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Are the First Amendment Protections Too Big for its Breeches?: Hemming the TDRA's Frayed Noncommercial Use Exception

Nellie Amjadi

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ARE THE FIRST AMENDMENT'S PROTECTIONS TOO BIG FOR ITS BREECHES?: HEMMING THE TDRA'S FRAYED NONCOMMERCIAL USE EXCEPTION

Nellie Amjadi*

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INTRODUCTION

Posters depicting a scandalously dressed woman line Belgian streets.1 One such poster catches the attention of a passerby. His eyes are immediately drawn to her long, exposed legs and tall stilettos, prominently displaying red lacquered outsoles.2 The iconic red-soled stilettos are easily recognizable as Christian Louboutin’s trademark.3

Upon further inspection, the man discovers that the poster actually depicts a provocative political advertisement, created and distributed in Belgium by the Flemish, anti-immigrant, far-right-wing Vlaams Belang party.4 This Flemish group campaigns against the influx of Muslim immigrants in their “Women Against Islamisation” Campaign.5 The ad features former Miss Belgium and current senator, Anke Vandermeersch.6

Beside the image of [Vandermeersch] wearing the shoes, a key show[s] what it claim[s] [is] Islam’s view of a woman, as measured by the length of her skirt, from “sharia

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1. See infra Appendix, Figure 1.
3. CHRISTIAN LOUBOUTIN, Registration No. 3,376,197; see also Christian Louboutin S.A. v. Yves Saint Laurent America Holding, Inc., 696 F.3d 206, 212 (2d Cir. 2012) (“Louboutin’s trademark, which covers the red, lacquered outsole of a woman’s high fashion shoe, has acquired limited “secondary meaning” as a distinctive symbol that identifies the Louboutin brand.”).
5. Id.
6. Id.
compatible” at floor level to “whore” just above the knee and “stoning” at the top of the thigh.7 Not surprisingly, Louboutin requested the Antwerp Court in Belgium to issue an emergency “cease and desist” order against the Flemish group’s unauthorized use because it “tarnished his image.”8 Ms. Vandermeersch, the group’s spokesperson replied, “Are politicians still allowed to dress the way they want? A legal judgment on a dress code for politicians would be a surreal precedent.”9

Contrary to Ms. Vandermeersch’s belief, Louboutin was not concerned with her style of dress; rather, Louboutin did not want his brand to be associated with an anti-Islamic message.10 The court granted Louboutin’s request and ordered the removal of all the posters within twenty-four hours.11 Post-injunction, the group tweeted a revised poster,12 portraying the same political message, but with yellow soles.13 Thus, Louboutin succeeded in preserving his brand and reputation in Europe and the Flemish group continued to spread their message.

Louboutin might not fare as well in the United States. First, it is unlikely that a U.S. court would find the Flemish group infringed Louboutin’s trademark because consumers are unlikely to be confused as to the source or sponsorship of the posters.14 Second, this exact situation in the United States could not result in a successful tarnishment claim due to the noncommercial use exception,15 which allows unauthorized use of a registered trademark in noncommercial

8. Designer Louboutin Wins Court Ban on Anti-Islam Ad, supra note 4.
10. Economically, this makes sense. As Arabian Business reports, the luxury goods market in the Middle East is growing, fast. With projected sales of $7.7 billion, the Middle East is among the ten largest luxury goods market in the world. Andy Sambridge, Mideast Luxury Retail Market Worth $7.7bn, ARABIANBUSINESS.COM (July 13, 2013), http://www.arabianbusiness.com/mideast-luxury-retail-market-worth-7-7bn-study-508678.html.
12. See infra Appendix, Figure 3.
14. See discussion infra Part II.A.
speech. This Comment will analyze why the noncommercial use exception excludes Louboutin from successfully bringing a cause of action for trademark protection and will argue why Congress should remove the exception from the dilution statute. To properly balance trademark and constitutional rights, courts should focus on two questions: (1) whether the unauthorized use is relevant to the message being communicated, and (2) whether the use presents a risk of economic harm through loss of goodwill to the trademark owner from association with the undesired speech.

