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FRANKENLAW: THE SUPREME COURT’S FAIR AND BALANCED LOOK AT FAIR USE

By Jonathan Moskin*

I. INTRODUCTION

What is fair surely cannot be unfair, and what is unfair could not possibly also be fair. Simple logic, and yet, in KP Permanent Make-Up, Inc. v. Lasting Impression I, Inc., the United States Supreme Court, in a unanimous decision, rejected the trademark owner’s contention that there was an intended logical symmetry between the statutory defense of fair use and its seeming opposite, unfair competition. Instead, likely broadening the fair use defense, the Court held that what constitutes fair use of a trademark is determined independently of unfair competition—at least sometimes. At issue was whether it was “fair” for KP Permanent Make-Up to make unauthorized use of the term “micro colors,” which happened also to be the word component of Lasting Impression’s incontestably-registered word and design trademark, in this instance to describe KP’s competing microscopic pigmentation used for subcutaneous injection to camouflage injuries and other skin discolorations. The Supreme Court held that a party raising the affirmative defense of fair use does not bear the burden of proving its use is not likely to cause confusion (the principal element, of course, of unfair competition). Rather, a fair use can be a fair use even if there is a likelihood of confusion.

Rejecting what (until December 8, 2004) might have been called the conventional wisdom that “[a] junior user’s use should be deemed ‘fair’ only if it is non-confusing,” KP Permanent Make-Up surely simplifies the burden of proving fair use, likely making it easier to sustain the defense, in at least some cases. However,

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2. Justice Scalia declined to join two footnotes (4 and 5) concerning the legislative history of the Lanham Act (see infra note 21) and Justice Breyer declined to join one footnote (6) concerning instructions on remand. 125 S. Ct. at 545.

3. Id. at 550.

Lasting Impression had not properly raised before the Supreme Court the issue whether “Micro Colors” (as used by itself or by KP) was descriptive, so beyond the specific conclusion that an admittedly descriptive use of an admittedly descriptive term is a fair use (even if a few benighted souls might happen to become confused), it is hardly clear how much more the case establishes or how lasting an impression it will leave. There is, indeed, precedent that the statutory fair use defense is limited to marks that are themselves descriptive, as well as other precedent requiring only that the defendant’s use be descriptive. KP Permanent Make-Up does not, on its face, resolve the issue. Further limiting its holding, the Court also conceded that sometimes a finding that confusion is sufficiently likely will defeat the fair use defense—meaning that if a benighted few become a befuddled bevy, the absolute defense is no longer so absolute. Indeed, on remand, the Ninth Circuit has already determined that there does exist sufficient evidence of likely confusion to preclude summary judgment.

Moreover, the Court did not attempt to decide (or have a need to decide) how the fair use defense should apply to inherently distinctive marks, such as GOOGLE or APPLE; to cases of parody, when the mark itself must be invoked in order to poke fun at or comment on it; or to what is sometimes referred to as “nominative” or “comparative” fair use—where a mark is used for the primary purpose of referring truthfully to the trademarked goods or services. It would likely be a nominative fair use, for instance, for

5. As Justice Scalia in particular noted during oral argument, the descriptiveness or not of the term “micro colors” went to the ultimate merits of the case but had not been raised before the Supreme Court. (Oct. 5, 2004 hearing transcript at p. 33, line 12 et seq.).

6. The only question presented was: “Does the classic fair use defense to trademark infringement require the party asserting the defense to demonstrate an absence of likelihood of confusion, as is the rule in the 9th Circuit, or is [fair use] an absolute defense, irrespective of whether or not any confusion may result, as is the rule in other circuits.” Brief for Petitioner at p. i. The Court restated that question in its opinion to be “whether a party raising the statutory affirmative defense of fair use to a claim of trademark infringement . . . has a burden to negate any likelihood that the practice complained of will confuse consumers about the origin of the goods or services affected.” KP Permanent Make-Up, 125 S. Ct. at 545-46.


8. See, e.g., Cosmetically Sealed Indus., Inc. v. Chesebrough-Pond’s USA Co., 125 F.3d 28 (2d Cir. 1997) (use of phrase “Seal It With a Kiss” to invite customers to sample lipstick a fair use of a widely-used term and not an infringement of plaintiff’s trademark SEALED WITH A KISS for lip gloss.) Accord, Sunmark, Inc. v. Ocean Spray Cranberries, Inc., 64 F.3d 1055, 1059 (7th Cir. 1995).


10. KP Permanent Make-Up v. Lasting Impression I, Inc., 408 F.3d 596 (9th Cir. 2005).

11. New Kids on the Block v. News America Publishing, Inc., 971 F.2d 302, 308 (9th Cir. 1992) (“We may generalize a class of cases where the use of the trademark does not
another publication properly to credit this journal by its actual name and trademark, The Trademark Reporter®, or for a mechanic who services BMWs truthfully and non-misleadingly to advertise that that indeed is what he does. The Lanham Act also provides in respect to claims of dilution, that “[f]air use of a famous mark by another person in comparative commercial advertising or promotion to identify the competing goods or services of the owner of the famous mark” is not actionable. To be sure, KP Permanent Make-Up does not directly implicate any of these varieties of fair use or dictate how to apply the defense in such cases.

Assessing the Supreme Court’s decision in the context of the entire trademark fair use “doctrine” reveals that—unlike copyright fair use—the defense in trademark law is indeed a disparate depository of distinct doctrines drawn not only from common law and the literal language of the Lanham Act but from First Amendment principles and indeed from the inherent limits and ultimate ends of trademark law, which do not purport to carve out from the lexicon monopolies or rights in gross in words or phrases, but rather only to protect the source-identifying function of certain terms or symbols. More broadly still, some courts have simply invoked that most esoteric of doctrines, “common sense,” to attempt to capitalize on consumer confusion or to appropriate the cachet of one product for a different one. Such nominative use of a mark—where the only word reasonably available to describe a particular thing is pressed into service—lies outside the strictures of trademark law); Pirone v. MacMillan, Inc., 894 F.2d 579, 584 (2d Cir. 1990), recognized it was a fair use for defendant to produce a baseball them ed calendar that included photographs of baseball players, including Babe Ruth, in their primary sense as baseball players, notwithstanding that the heirs of Babe Ruth owned registered trademarks in his name and image. See Restatement (Third) of Unfair Competition § 28 cmt. a (1995) (fair use defense protects a subsequent user’s use of a personal name designation “if the name is used solely to indicate truthfully the named person’s connection with the goods, services, or business.”).

12. See Volkswagenwerk Aktiengesellschaft v. Church, 411 F.2d 350 (9th Cir. 1969) (holding that Volkswagen could not enjoin a car repair shop from advertising truthfully what sorts of cars it repaired—so long as the shop did not go so far as to indicate it was sponsored by the car company). By contrast, it was not a fair use for a motorcycle repair shop to use the Harley-Davidson “bar and shield” logo on the signage of his business, in a newsletter and on T-shirts; that crossed the line in suggesting affiliation or sponsorship. Harley-Davidson, Inc. v. Grottanelli, 164 F.3d 806 (2d Cir. 1999).


14. Unlike trademark, copyright fair use is exclusively statutory, and despite the distinctly open texture of the elements of fair use under the Copyright Act and the sometimes shifting emphases courts have placed on these different elements, there is a greater analytic coherence to the structure of the fair use doctrine, the basic elements of which all can be found in 17 U.S.C. § 107. See Campbell v. Acuff-Rose Music, Inc., 510 U.S. 569, 114 S. Ct. 1164, 127 L. Ed. 2d 500 (1994). And unlike trademark fair use, because it is a comprehensive scheme, copyright fair use does not typically require separate treatment of First Amendment issues. See infra note 98.
support their conclusions as to what is fair.\textsuperscript{15} It was only the statutory defense that was directly addressed by the Supreme Court. Nominative fair use and parody, for instance, have no clear statutory basis, and the fair use defense to dilution perhaps draws on any or all of the different bases.

These varying aspects of the fair use defense may well derive from varying sources, perhaps explaining the tendency to treat them distinctly, focusing more on what distinguishes them than what they have in common. It is suggested here, however, that the one common thread running through them all is a recognition that truthful speech, even commercial speech, is inherently a good thing, or at least something the law does not seek to foreclose. As often is the case, Justice Holmes said it best: “When the mark is used in a way that does not deceive the public, we see no such sanctity in the word as to prevent its being used to tell the truth.”\textsuperscript{16} Indeed, in rejecting a simple dichotomy between “fair” and “unfair,” \textit{KP Permanent Make-UP} instead tends to put in its place an even simpler disjunction between true and false. Just so, these seemingly separate aspects of trademark law share with the law of false advertising—and now with \textit{KP Permanent Make-Up}—a similar but by no means universally-followed tendency to adhere to similar practical constraints in allocating burdens of proof in litigation, establishing a presumption of sorts that truthful speech is protected speech. In this way, \textit{KP Permanent Make-Up} may help provide a bridge of sorts, uniting all aspects of fair use law, not simply illuminating the statutory defense.

