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Preface

This Update contains excerpts from, and notes about, cases and other materials that have been published in the relatively short time since the casebook was published. But even in those six months, there have been many developments that warrant treatment in Spring 2019 courses.

The purpose of the Update is to keep the casebook materials current in an era when the volume of trademark law makes for a continually moving target. In compiling the Update, we have intentionally been more inclusive in some respects than in the main casebook. We have included as full excerpts only leading cases or cases that highlight an important developing aspect of trademark and unfair competition law. However, we have also included notes about other cases (including district court cases) that, when taken with the existing casebook, are more extensive than are necessary to understand or teach the subject matter of the Trademarks course. We have done so because we believe it helpful, as part of the updating process, to provide current examples of issues raised explicitly by notes and questions in the main casebook. We hope this enhances the pedagogical value of our casebook, and provides a currency that stimulates students and instructors alike. As a result, when we teach from the casebook, we do not add to our existing reading assignments every last page of the Update. Instead, we are more selective. We almost always assign the cases that are excerpted in full (where indicated, in lieu of cases excerpted in the casebook). But we use the notes and questions more selectively, as more up-to-date examples that provide the basis for vibrant class discussion.

We have discontinued our past practice of providing a separate set of statutory materials. All of these are readily available online at sites that are continually updated. Thus, we have provided links to the relevant materials at http://www.indiana.edu/~tmlaw.

As always, we welcome your comments on the wisdom of this editorial choice, as well as on any other aspect of the casebook or the Update.

G.B.D.
M.D.J.
FOUNDATIONS AND PURPOSES OF TRADEMARK AND UNFAIR COMPETITION LAW
INTRODUCTION TO TRADEMARK AND UNFAIR COMPETITION LAW

At p. 24, add the following to note 2:

How large a premium will consumers pay for goods that they perceive to be luxury branded? The discount shoe store PAYLESS recently conducted an experiment by opening up a fake boutique store called PALESSI at a luxury mall in Los Angeles. They offered $20 PAYLESS products branded as PALESSI at an 1800 percent markup. And they sold! One of the “influencers” invited to the store opening paid $645 for a pair of Payless shoes that ranged from just $19.99-$39.99. “Others marveled at the quality of the shoes, and were quoted as describing the Payless designs as, ‘Just stunning. Elegant, sophisticated.’ Of a faux leather sneaker, one anonymous shopper said, ‘I can tell it was made with high-quality material.’” See Holly Rhue, How Payless Tricked Influencers Into Paying $600+ for Their $20 Shoes, Elle Magazine Nov. 30, 2018, at https://www.elle.com/fashion/accessories/a25361265/payless-trick-fake-luxury-shoe-store-palessi/

At p. 38, add the following to second paragraph of note 8:

One other consideration that might influence an applicant’s strategy is whether applicants who appeal to the District Court can be required to pay “[a]ll the expenses of the proceedings”—including attorneys’ fees—incurred by the PTO in defending the Board’s decision, regardless of the outcome. See NantKwest Inc. v. Iancu, 898 F.3d 1177 (Fed. Cir. 2018) (en banc) (not allowing attorneys’ fees in patent case involving analogous provision); compare Shammas v. Focarino, 784 F.3d 219, 222–27 (4th Cir. 2015) (allowing PTO attorneys’ fees in appeal from TTAB). A petition for certiorari is expected to be filed by the PTO in NantKwest, and the issue is presently also being considered by the Court of Appeals for the Fourth Circuit in Booking.com B.V. v. U.S. Patent & Trademark Office.
CREATION OF TRADEMARK RIGHTS
At p. 52, add the following as new note 10:

10. Composite marks. The inquiry isn’t as simple as the Abercrombie & Fitch case makes it sound. Consider a seemingly trivial variation: instead of the single term SAFARI, suppose that the mark is a composite of two or more terms. In considering such a mark, the so-called anti-dissection principle requires that we consider the mark as a whole and resist “dissecting” the mark into isolated elements. What is the basis for such a rule? How would you classify RICE THINS for rice cakes? See Real Foods Pty. Ltd. v. Frito-Lay N.A., Inc., 906 F.3d 965 (Fed. Cir. 2018). Note that despite the ultimate focus on the mark as a whole, courts and the PTO are permitted to weigh the individual components as part of the process of assessing the entire mark.

At p. 63, add the following to note 11:

cf. Converse v. ITC, __ F.3d ___, 2018 WL 6164571 at *8 (Fed. Cir. Oct. 30, 2018) ([S]urveys are sometimes difficult to use as evidence of historic secondary meaning. This is because “[t]he relevant consumer population for assessing consumer attitudes at a point in the past is a group of consumers at that point in the past” and “[a] contemporaneous survey commissioned for litigation obviously cannot access such a pool of respondents.” Thus, the ITC should only give such survey evidence “weight appropriate to the extent that it sheds light on consumer perceptions in the past”).

In Converse v. ITC, __ F.3d ___, 2018 WL 6164571 (Fed. Cir. Oct. 30, 2018), the Court of Appeals for the Federal Circuit endorsed the preference of the New Colt court for more recent evidence when the secondary meaning question comes up in the infringement context. Thus, the court commented:

Next, we address the significance of the trademark owner’s and third parties’ prior uses of the mark. We conclude that the ITC relied too heavily on prior uses long predating the first infringing uses and the date of registration. The secondary meaning analysis primarily seeks to determine what is in the minds of consumers as of the relevant date, and [assessment of the length, degree and exclusivity of use] must be applied with this purpose in view. The most relevant evidence will be the trademark owner’s and third parties’ use in the recent period before first use or infringement.

The Lanham Act itself sheds light on what constitutes the most relevant period. Section 2(f) provides that in assessing secondary meaning “The Director [of the
PTO] may accept as prima facie evidence that a mark has become distinctive, as used on or in connection with the applicant’s goods in commerce, proof of substantially exclusive and continuous use thereof as a mark by the applicant in commerce for the five years before the date on which the claim of distinctiveness is made.” 15 U.S.C. § 1052(f) (emphasis added).

A somewhat different, ten-year rule had previously been enacted in 1905. Describing marks subject to that 1905 law, the Supreme Court noted, “Their exclusive use as trademarks for the stated period was deemed, in the judgment of Congress, a sufficient assurance that they had acquired a secondary meaning as the designation of the origin or ownership of the merchandise to which they were affixed.” Thaddeus Davids Co. v. Davids, 233 U.S. 461, 470 (1914).

Today’s five-year rule was enacted in substantially its present form in 1946. Remarking on the shift from ten to five years and relying on Davids, the Eighth Circuit found “it must follow that Congress in establishing the new and different prerequisite of five years ... now deems that period of such use adequate.” Curtis-Stephens-Embry Co. v. Pro-Tek-Toe Skate Stop Co., 199 F.2d 407, 413 (8th Cir. 1952).

To be sure, section 2(f) sets up an evidentiary rule for the Director rather than courts. But the Supreme Court has noted “that the general principles qualifying a mark for registration under § 2 of the Lanham Act are for the most part applicable” in other trademark proceedings, such as suits seeking to enforce unregistered marks under 15 U.S.C. § 1125(a). [cit]. And several other courts of appeals, drawing on section 2(f), have found five years’ substantially exclusive and continuous use to weigh strongly in favor of a finding of secondary meaning. [cit].

We agree with those circuits that recognize the importance of looking to this five-year period. While section 2(f) cannot be read as limiting the inquiry to the five years before the relevant date, it can and should be read as suggesting that this period is the most relevant. As a result, in evaluating [the length, degree and exclusivity of use], the ITC should rely principally on uses within the last five years. The critical issue for this factor is whether prior uses impacted the perceptions of the consuming public as of the relevant date. [cit]. Consumers are more likely to remember and be impacted in their perceptions by third-party uses within five years and less likely with respect to older uses. We recently applied similar, common-sense reasoning in the trademark opposition context, finding that survey results were probative, at best, of the public’s perception five years after the survey was conducted. Royal Crown Co. v. Coca-Cola Co., 892 F.3d 1358, 1370 (Fed. Cir. 2018).

Therefore, uses older than five years should only be considered relevant if there is evidence that such uses were likely to have impacted consumers’ perceptions of the mark as of the relevant date. For example, this might be the case where a particular advertising campaign has been in use for longer than five years. . .

Id. at * 7-8.

The Converse court also addressed the relevance of one further item of evidence, which will be germane only when the plaintiff’s mark is registered. As we will see in Chapter 5, registration of a mark affords its owner a presumption that the mark is valid, including that it has acquired secondary meaning (at least where the mark was registered on that basis). Given that, in an infringement action, a plaintiff must show that its non-inherently distinctive mark had acquired secondary meaning prior to the defendant’s first use, what weight should a court assessing secondary meaning afford a registration that post-dates the defendant’s use? See Converse v. ITC, __ F.3d __, 2018 WL 6164571 at *4 (Fed. Cir. Oct. 30, 2018) (holding that the plaintiff
could not rely on the presumption to show secondary meaning prior to the state of registration and that the multiyear gap between defendant’s use and the registration meant that the registration was not even probative of secondary meaning at that earlier date. Should the later registration be given any weight in any circumstances? See Converse v. ITC, __ F.3d ___, 2018 WL 6164571 at *13 (Fed. Cir. Oct. 30, 2018) (O’Malley J., concurring in part and dissenting in part).

At p. 80, add the following as new note 4:

4. Hashtag marks. In the last couple of years, there has been a spike in efforts to register trademarks that consist of a hashtag followed by a product name or promotional phrase. To what extent does the addition of a hashtag affect the distinctiveness of a claimed mark? See In re i.am.symbolic, llc, 127 U.S.P.Q.2d (BNA) 1627 (TTAB 2018) (involving mark #WILLPOWER for clothing; ruling that the addition of the hashtag symbol generally adds “little or no source-indicating distinctiveness to a mark”) (citing TMEP 1202.18); see also Problem 2-3(19).

At p. 140, add the following to note 5:

In assessing exclusivity of use in a trade dress case, the Federal Circuit has held that only third party uses that are “substantially similar” to the claimed mark are relevant. See Converse v. ITC, __ F.3d ___, 2018 WL 6164571 at *8 (Fed. Cir. Oct. 30, 2018)

At p. 141, add the following to note 2 after Tenth Circuit quote in last paragraph on p. 141:

Cf. In re Forney Indus., Inc., 127 U.S.P.Q.2d (BNA) 1787 (TTAB 2018) (color mark consisting of multiple colors applied to packaging cannot qualify as inherently distinctive; it should be treated as a “color” mark rather than a packaging mark).

At p. 158, add the following as new note 4:

4. Smell marks. For an example of a recently registered olfactory mark, see Registration No. 5467089 (registered May 2018) (registering “a scent of a sweet, slightly musky, vanilla fragrance, with slight overtones of cherry, combined with the smell of a salted, wheat-based dough” for “toy modeling
can you identify the source of the product from this description? the scent has apparently been used on the product since 1956.

at p. 171, add the following to note 3:

in american society for testing and materials v. public.resource.org, inc., 896 f.3d 437 (d.c. cir. 2018), the plaintiffs (including astm) were standard-developing organizations (sdo's) who published thousands of technical standards (for such things as "best practices as electrical installations" or the "power source needed for a cargo tank's liquid overfill protection system"). many of these standards are incorporated into laws by federal, state and local governments, often simply by reference rather than repetition. the sdo's brought an action against public.resource.org (pro), a non-profit organization with a self-proclaimed mission to "make the law and other governmental materials more widely available." pro purchased copies of the sdo standards, scanned them into a digital file, attached explanatory cover sheets, and posted the documents to a public web site. in some cases, pro would modify a file so that the text could more easily be enlarged, searched and read with text-to-speech software. the plaintiffs claimed both copyright and trademark infringement, and the district court granted summary judgment to the plaintiffs on both claims. the court of appeals vacated the trial court's injunction because of legal errors and remanded to the trial court to develop a fuller factual record. however, the appellate hinted that the defendant's fair use defense would likely defeat any copyright claim. on the trademark analysis, the court of appeals also remanded because of errors in the lower court's treatment of the nominative fair use defense (discussed infra in chapter 9). however, the defendants had argued that dastar precluded any trademark claim in any event, because any such claim would circumvent the limitations of the copyright act. the court of appeals disagreed:

were pro accused of reproducing identical copies of astm's standards, and assuming that astm lacked an enforceable copyright to those standards, astm's trademark claim might well have been precluded under dastar. here, however, pro is not accused of faithfully copying astm's work without attribution but instead of "create[ing] reproductions through scanning and re-typing, with resultant errors and differences," to which it affixes astm's marks. consumers who download copies of the standards from pro's website may not only be misled into thinking that astm produced the digital files but also may attribute any errors to astm. this risks precisely the sort of confusion as to "the producer of the tangible product sold in the marketplace" that the supreme court in dastar deemed a cognizable injury under the lanham act. . .

given that astm alleges that pro is distributing meaningfully inferior versions of the technical standards under astm's trademark and given trademark law's concern for "discourag[ing] those who hope to sell inferior products by capitalizing on a consumer's inability quickly to evaluate the quality of an item offered for sale," qualitex, 514 u.s. at 164. dastar does not bar astm's trademark claims.
Am. Soc’y for Testing & Materials, et al. v. Public.Resource.Org, Inc., 896 F.3d 437, 455 (D.C. Cir. 2018). Is the Court of Appeals correct that Dastar only precludes claims based upon “instances of virtually identical copies”? See id. Do the policy concerns of trademark law require relief on these facts? Are the policy concerns that underlay Dastar implicated by these facts? What should be the result if you answer both these questions affirmatively?

