

A QUICK GUIDE TO TRADEMARK LAW AND THE ONGOING CONFLICT BETWEEN THE LANHAM ACT AND THE FIRST AMENDMENT

SAMARA RAHMAN & PETER T. SABINI

Executive Summary: Trademark law enables businesses to build brand reputation and recognition by providing legal protection to marks that are distinctive, non-functional, and used in commerce. Federal trademark protection is codified in the Lanham Act, which additionally protects trade dress—features of a product’s design or packaging. Trademark protection exclusively extends to features that are deemed to be non-functional. The value of trademark protection is aimed at removing consumer confusion and upholding a company’s goodwill in the marketplace. The balance between the rights afforded to a mark-holder under the Lanham Act and the protections granted by the First Amendment have been central in the lineage of three Supreme Court cases: *Matal v. Tam*, *Iancu v. Brunetti*, and *Jack Daniel’s Properties, Inc. v. VIP Products LLC* which are summarized below.

I. BACKGROUND OF TRADEMARK LAW

Trademark law is the protection and enforcement of brand names used to sell goods and services.¹ Companies like Apple, Nike, and Disney use their brand names to create reputations that have their own value separate from the companies’ products and services. Companies rely on the value of their reputation, or goodwill,² to compete in the global marketplace. Trademark law ensures that external entities do not exploit or illegally use companies’ goodwill. It also prevents confusion by ensuring that consumers do not purchase goods from one company when they intend to purchase goods from another company.³

Unlike copyright law and patent law, which protect intellectual property for a limited duration before forcing it to enter the public domain, trademark rights can last indefinitely—as long as the mark’s owner is continuously using the mark in commerce.⁴ This is because United States trademark law is enabled under the Commerce Clause of the U.S. Constitution and confers rights based on a company’s use of a mark; whereas, copyright and patent law— enabled by Article 1, Section 8 of the U.S. Constitution⁵—incentivize creativity and invention by providing a period of exclusive rights.⁶

As discussed below, the United States Patent and Trademark Office (USPTO) grants federal registrations to parties whose trademarks meet the federal requirements for protectability. Federal registration confers several important rights under the Lanham Act,⁷ the federal codification of trademark law. Trademark rights, however, have their basis in common law. Mark

¹ Marks used in connection with services are often called “service marks.” This memo will use the term “trademark” to refer to both trademarks and service marks.

² Goodwill is a term of art that refers to a business’s reputational value. J. THOMAS MCCARTHY, 1 MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION § 2.19 (5th ed. 2023).

³ See *Museum of Mod. Art v. MOMACHA IP LLC*, 339 F. Supp. 3d 361, 376 (S.D.N.Y. 2018) (discussing how using the name MoMaCha in the same font style as MoMa is likely to confuse consumers into thinking MoMaCha is affiliated with the Museum of Modern Art).

⁴ “Use in commerce” refers to a “sale or transportation of the trademarked goods in United States interstate or international commerce. MCCARTHY, *supra* note 2, at § 19:117.

⁵ U.S. CONST. art. I, § 8, cl. 8.

⁶ MCCARTHY, *supra* note 2, at § 6.8.

⁷ 15 U.S.C. §§ 1051–1141.

owners may enforce their rights using the federal Lanham Act, state common law, and trademark statutes (often called unfair competition statutes) to sue other mark owners for infringement, dilution, false advertising, right of publicity, and other unfair competition claims.⁸ Only parties whose own marks or likenesses have been exploited can sue under the Lanham Act, as the Lanham Act does not give disinterested consumers a right of action.⁹ If consumers wish to report a party for false advertising or for using a mark that confuses consumers into thinking it is another party's mark, they may file a complaint with the Federal Trade Commission.¹⁰

II. WHAT IS A TRADEMARK?

While trademarks are commonly thought of as words or logos, trademark law also protects “trade dress,”¹¹ colors, designs, sounds, scents, and textures.¹² In the United States, a trademark is a protectable and enforceable property right only if it is (1) distinctive of source, (2) non-functional, and (3) used in commerce.¹³

To be distinctive of source, a mark must instantly communicate to the consumer the source of a good or service.¹⁴ In a landmark case, the Second Circuit created a spectrum of distinctiveness from least distinctive (generic) to most distinctive (fanciful).¹⁵ At the least distinctive end of the spectrum are generic marks, which are never enforceable.¹⁶ Generic marks name the actual type of good or service and do not serve any source-identifying function.¹⁷ Recently, the court held the mark “Pretzel Crisps” to be generic and unprotectable for “pretzel crackers” after twelve years of litigation.¹⁸ Next on the distinctiveness spectrum are descriptive marks, which merely describe qualities or characteristics of the good or service without serving as an immediate source-identifier.¹⁹ Descriptive marks are not enforceable unless they have acquired secondary meaning.²⁰

⁸ Trademark common law dates back to medieval brandings used by merchants to distinguish their goods from one another. See Mark P. McKenna, *The Normative Foundations of Trademark Law*, 82 NOTRE DAME L. REV. 1839, 1849–50 (2007).

⁹ 15 U.S.C. § 1125 (stating that the Lanham Act applies to “any person who believes that he or she is or is likely to be damaged by such act”).

