

The Trademark Reporter®



The Law Journal of the International Trademark Association

Recognizing the “Use”-fulness of Evidence at the TTAB

Lorelei D. Ritchie

Trade Dress Protection and Its Impact on Competition: An Attempt at an Empirical Approach

Dr. Xiaoren Wang

Commentary: Clearing Up Some Confusion About Dilution: A Reply to Hal Poret

Barton Beebe, Roy Germano, Christopher Jon Sprigman, and Joel H. Steckel

INTERNATIONAL TRADEMARK ASSOCIATION

Powerful Network Powerful Brands

675 Third Avenue, New York, NY 10017-5704

Telephone: +1 (212) 642-1700

email: wknnox@inta.org

OFFICERS OF THE ASSOCIATION

ZEEGER VINK.....	<i>President</i>
JOMARIE FREDERICKS.....	<i>President-Elect</i>
DANA NORTHCOTT.....	<i>Vice President</i>
ELISABETH BRADLEY.....	<i>Vice President</i>
DEBORAH HAMPTON.....	<i>Treasurer</i>
LOUIS CHAN.....	<i>Secretary</i>
ANTHONY DREYER.....	<i>Counsel</i>
ETIENNE SANZ DE ACEDO.....	<i>Chief Executive Officer</i>

The Trademark Reporter Committee

EDITORIAL BOARD

EDITOR-IN-CHIEF, CHAIR

RAFFI V. ZEROUNIAN

STAFF EDITOR-IN-CHIEF

WILLARD KNOX

Senior Editors

PAMELA CHESTEK

ANDREW GRAY

LESLEY GROSSBERG

KAREN ELBURG

VERENA VON BOMHARD

VERENA VON BOMHARD

Director of Legal Resources

LIZ HANELLIN

Senior Staff Editor

BEVERLY HARRIS

Senior Staff Editor

ELIZABETH VENTURO

Senior Legal Editor

ROSEMARY DESTEFANO

Composer

BARBARA MOTTER

Editors

TARA ALLSTUN
ABDURRAHIM AYAZ
SARA BAUER
DANIEL BERESKIN
WILLIAM BORCHARD
STEPHANIE BUNTIN
JEANNETTE CARMADELLA
JOSEPH CARRAFIELLO
TED DAVIS
MICHAEL DENNISTON
MOHAN DEWAN
TUE DO
MATTHEW EZELL
CHRISTINE FELLER
DÉSIRÉE FIELDS
MATHILDE FLORENSON
GABRIELE FOUIGNER
ALEX GARENS
STUART GREEN
STACY GROSSMAN
JORDI GÜELL
WINSLOW HALL

JOHN HEINBOCKEL
BARRY HORWITZ
GANG HU
BRUCE ISAACSON
MANAVI JAIN
BARBARA JOHNSON
SAUMYA KAPOOR
INGRIDA KARINA-BERZINA
ELISABETH KASZNAR FEKETE
CHIAKI KATO
SUSAN KERI
SABRINA LARSON
SCOTT LEBSON
QIANG MA
SONAL MADAN
ILARIA MAGGIONI
MICHAEL MAIER
JAMES MCALLISTER
J. THOMAS MCCARTHY
CATHERINE MITROS
ERIC MORAN

SHANA OLSON
RICCARDO PEROTTI
LUIS HENRIQUE PORANGABA
UDAYVIR RANA
BRANDON RESS
SUSAN RUSSELL
MARTIN SCHMIDT
TOM SCOURFIELD
JENNIFER SICKLER
GIULIO ENRICO SIRONI
SCOTT SLAVICK
MEGAN SNEED
RANDY SPRINGER
DONALD THOMPSON
MINN TYAZAR TIN
KHALA TURNER
CRISTINA VALCAUAN
MARTIN VIEFHUES
JOHN L. WELCH
JASON WHITNEY
ALICJA ZALEWSKA
NANCY ZHANG