At p. 171, add the following to note 4:

In Bretford, noted above, the defendant competitor’s use of the plaintiff manufacturer’s (allegedly source-identifying) table legs on a sample table shown to potential customer did not constitute reverse passing off. Under Dastar, the table’s “origin” was the defendant, no matter who made any component or subassembly. Bretford Mfg., Inc. v. Smith Sys. Mfg. Corp., 419 F.3d 576, 581 (7th Cir. 2005). Likewise, in Kehoe Component Sales Inc. v. Best Lighting Products, Inc., 796 F.3d 576 (6th Cir. 2015), the defendant supplier/manufacturer was not liable for reverse passing off when it used molds that it used to produce lighting goods for one customer in order to produce additional lighting products that it sold to the public in competition with the customer. Again, under Dastar the supplier/manufacturer was the origin of the additional lighting products that it produced and sold. Presumably, the same result would apply if the supplier/manufacturer used the molds for another customer to sell goods in competition with the first customer rather than the supplier/manufacturer doing so itself: the second customer would be the “origin” of the additional goods and thus protected by Dastar. But what if that second customer had made false statements to the supplier/manufacturer regarding the ultimate destination of the additional goods (in particular, whether they were to fulfill an order for a partner of the first customer which did not in fact exist)? Does that affect the applicability of Dastar? Should it affect the viability of an action under Section 43(a)? See OTR Wheel Eng’g, Inc. v. W. Worldwide Servs., Inc., 897 F.3d 1008, 1017 (9th Cir. 2018).
FUNCTIONALITY

At p. 240, insert after Abercrombie & Fitch:

LEAPERS, INC v. SMTS, LLC
879 F.3d 731 (6th Cir. 2018)

CLAY, CIRCUIT JUDGE:

[Plaintiff Leapers, Inc. makes adjustable rifle scopes. Several portions of Plaintiff’s products are textured with so-called “knurling,” which allows users to grip the products more easily and to make fine-tuned adjustments. Knurling can be found on a wide variety of everyday items such as door handles, coin edges, and bottle lids. Plaintiff asserts that it uses a unique knurling pattern that is distinctly “ornamental” and by which consumers recognize Plaintiff as the source of the product. Plaintiff filed suit against Defendant seeking monetary and injunctive relief for trade dress infringement of Plaintiff’s rifle scope knurling design. Defendant filed for summary judgment on the basis that Plaintiff would not be able to prove two essential elements of its trade dress claim, namely nonfunctionality and secondary meaning. The district court granted Defendant’s motion for summary judgment. The plaintiff appealed.]

[The burden of proving nonfunctionality is unusual because it requires a party to introduce affirmative evidence that a quality is not present—to introduce “evidence of an absence” rather than merely an absence of evidence. Evidence that a product design is purely “ornamental, incidental, or arbitrary” can be evidence of an absence of functionality. See TrafFix Devices, Inc. v. Mktg. Displays, Inc., 532 U.S. 23, 30 (2001).]

Evidence of aesthetic intent—that the product was designed for an aesthetic purpose—tends to show that a product’s design is purely ornamental, incidental, or arbitrary. Intent, however, is not conclusive; not every design created for an aesthetic purpose will turn out to be nonfunctional. Indeed, a design might turn out to have functional value despite any original aesthetic intent if the design becomes “essential to the use or purpose of the article” or if it turns out to “affect[] the cost or quality of the article.” [cit] . . . Thus, proof of aesthetic intent alone cannot establish nonfunctionality due to the possibility of incidental functionality.
Aesthetic intent alone is also insufficient because some products function based on their aesthetic properties through so-called “aesthetic functionality.” See [Abercrombie & Fitch Stores, Inc. v. Am. Eagle Outfitters, Inc., 280 F.3d 619, 642 (6th Cir. 2002)]. A design has aesthetic functionality when it communicates the use, purpose, cost, or quality of the product in a way that competitors cannot avoid replicating without incurring costs “not to copy but to design around.” See id. at 642-43 (quoting W.T. Rogers Co. v. Keene, 778 F.2d 334, 340 (7th Cir. 1985)). But “there are few aesthetic designs that are so fundamental to an industry that competitors cannot fairly compete without free use of [them].” 1 McCarthy on Trademarks and Unfair Competition § 7:81 (5th ed.). Thus, a party’s initial burden to show that a design lacks aesthetic functionality is not substantial; the plaintiff need only show that the design is not a competitive necessity such that “exclusive use ... would put competitors at a significant non-reputation related disadvantage.” See TrafFix, 532 U.S. at 32–33.

In Abercrombie, . . . [a]lthough there was no indication that the use of such designs affected the clothing’s fit, comfort, or durability, the plaintiff conceded that consumers’ aesthetic tastes drove the market for its clothing. Indeed, the plaintiff said that its design was expressive with regard to the quality of the clothing, “convey[ing] the reliability of the ... brand” both in stores and when worn. This evidence, along with the sheer breadth of the plaintiff’s purported trade dress, indicated that exclusive use of the design would leave competitors at a significant, non-reputation related disadvantage in the market for “reliable rugged and/or athletic casual clothing drawn from a consistent texture, design, and color palette.” Lacking any evidence to the contrary, this Court concluded that the design had aesthetic functionality.

By contrast, the plaintiff automobile manufacturer in General Motors Corp. v. Lanard Toys, Inc. succeeded in its claim that the defendant, a toy car manufacturer, infringed its trade dress by copying the aesthetic design of its Humvee vehicle. 468 F.3d 405, 416–17 (6th Cir. 2006). A witness for the plaintiff testified that the Humvee’s design was motivated purely by aesthetics and not by function. The plaintiff’s purported trade dress consisted of a specific grille design, a slanted and raised hood, a two-panel windshield, rectangular doors, and squared edges. These features were expressive; they communicated the use and purpose of the Humvee as a strong, hardwearing vehicle. Although this suggested the possibility of aesthetic function, the plaintiff also introduced evidence that the market for the Humvee was not driven by aesthetics, meaning that exclusive use of its design would not significantly impact competition. Specifically, the plaintiff showed that the Humvee was designed to meet military specifications, none of which described the aesthetic design elements at issue. Additionally, the plaintiff emphasized the narrow definition of its design, which would allow competitors to create a wide range of strong,
hardwearing designs without incurring costs “not to copy but to design around” the Humvee’s design. Based on this evidence, we concluded that the plaintiff had met its burden to show that its design was purely ornamental and therefore nonfunctional.

In this case, Plaintiff admits that knurling is a functional component of a rifle scope. Plaintiff argues, however, that it applies a purely ornamental design to the knurling on its rifle scopes and that this design—not knurling generally—constitutes its trade dress. A knurling pattern can be purely ornamental, at least as a hypothetical matter; a unique knurling pattern—perhaps in the shape of a company’s name or logo—could have no impact on the knurling’s functionality. [cit]. As long as the pattern is not “essential to the use or purpose” of a rifle scope and does not “affect[ ] the cost or quality” of a rifle scope, the knurling design confers no incidental functionality. And as long as the knurling design does not have an aesthetic function such that “exclusive use of the feature would put competitors at a significant non-reputation-related disadvantage,” the design also lacks aesthetic function and can be protected as trade dress—just like the unique color of a dry cleaning pad, [cit], the unique aesthetic of a Humvee. [cit].

A jury could reasonably conclude that Plaintiff’s knurling design is purely ornamental and therefore nonfunctional. Plaintiff introduced various testimonies to demonstrate that Plaintiff is unaware of any functional benefit of its design and that Plaintiff chose the design for a purely aesthetic purpose: to make the scopes “stand out from the competition.” If the jury finds these testimonies credible, it could conclude that Plaintiff did not achieve functionality where none was intended—so long as Plaintiff adequately rebuts the possibilities of incidental functionality and aesthetic functionality.

Plaintiff also provided evidence negating incidental functionality. Plaintiff showed that its competitors apply knurling to their rifle scopes’ adjustment knobs in a wide variety of patterns, many of which are more effective than Plaintiff’s design at making the knobs’ adjustment surfaces grasable. In other words, Plaintiff adorns its products with a knurling pattern that is not particularly effective at achieving knurling’s primary purpose. A jury could therefore conclude that Plaintiff’s design does not represent a technological advancement, even by accident, and that its claim need not be “channel[ed] ... from the realm of trademark to that of patent.” [cit].

Finally, Plaintiff introduced evidence that its design lacks aesthetic functionality. The record indicates that competition in the rifle scope industry is not based on the visual appeal of knurling or of adjustment knobs more generally; instead, rifle scope manufacturers design their knobs “in ways that
allow them to be better gripped to perform the function of adjustment.” Even so, Defendant argues that the range of available knurling designs is limited by functional requirements, especially the requirement of making the surface of an adjustment knob more graspable without compromising the structural integrity of the knob. If the range of available designs is truly constrained, any claim of trade dress protection must fail due to competitive necessity. But Plaintiff introduced its own expert report, which states that the elements of its design are not dictated by functional requirements. Although this conclusory assertion on its own would not be enough to withstand summary judgment, the report also incorporates pictures of numerous knurling designs that are currently used in the market. These images cast doubt on Defendant’s assertion of a design constraint and would allow a jury to find that the variety of knurling patterns that can be applied to an adjustment knob is effectively unlimited, much like the variety of colors that can be applied to a dry cleaning pad. [cit]. Finding no “scarcity” or “depletion” of available designs, the jury could then conclude that exclusive use of Plaintiff’s design would not put competitors at a significant, non-reputation related disadvantage. [cit].

From this evidence, a jury could properly conclude that Plaintiff’s design is purely ornamental and therefore nonfunctional. The district court therefore erred when it granted summary judgment to Defendant on the basis of nonfunctionality. . . The district court was correct that knurling is “inalterably functional” in that it allows a rifle scope user to “grasp or grip a thing more securely.” However, Plaintiff does not assert that its trade dress consists of knurling; rather, Plaintiff alleges that its trade dress consists of a unique design that is printed into knurling. Thus, the nonfunctionality inquiry in this case must focus on the design of Plaintiff’s knurling and not on knurling in general. The district court erred by failing to make this distinction during summary judgment.

[The court also held that the district court did not properly resolve the issue of secondary meaning and thus remanded so that the district court can offer a definitive ruling on whether Plaintiff has created a genuine issue regarding whether its design has established a secondary meaning.]
At p. 277, add the following before the heading “Priority of Use,”:

The TTAB affirmed a failure-to-function rejection in *In re Peace Love World Live, LLC*, 127 U.S.P.Q.2d (BNA) 1400 (TTAB 2018), involving the use of I LOVE YOU in connection with the bracelet shown below:

According to the TTAB, in assessing whether a mark fails to function because it is ornamental, the Board may consider whether the mark is a common expression, and may take into account the size, location, dominance and significance of the mark, as well as the nature of any third-party uses. Here, the TTAB considered the mark to be a “common expression of endearment” and it was “essentially the bracelet itself,” suggesting that consumers would not perceive it as a source-identifier. In addition, because many third parties used the phrase to adorn jewelry (and even bracelets), it was likely that consumers had become accustomed to perceiving the phrase as part of an item’s ornamentation, not as a source identifier. Do you agree? Does this clarify or further obscure the doctrinal roots of the “failure-to-function” rubric?

At p. 279, add the following to the end of note 2:

Oregon Brewing Company (OBC) sells beer under the mark ROGUE. Starting in 1989, OBC also used ROGUE on various types of apparel (t-shirts, caps, etc.). Initially OBC sold these goods sold primarily in OBC’s brewpubs
and on its website. In the 1990s, OBC began selling the goods through third-party retailers, and, in 2011, through department and clothing-only stores. Excelled sells apparel. In 2000, it began using ROGUE on leather coats. In 2009, it began to use ROGUE for apparel of the type sold by OBC, selling the apparel through department stores and clothing-only stores. The uses by both parties apparently were nationwide. How should priority be analyzed? Should OBC have priority as the first adopter and user, or should Excelled have priority as the first to adopt and use the mark through department and clothing-only store sales? See Excelled Sheepskin & Leather Coat Corp. v. Oregon Brewing Co., 897 F.3d 413 (2d Cir. 2018) (awarding priority to OBC). The case involved numerous additional complications—both parties held federal registrations; the parties had entered into a consent agreement (discussed in more depth in Chapter 6); and there were allegations of laches and fraudulent procurement.