¹⁰ See *What We Do*, FED. TRADE COMM’N, <https://www.ftc.gov/about-ftc/what-we-do> (last visited Sept. 14, 2023).

¹¹ Trade dress is a product’s packaging or configuration, and it must be nonfunctional. MCCARTHY, *supra* note 2, at § 8.4.

¹² For example, NBC’s stylized peacock logo and three-note chime are registered marks, Registration No. 1,931,255, and Registration No. 0,916,522, respectively.

¹³ BARTON BEEBE, *TRADEMARK LAW: AN OPEN-SOURCE CASEBOOK* 214 (10th ed. 2023).

¹⁴ Note that “source” does not mean the literal factory where goods were manufactured, but rather the entity that provides the goods to consumers. A trademark cannot describe the goods or services—it must designate who a product comes from, and not what the product is. Additionally, a mark may be either inherently distinctive, or may have acquired distinctiveness if consumers have come to recognize the mark as referring to a particular source of goods even though the mark itself merely describes the goods. McCarthy, *supra* note 2, at § 4.14 (“secondary meaning”).

¹⁵ *Abercrombie & Fitch Co. v. Hunting World, Inc.*, 537 F.2d 4, 9 (2d Cir. 1976). The Supreme Court endorsed Judge Friendly’s spectrum as the appropriate test for determining whether a mark is sufficiently distinctive in *Two Pesos, Inc. v. Taco Cabana, Inc.* 505 U.S. 763, 768 (1992). However, this spectrum is difficult to apply to non-word marks. See generally *Wal-Mart Stores, Inc. v. Samara Bros.*, 529 U.S. 205 (2000) (discussing the Abercrombie spectrum applicability to trade dress). For a helpful chart depicting the spectrum, see *Is Your Brand “Distinctive” Enough to be Trademarked?*, PATROLA LAW, <http://patrolalaw.com/is-your-brand-distinctive-enough-to-be-trademarked> (last updated June 29, 2022).

¹⁶ See MCCARTHY, *supra* note 2, at § 12.1 (“[A] generic name of a product can never function as a trademark to indicate origin.”).

¹⁷ Examples include “Hotels.com” for making hotel reservations and “Serial” for an ongoing investigative reporting podcast. See *In re Hotels.com*, 573 F.3d 1300, 1304 (Fed. Cir. 2009); *In re Serial Podcast, LLC*, 126 U.S.P.Q.2d 1061, 1072 (T.T.A.B. 2018) (holding that Serial’s logos had acquired distinctiveness and were allowed to be registered).

¹⁸ *Snyder’s Lance, Inc. v. Frito-Lay N. Am., Inc.*, No. 3:17-CV-00652, 2021 WL 2322931 (W.D.N.C. June 7, 2021).

¹⁹ Examples include “Fish-Fry” for batter mixes to fry fish and “Supreme” for vodka. *Zatarains, Inc. v. Oak Grove*

The next category of marks are suggestive marks, which are distinctive enough to be enforceable without a showing of secondary meaning.²¹ A suggestive mark “requires imagination, thought and perception to reach a conclusion as to the nature of the goods,” therefore acting as an indicator of source rather than as a description of the goods themselves.²² Finally, the most distinctive marks—arbitrary and fanciful—are unrelated to the actual goods or services (e.g. Apple for computers), or are completely made-up words (e.g. Pepsi for soda).²³ Arbitrary and fanciful marks instantly refer to the source of the goods or services without describing the characteristics of the goods or services and the strongest marks confer the greatest scope of protection.²⁴

Trademarks also cannot be functional. For trade dress in particular, the source-identifying purpose of the good (e.g., Coca-Cola’s recognizable glass bottle shape) must outweigh the functional purpose of the good (e.g., the flat bottom allowing the bottle to remain upright).²⁵ Finally, trademarks must be used in commerce.²⁶ This means that the mark must be used to advertise, sell, or otherwise conduct commercial business regarding goods or services in the United States or between the United States and a foreign nation.²⁷

III. HOW TRADEMARKS ARE OBTAINED, CHALLENGED, AND ENFORCED

Smokehouse, Inc., 698 F.2d 786, 793 (5th Cir. 1983); *Supreme Wine Co. v. Am. Distilling Co.*, 310 F.2d 888, 889 (2d Cir. 1962); see e.g., *In re N.C. Lottery*, 866 F.3d 1363, 1366, 1369 (Fed. Cir. 2017) (holding that the mark “First Tuesday” is merely descriptive because it is less a source-identifier than it is a description of a feature of the goods or service).

²⁰ See *supra* note 14.

²¹ See *Pinterest, Inc. v. Pintrips, Inc.*, 140 F. Supp. 3d 997, 1010 (N.D. Cal. 2015) (explaining that “Pinterest” is a classic suggestive mark because it is a combination of the words “pin” and “interest,” which hints to users that they will be pinning their interests on the website).

