno-Wizard Mfg., Inc. v. Eisemann Prods. Co.*, 791 F.2d 423, 428 (5th Cir. 1986); *SquirtCo v. Seven-Up Co.*, 628 F.2d 1086, 1091 (8th Cir. 1980); *AMF Inc. v. Sleekcraft Boats*, 599 F.2d 341, 348 (9th Cir. 1979); *Polaroid Corp. v. Polarad Elecs. Corp.*, 287 F.2d 492, 495–96 (2d Cir. 1961).

188. *Hermès Int’l v. Lederer de Paris Fifth Ave., Inc.*, 219 F.3d 104 (2d Cir. 2000).

189. *Id.* at 107.

190. *Id.* (alteration in original).

buyer purchases a knockoff and passes it off to the public as the genuine article, thereby confusing the viewing public and achieving the status of owning the genuine article at a knockoff price.”¹⁹¹ This post-sale confusion principle thus facilitates trademark actions against “goods [that] offer consumers a cheap knockoff copy of the original manufacturer’s more expensive product,” illegitimately allowing a buyer to acquire the prestige of owning what appears to be the more expensive product.¹⁹²

The “doctrine of illegitimate prestige” was also invoked in a dispute between two clock manufacturers, where the court concluded:

[S]ome customers would buy plaintiff’s cheaper clock for the purpose of acquiring the prestige gained by displaying what many visitors at the customers’ homes would regard as a prestigious article. Plaintiff’s wrong thus consisted of the fact that such a visitor would be likely to assume that the clock was [the more expensive] clock.¹⁹³

While it is clear that owning items bearing elite trademarks can signal affluence and good taste, it is less apparent that the Lanham Act countenances using trademark rights to “protect” exclusivity in conspicuous consumption,¹⁹⁴ or that trademark law is even necessary to perform this role. One suspects that people who actually care how much someone else paid for a wrist watch easily discern the difference between a Timex and a Rolex, regardless of any similarity in design.

191. *Id.* at 109.

192. *Id.* at 108; *see also* McCarthy, *supra* note 22, at 3338 (arguing that “in light of the dual aim of trademark law to protect the interests of both the public and the trademark owner, the use of a trademark likely to cause confusion among the general public in a post-sale context should be actionable under federal trademark law”).

193. *Mastercrafters Clock & Radio Co. v. Vacheron & Constantin-Le Coultre Watches, Inc.*, 221 F.2d 464, 466 (2d Cir. 1955).

194. *See* Lunney, *supra* note 1, at 406–08 (asserting that confusion is irrelevant in the case of prestige goods, and that liability analysis seems to rest on the court’s feeling that the ordinary rule of competition should not apply to prestige goods because otherwise a producer will not be able to maintain the artificial scarcity necessary to preserve the status of a prestige good); Malla Pollack, *Your Image Is My Image: When Advertising Dedicates Trademarks to the Public Domain—with an Example from the Trademark Counterfeiting Act of 1984*, 14 CARDOZO L. REV. 1392 (1993).

In pondering the curious tendency of judges to disparage purchasers,

195. Trademark law might not strike the casual observer as having particularly compelling gender-related dimensions, at least in comparison to areas such as family law and employment law, but neither should gender neutrality be presumed. The Author strongly recommends to the reader a rather astonishing and compelling article: Elizabeth Warren, *What Is a Women's Issue? Bankruptcy, Commercial Law, and Other Gender-Neutral Topics*, 25 HARV. WOMEN'S L.J. 19 (2002). Warren persuasively asserts that politically active women tend to ignore supposedly gender-neutral business issues that, in fact, profoundly affect many women. Her particular focus is on bankruptcy law, but her more general observations and critiques would apply to trademark law as well.

Given the fluid and extraordinarily subjective nature of trademark infringement determinations as discussed herein, a court could take the opportunity to advance its vision of social justice and gender equality when resolving trademark disputes. This was attempted in 1979 when a federal district court found a limited right for the Philadelphia Jaycees to continue to call themselves the "Jaycees" even after the national organization revoked its charter because it had begun admitting women as members, as the long as the prefix "Philadelphia" was always used and the group made clear in the printed material that it disseminated that it was not affiliated with the national Jaycees. *U.S. Jaycees v. Phila. Jaycees*, 490 F. Supp. 688, 693 (E.D. Pa. 1979), *vacated*, 639 F.2d 134 (3d Cir. 1981). However, after referencing "the halcyon days of the 1920s" in which "the United States Jaycees limited membership to young men," the Third Circuit Court of Appeals reversed, concluding:

This case . . . centers on the infringement of trademark rights. The exclusion of women is wholly independent of the protection provided by the Lanham Act to trademarks. The action terminating the Philadelphia charter for admitting women to membership was not dependent on the Lanham Act. Nor would a decision in this Lanham Act case favorable to the Philadelphia Jaycees alter the fact of the discrimination; it would not restore the Philadelphia chapter's affiliation or change the National's membership policy.

U.S. Jaycees v. Phila. Jaycees, 639 F.2d 134, 145 (3d Cir. 1981). The appellate court appeared ignorant of, though probably affirmatively chose to ignore, the impact that allowing the Philadelphia club to continue calling itself Jaycees might have had on the national organization's willingness to compromise on the gender segregation issue and accept female members.

In 1986, a similar trademark dispute arose involving the Kiwanis, provoking a federal district court judge to write:

It is somewhat astonishing in the year 1985 to hear an officer of a well-known international organization (boasting more than 300,000 members) say that it is fine for women "to help make the pancakes" but not for them to be members of the organization sponsoring the sale of those pancakes. The issue squarely presented by this case is whether such a blatant and admitted sexist attitude, and the discriminatory membership policy arising from it, are entitled to the protection of a United States District Court. For Kiwanis International asks this court to enjoin a local chapter from using the Kiwanis name and logo *solely* because that local has admitted a woman into its ranks.

Kiwanis Int'l v. Ridgewood Kiwanis Club, 627 F. Supp. 1381, 1382 (D.N.J. 1986) (emphasis in original), *rev'd*, 806 F.2d 468 (3d Cir. 1986) (footnote omitted).

The Kiwanis Ridgewood had accepted a female member and despite pointed instructions by the national organization, refused to revoke her membership. Kiwanis International then filed suit in federal court under the Lanham Act, claiming that Kiwanis Ridgewood had forfeited its license to use the Kiwanis marks, and sought preliminary and permanent injunctions prohibiting Ridgewood's continued use of the mark. In response, Kiwanis Ridgewood filed suit in New Jersey Superior Court seeking an

one notices that many of the most demeaning conceptions of consumers, and of their intelligence and discriminatory powers (or lack thereof), tend to be articulated in trademark cases in which the underlying goods and services are primarily designed for, marketed to, or purchased by women. Women are perceived to do most of the shopping, and this perception is accurate.¹⁹⁶ While court-made trademark law often presumes

injunction against International's license revocation and a declaration that the woman at issue was a bona fide member of the Ridgewood club. Kiwanis Ridgewood asserted in its complaint that the revocation would violate the New Jersey Law Against Discrimination. *Id.* at 1381. After removal to federal court, the district court held that Kiwanis Ridgewood was a place of public accommodation and therefore prohibited from restricting membership on the basis of sex under the New Jersey Law Against Discrimination. *Id.* at 1387–90. The court further held that Kiwanis International was precluded from enforcing its illegal discriminatory membership restrictions against Ridgewood, concluding:

To suggest that this case involves solely the right of Kiwanis to protect its name and logo because of a violation of its constitution or bylaws is to ignore reality. What is truly at issue here is whether Kiwanis can, directly or indirectly, enforce its policy of discrimination against women with the imprimatur of this court. This opinion concludes that it cannot. Kiwanis' trademark rights are subject to the right of women to be free of discrimination, as indeed they should be.

Id. at 1395. However, as with the district court opinion in the Jaycees case, this too was reversed by an appellate court; in this case, it was reversed on the grounds that Kiwanis Ridgewood did not constitute a place of public accommodation. *Kiwanis Int'l v. Ridgewood Kiwanis Club*, 806 F.2d 468 (3d Cir. 1986).

196. See, e.g., “*Radical Change*” *Hits Supermarket Industry*, CHAIN DRUG REV., July 2, 2001, at 37 (“Supermarket shoppers are overwhelmingly female, 77%, according to the 2001 edition of *Chain Drug Review*’s ‘Where Consumers Shop—and Why’ survey. Average shoppers range in age from 35 to 65, with 75% matching that profile, and they visit a supermarket once a week.”); Cele Otnes & Mary Ann McGrath, *Perceptions and Realities of Male Shopping Behavior*, J. RETAILING, Spring 2001, at 111, 112.

Long associated with the domestic sphere, shopping primarily has been regarded as a feminine activity. Witkowski (1999) observes that “as early as 200 years ago, American society already had begun to concede that the acquisition and use of domestic goods was within a woman’s sphere of responsibility.” Nava (1997) notes that when department stores opened in the early 20th century, it was women who patronized them and “decoded and encoded the changing images of class” symbolized in store merchandise. Reekie (1992) argues that even on the more “sexually ambiguous” floors of early department stores, women constituted the majority of customers.

Id. (citations omitted).

According to a January 2001 study by MarketResearch.com, women’s footwear and sports apparel sales will hit \$39 billion by 2005. And, because women buy athletic wear for boyfriends, husbands and kids, as well as for themselves, they account for 81% of all athletic apparel purchases, according to the Sporting Goods Manufacturers Association.

David Sokol, *Where the Boys Aren’t*, SHOPPING CENTER WORLD, Nov. 1, 2002, available

that all consumers of a particular class of goods or services require protection from deceptive or confusing trademarks,¹⁹⁷ it is when the consumers are likely to be female that paternalistic intervention, supposedly on the consumers' behalf, is often considered most necessary and appropriate.

This Author's strong impressionistic reaction, provoked by exposure to numerous written opinions in the context of teaching courses in trademark law, is that judges will more readily find sufficient consumer confusion likely where the underlying products or services are female oriented in some manner. As a consequence, trademark holders seeking broad protections may be more willing to litigate infringement cases involving goods and services with feminine aspects as straightforward confusion issues because they would have a greater expectation of success in convincing a court that female consumers are more likely to be confused by allegedly similar trademarks. Where the product or service is more male identified, trademark holders may either adopt a more attenuated or nuanced theory of confusion (for example, initial interest confusion, or the possibility of confusion) or strategically focus their energies on trademark dilution claims, which can be supported by, but do not require proof (or even argument) that the challenged mark or use creates confusion among consumers.

*1. Certain Consumers Are Presumed to Be Exceptionally
Easily Confused*

Hey, whatever happened to the women's liberation movement?

The what?

You know. The women's movement. Why aren't people interested anymore?

Oh, that. You see, what happened is, it became tainted.

By what?

*By its close association with women.*¹⁹⁸

at 2002 WL 8859009. See generally THOMAS HINE, I WANT THAT!: HOW WE ALL BECAME SHOPPERS (2002) (describing why people shop and how people use shopping to gain acceptance and establish their place in society).

197. The original justification for recognizing enforceable rights in trademarks was premised on the idea that trademarks could simultaneously profit both consumers and producers of goods and services. See Leaffer, *supra* note 19, at 5-6.

A reliable, stable, and efficiently structured trademark system benefits consumer and business interests alike. Trademarks serve the interests of consumers because they reduce search costs and allow buyers to make rational purchasing and repurchasing decisions with speed and assurance. Just as important, a strong trademark system creates incentives for firms to create and market products of desirable qualities, particularly when these qualities are not observable before purchase.

Id. (footnote omitted).

198. ALIX KATES SHULMAN, DRINKING THE RAIN 90 (1995).

The “reasonable person” construct in tort law historically was (and some would argue still is) masculine, both conceptually and linguistically the “reasonable man.”¹⁹⁹ The gender of the “reasonably prudent consumer,”²⁰⁰ however, is perceptually tied to the products or services with which disputed trademarks are associated. Where the good or service is intuitively linked to women as primary purchasers and consumers, a trademark holder’s burden of convincing the court that another mark is likely to cause confusion (and is therefore infringing, or dilutive, or possibly both) observationally seems to be an easier one to meet in many cases.²⁰¹ This watered down standard is, however, almost

199. See, e.g., Caroline Forell, *Essentialism, Empathy, and the Reasonable Woman*, 1994 U. ILL. L. REV. 769, 770.

Until the late 1970s the law’s measure of reasonableness was openly and exclusively male. For example, the still influential American Law Institute’s *Restatement (Second) of Torts*, published in 1965, refers to the negligence standard of care as that of “the reasonable man.” While in recent years “the reasonable person” has, for the most part, replaced the reasonable man as the standard by which the law and its players measure conduct, I will show that the reasonableness standard continues to be male.

Id. (footnote omitted); see also Naomi R. Cahn, *The Looseness of Legal Language: The Reasonable Woman Standard in Theory and in Practice*, 77 CORNELL L. REV. 1398, 1404 (1992).

The reasonable man standard remains an entrenched and pervasive standard by which courts measure potentially illegal conduct. Tort law, criminal law, and employment discrimination law all employ this standard to determine whether conduct is appropriate. That conduct is acceptable if it is “reasonable” is one of those “neutral” principles with which everyone can agree. As one critique points out, “[t]he notion that reason is divorced from ‘merely contingent’ existence still predominates in contemporary Western thought”

The standard actually incorporates two different, although interrelated, requirements: first, that conduct be “reasonable,” and second, that conduct be that expected of a “man.” By “reasonable man,” of course, the standard purports to be universal, to include all “mankind,” and in practice courts have applied it to women as well as men.

Id. (footnotes omitted) (alterations in original).

200. This phrase has been used in several trademark cases. See, e.g., *Entrepreneur Media, Inc. v. Smith*, 279 F.3d 1135, 1140 (9th Cir. 2002) (explaining that “[t]he test for likelihood of confusion is whether a ‘reasonably prudent consumer’ in the marketplace is likely to be confused as to the origin of the good or service bearing one of the marks”) (quoting *Dreamwerks Prod. Group, Inc. v. SKG Studio*, 142 F.3d 1127, 1129 (9th Cir. 1998)); *Brookfield Communications, Inc. v. W. Coast Entm’t Corp.*, 174 F.3d 1036, 1060 (9th Cir. 1999).

201. Dianne Klein asserted a similar gender based analytic disparity in the context of tort law, writing:

While a first-year law student and the mother of a young son and daughter, I was constantly struck by the frequent appearance in the torts casebook of boys

always articulated in a putatively gender neutral way, so that it creates puddles in the jurisprudence that sometimes splash and dampen standards in trademark litigation concerning even “male” goods and services.