At p. 280, in Problem 4-4, add the following before the heading “Background Readings”:

For additional practice in applying the tacking rules, assess whether you would permit tacking in the following examples.


**IHOP** for restaurant services, changed to IHOB (for restaurant services) as a media stunt to promote the fact that the restaurants served burgers (hence, the “b”) not just pancakes, then changed back to IHOP (for the same services). The mark owner announced on twitter (on June 4, 2018), that “For 60 pancakin’ years, we’ve been IHOP. Now, we’re flippin’ our name to IHOb. Find out what it could b on 6.11.18. #IHOb”. The following logo accompanied the tweet:

![ihob logo]
Then, on July 9, 2018, the mark owner tweeted: “We’re giving away 60¢ short stacks on July 17 from 7a-7p for IHOP’s 60th birthday. That’s right, IHOP! We’d never turn our back on pancakes (except for that time we faked it to promote our new burgers).” That tweet was accompanied by the mark owner’s old (and new again?) logo:

![IHOP Logo](image)

At p. 307, add the following to the end of Problem 4-5(1):

*See also Commodores Ent. Corp. v. McClary, 879 F.3d 1114 (11th Cir. 2018)* (ownership of mark THE COMMODORES for a musical group was held by the original group members and remained with the original group when one of the original members, McClary, left to pursue a solo career).

At p. 341, add the following as new note 7:

7. **Terminating a trademark license in bankruptcy.** Bankruptcy law allows debtors to “reject” certain executory contracts as part of the bankruptcy restructuring. How should this affect intellectual property licenses granted by the debtor? In *Lubrizol Enters., Inc. v. Richmond Metal Finishers, Inc.*, 756 F.2d 1043 (4th Cir. 1985), the Fourth Circuit held that a debtor-licensor’s rejection terminates the license, forcing the licensee to stop using the licensed intellectual property (leaving the licensee with only a damages claim for the value of the license). In 1987, Congress legislatively overruled *Lubrizol* as applied to patent, copyright, and trade secret licenses, but did not expressly include trademark licenses in the relevant provision. 11 U.S.C. § 365(n). In *Sunbeam Prods., Inc. v. Chicago Mfg., LLC*, 686 F.3d 372 (7th Cir. 2012), involving a trademark license, the Seventh Circuit rejected the *Lubrizol* approach, ruling that the debtor-licensor’s rejection amounts to a breach, not a termination, such that the licensee’s right to continue using the mark (and its obligations to continue royalty payments and maintain quality control) persisted. Subsequently, the First Circuit applied the *Lubrizol* approach to a trademark license. *See In re Tempnology, LLC*, 879 F.3d 389 (1st Cir. 2018).
The Supreme Court granted certiorari, and the case is presently pending. As a matter of trademark policy, which approach is preferable? Would you accept an argument in favor of the Seventh Circuit’s approach on the grounds that it better protects investments that the licensee reasonably made in reliance on the license (investments that may be substantial)? Would a contrary approach merely result in licensees insisting on lower royalties in the initial license negotiations?
At p. 366, add the following to Section on Cancellation:

Can a cancellation petitioner wait until one day prior to the expiry of the five-year period to file a petition? See infra, Chapter 12 Update (discussing treatment of laches in Pinkette).

At p. 423, add the following to the end of note 1:

For an example of a successful showing of secondary meaning regarding a mark that was argued to be primarily merely a surname, see Schlafly v. Saint Louis Brewery, LLC, 2018 WL 6168685 (Fed. Cir. Nov. 26, 2018) (affirming the TTAB’s denial of an opposition brought by Phyllis Schlafly, once a prominent conservative activist who was deceased at the time of the appeal, and Dr. Bruce Schlafly, a physician). After you read the next case, consider whether the opposers would have had better luck invoking other Section 2 bars.

At p. 429, add the following to Problem 5-5(17) after the Federal Circuit cite:

SCOPE AND ENFORCEMENT OF TRADEMARK RIGHTS
GEOGRAPHIC LIMITS ON TRADEMARK RIGHTS

At p. 437, add the following to note 4:

The Ninth Circuit has concluded that “the better view is that there is no good faith if the junior user had knowledge of the senior user's prior use.” Stone Creek, Inc. v. Omnia Italian Design, Inc., 875 F.3d 426, 437 (9th Cir. 2017), cert. denied, 138 S. Ct. 1984 (2018).

At p. 456, add the following to note 4:

In equating the common law “good faith” standard with “knowledge” the Ninth Circuit, the Ninth Circuit relied in part on the language of the Lanham Act. See Stone Creek, Inc. v. Omnia Italian Design, Inc., 875 F.3d 426, 439 (9th Cir. 2017) (“the Lanham Act displaces the Tea Rose–Rectanus defense by charging later users with knowledge of a mark listed on the federal register. If constructive notice is sufficient to defeat good faith, it follows that actual notice should be enough too”), cert. denied, 138 S. Ct. 1984 (2018). Might there be a reason why the common law defense might differ from that available against the owner of a federal registration?

At p. 489, add the following to note 5:

The correct cite is Paleteria La Michoacana, Inc. v. Productos Lacteos Tocumbo S.A. De C.V., 69 F. Supp. 3d 175 (D.D.C. 2014). Although the District Court in the 2014 Paleteria La Michoacana decision assessed the assertion of well-known mark status under the Grupo Gigante standard (and found no basis for finding the mark in question to be well-known), after Belmora, in later iterations of the Paleteria La Michoacana litigation the Court of Appeals for the D.C. Circuit framed its analysis by reference to the Lexmark standard. See Paleteria La Michoacana, Inc. v. Productos Lacteos Tocumbo S.A. De C.V., 2018 WL 3894587 (D.C. Cir. Aug. 10, 2018). However, the Court of Appeals was not required to pass on Belmora’s reading of Section 43(a)(1)(A) as available even absent the plaintiff foreign company’s prior use in the United States because the plaintiff had not established injury. Paleteria La Michoacana.” See Paleteria

At p. 490, add the following as new note 10:

4. Further proceedings in Belmora. In September 2018, the District Court for the Eastern District of Virginia affirmed the decision of the Trademark Trial and Appeal Board to cancel the Belmora registration under Section 14(3), and dismissed all the other claims and counterclaims advance by the parties. An appeal is presently pending to the Fourth Circuit.

At p. 496, add the following case after International Bancorp:

DIRECT NICHIE, LLC v. VIA VAREJO S/A
898 F.3d 1144 (11th Cir. 2018)

HOWARD, District Judge (sitting by designation):

[Direct Niche, LLC brought an action against Via Varejo S/A under Section 32(2)(D)(v) of the Lanham Act, part of the Anticybersquatting Consumer Protection Act (the ACPA) and a cause of action discussed below in Chapter 8; see casebook pages 753-762). To defeat that claim, Via Varejo was required to show that it owned U.S. trademark rights in the term CASA BAHIA. The district court found that Via Varejo had used the CASAS BAHIA mark in commerce in a manner sufficient to establish ownership rights, and thus denied Direct Niche’s claim under Section 32(2)(D)(v). Direct Niche appealed.]

BACKGROUND

Via Varejo is a Brazilian corporation with its principal place of business in São Paulo, Brazil. Via Varejo is the parent company of the Casas Bahia chain of retail stores. Casas Bahia is a multi-billion dollar retail brand with around 22,000 employees and over 750 stores throughout Brazil. Via Varejo owns a trademark portfolio for its Casas Bahia mark, including about forty trademarks in countries around the world. At the time of the bench trial, Via Varejo had pending applications for three Casas Bahia service marks in the United States. Via Varejo uses the Casas Bahia name to sell electronics, furniture, appliances, and other consumer goods. In addition to brick-and-mortar stores, Via Varejo has utilized the Casas Bahia brand in e-commerce since 2009, operating under the domain name casasbahia.com.br (the Casas Bahia Website). Via Varejo does not operate any physical Casas Bahia stores in the United States and does not ship goods ordered online to the United
States, although millions of Internet Protocol (IP) addresses located in the United States access the Casas Bahia Website every year.

In addition to the sale of products to consumers, Via Varejo also generates income from the Casas Bahia Website through the sale of advertising space to third-parties, including U.S. companies. Via Varejo does this in three ways: (1) preferred product placement, (2) a banner advertising program, and (3) its marketplace seller program. First, through preferred product placement, Via Varejo provides featured displays of a third-party supplier’s products on the Casas Bahia Website in exchange for payment or a discount off the cost of the products purchased from the supplier. When a supplier transacts for preferred product placement, its products are displayed on the Casas Bahia Website for an agreed-upon period of time in a more prominent position with distinctive formatting, separate from the regular list of items for sale. Via Varejo and U.S. companies such as Intel, Microsoft, Black & Decker, Hewlett Packard, and Dell, have directly transacted for preferred product placement on the Casas Bahia Website dating as far back as 2009.

Second, Via Varejo provides third parties, including U.S.-based advertisers, the opportunity to purchase advertising space on the Casas Bahia Website through its banner ad program. Via Varejo has engaged in the banner ad program since 2013. Through this program, Via Varejo sells space on the Casas Bahia Website to ad brokers such as Google, and Google populates the space with the banner advertisements of third parties. The banner ad program allows Via Varejo to monetize the traffic coming to the Casas Bahia Website (as only one in one hundred visitors makes a purchase), which provides a significant additional source of revenue for the company. And third, Via Varejo’s marketplace seller program allows third-party vendors to display and independently sell their products on the Casas Bahia Website. Via Varejo first engaged U.S. vendors in its marketplace seller program in 2016.

[Direct Niche is a limited liability company in Minnesota whose sole business is the acquisition of Internet domain names. Direct Niche monetizes the domain names it owns through resale, or by “parking” advertisements on the domain (i.e., allows third-party companies with the exclusive right to “park” pay-per-click or other revenue-generating advertisements under the domain name, in return for which that Direct Niche receives a portion of the profits from the advertisements). Any traffic to these domain names stems from the prior use of the domain name by a different owner, which often is, or was, a real business. On June 15, 2015, Direct Niche registered the domain name casasbahia.com (the Domain). After Via Varejo succeeded in an action under the Uniform Dispute Resolution Policy (UDRP) challenging Direct Niche’s registration of the Domain, Direct Niche brought a declaratory judgment action to establish that it had not violated the ACPA. The district
court found that Via Varejo had appropriated ownership rights to the Casas Bahia mark in the United States because it used the mark in commerce to provide advertising services for others, and based on these findings (and others), the district court entered final judgment in favor of Via Varejo. On appeal, Direct Niche challenged only the district court’s determination that Via Varejo used the Casas Bahia service mark in the United States.

**DISCUSSION**

The issue on appeal is whether Via Varejo owns the Casas Bahia service mark in the United States. Appropriation of service mark ownership rights under common law requires “actual prior use in commerce.’ See Planetary Motion, Inc. v. Techsplosion, Inc., 261 F.3d 1188, 1193 (11th Cir. 2001). . .

To determine whether a party has proved “use in commerce” sufficient to establish ownership, this Court has consistently applied the two-part test set forth in Planetary Motion:

“[E]vidence showing, first, adoption, and, second, use in a way sufficiently public to identify or distinguish the marked goods in an appropriate segment of the public mind as those of the adopter of the mark, is competent to establish ownership, even without evidence of actual sales.”

Id. at 1195 (alteration in original). . .

To the extent Direct Niche challenges the district court’s finding that Via Varejo used the mark in commerce in a manner sufficiently public to establish ownership, this is a factual determination, reviewed for clear error. [cit]. Use adequate to establish appropriation of service mark rights is decided on the facts of each case, upon consideration of the “totality of the circumstances.” See Planetary Motion, Inc., 261 F.3d at 1195; [cit]. This requires an inquiry into the “activities surrounding the prior use of the mark” to determine whether public association or notice is present. See Planetary Motion, Inc., 261 F.3d at 1195. “The typical evidence of use in commerce is the sale of goods bearing the mark,” however, “in the absence of actual sales, advertising, publicity, and solicitation can sufficiently meet the public identification prong of the test.” [cit]. And, while secret or de minimis uses are generally inadequate, “use of a mark ‘need not have gained wide public recognition’” to warrant protection. Planetary Motion, Inc., 261 F.3d at 1196.

The district court found that Via Varejo used the Casas Bahia service mark in commerce in the United States. The court based its finding on evidence that Via Varejo contracts with U.S. companies to provide advertising of their goods
on the Casas Bahia Website, both through preferred product placement and the banner ad program. These advertising services are rendered on the Casas Bahia Website in conjunction with the Casas Bahia mark. Moreover, Via Varejo’s marketing director testified to his personal knowledge that the Casas Bahia Website receives millions of visits every year from IP addresses located in the United States. The district court’s conclusion that this evidence demonstrates sufficient public use in commerce to establish ownership of the mark is not clearly erroneous. Accordingly, we affirm.