II. KP PERMANENT MAKE-UP AND THE STATUTORY FAIR USE DEFENSE

\textit{KP Permanent Make-Up} did not purport to address trademark fair use as such; rather, it was, on its face, a narrowly focused exercise in statutory construction of Section 1115(b)(4) of the Lanham Act. Since, at bottom, what \textit{KP Permanent Make-Up} did was construe the text, it helps to be reminded of the actual words of Section 1115(b)(4)(e), which provides:

\begin{quote}
[t]o the extent the right to use a registered mark has become incontestable under Section 1065 of this title . . . . [s]uch conclusive evidence of the right to use the registered mark shall be subject to proof of infringement as defined in Section 1114 of this title, and shall be subject to the following defenses or defects: . . . (4) That the use of the name, term, or device
\end{quote}

\textsuperscript{15} Pirone \textit{v. MacMillan, Inc.}, 894 F.2d 579, 582 (2d Cir. 1990) (“Pirone’s position finds support in neither precedent nor common sense.”).

charged to be an infringement is a use, otherwise than as a mark, of the party’s individual name in his own business, or of the individual name of anyone in privity with such party, or of a term or device which is descriptive of and used fairly and in good faith only to describe the goods or services of such party, or their geographic origin.

In recent history, the Supreme Court has, of course, adhered closely to the cardinal rule of statutory construction of according to every word of a statute its literal meaning. In so doing, the Court has often encouraged narrow, literal readings of legislative language, without resort to legislative history. Unless there is a basis to find a statute ambiguous, the Court has tended to avoid consideration of legislative intent. And the Court likewise has been loath to construe language contrary to its plain meaning, absent overwhelming evidence that Congress meant something different from what it expressly said. Not so in KP Permanent Make-Up.

Curiously, in KP Permanent Make-Up, the Supreme Court never even addressed the meaning of the actual term “fair” in the statute, but instead construed Congress’ construct based on a comparative analysis of its sections. Moreover, with scarcely a whisper of dissent from Justice Scalia, the Court explained that part of its reason for construing the term “fair use” as it did was legislative history indicating that Congress had declined to add proposed additional language submitted to the House Subcommittee on Trademarks as part of the testimony of a witness, Milton Handler.

The statutory fair use defense appears as part of Section 1115 of the Lanham Act—a provision defining the scope of rights attributable to incontestable marks. Addressing the language of 15

17. Regions Hosp. v. Shalala, 522 U.S. 448, 467 (1998) (“It is a cardinal rule of statutory construction that significance and effect shall, if possible, be accorded to every word.”).

18. As the Supreme Court has stated, “When we find the terms of a statute unambiguous, judicial inquiry is complete, except in ‘rare and exceptional circumstances.’” Garcia v. U.S., 469 U.S. 70, 75 (1984).


20. 125 S. Ct. at 548-49.

21. Although Justice Scalia did not write separately or dissent from Justice Souter’s essentially unanimous decision, he did decline to join in footnotes 4 and 5 of the decision, which addressed the legislative history of the Lanham Act’s statutory fair use provision. 125 S. Ct. at 548, 550.

22. Id. at 548, n.4.
U.S.C. § 1115(b)(4), the Supreme Court clarified that the statutory fair use defense is established simply by showing three elements: that (i) the “name, term or device” said to be an infringement is a use other than as a trademark; (ii) the name, term or device is used descriptively, and (iii) the accused use is made “fairly and in good faith.” In reversing the Ninth Circuit, the Court rejected the trademark owner’s contention that the term “used fairly” in the statutory language “used fairly and in good faith” reflected the historical grounding of the Lanham Act in the common law of unfair competition and hence incorporated a substantive requirement that the defendant prove its challenged use is not likely to cause confusion. Instead, Justice Souter concluded Congress had explicitly and repeatedly used the entire phrase “likely to cause confusion” in other parts of the statute, yet “said nothing about likelihood of confusion in setting out the elements of the fair use defense in § 1115(b)(4).” The Court also explained that because, logically, the defense of fair use would only arise where a plaintiff is able to satisfy its burden of proving a likelihood of confusion, it would “def[y] logic to argue that a defense may not be asserted in the only situation where it even becomes relevant.” Hence, the Court concluded: “Since the burden of proving likelihood of confusion rests with the plaintiff, and the fair use defendant has no free-standing need to show confusion unlikely, it follows (contrary to the Court of Appeals’s view) that some possibility of consumer confusion must be compatible with fair use, and so it is.”

Perhaps underscoring the analytic break with prior case law (described above as the conventional wisdom), in the case on which the Supreme Court relied for the proposition that it would defy logic to exclude the defense in the only place it was needed, Shakespeare Co. v. Silstar Corp., the Court of Appeals for the Fourth Circuit, before finding the use to be fair, first concluded that a likelihood of confusion analysis was required but nonetheless held that even if this analysis demonstrated confusion to be likely, no infringement would be found since the fair use

24. KP Permanent Make-Up, 125 S. Ct. at 548.
25. Slip op. at 7-8, quoting Shakespeare Co. v. Silstar Corp., 110 F.3d 234, 243 (4th Cir. 1997). “Nor would it make sense,” the Supreme Court further explained, “to provide an affirmative defense of no confusion plus good faith, when merely rebutting the plaintiff’s case on confusion would entitle the defendant to judgment, good faith or not.” Id.
27. See supra note 4 and accompanying text.
28. See supra note 25.
29. Shakespeare Co., 110 F.3d at 243.
defense was sustained. In parting company with such precedent, as well as the conventional wisdom, *KP Permanent Make-Up* plainly took the fair use defense one step further in severing it almost entirely from the likelihood of confusion analysis.

Because burdens of proof are not always easily quantified, particularly at the summary judgment stage, calibrating likely confusion levels so as to apply the fair use defense may be less neatly logical than the Court’s simple dichotomy suggests. Indeed, as Lasting Impression contended in the oral argument, one possible outcome could have been to uphold a fair use defense that did not require the defendant to prove an *absence* of likely confusion, yet permit the trademark owner to rebut the defense if (but only if) it could then successfully shoulder the burden of proving confusion likely. Perhaps for this reason, the heart of the decision may be the Court’s rejection of the trademark owner’s primary argument that the term “fair” in Section 1115(b)(4) was meant to incorporate the common law of “unfair” competition. Indeed, Lasting Impression’s brief presented a nearly encyclopedic compilation of pre-Lanham Act unfair competition cases in which courts, to prevent likely confusion, declined to allow use of descriptive terms that had acquired secondary meaning. Not finding “much force in Lasting’s suggestion that ‘used fairly’ in the statute is an oblique incorporation of a likelihood-of-confusion test developed in the common law of unfair competition” the Court instead focused on the fact that “the common law of unfair competition also tolerated some degree of confusion from descriptive use of words contained in another person’s trademark.”

Oddly, however, in deciding what the term fair did *not* mean, the Court never identified what actual meaning Congress *did* have in mind when it included the word “fairly” in 15 U.S.C. § 1115(b)(4). Similarly, the Court rejected Lasting Impression’s contention that “used fairly” originally had a more direct meaning in the Lanham Act, since a defense of no likely confusion would have been more relevant in the context of Section 1115 as first enacted, prior to its amendment in 1988. Before the amendment, Section 1115, on its face, did not require the owner of an incontestable mark to prove likelihood of confusion. However, confronted with the original statutory language, the Court responded with the seeming non-sequitur that many courts

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nonetheless did require proof of likelihood of confusion. How courts may have applied the statute does not itself necessarily reveal what Congress meant. Particularly given the Court’s current strict constructionist bent, the casual treatment of the statutory language (both current and historical) is doubly puzzling.

Having established that a finding of fair use is made independent of the plaintiff’s ability and burden to establish likelihood of confusion, the Court concluded its decision by conceding that sometimes the two issues might not be independent. “While we thus recognize that mere risk of confusion will not rule out fair use, we think it would be improvident to go further in this case. . . . It suffices to realize that our holding that fair use can occur along with some degree of confusion does not foreclose the relevance of the extent of any likely consumer confusion in assessing whether a defendant’s use is objectively fair.” Sometimes, therefore, what’s unfair is simply unfair. Where there is a sufficiently strong showing of likely confusion, for instance, or where a descriptive term has become sufficiently well-associated with a single source of goods or services, it may be “unfair” to allow what might otherwise be a fair descriptive use. The lucidly logical distinction the Court sought to draw thus turns out not to be a simple either/or proposition. Rather, the Court largely adopted the Restatement position that “The fair use defense . . . can be applicable even if the trademark owner presents evidence sufficient to prove a likelihood of confusion. . . . However, the strength of the plaintiff’s mark and the extent of likely or actual confusion are important factors in determining whether a use is fair . . . and a use that is likely to create substantial confusion will not ordinarily be considered fair.”