The very first time a court decided to expand trademark rights such that they could be enforced against related but noncompeting goods (rather than just against the same or similar products) was in the context of breakfast foods in 1917 and is still referred to as the “Aunt Jemima Doctrine.”²⁰² The court concluded that buyers of pancake batter would likely become confused by the use of the same trademark on pancake syrup and erroneously assume that the goods came from the same source.²⁰³ “Perhaps they might not do so, if [Aunt Jemima] were used for flatirons,”²⁰⁴ the court observed, signaling quite clearly that they believed that the likely confused pancake batter and syrup purchasers were also consumers of flatirons, which is to say, female.²⁰⁵

suffering injuries as the result of their own or another boy’s seeming foolhardiness. Both through their own negligence, and that of others, boys seemed continuously to find themselves in harm’s way. I naturally wondered if this phenomenon simply reflected the truth of the proverb that “boys will be boys” and, therefore, engage in more risky and dangerous play, or whether there was a more complicated relationship between boys’ exposure to risk, consequent litigation, and tort law negligence concepts.

A closer look reveals that the current understanding of “the reasonable man [or person] standard,” a central device of tort law, includes an uneasy incorporation of the economists’ notion of “risk aversion,” a deviation from ideally rational “risk neutrality,” that both reflects and reproduces structures of gender hierarchy and stereotyping. Exceptions to uniform rules regarding the standard of care reflect the same gendered understanding, including protection or even subsidy for the risk-seeking or foolhardy behavior of boys. Inefficiencies are tolerated when they support modes of behavior in which men believe themselves to have an interest. Yet the systematic risk-aversion of women, which is well-established and may have far more pervasive consequences for both the efficiency and equity goals of tort law, is not acknowledged. In domains where men are known to be risk-averse, however, reasonableness is identified with risk aversion.

Diane Klein, *Distorted Reasoning: Gender, Risk-Aversion and Negligence Law*, 30 SUFFOLK U. L. REV. 629, 629 (1997).

202. See, e.g., *Quality Inns Int’l v. McDonald’s Corp.*, 695 F. Supp. 198, 211 (D. Md. 1988).

203. *Aunt Jemima Mills Co. v. Rigney & Co.*, 247 F. 407, 409–10 (2d Cir. 1917).

204. *Id.* at 410.

205. Judge Learned Hand concurred in the Aunt Jemima case and then used the freshly baked “Aunt Jemima doctrine” in the context of consumers arguably more likely to be male, holding that the Yale trademark that identified the source of locks could not be used by a competitor on flashlights. *Yale Elec. Corp. v. Robertson*, 26 F.2d 972, 974 (2d Cir. 1928). However, he did so with little enthusiasm, writing:

[T]he fact that flash-lights and locks are made of metal does not appear to us to give them the same descriptive properties, except as the trade has so classed them. But we regard what the trade thinks as the critical consideration, and we think the statute meant to make it the test, despite the language used.

A contemporary court might be willing to overlook seemingly very similar trademarks on virtually identical products if the packaging of the products (the contexts in which the marks appeared) were quite different. When Nabisco alleged that their “Cream of Wheat” cereal mark was infringed by Quaker Oats’ use of “Creamy Wheat” on a very similar rival foodstuff, a court concluded it was unlikely that Nabisco would be able to demonstrate that consumer confusion was likely because even though Nabisco and Quaker Oats were competing for the same consumers, the differences between the product packages were more significant than their similarities, and therefore consumers probably would not buy Creamy Wheat believing that it was Cream of Wheat.²⁰⁶ Similarly, another court concluded that consumers could

Id. He thus blamed the confusion conclusion he reluctantly endorsed on “the trade.” About the Aunt Jemima case Glynn Lunney has written:

During the course of the twentieth century, courts, and to a lesser extent Congress, gradually broadened the scope of the trademark owner’s exclusive use right. Expansion with respect to use of the mark on different goods, for example, began in 1917 when the Second Circuit ruled that the Aunt Jemima Mills Co. was entitled to exclude another from using “Aunt Jemima” as a mark on pancake syrup. Aunt Jemima had itself only used the mark with respect to self-rising flour, but the court found that the defendant’s syrup, though different, was sufficiently related “that the public, or a large part of it . . . would conclude that [the defendant’s syrup] was made by the [plaintiff].” Although the Aunt Jemima court retained confusion as to source as the relevant test, its recognition that use of the trademark on related goods could create actionable confusion opened the door to claims of infringement based upon such use. After opening the door to such claims, the Second Circuit found it almost impossible to define any sensible stopping point. If the defendant’s goods were not identical, they might nonetheless be sufficiently related that consumers would likely believe that the plaintiff had produced them. If not so related to create confusion as to source, consumers might nonetheless believe that the plaintiff had sponsored the defendant’s goods or, given the complexities of corporate ownership, that the plaintiff and defendant were somehow affiliated. In short, by opening the door to infringement claims with respect to noncompeting goods, the Second Circuit found itself on the often-invoked, but rarely encountered, slippery slope. Although no less a jurist than Learned Hand set himself the task of identifying the appropriate stopping place, the court was unable to do so. In *Polaroid Corp. v. Polarad Electronics Corp.*, the Second Circuit eventually abandoned the same goods limitation almost entirely, merely incorporating proximity of goods as a factor to be considered in resolving the likelihood of confusion issue.

Lunney, *supra* note 1, at 392–93 (citations omitted).

206. *Nabisco Brands, Inc. v. Quaker Oats Co.*, 547 F. Supp. 692, 699 (D.N.J. 1982). Another decision that is very respectful of consumer intelligence and discretionary powers is *BigStar Entm’t, Inc. v. Next Big Star, Inc.*, 105 F. Supp. 2d 185, 215–16 (S.D.N.Y. 2000).

successfully differentiate between the “Tallia” and “Italia” trademarks even though both were associated with clothing.²⁰⁷

However, it is unusual for courts to presume that consumers are observant and shrewd enough to distinguish between two disparate cereal boxes or clothing retailers. The theory of consumer-as-idiot prevails in many trademark infringement cases, often seeming glaringly pretextual, invoked only to comport with the doctrinal requirements necessary to reach the outcome that the trademark holder desires and the court apparently endorses. Where the benchmark consumer is likely to be perceived as female, this predisposition seems to be exacerbated. Illustrations include determinations that consumers cannot distinguish between the “Nailtiques” and “Pro-Techniques” marks on bottles of nail polish,²⁰⁸ or between an over-the-counter drug called “Premesyn PMS,” intended to relieve premenstrual syndrome symptoms, and a prescription drug, “Premarin,” used in estrogen replacement therapy to treat the symptoms of menopause.²⁰⁹ In this Author’s estimation, most women can tell one brand name from another and have no difficulty whatsoever in distinguishing between over-the-counter and prescription drugs, or between premenstrual syndrome and menopause. Admittedly, this Author’s opinion is experiential, intuitive, and transcendently subjective, yet so are the vague presumptive foundations upon which judges in trademark cases often base their legal analyses.

In a recent case in which the relevant consumers were “shoppers,” the court upheld a jury verdict finding that the mySimon Internet-based comparison shopping service infringed a trademark held by the Simon Property Group, which used the name “Simon” in connection with its real space mall development, mall management, and retail shopping services.²¹⁰ This verdict was affirmed despite the fact that the only survey evidence in the case “tend[ed] to show virtually no threat of actual confusion between the two companies[,] . . . a ‘completely negligible’ likelihood of confusion with under 2 percent of respondents indicating relevant confusion.”²¹¹ The judge clearly felt that judicial

207. *Hartz & Co. v. Italia, Inc.*, No. 97 Civ. 5657, 1998 WL 132787, at *2 (S.D.N.Y. Mar. 20, 1998); *see also* *Avon Shoe Co. v. David Crystal, Inc.*, 171 F. Supp. 293, 313 (S.D.N.Y. 1959) (holding that Plaintiffs’ trademark was not infringed by noncompeting products in adjacent markets because there was no likelihood of confusion, defendants’ use was in good faith and reasonable, and plaintiffs were not injured).

208. *Nailtiques Cosmetic Corp. v. Salon Scis. Corp.*, 41 U.S.P.Q.2d 1995, 1998 (S.D. Fla. 1997).

209. *Am. Home Prods., Corp. v. Chattem, Inc.*, No. 84 Civ. 3671, 1986 WL 6167, at *5 (S.D.N.Y. May 27, 1986).

210. *Simon Prop. Group, L.P. v. mySimon, Inc.*, No. IP 99-1195-C H/G, 2001 WL 66408 (S.D. Ind. Jan. 24, 2001).

211. *Id.* at *15.

intuition outweighed the evidence and ruled accordingly.

In another well-known case, one jeans maker, Lois Sportswear, was enjoined from using a stitching pattern on the back pockets of the upscale designer denim pants it marketed because the configuration was held to be substantially similar to Levi's trademark stitching pattern, "a fanciful pattern of interconnected arcs."²¹² The court announced that similar back pocket stitching on defendant's wares would confuse consumers, despite the fact that the defendant's jeans were designer jeans and therefore sold to a different market segment than Levi's jeans, and the designer jeans bore very disparate, exceedingly dissimilar labels, hang tags, and product features.²¹³ This conclusion was premised upon the stated concern that an individual's eyes might sweep the backside of another who was wearing a pair of the defendant's jeans, notice the back pocket stitching design, and erroneously conclude the fanciful pattern of interconnected arcs indicated a connection between the source of those designer jeans with the Lois Sportswear labels and the makers of Levi's.²¹⁴ Framed as "post-sale confusion as to source," the court

212. *Lois Sportswear, U.S.A., Inc. v. Levi Strauss & Co.*, 799 F.2d 867, 871 (2d Cir. 1986).

213. *Id.* at 877-78 (Miner, C.J., dissenting).

[T]he evidence is clear that Lois employs a variety of temporary and permanent labels distinguishing its jeans from those of Levi. For instance, Lois jeans are sold with "hang tags" displaying the Lois brand name and the trade symbol of a bull. There are two stitched-on cardboard tags, one measuring approximately five inches by three inches and the other measuring approximately one inch by three inches. Both tags display the Lois brand name and bull symbol as well as the legend "imported from Europe" in conspicuous print. Affixed permanently to Lois jeans are various identifying features: a two inch by one inch leather tag attached to the left rear pocket bearing the brand name and bull symbol; a sizing and care tag stitched to the inner waist seam bearing the Lois brand name and indicating that both the fabric and product are made in Spain; a brass button on the waistband bearing the Lois brand name; and a quarter circle leather or fabric patch, stitched to the right front pocket, bearing the bull symbol.

Id.

214. *Id.* at 874.

We are trying to determine if it is likely that consumers mistakenly will assume either that appellants' jeans somehow are associated with appellee or are made by appellee. The fact that appellants' jeans arguably are in a different market segment makes this type of confusion *more likely*. Certainly a consumer observing appellee's striking stitching pattern on appellants' designer jeans might assume that appellee had chosen to enter that market segment using a subsidiary corporation, or that appellee had allowed appellants' designers to use appellee's trademark as a means of reaping some profits from the designer jeans fad without a full commitment to that market

assumed this allegedly anticipated harm was of adequate magnitude to support injunctive relief.²¹⁵ The court's qualitative view of the purchasers of the defendants' designer jeans can be surmised from the following: While the text of the opinion states that "[t]he district court found, and the parties do not dispute, that the typical buyer of 'designer' jeans is sophisticated with respect to jeans buying,"²¹⁶ an appended footnote acerbically notes that: "[i]t is quite possible of course to draw the opposite inference from the fact that these buyers are willing to pay almost \$100 for a pair of jeans."²¹⁷

On occasion, adult shoppers are explicitly presumed to be less perceptive and discerning than their young children. One of the most startling cases in this regard involved fish shaped snack crackers.²¹⁸

segment. Likewise, in the post-sale context a consumer seeing appellants' jeans on a passer-by might think that the jeans were appellee's long-awaited entry into the designer jeans market segment. Motivated by this mistaken notion—appellee's goodwill—the consumer might then buy appellants' jeans even after discovering his error. After all, the way the jeans look is a primary consideration to most designer jeans buyers.

Id.

215. *Id.* at 871.

We agree with the district court, however, that the two principle areas of confusion raised by appellants' use of appellee's stitching pattern are: (1) the likelihood that jeans consumers will be confused as to the relationship between appellants and appellee; and (2) the likelihood that consumers will be confused as to the source of appellants' jeans when the jeans are observed in the post-sale context. We hold that the Lanham Act, 15 U.S.C. §§ 1051–1127 (1982), as interpreted by our Court, was meant to prevent such likely confusion.

Id.

216. *Id.* at 875.

217. *Id.* at 875 n.5.

218. *Nabisco, Inc. v. PF Brands, Inc.*, 191 F.3d 208, 213 (2d Cir. 1999).

In spring 1998, Nickelodeon Television Network approached Nabisco to explore a possible joint promotion for Nickelodeon's new cartoon program, "CatDog." In August 1998, Nabisco and Nickelodeon entered a Joint Promotion Agreement ("JPA"), giving Nabisco the right to produce cheese crackers in shapes based on the CatDog cartoon. The agreement required Nabisco to print on its packages that "CatDog and related titles, logos and characters are trademarks of" Nickelodeon's parent, Viacom International, Inc. Nabisco's CatDog product was intended to compete with other animal-shaped cheese crackers marketed to children.

The star of the CatDog cartoon program is the CatDog—a two-headed creature that is half cat and half dog. Each half of the CatDog has a distinct personality. The fish is the favorite food and the symbol for the cat half; the bone is the preferred meal and emblem for the dog half. Other characters that are featured on the cartoon include a mouse, a rabbit, a squirrel, and several dogs. In its first three months, the CatDog show garnered a 3.9 Nielsen rating, making it close to the most widely watched program for children.

Pursuant to its agreement with Nickelodeon, Nabisco developed a CatDog snack that consists of small orange crackers in three shapes: half the crackers in a package are in the shape of the two-headed CatDog character, one-quarter in the shape of a bone, and one-quarter in the shape of a fish. The fish-shaped

Pepperidge Farms, makers of Goldfish crackers, objected to the presence of fish shaped crackers in packages of “CatDog” crackers produced by Nabisco to exploit the popularity of the Nickelodeon network cartoon by the same name.²¹⁹ Nabisco had developed a CatDog snack that consisted of small orange crackers in three shapes: Half the crackers in a package were in the shape of the two-headed CatDog character, one-quarter in the shape of a bone, and one-quarter in the shape of a fish.²²⁰ In concluding that the fish crackers would improperly “lessen the distinctiveness” of Pepperidge Farm’s product, the court acknowledged that the children at whom the Nabisco crackers were pitched would likely know the difference, but asserted that their parents would be markedly less astute, writing:

Nabisco argues that . . . children will have no difficulty recognizing the Nabisco product as a reference to the CatDog and will thus keep the two marks separate and distinct. Even if Nabisco is correct in that surmise, it seems to us to have only moderate importance, for two reasons. First, while children may be the primary ultimate consumers of the crackers, they are generally not the purchasers. Adult purchasers of crackers may be less sophisticated than children in recognizing the differences between the two fish. Even if, in the minds of children, the addition of Nabisco’s CatDog family to the cheese cracker landscape does not lessen the distinctiveness of Pepperidge Farm’s mark in its Goldfish, it is likely to do so among adults who will have less awareness of Nickelodeon’s CatDog and of the differences between the two competing crackers.²²¹

This conclusion contrasts dramatically with the much more typical (and intuitive) assumption generally made by courts that children are more easily confused than adults.²²² It was, however, necessary to

cracker closely resembles Pepperidge Farm’s Goldfish cracker in color, shape, and size, and taste, although the CatDog fish is somewhat larger and flatter, and has markings on one side. The CatDog product was to be sold in boxes featuring the CatDog and showing fish and bones in the background.