²² *Stix Prods., Inc. v. United Merchs. & Mfrs., Inc.*, 295 F. Supp. 479, 488 (S.D.N.Y. 1968). Examples include “Tide” for laundry detergent and “Streetwise” for street marks. *Wal-Mart Stores*, 529 U.S. at 210–11; *Streetwise Maps, Inc. v. VanDam, Inc.*, 159 F.3d 739, 744 (2d Cir. 1998). A suggestive mark may receive less protection under trademark law than a descriptive mark when it is too closely associated with the products’ attributes. See *RiseandShine Corp. v. PepsiCo, Inc.*, 41 F.4th 112, 122 (2d Cir. 2022) (discussing that the use of the word “rise” to describe coffee is weak under trademark law because it clearly associates with the purposes of drinking coffee).

²³ Examples of arbitrary marks include “Gap” for apparel and “Omega” for watches (these terms have nothing to do with the actual goods and services). See *Gap, Inc. v. G.A.P. Adventures Inc.*, No. 07-cv-9614, 2011 WL 2946384, at *13 (S.D.N.Y. June 24, 2011); *Omega S.A. v. Omega Eng’g, Inc.*, 228 F. Supp. 2d 112, 123 (D. Conn. 2002). Examples of fanciful marks include “Hobbit” for a character in books and movies and “Viagra” for an erectile dysfunction drug (these terms were coined for the sole purpose of identifying the source of the goods and services). See *Warner Bros. Ent. v. Glob. Asylum, Inc.*, No. CV 12–9547 (CWx), 2012 WL 6951315, at *5 (C.D. Cal. Dec. 10, 2012), *aff’d*, 544 Fed. App’x 683 (9th Cir. 2013); *Pfizer Inc. v. Sachs*, 652 F. Supp. 2d 512, 520 (S.D.N.Y. 2009).

²⁴ *Two Pesos, Inc.*, 505 U.S. at 786 (Thomas, J., concurring).

²⁵ See generally *In re Morton-Norwich Prods., Inc.*, 671 F.2d 1332 (C.C.P.A. 1982) (creating a four-factor test to determine whether trade dress is functional). The United States Court of Customs and Patent Appeals (C.C.P.A.) has since become the Court of Appeals for the Federal Circuit.

²⁶ This contrasts with many other countries that grant trademark registrations without evidence that the mark is used in commerce. See MCCARTHY, *supra* note 2, at § 16:1:50; see also Tara M. Aaron & Axel Nordemann, *The Concepts of Use of a Trademark under European Union and United States Trademark Law*, 104 T.M.R. 1186, 1189 (2014) (noting parties seeking trademark registration in the European Union do not have to prove use or intent to use).

²⁷ See *Couture v. Playdom, Inc.*, 778 F.3d 1379, 1382 (Fed. Cir. 2015) (establishing that a company must actually render service using the mark to constitute use in commerce). For an insightful discussion of the consequences and questions after the Court’s recent decision restricting extraterritoriality in the Lanham Act, see Margaret Chon & Christine Haight Farley, *Trademark Extraterritoriality: Abitron v. Hetronic Doesn’t Go the Distance*, Tech. & Mktg. L. Blog (July 17, 2023), <https://blog.ericgoldman.org/archives/2023/07/trademark-extraterritoriality-abitron-v-hetronic-doesnt-go-the-distance-guest-blog-post.htm>.

Trademark owners have several means to enforce their rights, including federal registration, ex parte and inter partes actions at the Trademark Trial and Appeal Board (TTAB), and federal district court litigation.

A. Federal Registration

One of the most important steps in securing broad trademark rights is to secure a federal trademark registration. There are numerous benefits to obtaining a federal registration, including nationwide priority beginning on the application date, constructive use and notice to potential competitors, presumption of validity, basis for obtaining registration in foreign countries, right to request the U.S. Customs and Border Patrol to prevent infringing imports, statutory remedies, and right to use ®.²⁸

The USPTO, an executive office within the Department of Commerce, is responsible for granting or refusing federal registration.²⁹ Individuals and businesses seeking to register a new trademark may apply through the USPTO's online portal independently or through a licensed attorney.³⁰ Once a party submits an application, the USPTO assigns an Examining Attorney to review the application for compliance with USPTO regulations and the Lanham Act.³¹

If a mark is approved by the USPTO, it is published in The Trademark Official Gazette and open to challenge for thirty days by “any person who believes that he would be damaged by the registration of a mark.”³² The grounds for opposing a mark vary, but usually the petitioner asserts that there is a likelihood of confusion between its mark and the opposed mark.³³ If no opposition (or extension) is filed, the mark proceeds to allowance and ultimately to registration, once use has been demonstrated.³⁴ The term of registration is ten years, with the ability to renew indefinitely, provided compliance with the USPTO post-registration and maintenance requirements.³⁵ If the USPTO refuses to register an applicant's mark, the applicant can appeal the refusal as an ex parte action³⁶ to the Trademark Trial and Appeal Board (TTAB).³⁷

B. Trademark Trial and Appeal Board (TTAB) Proceedings and Appeals

The TTAB is a neutral body of administrative trademark judges responsible for adjudicating trademark disputes in the first instance.³⁸ The TTAB is not authorized to determine whether applicants may legally use a trademark, but it is allowed to determine whether applicants have the

²⁸ BEEBE, supra note 13 at 232–38 (10th ed. 2023).