Particularly given the Court’s acknowledgment that sometimes a likelihood of confusion will undermine a fair use defense, the question remains how permanently or deeply KP Permanent Make-Up will change the face of the fair use defense. Or has the Court simply raised the plaintiff’s burden to present evidence of likely confusion? Moreover, because the issue presented did not include a challenge to the district court’s finding

32. Whatever Congress may have intended, courts have applied the statutory fair use defense to claims of infringement of marks not yet incontestable. See, e.g., Car-Fresher Corp. v. S.C. Johnson & Son, Inc., 70 F.3d 267, 269 (2d Cir. 1995) (“This common-law principle [of fair use] is codified in the Lanham Act . . .”). The defense is applied as well to unregistered marks in actions under Section 43(a) of the statute. See, e.g., Zatarains, Inc. v. Oak Grove Smokehouse, Inc., 698 F.2d 786, 796 n.9 (5th Cir. 1983); Wonder Labs, Inc. v. Procter & Gamble Co., 728 F. Supp. 1058, 1060 (S.D.N.Y. 1990) (fair use defense under Section 33(b)(4) “applicable to a claim for false designation of origin under Section 45(a) of the Lanham Act.”).

33. KP Permanent Make-Up, 125 S. Ct. at 550.

that the accused use of the term “Micro Colors” was descriptive, the decision did not address how the fair use defense applies, if at all, to arbitrary, fanciful or even suggestive terms. Nor did the Court confront how one knows if use of a term alleged to be a fair use is or is not “as a trademark.” That too was not an issue directly presented. Other areas in which Court’s decision gives little express guidance concern the scope of the fair use defense in cases of parody and nominative fair use.

Nonetheless, there are obvious parallels to be drawn between the Supreme Court’s analysis and the lines of reasoning followed in other fair use cases, even parody and nominative fair use cases—perhaps especially in such cases. And because KP Permanent Make-Up does away with most of the practical differences between these areas of fair use law—by aligning the burdens of proof in statutory fair use with the burdens often allocated in parody and nominative fair use cases (as well as false advertising)—the Supreme Court’s decision may point the way towards a unification of these heretofore distinct doctrines.

III. PARODY

Trademark parody, in which unauthorized use of a mark may be permitted as a form of commentary or criticism, clearly occupies a part of the legal landscape of fair use, even if its place within the statutory scheme or in relation to other forms of fair use is not expressly mapped out by the Lanham Act. Courts assessing cases of parody fair use have often acknowledged the peculiar logic of the trademark parody, which requires the parodist or satirist to summon the original if the commentary or criticism is to have any meaning, yet also mandates there be no likelihood of confusion. Succinctly put, “[a] parody must convey two simultaneous—and contradictory—messages: that it is the original, but also that it is not the original and is instead a parody.”\(^{35}\) Nonetheless, “a parody depends on a lack of confusion to make its point.”\(^{36}\) The familiar multipart test to assess likelihood of confusion (or lack thereof), which is the trademark owner’s burden to prove, assumes that if the quantum of proof is sufficiently high (i.e., if the plaintiff sustains its burden), a likelihood of confusion will be found. Thus,

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for instance, if the mark is sufficiently strong and the similarities between the marks in suit and the relevant products are great enough, a finding of infringement is likely. The test (which, of course, like the parody defense, is not specified by the Lanham Act) does not expressly include any countervailing factors to identify what makes a use fair or to take into account the interests of the accused infringer or broader societal interests that may, and sometimes clearly do, warrant permitting unauthorized parodic use of a mark. To be sure, dissimilarities of the goods, a factor considered under the multifactor test, may sometimes support a finding of fair use, but that is hardly necessary (for instance, if one publication is a parody of another), and, in all, the multipart test is not designed to assess the peculiar logic of parody.37

In parody cases, the First Amendment is such a countervailing principle, outside the scope of the traditional infringement analysis. Just as the Supreme Court in *KP Permanent Make-Up* sought to articulate in some meaningful way what weight to accord the public interest in being free to make full descriptive use of the lexicon, courts considering whether a use is a permitted parody have often sought to strike the right balance between the trademark owner’s proprietary interest in its mark and the public interest in free expression, including criticism. In evidentiary terms, the challenge has been (and continues to be) how to integrate that public interest within the traditional framework of the multipart test of likelihood of confusion. Indeed, just as in *KP Permanent Make-Up*, where the Court declined to set forth how great a showing of likelihood of confusion might overcome a finding of fair use, courts assessing parody cases—even when they do expressly accord special weight to First Amendment or other interests—have declined to specify just how much proof of likelihood of confusion might tip the balance back towards a finding of infringement when a use appears otherwise fair.

Exemplifying the uncertain analytic basis for assessing parodic uses of trademarks is *Cliffs Notes, Inc. v. Bantam*

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37. *Cliffs Notes*, 886 F.2d at 495 n.3 (likelihood of confusion test “at best awkward in the context of parody.”). See *Cosmetically Sealed Industries, Inc. v. Chesebrough-Pond’s USA Co.*, 125 F.3d 28, 29 (2d Cir. 1997) (“Fair use is a defense to liability under the Lanham Act even if a defendant’s conduct would otherwise constitute infringement of another’s trademark.”); *Mattel, Inc. v. MCA Records, Inc.*, 296 F.3d 894, 900 (9th Cir. 2002) (“But when a trademark owner asserts a right to control how we express ourselves—when we’d find it difficult to describe the product any other way (as in the case of aspirin), or when the mark (like Rolls Royce) has taken on an expressive meaning apart from its source-identifying function—applying the traditional test fails to account for the full weight of the public’s interest in free expression.”); *Playboy Enterprises v. Welles*, 270 F.3d 796, 801 (9th Cir. 2002) (multipart test of likelihood of confusion not useful: since it “focuses on the similarity of the mark used by the plaintiff and the defendant, [it] would lead to the incorrect conclusion that virtually all nominative uses are confusion.”).
Doubleday Dell Pub. Group, Inc.,38 where the court assessed whether defendants’ “Spy Notes” condensed treatments of contemporary novels (and simultaneous send-ups of Cliffs Notes’ trademark rights in its more sober-minded synopses of classical works) infringed Cliffs Notes’ trademark rights in its cover designs. The district court had applied the traditional multipart test of likelihood of confusion, an analysis that evidently revealed a “profound likelihood”39 consumers would be misled. The Second Circuit, in reversing that decision, borrowed a balancing test it had previously adopted in Rogers v. Grimaldi.40 In Rogers, the court had considered whether the title of Federico Fellini’s film, “Ginger and Fred,” was permitted expression or, rather, constituted false advertising suggesting sponsorship by the dance team Ginger Rogers and Fred Astaire.41 Weighing the trademark owner’s interests on the one hand against the First Amendment interest in free expression, the Court of Appeals in Cliffs Notes held it was error for the district court to have analyzed the claimed parody solely under the traditional likelihood of confusion test, since that approach did not take into account the “broad scope permitted parody in First Amendment law.”42 Noting that the Polaroid test43 of likelihood of confusion is “at best awkward in the context of parody,” the court, without discarding the multipart test, sought to apply it instead with “proper weight” given to the First Amendment.44 As the court explained, “somewhat more risk of confusion is to be tolerated when a trademark holder seeks to enjoin artistic expression. . . .”45 What the court in fact did was to apply, in desultory fashion, only a few of the likelihood of confusion factors (such as the sophistication of purchasers and the overall similarities of the book covers), focusing instead primarily on what was the actual parodic message intended by the defendant and whether the accused work had stayed true to that message.46 The court concluded defendant had not strayed.

38. 886 F.2d 490 (2d Cir. 1989).
39. Id. at 492.
40. 875 F.2d 994 (2d Cir. 1989).
41. The case is also often cited as representative of special treatment for titles of creative works, which are deemed to merit First Amendment protection and which are sometimes said simply to “describe” the contents of the works. (See infra note 46.)
42. Id., citing Groucho Marx Prod., Inc. v. Day and Night Co., 689 F.2d 317, 319 n.2 (2d Cir. 1982).
44. Cliffs Notes, 886 F.2d at 495 n.3.
45. Id. at 495.
46. Id. at 495-97. Accord Twin Peaks Prods, Inc. v. Publ'ng Int'l. Ltd., 996 F.2d 1366, 1379 (2d Cir. 1993) (a literary title does not violate the Lanham Act “unless the title has no
Other parody cases—although hardly all—have similarly applied a balancing test or otherwise given primary emphasis to the First Amendment, largely if not wholly to the exclusion of the traditional infringement analysis. Not unlike the framework of the holding in KP Permanent Make-Up, this analytic approach stops short of holding parody exempt from Lanham Act liability, but rather, without specifying the exact formula, weights the burden of proof more heavily against the trademark owner. And like KP Permanent Make-Up, which declined to clarify how much confusion would overcome a finding of fair use based upon a descriptive use of a term that happened also to be a trademark, there are perhaps no cases that attempt to set forth how great a likelihood of confusion will overcome a finding that a challenged parody is an otherwise permitted form of commentary or criticism.