Advisory Board

MILES ALEXANDER
WILLIAM BORCHARD
LANNING BRYER
JESSICA CARDON
SANDRA EDELMAN
ANTHONY FLETCHER
ROBERT KUNSTADT

THEODORE MAX
KATHLEEN MCCARTHY
GLENN MITCHELL
JONATHAN MOSKIN
VINCENT PALLADINO
JOHN PEGRAM

ROBERT RASKOPF
PASQUALE RAZZANO
SUSAN REISS
PIER LUIGI RONCAGLIA
HOWARD SHIRE
JERRE SWANN, SR.
STEVEN WEINBERG

The views expressed in *The Trademark Reporter* (TMR) do not necessarily reflect those of the International Trademark Association (INTA). To fulfill its mission of delivering cutting-edge scholarship on trademarks, brands, and related intellectual property to its readers, the TMR sources content reflecting a diversity of viewpoints; the views expressed in any given article, commentary, or book review are those of the individual authors.

The TMR (ISSN 0041-056X) is published electronically six times a year by INTA, 675 Third Avenue, New York, NY 10017-5704 USA. INTA, the INTA logo, INTERNATIONAL TRADEMARK ASSOCIATION, POWERFUL NETWORK POWERFUL BRANDS, THE TRADEMARK REPORTER, and inta.org are trademarks, service marks, and/or registered trademarks of the International Trademark Association in the United States and certain other jurisdictions.

COMMENTARY

CLEARING UP SOME CONFUSION ABOUT DILUTION: A REPLY TO HAL PORET

By Barton Beebe, Roy Germano,**
Christopher Jon Sprigman,*** and Joel H. Steckel*****

I. INTRODUCTION

In this short commentary, we reply to Hal Poret’s critique¹ of a series of experiments on trademark dilution that we summarized in this journal back in 2019.² In our view, Poret’s critique omits important findings from both our *University of Chicago Law Review* article and *The Trademark Reporter* (“TMR”) commentary that summarized it; we’ll correct the record here. But perhaps more importantly, we’ll engage with Poret on the basic question of what empirical work in trademark dilution litigation is meant to accomplish. To do that, we’ll delve (briefly) into the shaky conceptual foundations of trademark dilution. As we’ll see, Poret’s response (the “Response”) is founded upon the same conceptual confusion and unsupported presumptions about the workings of human cognition that beset current thinking about trademark dilution generally. These difficulties are resolvable only with empirical investigation, which our original article attempted to provide.

A. Our Trademark Dilution Experiments

First, a quick summary of our original experiments, our findings, and our conclusions.

Our goal in the experiments we first reported in the *University of Chicago Law Review* was to see whether we could establish a

* John M. Desmarais Professor of Intellectual Property Law, New York University School of Law.

** Senior Research Scholar, New York University School of Law.

*** Murray and Kathleen Bring Professor of Law, New York University School of Law.

**** Professor of Marketing, NYU Stern School of Business.

¹ Hal Poret, *Response to the Commentary Entitled “The Science of Proving Trademark Dilution,”* 111 TMR 778 (2021) [hereinafter “Response”].

² Barton Beebe, Roy Germano, Christopher Jon Sprigman & Joel H. Steckel, *The Science of Proving Trademark Dilution*, 109 TMR 955 (2019) [hereinafter “Science”]. *Science* summarized a longer piece reporting on the same experiments. See Barton Beebe, Roy Germano, Christopher Jon Sprigman & Joel H. Steckel, *Testing for Trademark Dilution in Court and the Lab*, 86 U. Chi. L. Rev. 611 (2019) [hereinafter “Testing”].

methodologically sound and readily administrable test for dilution. To do that, we first conducted a pretest to select the brands that we would test for dilution. For reasons we explained in our original commentary, we selected two automobile brands, MERCEDES and INFINITI, as our test brands. We selected MERCEDES because it was the strongest brand among those we pretested. We selected INFINITI because it was among the least familiar brands in our sample, and therefore may be more easily diluted because its associations are not as widely held.³ In his critique, Poret focuses on our MERCEDES results and ignores our INFINITI results.

