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Confusion Over Use:
Contextualism in Trademark Law

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I. INTRODUCTION.....	1599
II. A CRITIQUE OF TRADEMARK USE ON DESCRIPTIVE GROUNDS.....	1609
A. INTERPRETATION OF "USE IN COMMERCE".....	1609
B. INTERPRETATION OF THE "IN CONNECTION WITH" CLAUSE.....	1615
C. COMMON LAW INCORPORATION.....	1616
D. CASE LAW REVISIONISM.....	1618
III. A PRESCRIPTIVE CRITIQUE OF TRADEMARK USE.....	1622
A. FLAWS IN THE SEARCH COSTS JUSTIFICATION FOR TRADEMARK USE...1623	
1. Do Non-Trademark Uses Cause Confusion?.....	1625
2. Search Engines and Search Costs: Information Overload.....	1629
3. Search Engines and Search Costs: Insufficient Regulation.....	1632
4. Prudential Concerns.....	1636

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5. Incompleteness.....	1638
B. <i>FALSE DETERMINACY</i>	1641
1. The Development of Ancillary Use Doctrines	1643
2. Uncertainty in Actual Use Inquiries	1644
3. A Diagnosis: Use as Proxy.....	1644
4. Lessons for Trademark Use in the Infringement Context	1646
C. <i>IGNORING COMPLEXITIES IN THE CONCEPT OF A MARK</i>	1650
D. <i>THE FALSE ALLURE OF A WONDER THEORY</i>	1657
IV. REFLECTIONS ON CONTEXTUALISM IN TRADEMARK LAW	1662
V. CONCLUSION	1667

I. INTRODUCTION

For several decades, the concept of consumer confusion has served as the touchstone for trademark liability.¹ The nature and level of actionable confusion, along with the forms of consumer understanding that are properly protected against confusion, have been the principal focus of debate regarding the appropriate compass of trademark law.²

During the last three years, however, a number of scholars have argued that an unauthorized user of a mark is only liable, and should only be liable, when it uses the plaintiff's mark "as a mark."³ According to this argument, sometimes called the trademark use theory, the nature of the defendant's use serves as a threshold filter, requiring courts to engage in a preliminary inquiry regarding the nature of that use, thereby downgrading any analysis of its effects on consumer understanding.⁴ Indeed, courts following this new

1. Not all forms of confusion are actionable under trademark law, and thus, a third party may be permitted to engage in some uses of a mark notwithstanding the fact that such uses cause confusion. See *KP Permanent Make-Up, Inc. v. Lasting Impression I, Inc.*, 543 U.S. 111, 121–22 (2004).

2. See, e.g., 15 U.S.C. § 1125(a) (2000) (rendering actionable confusion inter alia as to affiliation, endorsement, sponsorship, or connection); Pub. L. No. 87-772, § 17, 76 Stat. 769, 773–74 (1962) (codified as amended at 15 U.S.C. § 1114) (expanding actionable confusion by deleting references to "origin" and "purchasers"). See generally *Two Pesos, Inc. v. Taco Cabana, Inc.*, 505 U.S. 763, 775 (1992) (rejecting the doctrine of "secondary meaning in the making"); *Playboy Enters., Inc. v. Netscape Comm'ns Corp.*, 354 F.3d 1020 (9th Cir. 2004) (finding initial interest confusion actionable); *A & H Sportswear, Inc. v. Victoria's Secret Stores, Inc.*, 237 F.3d 198 (3d Cir. 2000) (holding that reverse confusion is actionable); *Ferrari S.P.A. Esercizio v. Roberts*, 944 F.2d 1235 (6th Cir. 1991) (finding post-sale confusion actionable); *Truck Equip. Serv. Co. v. Fruehauf Corp.*, 536 F.2d 1210, 1217–18 (8th Cir. 1976) (protecting product designs as source-identifiers). Even scholars who argue that trademark law historically sought to vindicate producer interests recognize that, under that model, focusing on consumer confusion served as a primary means of identifying those circumstances where producer interests were being undermined. See Mark P. McKenna, *The Normative Foundations of Trademark Law*, 82 NOTRE DAME L. REV. 1839, 1848 (2007). Contemporary trademark doctrines, such as dilution protection, that dispense with a focus on confusion have proven controversial. See Federal Trademark Dilution Act, 15 U.S.C. § 1125(c) (2000); see also Anti-Cybersquatting Consumer Protection Act of 1999, 15 U.S.C. § 1125(d) (2000).