It will no doubt be the case that some challenged parodic use, despite its seeming fairness, will be so likely to cause confusion as to warrant a finding of infringement, just as it will no doubt be the case (as indicated by KP Permanent Make-Up) that some descriptive uses of descriptive or suggestive marks will be.

artistic relevance to the underlying work, or, if it has more artistic relevance, unless the title explicitly misleads as to the as to the source or the content of the work.”


48. Sugar Busters LLC v. Brennan, 177 F.3d 258, 269 n.7 (5th Cir. 1999) (a finding that book title is likely to cause confusion must be “particularly compelling” to outweigh the First Amendment interest in choosing such titles); Twin Peaks Prods, Inc., 996 F.2d at 1379 (applying Polaroid test but noting “[h]owever, [that] the finding of likelihood of confusion must be particularly compelling to outweigh the First Amendment interest recognized in Rogers [v. Grimaldi].”); Yankee Pub. Inc. v. News America Pub. Inc., 809 F. Supp. 267 (S.D.N.Y. 1992) (finding no likelihood of confusion on application of the Polaroid factors, yet also noting that even if there were some such likelihood, no Lanham Act violation would be found because of the extra measure of protection afforded communicative works under the First Amendment). Id. at 275. Similarly, in LL Bean, Inc. v. Drake Publishers, 811 F.2d 26 (1st Cir. 1987), involving a “crudely humorous,” “prurient parody” of plaintiff’s product catalog, id. at 27, the court concluded that “trademark rights do not entitle the owner to quash an unauthorized use of the mark by another who is communicating ideas or expressing points of view.” Id. at 29. Although the case only raised issues of dilution and tarnishment (not infringement), the case was decided solely on First Amendment grounds.

49. Finding the copyright standard of fair use (for parody) instructive in a trademark case, the Second Circuit noted that for trademarks as well as copyrights, “[T]he heart of any parodist’s claim to quote from existing material[] is the use of some elements of a prior author’s composition to create a new one that, at least in part, comments on that author’s work.” Harley-Davidson, Inc. v. Grottanelli, 164 F.3d 806, 813 (2d Cir. 1999), quoting Campbell v. Acuff-Rose Music, Inc., 510 U.S. 569, 580, 114 S. Ct. 1164, 127 L. Ed. 2d 500 (1994).
sufficiently likely to cause confusion as to warrant relief, even within the context of Supreme Court’s ruling. However, the cases do not attempt to quantify how great this risk must be or even present an analytic roadmap for the trademark owner to follow in laying out such proof. But more fundamental analytical issues remain.

Indeed, even in the same circuit (and even after Cliffs Notes), courts have continued to apply the traditional likelihood of confusion test as the primary analytic framework to assess parody. In such cases, even if the court ultimately concludes the use is fair, the burdens of proof are not reapportioned to reflect the distinct character of parody. The recent decision, MasterCard Int’l, Inc. v. Nader 2000 Primary Comm, Inc.,50 is a case in point. There, the alleged infringement was an undisguised political parody in which Ralph Nader (for his 2000 presidential campaign) borrowed themes from a series of MasterCard ads using the tag-line “priceless” to skewer the perceived pieties of his political foes. Although the court agreed it was a permitted parody, it nonetheless engaged in a full (and fully earnest) likelihood of confusion analysis that scarcely distinguished the plainly political purpose of Mr. Nader’s message from a run-of-the-mill commercial infringement action. Without suggesting Mr. Nader should have received any special treatment as a presumed parodist or even what level of dignity to have accorded his 2000 presidential campaign, a simpler first step (consistent with the analytic approach of KP Permanent Make-Up and the Second Circuit’s own precedent) might have been an initial assessment whether the use fit at least the broad outlines of what is “fair”; whether it was sufficiently “in commerce” to fall within the scope of the Lanham Act at all, or, alternately, to balance Mr. Nader’s First Amendment interests on the one hand with MasterCard’s commercial interests on the other. Although the court acknowledged the nature of the speech in issue, it did so only in the context of a traditional likelihood of confusion analysis. The First Amendment was not even mentioned and certainly not as any sort of counterweight to the Lanham Act.51 The decision is, moreover, simply one of many such cases that treat parody, analytically, solely within the traditional multipart test of infringement and unfair competition.52


51. Perhaps best reflecting the doctrinal issue, although the court recognized (within the framework of a traditional Polaroid analysis) that consumers are sophisticated enough to distinguish a political statement from a commercial sales pitch, the law itself evidently is not similarly sophisticated.

52. See supra note 47. See also Hormel Foods Corp. v. Jim Henson Prods, Inc., 73 F.3d 497 (2d Cir. 1996) (finding the Muppet character “Spa’am” a permitted parody of the similarly-named luncheon meat, but only as part of a traditional infringement analysis.
The choice of which test to apply, or how to weight the elements, is no sure guide whether any given parody will be deemed fair. In *Dr. Seuss Enterprises, L.P. v. Penguin Books USA, Inc.*, 53 involving a satirical use of *The Cat in the Hat* as a vehicle to retell (in Seussian meter) the story of the O.J. Simpson murder trial, the court applied the traditional multifactor test55 and expressly relied on the conventional wisdom that fair use is simply the absence of likely confusion.56 It was this latter principle—and the very line of cases on which the Ninth Circuit relied in *Dr. Seuss Enterprises*—that the Supreme Court, seven years later, rejected in reversing the decision (also from the Ninth Circuit) in *KP Permanent Make-Up v. Lasting Impression I, Inc.* 57

More important to the outcome than the analytic framework, in *Dr. Seuss Enterprises* the authors cloaked themselves in the Seussian mantle, not to offer any comment or criticism of the original, but simply to draw attention to the accused book. Unlike Cliffs Notes, where the parodist had a message concerning the original (and remained true to that message) or MasterCard Int’l, where Mr. Nader was engaged in plainly purposeful political speech, the author in *Dr. Seuss Enterprises* had no broader message to which to be true.58

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53. 109 F.3d 1394 (9th Cir. 1997)

54. Following the Supreme Court’s decision in the copyright fair use case, *Campbell v. Acuff-Rose Music, Inc.*, 510 U.S. 569, 580, 114 S. Ct. 1164, 127 L. Ed. 2d 500 (1994), courts have expressed a preference for finding fair use in cases of parody as distinct from satire. “Parody,” as now defined by the courts, is a use of a work or other subject matter as a means to comment on or criticize something other than that work or subject matter, whereas “satire,” as now often understood, is a use of a work or subject matter to comment on or criticize the thing itself. Because of a possibly greater risk the subject matter being satirized will be used simply to call greater attention to the challenged product or work, satires have been less kindly received. See, e.g., *Mattel, Inc. v. MCA Records, Inc.*, 296 F.3d 894, 901 (9th Cir. 2002), explaining that the song “Barbie Girl” was a form of criticism of the values Barbie represented—as shown by such lyrics as “I’m a blond bimbo girl, in a fantastic world/Dress me up, make it tight, I’m your dolly.” The court distinguished such criticism (even if less than trenchant) from *Dr. Seuss Enterprises*, in which the Seussian style was used primarily—or solely—to call attention to the disputed work, “The Cat NOT In the Hat!”, rather than to comment on anything concerning Dr. Seuss.

55. *Dr. Seuss Enterprises*, 109 F.3d at 1404 et seq.

56. *Id.* at 1405. Said the court: “. . . the claim of parody is not really a separate ‘defense’ as such but merely a way of phrasing the traditional response that customers are not likely to be confused as to the source, sponsorship or approval.”

57. 328 F.3d 1061 (9th Cir. 2003).

58. See also *Harley-Davidson Inc. v. Grottanelli*, 164 F.3d 806, 812-13 (2d Cir. 1999) (parodist given considerable latitude to aim its commentary at a trademark, but “Grottanelli’s mark makes no comment on Harley’s mark; it simply uses it somewhat humorously to promote his own products and services, which is not a permitted trademark parody use.”). See *Yankee Pub. Inc. v. News America Pub. Inc.*, 809 F. Supp. 267, 280 (S.D.N.Y. 1992), in which the court concluded it mattered less whether the public
Although a mind far more subtle than this author’s would be needed to distinguish, on any consistent or principled basis, all of those cases upholding parodic use of trademarks from those prohibiting them,59 the analytic approach of many such decisions at least takes into account a distinction between what is at issue in a typical infringement suit and a case of parody, and often (although, alas, not always) gives separate weight to the message the accused parodist has sought to convey.60 Laying aside how much weight any given parody (or attempted parody) deserves, those cases giving separate weight to the parodic message do conform to the broad analytic model ultimately adopted in KP understood the admittedly subtle comic purpose of the parody than that the defendant remained true to its comic message. “First Amendment protections do not apply only to those who speak clearly, whose jokes are funny and whose parodies succeed.” Accord, Mattel, 296 F.3d at 901.