We then tested in Study 1 whether ostensibly blurring advertisements for a fictional toothpaste brand affected the strength of the association between the MERCEDES and INFINITI brands and both their product category (cars) and the top associations (wealth, luxury) previously found for each brand in our initial brand selection pretest.⁴ Our results showed that for a significant number of subjects, our blurring stimulus produced a new association—that is, an association between MERCEDES, or INFINITI, and toothpaste. The impact of the diluting ad on associations between the marks and their true product category and principal product attributes differed by brand. First, we found no statistically significant evidence that the new association with toothpaste was accompanied by a weakening of the association between MERCEDES and words like “cars,” “wealth,” and “luxury.”⁵ At the same time, we found that the diluting ad caused a statistically significant weakening of the association between INFINITI and the product category of cars.⁶

Study 1 thus showed that new associations may or may not lead to the weakening of a famous mark’s associations with its product category or product attributes. While weakened associations are potential evidence that distinctiveness has been impaired, the ultimate question is whether these new associations have some effect on the “selling power” of the famous brand. Study 2 examined that issue. It tested whether ostensibly blurring advertisements and the new associations they produce affect consumer preferences and consumers’ intent to purchase the targeted brand.⁷ The key inquiry in Study 2 was to measure and rank consumer preference for car brands. We calculated the differences, on a five-point scale, between the mean preference ranking for treatment and control group subjects for each brand. We were unable to find any evidence from this protocol that treatment subjects exposed to a putatively

³ *Science*, *supra* note 2, at 963-64.

⁴ *Id.* at 964.

⁵ *Id.* at 967.

⁶ *Id.* at 966; *see also Testing*, *supra* note 2, at 631.

⁷ *Science*, *supra* note 2, at 967.

diluting ad ranked MERCEDES or INFINITI any lower than control subjects not exposed to such an ad.⁸

Finally, in a third study reported in our original article in the *University of Chicago Law Review* but not in our much shorter TMR commentary, we inquired whether exposure to an ostensibly diluting stimulus causes subjects to take longer to link targeted marks with their traditional product categories and product attributes and characteristics.⁹ Such time delays in making the link between a famous mark and its major associations had previously been offered as evidence of dilution.¹⁰ In designing our version of the “time experiments,” we noticed a flaw in the previous methodologies used to measure potential cognitive delay: i.e., the failure to control for the possibility that an unexpected or surprising stimulus could give subjects pause as they proceed through the experimental task, resulting in slower response times in general, even for marks included in the task that the stimulus did not target.¹¹ We controlled for this possibility in our Study 3 by inserting a potentially diluting ad for NIKE toothpaste, one not directed at the target marks (MERCEDES, INFINITI). This inserted potential surprise into the control condition without the possibility of diluting the target marks.¹² And once we had constructed the proper control, we found no evidence that the ostensibly diluting stimuli caused the hypothesized cognitive delays.¹³ This finding calls into question the construct validity of the time delay testing methodology for dilution.

B. Summary of Poret’s Response

The Response criticizes our methods and analyses on two principal grounds. Most importantly, Poret claims that the experiments, which measure subjects’ response to a single exposure to a potentially diluting stimulus, miss a fundamental point—that dilution occurs as the result of repeated exposure over time to an identical or similar mark, which leads to the gradual “whittling away” of a famous mark’s distinctiveness.¹⁴ For reasons we’ll

⁸ *Id.* at 968.

⁹ *Testing, supra* note 2, at 636.

¹⁰ See Maureen Morrin & Jacob Jacoby, *Trademark Dilution: Empirical Measures for an Elusive Concept*, 19 J. Pub. Pol’y & Mktg. 265, 274 (2000) (arguing based on experimental evidence that “trademark dilution can reduce the strength of preexisting brand associations through the creation of additional nodes in consumers’ brand-based memory networks”); Chris Pullig, Carolyn J. Simmons, & Richard G. Netemeyer, *Brand Dilution: When Do New Brands Hurt Existing Brands?*, 70 J. Mktg. 52, 60 (2006) (arguing, based on experimental evidence, that dilution impacts the accessibility of a senior mark’s associations).

¹¹ *Testing, supra* note 2, at 645.

¹² *Id.* at 646.

¹³ *Id.* at 646-47.