²⁹ The USPTO may refuse registration on several grounds, including a likelihood of confusion with any third-party mark, being deceptively misdescriptive, and being primarily geographically descriptive. 15 U.S.C. § 1052.

³⁰ U.S. PAT. & TRADEMARK OFF., TRADEMARK PROCESS, <https://www.uspto.gov/trademarks/basics/trademark-process> (last modified Sep. 22, 2021).

³¹ Id.

³² 15 U.S.C. § 1062(a).

³³ The likelihood of confusion is also the test for whether a party has engaged in trademark infringement against another's mark and is decided by a multi-factor test. The TTAB and Federal Circuit use the factors set forth in *In re E. I. du Pont de Nemours & Co.*, but each circuit has its own multi-factor test. 476 F.2d 1357 (C.C.P.A. 1973).

³⁴ BEEBE, supra note 13, at 247.

³⁵ Lanham Act §§ 8–9, 15 U.S.C. §§ 1058–59.

³⁶ This is an ex parte action because there is no claim of action between opposing parties—just a disagreement between an applicant and the PTO about whether a mark is registrable.

³⁷ Note that all ex parte TTAB and appellate hearings decide only whether a mark is registrable, not whether a party's use of a mark infringes upon another party's mark.

³⁸ U.S. PAT. & TRADEMARK OFF., ABOUT THE TRADEMARK TRIAL AND APPEAL BOARD, <https://www.uspto.gov/trademarks/laws/trademark-trial-and-appeal-board> (last modified Feb. 21, 2019).

right to register trademarks with the federal government.³⁹ The TTAB is authorized to handle five types of cases, but the three that it most commonly deals with are (1) ex parte appeals, (2) oppositions, and (3) cancellations.⁴⁰ First, in an ex parte appeal, the applicant may challenge the USPTO Examining Attorney’s decision to refuse trademark registration.⁴¹ Second, a party may initiate an opposition proceeding to challenge the registration of a trademark as published in The Trademark Official Gazette.⁴² Finally, a party may initiate a cancellation proceeding with the TTAB in an attempt to invalidate and remove the existing trademark registration of another party from the register.⁴³

If a party is unsatisfied with the TTAB’s decision in an appeal, opposition, or cancellation proceeding, the party can either (1) appeal to the Federal Circuit—the Article III court with appellate jurisdiction over TTAB decisions—or (2) appeal to any federal district court.⁴⁴ There are two advantages of the district court route. First, the record in the case may be supplemented with additional evidence. Second, the district court’s rulings may be appealed to its reviewing appellate court, thus making it possible to forum shop and avoid the Federal Circuit.⁴⁵

C. Federal Litigation

Parties can also enforce their trademark rights by suing in district court, alleging trademark infringement, dilution, or any other cause of action enabled by the Lanham Act or common law.⁴⁶ Parties with a federal trademark registration can bring trademark causes of action in any federal district court with jurisdiction; appeals are heard by the respective circuit court. Famous trademarks are protected from unauthorized uses that are likely to blur their distinctiveness, regardless of whether there is a likelihood of consumer confusion.⁴⁷ Dilution by blurring is actionable under federal law where there is an “association arising from the similarity between a mark or trade name and a famous mark that impairs the distinctiveness of the famous mark.”⁴⁸

IV. TRADE DRESS

In addition to protecting traditional trademarks, the Lanham Act also protects trade dress,⁴⁹ which is the “appearance of a product when that appearance is used to identify a producer.”⁵⁰ Trade dress may include a product’s size, shape, color, graphics, or configuration.⁵¹ The purpose of trade dress law is to prevent confusion about the source of a product.⁵² There are

³⁹ Id.

⁴⁰ Id.

⁴¹ Id.

⁴² Id.

⁴³ Id.

⁴⁴ Lanham Act § 21, 15 U.S.C. § 1071.

⁴⁵ BEEBE, *supra* note 13, at 247.

⁴⁶ Note that the Lanham Act confers upon both federally registered and unregistered trademarks the right to sue for infringement. 15 U.S.C. §§ 1114, 1125.

⁴⁷ Anne Gilson LaLonde, 1 Gilson on Trademarks § 1.03 Source Identification and Distinctiveness (Matthew Bender 2022).

⁴⁸ 15 U.S.C. § 1125(c)(2)(B).

⁴⁹ Wal-Mart Stores, 529 U.S. at 209.

⁵⁰ Publ’ns Int’l, LTD. v. Landoll, Inc., 164 F.3d 337 (7th Cir. 1998).

⁵¹ Paula Mays, Trade Dress, 88 J. PAT. & TRADEMARK OFF. SOC’Y 392, 392 (2006).