59. This is not to say that simply cloaking oneself in the mantle of parody excuses any or all unauthorized uses of a mark; rather, it is simply to recognize that the logic of parody differs from that of straightforward infringement. Nor is it to minimize the difficulty of articulating any simple rules to distinguish effective from ineffective parody.

60. Although certain categories leap to mind, the cases do not easily fit into consistent patterns. No simple distinction can be made, for instance, between purely commercial parodies (including parodic products), for which courts might be expected to have less tolerance than for parodies in publications or other core First Amendment vehicles of expression. See, e.g., Jordache Enter. v. Hogg Wyld, Ltd., 625 F. Supp. 48 (D.N.M. 1985), aff’d, 828 F.2d 1482 (10th Cir. 1987) (finding “Lardashé” jeans with pig insignia could not be confused with “Jordache” jeans with horse logo), or Eveready Battery Co., Inc. v. Adolph Coors Co., 765 F. Supp. 440 (N.D. Ill. 1991) (brewer permitted to spoof “Energizer Bunny” trademark in purely commercial promotion of its beer); Universal City Studios, Inc. v. T-Shirt Gallery, Ltd., 634 F. Supp. 1468 (S.D.N.Y. 1986) (“Miami Mice” T-shirts not likely to cause confusion with then-popular television show, Miami Vice.). Compare Dr. Seuss Enterprises, supra, enjoining book satirizing Dr. Seuss’ literary style. On the other hand, parodic products certainly have been enjoined. See, e.g., Hard Rock Café Licensing Corp. v. Pacific Graphics, Inc., 776 F. Supp. 1454, 1454 (W.D. Wash. 1991) (enjoining transfers for T-shirts using a “Hard Rain Café” logo); Grey v. Campbell Soup Co., 650 F. Supp. 1166, 1175 (C.D. Cal. 1986), aff’d, 830 F.2d 197 (9th Cir. 1987) (enjoining DOGIVA and CATIVA pet food in purported parody of GODIVA chocolate). Nor is the prurience of the parody any sure guide to permissibility. Compare LL Bean, Inc. v. Drake Publishers, 811 F.2d 26 (1st Cir. 1987), with Dallas Cowboys Cheerleaders, Inc. v. Pussycat Cinema Ltd., 604 F.2d 2d (2d Cir. 1979) and Pillsbury Co. v. Milky Way Productions, Inc., 215 U.S.P.Q. 124 (N.D. Ga. 1981). American Express Co. v Vibra Approved, Labs Corp., 87 Civ. 8840, 1989 WL 39679 (S.D.N.Y. April 19, 1989), amply demonstrates how paradoxical is parody (even plainly prurient parody), since there a replica of an American Express card containing a condom and sold under the tag line “Never leave home without it” and sold as a “sex toy” was deemed not an infringement—but was held likely to dilute or tarnish plaintiff’s marks. And although defendant’s “Garbage Pail Kids” children’s stickers and other products parodying Cabbage Patch Kids products were enjoined in Original Appalachian Artworks, Inc. v. Topps Chewing Gum, Inc., 642 F. Supp. 1031 (N.D. Ga. 1988), the same company’s “Wacky Packages” children’s stickers were permitted in Tetley, Inc. v. Topps Chewing Gum, Inc., 556 F. Supp. 785 (E.D.N.Y. 1983). Likewise, although a poster playfully mocking Coca-Cola’s logo in stating “Enjoy Cocaine” was enjoined in Coca-Cola Co. v. Gemini Rising, Inc., 346 F. Supp. 1183 (E.D.N.Y. 1972) a poster mocking the Girl Scout’s image of chastity by showing a pregnant scout—under the heading “Be Prepared”—was permitted in Girl Scouts of USA v. Personality Posters Mfg. Co., 304 F. Supp. 1228, 1233 (S.D.N.Y. 1969).
Permanent Make-Up, in which the fairness of the use is assessed on its own terms, not simply subsumed within the traditional infringement analysis. Precisely what the accused infringer must show to prove that the challenged use is fair or what the trademark owner must show to overcome a finding of fair use remains to be established, but at least some analytic consistency seems within reach.

It is instructive to recall here that the constitutional balancing test enunciated in Rogers v. Grimaldi (and which was the touchstone for the decision in Cliffs Notes and other like cases) was spelled out in a case the court itself characterized as one for false advertising. Few realms of law within the Lanham Act’s reach are more directly concerned with the truth or falsity with which trademarks and other commercial symbols are employed in commercial speech than is false advertising law. It is perhaps no accident, therefore, that the analytic framework used in false advertising law so closely resembles that later adopted in KP Permanent Make-Up.

As a matter of law, a party claiming false advertising has three main burdens. It must (1) identify the purportedly false message in the accused advertising. It must then (2) prove that to a statistically significant part of the relevant public the message was literally false or, alternatively, misleading. Survey evidence or other extrinsic proof generally is required to prove a literally true statement is misleading. Finally, it must (3) prove the materiality of any allegedly misleading statements; i.e., the statements must have “misrepresented an inherent quality or characteristic” of what is being advertised.

Just as the Court in KP Permanent Make-Up relieved the defendant of any initial burden to demonstrate the absence of likely confusion if its use of a descriptive term is one that (truthfully) describes a product or service, false advertising law similarly relieves the accused of any initial burden to address the likelihood of confusion if its advertising is literally true. If the advertising is literally true, there the story ends, unless the plaintiff can demonstrate, typically by survey evidence or other compelling extrinsic proof, that such literally truthful statements are nonetheless materially misleading to a significant part of the relevant buying public. Likewise, KP Permanent Make-Up places


on the trademark owner the burden to prove that a literally truthful descriptive use of a term that happens also to be a trademark is so misleading or so likely to cause confusion that the accused should be denied the right to make such descriptively accurate statements.

Following *KP Permanent Make-Up*, there can be little question of the parallel burdens of proof in classic fair use and false advertising cases. Nor should this be surprising given the parallel logic of deciding whether literally truthful and fair commercial speech describing the attributes of a product or service does or does not happen to entail use of a descriptive term claimed to be a trademark. In virtually the same way, a parody case entails use of a trademark to convey some message (typically an opinion rather than a literally true or false statement). If the purported parodist conveys no such message (as in *Dr. Seuss Enterprises*) or if the use of the trademark in issue exceeds what is needed to communicate the message, the parody ceases to be fair. Likewise too, false advertising cases and parody disputes will likely often involve similar levels of concern regarding the First Amendment right to engage in truthful commercial speech. Where the message involves political speech or other core First Amendment values (such as the artistic freedom in *Rogers v. Grimaldi*), a higher burden of proof may be appropriate before such speech is enjoined.

It is perhaps a simple enough matter for courts to determine if a claimed parodic use of a trademark has a message and has remained true to that message. It is little different from the requirement imposed in statutory fair use cases, such as *KP Permanent Make-Up*, of determining whether a claimed fair use has remained true to the descriptive meaning of the mark. Recognizing in fair use cases the parallel logic with false advertising may perhaps also help courts determine when the

63. See *Brother Records, Inc. v. Jardine*, 318 F.3d 900, 908 (9th Cir.), cert. denied, 540 U.S. 824 (2003) (prominent use of “Beach Boys” name by former band member created actual confusion). See also *Harley-Davidson, Inc. v. Grotanelli*, 164 F.3d 806 (2d Cir. 1999), in which use of the Harley-Davidson name to advertise that defendant repaired plaintiff’s motorcycles was fair but use of the Harley-Davidson logo exceeded what was needed to communicate this message and was not. *Westchester Media v. PRL USA Holdings, Inc.*, 214 F.3d 658 (5th Cir. 2000) (“Polo Magazine” likely to cause confusion with POLO apparel even under a heightened “particularly compelling” proof standard deemed appropriate because of the First Amendment interests at stake.).