¹⁴ *Response, supra* note 1, at 783.

explain, we think this criticism is ill-founded, and that the “whittling” metaphor is not the only, and perhaps not even the most persuasive, way to conceptualize dilution.¹⁵

Relatedly, the Response claims that studies showing that subjects *associate* the defendant’s mark with the plaintiff’s famous mark—what we call “mere association” studies—are better evidence of dilution than the studies we describe in our paper, which attempt to measure loss of distinctiveness directly.¹⁶ Again, we don’t agree. For reasons we explained in the original paper and will summarize here, “mere association” studies are essentially worthless in litigation as evidence of dilution.¹⁷

II. HOW TO TEST FOR LIKELIHOOD OF DILUTION— AND WHETHER DILUTION EVEN EXISTS— REMAINS UNSETTLED

A. The Dangers of Overreliance on the “Whittling” Metaphor

The Response faults our studies for “seek[ing] to measure a phenomenon (impairment [of distinctiveness]) that is far from instantaneous, but rather would be expected to occur only gradually as consumers are repeatedly exposed to numerous instances of the diluting use over extended periods of time.”¹⁸ The Response asserts, further, that we “fail to meaningfully test for likelihood of dilution, because a single brief first-time exposure to an allegedly diluting use would not be expected to impair the distinctiveness of a famous mark even if impairment would be likely to occur if consumers are repeatedly exposed to the diluting use over time.”¹⁹ But what evidence proves that dilution actually works this way?

The “whittling” narrative that the Response employs recapitulates what Frank Schechter first hypothesized—but did not support with evidence—in a 1927 article in the *Harvard Law*

¹⁵ For instance, the European Intellectual Property Office (“EUIPO”) conceptualizes dilution as an “avalanche effect” and takes into account that future use of the later mark, even if it were first use, may trigger further acts of (impairing) use by different operators. See EUIPO Trade Mark Guidelines (2022), Section 3.4.3.2, available at <https://guidelines.euipo.europa.eu/1935303/1982554/trade-mark-guidelines/3-4-3-2-detriment-to-distinctiveness> (last visited June 22, 2022).

¹⁶ *Response*, *supra* note 1, at 782-83.

¹⁷ Support for this position is found in the European Union, where the fact that the later mark calls the earlier reputed mark to mind (what European litigators might refer to as “the mere existence of a link”) is not in itself sufficient for a finding of dilution. See Spyros Maniatis & Dimitris Botis, *Trade Marks in Europe: A Practical Jurisprudence* (2d ed. 2009), 460 at 5-224. In the EU, a plaintiff must provide evidence of a change in the economic behavior of the consumer, or at least evidence of a foreseeable change in consumer behavior. See *id.* at 5-225.

¹⁸ *Response*, *supra* note 1, at 783.

¹⁹ *Id.* at 780.

Review.²⁰ And in all the years since Schechter’s article, the notion that diluting stimuli provoke cognitive processes that can result in “whittling away” has remained exactly what it was when Schechter first proposed it—a hypothesis. Crucially, “whittling” isn’t a description of some actual cognitive process. It is just a metaphor, one deployed by lawyers who are speculating about processes of perception and memory that they have not empirically investigated and about which they generally know little. The metaphor envisions dilution as a series of cuts. But as Cat Stevens wrote (and Rod Stewart most memorably sang), sometimes “the first cut is the deepest.”²¹ The assumption that dilution “would be expected to occur only gradually”²² is not self-evidently true.

That doesn’t mean that the whittling narrative makes no sense. It is certainly *plausible*. But to say that an account of how dilution may occur is plausible is not the same as saying that it’s correct—or that it’s “inevitable,” as the Response does.²³ In fact, there is a very different narrative that, in our view, is just as plausible to explain what happens when consumers are exposed to non-confusing uses of a famous mark. Let’s call it “accretion.”