Part I of this Comment gives background information about United States trademark laws and an overview of First Amendment jurisprudence. Part II will demonstrate the existing law’s failure to protect mark owners from harmful unauthorized uses, illustrated by Louboutin’s suit, which if brought in the United States, would likely not result in an injunction. Lastly, Part III will propose a change to the existing federal trademark statute, which will provide trademark owners a just result compatible with trademark and First Amendment objectives.

I. BACKGROUND

A. United States Trademark Law

Trademark law addresses two policies. First, it promotes the public’s interest in receiving truthful, relevant information regarding the source of goods and services in the marketplace. Second, it protects trademark owners’
business goodwill\textsuperscript{22} from economic and reputational harm that stems from consumer confusion as to source, or dilution by blurring or tarnishment.\textsuperscript{23}

Federal trademark law, enacted by Congress in 1946, establishes a “statutory framework for the registration and protection of trademarks for goods and services.”\textsuperscript{24} Named the Lanham Act,\textsuperscript{25} the law defines a trademark as any word, name, symbol, or device, or any combination thereof, used by a person to distinguish and indicate the source of his or her goods.\textsuperscript{26} Provided the mark creates a “distinct commercial impression” on the viewer or listener\textsuperscript{27}—one that primarily distinguishes the goods of one person from the goods of others—it may be registered.\textsuperscript{28}

The Lanham Act provides registered trademark owners
with the “exclusive right to use the registered mark in commerce on or in connection with the goods or services specified,” subject to certain “legal or equitable defense[s] or defect[s].” The Lanham Act provides three causes of action for registered marks. Section 32 provides registered mark owners a cause of action for the “exclusive right to use” articulated in section 33(a). Section 43(a) provides registered and unregistered marks with a cause of action for any false designation of origin, false description, or false or misleading representation of fact that is likely to lead to consumer confusion. Additionally, section 43(c) provides, in part, for injunctive relief against dilution by blurring or tarnishment.

1. Likelihood of Confusion Under the Lanham Act

Under the Lanham Act, a registered mark owner may protect their trademark from unauthorized use in connection with goods or services. The unauthorized use must be in commerce and likely to cause consumer confusion as to source or sponsorship. If both infringement criteria are met, the trademark owner may be compensated with damages or injunctive relief.

The Lanham Act sets forth two main requirements in order to bring an infringement cause of action against an unauthorized use. The “use in commerce” requirement functions primarily as a jurisdictional nexus, allowing Congress to regulate under the Commerce Clause. Courts generally find this requirement satisfied because it “does not

30. Id. See infra note 48 for a list of defenses.
32. Id. §§ 1114, 1115(a). The Lanham Act is codified at 15 U.S.C. §§ 1051–1127 and is also referred to in its parallel number scheme: Lanham Act §§ 1–45.
34. Id. § 1125(c)(1).
35. See id. § 1114(1)(a).
36. Id.
37. Id. § 1117(a).
38. Id. § 1116(a).
39. See id. § 1114.
40. U.S. CONST. art. 1, § 8, cl. 3; see also United We Stand Am., Inc. v. United We Stand, Am. N.Y., Inc., 128 F.3d 86, 92–93 (2d Cir. 1997); Bosley Med. Inst., Inc. v. Kremer, 403 F.3d 672, 679 (9th Cir. 2005).
require any actual sale of goods and services.”

The element is satisfied if the mark is placed on the goods, their containers, the associated display, affixed on the tags or labels, “or if the nature of the goods makes such placements impracticable then on documents associated with the goods or their sale, and the goods are sold or transported in commerce . . . .”