64. In *Hard Rock Café* and *Grey v. Campbell Soup*, *supra* note 60, truthfulness of a different kind was also undoubtedly a factor, as the defendant in each case offered less than credible explanations for its conduct. The defendant in *Hard Rock Café* professed ignorance of the restaurant chain it said it was parodying and the defendant in *Grey* had, in the Court’s estimation, clearly contrived its defense that Campbell’s had knowingly acquiesced in its DOGIVA and CATIVA pet-food products parodying GODIVA chocolate. Such lack of candor surely contributed to undermining the parody defenses—defenses that might not, at any rate, have been successful.
IV. NOMINATIVE FAIR USE

In cases of what is sometimes labeled “nominative fair use,” or “comparative fair use,” reference is made to a trademark for the express purpose of calling to mind the actual subject of the mark, sometimes for purposes of commentary but sometimes because that is simply the best way to refer to the mark or goods or services sold under the mark. The first case to adopt the label “nominative fair use” (although hardly the first to apply the principle), New Kids on the Block v. News America Publishing, Inc., held it permissible for two newspapers to refer by name to the New Kids on the Block when they ran what were little more than popularity contests for the members of the then-hot musical group. Since it was permissible for the newspapers to refer to the band itself, use of the band’s name was the only sure way of identifying whom the media were discussing. Although the court expressly acknowledged that the defense did not fit the fair use test defined by statute and although the court also characterized the statute as a “comprehensive federal statutory scheme,” what the Ninth Circuit concluded was that such use fell outside the statutory scheme “because it does not implicate the source-identification function that is the purpose of trademark. . . .” The defense stood (albeit, outside the comprehensive statutory scheme) because it was a non-trademark use of the plaintiff’s trademark to identify in a truthful, non-misleading way the subject of the popularity contest. It was, in short, an application of Justice Holmes’ insight that trademark law does not give to commercial

65. For instance, notwithstanding that survey evidence or other such empirical proof of actual confusion is often enough to prove literally true advertising to be misleading, in Rogers v. Grimaldi (putatively a false advertising case) the court rejected survey evidence showing significant rates of confusion, finding such evidence outweighed by the First Amendment interests at stake. Rogers v. Grimaldi, 875 F.2d 994, 1001 (2d Cir. 1989).
66. 971 F.2d 302, 308 (9th Cir. 1992).
67. Id. at 305.
68. Id. at 308. Accord Cairns v. Franklin Mint Co., 292 F.3d 1139, 1151 (9th Cir. 2002), explaining that nominative fair use analysis “replaces the likelihood of customer confusion analysis set forth in [AMF, Inc. v.] Sleekcraft [Boats, 599 F.2d 341 (9th Cir. 1979); Mattel, Inc. v. Walking Mountain Prods., 353 F.3d 792, 810, n.19 (9th Cir. 2003) (same).
symbols such sanctity as to prevent their use to the tell truth—an observation the court quoted verbatim in the opinion.\textsuperscript{69}

To be sure, the Ninth Circuit has limited the right of third parties to make such referential uses of trademarks. The nominative fair use defense is limited by a three-part test, requiring that the product or service not be readily identifiable without use of the mark; that only so much use of the mark be made as is reasonably necessary, and that the user do nothing else to suggest sponsorship or endorsement.\textsuperscript{70} However, similar to the analytic model in \textit{KP Permanent Make-Up}, the court dispensed with any requirement that the traditional likelihood of confusion test be addressed.

Noting that trademark law does not confer exclusive rights in descriptive or generic terms,\textsuperscript{71} \textit{New Kids} explained that even well-established distinctive marks can serve a descriptive purpose when reference must be made to the goods or services bearing those marks.\textsuperscript{72} For instance, even though it would have been possible to construct some cumbersome locution to identify the then-popular band without the aid of the band’s actual name, that would have frustrated the simple aim of direct communication. The Ninth Circuit has also explained in a later case applying the holding in \textit{New Kids} that First Amendment protections come into play where marks come to “transcend their identifying purpose” and “enter the public discourse and become an integral part of our vocabulary.”\textsuperscript{73} In such circumstances, “the trademark owner does not have the right to control public discourse whenever the public imbuces his mark with a meaning beyond its source identifying function.”\textsuperscript{74} By the same logic, it can no doubt be said of any given name of any given product or service that the actual given name will be the most accurate and logical way to identify and refer to the products or services sold under the name or to comment on the brand itself. Although it will undoubtedly be true that better known brands will more likely be the subject of commentary than obscure brands of low public interest, logically it is not necessary that the mark have acquired some special social significance—a tertiary meaning as it were—for Justice Holmes’ observation to remain true.\textsuperscript{75}

\textsuperscript{69} \textit{New Kids}, 971 F.2d at 308.

\textsuperscript{70} Id.

\textsuperscript{71} Id. at 306.

\textsuperscript{72} Id. at 306-07.

\textsuperscript{73} \textit{Mattel, Inc. v. MCA}, 296 F.3d at 894, 900 (2002).

\textsuperscript{74} Id. See also, \textit{Mattel, Inc. v. Walking Mountain Prods.}, 353 F.3d at 807.

\textsuperscript{75} Justice Holmes also explained in \textit{Saxlehner v. Wagner}, 216 U.S. 375, 30 S. Ct. 298, 54 L. Ed. 525 (1910), that the defendant, being permitted to copy plaintiff’s unpatented
serves as the name by which the brand itself or the set of products or services sold under the brand can best be described.

How then does the nominative fair use defense differ from classic fair use at issue in *KP Permanent Make-Up*? In *Cairns v. Franklin Mint Co.* (decided before the Supreme Court’s recent ruling), the Ninth Circuit explained that in classic or statutory fair use, the defendant uses the plaintiff’s mark to describe the defendant’s own product whereas in nominative fair use the name is used by the defendant to describe or refer to the plaintiff’s product. Simple enough, yet the *Cairns* case itself shows how elusive the distinction can be.

Defendant’s products in *Cairns* were commemorative plates, jewelry and dolls with Princess Diana’s image, which defendant identified on the products and in advertising by use of her name. Finding no post-mortem right of publicity under British law and finding further that Princess Diana had done nothing to limit other similar uses of her name and image, the court concluded her Estate had established no underlying right in such images. As such, it was also a fair use for the Franklin Mint to use her name to identify her in describing those images. And it was a nominative fair use (or so held the court) because the references were not to defendants’ own product but to plaintiff herself (or the Estate’s claimed interest in her name and image). Because her image appeared on defendant’s own products, the distinction the court sought to draw as to whose products were being referenced by Franklin Mint’s use of the name was a fine one indeed—and one the court never addressed. To the contrary, the court’s analysis (about which more in a moment) revealed how diaphanously delicate the distinction truly is; indeed, the court expressly noted that “[o]nly rarely, if ever, will a defendant choose to refer to the plaintiff’s product unless the reference ultimately helps to describe the defendant’s own product.”

Similarly showing how murky is the line between classical or statutory fair use, on the one hand, and nominative fair use on the other, is *Playboy Enterprises, Inc. v. Welles*, in which a former Playboy model used on her website, in advertising for the site and in metatags on the site, the trademarks “Playboy” and “Playmate” mineral water, was also free to reference the unpatented article by name to explain (truthfully) what product it was that had been emulated.

76. 292 F.3d 1139 (9th Cir. 2002).
77. *Id.* at 1149-50.
78. *Id.* at 1153 (“We therefore hold that Princess Diana’s physical appearance is not readily identifiable without use of her likeness.”).
79. *Id.* at 1150-52.
80. *Id.* at 1151 n.8.
81. 279 F.3d 796 (9th Cir. 2002).
nominally, at least, to describe her former affiliation with the plaintiff. These were deemed nominative fair use. However, her use of the Playboy trademark PMOY (Playmate of the Year) (in Mrs. Welles’ case, true of her in 1981) on the background or “wallpaper” for her website either exceeded what seemed fair or simply was not sufficiently tied to her past to function descriptively. Laying aside whether some of the uses deemed fair truly met the Ninth Circuit’s own nominative fair use test, the court’s own analysis was simply that “the trademarked terms accurately describe the contents of Welles’ website, in addition to describing Welles.” Yet, as set forth in Cairns, description of one’s own goods or services (as distinct from a third-party trademark owner’s) is said to be a distinguishing feature of statutory fair use, not nominative fair use.

Particularly after KP Permanent Make-Up rendered largely indistinguishable the burden of proving the two kinds of fair use, perhaps it no longer matters which label is applied so long as the term in issue is used to tell the truth. Indeed, what seemed to most trouble the court in Playboy regarding the one use deemed unfair (the repetitive use of the mark PMOY on the wallpaper for the site) was that it was not used for any narrative “truth-telling” purpose, but was simply there—presumably, thus, as an attention getting device, i.e., as a trademark.

Before further exploring the relationship between nominative fair use and classic fair use, the question arises of why the Ninth Circuit strove as mightily as it did to ensure the Franklin Mint’s references to Lady Di were analyzed under one but not the other rubric when, realistically, it was impossible to tell if use of her name was a reference to the Princess or the plates. Writing in 2002, before KP Permanent Make-Up, the court explained that the analytic framework in the two types of cases materially differed: the classic fair use test (particularly in the Ninth Circuit, whose decision was reversed in KP Permanent Make-Up) required application of the full multipart likelihood of confusion test, as the district court had done in Cairns, whereas the nominative fair use test was the simpler three-part test described above, requiring no analysis of the likelihood of confusion factors. After December 2004, of course, the practical distinction has been

82. The court did not, for instance, explain how unseen metatags might serve any fair descriptive function. They certainly helped get her site indexed by search engines, which the court accepted since they were used in moderation, id. at 802, but what descriptive role they served is hardly clear.

83. Id. at 803.

84. In the Ninth Circuit, the leading case of course is AMF, Inc. v. Sleekcraft Boats, 599 F.2d 341 (9th Cir. 1979).

85. Cairns v. Franklin Mint Co., 292 F.2d 1139 (9th Cir. 2002).
eliminated, and it is doubtful the outcome in Cairns would have been in any way different had the court applied the classic fair use test to determine if Franklin Mint had used the personal name, Princess Diana, in a fair descriptive sense to describe the person depicted on its own plates (rather than as a nominative fair reference to the images in some more abstract sense).  