The accretion narrative hypothesizes that for the sort of nationally famous (i.e., extremely strong) marks that dilution law protects,²⁴ the use of the mark or a similar mark for a different sort of product—MERCEDES toothpaste, or a cocktail lounge in Brooklyn named “Apple Bar”—might result in the famous mark *being called once again to mind*, making it more salient and reinforcing its associations with the products and product attributes for which it is widely known. That was what the court in *Louis Vuitton Malletier S.A. v. Haute Diggity Dog, LLC*²⁵ hypothesized. There, the Fourth Circuit rejected dilution claims asserted against a maker of CHEWY VUITON dog chew toys that resembled (roughly) LOUIS VUITTON handbag designs. “[M]aking the famous mark an object of the parody,” the court ruled, “might actually enhance the famous mark’s distinctiveness by making it an icon. The brunt of the joke becomes yet more famous.”²⁶

²⁰ Frank I. Schechter, *The Rational Basis of Trademark Protection*, 40 Harv. L. Rev. 813 (1927).

²¹ Rod Stewart, “The First Cut Is the Deepest,” on the album *A Night on the Town* (Warner Bros. 1976).

²² *Response*, *supra* note 1, at 783.

²³ *Id.* at 783, n.21.

²⁴ Federal dilution law *only* protects nationally famous marks. The Lanham Act defines a famous mark as one “widely recognized by the general consuming public of the United States as a designation of source of the goods or services of the mark’s owner.” 15 U.S.C. § 1125(c)(2)(A).

²⁵ 507 F.3d 252 (4th Cir. 2007).

²⁶ *Id.* at 267.

In other words, what we might get from unauthorized but non-confusing use of a famous mark is the *strengthening* of the famous mark, rather than “whittling.” *Accretion*, rather than dilution.

How to know which narrative, dilution or accretion, is more accurate? Logic doesn’t help; both narratives are internally coherent. Experience doesn’t help either—we have little insight, in general, into our own mental processes. At the moment, *it is not clear whether dilution exists at all*. Nor is it obvious that dilution, if it exists, occurs via whittling—the slow erosion over time of the mental structures by which a famous mark is associated with particular products and product attributes—or in some other way. As we noted in our original article, Professor Christine Haight Farley has challenged dilution proponents to provide even a single concrete, non-hypothetical example of a mark that has been significantly damaged because another business has used that mark in a non-confusing manner on different goods.²⁷ As far as we know, no one has answered Farley’s call for evidence. And given that the dilution cause of action remains essentially a hypothesis as opposed to a documented phenomenon, the burden of proof, in our view, lies heavily on dilution’s proponents. Empirical investigation is needed to discharge that burden of proof, which our experiments seek to provide.

B. Problems with the Response’s Description of Our Findings

The Response’s uncritical acceptance of the “whittling” theory is compounded by an incomplete summary of our actual findings. Understood as a whole, our studies provide evidence that is much more nuanced than what the Response describes.

As described above, we exposed subjects to a plausibly diluting stimulus and tested whether that exposure weakened the association of the famous mark with the product or the product attributes for which it stands. Importantly, we tested *immediately following the exposure* in an artificial environment where research subjects were focused purely on the brands in front of them without the distractions of a complex, real-world market. If a “cut” has been made that impairs the distinctiveness of the mark, this is where we might expect to see it.

The Response reports that we found no evidence of impairment, and that we should expect our one-time exposure methodologies to *never* find evidence of impairment.²⁸ But this discussion focuses entirely on our MERCEDES results and omits any reference to our

²⁷ *Testing*, *supra* note 2, at 614 (citing Christine Haight Farley, *Why We Are Confused about the Trademark Dilution Law*, 16 Fordham Intell. Prop. Media & Ent. L.J. 1175, 1187 (2006)).

²⁸ *Response*, *supra* note 1, at 779-80.

INFINITI results. With respect to the INFINITI mark, a mark that is not as strong as MERCEDES,²⁹ we found potential evidence in Study 1 of impairment. Specifically, among subjects who were not exposed to the diluting ad, 58.65 percent said they associate INFINITI with the word “cars” “a great deal,” and 18.09 percent said they associate INFINITI with cars “a lot.” Among subjects who were exposed to the diluting ad, the percentage who said they associate INFINITI with cars “a great deal” was lower at 51.81 percent, while the percentage who said they associate INFINITI with cars “a lot” was higher at 25.1 percent. The distribution, in other words, shifts slightly to the right in the treatment group. A chi-square test indicates that these differences are statistically significant ($\chi^2 = 16.87$; $p = 0.002$). Again, both groups strongly associate INFINITI with the word “cars”; however, the group that saw the INFINITI toothpaste ad was somewhat less enthusiastic in making that connection. It therefore seems that the diluting ad caused a slight weakening of the association between INFINITI and cars.³⁰