At p. 497, add the following as new note 5:

5. Direct Niche and purely domestic case law. Is the analysis of the Eleventh Circuit consistent with the treatment of “use in commerce” in the domestic context, as seen in Chapter 4? What are the consequences of the decision on the ownership of U.S. trademark rights? If you needed to diminish the significance of Direct Niche, how would you do so?

At p. 524, add the following to note 4:

If a Scottish pizza restaurant used a mark for its pizzeria in Edinburgh, Scotland, that is confusingly similar to a prior mark used by the plaintiff for pizza restaurant services in the United States, should the allegation that U.S. tourists and students visit Edinburgh be sufficient to make out sufficient effect on U.S. commerce? See IMAPizza, LLC v. At Pizza Limited, ___ F.Supp.3d ___ (D.D.C. 2018) (“if that were enough to state a claim, then the Lanham Act would extend to all commercial conduct occurring anywhere in the world that American tourists visit in significant numbers”).

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4 The district court also relied on Via Varejo’s marketplace seller program. However, Via Varejo did not engage U.S. vendors in its marketplace seller program until 2016, after Direct Niche first registered the Domain. As such, Direct Niche contends that the district court should not have relied on this evidence. We need not address the issue because even without consideration of the marketplace seller program, the evidence demonstrates sufficient use in commerce.
CONFUSION-BASED
TRADEMARK LIABILITY
THEORIES

At p. 563, after the Hornady cite, add the following:

Compare Alliance for Good Government v. Coalition for Better Government, 901 F.3d 498, 513 (5th Cir. 2018) (upholding a grant of summary judgment of infringement, commenting that summary judgment was permissible even if not every confusion factor pointed in favor of the mark owner). The parties’ logos are shown below. According to the court, while there was no evidence of actual confusion, the respective logos of the parties were strikingly similar and were both used for similar services (promoting political candidates in New Orleans and, in the mark owner’s case, elsewhere in Louisiana), and the alleged infringer’s intent to trade off the mark owner’s goodwill could be inferred from the striking similarity of the logos. Id. at 512-13.
At p. 582, add the following to the end of note 1:

How would you apply these ideas to determine whether the use of FEYONCÉ for clothing is likely to be confused with BEYONCÉ for clothing (the latter mark owned by the famous recording artist Beyonce Knowles-Carter)? Should the similarity-of-marks determination turn on whether FEYONCÉ is perceived as a play on the word fiancé? See Knowles-Carter v. Feyonce, Inc., 2018 WL 4757943 (S.D.N.Y. Sept. 30, 2018) (denying plaintiff’s motion for summary judgment). Suppose that in a prior case, a court had found the mark TRIAGRA similar to VIAGRA (both used for erectile dysfunction treatments). See Pfizer, Inc. v. Y2K Shipping & Trading, Inc., 2004 WL 896952 (E.D.N.Y. Mar. 26, 2004). Is Pfizer distinguishable? On what basis?

At p. 592, add the following to the end of note 9:

In some multifactor tests, such as the Federal Circuit’s DuPont test, “the number and nature of similar marks in use on similar goods” is a separate factor that may be used to constrain scope. Suppose that a mark owner seeks to register GREATER OMAHA PROVIDING THE HIGHEST QUALITY BEEF for meat products sold to wholesalers, and the application is opposed by the owner of registrations for OMAHA STEAKS for retail meat sales. The evidence shows that third parties have used OMAHA in connection with popcorn, wine, “oriental foods,” and alcoholic beverages. Is that evidence irrelevant to the scope of the parties’ marks, because the products are not closely related to those of the parties? Or is that evidence relevant to show that consumers would perceive “Omaha” in any of the marks (including the parties’ marks), as a mere geographic designation adding little or nothing to the scope of those marks? (Note that in this context – an opposition proceeding – the applicant might prefer narrower scope, while the opposition petitioner might prefer broader scope.) See Omaha Steaks Int’l, Inc. v. Greater Omaha Packing Co., Inc., 908 F.3d 1315 (Fed. Cir. 2018) (concluding that the TTAB had erred in relying on the third-party usage evidence).
At p. 613, after the *Coach* cite, add the following:

The Federal Circuit continues to grapple with these questions. Regarding mark similarity, in a cancellation proceeding, the Federal Circuit determined that the two logo marks below were similar. Even though the green-and-white color scheme was claimed to be part of the mark in the registration documents for the WU DANG logo, color was not claimed as to the TAI CHI man logo, meaning that the TAI CHI man logo could be presented in any color scheme, including green-and-white:

![Image of logos](image)

*Zheng Cai v. Diamond Hong, Inc.*, 901 F.3d 1367 (Fed. Cir. 2018) (affirming the TTAB’s decision that the WU DANG mark should be cancelled under Section 2(d) in view of the TAI CHI man mark).

In *In re Detroit Athletic Co.*, 903 F.3d 1297 (Fed. Cir. 2018), the court ruled that the similarity-of-goods/services factor (*DuPont* factor no. 2) and the channels-of-trade factor (*DuPont* factor no. 3) should be assessed by reference to the respective registrations. *Id.* at 1307 (“The relevant inquiry in an ex parte proceeding focuses on the goods and services described in the application and
registration, and not on real-world conditions. See In re i.am.symbolic, llc, 866 F.3d 1315, 1325 (Fed. Cir. 2017).”); id. at 1308 (The third DuPont factor—like the second factor—must be evaluated with an eye toward the channels specified in the application and registration, not those as they exist in the real world.”). See also In re i.am.symbolic, llc, 127 U.S.P.Q.2d (BNA) 1627 (TTAB 2018) (same). However, it was irrelevant that one party’s registration described services in one classification while the other party’s registration described goods in another classification, because the classification scheme was solely for the convenience of PTO administration. In re i.am.symbolic, 866 F.3d at 1308.

At p. 622, add the following to the end of note 3:

You may also wish to consider Yellowfin Yachts, Inc. v. Barker Boatworks, LLC, 898 F.3d 1279 898 F.3d 1279 (11th Cir. 2018). There, the court posited that the relevant consumer was a sophisticated potential purchaser of a particular type of boat in a niche market. Such a discerning consumer, the court reasoned, would not be likely to be confused post-sale by seeing the defendant’s boat, especially in view of the presence of the defendant’s “prominent and distinct logo, differing hull, and other dissimilar features.” Id. at 1297. Did the court miss the point of the post-sale confusion inquiry by limiting it to potential purchasers rather than any member of the public? Did the court err in relying on the presence of the logo, at least without additional evidence that the relevant observer would have seen the logo? The court’s opinion included the following photographs of the parties’ boats (YELLOWFIN on the top; BARKER on the bottom). The respective logos are in a similar location near the stern of both boats.
At p. 645, add the following to the end of note 4:

*But see Sterling Jewelers, Inc. v. Artistry Ltd.*, 896 F.3d 752 (6th Cir. 2018), involving a less-well-known mark owner (Artistry Ltd.) using ARTISTRY for high-end jewelry sales to retailers, and a better-known alleged infringer (Sterling) using ARTISTRY in connection with sales of diamonds through its large chain of retail stores in malls (operating as KAY JEWELERS and JARED). Affirming a summary judgment of no infringement, the Sixth Circuit critiqued Artistry Ltd. for having a weak mark. But the court (and perhaps the parties) proceeded seemingly heedless of the fact that Artistry Ltd.’s best claim was presumably reverse confusion.
PERMISSIBLE USES OF ANOTHER’S TRADEMARK

At p. 787, add the following to the end of note 4:

According to a panel of the Court of Appeals for the Sixth Circuit:

In our circuit, plaintiffs carry a threshold burden to show that the defendant is using a mark “in a ‘[trademark] way’ that ‘identifies the source of their goods.” Interactive Prods. Corp. v. a2z Mobile Office Sols., Inc., 326 F.3d 687, 695 (6th Cir. 2003); [cit.] . . . Only if the plaintiff clears this threshold test do we proceed to the conventional likelihood-of-confusion analysis and fair use defense, among other defenses.

As [the mark owner] points out, our threshold test has drawn criticism. Kelly–Brown v. Winfrey, 717 F.3d 295, 305–08 (2d Cir. 2013); Rosetta Stone Ltd. v. Google, Inc., 676 F.3d 144, 168–70 (4th Cir. 2012). “The Sixth Circuit’s test,” in the words of the Second Circuit, “would lead to the dismissal of [ ] claims without addressing what is beyond doubt the central question in considering consumer confusion: whether consumers were actually confused by the allegedly infringing product.” Kelly–Brown, 717 F.3d at 307. And the leading trademark treatise notes the Sixth Circuit’s “eccentric and peculiar view is erroneous because it finds no support either in the Lanham Act or in precedent.” 4 J. Thomas McCarthy, McCarthy on Trademarks and Unfair Competition § 23:11.50 (5th ed. 2018).

The critics may have a point, but they exaggerate the consequences of our approach. The trademark use test resembles in nearly every particular the fair use defense that we just applied. There is little daylight between the “non-trademark use” the Circuit test requires and the “descriptive use” that the statute requires. So it will often be the case that a claim that fails our threshold trademark use test will also be vulnerable to a fair use defense. . . Even so, we must acknowledge that fact patterns might arise where our test might make a difference and where we might wish to reconsider whether our test respects the language of the statute. Recall that our test creates a threshold burden on the plaintiff, all before it must show consumer confusion. Under the Lanham Act, the plaintiff need only demonstrate confusion to make a presumptive case of infringement. The defendant meanwhile can always prove fair use as an affirmative defense. One concern, then, is that our test effectively shifts the burden of statutory fair use from the defendant to the plaintiff. The other concern is that the fair use test under the Lanham Act not only asks how the defendant used the mark; it also asks whether the defendant used the mark “fairly and in good faith.” 15 U.S.C. § 1115(b)(4). Our test thus not only shifts the burden on the fair use defense; it also truncates it.

Sazerac Brands, LLC v. Peristyle, LLC, 892 F.3d 853, 859-60 (6th Cir. 2018). Observing that the trial court had concluded that the mark owner had failed to show actionable trademark use, the Sixth Circuit affirmed—but on the ground that the alleged infringer’s use was a fair use, “a defense that overlaps
with many of the concerns identified in our threshold trademark use inquiry,” the Sixth Circuit remarked. *Id.* at 860. Is the Sixth Circuit’s reasoning sound?

**At p. 795, add the following to the end of note 1:**

How far should the general principle of the *Chanel* case extend? As a policy matter, if a fragrance manufacturer sells the fragrance product shown below, should the manufacturer be able to claim the benefit of the *Chanel* case to withstand a trademark claim from Calvin Klein?

(front side of alleged infringing package)
See Coty Inc. v. Excell Brands, LLC, 277 F.Supp.3d 425 (S.D.N.Y. 2017) (distinguishing Chanel). You may wish to revisit this example after you have studied the materials on nominative fair use.

At p. 814, add the following to the end of note 2:


At p. 857, add the following to the end of note 8:

Does the Fourth Circuit’s conclusion—that parody can be a factor to be considered in a dilution-by-blurring analysis—also apply to dilution by tarnishment? The statutory definition of dilution by blurring allows courts to consider “all relevant factors,” but the statutory definition of dilution by tarnishment does not include this language. Does that matter? How would you address a dilution by tarnishment allegation brought by the owner of the JACK DANIEL’S mark and trade dress used in connection with whiskey, against a producer of a line of SILLY SQUEAKERS dog chew toys (why always dog chew toys? We don’t know.), one of which is labelled “Bad Spaniels,” as shown below:
At p. 870, after note 7, add the following new case:

**GORDON v. DRAPE CREATIVE, INC.**

909 F.3d 257 (9th Cir. 2018)

BYBEE, Circuit Judge:

Plaintiff Christopher Gordon is the creator of a popular YouTube video known for its catchphrases “Honey Badger Don’t Care” and “Honey Badger Don’t Give a S---.” Gordon has trademarked the former phrase for various classes of goods, including greeting cards. Defendants Drape Creative, Inc. (“DCI”), and Papyrus-Recycled Greetings, Inc. (“PRG”), designed and produced greeting cards using both phrases with slight variations. Gordon brought this suit for trademark infringement, and the district court granted summary judgment for defendants, holding that Gordon’s claims were barred by the test set forth in *Rogers v. Grimaldi*, 875 F.2d 994 (2d Cir. 1989).

We use the *Rogers* test to balance the competing interests at stake when a trademark owner claims that an expressive work infringes on its trademark rights. The test construes the Lanham Act to apply to expressive works “only where the public interest in avoiding consumer confusion outweighs the public interest in free expression.” *Id.* at 999. “[T]hat balance will normally not support application of the Act, unless the [use of the mark] has no artistic relevance to the underlying work whatsoever, or ... explicitly misleads [consumers] as to the source or the content of the work.” *Id.*

The *Rogers* test is not an automatic safe harbor for any minimally expressive work that copies someone else’s mark. Although on every prior occasion in which we have applied the test, we have found that it barred an infringement claim as a matter of law, this case presents a triable issue of fact. Defendants have not used Gordon’s mark in the creation of a song, photograph, video game, or television show, but have largely just pasted Gordon’s mark into their greeting cards. A jury could determine that this use of Gordon’s mark is explicitly misleading as to the source or content of the cards. We therefore reverse the district court’s grant of summary judgment and remand for further proceedings on Gordon’s claims.