Id.

219. *Id.*

220. *Id.*

221. *Id.* at 220–21. The Court further noted:

Nabisco claims some protection from the fact that its fish shape is not arbitrary but acts as a reference to the fish in Nickelodeon’s CatDog story. The weakness in its argument lies in the fact that when the Nabisco crackers are served in a bowl, consumers who are not familiar with the Nickelodeon entertainment and its cross licensing with Nabisco will see simply crackers very similar to Pepperidge Farm’s fish (together with other shapes) and will not know that it celebrates Nickelodeon’s CatDog entertainment.

Id. at 221–22.

222. See, e.g., *Lyons P’ship, L.P. v. Morris Costumes, Inc.*, 243 F.3d 789, 804 (4th

justify the outcome of the case, as the lower court had previously ascertained that Pepperidge Farm had “failed to show a likelihood that its target consumers, children in the 6–12 year-old age group, will be confused by the Nabisco product.”²²³ Implicit in the Second Circuit analysis is the belief that children will either not be present when snack

Cir. 2001).

As we noted above, the principal at an elementary school testified that when she wore the Duffy costume at a school rally, the children shouted “Barney. Barney. Barney,” and parents testified that when they rented the Duffy costume for their children’s birthday parties, the children believed that the person dressed as Duffy was in fact Barney. In addition, Lyons offered newspaper clippings that evidenced actual confusion between Duffy and Barney, not only by the children who were the subject of the articles, but by the reporters themselves, who erroneously described Duffy as “Barney.”

Id.; *Mattel, Inc. v. MCA Records Inc.*, 46 U.S.P.Q.2d 1407, 1418 (C.D. Cal. 1998) (“The Court must also consider the type of goods and the degree of care likely to be exercised by the purchaser. Under this analysis, adults would presumably be less prone to confusion than young children.”); *Lyons P’ship, L.P. v. Giannoulas*, 14 F. Supp. 2d 947, 953 (N.D. Tex. 1998) (“Finally, the fact that small children, incapable of reasoning, may have been confused by the Chicken’s act, does not amount to actual confusion.”); *Harlem Wizards Entm’t Basketball, Inc. v. NBA Props., Inc.*, 952 F. Supp. 1084, 1098 (D.N.J. 1997) (“Actual confusion is not the same as clear mistake or misidentification on the part of consumers, many of whom it turns out were children. Moreover, there is no evidence that these purported instances of actual confusion could have any effect on consumer purchasing decisions.”); *Three Blind Mice Designs Co. v. Cyrk, Inc.*, 892 F. Supp. 303, 312 (D. Mass. 1995) (“Stewart has also been asked to autograph defendant’s goods on several occasions, including once by a group of children on a golf course. Stewart has presented six examples of actual confusion.”); *Geoffrey Inc. v. Stratton*, 16 U.S.P.Q.2d 1691, 1696 (C.D. Cal. 1990) (“The category of a buyer protected by trademark law against this confusion includes not only the careful or discriminating buyer, but also the ignorant, the inexperienced, and the gullible. In this case, it is not only children but also adults who may be confused.”) (citation omitted); *Original Appalachian Artworks, Inc. v. Topps Chewing Gum, Inc.*, 642 F. Supp. 1031, 1038 (N.D. Ga. 1986) (“While there are differences in the parties’ products and retail outlets, the purchasers of the parties’ items are often substantially similar. The evidence also suggests that young children were more likely to be confused than others.”); *Bulk Mfg. Co. v. Schoenbach Prods. Co.*, 208 U.S.P.Q. 664, 668 (S.D.N.Y. 1980).

[T]he Court does not find that the manufacturer’s name is prominently displayed so that prospective purchasers of the machine would be alerted to the different origin, especially in view of the almost identical appearance of the machines. Second, the designation of the manufacturer could not prevent confusion among children who purchase the “eggs” dispensed from the vending machines, and who could hardly be expected to place any significance on the designation, even if they could read it.

Id.; *Gen. Foods Corp. v. Mellis*, 203 U.S.P.Q. 261, 263 (S.D.N.Y. 1979) (“The sophistication of the buyers of these products cannot be considered high; the consuming universe to which the products are directed is that of children.”); *Blake Publ’n Corp. v. O’Quinn Studios, Inc.*, 202 U.S.P.Q. 848, 858 (S.D.N.Y. 1979) (“The nature of the market to which the two magazines appeal further enhances the likelihood of confusion. Children under 16, who comprise a substantial portion of plaintiff’s readership, are not likely to bring a great deal of care and sophistication to their purchasing decisions.”).

223. *Nabisco, Inc. v. PF Brands, Inc.*, 50 F. Supp. 2d 188, 211 (S.D.N.Y.), *aff’d*, 191 F.3d 208 (2d Cir. 1999).

crackers shaped like cartoon characters are purchased or will be unable to dispel the confusion of accompanying adults. A contrary (though admittedly similarly intuitive) argument is that purchases of snack crackers shaped like cartoon crackers are unlikely to be made by adults at all, unless children are present and urging their specific acquisition.

Though the Second Circuit Court of Appeals ostensibly decided the case on trademark dilution grounds, it did so only after conflating confusion with dilution,²²⁴ writing: “Consumers’ actual confusion of the junior and the senior mark may also be a factor in finding dilution. . . . Confusion lessens distinction. When consumers confuse the junior mark with the senior, blurring has occurred.”²²⁵ This confusion, the court decided, was likely to arise once the crackers were removed from their packaging, such as when served to adults as snacks accompanying cocktails.²²⁶ How often Catdog crackers were likely to be served to grown ups at cocktail parties was not specified.

In a dispute between the producers of Tylenol and a competitor marketing a dental analgesic it labeled Tempanol, the court stated that to prove trademark dilution, the “plaintiff must simply show that there is a mental association by the reasonable consumer between the two names.”²²⁷ The judge decided that the reasonable consumer was likely to make this detrimental and actionable association because “[b]oth marks in issue begin with the letter ‘T,’ both have three syllables with the accent on the first syllable, and the last syllable of both is ‘nol.’”²²⁸ He further explicitly noted that he believed consumers were likely to purchase pain relievers in an unsophisticated manner, without any significant time or thought.²²⁹ In describing the “great renown” of the

224. The court also made the remarkable assertion that “[a] mark can be famous without being at all distinctive, as in the cases of American Airlines, American Tobacco Company, British Airways, Federated Department Stores, Allied Stores or the First National Bank of whatever.” *Id.* at 227–28. This is in conflict with bedrock trademark law and doctrine that requires a trademark to have either inherent or acquired distinctiveness if it is to be protectable under the Lanham Act. *See, e.g.*, 15 U.S.C. § 1052 (2000) (providing in part that “nothing in this chapter shall prevent the registration of a mark used by the applicant which has become distinctive of the applicant’s goods in commerce”). Section 43(c)(1) discusses dilution of the “distinctive quality” of a mark and lists factors for “determining whether a mark is distinctive and famous.”

225. *Nabisco, Inc.*, 191 F.3d at 221.

226. *Id.* at 220–21.

227. *McNeil Consumer Brands, Inc. v. U.S. Dentek Corp.*, 116 F. Supp. 2d 604, 608 (E.D. Pa. 2000).

228. *Id.*

229. *Id.*

Tylenol mark, he wrote:

The name even found its way into the script of the 1980 popular movie “Airplane,” when the traffic controller, in describing the endangered passenger plane, announced, “Well, it’s a big pretty white plane with a red stripe, curtains at the windows, wheels, and it just looks like a big *Tylenol*.”²³⁰

Assumptions about female shoppers surface even when an underlying product is targeted at males, if a judge believes that the goods will be purchased for men by women. In *Tailor Tee v. Steadman Manufacturing* the court wrote:

With reference to the marketing of the product although there is evidence that appellant’s goods are sold in women’s specialty shops, the record also reveals that the products of both parties are sold in department stores although in different departments of the stores. A more significant factor in this connection is the fact that women not only buy for themselves but, according to the record, they purchase a substantial percentage of the underwear for the adult male members of their families and between 90 and 95% of the undergarments of their male youngsters. Obviously under these circumstances, a female purchaser of tee shirts could very easily become confused as to the origin of these garments when one manufacturer uses the trademark Tailor-Tee and the other, Tailored T.²³¹

When female consumers are also assumed to be racial minorities, a variety of conjectures may influence judgments about likelihood of consumer confusion. In one case, despite the fact that there was no evidence of actual confusion caused by the coexistence of Sheer Essence pantyhose and Essence magazine, and notwithstanding a determination by the Patent and Trademark Office that there was no likelihood of confusion between the two marks,²³² a court decided that confusion in the marketplace was likely, apparently premised on that fact that both products were targeted to black women.²³³

230. *Id.*

231. *Tailor Tee, Inc. v. Steadman Mfg., Co.*, 286 F.2d 612, 614 (C.C.P.A. 1961).

232. *Ithaca Indus., Inc. v. Essence Communications, Inc.*, 706 F. Supp. 1195, 1200 (W.D.N.C. 1986).

The record shows that the United States Patent and Trademark Office determined that there was no likelihood of confusion between the mark SHEER ESSENCE, used on pantyhose, and any other registered mark, except Bancroft’s ESSENCE registration for pantyhose, which developed to have been cancelled and passed Ithaca’s application for publication on June 21, 1983. At the time this determination was made there was of record Defendants’ Registration (‘774) for ESSENCE for a magazine and (‘615) for ESSENCE for T-Shirts.

Id.

233. *Id.* at 1209.

[T]he Court finds and concludes that in view of the present use by ECI of its mark ‘615 ESSENCE “for clothing—namely, T-shirts” and its mark ‘902 ESSENCE STYLE “for a retail mail order service for women’s clothing and accessories” there is a likelihood of confusion in the marketplace. ECI is now

2. *Ungendered or Male Consumers and Assumptions of Astuteness*

*“Unlikely indeed is the hapless Internet searcher who, unable to find information on the schedule of upcoming NASCAR broadcasts or ‘Dukes of Hazzard’ reruns, decides to give up and purchase a computer network maintenance seminar instead.”*²³⁴

While trademark jurisprudence on the whole does not present a very optimistic view of the intelligence or gullibility of consumers, many opinions implicitly suggest that the typical female shopper is especially easily fooled and lacking in powers of discernment. While it bears repeating that courts often express low opinions about the intelligence, discretion, and observational powers of shoppers even where the context seems wholly gender neutral, some judges reserve their lowest expectations for presumptively female consumers, who are apparently assumed to be a cohort of dull-witted, easily confused girls.

In the context of competing or related goods or services, the threshold at which courts are willing to assume “ungendered” or even predominantly male consumers are likely to be confused certainly may be a low one at times. For example, one wholesale oil company, Pegasus Petroleum, was forced to change its moniker simply because it was named for the mythological creature that happened to be used in picture form as a logo by Mobil, which uses a red “flying horse” symbol in conjunction with its retail gasoline sales.²³⁵ To reach its conclusion that consumer confusion was likely if the marks continued to coexisted, the court accepted Mobil’s assertion that seeing the textual words “Pegasus Petroleum” made observers think that the entity must be related to Mobil Oil because Mobil sometimes uses a graphic red flying horse logo, but the court did not require Mobil to proffer any evidence demonstrating how

actually engaged in selling by mail order women’s apparel and accessories and these goods, like Ithaca’s pantyhose, are directed specifically to the black woman’s market. It would be easy for customers to assume that sheer pantyhose sold under the name SHEER ESSENCE and other apparel and accessories sold under the name of ESSENCE STYLE, all for black women, were made and sold by the same company. Ithaca will be enjoined from the use of the word essence in the sale of its pantyhose.

Id.

234. *The Network Network v. CBS Inc.*, 54 U.S.P.Q.2d 1150, 1158 (C.D. Cal. 2000) (emphasis added).

235. *Mobil Oil Corp. v. Pegasus Petroleum Corp.*, 818 F.2d 254, 255 (2d Cir. 1987) (describing the likelihood of confusion between Mobil’s “flying horse” symbol and Pegasus Petroleum’s use of the word “Pegasus” as a mark).

frequently this might occur, if at all.²³⁶

However, there are many examples of courts having a much higher estimation of consumer discretionary abilities when the marked good or service is directed at a male target audience. When Terri Welles wanted to (accurately) describe herself on a website as a former “Playmate of the Year,” she was found to have a right to do so despite the objections of Playboy Enterprises, Inc., which claims “Playmate of the Year” as a trademark. The court wrote:

“[O]ne might refer to . . . ‘the professional basketball team from Chicago,’ but it’s far simpler (and more likely to be understood) to refer to the Chicago Bulls.” Likewise, given that Ms. Welles is the “Playmate of the Year 1981,” there is no other way that Ms. Welles can identify or describe herself and her services without venturing into absurd descriptive phrases. To describe herself as the “nude model selected by Mr. Hefner’s magazine as its number-one prototypical woman for the year 1981” would be impractical as well as ineffectual in identifying Terri Welles to the public.²³⁷

Note that the illustrative example the court employs in the opinion references a male basketball team. While Welles certainly appears to be a woman, the court clearly assumed her goods and services would be marketed to men.

Mead Data Central, the company that (then) owned Lexis, the computerized legal research service, and held “Lexis” as a registered trademark, sued Toyota for trademark dilution when Toyota launched a line of luxury cars under the Lexus trademark. Exhibiting a level of respect for attorneys not always observed among federal judges, the court concluded that the recognized “knowledgeable sophistication” of attorneys²³⁸ meant that they would probably be able to distinguish between Lexus, an expensive car, and Lexis, an online legal research database. As a result, Mead lost its dilution claim. Similarly, in *PPG Industries v. Clinical Data*,²³⁹ the plaintiff was deemed to have failed to prove dilution because it did not establish the likelihood of consumer

236. In analyzing the likelihood of confusion created by the defendant’s use of Pegasus Petroleum, the court seemingly held the intelligence of the man who selected the mark against him, writing:

Mr. Callimanopoulos is obviously an educated, sophisticated man who, from his prior shipping business, was familiar with the flying horse and from his own background and education and awareness of Greek mythology could not have escaped the conclusion that the use of the word “Pegasus” would infringe the tradename and symbol of the plaintiff.