If the Response had considered our INFINITI results, it would have taken into account that a single exposure could potentially cause dilution, which runs counter to the argument that dilution can necessarily only occur gradually. While our studies overall do not indicate a substantial likelihood of dilution for either MERCEDES or INFINITI, we did observe some potential evidence of impairment for INFINITI, the lesser-known brand. Our longer *University of Chicago Law Review* article also reported a slight, but not statistically significant, weakening of the MERCEDES mark with respect to its product category (cars) and one of its attributes (luxury) among subjects who viewed the diluting ad.³¹ Taken together, these observations suggest that our brand association strength methodology can detect “first-cut” evidence of impairment from a single exposure.³²

²⁹ In the pretest we conducted to measure brand strength, we found that although INFINITI has relatively clear associations among those who are familiar with it, it may be more easily diluted since its associations are not as widely held. See *Testing*, *supra* note 2, at 625.

³⁰ *Id.* at 631.

³¹ *Id.* at 630-32. A chi-square test for equality of distributions indicates that the evidence of weakening in association between the MERCEDES mark and its product category “cars” was substantively very small but just above standard thresholds for statistical significance ($p = 0.056$). The evidence of weakening between MERCEDES and the product attribute “luxury” was also substantively very small and not statistically significant ($p = 0.211$).

³² The reader may note an apparent inconsistency with Joel H. Steckel, Robert Klein & Shelly Schussheim, *Dilution Through the Looking Glass: A Marketing View of the Trademark Dilution Revision Act of 2005*, 96 TMR 616, 635-36 (2006) [hereinafter *Looking Glass*]. In that paper, the authors, one of whom is an author of the current commentary (Steckel), noted that dilution was a phenomenon that could only happen over time and was generally thought to be the result of a gradual whittling. Indeed the research reported in *Testing* and discussed above demonstrates that the *Looking Glass*

The question, then, is what courts should do with this evidence. If evidence of impairment from a single exposure study is strong enough, then courts may treat that as evidence of the likelihood of dilution. And if evidence of dilution from a single-exposure study is marginal or even absent, as it is in our studies taken as a whole, then courts might decline to treat it, standing alone, as evidence of the likelihood of dilution. Recognizing this, a plaintiff might proceed with a theory of consumer behavior that focuses on repeated exposure and a gradual whittling away and might need to come forward with additional evidence supporting the likelihood of dilution, such as a longitudinal study that examines whether repeated exposures are likely to lead to impairment.

The Response suggests that implementing repeated exposures in a longitudinal study would be practically difficult.³³ As such, it continues to advocate the mere association test as probative evidence. Even if the Response is correct and implementing appropriate studies would be practically difficult, that cannot open the door for inappropriate survey formats to be used to demonstrate dilution. Furthermore, the Response is clearly not correct. There are several approaches for implementing potentially diluting stimuli in a repeated longitudinal format.³⁴

C. Mere Association, by Itself, Is Inconclusive as Evidence of Dilution

The Response correctly notes that in dilution cases “litigants have primarily conducted, and courts have primarily considered, what have been referred to as ‘association’ surveys”³⁵—i.e., surveys that measure whether test subjects associate the defendant’s mark with the plaintiff’s famous mark. The Response would defend the use of mere association surveys as evidence of dilution. But evidence of association is essentially useless as evidence of dilution. Given the human propensity to make associations, it’s likely that association will be accompanied by dilution in only a small fraction of cases. And that means that evidence of association, standing alone, is far more likely to be prejudicial and not probative.

You can see this in the case that leads off the discussion of trademark dilution in most textbooks: *Nike, Inc. v. Nikepal International, Inc.*³⁶ There, the defendant used the mark NIKEPAL

characterization of dilution was incomplete. In particular, the results related to INFINITI presented in *Testing* demonstrate that “first-cut” impairment is indeed a viable means of interpreting the cognitive process.