* In a panel opinion, the Ninth Circuit had reversed the trial court’s grant of summary judgment for the defendant, holding that there was a triable issue of fact regarding the first prong of the *Rogers v. Grimaldi* test (artistic relevance). See *Gordon v. Drape Creative, Inc.*, 897 F.3d 1184 (9th Cir. 2018). The Ninth Circuit subsequently granted a petition for panel rehearing, withdrew the original panel opinion, and substituted this opinion.
Plaintiff Christopher Gordon is a comedian, writer, and actor, who commonly uses the name “Randall” as an alias on social media. Defendant DCI is a greeting-card design studio. DCI works exclusively with American Greetings Corporation and its subsidiaries, which include the other defendant in this case, PRG. PRG is a greeting-card manufacturer and distributor.

In January 2011, under the name Randall, Gordon posted a video on YouTube titled The Crazy Nastyass Honey Badger, featuring National Geographic footage of a honey badger overlaid with Gordon’s narration. In the video, Gordon repeats variations of the phrases “Honey Badger Don’t Care” and “Honey Badger Don’t Give a S---,” as a honey badger hunts and eats its prey. The parties refer to these phrases as “HBDC” and “HBDGS,” and we adopt their convention.

Gordon’s video quickly generated millions of views on YouTube and became the subject of numerous pop-culture references in television shows, magazines, and social media. As early as February 2011, Gordon began producing and selling goods with the HBDC or HBDGS phrases, such as books, wall calendars, t-shirts, costumes, plush toys, mouse pads, mugs, and decals. Some of the items were sold online; others were sold through national retailers such as Wal-Mart, Target, Urban Outfitters, and Hot Topic. In June 2011, Gordon copyrighted his video’s narration under the title Honey Badger Don’t Care, and in October 2011, he began filing trademark applications for the HBDC phrase for various classes of goods. The Patent and Trademark Office (“PTO”) eventually registered “Honey Badger Don’t Care” for International Classes 9 (audio books, etc.), 16 (greeting cards, etc.), 21 (mugs), 25 (clothing), and 28 (Christmas decorations, dolls, etc.). However, Gordon never registered the HBDGS phrase for any class of goods.

At the peak of his popularity, Gordon promoted his brand on television and radio shows and in interviews with national publications such as Forbes, The Wall Street Journal, and The Huffington Post. His brand was further boosted by celebrities like Taylor Swift and Anderson Cooper quoting his video and by LSU football players tagging their teammate, Heisman Trophy finalist Tyrann Mathieu, with the moniker “Honey Badger” for his aggressive defensive play. In November 2011, Advertising Age referred to Gordon’s brand as one of “America’s Hottest Brands” in an article titled “Hot Brand? Honey Badger Don’t Care.”
B

In January 2012, Gordon hired Paul Leonhardt to serve as his licensing agent. Soon thereafter, Leonhardt contacted Janice Ross at American Greetings—the parent company of defendant PRG—to discuss licensing honey-badger themed greeting cards. Leonhardt and Ross had multiple email exchanges and conversations over several weeks. Ross at one point expressed some interest in a licensing agreement, stating: “I think it’s a really fun and irreverent property and would love to see if there’s an opportunity on one of our distribution platforms. But in order to do that, I need to get some key colleagues of mine on board the Crazy Honey Badger Bandwagon.” Nevertheless, neither American Greetings nor defendants ever signed a licensing agreement with Gordon.

Leonhardt did eventually secure several licensing deals for Gordon. Between May and October 2012, Gordon’s company—Randall’s Honey Badger, LLC (“RHB”)—entered into licensing agreements with Zazzle, Inc., and The Duck Company for various honey-badger themed products, including greeting cards. RHB also entered into licensing agreements with other companies for honey-badger costumes, toys, t-shirts, sweatshirts, posters, and decals, among other things. HBDC and HBDGS were the two most common phrases used on these licensed products. For example, two of Zazzle’s best-selling honey-badger greeting cards stated on their front covers “Honey Badger Don’t Care About Your Birthday.”

At the same time that Gordon was negotiating licensing agreements with Zazzle and Duck, defendants began developing their own line of unlicensed honey-badger greeting cards. Beginning in June 2012, defendants sold seven different greeting cards using the HBDC or HBDGS phrases with small variations:

• The fronts of two “Election Cards” showed a picture of a honey badger wearing a patriotic hat and stated “The Election’s Coming.” The inside of one card said “Me and Honey Badger don’t give a $#!%! Happy Birthday,” and the inside of the other said “Honey Badger and me just don’t care. Happy Birthday.”

• The fronts of two “Birthday Cards” featured different pictures of a honey badger and stated either “It’s Your Birthday!” or “Honey Badger Heard It’s Your Birthday.” The inside of both cards said “Honey Badger Don’t Give a S---.”

• The fronts of two “Halloween Cards” showed a picture of a honey badger next to a jack-o-lantern and stated “Halloween is Here.” The inside of the cards said either “Honey Badger don’t give a $#!%!” or “Honey
Badger don’t give a s---.”

• A “Critter Card” employed a Twitter-style format showing a series of messages from “Honey Badger@don'tgiveas---.” The front stated “Just killed a cobra. Don’t give a s---”; “Just ate a scorpion. Don’t give a s---”; and “Rolling in fire ants. Don’t give a s---.” The inside said “Your Birthday’s here ... I give a s---.”

The back cover of each card displayed the mark for “Recycled Paper Greetings” and listed the websites www.DCIStudios.com and www.prsgreetings.com. DCI’s President testified that he drafted all of the cards in question but could not recall what inspired the cards’ designs. He claimed to have never heard of a video involving a honey badger.

In June 2015, Gordon filed this suit against DCI and PRG, alleging trademark infringement under the Lanham Act, among other claims. The district court granted summary judgment for defendants, holding that defendants’ greeting cards were expressive works, and applying the Rogers test to bar all of Gordon’s claims. Gordon timely appealed.

II

In general, we apply a “likelihood-of-confusion test” to claims brought under the Lanham Act. Twentieth Century Fox Television v. Empire Distrib., Inc., 875 F.3d 1192, 1196 (9th Cir. 2017); Mattel, Inc. v. Walking Mountain Prods., 353 F.3d 792, 806–07 (9th Cir. 2003). Ordinarily, this test “strikes a comfortable balance” between the Lanham Act and the First Amendment. Mattel, Inc. v. MCA Records, Inc., 296 F.3d 894, 900 (9th Cir. 2002).

That said, where artistic expression is at issue, we have expressed concern that “the traditional test fails to account for the full weight of the public’s interest in free expression.” Id. The owner of a trademark “does not have the right to control public discourse” by enforcing his mark. Id. We have adopted the Second Circuit’s Rogers test to strike an appropriate balance between First Amendment interests in protecting artistic expression and the Lanham Act’s purposes to secure trademarks rights. Under Rogers, we read the Act “to apply to artistic works only where the public interest in avoiding consumer confusion outweighs the public interest in free expression.” Id. at 901 (quoting Rogers, 875 F.2d at 999). More concretely, we apply the Act to an expressive work only if the defendant’s use of the mark (1) is not artistically relevant to the work or (2) explicitly misleads consumers as to the source or the content of the work. See id. at 902. Effectively, Rogers employs the First Amendment as a rule of
construction to avoid conflict between the Constitution and the Lanham Act.

We pause here to clarify the burden of proof under the Rogers test. The Rogers test requires the defendant to make a threshold legal showing that its allegedly infringing use is part of an expressive work protected by the First Amendment. If the defendant successfully makes that threshold showing, then the plaintiff claiming trademark infringement bears a heightened burden—the plaintiff must satisfy not only the likelihood-of-confusion test but also at least one of Rogers’s two prongs. Cf. Makaeff v. Trump Univ., LLC, 715 F.3d 254, 261 (9th Cir. 2013) (if a defendant meets its “initial burden” of showing a First Amendment interest, then a public-figure plaintiff claiming defamation must meet a “heightened standard of proof” requiring a showing of “actual malice”). That is, when the defendant demonstrates that First Amendment interests are at stake, the plaintiff claiming infringement must show (1) that it has a valid, protectable trademark, and (2) that the mark is either not artistically relevant to the underlying work or explicitly misleading as to the source or content of the work. If the plaintiff satisfies both elements, it still must prove that its trademark has been infringed by showing that the defendant’s use of the mark is likely to cause confusion.7

“Summary judgment may properly be entered only against a party who has failed to make a showing sufficient to establish a genuine dispute as to the existence of an element essential to his case and upon which the party will bear the burden of proof at trial.” Easley v. City of Riverside, 890 F.3d 851, 859 (9th Cir. 2018). When, as here, the defendant moves for summary judgment and has demonstrated that its use of the plaintiff’s mark is part of an expressive work, the burden shifts to the plaintiff to raise a genuine dispute as to at least one of Rogers’s two prongs. In other words, to evade summary judgment, the plaintiff must show a triable issue of fact as to whether the mark is artistically relevant to the underlying work or explicitly misleads consumers as to the source or content of the work.

III

Before applying the Rogers test to the instant case, we briefly review the

7 We have been careful not to “conflatel[ ] the [‘explicitly misleading’] prong of the Rogers test with the general Sleekcraft likelihood-of-confusion test,” Twentieth Century Fox, 875 F.3d at 1199, but it bears noting that Twentieth Century Fox made this distinction to ensure that the likelihood-of-confusion test did not dilute Rogers’s explicitly misleading prong. Other circuits have noted that Rogers’s second prong is essentially a more exacting version of the likelihood-of-confusion test. See Westchester Media v. PRL USA Holdings, Inc., 214 F.3d 658, 665 (5th Cir. 2000); Twin Peaks Prods., Inc. v. Publ’ns Int’l, Ltd., 996 F.2d 1366, 1379 (2d Cir. 1993). A plaintiff who satisfies the “explicitly misleading” portion of Rogers should therefore have little difficulty showing a likelihood of confusion.
test’s origin in the Second Circuit and development in our court. We have applied the Rogers test on five separate occasions, and each time we have concluded that it barred the trademark-infringement claim as a matter of law. Three of those cases, like Rogers, involved the use of a trademark in the title of an expressive work. Two cases involved trademarks in video games and extended the Rogers test to the use of a trademark in the body of an expressive work.

A

The Rogers case concerned the movie Ginger and Fred, a story of two fictional Italian cabaret performers who imitated the famed Hollywood duo of Ginger Rogers and Fred Astaire. Rogers sued the film’s producers under the Lanham Act, alleging that the film’s title gave the false impression that the film—created and directed by well-known filmmaker Federico Fellini—was about her or sponsored by her. The district court, however, granted summary judgment for the defendant film producers.

On appeal, the Second Circuit recognized that, “[t]hough First Amendment concerns do not insulate titles of artistic works from all Lanham Act claims, such concerns must nonetheless inform our consideration of the scope of the Act as applied to claims involving such titles.” [875 F.2d at 998]. The court said it would construe the Lanham Act “to apply to artistic works only where the public interest in avoiding consumer confusion outweighs the public interest in free expression.” Id. at 999. Refining its inquiry, the court further held that, “[i]n the context of allegedly misleading titles using a celebrity’s name, that balance will normally not support application of the Act unless [1] the title has no artistic relevance to the underlying work whatsoever, or, [2] if it has some artistic relevance, unless the title explicitly misleads as to the source or the content of the work.” Id.

With respect to artistic relevance, the Second Circuit found that the names “Ginger” and “Fred” were “not arbitrarily chosen just to exploit the publicity value of their real life counterparts” but had “genuine relevance to the film’s story.” Id. at 1001. The film’s title was “truthful as to its content” and conveyed “an ironic meaning that [was] relevant to the film’s content.” Id. On the second prong of its inquiry, the court held that the title was not explicitly misleading because it “contain[ed] no explicit indication that Rogers endorsed the film or had a role in producing it.” Id. Any risk that the title would mislead consumers was “outweighed by the danger that suppressing an artistically relevant though ambiguous title will unduly restrict expression.” Id. The Second Circuit therefore affirmed summary judgment for the defendant film producers.
We first employed the Rogers test in MCA Records, 296 F.3d 894, which concerned the song “Barbie Girl” by the Danish band Aqua. The song—which lampooned the values and lifestyle that the songwriter associated with Barbie dolls—involved one band member impersonating Barbie and singing in a high-pitched, doll-like voice. Id. at 899. Mattel, the manufacturer of Barbie dolls, sued the producers and distributors of “Barbie Girl” for infringement under the Lanham Act, and the district court granted summary judgment for the defendants. Id. Applying the Rogers test, we affirmed. Id. at 902. We held that the use of the Barbie mark in the song’s title was artistically relevant to the underlying work because the song was “about Barbie and the values Aqua claims she represents.” Id. In addition, the song “d[id] not, explicitly or otherwise, suggest that it was produced by Mattel.” Id. “The only indication that Mattel might be associated with the song [was] the use of Barbie in the title,” and if the use of the mark alone were enough to satisfy Rogers’s second prong, “it would render Rogers a nullity.” Id. Because the Barbie mark was artistically relevant to the song and not explicitly misleading, we concluded that the band could not be held liable for infringement.