Id. at 258.

237. *Playboy Enters. v. Terri Welles, Inc.*, 78 F. Supp. 2d 1066, 1079 (S.D. Cal. 1999), *aff’d*, 279 F.3d 796 (9th Cir. 2002) (citation omitted).

238. *See, e.g.*, *Mead Data Cent., Inc. v. Toyota Motor Sales U.S.A., Inc.*, 875 F.2d 1026, 1031–32 (2d Cir. 1989).

239. *PPG Indus., Inc. v. Clinical Data Inc.*, 620 F. Supp. 604, 608–09 (D. Mass. 1985).

confusion, that its goodwill and reputation had been detracted from, or that the uniqueness and individuality of the “PPG” mark had diminished, as a result of defendant’s use on medical diagnostic equipment.²⁴⁰ The court assumed, no doubt correctly, that “medical professionals familiar with this sophisticated technology” could easily tell the difference between the defendant’s medical devices and the industrial coatings and finishes manufactured by the plaintiff.

In a trademark case involving a domain name dispute, the mark holder, Opryland USA, Inc., registered “TNN” as a service mark for The Nashville Network, a cable network that broadcasts country music and country lifestyle programs. The defendant domain name holder, The Network Network (“Network”), maintained a website at “tnn.com” related to training information for technology professionals pertaining to the establishment and maintenance of computer networks. The judge observed that both parties had devoted a lot of time to the issue of “whether intrepid Internet explorers, in search of information about Nashville’s programming, are potentially confused when they alight, inadvertently, on Network’s website.”²⁴¹ After considering the parties’ arguments, the court very sensibly concluded that “[t]here is a difference between inadvertently landing on a website and being confused.”²⁴² This judge’s perception of the relative astuteness of web surfers at issue can be surmised from the following passage from the written opinion: “The Court can conceive of few, if any, circumstances in which a person of average intelligence, seeking information on NASCAR racing schedules, would be seriously confused upon reaching Network’s website which, by its terms, offers ‘Strategic Planning, design, implementation, and management of Broadband Voice/Data/Video Networks.’”²⁴³

When the owner of an upscale restaurant called Jake’s brought suit against the proprietors of Jake and Oliver’s House of Brews, a court concluded that while customers for both establishments came from the greater Philadelphia area, a “restaurant goer” could easily recognize the differences between the two eateries, noting:

240. *Id.* at 609.

241. *The Network Network v. CBS Inc.*, 54 U.S.P.Q.2d 1150, 1154 (C.D. Cal. 2000).

242. *Id.* at 1155.

243. *Id.*

JAKE'S is considered to be a fine dining establishment where one might go for a special occasion such as a graduation celebration, an engagement or something of that nature. . . . JAKE AND OLIVER'S, on the other hand, is a more casual dining experience which customers attend for the variety of beers that it has on tap . . . , as well as the food it serves.²⁴⁴

Where two trade associations, the Self-Insurance Institute of America, Inc. and the Software and Information Industry Association, used similar trademarks, the fact that both used trademarks that incorporated the letters "SIIA" was not found likely to cause consumer confusion.²⁴⁵ In a suit brought against the creators and distributors of a movie entitled "Starballz,"²⁴⁶ the court decided that Lucasfilm's trademark infringement claims were weak because it was unlikely that the public would confuse the wildly successful "Star Wars" cinematic series with the defendants' animated pornographic film. In still another case, consumers were deemed unlikely to confuse the mark "New York-New York \$lot Exchange," which was used as the name of a players club by a Las Vegas casino, with the New York Stock Exchange.²⁴⁷

All of the "confusion is unlikely" outcomes described in this section seem intuitively correct, but contrast dramatically with decisions such as those referenced previously, in which consumers are deemed effortlessly duped, bewildered, and befuddled. Comparing these cases suggests courts consider people who wear finger nail polish, patronize grocery stores, carry handbags, buy analgesics aimed at menstrual pain or fever, shop at malls, and purchase designer jeans marketed to women are much more easily confused than people who access Internet pornography, buy luxury cars, work with industrial coatings, follow NASCAR racing, maintain computer networks, eat out at a "House of Brews," or review mailings from trade associations. While both men and women can and undoubtedly do engage in all of these pursuits, the former are more stereotypically female, while the latter activities perceptually skew toward males.

244. *Cooper v. Dearhearts, Inc.*, No. 96-8172, 1997 U.S. Dist. LEXIS 8163, at *6 (E.D. Pa. June 11, 1997).

245. *Self-Ins. Inst. of Am., Inc. v. Software & Info. Indus. Ass'n*, 208 F. Supp. 2d 1058, 1060-61 (C.D. Cal. 2000) (holding that Self-Insurance Institute of America, Inc. and defendant, Software and Information Industry Association, are trade associations). According to the trademark registration, plaintiff's registered mark was a composite mark that included "SIIA" and the eagle design. Defendant uses a composite mark that included "SIIA," "Software and Information Industry Association" and a circle design. *Id.*

246. *Lucasfilm, Ltd. v. Media Mkt. Group, Ltd.*, 182 F. Supp. 2d 897, 901 (N.D. Cal. 2002).

247. *N.Y. Stock Exch., Inc. v. N.Y. Hotel, LLC*, 293 F.3d 550, 555 (2d Cir. 2002).

F. One Appellate Review Saga: Disputes and Nuts

Some judges who resist the notion that consumers are easily confused learn the hard way that resistance can be futile. One stunning example of a valiant but failed attempt to credit consumers with basic common sense concerns a trademark dispute involving nuts marketed to beer drinkers that evolved into a prolonged and heated dispute about the “correct” scope of trademark protection between district court and appellate court judges in the Tenth Circuit. In 1981, the company that held the “Beer Nuts” trademark sued a competitor that had begun marketing peanuts as “Brew Nuts” in a package that also bore the image of an overflowing beer stein. After noting significant differences in the respective retail containers,²⁴⁸ the district court concluded, “[T]he product packaging and wording are sufficiently unique so as to preclude any likelihood of confusion as to *the origin* of the competing products.”²⁴⁹ Specifically addressing the breadth of the protection to which the Beer Nuts mark was entitled, the court wrote:

248. *Beer Nuts, Inc. v. Clover Club Foods Co.*, 520 F. Supp. 395, 398 (D. Utah 1981), *rev'd*, 711 F.2d 934 (10th Cir. 1983).

Is there a likelihood of confusion as to *origin* of the competing products? I find there is not.

While the peanut product is similar and the markets overlap in those areas of the United States where Clover Club Foods Company operates, (generally the Intermountain West), the product packaging and wording are sufficiently unique so as to preclude any likelihood of confusion as to the *origin* of the competing products.

First, the home office of each vendor is plainly stamped on each package: Bloomington, Illinois and Kaysville, Utah, respectively. The distinctive logo of each is prominently displayed—plaintiff’s Beer Nuts, Inc.® and defendant’s distinctive Clover Club mark used by it on hundreds of products.

Second, the color scheme of the package is readily distinguishable as is the unique design of each package. The eye of this Court is not confused, nor is the eye of the consuming public likely to be.

Third, the term Beer Nuts® as displayed on plaintiff’s products performs at least three discreet functions: (1) It identifies the source of the goods. Beer Nuts, Inc. is the name of the originating company; (2) It refers to the product inside the package—usually a sweet and salted peanut, and (3) It describes or suggests use or purpose.

The term “Brew Nuts,” in contrast, has but two discreet functions: (1) It refers to the product inside the package; and (2) It suggests or describes purpose or use.

Source or origin of product is indicated by the Clover Club logo confirmed by home office identification, all as set forth on the package.

Id.

249. *Id.*

Clover Club's use of the words "Brew Nuts" is a description of its product rather than a trademark, and recognition of the mark "Beer Nuts" does not convey a monopoly for preparing sweetened and salted peanuts for use with beer or other beverage, nor does it invest the power in Beer Nuts, Inc. to keep any other vendor from describing a similar product. Beer Nuts, Inc. retains its right to use its specific and unique mark on its products to the exclusion of others, but the scope of the law's protection extends no farther.²⁵⁰

Beer Nuts, Inc. appealed, and in 1983 a three-judge panel on the Tenth Circuit reversed and remanded, ruling that the district court should not have relied on side-by-side package comparisons when determining whether consumers were likely to experience confusion.²⁵¹ Instead, after noting that the "prospective purchaser does not ordinarily carry a sample or specimen of the article he knows well enough to call by its trade name, he necessarily depends upon the mental picture of that which symbolizes origin and ownership of the thing desired,"²⁵² the district court was instructed to "determine whether the alleged infringing mark will be confusing to the public when singly presented."²⁵³

On remand in 1985, the original district court judge wrote, with obvious frustration and some acid:²⁵⁴

In order to make a finding regarding "the degree of similarity between the designation and the trademark . . . in appearance," the court must make a comparison. Conceptually, it is impossible to make a comparison in a vacuum; the court must compare the BREW NUTS package with something. Comparing the BREW NUTS package with the BEER NUTS® package is the most obvious comparison, but the Tenth Circuit has now ruled that such a comparison, if that is all that is done, is inappropriate.

The Court of Appeals seems to have directed this court to compare the BREW NUTS package with a hypothetical customer's mental picture of BEER NUTS®. First, the court must determine what a hypothetical prospective purchaser's mental picture of BEER NUTS® would be. Second, the court must compare that picture with the BREW NUTS package to determine whether that same hypothetical prospective purchaser would be confused about the source of Clover Club's BREW NUTS.²⁵⁵

250. *Id.* at 400 (footnote omitted).

251. *Beer Nuts, Inc. v. Clover Club Foods Co.*, 711 F.2d 934, 941 (10th Cir. 1983).

252. *Id.*

253. *Id.*

254. *Beer Nuts, Inc. v. Clover Club Foods Co.*, 605 F. Supp. 855, 858–59 (D. Utah 1985), *rev'd*, 805 F.2d 920 (10th Cir. 1986).

255. *Id.*

The court has examined the probability of confusion with regard to four groups of potential purchasers: those who have not heard of either BEER NUTS® or BREW NUTS, those who are aware of both BEER NUTS® and BREW NUTS, those who have heard of BREW NUTS but not BEER NUTS®, and those who have heard of BEER NUTS® but not BREW NUTS. The only group of potential customers that face the potential of confusion over the source of BREW NUTS is the group that has heard of BEER NUTS® but not BREW NUTS. Those who know nothing about BEER NUTS cannot be confused into believing that BREW NUTS comes from Beer Nuts, Inc. In

After performing the analysis the appellate panel had delineated, the district judge again concluded that consumer confusion was unlikely, writing:

The plaintiff asserts that the BEER NUTS® trademark and the BREW NUTS package are so similar that a hypothetical customer is likely to be misled by Clover Club's package. The court disagrees. The plaintiff's position assumes that the hypothetical customer will ignore the well known Clover Club® trademark, will ignore the expansive nature of the word "brew," will translate the picture of the stein into the word "beer," will equate the word "brew" with the word "beer," and then will probably believe that the product comes from the plaintiff. This court is not prepared to assume that much, fully recognizing that others may find it perfectly reasonable to find a likelihood of confusion if they make different assumptions about the hypothetical prospective purchaser.²⁵⁶

The court also noted that the plaintiff had not offered a shred of evidence that actual confusion had occurred, despite the fact that the products had been competing in the same retail channels for over three years.²⁵⁷ When the plaintiff again appealed, another Tenth Circuit panel again reversed and decided the issue itself rather than remand again,²⁵⁸ writing: "The district court considered the appropriate factors in its

addition, those who are familiar with both will not be confused because they would recognize that the two products come from different sources.

Id.

256. *Id.* at 861.

257. *Id.* at 864.

BREW NUTS and BEER NUTS® were marketed in the same area for at least three years. Both companies sold tens of thousands of packages of their nuts in the same area during those three years. Throughout the trial, not a single witness testified that he or she had been confused by the BREW NUTS package. In addition, there was no survey evidence indicating actual confusion (or even a likelihood of confusion). To the contrary, Robert J. Brewster, vice-president of Beer Nuts, Inc., testified that he had no personal knowledge of an instance of actual confusion between BREW NUTS and BEER NUTS®. The court finds that this evidence supports the conclusion that confusion about the source of BREW NUTS is unlikely.

Id. (citation omitted).

258. *Beer Nuts, Inc. v. Clover Club Foods Co.*, 805 F.2d 920, 923 (10th Cir. 1986).

Generally, we do not agree with the position taken by courts that treat the issue of likelihood of confusion as a matter of law; we favor remand to the district court for determination of this issue as a question of fact. However, in the present case, we are faced with an unusual situation. This is the second appeal in the case. The district court has already been instructed as to the applicable law and has failed to properly apply it. There is no dispute regarding the underlying facts. Therefore, under the circumstances of this case, we decline to remand the case a second time, and instead decide the likelihood of confusion question.

Id. at 923 n.2 (citations omitted).

analysis of the likelihood of confusion, but because it did not afford the BEER NUTS trademark the scope of protection to which it is legally entitled, its analysis was erroneous.”²⁵⁹ The opinion was primarily based on the perceived similarities between the marks, rather than the perceived stupidity of consumers, but the court pointedly noted:

The district court noted that BREW NUTS and BEER NUTS are both relatively inexpensive snack foods. Furthermore, Clover Club’s president admitted that Clover Club’s BREW NUTS are purchased as impulse items in that they are not generally on a shopper’s grocery list. According to this evidence and the law of this case, the district court should have concluded that the two products are purchased with little care and are thus likely to be confused.²⁶⁰

One implication of this final resolution is that, for all practical purposes, the Beer Nuts mark holder has a monopoly over beer references and beer synonyms on retail nut packaging. Precisely how the mark holder earned or acquired such expansive trademark rights is never explicitly articulated—it certainly did not pioneer the idea of eating nuts with beer. But there seems to be an underlying assumption by the Tenth Circuit that by marketing and advertising Beer Nuts, the mark holder will increase demand for nuts by beer drinkers and all of these additional sales should belong to the Beer Nuts producers alone. By deeming beer drinking consumers “confused” by competing nuts, the court gave Beer Nuts a market segment monopoly and did so without requiring proof of a single instance of actual consumer confusion.