⁵² Jeff Resnick, Trade Dress Law: The Conflicts Between Product Design and Product Packaging, 24 WHITTIER L. REV. 253, 256 (2002). See, e.g., PIM Brands Inc. v. Haribo of America Inc., No. 22-2821, 2023 WL 5763347, at *4 (3d Cir. Sept. 7, 2023) (holding that the shape and color of PIM’s watermelon-flavored candy made it functional

two principal categories of trade dress: product design and product packaging.⁵³ Product packaging, like a restaurant layout, may be inherently distinctive and therefore eligible for trade dress protection without a showing of secondary meaning.⁵⁴ On the other hand, product design, like the shape of a Coca-Cola bottle, cannot be inherently distinctive, so the applicant or trademark holder must show that the design has acquired a secondary meaning to receive trade dress protection.⁵⁵

V. THE FUNCTIONALITY DOCTRINE

Non-functionality is one of three requirements a trademark must satisfy to qualify for protection⁵⁶—the Lanham Act explicitly states that a trademark must be refused registration when it “comprises any matter that, as a whole, is functional.”⁵⁷ The functionality doctrine operates to maintain separation between patent and trademark protections.⁵⁸ Patents are specifically designed to protect useful inventions, whereas trademark law protects non-functional branding features.⁵⁹

“Functionality” within trademark law can refer to either utilitarian functionality or aesthetic functionality.⁶⁰ Under the utilitarian approach to functionality, “a product feature is functional if it is essential to the use or purpose of the article or if it affects the cost or quality of the article.”⁶¹ The existence of a utility patent for a feature, although not dispositive, creates a strong presumption of the feature’s utility.⁶² The doctrine of aesthetic functionality “looks to whether the [trade] dress makes [a product] more appealing to the public by aesthetic means.”⁶³ Aesthetic features are functional when they are necessary for a product to compete in its market.⁶⁴ Even when a plaintiff successfully presents a prima facie case for trademark infringement, the defendant is not liable if it can prove either utilitarian or aesthetic functionality.⁶⁵

VI. THE TRADEMARK MODERNIZATION ACT OF 2020

Enacted in December 2020,⁶⁶ the Trademark Modernization Act of 2020 (TMA) amended the Lanham Act in three important respects.⁶⁷ First, the TMA created two new ex parte procedures:

because its trade dress resembled a watermelon appearance).

⁵³ *Id.*

⁵⁴ See *Two Pesos, Inc.*, 505 U.S. at 767 (holding that trade dress can be inherently distinctive); see also *Wal-Mart Stores*, 529 U.S. at 215 (explaining that the trade dress examined in *Two Pesos* qualifies as product packaging).

⁵⁵ *Wal-Mart Stores*, 529 U.S. at 216.

⁵⁶ See *supra* text accompanying note 13.

⁵⁷ 15 U.S.C. § 1052(e)(5).

⁵⁸ *Ezaki Glico Kabushki Kaisha v. Lotte Int’l Am. Corp.*, 986 F.3d 250, 256 (3d Cir. 2021).

⁵⁹ *Id.* at 255.

⁶⁰ *In re Morton-Norwich Prods., Inc.*, 671 F.2d 1332, 1338 n.1 (1982).

⁶¹ *Inwood Lab’ys, Inc. v. Ives Lab’ys, Inc.*, 456 U.S. 844, 850 n.10 (1981).

⁶² *Traffix Devices v. Mktg. Displays*, 532 U.S. 23, 29 (2001).

⁶³ Spencer Davczyk, *Aesthetic Functionality in Trade Dress: Post-Secondary Aesthetic Functionality Proposed*, 105 *COM. L. J.* 309, 315 (2000).

⁶⁴ *Id.*

⁶⁵ *Wallace Int’l Silversmith v. Godinger Silver Art Co.*, 916 F.2d 76, 79 (2d Cir. 1990).

⁶⁶ *Changes to Implement Provisions of the Trademark Modernization Act of 2020*, 86 *Fed. Reg.* 26,862, 26,863 (May 18, 2021).

⁶⁷ David T. Azrin, *The Trademark Modernization Act: New Procedures and Rules That Will Benefit Trademark Owners*, 31 *INTELL. PROP. LITIG.* 17, 17 (2021).

expungement and reexamination.⁶⁸ There have been 818 petitions filed under these ex parte procedures since April 2023.⁶⁹ This includes 401 expungements⁷⁰ and 417 reexaminations,⁷¹ 80 of which were brought by the USPTO.⁷²

Second, the TMA changed the application process by allowing trademark examiners to shorten the response deadlines for applicants.⁷³ Finally, the TMA clarified the appropriate standard of proof for trademark litigation.⁷⁴ For a court to grant injunctive relief in a trademark case, courts must find that a plaintiff would suffer “irreparable injury” if an injunction is not ordered.⁷⁵ Historically, federal courts held that the “irreparable injury” element is satisfied when the alleged trademark infringement is likely to cause customer confusion, but federal courts have recently weakened this requirement by holding that customer confusion does not automatically create an assumption of irreparable injury.⁷⁶ The TMA addressed this issue by reestablishing the traditional principle that a showing of customer confusion is dispositive of the plaintiff’s irreparable injury.⁷⁷