We applied the Rogers test to another suit involving Barbie in Walking Mountain, 353 F.3d 792. There, photographer Thomas Forsythe developed a series of photographs titled “Food Chain Barbie” depicting Barbie dolls or parts of Barbie dolls in absurd positions, often involving kitchen appliances. Id. at 796. Forsythe described the photographs as critiquing “the objectification of women associated with [Barbie].” Id. Mattel claimed that the photos infringed its trademark and trade dress, but we affirmed summary judgment for Forsythe because “[a]pplication of the Rogers test here leads to the same result as it did in MCA.” Id. at 807. Forsythe’s use of the Barbie mark was artistically relevant to his work because his photographs depicted Barbie and targeted the doll with a parodic message. Id. Moreover, apart from Forsythe’s use of the mark, there was no indication that Mattel in any way created or sponsored the photographs. Id.

Most recently, we applied the Rogers test in Twentieth Century Fox, 875 F.3d 1192. Twentieth Century Fox produced the television show Empire, which revolved around a fictional hip-hop record label named “Empire Enterprises.” Empire Distribution, an actual hip-hop record label, sent Twentieth Century Fox a cease-and-desist letter, and Twentieth Century Fox sued for a declaratory judgment that its show did not violate Empire’s trademark rights. Id. In affirming summary judgment for Twentieth Century Fox, we rejected Empire’s argument that “the Rogers test includes a threshold requirement that a mark have attained a meaning beyond its source-identifying function.” Id. at 1197. Whether a mark conveys a meaning beyond identifying a product’s
source is not a threshold requirement but only a relevant consideration: “trademarks that transcend their identifying purpose are more likely to be used in artistically relevant ways,” but such transcendence is not necessary to trigger First Amendment protection. Id. at 1198 (quotation marks and citation omitted).

We concluded that Empire could not satisfy Rogers’s first prong because Twentieth Century Fox “used the common English word ‘Empire’ for artistically relevant reasons,” namely, that the show’s setting was New York (the Empire State) and its subject matter was an entertainment conglomerate (a figurative empire). Finally, we resisted Empire’s efforts to conflate the likelihood-of-confusion test with Rogers’s second prong. To satisfy that prong, it is not enough to show that “the defendant’s use of the mark would confuse consumers as to the source, sponsorship or content of the work”; rather, the plaintiff must show that the defendant’s use “explicitly misl[ed] consumers.” Because Twentieth Century Fox’s Empire show contained “no overt claims or explicit references to Empire Distribution,” we found that Empire could not satisfy Rogers’s second prong. Empire’s inability to satisfy either of Rogers’s two prongs meant that it could not prevail on its infringement claim.

We first extended the Rogers test beyond a title in E.S.S. Entertainment 2000, Inc. v. Rock Star Videos, Inc., 547 F.3d 1095, 1099 (9th Cir. 2008). In that case, defendant Rockstar Games manufactured and distributed the video game Grand Theft Auto: San Andreas, which took place in a fictionalized version of Los Angeles. One of the game’s neighborhoods—East Los Santos—“lampooned the seedy underbelly” of East Los Angeles by mimicking its businesses and architecture. The fictional East Los Santos included a virtual strip club called the “Pig Pen.” ESS Entertainment 2000, which operates the Play Pen Gentlemen’s Club in the real East Los Angeles, claimed that Rockstar’s depiction of the Pig Pen infringed its trademark and trade dress.

We recognized that the Rogers test was developed in a case involving a title, and adopted by our court in a similar case, but we could find “no principled reason why it ought not also apply to the use of a trademark in the body of the work.” Id. at 1099. With respect to Rogers’s first prong, we explained that “[t]he level of relevance merely must be above zero” and the Pig Pen met this threshold by being relevant to Rockstar’s artistic goal of creating “a cartoon-style parody of East Los Angeles.” Id. at 1100. On the second prong, we concluded that the game did not explicitly mislead as to the source of the mark and would not “confuse its players into thinking that the Play Pen is somehow behind the Pig Pen or that it sponsors Rockstar’s product. ... A reasonable consumer would not think a company that owns one strip club in East Los
Angeles ... also produces a technologically sophisticated video game.” Id. at 1100–01. Because ESS Entertainment 2000 could not demonstrate either of Rogers’s two prongs, we affirmed summary judgment for Rockstar.

Another video-game case dealt with the Madden NFL series produced by Electronic Arts, Inc. (“EA”). Brown v. Elec. Arts, Inc., 724 F.3d 1235 (9th Cir. 2013). Legendary football player Jim Brown alleged that EA violated § 43(a) of the Lanham Act by using his likeness in its games. Id. at 1238–39. The district court granted EA’s motion to dismiss, and we affirmed. Id. at 1239. We reiterated E.S.S.’s holding that the level of artistic relevance under Rogers’s first prong need only exceed zero and found it was “obvious that Brown’s likeness ha[d] at least some artistic relevance to EA’s work.” Id. at 1243. We also found that Brown had not alleged facts that would satisfy Rogers’s second prong: “EA did not produce a game called Jim Brown Presents Pinball with no relation to Jim Brown or football beyond the title; it produced a football game featuring likenesses of thousands of current and former NFL players, including Brown.” Id. at 1244. We asked “whether the use of Brown’s likeness would confuse Madden NFL players into thinking that Brown is somehow behind the games or that he sponsors EA’s product,” and held that it would not. Id. at 1245–47 (alterations omitted). As in E.S.S., the plaintiff could not satisfy either of Rogers’s two prongs, and judgment for the defendant was proper.

IV

In each of the cases coming before our court, the evidence was such that no reasonable jury could have found for the plaintiff on either prong of the Rogers test, and we therefore concluded that the plaintiff’s Lanham Act claim failed as a matter of law. This case, however, demonstrates Rogers’s outer limits. Although defendants’ greeting cards are expressive works protected under the First Amendment, there remains a genuine issue of material fact as to Rogers’s second prong—i.e., whether defendants’ use of Gordon’s mark in their greeting cards is explicitly misleading.

A

As a threshold matter, we have little difficulty determining that defendants have met their initial burden of demonstrating that their greeting cards are expressive works protected under the First Amendment. As we have previously observed, “[a greeting] card certainly evinces ‘[a]n intent to convey a particularized message ..., and in the surrounding circumstances the likelihood was great that the message would be understood by those who viewed it.’” Hilton v. Hallmark Cards, 599 F.3d 894, 904 (9th Cir. 2010) (quoting Spence v. Washington, 418 U.S. 405, 410–11 (1974) (per curiam)); see also Roth Greeting Cards v. United Card Co., 429 F.2d 1106, 1110 (9th Cir. 1970) (plaintiff’s
greeting cards, considered as a whole, “represent[ed] a tangible expression of an idea” and hence were copyrightable). Each of defendants’ cards relies on graphics and text to convey a humorous message through the juxtaposition of an event of some significance—a birthday, Halloween, an election—with the honey badger’s aggressive assertion of apathy. Although the cards may not share the creative artistry of Charles Schulz or Sandra Boynton, the First Amendment protects expressive works “[e]ven if [they are] not the expressive equal of Anna Karenina or Citizen Kane.” Brown, 724 F.3d at 1241. Because defendants have met their initial burden, the burden shifts to Gordon to raise a triable issue of fact as to at least one of Rogers’s two prongs.

B

Rogers’s first prong requires proof that defendants’ use of Gordon’s mark was not “artistically relevant” to defendants’ greeting cards. We have said that “the level of artistic relevance of the trademark or other identifying material to the work merely must be above zero.” Id. at 1243 (internal alterations omitted) (quoting E.S.S., 547 F.3d at 1100). Indeed, “even the slightest artistic relevance” will suffice; courts and juries should not have to engage in extensive “artistic analysis.” Id. at 1243, 1245; see Bleistein v. Donaldson Lithographing Co., 188 U.S. 239, 251 (1903) (“It would be a dangerous undertaking for persons trained only to the law to constitute themselves final judges of the worth of pictorial illustrations, outside of the narrowest and most obvious limits.”).

Gordon’s mark is certainly relevant to defendants’ greeting cards; the phrase is the punchline on which the cards’ humor turns. In six of the seven cards, the front cover sets up an expectation that an event will be treated as important, and the inside of the card dispels that expectation with either the HBDC or HBDGS phrase. The last card, the “Critter Card,” operates in reverse: the front cover uses variations of the HBDGS phrase to establish an apathetic tone, while the inside conveys that the card’s sender actually cares about the recipient’s birthday. We thus conclude that Gordon has not raised a triable issue of fact with respect to Rogers’s “artistic relevance” prong.

C

Even if the use of the mark is artistically relevant to the work, the creator of the work can be liable under the Lanham Act if the creator’s use of the mark is “explicitly misleading as to source or content.” Rogers, 875 F.2d at 999. “This second prong of the Rogers test ‘points directly at the purpose of trademark law, namely to avoid confusion in the marketplace by allowing a trademark owner to prevent others from duping consumers into buying a product they mistakenly believe is sponsored [or created] by the trademark owner.’” Brown, 724 F.3d at 1245 (quoting E.S.S., 547 F.3d at 1100). The “key here [is] that the
creator must explicitly mislead consumers,” and we accordingly focus on “the nature of the [junior user’s] behavior” rather than on “the impact of the use.” Id. at 1245–46.

In applying this prong, however, we must remain mindful of the purpose of the Rogers test, which is to balance “the public interest in avoiding consumer confusion” against “the public interest in free expression.” Rogers, 875 F.2d at 999. This is not a mechanical test—“all of the relevant facts and circumstances” must be considered. Id. at 1000 n.6. We therefore reject the district court’s rigid requirement that, to be explicitly misleading, the defendant must make an “affirmative statement of the plaintiff’s sponsorship or endorsement.” Such a statement may be sufficient to show that the use of a mark is explicitly misleading, but it is not a prerequisite. See J. Thomas McCarthy, McCarthy on Trademarks & Unfair Competition § 10:17.10 (5th ed.) (“McCarthy”)] (noting that Rogers’s second prong does not hinge on the junior user “falsely assert[ing] that there is an affiliation”). In some instances, the use of a mark alone may explicitly mislead consumers about a product’s source if consumers would ordinarily identify the source by the mark itself. If an artist pastes Disney’s trademark at the bottom corner of a painting that depicts Mickey Mouse, the use of Disney’s mark, while arguably relevant to the subject of the painting, could explicitly mislead consumers that Disney created or authorized the painting, even if those words do not appear alongside the mark itself.

To be sure, we have repeatedly observed that “the mere use of a trademark alone cannot suffice to make such use explicitly misleading.” E.S.S., 547 F.3d at 1100 (citing MCA Records, 296 F.3d at 902). But each time we have made this observation, it was clear that consumers would not view the mark alone as identifying the source of the artistic work. No one would think that a song or a photograph titled “Barbie” was created by Mattel, because consumers “do not expect [titles] to identify” the “origin” of the work. MCA Records, 296 F.3d at 902. Nor would anyone “think a company that owns one strip club in East Los Angeles ... also produces a technologically sophisticated video game.” E.S.S., 547 F.3d at 1100–01. But this reasoning does not extend to instances in which consumers would expect the use of a mark alone to identify the source.

A more relevant consideration is the degree to which the junior user uses the mark in the same way as the senior user. In the cases in which we have applied the Rogers test, the junior user has employed the mark in a different context—often in an entirely different market—than the senior user. In MCA Records and Walking Mountain, for example, Mattel’s Barbie mark was used in a song and a series of photos. In E.S.S., the mark of a strip club was used in a video game. And in Twentieth Century Fox, the mark of a record label was used in a television show. In each of these cases, the senior user and junior user used the mark in different ways. This disparate use of the mark was at
most “only suggestive” of the product’s source and therefore did not outweigh
the junior user’s First Amendment interests. Rogers, 875 F.2d at 1000.

But had the junior user in these cases used the mark in the same way as
the senior user—had Twentieth Century Fox titled its new show Law & Order:
Special Hip-Hop Unit10—such identical usage could reflect the type of
“explicitly misleading description” of source that Rogers condemns. 875 F.2d at
999–1000. Rogers itself makes this point by noting that “misleading titles that
are confusingly similar to other titles” can be explicitly misleading, regardless
of artistic relevance. Id. at 999 n.5 (emphasis added). Indeed, the potential for
explicitly misleading usage is especially strong when the senior user and the
junior user both use the mark in similar artistic expressions. Were we to
reflexively apply Rogers’s second prong in this circumstance, an artist who uses
a trademark to identify the source of his or her product would be at a
significant disadvantage in warding off infringement by another artist, merely
because the product being created by the other artist is also “art.” That would
turn trademark law on its head.