V. CONFUSION, DILUTION, AND FREEDOM OF SPEECH

Neither noncommercial use of a trademark, nor commercial use of a mark in a descriptive (rather than trademark) sense can infringe upon or dilute traditional trademark rights. Under the Lanham Act, unauthorized entities are free to speak about the trademarks of others in noncommercial or commercial-but-nontrademark ways. For example, a

259. *Id.* at 925. The court held:

The district court’s finding that there is no likelihood of confusion is erroneous. Both BEER NUTS and BREW NUTS are trademarks identifying the source of the products, and Clover Club’s use of the BREW NUTS mark constitutes infringement if it is likely to be confused with the BEER NUTS mark. There is clearly similarity between the trademarks. Moreover, the similarities in the products and marketing methods, the degree of care exercised by consumers and the inference of intent on the part of Clover Club suggest that the products are likely to be confused. When all of the relevant factors are considered together, we must conclude that there is a likelihood of confusion between the marks and, as a consequence, Clover Club’s use of the words BREW NUTS with an overflowing stein as a trademark constitutes infringement of the BEER NUTS trademark.

Id. at 928.

260. *Id.* at 926–27 (citation omitted).

published novel in which a character specifically drinks Coca-Cola® rather than simply soda, or wears Lee Jeans® rather than generic pants as part of the narrative, is not infringing the trademark rights of the pertinent mark holders. As one commentator articulated:

What trademark law gets you is the exclusive right to make trademark use of a word on the products you sell in those markets in which you have actually done business. Dell Computers has an exclusive right to use the mark Dell as a trademark for computer hardware in connection with the sale of Dell-brand computer hardware. It can't stop Dell publishing from using the mark "Dell" on books, even books about computing. It can't stop Compaq computers from advertising that its machines are a better value than Dell's. It can't stop New Line Cinema from making a movie in which the bad guy is a pornographer who uses a Dell Computer as the server for his x-rated web site. What it *can* do is stop anyone from making commercial use of the word "Dell," or a word similar to Dell, in a way that is likely to confuse or deceive consumers.²⁶¹

Similarly, she noted, "Procter and Gamble's registered trademark gives it no right to prevent anyone from discussing 'Tide' the mark, 'Tide' the detergent, or tide, the lunar phenomenon."²⁶² One court has written that "trademark laws exist not to 'protect' trademarks, but . . . to protect the consuming public from confusion, concomitantly protecting the trademark owner's right to a non-confused public."²⁶³ However, trademark laws can be used to inhibit speech any time protecting a trademark (or shielding consumers from confusion) strikes a court as being more important than a conflicting interest in unrestrained expression.²⁶⁴

Traditional federal trademark law doctrinally averted collision with free speech interests by authorizing judicial intervention only in contexts

261. Jessica Litman, *The DNS Wars: Trademarks and the Internet Domain Name System*, 4 J. SMALL & EMERGING BUS. L. 149, 153–54 (2000).

262. Litman, *supra* note 31, at 1721.

263. *James Burrough Ltd. v. Sign of Beefeater, Inc.*, 540 F.2d 266, 276 (7th Cir. 1976).

264. Mark A. Lemley, *The Modern Lanham Act and the Death of Common Sense*, 108 YALE L.J. 1687, 1711–12 (1999).

Trademark laws have been used to preclude artists from painting in the same style as another, to prevent an author from using the term "Godzilla" in the title of his book about Godzilla, to prevent a comic book from featuring a character known as Hell's Angel, to prevent a satirical political advertisement from using the "Michelob" trademark to help make its point, to prevent a tractor manufacturer from making fun of its competitor's logo in an advertisement, to prevent a movie about a Minnesota beauty pageant from using the title "Dairy Queens," to prevent a political satire of the O.J. Simpson case called "The Cat NOT in the Hat!" to prevent individuals from setting up web pages critical of a company or product, and to prevent a theme bar from calling itself "The Velvet Elvis."

Id. (footnotes omitted).

in which consumers were likely to be confused. Anti-dilution statutes, however, protect trademarks from the “likelihood of injury to business reputation or of dilution of the distinctive quality of a mark” absent even arguable or pretextual confusion as to the source of goods or services.²⁶⁵ Dilution has been interpreted by some courts to create a cause of action when there is “blurring” of a trademark’s positive connotations by dissonant or unfavorable usage,²⁶⁶ and dilution has also been found when the affirmative associations of a mark were deemed “tarnished” through unwholesome or unsavory mental associations.²⁶⁷ Therefore, as one commentator articulated: “The underlying premise of anti-dilution law is that the primary value of a trademark lies in its ability to convey positive meaning to the public.”²⁶⁸ As is explained below, numerous courts have explicitly held that parody of a mark constitutes trademark infringement or dilution,²⁶⁹ while others have elevated free speech rights over trademark interests.²⁷⁰

265. 15 U.S.C. § 1125 (2000).

266. See, e.g., Ahearn, *supra* note 106, at 904–11.

267. See, e.g., Robert S. Nelson, *Unraveling the Trademark Rope: Tarnishment and Its Proper Place in the Laws of Unfair Competition*, 42 IDEA 133, 153–55 (2002).

268. Keith Aoki, *How the World Dreams Itself to Be American: Reflections on the Relationship Between the Expanding Scope of Trademark Protection and Free Speech Norms*, 17 LOY. L.A. ENT. L.J. 523, 533–34 (1997).

269. See, e.g., *Wawa Inc. v. Haaf*, 40 U.S.P.Q.2d 1629, 1633 (E.D. Pa. 1996) (holding that “Plaintiff has established that its mark will be diluted either through blurring or parody. Therefore, Plaintiff has shown actual success on the merits”); see also *Anheuser-Busch Inc. v. Andy’s Sportswear Inc.*, 40 U.S.P.Q.2d 1542, 1543 (N.D. Cal. 1996) (allowing the issuance of a temporary restraining order in favor of Anheuser-Busch Inc. against a defendant who wanted to distribute T-shirts marked with the word “Buttwiser”); *Pillsbury Co. v. Milky Way Prods., Inc.*, 215 U.S.P.Q. 124, 126 (N.D. Ga. 1981) (holding that a picture of figures resembling the plaintiff’s trade characters “Poppin’ Fresh” and “Poppie Fresh” engaged in sexual intercourse and fellatio violated state antidilution statute because despite the lack of actual damages, likelihood that the defendants’ presentation could injure the business reputation of the plaintiff or dilute the distinctive quality of its trademarks); *Coca-Cola Co. v. Gemini Rising, Inc.*, 346 F. Supp. 1183, 1192–93 (E.D.N.Y. 1972).

270. See, e.g., *Hormel Foods Corp. v. Jim Henson Prods., Inc.*, 73 F.3d 497, 508 (2d Cir. 1996); *Nike, Inc. v. “Just Did It” Enters.*, 6 F.3d 1225, 1228–29 (7th Cir. 1993) (holding that the mark “Mike,” as a parody, did not present a likelihood of confusion as to source, affiliation, or sponsorship with the mark “Nike”); *Anheuser-Busch, Inc. v. L & L Wings, Inc.*, 962 F.2d 316, 317, 321 (4th Cir. 1992) (holding that a T-shirt design parodying Budweiser trademark fit a conventional definition of trademark parody by mimicking “the characteristic turns of phrase on the Budweiser label by applying them to the beach”). The Budweiser label stated: “This is the famous Budweiser beer. We know of no brand produced by any other brewer which costs so much to brew and age. Our exclusive Beechwood Aging produces a taste, a smoothness, and a drinkability you will find in no other beer at any price.” Defendant’s T-shirt design replaced this language with the following: “This is the famous beach of Myrtle Beach, S.C. We know of no other resort in any state which lays claim to such a rich history. The unspoiled beaches, natural beauty, and southern hospitality compose a mixture you will find on no other beach in any state.” At the bottom of the Budweiser label is the statement that

A. Barbie Dolls, Girl Scouts, and Full-Figured Women

It was argued above that trademarks on products and services pitched at women obtain enhanced protections by invoking the specter of the very easily confused female consumer, who is deemed likely to be fooled by competitors if a court does not intervene.²⁷¹ Once speech concerns enter a trademark dispute, however, almost the opposite effect can be detected. When the plaintiff trademark is associated with something unequivocally feminine, some courts actually seem less willing to offer the sweeping “confusion prevention” and “positive meaning” protections that other masculine or ungendered trademarks enjoy. While female-oriented products may be rigorously protected from confusing behaviors by competitors, they are not always shielded from employment in communicative acts, regardless of how disparaging a use may be in nature or effect. Quite the contrary: Speech mocking and maligning female-identified trademarked symbols is in some instances accorded surprisingly strong First Amendment protections, rendering these marks unusually vulnerable to unauthorized uses and associations.²⁷²

Budweiser beer is “Brewed by our original process from the Choicest Hops, Rice and Best Barley Malt.” Berard’s T-shirt design replaced this language with “Myrtle Beach contains the Choicest Surf, Sun, and Sand.” Also, where Anheuser-Busch placed the “King of Beers” trademark under the Budweiser label, Berard substituted “King of Beaches.” Berard’s design also replaced the Anheuser-Busch slogan “This Bud’s for You” with “This Beach is for You.” *Id.* at 319; *Cliffs Notes, Inc. v. Bantam Doubleday Dell Publ’g Group, Inc.*, 886 F.2d 490, 497 (2d Cir. 1989).

[T]he parody cover of *Spy Notes*, although it surely conjures up the original and goes to great lengths to use some of the identical colors and aspects of the cover design of *Cliffs Notes*, raises only a slight risk of consumer confusion that is outweighed by the public interest in free expression, especially in a form of expression that must to some extent resemble the original.

Id.; *L.L. Bean, Inc. v. Drake Publishers, Inc.*, 811 F.2d 26, 29 (1st Cir. 1987); *Lucasfilm Ltd. v. Media Mkt. Group, Ltd.*, 182 F. Supp. 2d 897, 902 (N.D. Cal. 2002); *Lyons P’ship, L.P. v. Giannoulas*, 14 F. Supp. 2d 947, 953 (N.D. Tex. 1998) (holding that a “good-faith intent to parody is not an intent to confuse”); *Mattel Inc. v. MCA Records Inc.*, 46 U.S.P.Q.2d 1407, 1419–20 (C.D. Cal. 1998); *Lucasfilm Ltd. v. High Frontier*, 622 F. Supp. 931, 933–35 (D.D.C. 1985).

271. *See supra* Part IV.F.

272. Again, the Author agrees with this determination. It is the disparities in treatment of various trademarks that is the subject of concern. A pithy encapsulation of the normative claims of this Article is as follows: All consumers should be treated like men, and all trademarks like Barbie.

1. Barbie

Barbie®²⁷³ is typically invoked conversationally to convey negative sentiments.²⁷⁴ Frequently attacked as a symbol of superficiality and materialism,²⁷⁵ the doll has been accused of promoting negative body images in girls²⁷⁶ and being “an insta-symbol of everything that’s wrong with our culture’s well-worn images of femininity and beauty.”²⁷⁷ In a biography, Joan Kennedy referred to Barbie²⁷⁸ “in order to indicate that

273. *Mattel, Inc. v. Adventure Apparel*, No. 00 Civ. 4085, 2001 WL 1035140, at *1 (S.D.N.Y. Sept. 6, 2001).

Mattel is the world’s largest manufacturer of toys, games and playthings. One of Mattel’s most successful products is the Barbie doll which is one of the most popular toys in existence. Mattel has caused numerous Barbie related trademarks to be registered in the . . . United States Patent and Trademark Office on the Principal Register.

Id.

274. See, e.g., Alyson Lewis, *Playing Around with Barbie®: Expanding Fair Use for Cultural Icons*, 1 J. INTEL. PROP. 61, 76 (1999).

When people see Barbie, some see an economic powerhouse marketed by Mattel, others see a social icon that programs young girl’s into thinking that Barbie is the perfect woman. Feminist and cultural scholars alike have critiqued Barbie for promulgating an impossible feminine mystique. True, she is plastic. However, even Mattel admits that she is marketed more as a person than as a doll.

Id. (footnotes omitted).

275. Something Fishy: Website on Eating Disorders, *Exploring the Role Society and the Media Play in the Development of an Eating Disorder*, at <http://www.something-fishy.org/prevention/society.php> (last visited Feb. 20, 2004).

Barbie-type dolls have often be[en] blamed on playing a role in the development of body-image problems and Eating Disorders. Not only do these dolls have fictionally proportioned, small body sizes, but they lean towards escalating the belief that materialistic possessions, beauty and thinness equate happiness. Barbie has more accessories available to purchase than can be believed, including Ken, her attractive boyfriend. She has an assortment of jobs including: Potty-training her sister Kelly, princess and more recently, Dentist (in which she wears a mini-skirt and has enough hair that her patients would choke). **While I personally do NOT believe every girl that has a Barbie-type doll is at risk of disordered eating**, I do believe it helps to perpetuate an ideal of materialism, beauty, and being thin as important elements to happiness in one’s life.

Id. (emphasis in original); see also What’s Working for Girls in Illinois, *Barbie As Icon*, at http://www.aauw-il.org/wwfg/archive/Spr2_3.htm (last visited Feb. 20, 2004) (criticizing Barbie products for emphasizing female gender roles centered around physical attractiveness).

276. See Kate Leary, *Barbie’s Legacy: Body Image and Eating Disorders*, JOHNS HOPKINS NEWS-LETTER, Nov. 15, 1996, available at http://www.jhu.edu/~newslett/11-15-96/Features/Barbie’s_Legacy_Body_Image_and_Eating_Disorders.html (arguing that the Barbie dolls’ physical proportions help stress unrealistic images of women’s ideal body type, thereby contributing to the development of eating disorders); Lewis, *supra* note 274, at 77 (writing that “[w]hether Mattel likes it or not, people see this 12” plastic doll as a reflection of society’s problem with body image”).

277. See, e.g., Ophira Edut, *Barbie Girls Rule?*, BARBIOLOGY, at http://www.adiosbarbie.com/bology/bology_barbiead.html (last visited Oct. 15, 2003).

278. “When I campaign alone I’m approachable. Women talk to me, complain, but

she was treated like a beautiful but empty-headed accessory.”²⁷⁹ In an episode of the sitcom *Ally McBeal*, being called “Barbie” was portrayed as a gross insult to professional women.²⁸⁰ The way the Barbie social construct affects the psyches of women or young girls is well beyond the scope of this Article, but it is worth considering how her designation and impact as a cultural icon affects how nonpermissive communicative uses of the Barbie trademark intersect with trademark law.