On a deeper level, it also bears noting the legal antecedents relied on in New Kids on the Block (and Cairns) to support the nominative fair use defense. Both cases cite WCVB –TV v. Boston Athletic Ass’n, in which a Boston television news show made prominent use of the name “Boston Marathon” (which happened also to be a registered trademark of the Boston Athletic Association) in its coverage of the race. Without disputing that the name was a protectable mark (one indeed for which the television station had once paid a license fee), the First Circuit held that it was a permitted classic fair use for the broadcaster to use the term in its descriptive sense to identify the event. All the court observed was that the “words do more than call attention to Channel 5’s program they also describe the event. . . .” Although a classic fair use case, perhaps what it most shares with New Kids is the recognition that an established mark can also have another meaning—be it an original descriptive meaning or perhaps an acquired or tertiary “descriptive” meaning—and so long as a third party’s use of the term remains true to that descriptive meaning, it is not an infringement.

The citation in New Kids to WCVB-TV is not the only respect in which the nominative fair use defense was (and is) directly drawn from classic or statutory fair use. Indeed, Judge Kozinski’s analysis in New Kids begins with the recognition that trademark law does not accord any exclusive rights to generic terms and only limited rights to descriptive terms. As with classic fair use, the same issue arises, the court observed, when someone other than the trademark owner wishes to refer to a distinctive trademark or to goods or services sold under the mark; without use of the mark itself, there are no other effective or suitable descriptive terms to

86. Of course, such use was not of the party’s own individual name or the name of someone in privity with the party, see 15 U.S.C. § 1115(b)(4), but that does not mean it was not a descriptive use of the name in its primary sense as a name.

87. 926 F.2d 42 (1st Cir. 1951).

88. Id. at 46.

89. Id. (emphasis added).

90. In a similar sense, it has been recognized that a trademark can always be seen as the generic name for the class of goods or services sold under the mark. Anti-Monopoly Inc. v. Gen. Mills Fun Group, 611 F.2d, 296, 303-06 (9th Cir. 1979).

identify that specific thing. In the example cited by the court, one could refer obliquely to the (then) world championship basketball team from Chicago, but the name “Chicago Bulls” is a far more apt way of identifying the team.

Similarly underscoring how the nominative fair use defense and classic fair use defense are at most two sides of the same coin (or simply adjoining points on a continuous spectrum) is how they both trace to Justice Holmes’ observation that trademark law does not purport to limit the use of language to tell the truth. Not only did New Kids expressly cite to Prestonettes v. Coty,92 it also relied on Smith v. Chanel, Inc.,93 in which a maker of imitation perfume was permitted to advertise that it was a copy of Chanel’s more famous original fragrance. That case relied in turn on another Justice Holmes analysis: in Saxlehner v. Wagner,94 in which the right to copy an unpatented mineral water likewise included the right to advertise truthfully that it was a copy. Without distinguishing between kinds of fair use, Justice Holmes explained:

They have a right to tell the public what they are doing, and to get whatever share they can in the popularity of the water by advertising that they are trying to make the same article, and think that they succeeded.95

In Saxlehner as in Prestonettes (and as in nominative fair use and statutory fair use cases), the primary distinction is between what is true and what is false; likelihood of confusion, while clearly relevant, assumes a secondary role. And so long as the burdens of proof are more or less the same, it perhaps no longer matters what label is applied. Treating all fair use cases as fair use cases may also avoid needless analytical confusion.

V. A POSSIBLE SYNTHESIS

Historically, the analytic approaches that courts have used to decide trademark fair use issues have varied widely, and the tendency has been to emphasize what separates the several species of fair use rather than what unites them. Professor McCarthy probably captured the prevailing view when he said of statutory fair use and nominative fair use that “[t]hey are quite different from each other and bear little resemblance except that

92. Id. at 308.
93. 402 F.2d 562 (9th Cir. 1968).
94. 216 U.S. 375, 30 S. Ct. 298, 54 L. Ed. 525 (1910).
95. Id. at 380-81, 30 S. Ct. at 298-99.
both are types of non-infringing use.” Indeed, many courts (perhaps most prior to KP Permanent Make-Up) have followed the “conventional wisdom” of treating fair use, not as a doctrinally distinct analysis, but merely an absence of likely confusion—or perhaps as something of an overlay on the traditional multi-part test for likelihood of confusion or dilution. As we have seen, other courts have employed a balancing approach, weighing fair use concerns and First Amendment rights of expression, on the one hand, against the trademark owner’s claimed proprietary interests—at least for some parodic fair use cases. Still other courts accord fair use a more doctrinally distinct status, assessing the fairness of the use separate and apart from consideration of any likely effects on the trademark owner’s claimed rights. Notwithstanding that the Supreme Court ultimately qualified its holding in KP Permanent Make-Up by conceding fair use can be overcome by a sufficiently strong showing of likely confusion, the Court’s decision most neatly fits this model. However, the Supreme Court gave no express guidance as to which test applies to types of uses other than the one descriptive use before it.

Concern regarding the uncertain measure of fair and unfair use is made with some vehemence by a recent volume, Brand Name Bullies, which faults the legal system for not doing more to protect the public right to use trademarks for commentary or criticism. From the perspective of a non-lawyer—a perspective that may be particularly relevant in balancing rights of trademark owners against a wider public right to incorporate marks in

98. In Mattel, Inc. v. Walking Mountain Productions, the court expressed uncertainty whether the balancing test applicable for fair use defense to a trademark claim would apply to a trade dress claim, and hence declined to employ the test to avoid consideration of constitutional issues when narrower grounds of decision are available. Id. at 808, n.14. By the same logic, the court might just as well have avoided constitutional issues entirely by using a single fair use test for both. Indeed, copyright fair use generally avoids all consideration of First Amendment issues by treating the entire defense within a single, comprehensive, statutory scheme. New Era Publ’ns Int’l ApS v. Henry Holt & Co., 873 F.2d 576, 584 (2d Cir. 1989) (“the fair use doctrine encompasses all claims of first amendment in the copyright field”), cert. denied, 493 U.S. 1094, 110 S. Ct. 1168, 107 L. Ed. 2d 1071 (1990); Roy Export Co. v. Columbia Broadcasting Sys., Inc., 672 F.2d 1095, 1099-1100 (2d Cir.), cert. denied, 459 U.S. 826, 103 S. Ct. 60, 74 L. Ed. 2d 63 (1982).
99. David Bollier, Brand Name Bullies, The Quest to Own and Control Culture (2005). Mr. Bollier argues that “Trademark law, then, often serves as a blunt instrument of cultural intimidation and censorship. The actual risk of market fraud or confusion may be remote. But that is frequently not the real concern of many trademark holders, who care only about squelching ridicule or criticism.” Id. at 84.
comment or criticism—the many fine distinctions required to apply the trademark fair use doctrine are bewildering and provoke cynicism. So says the author: “As if to betray their own incompetence at judging parodies, the courts make excruciatingly abstract critiques and highly contrived distinctions whose real purpose, it would appear, is to disguise the sheer subjectivity of the rulings.”

Somewhat emblematic of the uncertain measure of fair and unfair use (so-cited by the author of Brand Name Bullies and no doubt others), although perhaps reflecting other causes entirely, is one of the more newsworthy recent fair use disputes, in which Fox News, the owner of the registered trademark “Fair and Balanced,” sued the comic and political commentator, Al Franken, for entitling his book Lies and the Lying Liars Who Tell Them: A Fair and Balanced Look at the Right. Despite the volume’s unsparing criticism of news reporting by Fox News (among others), the premise of the suit was that use of the term “fair and balanced” in the title might lead purchasers of the book to believe it was sponsored or approved by plaintiff or its news host, Bill O’Reilly. Whether anyone at Fox News genuinely believed readers might think they had sponsored or approved the volume, that the case could be brought at all helps make the point that the trademark fair use “doctrine” is not a coherent doctrine at all but a body loosely stitched together from many different sources: a “Frankenlaw” if one can forgive the play on words. If admittedly less than monstrous, the chilling visage of the patchwork assemblage from different bodies of law may nonetheless be a threat—not to pillage the countryside but, rather, by the very roughness of its contours, to inhibit protected speech.