A second consideration relevant to the “explicitly misleading” inquiry is the
extent to which the junior user has added his or her own expressive content to
the work beyond the mark itself. As Rogers explains, the concern that
consumers will not be “misled as to the source of [a] product” is generally
allayed when the mark is used as only one component of a junior user’s larger
expressive creation, such that the use of the mark at most “implicitly suggest[s]”
that the product is associated with the mark’s owner. Id. at 998–99; see McCarthy § 31:144.50 (“[T]he deception or confusion must be relatively
obvious and express, not subtle and implied.”). But using a mark as the
centerpiece of an expressive work itself, unadorned with any artistic
contribution by the junior user, may reflect nothing more than an effort to
“induce the sale of goods or services” by confusion or “lessen[ ] the
distinctiveness and thus the commercial value of” a competitor’s mark. S.F.

Our cases support this approach. In cases involving the use of a mark in
the title of an expressive work—such as the title of a movie (Rogers), a song
(MCA Records), a photograph (Walking Mountain), or a television show
(Twentieth Century Fox)—the mark obviously served as only one “element of
the [work] and the [junior user’s] artistic expressions.” Rogers, 875 F.2d at
1001. Likewise, in the cases extending Rogers to instances in which a mark
was incorporated into the body of an expressive work, we made clear that the
mark served as only one component of the larger expressive work. In E.S.S.,
the use of the Pig Pen strip club was “quite incidental to the overall story” of

10 Cf. Law & Order: Special Victims Unit (NBC Universal).
the video game, such that it was not the game’s "main selling point." 547 F.3d at 1100–01. And in Brown, Jim Brown was one of "thousands of current and former NFL players" appearing in the game, and nothing on the face of the game explicitly engendered consumer misunderstanding. 724 F.3d at 1244–46. Indeed, EA altered Brown’s likeness in certain versions of the game, an artistic spin that "made consumers less likely to believe that Brown was involved." Id. at 1246–47.

In this case, we cannot decide as a matter of law that defendants' use of Gordon’s mark was not explicitly misleading. There is at least a triable issue of fact as to whether defendants simply used Gordon’s mark with minimal artistic expression of their own, and used it in the same way that Gordon was using it—to identify the source of humorous greeting cards in which the bottom line is "Honey Badger don’t care." Gordon has introduced evidence that he sold greeting cards and other merchandise with his mark; that in at least some of defendants’ cards, Gordon’s mark was used without any other text; and that defendants used the mark knowing that consumers rely on marks on the inside of cards to identify their source. Gordon’s evidence is not bulletproof; for example, defendants’ cards generally use a slight variation of the HBDGS phrase, and they list defendants’ website on the back cover. But a jury could conclude that defendants’ use of Gordon’s mark on one or more of their cards is “explicitly misleading as to [their] source.” Rogers, 875 F.2d at 999.

Because we resolve the first Rogers prong against Gordon as a matter of law, a jury may find for Gordon only if he proves by a preponderance of the evidence that defendants’ use of his mark is explicitly misleading as to the source or content of the cards.

[Reversed and remanded.]

NOTES AND QUESTIONS

1. *The power of* Rogers v. Grimaldi. The preceding cases make clear that the *Rogers v. Grimaldi* test has emerged as the leading test for a wide variety of expressive uses. Does *Gordon* raise a question about the wisdom of relying on *Rogers*, or does it reinforce the proposition that *Rogers* should be the all-purpose test?

2. “Explicitly” misleading, revisited. Does the *Gordon* opinion ignore the requirement that the alleged infringer’s use be “explicitly” misleading? Is the adverb “explicitly” included in the test to facilitate summary judgment grants? Review the questions raised in the casebook at page 869 note 4. Would you answer those questions differently after reading *Gordon*? How do you think *Gordon* affects settlement strategy in expressive use cases (if at all)?
3. *Ultimate outcome.* If you were advising either of the parties in the *Gordon* case, what would be your assessment whether the jury would find that the alleged infringer’s use was explicitly misleading?
TRADE IDENTITY RIGHTS IN ONE’S PERSONA:
ENDORSEMENT, ATTRIBUTION, AND PUBLICITY

At p. 924, at the end of the paragraph numbered (7), add the following:

(Are we just making this stuff up? Well, not entirely. See Demetrios Sanders, Larry Bird Museum Unveiled, MyWabashValley.Com (Oct. 21, 2018) (reporting on plans for a Larry Bird Museum in Terre Haute, Indiana, where Bird attended college)).

At p. 968, add the following to the end of note 6, and insert the following new case:

On appeal, the Court of Appeals for the Seventh Circuit certified the right-of-publicity question to the Indiana Supreme Court. That Court delivered the following opinion.

DANIELS V. FANDUEL, INC.
109 N.E.3d 390 (Ind. 2018)

DAVID, Justice:

Indiana’s right of publicity statute provides, “a person may not use an aspect of a personality’s right of publicity for a commercial purpose... without having obtained previous written consent.” Ind. Code § 32-36-1-8(a). Pursuant to Indiana Appellate Rule 64, our Court accepted a certified question from the United States Court of Appeals for the Seventh Circuit, which asked:

Whether online fantasy-sports operators that condition entry on payment, and distribute cash prizes, need the consent of players whose names, pictures, and statistics are used in the contests, in advertising the contests, or both.

In short, we answer this question narrowly and find online fantasy sports operators that condition entry to contests on payment and distribute cash...
prizes do not violate the Indiana right of publicity statute when those organizations use the names, pictures, and statistics of players without their consent because the use falls within the meaning of “material that has newsworthy value,” an exception under the statute.

Facts and Procedural History

Plaintiff-Appellants Akeem Daniels, Cameron Stingily, and Nicholas Stoner were collegiate student-athletes at various times between 2014-2016. The players’ on-field performances were collected as numerical statistics and published by various fantasy sports website operators including Defendants-Appellees DraftKings, Inc. and FanDuel, Inc. Consumers wishing to use Defendants’ products could pay a fee to access detailed information such as Plaintiffs’ names, images, and statistics, assess the athletes’ weekly performances, and assemble a virtual team of real-life athletes to compete against other users’ teams on the Defendants’ websites.

To participate in Defendants’ fantasy sports competitions, consumers were required to follow certain rules imposed by the Defendants. For example, Defendants assigned a fictional dollar value to each Plaintiff based on the player’s statistics and overall performance. To prevent a consumer from assembling a team composed only of the league’s best players, each consumer’s fantasy team was subjected to an overall salary cap. Each athlete’s performance on the field translated to a point value determined by Defendants. At the end of a designated period, consumers were eligible to win cash prizes based on the points accumulated by their fantasy sports team.

Plaintiffs filed a class action complaint against Defendants in Marion County alleging that Defendants “used their names and likenesses in operating and promoting online fantasy sports contests without Plaintiffs’ consent, and that doing so was a violation of their right of publicity under Indiana law.” Daniels v. FanDuel, Inc., 2017 WL 4340329, at *1 (S.D. Ind. Sept. 29, 2017). Defendants removed the case to the U.S. District Court for the Southern District of Indiana and moved to dismiss, arguing that Plaintiffs failed to state a claim upon which relief could be granted because the use of Plaintiffs’ names and statistics fell under certain statutory exceptions to the right of publicity. Id. The District Court dismissed the suit, finding no violation of Plaintiffs’ right of publicity because the use of their likenesses was in material that had newsworthy value and was a matter of public interest under the exceptions in Indiana Code section 32-36-1-1(c). Id., at *7, *9. Plaintiffs appealed to the Seventh Circuit Court of Appeals, which certified a question of Indiana law to this Court. Daniels v. FanDuel, Inc., 884 F.3d 672, 674 (7th Cir. 2018).
Discussion

The parties in this case ask us to consider a wide range of issues touching on the right of publicity and its implications in our State. We recognize at the onset that our decision will carry considerable weight not only with respect to these parties, but for other potential right of publicity litigants in our state courts. We also understand that certain factual determinations and allegations remain unresolved and are squarely within the jurisdiction of our federal colleagues. We therefore proceed cautiously, maintaining a narrow focus on the question before us.

To maintain this narrow focus, we begin with a brief overview of the statutory scheme for the right of publicity. We then examine in detail the “newsworthy value” exception to the statute, finding that certain principles of statutory construction inform our reading of that exception. Through this lens, we next analyze the spectrum of “material that has newsworthy value” to evaluate the parties’ arguments. The conclusions we draw from this analysis lead to the ultimate result that the use of players’ names, pictures, and statistics in fantasy sports contests do not violate the right of publicity in Indiana.

The Statute

We turn first to the right of publicity statute, including its pertinent definitions and exceptions. Since its enactment in 1994 and recodification in 2002, the statutory right of publicity in Indiana has remained largely untouched. See, e.g., H.E.A. 1258, 117th Gen. Assemb., 2d Reg. Sess. (Ind. 2012) (adding an exception for a personality that has commercial value solely because that personality has been charged with or convicted of a crime and clarifying the chapter’s application to rights of a deceased personality). Be that as it may, our Court has never had the opportunity to review Indiana’s right of publicity statute.

In relevant part, the statute provides, “a person may not use an aspect of a personality’s right of publicity for a commercial purpose during the personality’s lifetime or for one hundred (100) years after the date of the personality’s death without having obtained previous written consent.” Ind. Code § 32-36-1-8(a). The right of publicity is defined as “a personality’s

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1 Indiana is not unique in identifying a right of publicity. Other states have also recognized this right either in statute, through the common law, or both. See, e.g., N.Y. Civ. Rights Law § 51, Brown v. Ames, 201 F.3d 654, 657-58 (5th Cir. 2000) (discussing a common law right of publicity in Texas), and Gionfriddo v. Major League Baseball, 94 Cal.App.4th 400 (2001) (recognizing that California’s right of publicity is both a common law and a statutory right).
property interest in the personality’s (1) name; (2) voice; (3) signature; (4) photograph; (5) image; (6) likeness; (7) distinctive appearance; (8) gestures; or (9) mannerisms.” Ind. Code § 32-36-1-7. A person who violates this right of publicity may be liable for damages. Ind. Code § 32-36-1-10.

The legislature has codified several key exceptions to this statute, two of which were argued before our Court. The “newsworthy value” exception provides that the right of publicity does not apply to “[t]he use of a personality’s name, voice, signature, photograph, image, likeness, distinctive appearance, gestures, or mannerisms in ... [m]aterial that has political or newsworthy value.” Ind. Code. § 32-36-1-1(c)(1)(B). Another provision, the “public interest” exception, concerns the use of a personality’s right of publicity “in connection with the broadcast or reporting of an event or a topic of general or public interest.” Ind. Code § 32-36-1-1(c)(3). If the use of a personality’s right of publicity falls into either of these categories, the statute does not apply and no consent is needed for its use.

Keeping in mind our narrow approach to answering the certified question, and because we find that the use of players’ names, pictures, and statistics by fantasy sports operators falls into the “newsworthy value” exception, we decline to examine the “public interest” exception. We will, however, examine the contours of the “newsworthy value” exception to determine its scope.

The “Newsworthy Value” Exception

We turn our focus now to whether the use of the players’ names, pictures, and statistics fall within the newsworthy value exception. Because “newsworthy value” is not expressly defined in the statute, our primary goal is to determine and give effect to the intent of the legislature. [cit.] In doing so, we examine the statutory language itself to “give effect to the plain and ordinary meaning of statutory terms.” [cit.] We also presume that the legislature “intended the statutory language to be applied logically and consistently with the statute’s underlying policy and goals.” [cit.]

We begin by addressing two arguments advanced by plaintiffs in this case. First, we are not persuaded that the statutory exception for newsworthiness does not apply in the context of commercial use. The statute itself does prohibit the use of a person’s right of publicity “for a commercial purpose.” See Ind. Code § 32-36-1-8. The newsworthy value exception, however, removes the material from the right of publicity’s application. Ind. Code § 32-36-1-1(c). We therefore decline to read such a requirement into the otherwise facially clear language of the statute.

Second, whether Defendants are media companies or news broadcasters is
immaterial in the context of the newsworthiness exception. The plain language of the statute only speaks to the use of a personality’s right of publicity in “[m]aterial that has political or newsworthy value.” Ind. Code § 32-36-1-1(c)(1)(B). The statute is silent on whether there are any restrictions on who publishes or uses the material. Conversely, there is a different exception that applies specifically to a “news reporting or an entertainment medium.” See Ind. Code § 32-36-1-1(c)(1)(D). Given that the legislature defined and carved out an exception that applies only to news reporting entities, we decline to place a similar restriction on the “newsworthy value” exception at issue here. If this was not the intent of the legislature at the statute’s inception, it is free to revisit and redraw the exceptions.