In March of 1997, a Danish musical group called Aqua released a song entitled “Barbie Girl,” in which female and male vocalists pose as Barbie® and Ken®, the two popular dolls produced by Mattel. The singers refer to Barbie as a “blond bimbo girl,” who loves to party and whose “life is plastic.” During the course of the musical work, Aqua sings lyrics that include phrases such as the following: “You can brush my hair, undress me everywhere”; “I’m a blond bimbo girl, in a fantasy world”; “You can touch, you can play, if you say ‘I’m always yours’”; and “Make me walk, make me talk, do whatever you please, I can act like a star, I can beg on my knees.” Ken sings lyrics such as: “Kiss me here, touch me there, hanky panky”; and “Come jump in, bimbo friend, let us go do it again, hit the town, fool around, let’s go party.”²⁸¹

when I’m with Ted I’m a Barbie doll.” Rochelle Cooper Dreyfuss, *Expressive Generativity: Trademarks as Language in the Pepsi Generation*, 65 NOTRE DAME L. REV. 397, 397 (1990) (quoting M. CHELLIS, *THE JOAN KENNEDY STORY: LIVING WITH THE KENNEDYS* 191 (1986)).

279. Dreyfuss, *supra* note 278, at 400.

280. See Lewis, *supra* note 274, at 77.

281. The full text of the lyrics is reportedly as follows: “Barbie Girl” by Aqua:

- Hi Barbie!
- Hi Ken!
- Do you wanna go for a ride?
- Sure Ken!
- Jump in . . .

I’m a Barbie girl, in a Barbie world.
 Life in plastic, it’s fantastic!
 You can brush my hair, undress me everywhere
 Imagination, life is your creation
 Come on Barbie, let’s go party!
 I’m a blonde single girl, in a fantasy world.
 Dress me up, make it tight, I’m your dolly
 You’re my doll, rock and roll, feel the glamour in pink
 Kiss me here, touch me there, hanky-panky
 You can touch, you can play, if you say: “I’m always yours”
 (uu-oooh-u)
 Come on, Barbie, let’s go party!
 (Ah ah ah yeah)

The song was commercially released and heavily promoted. The album containing the song sold 1.4 million copies in the United States alone.²⁸² In response, trademark holder Mattel brought suit, alleging among other causes of action that its Barbie trademark was infringed by use of the word “Barbie” in the song “Barbie Girl” and its accompanying video.²⁸³ Mattel claimed that this unauthorized use of its mark would lead to confusion among consumers and harm to the Barbie product line itself because Aqua’s song associated its doll with “antisocial themes such as promiscuity, lewdness, and the stereotyping and ridiculing of young women.”²⁸⁴

The defendant band successfully argued that Barbie is a powerful symbol in contemporary American civilization and that their use of the trademark in their song to invoke her social meaning was protected by the First Amendment. The district court specifically held:

[T]he First Amendment concerns raised by prohibiting a parody of a popular consumer product weigh against granting a preliminary injunction. Presumably, some consumer confusion is inevitable when a few people fail to realize that one product is parodying another. This fact should not be used to censor criticism of or social comments on icons in our popular culture²⁸⁵

Many people would strongly agree with this outcome, this Author most emphatically included, given the fact that it is appropriately anchored by freedom of speech considerations. The question that it raises, however, is why there appears to be a broader right to invoke the social

Come on, Barbie, let’s go party!
(uu-oooh-u)
Come on, Barbie, let’s go party!
(Ah ah ah yeah)
Come on, Barbie, let’s go party!
(uu-oooh-u)
Make me walk, make me talk, do whatever you please
I can act like a star, I can beg on my knees.
Come jump in, bimbo friend, let us do it again,
Hit the town, fool around, let’s go party
You can touch, you can play, if you say: “I’m always yours.”
You can touch, you can play, if you say: “I’m always yours”
-Oh, I’m having so much fun!
-Well, Barbie, we’re just getting started
-Oh, I love you Ken!

Aqua, *Barbie Girl*, on AQUARIUM (MCA Records 1997).

282. *Mattel, Inc. v. MCA Records, Inc.*, 46 U.S.P.Q.2d 1407, 1408 (C.D. Cal. 1998).

283. Mattel actually featured a song about Barbie by Brian Wilson, “Living Doll,” for the purpose of promoting “California Dream” Barbie. See Brian Wilson Session, at <http://www.cabinessence.com/brian/boots/bws.shtml> (last visited Oct. 15, 2003) (providing a description and track listings for the “Brian Wilson Sessions” including “Living Doll (a.k.a. ‘Barbie’)”); WF MU, *Barbie/Beach Boys*, at <http://www.wfmu.org/MACrec/barbie.html> (last visited Oct. 15, 2003) (providing a brief description of the “Barbie” song’s origin).

284. *Mattel, Inc.*, 46 U.S.P.Q.2d at 1409.

285. *Id.* at 1418.

meaning of Barbie in a commercial context, without authorization by the mark holder,²⁸⁶ than for other trademarks.²⁸⁷ After Mattel appealed this decision to the Ninth Circuit, the affirming opinion cogently elucidated

286. The only context in which this does not necessarily appear to be true is that of Internet web sites and domain names. *See, e.g.*, *Mattel Inc. v. Internet Dimensions Inc.*, 55 U.S.P.Q.2d 1620, 1623 (S.D.N.Y. 2000) (concluding that “barbiesplaypen.com” was confusingly similar to the mark “Barbie” because: “(1) both contain the name ‘barbie;’ (2) the name ‘Barbie’ on the front page of the web site and the logo BARBIE both have approximately the same font, slant, size, etc.; (3) both BARBIE and ‘barbiesplaypen.com’ are inextricably associated with the verb ‘play,’ in the broad sense of the term”); *Mattel Inc. v. Jcom Inc.*, 48 U.S.P.Q.2d 1467, 1469 (S.D.N.Y. 1998) (holding that defendants’ use of the term Barbie’s Playhouse using the font and color most commonly associated with the Barbie trademark, plus the use of a doll-like figure similar to the form of a Barbie doll on the bottom of the web site, diluted plaintiff’s trademark). Mattel’s success with Internet trademark litigation is often linked to its ability to scare web site operators rather than persuade judges. *See* Rosemary Coombe & Andrew Herman, *Trademarks, Property, and Propriety: The Moral Economy of Consumer Politics and Corporate Accountability on the World Wide Web*, 50 DEPAUL L. REV. 597, 602–04 (2000).

Barbie Doll Benson, former Miss Nude Canada, has used the Barbie Doll stage name for sixteen years, but it was only when she produced a Web page that Mattel complained. In another example, . . . a cultural critic who dedicated his site to the Barbie icon’s semiotics and deconstruction, was threatened by the corporation and removed his imagery. His “Distorted Barbie” however was widely reduplicated in mirror sites designed to subvert Mattel’s legal action. . . . Barbie doll collectors have dozens of Websites as well as on-line Barbie auctions. Mattel has tried to shut down dozens of these sites and attempted to usurp the collectors’ community by creating a commercial alternative that offers officially licensed “nostalgia dolls” and other paraphernalia.

Id. (footnotes omitted).

287. Cases in which trademark rights have been held subsidiary to speech rights generally involve what the courts define as noncommercial uses. *See, e.g.*, *L.L. Bean, Inc. v. Drake Publishers, Inc.*, 811 F.2d 26, 32 (1st Cir. 1987) (holding that *High Society* magazine’s two-page article entitled “L.L. Bean’s Back-to-School-Sex-Catalog,” which displayed a facsimile of L.L. Bean’s trademark and featured pictures of nude models in sexually explicit positions using products, was use of “plaintiff’s mark solely for noncommercial purposes[.] . . . an editorial or artistic, rather than a commercial, use of plaintiff’s mark”); *Lucasfilm Ltd. v. Media Mkt. Group, Ltd.*, 182 F. Supp. 2d 897, 900 (N.D. Cal. 2002) (holding that although the defendants’ film tarnished the plaintiffs’ family of marks, trademark dilution did not apply to noncommercial use of a mark such as a parody or satire, and, as such, the plaintiffs were not likely to prevail on their trademark dilution claim); *Lucasfilm Ltd. v. High Frontier*, 622 F. Supp. 931, 932–35 (D.D.C. 1985) (denying the claim of the owners of the trademark “Star Wars” who alleged injury from public interest groups that used the term in advertisements to present their views on President Reagan’s Strategic Defense Initiative and stressing that the sweep of a trademark owner’s rights extends only to injurious, unauthorized commercial uses of the mark by another, and since the defendants did not affix plaintiff’s trademark to any goods or services for sale, and were not in competition with plaintiff, there was no infringement).

the reason that First Amendment values trump trademark holders' interest in controlling their marks as a general matter,²⁸⁸ but after gratuitously mentioning Barbie's origins as "a doll that resembled a 'German street walker,'"²⁸⁹ the court's analysis relied heavily on the fact that Barbie is "a cultural icon."²⁹⁰ One gets the distinct impression from the opinion that the freedom to speak about a trademark is linked to the particular mark's cultural importance and societal visibility.²⁹¹ The court specifically articulated the conflict between trademarks and speech rights as follows:

The problem arises when trademarks transcend their identifying purpose. Some trademarks enter our public discourse and become an integral part of our vocabulary. How else do you say that something's "the Rolls Royce of its class"? What else is a quick fix, but a Band-Aid? Does the average consumer know to ask for aspirin as "acetyl salicylic acid"? Trademarks often fill in gaps in our vocabulary and add a contemporary flavor to our expressions. Once imbued with such expressive value, the trademark becomes a word in our language and assumes a role outside the bounds of trademark law.²⁹²

The difficulty with this exposition is that it gives no guidance about how to ascertain when any given trademark has transcended its identifying purpose, entered our public discourse, become an integral part of our vocabulary, filled gaps in our vocabulary, or added a contemporary flavor to our expressions. The "when" appears critical because it seems clear from the text of the decision that only when these thresholds of cultural permeation are reached by a particular mark that it is "imbued with expressive value," "assumes a role outside the bounds of trademark law," and is an available part of the lexicon beyond the control of the mark holder. In other words, one reading of the freedom of speech analysis articulated here is that only well-known, iconic trademarks must yield to the public's expressive interests, and speakers have to guess about which trademarks are well-known and iconic.

The opinion further states: "Were we to ignore the expressive value that some marks assume, trademark rights would grow to encroach upon

288. *Mattel, Inc. v. MCA Records, Inc.*, 296 F.3d 894, 900 (9th Cir. 2002). "Simply put, the trademark owner does not have the right to control public discourse whenever the public imbues his mark with a meaning beyond its source-identifying function." *Id.*

289. *Id.* at 898.

290. *Id.* "She remains a symbol of American girlhood, a public figure who graces the aisles of toy stores throughout the country and beyond. With Barbie, Mattel created not just a toy but a cultural icon." *Id.*

291. A "literary expert" in this case later published an essay which used Barbie as a dramatic foil because she was asserted to be the "perfect example of the struggle to own the cultural conversation." See Richard A. Lanham, *Barbie and the Teacher of Righteousness: Two Lessons in the Economics of Attention*, 38 HOUS. L. REV. 499, 511 (2001).

292. *Mattel, Inc.*, 296 F.3d at 900 (citation omitted).

the zone protected by the First Amendment.”²⁹³ Yet which marks are “some marks,” and how a speaker determines which marks have entered this First Amendment “zone,” is never explained. Neither a logical basis for differentiating between marks is offered, nor a doctrinal justification for attributing expressive values only to some of them. The court does not seem to believe that First Amendment limitations adhere equally to all trademarks, but offers no information about how to assess whether a particular mark is susceptible to free speech. If Aqua had written a song about Raggedy Ann—perhaps something along the lines of “I’ve got looped yarn hair and triangle nose, and a tattooed heart beneath my clothes,” or maybe lyrics alluding to the fact that she had a wad of cloth stuffed into her head in place of a brain—would the outcome of the case have been the same? What about Chatty Cathy, also a Mattel product,²⁹⁴ or Mrs. Beasley,²⁹⁵ the doll made popular thirty years ago by the Buffy character on the television show *Family Affair*, but now largely faded from the public consciousness? Do they remain iconic enough to be imbued with expressive value?

In a law review note arguing “that the commercial use of social icons, or symbols, should be allowed as a means by which our culture necessarily communicates,”²⁹⁶ one commentator focused on Barbie as a prime example of the problematic effect of intellectual property protections on social critiques made in the form of commercial speech.²⁹⁷ While her observations about the chilling effects that threats of copyright and trademark litigation can have on such speech were astute and well taken, the author clearly neither felt nor anticipated any restrictions on her ability to invoke the semiotic power of Barbie for the purposes of her legal scholarship. Like Joan Kennedy, the *Ally McBeal* writers, and the band Aqua, she intuitively understood that Barbie is, in some respects, a very vulnerable trademark. It is invoked without authorization by Mattel in cyberspace with great frequency, as Yochai

293. *Id.* at 900.

294. *See* The Original Chatty Cathy Collectors Club, at <http://www.tinet.com/chattycathy> (last visited Apr. 24, 2004).

295. *See* The Select Collection, *Collectible Dolls*, at <http://www.seniors-place.com/shopping/speccolcollectdolls.html> (last visited Apr. 24, 2004) (describing the collectible Mrs. Beasley doll); *see also* Bill Morgan, *Family Affair's Biggest Little Star*, Apr. 1997, at <http://tvtoys.com/library/beasley> (describing the history of the collectible Mrs. Beasley doll).

296. Lewis, *supra* note 274, at 63.

297. *Id.* at 63.

Benkler observed in another context, writing:

Here is what Google produces when we search for “Barbie”: We see barbie.com, with “Activities and Games for Girls Online!”, and we see barbiebazaar.com, with “Barbie, Barbie dolls, Barbie doll magazine, etc.,” but then very quickly we start seeing sites like adiosbarbie.com, “A Body Image Site for Every Body.” We see more Barbie collectibles, but then we see “Armed and Dangerous, Extra Abrasive: Hacking Barbie with the Barbie Liberation Organization.” Further down we see “The Distorted Barbie,” and all sorts of other sites trying to play with Barbie.²⁹⁸

2. *The Girl Scouts*

The Girl Scouts have also had their trademark nonpermissively utilized for free speech purposes, despite attempts to use trademark law to “protect” the Scouts’ image. In *Girl Scouts of United States v. Personality Posters Manufacturing Co.*,²⁹⁹ the defendant was sued for distributing a poster that consisted of a smiling girl dressed in the well-known green uniform of the Junior Girl Scouts, with her hands clasped above her protruding, clearly pregnant abdomen. The caveat “Be Prepared” appeared next to her hands. In a well reasoned and arguably courageous opinion, the court held that the Girl Scouts has failed utterly to establish the requisite element of customer confusion, writing:

Even if we hypothesize that some viewers might at first blush believe that the subject of the poster is actually a pregnant Girl Scout, it is highly doubtful that any such impression would be more than momentary or that any viewer would conclude that the Girl Scouts had printed or distributed the poster. But it is the role of the court to rule on evidence, not on hypothesis; and of evidence not a scintilla has been presented supporting the allegation of confusion or its likelihood. . . . Plaintiff’s affidavit goes no further than to state that “Plaintiff has received telephone calls from members of the public expressing their indignation concerning defendant’s said poster”; but indignation is not confusion. To the contrary, the indignation of those who have called would appear to make it clear that they feel that the Girl Scouts are being unfairly put upon, not that the Girl Scouts are the manufacturers or distributors of the object of indignation.³⁰⁰

The Girl Scouts’ trademark rights have been found subsidiary to First Amendment considerations in other commercial contexts as well,³⁰¹

298. Yochai Benkler, *Freedom in the Commons: Towards a Political Economy of Information*, 52 DUKE L.J. 1245, 1259–60 (2003).