Recognizing that analytic clarity might be of modest help to prevent needlessly inhibiting free exercise of protected speech, it is nonetheless also true that a term as broad as “fair” (or its presumed opposite, “unfair”) could not possibly be reduced to a simple formula or algorithm. That, however, is not a reason to dismiss entirely efforts at greater consistency. Indeed, contrary to

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100. Id. at 98.
101. Id. at 114-17.
102. Fox News Network, Llc v. Penguin Group (USA), Inc., 2003 WL 23281520 03 Civ. 6162 (RLC)(DC), (S.D.N.Y. Aug. 22, 2003). in which the court rejected outright the Fox Network’s objection, on behalf of news host Bill O’Reilly, to Al Franken’s use of the phrase “fair and balanced” (Fox News’ registered trademark) as part of the subtitle to his book Lies and the Lying Liars Who Tell Them: A Fair and Balanced Look at the Right (2004). The book was so openly critical of Mr. O’Reilly that the court had little difficulty finding no likelihood of confusion. However, the court’s decision does give some attention to the various “Polaroid” factors to support its conclusion.
the prevailing wisdom, there is far more that fair use cases have in common than there is that separates them. At a modest level of abstraction (scarcely above simple literalism), one might even fit all fair use cases within the statutory fair use defense—at least if one accepts the premise that trademarks have a descriptive meaning when used self-referentially.\textsuperscript{104} Take as an example \textit{Mattel, Inc. v. MCA Records, Inc.},\textsuperscript{105} in which the song “Barbie Girl” was deemed a fair use when a Danish band used the term “Barbie” to refer to the doll itself—in a manner the court deemed fair commentary on the values represented by that name and trademark.\textsuperscript{106} By this analysis, the band employed the term, not in its sense as a trademark to designate origin, but rather (i) in the descriptive sense of the term, \textit{i.e.}, “other than as a trademark” simply to identify the set of dolls and toys represented by the name. Moreover, (ii) the term was used descriptively (to describe or identify the trademark itself), and, finally (iii), the accused use was made “fairly and in good faith”—or so the court held. That is to say, the use conformed to the three-part test of statutory fair use. With little difficulty, virtually any parody or nominative fair use can, in similar fashion, be brought within the statutory language of Section 1115 of the Lanham Act, so long as one is willing to acknowledge (as courts routinely do\textsuperscript{107}) that use of an established trademark to describe or identify the goods or services sold under that mark or to identify the mark itself is a use “other than as a trademark.” The language of Section 1115 itself simply does not discriminate between inherently descriptive terms or inherently distinctive terms in defining the cardinal feature of “fair use”: namely, use “otherwise than as a mark.”\textsuperscript{108}

Similarly, at a very modest level of abstraction, one could also say that all fair use—including statutory fair use—simply falls outside trademark law because, in nominative fair use as well as

\textsuperscript{104} Although it is submitted that the existing language of 15 U.S.C. § 1115(b)(4)(e) is in principle broad enough to encompass all forms of fair use, the following modest clarifications (italicized) could remove any doubt: “That the use of the name, term, or device charged to be an infringement is a use, otherwise than as a mark, of the party’s individual name in his own business, or of the individual name of anyone in privity with such party, or of a term or device which is descriptive of and used fairly and in good faith only to describe the goods or services of such party, or their geographic origin, or to refer to or comment upon the trademark or the trademark owner’s goods or services.”

\textsuperscript{105} 296 F.3d 894 (9th Cir. 2002).

\textsuperscript{106} See supra note 54.

\textsuperscript{107} Indeed, a growing line of cases involving internet sites ("gripe sites") designed solely to criticize a trademark owner have permitted use of the trademarks in issue because the use is not as a mark. \textit{See Bosley Medical Inst., Inc. v. Kremer}, 403 F.3d 672, 74 U.S.P.Q.2d 1280 (9th Cir. 2005). Compare \textit{People for Ethical Treatment of Animals v. Doughney}, 263 F.3d 359 (4th Cir. 2001).

\textsuperscript{108} However, see \textit{Institute for Scientific Info, Inc. v. Gordon & Breach Sci. Publishers, Inc.}, 921 F.2d 1002, 1010 (3d Cir. 1991).
classical or statutory fair use and parody, a term or other symbol claimed as a mark is used *not* to identify the source of origin of the user's goods or services but to describe the qualities or characteristics of the goods or services or to comment on or make a comparison to the trademark. 109 Similarly, the very point of nominative fair use cases is that the accused infringer, although using a term that happens to be a trademark, is not using it *as* a trademark to designate the source of origin of his goods. So too, in statutory fair use cases, the claimed mark, which happens also to be a descriptive term, is being used, not as a trademark, but to describe the alleged infringer's products or services. In each, the claimed mark is used to speak the truth, which, as shown by Justice Holmes' insight, is the single distinguishing feature of all forms of fair use. 110 In this respect too, the varieties of trademark fair use not only have a great deal in common with one another, but with the law of false advertising, in which the primary distinction is between truth and falsity, rather than the existence or not of likelihood of confusion.

Following *KP Permanent Make-Up*, the burdens of proof in these related bodies of law are also aligned. Indeed, by largely severing the fair use analysis from likelihood of confusion, and rejecting a simple dichotomy between "fair" and "unfair," the broad import of *KP Permanent Make-Up* is to transform the issue into an even simpler either/or: "true" or "false." If the claimed trademark

109. Applying this notion to one form of trademark use (or fair use) of particular concern just now is the sale by Internet search engines of "keyword" advertising, in which they permit merchants to have *paid* advertisements listed alongside (but typically separate from) *unpaid* search results for competitors' products. Curiously, only one week after the Supreme Court decided *KP Permanent Make-Up*, a district court held in *Government Employment Ins. Co. v. Google, Inc.*, 1:04 Civ. 507 (E.D. Va. Dec. 17, 2004), that the sale by Google and Overture of ads tied to the keyword GEICO was not likely to cause confusion. The Court earlier indicated that factual issues prevented it from deciding Google's fair use defense on a motion to dismiss. *GEICO v. Google, Inc.*, 330 F. Supp. 2d 700 (E.D. Va. 2004). However, as in nominative fair use cases, the comparison to products or services promoted in keyword ads is not easily accomplished without use of the actual trademarks, the ads themselves most often do not even use the trademarks in issue, and typically the ads either make clear the competitive relationship between the entities or simply say nothing at all about the competitors. Where such advertisements exceed the limited need to refer to a competitor's trademark or misleadingly suggest affiliation, they should be deemed unfair (i.e., to constitute false advertising) under accepted principles of false advertising law.

110. *Sunmark, Inc. v. Ocean Spray Cranberries, Inc.*, 64 F.3d 1055, 1059 (7th Cir. 1995), one of the statutory fair use cases cited approvingly by the Supreme Court in *KP Permanent Make-Up*, 125 S. Ct. at 547, to support the proposition that a use can be deemed fair or not independent of likelihood of confusion, relied in turn on the Supreme Court's holding in *William R. Warner & Co. v. Eli Lilly & Co.*, 265 U.S. 526, 44 S. Ct. 615, 68 L. Ed. 1161 (1924), in which the Court rejected a claim that the mark QUIN-COCO infringed COCO-QUININE: "The use of a similar name by another to truthfully describe his own product does not constitute a legal or moral wrong, even if its effect be to cause the public to mistake the origin of the product." 265 U.S. at 528, 44 S. Ct. at 616. Truth again rears its pristine head.
is used by the fair user truthfully to describe the qualities of its products or services, or is used in a parody in a manner that is true to the parodic message, the use is fair. If not, infringement can then be found—assuming a likelihood of confusion can be proven. Even if courts still insist on distinguishing between the different types of fair use, as a practical matter, by aligning the burdens of proof in statutory fair use cases with other fair use cases, *KP Permanent Make-Up* may thus have the effect of making more or less the same what the parties must prove in each type of case.

Whether any such cases involving one form or another of claimed fair use will be affected by *KP Permanent Make-Up*, or how the decision will in the end alter the fair use doctrine in trademark cases is not easily foretold. Indeed, even in *KP Permanent Make-Up*, on remand to the Ninth Circuit after the Supreme Court’s decision, the Court of Appeals simply remanded further to the district court to reconsider its grant of summary judgment in view of the existence of evidence of likelihood of confusion.111 Because of remaining unsettled questions of statutory interpretation and uncertain application of the decision to non-statutory fair use issues, there may even be some advantage to amending the Lanham Act itself.112 That the defense has been broadened somewhat is clear. That a broadened defense will lead to its wider application is likely. But only time will tell how deeply the defense has been altered or whether the main effects will prove cosmetic only. If only as an analytical framework, however, *KP Permanent Make-Up*, if interwoven with other aspects of fair use, could surely help clarify what must be proven in all forms of trademark fair use and by whom, and thus make the fair use doctrine appear less like an assemblage of unrelated body parts crudely stitched together. Even as a cosmetic, *KP Permanent Make-Up* may be different from other salves, creams or lotions. Unlike most over-the-counter make-ups, the “micro colors” sold by both petitioner and respondent in *KP Permanent Make-Up* were meant for subcutaneous injection to treat scars and other disfiguring skin conditions by concealing them permanently. Perhaps similarly, the legal precedent to which these products have given life may prove to be more than skin-deep, a precedent that can help smooth over (perhaps permanently) some of the scars and disfiguring conditions of the current “Frankenlaw” that comprises the trademark fair use doctrine.

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111. *KP Permanent Make-Up, Inc. v. Lasting Impression I, Inc.*, 408 F.3d 596 (9th Cir. 2005).

112. See supra note 104.