VII. THE COURT’S RECENT FIRST AMENDMENT CASES

The Supreme Court decided many important intellectual property cases in 2023, including *Jack Daniel’s Properties, Inc. v. VIP Products LLC*.⁷⁸ In 2014, VIP Products created a chewable rubber dog toy named “Bad Spaniels” that was in the shape and style of a bottle of Jack Daniel’s whiskey.⁷⁹ The dog toy, though, had a certain theme to its label; the words from the Jack Daniel’s label, “Old No. 7 Tennessee Sour Mash Whiskey” were replaced with “The Old No. 2 On Your Tennessee Carpet”, and the alcoholic percentage label instead read “43% poo by vol.” and “100% smelly.”⁸⁰

After Jack Daniel’s became aware of the Bad Spaniels product on the market, Jack Daniel’s sued VIP for trademark infringement and dilution by tarnishment.⁸¹ On motion for summary judgment, VIP argued that their toy was an expressive work protected by the test established in *Rogers v. Grimaldi*,⁸² and that Jack Daniel’s infringement claim should be dismissed under the *Rogers* test.⁸³ VIP also argued that its toy was a parody and protected by fair use of the famous Jack

⁶⁸ *Id.* at 17–18.

⁶⁹ Mark Lerner, Jennifer M Lantz & Lauren Matturri, *The Trademark Modernization Act One Year On: New Tools and Takeaways*, *WORLD TRADEMARK REVIEW* (June 30, 2023), <https://www.worldtrademarkreview.com/review/americas-trademark-prosecution-review/2023/article/the-trademark-modernization-act-one-year-new-tools-and-takeaways>.

⁷⁰ In an expungement proceeding, third parties may challenge a trademark registration by submitting evidence amounting to prima facie showing that the mark has never been used in commerce on or in connection with. *Azrin*, supra note 67, at 18.

⁷¹ In a reexamination proceeding, third parties may challenge a trademark registration by submitting evidence amounting to a prima facie showing that the mark was not in use in commerce on or in connection with some or all the goods or services as of the alleged use date. *Id.*

⁷² Lerner, supra note 69.

⁷³ See *id.* (explaining that this change would help weed out fraudulent and improper applications more quickly).

⁷⁴ *Id.* at 18–19.

⁷⁵ 15 U.S.C. § 1116(d)(4)(B)(iv).

⁷⁶ *Azrin*, supra note 67, at 18–19.

⁷⁷ *Id.* at 19.

⁷⁸ 599 U.S. 140 (2023).

⁷⁹ *Id.* at 148–49.

⁸⁰ *Id.* at 149–50.

⁸¹ *Id.* at 150–51.

⁸² 875 F.2d 994 (2d Cir. 1989).

⁸³ *Jack Daniel’s Props, Inc.*, 599 U.S. at 151.

Daniel’s mark, so Jack Daniel’s could not succeed on its dilution claim either.⁸⁴ On remand, the District Court found in favor of VIP on infringement because Jack Daniel’s could not satisfy either prong of the Rogers test, the Ninth Circuit affirmed, and Jack Daniel’s appealed.⁸⁵ The Supreme Court granted certiorari to consider the rulings on infringement and dilution.⁸⁶

In the majority opinion, authored by Justice Kagan, the Court began by explaining why the Rogers test did not apply to this case.⁸⁷ The Court first clarified the “expressive work” prong of Rogers, addressing the conflict between the First Amendment and trademark law. The Court explained that when an actor uses a mark to identify the source of a good, rather than as an expressive flourish, that leads to a likelihood-of-confusion analysis, and the Rogers test does not apply.⁸⁸ If the use of a mark is merely expressive, the Rogers test could be applied.⁸⁹ As Justice Kagan’s opinion made clear throughout, the purpose of the Lanham Act is “to ensure that consumers can tell where goods come from,” and the Court’s holding reflects that in its focus on marks that serve as source identifiers.⁹⁰

Jack Daniel’s claim for dilution by tarnishment was dismissed by the Ninth Circuit on the grounds that, because VIP’s use of its mark was a parody, it satisfied the noncommercial use exception to dilution under the Lanham Act.⁹¹ The Court explained that “noncommercial use” cannot include “every parody or humorous commentary” and to find otherwise would contradict the statute and Congress’s intent.⁹² Therefore, the Court held that the noncommercial use exclusion did not apply to parody if the mark at issue was being used as a source identifier.⁹³

Thus, the Court vacated the judgment and remanded the case.⁹⁴ Justice Sotomayor, joined by Justice Alito, filed a concurrence addressing the practice of using surveys in cases that deal with parodies and other First Amendment issues.⁹⁵ Justice Sotomayor noted that survey evidence should only be one part of a broader likelihood of confusion analysis, and that providing too much weight to survey results “would risk silencing a great many parodies.”⁹⁶ Justice Gorsuch, joined by Justice Thomas and Justice Barrett, filed a separate concurrence alerting lower courts to the questions still raised by the Rogers test and warning that the Court’s decision in this case left “much about Rogers unaddressed.”⁹⁷

⁸⁴ *Id.*

⁸⁵ *Id.* The Rogers test requires dismissal of an infringement claim unless the complainant can meet one of two prongs: (1) show that the mark at issue “has no artistic relevance to the underlying work” or (2) show that the mark “explicitly misleads as to the source or the content of the work.” *Rogers v. Grimaldi*, 875 F.2d 994, 999 (2d Cir. 1989).