3. See generally Margreth Barrett, *Internet Trademark Suits and the Demise of "Trademark Use,"* 39 U.C. DAVIS L. REV. 371 (2006); Stacey L. Dogan & Mark A. Lemley, *Trademark and Consumer Search Costs on the Internet*, 41 HOUS. L. REV. 777 (2004); Uli Widmaier, *Use, Liability, and the Structure of Trademark Law*, 33 HOFSTRA L. REV. 603 (2004). See also McKenna, *supra* note 2, at 1892 (noting the "traditional requirement that, in order to infringe, the defendant [must] use a term as a source-designator (as a trademark)"). See also, generally, Eric Goldman, *Deregulating Relevancy in Internet Trademark Law*, 54 EMORY L.J. 507 (2005).

4. The primary autonomous use-related filter is jurisdictional. See 15 U.S.C. § 1051(a) (requiring "use in commerce" as a prerequisite to one basis for an application for a federal registration); *In re Trade-Mark Cases*, 100 U.S. 82, 99 (1879) (striking down a federal trademark statute that was not restricted to uses in interstate commerce); see also *infra* text accompanying notes 50–56 (discussing statutory provisions requiring "use in commerce" as basis for federal court jurisdiction over infringement). Given the evolution in our understanding of the Commerce Clause, this has proved to be a minimal filter. See *Bosley Med. Inst., Inc. v. Kremer*,

theory would not even reach the question of confusion absent the defendant's use being a "trademark use."⁵ A defendant engaged in non-trademark use would ipso facto be immune from liability.⁶

Proponents of the trademark use theory claim that requiring trademark use as a prerequisite to infringement has been an implicit (though largely unarticulated) principle of trademark law since before consumer confusion assumed its analytical dominance in the twentieth century.⁷ The principle, they argue, finds expression (albeit not *in haec verbis*) in the Lanham Act or has been an underlying principle of trademark law—consistent with standard economic theories of trademark law—that recent developments have brought to the surface. Supporters of this position have been spurred to excavate the theory in hopes of furthering a number of contemporary policy objectives, primarily with regard to online contextual advertising and affiliation merchandising. The trademark use theory threatens, however, to become even more pervasive—an all-purpose device by which to immunize a diverse set of practices from even *potential* liability for trademark infringement.⁸

Arguments invoking the theory have been made to courts and legislatures,⁹ both in the United States¹⁰ and elsewhere.¹¹ The trademark use

403 F.3d 672, 677 (9th Cir. 2005) ("Use in commerce' is simply a jurisdictional predicate."); Dogan & Lemley, *supra* note 3, at 806 (describing "use in commerce" as a jurisdictional requirement).

5. The nature of the defendant's use is relevant to the scope of trademark protection, but the trademark use theory attaches deterministic significance to the nature of the use independently of the context in which the use occurs and, thus, of the effects of that use. *See infra* Part III (discussing fair use, nominative use, parody, and the multifactor likelihood of confusion test).

6. *See* Dogan & Lemley, *supra* note 3, at 809, 810 n.130 (listing scenarios that the trademark use theory has immunized).

7. *See* Barrett, *supra* note 3, at 378; Dogan & Lemley, *supra* note 3, at 779; Widmaier, *supra* note 3, at 708 (asserting that trademark use is a "foundational premise of trademark law").

8. *See Trademark Dilution Revision Act of 2005: Hearing on H.R. 683 Before the Subcomm. on Courts, the Internet, and Intellectual Property of the H. Comm. on the Judiciary*, 109th Cong. 1, 16 (2005) [hereinafter *Dilution Hearing*] (testimony of Anne Gundelfinger); *id.* at 18, 21 (testimony of Mark A. Lemley); Dogan & Lemley, *supra* note 3, at 809, 810 n.130.

9. *See* Proposed Trademark Dilution Revision Act of 2005, H.R. 683, 109th Cong. § 2 (2005); *Dilution Hearing*, *supra* note 8, at 7, 24 (proposing a dilution cause of action that would have required that the defendant engage in use of plaintiff's mark as a designation of source); *see also* Graeme B. Dinwoodie & Mark D. Janis, *Dilution's (Still) Uncertain Future*, 105 MICH. L. REV. FIRST IMPRESSIONS 98, 100 (2006), <http://www.michiganlawreview.org/firstimpressions/vol105/dinwoodie.pdf> (noting arguments that the Trademark Dilution Revision Act of 2006 introduced a trademark use requirement in dilution actions).

10. *See generally* 1-800 Contacts, Inc. v. WhenU.com, Inc., 414 F.3d 400 (2d Cir. 2005); Interactive Prods. Corp. v. a2z Mobile Office Solutions, Inc., 326 F.3d 687 (6th Cir. 2003); Site Pro-1, Inc. v. Better Metal, LLC, No. 06-CV-6508, 2007 WL 1385730, *4 (ILG) (RER) (E.D.N.Y. May 9, 2007) ("[The] key question is whether the defendant placed plaintiff's trademark on any goods, displays, containers, or advertisements, or used plaintiff's trademark in any way that indicates source or origin."); Hamzik v. Zale Corp/Delaware, No. 3:06-cv-1300, 2007 WL