³³ *Response*, *supra* note 1, at 783, n.21.

³⁴ See *Looking Glass*, *supra* note 32, at 635-36, for suggestions on how to implement such studies.

³⁵ *Response*, *supra* note 1, at 778.

³⁶ 84 U.S.P.Q.2d 1820, 1824-25 (E.D. Cal. 2007).

as the name of its business. The business's function was distributing glass syringes and other laboratory products.³⁷ Nike conducted a telephone survey of the defendant's current and prospective customers in which it asked them about "their perception of a website called *nikepal.com*."³⁸ Specifically, the survey asked: "What if anything, came to your mind when I first said the word Nikepal?" Unsurprisingly, 87 percent of respondents stated that they thought of the plaintiff or its products. The survey expert and the *Nikepal* court took this as evidence of blurring.³⁹ Other courts have accepted the results of similar surveys as evidence of blurring.⁴⁰ In our view, they were wrong.

Numerous trademark commentators have criticized the *Nikepal* survey method as failing to present persuasive evidence of dilution,⁴¹ and we believe these criticisms are valid. NIKE is one of the world's best-known brand names, and the reason for the association is obvious—the word "Nikepal" contains the word "Nike." But the fact that a consumer thinks of a famous mark when she sees a word containing that mark may not mean that the distinctiveness of the famous mark is "blurred" or harmed in any way. Indeed, because the association calls the famous mark to mind, its strength and salience may conceivably be reinforced. The measure used in the *Nikepal* case cannot tell us which of the outcomes is more likely and, for that reason, lacks construct validity; that is, it cannot be taken as a valid measure of harm. Indeed, it cannot even be taken as a valid measure of association.

That last point is important, and is worth briefly unpacking. Mere association tests such as in *Nikepal* ignore the asymmetries of brand associations. Suppose the critical question asked in the *Nikepal* survey was "What, if anything, came to your mind when I first said the word 'Nike'?" Would one expect 87 percent of respondents to state that they thought of NIKEPAL? Certainly not.

³⁷ *Id.* at 1822.

³⁸ *Id.* at 1824.

³⁹ *Id.* at 1825, 1828.

⁴⁰ *See, e.g.,* Perfumebay.com Inc. v. eBay Inc, 506 F.3d 1165, 1172 (9th Cir. 2007) (discussing a similar telephone survey asking respondents what website or company they would think of if they encountered the term "bay" used by a website); *see also* Krista F. Holt & Scot A. Duvall, *Chasing Moseley's Ghost: Dilution Surveys Under the Trademark Dilution Revision Act*, 98 TMR 1311, 1324-29 (2008) (reviewing survey evidence of dilution considered by the federal courts in *Nikepal* and *Perfumebay.com*). *But see* Starbucks Corp v. Wolfe's Borough Coffee, Inc., 736 F3d 198, 210-11 (2d Cir. 2013) (finding a 3.1 percent response insufficient to prove actual association).

⁴¹ *See, e.g.,* Matthew D. Bunker & Kim Bissell, *Lost in the Semiotic Maze: Empirical Approaches to Proof of Blurring in Trademark Dilution Law*, 18 Comm. L. & Pol'y 375, 384 (2013) ("Aside from the problem of conflating association with dilution, the [Nike] survey certainly provides no evidence of dilutive harm since there is no baseline measurement of the strength of Nike's brand prior to Nikepal's entry into the marketplace.").

And this asymmetry is important when considering whether association between NIKEPAL and NIKE is likely to cause “dilution” that harms the senior mark owner, Nike.

Marketing academics have dipped into the psychology literature to conceptualize how brand associations exist in consumer memory. Associative models of memory form the core of most memory-related branding research.⁴² The associative network memory model in particular conceptualizes memory as a network of nodes and connecting links.⁴³ The network nodes represent stored information (e.g., brand names and associated attributes/brands) and the links represent connections among the nodes. The connections can vary in strength across directions.