⁸⁶ *Jack Daniel’s Props, Inc.*, 599 U.S. at 152.

⁸⁷ See *id.* at 153–55 (explaining that the Rogers test has been, for the most part, correctly confined to marks that have an expressive element but that would not be misleading as to the source of the mark).

⁸⁸ See *id.* at 154, 156–57 (comparing, among other cases, *Mattel, Inc. v. MCA Records, Inc.*, 296 F.3d 894 (9th Cir. 2002), regarding the song “Barbie Girl,” where the use of the Barbie name was not a source identifier, to *Harley Davidson, Inc. v. Grottanelli*, 154 F.3d 806 (2d Cir. 1999), where mechanic artistically modified the Harley logo and the court held, despite the potential humorous message, the use of such a similar mark was trademark infringement because it was a source identifier).

⁸⁹ See *id.* at 155 (explaining that the Rogers test has historically been confined to apply to “non-trademark uses”).

⁹⁰ *Id.* at 163.

⁹¹ See *id.* at 161–62 (citing 15 U.S.C. § 1125 (c)(3)(C)).

⁹² See *id.* at 162 (comparing the Lanham Act’s noncommercial use exclusion to its fair use exclusion and showing that Congress did not intend for parodic use of a mark to be unchecked. Under fair use, parody is exempt from dilution liability unless the mark designates a source; the Court explains that noncommercial use, from the same subsection of the Act, follows the same reasoning.)

⁹³ *Id.*

⁹⁴ *Id.* at 163.

⁹⁵ *Id.* at 163 (Sotomayor, J., concurring).

⁹⁶ *Id.* at 164. (Sotomayor, J., concurring).

⁹⁷ *Id.* at 165 (Gorsuch, J., concurring).

Two additional Supreme Court cases will likely feature heavily in the conflict between the Lanham Act and the First Amendment. First is the 2017 case, *Matal v. Tam*.⁹⁸ In *Tam*, the Court held that the disparagement clause of the Lanham Act, 15 U.S.C. § 1052(a), to be facially invalid under the First Amendment’s Free Speech Clause.⁹⁹ Section 1052(a) reads, in relevant part, “[n]o trademark . . . shall be refused registration . . . unless it [c]onsists of or comprises . . . matter which may disparage . . . persons, living or dead”¹⁰⁰

Tam, a member of the Asian-American dance-rock band, “The Slants,” applied to register the band’s name as a trademark, but the USPTO rejected the application under section 2(a), because the term “slants” is a derogatory term for people of Asian descent.¹⁰¹ The Court held that the section engaged in viewpoint discrimination and was thus subject to strict scrutiny.¹⁰² The Court emphasized that trademarks are private speech, not government speech, and that for the government to restrict speech, it must have a narrowly drawn and substantial interest; the government cannot simply prohibit speech because it is offensive.¹⁰³

In *Iancu v. Brunetti*,¹⁰⁴ the Court referenced *Tam* to justify its protection of Erik Brunetti’s request to trademark his clothing brand “FUCT.” His trademark application was initially denied by the USPTO as a violation of section 2(a) of the Lanham Act that prohibits trademark registration for any “immoral” or “scandalous” material.¹⁰⁵ The Court held that prohibiting this type of material violated the First Amendment as discussed in *Tam*¹⁰⁶ because it permitted the government to bar marks on a viewpoint basis.¹⁰⁷ The Court held that such action was viewpoint-based because “immoral” and “scandalous” require an understanding of society’s conventional standards and morals that the government cannot exhibit biases toward without violating the First Amendment.¹⁰⁸

VII.

TRADEMARK LAW IN THE NEWS

FREE SPEECH CONFLICTS CONTINUE: Questions remain after *Jack Daniel’s Properties v. VIP Products*, particularly surrounding the balance between trademark rights under the Lanham Act and First Amendment rights.¹⁰⁹ In a case currently pending before the Supreme Court, the Court will decide whether prohibiting the registration of a mark under Section 1052(c) of the Lanham Act violates the First Amendment. Section 1052(c) bars registration of a mark if the mark “[c]onsists of or comprises” the name of a living person without that person’s permission; the mark at issue is the phrase “Trump Too Small” as used on t-shirts.¹¹⁰ The case is set for oral argument

⁹⁸ 582 U.S. 218 (2017).

⁹⁹ *Id.* at 247.

¹⁰⁰ 15 U.S.C. § 1052(a).

¹⁰¹ *Tam*, 528 U.S. at 223.

¹⁰² *Id.* at 220.

¹⁰³ *Id.* at 244–45.

¹⁰⁴ 139 S. Ct. 2294, 2297 (2019).

¹⁰⁵ *Id.*

¹⁰⁶ *Tam*, 582 U.S. at 243.

¹⁰⁷ 139 S. Ct. at 2299.

¹⁰⁸ *Id.* at 2300.

¹⁰⁹ See Lisa P. Ramsey, Resolving Conflicts Between Trademark and Free Speech Rights After *Jack Daniel’s v. VIP Products*, TECH. & MTKG. L. BLOG, (June 21, 2023), <https://blog.ericgoldman.org/archives/2023/06/resolving-conflicts-between-trademark-and-free-speech-rights-after-jack-daniels-v-vip-products-guest-blog-post.htm> (discussing the Court’s holding as applied to other “speech-protective trademark doctrines created by judges to balance trademark and free speech rights”).