The scope of the “newsworthy value” exception becomes considerably less clear as we consider the parties’ competing interests in this case. The statute references “material that has political or newsworthy value,” but provides no corresponding definitions or apparent clues as to the breadth of these ambiguously familiar terms. Ultimately, however, we think there are several compelling reasons why our Court should understand the term “newsworthy value” to incorporate fantasy sports operators’ use of players’ names, pictures, and statistics.

First, there is a presumption that when the legislature enacts a statute, it is aware of the common law and does not intend to make a change unless it expressly or unmistakably implies that the common law no longer controls. Although no Indiana court has directly created a common law right of publicity in our state, we find the historical progression of this right to be particularly illuminating.

Prior to any discussion of a right of publicity, courts struggled with the inherent tension of applying the right of privacy in the context of commercial appropriation of a personality. See O’Brien v. Pabst Sales Co., 124 F.2d 167, 170 (5th Cir. 1941), reh’g denied (declining to extend the right of privacy to an action by a TCU football player whose picture appeared in a calendar for Pabst Blue Ribbon beer because there were “no statements or representations made... which were or could be either false, erroneous or damaging to plaintiff”). A decade later, the idea of the right of publicity began to gain traction independent of the right of privacy when the Second Circuit announced this new right as it applied to “prominent persons.” See Haelan Laboratories, Inc. v. Topps Chewing Gum, Inc., 202 F.2d 866, 868 (2nd Cir. 1953). The court in

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2 See Ind. Code § 32-36-1-4, which defines “news reporting or an entertainment medium” as “a medium that publishes, broadcasts, or disseminates advertising in the normal course of its business, including the following: (1) Newspapers. (2) Magazines. (3) Radio and television networks and stations. (4) Cable television systems.”
Haelan Laboratories wrote:

"[I]n addition to and independent of that right of privacy (which in New York derives from statute), a man has a right in the publicity value of his photograph... For it is common knowledge that many prominent persons (especially actors and ball-players) ...would feel sorely deprived if they no longer received money for authorizing advertisements, popularizing their countenances, displayed in newspapers, magazines, busses, trains, and subways.

Id. at 868. The right of publicity, however, would not gain the attention of the Supreme Court of the United States until 1977, when that Court recognized Ohio’s statutory right of publicity as a distinctly separate right from the right of privacy. Zacchini v. Scripps-Howard Broadcasting Co., 433 U.S. 562, 573 (1977).

The Zacchini decision involved a “human cannonball” act performed by Hugo Zacchini at an Ohio county fair. Members of the public were charged a fee to enter the fair and watch the performance, but a reporter at the event videotaped the act and showed the routine in its entirety on the eleven o’clock news. Zacchini sued, alleging “unlawful appropriation of [his] professional property.” The Court held that publishing the entire performance without Zacchini’s consent violated his right of publicity, finding that the economic value of the performance gave Zacchini a right to control its publicity. Important to our analysis today, however, the Court also noted, “It is evident... that petitioner’s state-law right of publicity would not serve to prevent respondent from reporting the newsworthy facts about petitioner’s act... [but] the First and Fourteenth Amendments do not immunize the media when they broadcast a performer’s entire act without his consent.” Thus, it seems to us that the Supreme Court recognized that at least some “newsworthy facts” could be published outside the scope of a personality’s right of publicity.

Closer to home in Indiana and prior to the statute’s enactment in 1994, the term “newsworthy” was understood to encompass a broad privilege that was “defined in most liberal and far reaching terms.” Time, Inc. v. Sand Creek Partners, L.P., 825 F.Supp. 210, 212 (S.D. Ind. 1993) (quoting Rogers v. Grimaldi, 695 F.Supp. 112, 117 (S.D.N.Y. 1988)). More specifically:

The privilege of enlightening the public is by no means limited to dissemination of news in the sense of current events but extends far beyond to include all types of factual, educational and historical data, or even entertainment and amusement, concerning interesting phases of human activity
In general.

Id. Considering the genesis and evolution of the right of publicity, and presuming the General Assembly was aware of the right of publicity, its origins, and the definitions available from caselaw in this area, we find that the term “newsworthy” was meant to be construed broadly.

Another compelling reason for a broad construction of the term “newsworthy” is that we follow the “familiar canon of statutory interpretation that statutes should be interpreted so as to avoid constitutional issues.” [cit.] When considering a statute through the lens of the First Amendment, one component of our typical inquiry involves whether the statute is content neutral. [cit.] As such, a broad interpretation of the term “newsworthy value” would likely avoid a First Amendment issue in parsing acceptable forms of speech. See, e.g., Dillinger, LLC v. Electronic Arts Inc., 795 F.Supp.2d 829, 836 (S.D. Ind. 2011) (finding it likely that the Indiana Supreme Court would adopt a broad definition of “literary works” to include videogames to avoid constitutional issues with a narrow definition).

To bolster this point, the General Assembly has also built in exceptions for other types of material that had been given First Amendment consideration prior to the statute’s enactment in 1994. Compare Southeastern Promotions, Ltd. v. Conrad, 420 U.S. 546, 557 (1975) (finding “theatrical works” protected by the First Amendment), Jenkins v. Georgia, 418 U.S. 153, 161 (1974) (film), and Ward v. Rock Against Racism, 491 U.S. 781, 790 (1989) (music) with Ind. Code § 32-36-1-1(c)(1) (the right of publicity does not apply to theatrical works, musical compositions, or film). These enumerated exceptions, including “material with newsworthy value,” represent an obvious attempt to avoid constitutional issues with the statute. Against this backdrop, we find no indication within the text of the statute that the legislature intended to abrogate the expansive common law view of the term “newsworthy.”

Considering the arguments presented in this case, Defendants’ use of players’ names, images, and statistics in conducting fantasy sports competitions bears resemblance to the publication of the same information in newspapers and websites across the nation. We agree that, “it would be strange law that a person would not have a first amendment right to use information that is available to everyone.” C.B.C. Distribution and Marketing, Inc. v. Major League Baseball, 505 F.3d 818, 823 (8th Cir. 2007). This information is not stripped of its newsworthy value simply because it is placed behind a paywall or used in the context of a fantasy sports game. On the contrary, fantasy sports operators use factual data combined with a significant, creative component that allows consumers to interact with the data in a unique way. Although fictional salary values are assigned to players, this does not change the
function of the underlying data. It is difficult to find that the use of this otherwise publicly available information is somehow drastically different such that it should be placed outside the definition of “newsworthy.”

Use in Advertisements

We now confront whether Defendants’ use of players’ names, pictures, and statistics could constitute unauthorized advertising. At minimum, both parties would seem to agree that the statistics of college athletes are newsworthy. The public fascination with these facts and figures provides context and standards by which past, present, and future players are judged. See generally C.B.C. Distrib., 505 F.3d at 823 (discussing how sports like baseball occupy a large portion of public discourse) and CBS Interactive Inc. v. National Football League Players Ass’n, 259 F.R.D. 398, 419 (D. Minn. 2009) (noting that, “[c]onsumers of fantasy football...like consumers of fantasy baseball, closely track player statistics”). This fascination extends to our own state where many fans of the Notre Dame Fighting Irish, Purdue Boilermakers, Indiana Hoosiers, and all other collegiate sports teams argue, debate, and commiserate over the statistical value of each player and where his or her achievements fall in the history of football or basketball. Few activities invoke such fervor among so many over so little.

At the other end of the newsworthy spectrum, we recognize that the unauthorized use of a personality to advertise or promote a product likely lies outside the scope of what is considered newsworthy. See generally Abdul-Jabbar v. General Motors Corp., 85 F.3d 407, 416 (9th Cir. 1996) (holding that Kareem Abdul-Jabbar could state a claim under California’s right of publicity when GMC gained a commercial advantage in using Abdul-Jabbar’s former name in a television advertisement). The right to control one’s identity from direct appropriation would seem central to the right of publicity recognized in Indiana.9 Cf. Cardtoons, L.C. v. Major League Baseball Players Ass’n, 95 F.3d 959, 967-68 (10th Cir. 1996) (discussing how the right of publicity in Oklahoma involves property rights for the full commercial value of an identity).

In the context of fantasy sports, however, courts have recently concluded the risk of unauthorized advertising is minimal. See C.B.C. Distrib., 505 F.3d at 824 (holding that the use of statistics and likenesses of baseball players in a fantasy sports context does not implicate a right of publicity in terms of advertising “because the fantasy baseball games depend on the inclusion of all players and thus cannot create a false impression that some particular player

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9 The statute reportedly came about after concerns that profiteers were selling baseball-style cards of an AIDS victim without the consent of his surviving family. Dan Wetzel, Law ends pirating of celebrities, Indianapolis Star, June 25, 1994, at B1.
with ‘star power’ is endorsing CBC’s products.”); CBS Interactive, 259 F.R.D. at 419 (reasoning that “[n]o one seriously believes that the subjects of news reports are endorsing the company that provides the report”). We embrace this understanding and find that under similar circumstances—when informational and statistical data of college athletes is presented on a fantasy sports website—it would be difficult to draw the conclusion that the athletes are endorsing any particular product such that there has been a violation of the right of publicity. Importantly, however, this finding does not foreclose a court from closely scrutinizing the actions of a particular defendant to ensure no unauthorized endorsements are being made. At the risk of overstepping the bounds of the certified question, we defer making any factual determination on this issue to our federal colleagues.

Conclusion

We conclude that Indiana’s right of publicity statute contains an exception for material with newsworthy value that includes online fantasy sports operators’ use of college players’ names, pictures, and statistics for online fantasy contests.

NOTES AND QUESTIONS

1. Common law vs. statutory jurisdictions. The FanDuel case provides an illustration of speech-oriented statutory limitations applied to a statutory right of publicity. To what extent does the Court’s statutory analysis differ from the analysis that is undertaken in a jurisdiction where the right of publicity derives from common law? Is one approach easier to administer than the other? To what extent was it appropriate for the Indiana Supreme Court to borrow from the law of other jurisdictions to understand the scope of the newsworthiness exception?

2. Plural exceptions. Why does the Indiana statute have both a “newsworthy value” exception and a “public interest” exception (among others)? If the exceptions are partially overlapping, is that a problem? Should the Indiana legislature revisit and redraw the exceptions?

3. Split of authority? Can FanDuel be squared with Hart? If not, should the Supreme Court step in to resolve the conflict? How should the Court resolve it?
At p. 997, add the following to note 2 after the *Voice of the Arab World* cite (top of page):

*Rush v. Hillside Buffalo, LLC*, 314 F.Supp.3d 477 (W.D.N.Y. 2018) (applying *eBay* and noting that where plaintiff sought damages to compensate him for many of the injuries he claims he has or will suffer and has only indicated that defendants have misused his trademark for a single confined event, it was unclear why monetary damages could not be assessed based upon the number and price of the tickets and concessions sold, the number of patrons diverted from Plaintiff, or any other revenue grossed as a result of this single event).

At p. 997, add the following to end of note 2:

Representatives of the International Trademark Association, the American Intellectual Property Law Association, and the Intellectual Property Owners Association wrote to Congress in September 2018 requesting legislation re-establishing a presumption of irreparable harm under the Lanham Act. Would you support the enactment of that legislation?

At p. 1000, add the following to end of note 14:

In *Pinkette Clothing, Inc. v. Cosmetic Warriors Limited*, 2017 WL 3952322 (9th Cir. June 29, 2018), the Court of Appeals for the Ninth Circuit distinguished two Supreme Court decisions—*Perella v. Metro-Goldwyn-Mayer, Inc.*, 134 S.Ct. 1962 (2014) and *SCA Hygiene Prods. v. First Quality Baby Prods.*, 137 S.Ct. 954 (2017)—in which the Court had held that laches was not available in an infringement action brought within the applicable statute of limitations found in the copyright (*Perella*) and patent (*SCA*) statutes. In contrast, the Lanham Act has no statute of limitations, and expressly provides for a laches defense to in infringement proceedings. Thus, neither Supreme Court decision would appear to limit the possibility of laches being a defense in a trademark infringement claim; indeed, the *Petrella* Court had noted the
distinction. But what of cancellation claims; the cancellation provision does refer to an applicable time period. Despite that, the Ninth Circuit held that laches is available as a defense to a petition for cancellation even if that challenge is brought within the permissible cancellation period. See Casebook p. 378 (noting history of challenge to the Washington RESKINS mark); see also Casebook, pages 366-369 (discussing relevant period for assertion of particular grounds for cancellation).

At p. 1017, add the following to end of note 5:

See also ZeniMax Media Inc. v. Oculus VR LLC, 2018 WL 3135915, at *2 (N.D. Tex. June 27, 2018) (“The damages suffered must be proximately caused by the act of the false designation”).

At p. 1026, add the following to end of note 2:

The First and Second Circuits have now joined those courts applying the Supreme Court holding in Octane Fitness to trademark cases. See Sleepy’s LLC v. Select Comfort Wholesale Corp., 2018 WL 6174650, at *9 (2d Cir. Nov. 27, 2018); Scholz v. Goudreau, 901 F.3d 37, 49 (1st Cir. 2018).