299. *Girl Scouts v. Personality Posters Mfg. Co.*, 304 F. Supp. 1228 (S.D.N.Y. 1969).

300. *Id.* at 1231.

301. *Girl Scouts v. Bantam Doubleday Dell Publ’g Group, Inc.*, 808 F. Supp. 1112, 1130 (S.D.N.Y. 1992) (holding that “this Court is unable to find that there is a likelihood of confusion between Plaintiffs’ protected trademarks and Defendants’ children’s books sufficient to overcome the First Amendment value of protecting creative works such as Defendants’ books”).

despite the fact that (unlike Barbie) Congress provided the Girl Scouts' "emblems, badges, marks, and words" with special statutory protections.³⁰² This contrasts dramatically with the virtual inviolability accorded another specially protected mark, "Olympics."³⁰³ In the Gay Olympics case, the U.S. Supreme Court concluded that the fact that an athletic association claimed an expressive, as opposed to a purely commercial, purpose in using the word "Olympic" did not give it a First Amendment right to use the word contrary to the wishes of the United States Olympic Committee because "Olympics" enjoyed protections broader than ordinary trademarks.³⁰⁴

3. Full-Figured Women

Trademarks linked to jeans designed for larger proportioned women were also required to yield to parody. In *Jordache Enterprises v. Hogg*

302. 36 U.S.C. § 80305 is entitled "Exclusive right to emblems, badges, marks, and words" and provides:

The corporation has the exclusive right to use all emblems and badges, descriptive or designating marks, and words or phrases the corporation adopts, including the badge of the Girl Scouts, Incorporated, referred to in the Act of August 12, 1937 (ch. 590, 50 Stat. 623) [unclassified], and to authorize their use, during the life of the corporation, in connection with the manufacture, advertisement, and sale of equipment and merchandise. This section does not affect any vested rights.

36 U.S.C. § 80305 (2000).

303. Amateur Sports Act, *id.* § 220506. *But see* *Stop the Olympic Prison v. U.S. Olympic Comm.*, 489 F. Supp. 1112, 1119–22 (S.D.N.Y. 1980) (holding that a nonprofit organization's distribution of posters featuring the word "Olympic" and Olympic symbols as a means of soliciting contributions for its cause, the opposition to plans to convert the Olympic Village in Lake Placid into a prison after the 1980 Winter Games, was not a commercial use of "Olympics" and therefore not violation of section 110 of the Amateur Sports Act).

304. In *S.F. Arts & Athletics, Inc. v. U.S. Olympic Comm.*, 483 U.S. 522, 534 (1987), the Court interpreted the Amateur Sports Act, 36 U.S.C. § 220506, in a manner that gave the USOC exclusive rights in the word "Olympic." The Court held that unlike normal trademark holders, the USOC did not have to prove that an unauthorized use was confusing and that alleged infringers were not permitted to assert the fair use defense. *See also* Kelly Browne, Note, *A Sad Time for the Gay Olympics*: San Francisco Arts & Athletics, Inc. v. United States Olympic Committee, 107 S. Ct. 2971 (1987), 56 U. CIN. L. REV. 1487, 1524 (1987) (arguing that the Court failed to properly balance free speech and property rights in its holding and analysis); Kellie L. Pendras, Comment, *Revisiting San Francisco Arts & Athletics v. United States Olympic Committee: Why It Is Time to Narrow Protection of the Word "Olympic,"* 24 U. HAW. L. REV. 729, 761 (2002) (arguing that the Court ruling is contrary to the expressive freedoms embedded in the First Amendment). Smell a rat? More recently use of term "Rat Olympics" by a "Behavioral Learning Principles" course at Nebraska Wesleyan University was objected to by the U.S. Olympic Committee. *See* Will Potter, *Ratted Out*, CHRON. HIGHER EDUC., Feb. 14, 2003, at A9.

*Wyld, Ltd.*³⁰⁵ (and given the name of the defendant, the reader can already see where this is going), JORDACHE mark and horse appliqué marks placed on the right rear pocket to provide source identification for plus size denim jeans were found not to be infringed by a competitor's use of the name LARDASHE in similar script lettering stitched into the right rear pocket of their plus size jeans, together with a pig appliqué.³⁰⁶ Like Barbie and the Girl Scouts, the Jordache mark was deemed susceptible to unauthorized usage that was successfully defended as free speech.

B. *I'm Pink, Therefore I'm Spam*

There are “ungendered” cases in which arguably commercial uses of trademarks were held noninfringing or nondilutive. For example, in *Hormel Foods Corp. v. Jim Henson Productions*, the court refused to enjoin the use of a character named Spa'am in the movie *Muppets Treasure Island*, despite Hormel's allegations concerning its Spam trademark for luncheon meat.³⁰⁷ The court seemed to hold little regard for Hormel's product, referring to it as a “processed, gelatinous block,”³⁰⁸ and asserting that Hormel should be inured to ridicule, sarcastically noting:

Although SPAM is in fact made from pork shoulder and ham meat, and the name itself supposedly is a portmanteau word for spiced ham, countless jokes have played off the public's unfounded suspicion that SPAM is a product of less than savory ingredients. For example, in one episode of the television cartoon *Duckman*, Duckman is shown discovering “the secret ingredient to SPAM” as he looks on at “Murray's Incontinent Camel Farm.” In a recent newspaper column it was noted that “[I]n one little can, Spam contains the five major food groups: Snouts. Ears. Feet. Tails. Brains.” In view of the more or less humorous takeoffs such as these, one might think Hormel would welcome the association with a genuine source of pork.³⁰⁹

However, one clearly articulated basis for the holding was the court's belief that, though perhaps Hormel was too pigheaded to realize it, the Henson invocation of the Spam trademark and related associations was actually constructive in nature;³¹⁰ because Spa'am was a positive

305. *Jordache Enters. v. Hogg Wyld, Ltd.*, 625 F. Supp. 48 (D.N.M. 1985).

306. *Id.* at 55. “There is an additional aspect to the Lardashe name and mark which compels the conclusion that its use does not infringe upon the Jordache name and marks: the aspect of parody.” *Id.*

307. *Hormel Foods Corp. v. Jim Henson Prods., Inc.*, 73 F.3d 497, 500 (2d Cir. 1996).

308. *Id.* at 501.

309. *Id.* (citations omitted).

310. The court wrote:

Spa'am, however, is not the boarish Beelzebub that Hormel seems to fear. The district court credited and relied upon the testimony of Anne Devereaux

character, he was not portrayed as unhygienic, and that a simple comic reference to the fact that Spam was made from pork would not, in the court's estimation, damage its image.³¹¹ This diverges considerably from the "Barbie Girl" court's willingness to disregard the unsavory depiction of Barbie characteristics in the disputed song.³¹² The spamming jurists sought to reassure Hormel that the contested Spa'am character did not reflect negatively on its product, while the "Barbie Girl" court straightforwardly concluded that the First Amendment includes the right to bash Barbie.

C. For-Profit Parody When the Target Is Not Female

The typical case in which an unauthorized use of a trademark is protected by the First Amendment is one in which the use is fairly unambiguously noncommercial. For example, in the "Bally sucks" case, a disgruntled former health club member was held to have a First Amendment right to post negative consumer commentary about Bally Total Fitness, Inc. on a website posted at www.ballysucks.com because it was a completely noncommercial venture.³¹³ Had the defendant attempted to sell posters or tee shirts proclaiming that Bally sucked, there is some suggestion in the opinion that the court might have been more protective of the Bally trademark.³¹⁴ In a political commercial in

Jordan, an expert in children's literature, to find that Spa'am is a positive figure in the context of the movie as a whole—even if he is not "classically handsome." Indeed, Spa'am is a comic character who "seems childish rather than evil." Although he is humorously threatening in his first appearance, he comes to befriend the Muppets and helps them escape from the film's villain, Long John Silver. By film's end, "Spa'am is shown sailing away with the other Muppets as good humor and camaraderie reign."

Id. (citations omitted).

311. *Id.* at 504.

312. See *supra* notes 275–86 and accompanying text.

313. *Bally Total Fitness Holding Corp. v. Faber*, 29 F. Supp. 2d 1161, 1167 (C.D. Cal. 1998).

314. *Id.*

[N]one of the cases that Bally cites involve consumer commentary. In *Coca-Cola*, the court enjoined the defendant's publication of a poster stating "Enjoy Cocaine" in the same script as Coca-Cola's trademark. Likewise, in *Mutual of Omaha*, the court prohibited the use of the words "Mutant of Omaha," with a picture of an emaciated human head resembling the Mutual of Omaha's logo on a variety of products as a means of protesting the arms race. Here, however, Faber is using Bally's mark in the context of a consumer commentary to say that Bally engages in business practices which Faber finds distasteful or unsatisfactory. This is speech protected by the First Amendment.

which Ralph Nader mimicked MasterCard's "Priceless" advertising campaign, MasterCard's motion for a temporary restraining order against Nader was denied because the ad was found to be a parody of MasterCard's commercial, as well as a comment on campaign financing.³¹⁵ It was a distinctly noncommercial parody because Nader was not selling anything except his own Presidential candidacy.

These free speech friendly outcomes stand in stark contrast to those in cases framed as "for-profit parody" disputes. When there is a commercial aspect to a trademark parody that does not involve deriding Barbie or mocking other putatively deserving targets, courts seem more likely to favor strong trademark protections over speech interests.³¹⁶ In *Elvis Presley Enterprises v. Capece*³¹⁷ the Fifth Circuit held that calling a nightclub "The Velvet Elvis" infringed marks held by Elvis Presley Enterprises because, when considered as a whole, the nightclub's advertising practices, service mark, and décor caused a likelihood of confusion as to source, affiliation, or sponsorship.³¹⁸ The gaudy, campy nightclub was intended to parody "a time or concept from the sixties—the Las Vegas lounge scene, the velvet painting craze and perhaps indirectly, the country's fascination with Elvis."³¹⁹ In *Hard Rock Cafe Licensing Corp. v. Pacific Graphics*, a court found that the "Hard Rain" logo on tee shirts which meant to humorously reference the damp climate of the Pacific Northwest, was an infringement of the "Hard Rock" logo associated with the Hard Rock Café, also used extensively on tee shirts.³²⁰

In *Schieffelin & Co. v. Jack Company of Boca, Inc.*,³²¹ the defendants argued unsuccessfully that their ten dollar bottle of popcorn would not likely be confused with plaintiff's Dom Perignon Champagne and that

Id. (citations omitted).

315. Mark Hamblett, *Judge Backs Nader's Parody of MasterCard Ad*, LAW.COM, Sept. 12, 2000, at <http://www.law.com/jsp/statearchive.jsp?type=Article&oldid=ZZZTZRDA2DC>.

316. But see *Black Dog Tavern Co. v. Hall*, 823 F. Supp. 48 (D. Mass. 1993), in which the court very astutely determined that consumers were not likely to be confused by tee shirts parodying "The Black Dog" which featured "The Dead Dog" and "The Black Hog," holding in pertinent part:

Color notwithstanding, a dog and a hog are two very different creatures, unlikely to be confused in the average person's mind. Likewise, it can hardly be suggested that a typical consumer will not distinguish the macabre overtones of "The Dead Dog" from the more salutary connotations of "The Black Dog."

Id. at 55.

317. *Elvis Presley Enters., Inc., v. Capece*, 141 F.3d 188 (5th Cir. 1998).

318. *Id.* at 204.

319. *Elvis Presley Enters., Inc., v. Capece*, 950 F. Supp. 783, 795 (S.D. Tex. 1996), *rev'd*, 141 F.3d 188.

320. *Hard Rock Cafe Licensing Corp. v. Pac. Graphics, Inc.*, 776 F. Supp. 1454, 1462 (W.D. Wash. 1991).

321. 725 F. Supp. 1314 (S.D.N.Y. 1989).

this was simply a “classic parody” protected under the First Amendment.³²² The court ruled that the speech was purely commercial, and therefore unprotected. Because the defendant was selling a product, the defendant did not base the parody upon artistic or political expression, and the underlying purpose of the parody was economic gain.³²³

Yet another comparable case involved publication of a parody of *The Cat in the Hat*, a Dr. Seuss book, that was entitled *The Cat NOT in the Hat*,³²⁴ in which the defendant author mimicked Dr. Seuss’s literary and artistic style to comment on the O.J. Simpson murder trial. The defendant was unable to use a parody defense to defeat a claim for injunctive relief premised on both copyright and trademark law violations because the accused work did not parody or comment upon Dr. Seuss, but merely appropriated the intellectual property of Dr. Seuss’s estate, to comment upon something else.³²⁵ The court explicitly held that the claim of parody is no defense “where the purpose of the similarity is to capitalize on a famous mark’s popularity for defendant’s own commercial use.”³²⁶

A diaper bag with green and red bands and the wording “Gucchi Goo,” that was “allegedly poking fun” at Gucci was found to infringe the well-known Gucci name and the design mark.³²⁷ The use by a competing meat sauce of the trademark “A.2” as a “pun” on the famous “A.1” trademark was similarly held infringing,³²⁸ offering precedential support for the contention that parody is no defense “where the purpose of the similarity is to capitalize on a famous mark’s popularity for the

322. *Id.* at 1322–23.

323. *Id.* at 1323–24.

324. *Dr. Seuss Enters., L.P. v. Penguin Books USA, Inc.*, 109 F.3d 1394, 1405–06 (9th Cir. 1997).

325. *Id.*

326. *Id.*

In a traditional trademark infringement suit founded on the likelihood of confusion rationale, the claim of parody is not really a separate “defense” as such, but merely a way of phrasing the traditional response that customers are not likely to be confused as to the source, sponsorship or approval. . . .
. . . [T]he claim of parody is no defense “where the purpose of the similarity is to capitalize on a famous mark’s popularity for the defendant’s own commercial use.”

Id. (quoting *Hard Rock Café Licensing Corp. v. Pac. Graphics, Inc.*, 776 F. Supp. 1454, 1462 (W.D. Wash. 1991)).

327. *Gucci Shops, Inc. v. R.H. Macy & Co.*, 446 F. Supp. 838, 840 (S.D.N.Y. 1977).