When a consumer encounters a brand name (e.g., NIKE or NIKEPAL), a “spreading activation” process commences from an activated brand node to the other informational nodes and triggers retrieval of the associations to the activated brand.⁴⁴ Each node sends a directed signal, the strength of which is dictated by the strength of the link in the direction away from the activated node, to those target nodes directly connected to it. When that signal exceeds some threshold level, the information from the target node is brought into working memory. If the signal lacks sufficient strength, the information in the target node will not be retrieved.

In other words, this theoretical framework allows for the activation of NIKEPAL, evoking the target NIKE into short-term memory, while at the same time the activation of NIKE may not necessarily evoke the target NIKEPAL. The question is which direction (if either) is most closely related to our concept of dilution. Following Justice Ginsberg’s reasoning in *Moseley v. V Secret Catalogue, Inc.*, the association that could cause harm to the plaintiff brand NIKE would be the one that arises from the question, “Do people think of NIKEPAL when they are faced with NIKE?”⁴⁵ NIKE is the brand that believes it is in danger of having its (target) associations damaged and having its brand diluted. The association question relevant to that model of dilution is whether consumers think of NIKEPAL when they hear the word “Nike.” If they don’t,

⁴² See Kevin Lane Keller, *Conceptualizing, Measuring, and Managing Consumer-Based Brand Equity*, 57 J. Mktg. 1-22 (1993); see generally Bennett L. Schwartz, *Memory: Foundations and Applications*, ch. 5 (3d ed. 2018); Thomas K. Srull & Robert S. Wyer Jr., *Person Memory and Judgment*, 96 Psych. Rev. 58 (1989).

⁴³ See Keller, *supra* note 42, at 2.

⁴⁴ See generally Allan M. Collins & Elizabeth F. Loftus, *A Spreading Activation Theory of Semantic Processing*, 82 Psych. Rev. 407 (1975); Jeroen G.W. Raaijmakers & Richard M. Shiffrin, *Search of Associative Memory*, 88 Psych. Rev. 93 (1981); Roger Ratcliff & Gail McKoon, *A Retrieval Theory of Priming in Memory*, 95 Psych. Rev. 385 (1988).

⁴⁵ See Oral Argument at 29:30 in *Moseley v. V Secret Catalogue Inc.*, 537 U.S. 418 (2003), <https://www.oyez.org/cases/2002/01-1015> (last visited June 22, 2022).

then the predicate for the potential dilution of NIKE has not been established.

The bottom line is that *Nikepal*-style mere association studies, standing alone, do not present evidence of dilution. Courts should not credit these sorts of association tests without some other substantial evidence of the likelihood of dilution. In fact, in our view courts should not even *admit Nikepal*-type association tests, unless they are buttressed by other evidence that shows that the association is likely to lead to impairment of the distinctiveness of the famous mark.⁴⁶

III. CONCLUSION

Our experiments and methodologies provide a template for producing empirical evidence that may show whether an association is likely to cause impairment. In our Study 1, we observed that the MERCEDES and INFINITI toothpaste ads contributed to the formation of a new association between the targeted brands and a new product category. Evidence of this was straightforward both when we analyzed average treatment effects and when we compared the distribution of subjects' responses. While we observed the formation of a new association among subjects in the treatment groups, we found mixed evidence that the creation of this new association was accompanied by the blurring or weakening of preexisting associations. Comparing average responses, there were no statistically significant differences between the degree to which subjects in the treatment and control groups associated certain words with the target brands. A closer look at the distribution of responses was more nuanced. Particularly with regard to the INFINITI-cars pairing, our analysis of the response distributions indicates that the diluting ad may have caused a slight weakening of the association between INFINITI and cars.

Again, our results here are far from definitive—especially given our findings in Study 2, which showed no significant changes in brand preference, and Study 3, which showed no significant lengthening of the time required to make an association between the target brands and their respective product categories and principal attributes. But our results in Study 1 do point toward a method, which we term the *association strength test*, that courts can use to determine whether association is likely to lead, in a particular case, to dilution.

⁴⁶ The Response also suggests that our approach insists on evidence of actual dilution, when all the statute requires is a “likelihood of dilution.” See *Response*, *supra* note 1, at 783-84. In our view, evidence of dilution in a survey is evidence of a *likelihood of dilution* out in the real world.