¹¹⁰ The case is *Vidal v. Elster*, No. 22-704, SUPREME COURT OF THE UNITED STATES, <https://www.supremecourt.gov/search.aspx?filename=/docket/docketfiles/html/public/22-704.html> (last visited Sept. 10, 2023). For blog coverage, see Amy Howe, Justices Take Up “Trump Too Small” Trademark Case, SCOTUSBLOG, (June

on November 1, 2023.¹¹¹

ARTIFICIAL INTELLIGENCE: As advances in generative AI take the world by storm, IP law tries to keep up. While AI use often triggers copyright questions on copying and fair use, AI in the trademark realm could see debate regarding the likelihood of consumer confusion test.¹¹² Also, it is foreseeable that claims of trademark dilution could be brought if, after training AI on trademarks, an AI generates a mark that is similar enough to a famous mark it was trained on; there is lineage of case law that will likely be applied if these kinds of dilution claims arise.¹¹³

Also, one prominent player in the AI sphere, OpenAI, initiated a suit in the Northern District of California for trademark infringement and cancellation of a mark.¹¹⁴ Guy Ravine is the owner of Open Artificial Intelligence Inc., and he prevented OpenAI from registering its name as a trademark.¹¹⁵ The Complaint alleged that the defendant Ravine’s motives are clearly obstructive, and that the defendants’ actions have created “a likelihood of confusion, thereby causing irreparable harm to OpenAI”¹¹⁶

QUEENS OF CHRISTMAS: In early 2021, singer Mariah Carey’s company, Lotion LLC filed to register the trademark “Queen of Christmas.”¹¹⁷ Then, singer Elizabeth Chan challenged Carey’s application for the mark “Queen of Christmas” under 15 U.S.C. § 1052, arguing that Carey’s use of the mark would likely create confusion and the potential for false association because Chan was already using the mark in connection with her own music and holiday goods and services.¹¹⁸ By November 15, 2022, Lotion LLC had not answered, so the Trademark Trial and Appeal Board entered a judgment in default against it.¹¹⁹ As Chan pointed out in her opposition, “Christmas is big enough for more than one Queen.”

5, 2023, 11:22 AM), <https://www.scotusblog.com/2023/06/justices-take-up-trump-too-small-trademark-case/>. See also, Maya Tarr, A ‘Trump Too Small’ TM Registration Could Curb Free Speech, LAW360, (June 29, 2023, 4:17 PM), <https://www.law360.com/articles/1694296/a-trump-too-small-tm-registration-could-curb-free-speech>.

¹¹¹ SUPREME COURT OF THE UNITED STATES, <https://www.supremecourt.gov/search.aspx?filename=/docket/docketfiles/html/public/22-704.html> (last visited Sept. 14, 2023).

¹¹² Rebecca Dalton, Phillip Hill & Alyssa Greenstein, 4 Ways Generative AI May Implicate Trademarks, LAW360, (Aug. 28, 2023, 12:27 PM), <https://www.law360.com/articles/1713519/4-ways-generative-ai-may-implicate-trademarks>.

¹¹³ Id. (citing *Tiffany & Co. v. Bos. Club, Inc.*, 231 F. Supp. 836 (D. Mass. 1964)).

¹¹⁴ *OpenAI, Inc. v. Open A.I., Inc.*, No. 3:23-cv-3918 (N.D. Cal. Filed Aug. 4, 2023). OpenAI, Inc. is known to most for its development of ChatGPT.

¹¹⁵ Andrew Karpan, OpenAI Heads to Court to Fight ‘Open AI’ TM Owner, LAW360 (Aug. 7, 2023, 5:22 PM), <https://www.law360.com/articles/1708214/openai-heads-to-court-to-fight-open-ai-tm-owner>.

¹¹⁶ See Complaint at 1, 22, *OpenAI, Inc. v. Open A.I., Inc.*, No. 3:23-cv-3918, (N.D. Cal. Filed Aug. 4, 2023).

¹¹⁷ Adam Lidgett, TTAB Won’t Gift Mariah Carey ‘Queen of Christmas’ TM, LAW360, (Nov. 15, 2022, 7:19 PM), <https://www.law360.com/articles/1549883/ttab-won-t-gift-mariah-carey-queen-of-christmas-tm>.

¹¹⁸ Tiffany Hu, Brand Battles: Mariah Carey Faces ‘Queen of Christmas’ Fight, LAW360, (Aug. 12, 2022, 6:37 PM), <https://www.law360.com/articles/1520642>; Chan v. Lotion, LLC, Notice of Opposition, Serial No. 90/571927, Trademark Official Gazette (July 12, 2022),

https://tsdr.uspto.gov/#caseNumber=90/571927++&caseSearchType=US_APPLICATION&caseType=DEFAULT&searchType=statusSearch.

¹¹⁹ *Battery Park Media LLC v. Lotion, LLC*, No. 91277915 (T.T.A.B. 2022).