328. *Nabisco Brands, Inc. v. Kaye*, 760 F. Supp. 25, 27 (D. Conn. 1991).

defendant's own commercial use."³²⁹ Merchandise bearing a design using the words "Mutant of Omaha" and an accompanying logo depicting a side view of a war-bonneted and emaciated human face was deemed likely to likely to cause confusion as to the source of the goods and about whether there was any involvement by or association with the Mutual of Omaha Insurance Company.³³⁰ To the defendant's claim that he had a right to make political commentary, the court responded:

There are numerous ways in which Novak may express his aversion to nuclear war without infringing upon a trademark in the process. Just as Novak may not hold an anti-nuclear rally in his neighbor's backyard without permission, neither may he voice his concerns through the improper use of Mutual's registered trademark. Under these facts, the First Amendment provides no defense.³³¹

Liability in all of the above cases was premised squarely on likelihood of confusion determinations. Where a court cannot bring itself to make that finding even for instrumental, outcome determinative purposes, an alternate theory can emerge with which to stop for-profit parodists. In *Carson v. Here's Johnny Portable Toilets*,³³² the Sixth Circuit held that the defendant violated (then-host of the Tonight Show) Johnny Carson's right of publicity because the defendant "intentionally appropriated his identity for commercial exploitation" by using the Carson-identified "Here's Johnny" phrase to promote its product. The court held that the defendants could not use the "Here's Johnny" phrase based upon a right of publicity theory, rather than a traditional likelihood of confusion test. According to the court, the defendants did not violate the confusion test because it was unlikely that the public would believe that Johnny Carson endorsed or promoted the company's product.³³³ Nevertheless, the judge found an alternative legal mechanism to halt apparently offensive communicative commercial behavior.

D. For-Profit Parody: Sex, Drugs, Rock & Roll, and Beer

When courts find parodies, satire, and other nonpermissive uses of trademarks objectionable for content-based reasons, they are very likely to find either trademark infringement, trademark dilution, or sometimes both. Courts have energetically enjoined unauthorized commercial uses or invocations of trademarks which include sex and drug references, and anything found to be "unwholesome."

329. *Dr. Seuss Enters., L.P.*, 109 F.3d at 1405–06; *see supra* note 325.

330. *Mutual of Omaha Ins. Co. v. Novak*, 648 F. Supp. 905 (D. Neb. 1986).

331. *Id.* at 911.

332. *Carson v. Here's Johnny Portable Toilets, Inc.*, 698 F.2d 831 (6th Cir. 1983).

333. *Id.* at 833–34.

In *Dallas Cowboys Cheerleaders, Inc. v. Pussycat Cinema*,³³⁴ a trademark was found to be damaged by the unauthorized use of a “strikingly similar” mark in a pornographic film entitled “Debbie Does Dallas.” The plaintiff was described as the “Dallas Cowboys Cheerleaders, Inc., a wholly owned subsidiary of the Dallas Cowboys Football Club, Inc.,”³³⁵ linguistically characterizing the cheerleaders as a commercial entertainment service owned by, and aimed at, men. The court rather scathingly characterized the disputed use of the mark as follows:

In November 1978 the Pussycat Cinema began to show “Debbie Does Dallas,” a gross and revolting sex film whose plot, to the extent that there is one, involves a cheerleader at a fictional high school, Debbie, who has been selected to become a “Texas Cowgirl.” In order to raise enough money to send Debbie, and eventually the entire squad, to Dallas, the cheerleaders perform sexual services for a fee. The movie consists largely of a series of scenes graphically depicting the sexual escapades of the “actors.” In the movie’s final scene Debbie dons a uniform strikingly similar to that worn by the Dallas Cowboys Cheerleaders and for approximately twelve minutes of film footage engages in various sex acts while clad or partially clad in the uniform.³³⁶

The court noted with apparent horror that “Defendants advertised the movie with marquee posters depicting Debbie in the allegedly infringing uniform and containing such captions as ‘Starring Ex Dallas Cowgirl Cheerleader Bambi Woods,’”³³⁷ despite the fact that “Bambi Woods, the woman who played the role of Debbie, is not now and never has been a Dallas Cowboys Cheerleader.”³³⁸ Clearly appalled by the film, and perhaps feeling protective and paternal toward the Dallas Cowboy Cheerleaders’ image in commerce, the court articulated the trademark confusion standard very broadly, holding:

In order to be confused, a consumer need not believe that the owner of the mark actually produced the item and placed it on the market. The public’s belief that the mark’s owner sponsored or otherwise approved the use of the trademark satisfies the confusion requirement. In the instant case, the uniform depicted in “Debbie Does Dallas” unquestionably brings to mind the Dallas Cowboys Cheerleaders. Indeed, it is hard to believe that anyone who had seen defendants’ sexually depraved film could ever thereafter disassociate it from plaintiff’s cheerleaders. This association results in confusion which has “a

334. *Dallas Cowboys Cheerleaders, Inc. v. Pussycat Cinema, Ltd.*, 604 F.2d 200 (2d Cir. 1979).

335. *Id.* at 202.

336. *Id.* at 202–03 (footnote omitted).

337. *Id.* at 203.

338. *Id.* at 203 n.2.

tendency to impugn [plaintiff's services] and injure plaintiff's business reputation"³³⁹

Concluding that “trademark laws are designed not only to prevent consumer confusion but also to protect ‘the synonymous right of a trademark owner to control his product’s reputation,’”³⁴⁰ the court affirmed the Dallas Cowboy’s Football Club’s right to control the reputation of its product, the cheerleaders, in commerce, though one might conclude the reputation of true concern had more to do with sexuality than trademarks. Though the immediate target of this parody was an organization of female cheerleaders, the parody was deemed to effect and demean a male-oriented product, an owned accessory to an NFL franchise football team.

In *General Electric Co. v. Alumpa Coal Co.*,³⁴¹ General Electric objected to the defendant’s use of a humorous but ribald “Genital Electric” monogram on underpants and T-shirts that it marketed. The court found actionable infringement after remarkably concluding that “there is great probability of confusion among the general public of plaintiff’s trademarks and defendant’s imitation.”³⁴² Alternatively, in *The Pillsbury Co. v. Milky Way Productions, Inc.*, the court found consumer confusion was unlikely, but still enjoined the defendant’s publication of a parody in which the Pillsbury Doughboy participated in sexually explicit satirical drawing.³⁴³ The court held that the cartoon diluted the distinctive value of Pillsbury’s all-American iconic value and injured the company’s business reputation.³⁴⁴

When New Line Cinema produced a feature film satirizing beauty contests in rural Minnesota that portrayed them as jealous backbiters, suggested the participants tend to suffer from eating disorders, and contained “off-color humor and content,” it was enjoined from calling the movie “Dairy Queens.”³⁴⁵ The dairy treat retailer that holds the “Dairy Queen” trademark successfully argued that the title “Dairy Queens” would “cause the public to associate its trademarked name with the unwholesome content of the film . . . [an] association [that would] create negative impressions and confuse its customers, thereby demeaning and disparaging its mark.”³⁴⁶

339. *Id.* at 204–05 (citations omitted) (alterations in original).

340. *Id.* at 205.

341. *Gen. Elec. Co. v. Alumpa Coal Co.*, 205 U.S.P.Q. 1036 (D. Mass. 1979).

342. *Id.* at 1037.

343. *The Pillsbury Co. v. Milky Way Prods., Inc.*, 215 U.S.P.Q. 124, 135–36 (N.D. Ga. 1981).

344. *Id.*

345. *Am. Dairy Queen Corp. v. New Line Prods., Inc.*, 35 F. Supp. 2d 727, 728–29 (D. Minn. 1998).

346. *Id.* at 729.

A different sort of purity was at issue in *Chemical Corp. of America v. Anheuser-Busch, Inc.*, in which the slogan for a floor wax containing insecticide, “Where there’s life . . . there’s bugs,” was held to infringe a beer marketing slogan, “Where there’s life . . . there’s Bud.”³⁴⁷ The court held that “the use of the ‘bugs’ slogan would cause confusion in the minds of the public as to the source of the floor wax product and would damage the ‘public image’ of [Anheuser-Busch] by associating in the minds of the public the idea of bugs with a food product.”³⁴⁸

In *Coca-Cola Co. v. Gemini Rising, Inc.*, a court enjoined the defendant’s merchandising of posters that partially reproduced a “familiar ‘Coca-Cola’ trademark and distinctive format” except for the substitution of the script letters “ine” for “-Cola,” so that the poster read “Enjoy Cocaine.”³⁴⁹ The court wrote:

Although it contends that the word “Coca-Cola” as such does not appear anywhere on the poster one would have to be a visitor from another planet not to recognize immediately the familiar “Coca” in its stylized script and accompanying words, colors and design. Indeed, defendant’s assertion that “the poster was intended to be a spoof, satirical, funny, and to have a meaning exactly the opposite of the word content” would be meaningless except in the context of an immediately recognizable association with the “Coca-Cola” trademark. This is buttressed by the only change made in the new poster, *i.e.*, “Raid-Mark” in place of “Trade-Mark”—a clear indication of defendant’s predatory intent, however humorous defendant considers it.³⁵⁰

The court further opined: “To associate such a noxious substance as cocaine with plaintiff’s wholesome beverage as symbolized by its ‘Coca-Cola’ trademark and format would clearly have a tendency to impugn that product and injure plaintiff’s business reputation”³⁵¹

347. *Chem. Corp. of Am. v. Anheuser-Busch, Inc.*, 306 F.2d 433, 434 (5th Cir. 1962).

348. *Id.* at 436. This case apparently made an impression on Justice Breyer who asked during a recent oral argument in a trademark dilution case before the Supreme Court whether a necessary element of dilution is “tarnishment” of reputation, “giving the example of ‘Bugweiser’ bug spray, which might not lead Budweiser consumers to believe that their beer has Deet in it, but which might nevertheless lead them to think, according to Breyer: ‘Budweiser. Yuck.’” Lithwick, *supra* note 123.

349. *Coca-Cola Co. v. Gemini Rising, Inc.*, 346 F. Supp. 1183, 1186 (E.D.N.Y. 1972).

350. *Id.* at 1187.

351. *Id.* at 1189. Similarly, in *Deere & Co. v. MTD Prods., Inc.*, 41 F.3d 39 (2d Cir. 1994), a television commercial for a competing lawnmower tractor that humorously invoked the famous Deere trademark (“a proud, majestic deer”), in the form of a cartoon deer that was cowardly and afraid, was held to be violation of the New York antidilution statute. The court wrote, “Alterations of that sort, accomplished for the sole purpose of

Trademark holders sometimes triumph over speech interests even when the message is not prurient in nature. Where a company commercially produced and distributed religious tract cards and window display stickers which closely resembled Master Charge credit cards, and bore the legend “Give Christ charge of your life,” the court found trademark infringement and dilution and admonished the defendant to “utilize numerous means of conveying their commendable religious message without the apparent appropriation of the plaintiff’s marks.”³⁵²

Thus, amalgams of trademark infringement and trademark dilution theory have been used by courts to impede or silence speech related uses of trademarks simply because they are commercial in some respect. Where the unauthorized use implicates something a court finds unsavory, such as sex, drugs, or bugs, trademark law is readily invoked to “protect” the images and reputations of the marked goods and services. Where a court feels perhaps that a product such as Barbie or Spam deserves by its very nature to be satirized, or simply values a broad construction of the First Amendment, marks can be parodied or otherwise used for speech purposes even in commercial contexts. Courts have abjectly failed to consistently articulate any logical framework for balancing speech rights against trademark interests. This creates great uncertainty for potential speakers and allows some judges to react to their personal inclinations, stereotypes, and biases by overprotecting trademarks at the expense of freedom of speech.

VI. CONCLUSION

The educational and informational assistance trademarks provide to consumers is often overstated, while the benefits of strong trademark protections to mark holders are generally underestimated by judges and commentators. “Protecting consumers” is even less supportable a justification for broadly enforceable trademark rights when consumers

promoting a competing product . . . risk the possibility that consumers will come to attribute unfavorable characteristics to a mark and ultimately associate the mark with inferior goods and services.” *Id.* at 45; *see also* Original Appalachian Artworks, Inc. v. Topps Chewing Gum, Inc., 642 F. Supp. 1031, 1036–39 (N.D. Ga. 1986) (finding that a merchandiser of “Garbage Pail Kids” stickers and products injured the owner of Cabbage Patch Kids mark because of the likelihood of confusion as to origin, approval, endorsement, or other association of defendant’s products and mark with plaintiff’s); DC Comics Inc. v. Unlimited Monkey Bus. Inc., 598 F. Supp. 110, 115–16 (N.D. Ga. 1984) (finding that the holder of Superman and Wonder Woman trademarks was damaged by use of similar marks by singing telegram franchisor, and that defendant violated the Lanham Act by using costumes similar to those used by characters in plaintiff’s comic books); Gucci Shops, Inc. v. R.H. Macy & Co., 446 F. Supp. 838, 839–40 (S.D.N.Y. 1977) (holding that defendant’s diaper bag labeled “Gucchi Goo” injured Gucci’s mark).

352. *Interbank Card Ass’n v. Simms*, 431 F. Supp. 131, 135 (M.D.N.C. 1977).

are incorrectly and illegitimately assumed to be idiots. Unless a mark holder offers persuasive evidence to the contrary, courts must reject the specter of the gullible, harried, ignorant, and stupid consumer as a standard by which to measure likelihood of confusion. Instead, courts should consistently embrace something along the lines of the “reasonably careful purchaser,” with the approximate purchasing sophistication of the judge deciding the issue—a creature far more intelligent and discerning than the consumers currently manifest in trademark jurisprudence. In sum, because it strengthens trademarks without achieving any corresponding social benefit and is an improper invocation of the judicial notice doctrine, the courts should be a little less eager to find confusion likely simply because confusion somewhere, somehow, on someone’s part is arguably possible.

Speech protected by the First Amendment that criticizes, parodies, mocks, or otherwise references or invokes trademarked goods and services should not be chilled or silenced by trademark law. Subordinating speech rights to trademark interests not only contravenes important constitutional principles, but also prevents consumers from receiving certain types of information about these marks, placing these decisions in conflict with stated goals of the Lanham Act.

Both free speech rights and efficient commerce would best be served if courts entertained trademark infringement claims only where either identical or exceedingly similar marks are used commercially in a trademark sense, on directly competing or closely related goods and services. Dilution claims should not silence speech that would otherwise be free. Expansive property-like trademark monopolies should be allowed only if they can be justified on the basis of sound public policy. Protection of consumers from confusion as it is presently effectuated does not provide such a justification. If judges are going to insist upon constructing broad penumbras of intangible commercial property rights around enforceable trademarks, these rights ought to attach consistently and predictably to all trademarks within a particular mark class or strength category. All consumers should be considered classless and genderless, and all trademarks should be treated like Barbie, freely available for unfettered expressive uses—even strange, sexist, sexually charged, and impudent ones.