The second requirement, “likelihood of confusion,” requires a more demanding analysis than the former. Courts must decide whether the unauthorized use will confuse consumers as to source or sponsorship of a mark. Federal courts analyze a number of factors to be considered in determining whether the use is likely to confuse. In AMF, Inc. v. Sleekcraft Boats, the Court of Appeals for the Ninth Circuit articulated the following factors for the likelihood of confusion evaluation: (1) strength of the mark, (2) proximity of the goods, (3) similarity of the marks, (4) evidence of actual confusion, (5) marketing channels used, (6) type of goods and the degree of care likely to be exercised by the purchaser, (7) defendant’s intent in selecting the mark, and (8) the likelihood of expansion of the product lines. Courts weigh each factor differently depending on the circumstance. Typically, the weight given to any factor is determined by how applicable that factor is to the given marks.

2. Statutory and Common Law Defenses to Trademark Infringement

Trademark law provides alleged infringers with several defenses. An unauthorized user can assert such defenses

41. Kremer, 403 F.3d at 679.
43. Id. § 1114(1)(a).
44. “While the list of factors followed by the courts all owe their origin to the 1938 Restatement of Torts, each of the 13 federal circuit courts of appeals has developed its own version of the list and each appears to be jealous of its own formulation of factors.” McCarthy on Trademarks and Unfair Competition § 24:30 (4th ed. 2014).
45. AMF, Inc. v. Sleekcraft Boats, 599 F.2d 341, 348–49 (9th Cir. 1979).
46. Brookfield Communs. v. West Coast Entm’t Corp., 174 F.3d 1036, 1054 (9th Cir. 1999) (“Some factors are much more important than others, and the relative importance of each individual factor will be fact specific.”).
47. Id.
48. Some defenses not discussed in this paper include functionality, fraud in obtaining registration or incontestable status, abandonment, misrepresentative
even when the mark owner successfully proves likelihood of confusion and the other elements of a prima facie case of infringement. One such statutory defense, codified in section 33(b)(4) of the Lanham Act, is the fair use defense. To demonstrate fair use, an unauthorized mark user must demonstrate that the mark was used descriptively, in good faith, and other than as the mark. For example, the well-known electronic retailer’s registered mark BEST BUY cannot bar all uses of “best buy” because “best buy” is descriptive—it describes the price and quality of a product.

Common law nominative fair use is also available to infringers in some jurisdictions. Unlike statutory fair use, described above, nominative fair use requires the accused infringer to use the mark in its secondary, trademark sense. The Ninth Circuit, in holding that the use of a popular boy band’s trademark in public opinion polls without their permission was permitted because the use qualified as a nominative fair use, articulated the following test for nominative fair use:

First, the product or services in question must be one not readily identifiable without use of the trademark; second, only so much of the mark or marks may be used as is reasonably necessary to identify the product or service; and third, the user must do nothing that would, in
conjunction with the mark, suggest sponsorship or endorsement by the trademark holder.\footnote{55}

Nominative fair use is also recognized in the Second,\footnote{56} Third,\footnote{57} Fifth,\footnote{58} and Eighth Circuits,\footnote{59} but the Sixth Circuit expressly rejects nominative fair use as a substitute for the multi-factor likelihood of confusion analysis.\footnote{60}

3. Federal Trademark Dilution

The federal trademark dilution statute gives a famous mark owner the ability to enjoin unauthorized use of its famous marks if the use is “likely to cause dilution by blurring or dilution by tarnishment.”\footnote{61} Trademark dilution, unlike trademark infringement, does not require consumer confusion.\footnote{62} Instead dilution “protect[s] the trademark owners from an appropriation of, or free-riding on the substantial investments . . . made in their mark.”\footnote{63} Congress enacted the Federal Trademark Dilution Act (“FTDA”),\footnote{64} codified in section 43(c) of the Lanham Act, in 1995 and revised it in 2006. The 2006 revision, called the Trademark Dilution Revision Act (“TDRA”),\footnote{65} overruled the Supreme

\footnote{55. Id.}

\footnote{56. See Chambers v. Time Warner, Inc., 282 F.3d 147, 156 (2d Cir. 2002) (acknowledging the district court’s application of the Ninth Circuit’s nominative fair use test to support its dismissal of an infringement complaint).}

\footnote{57. See Century 21 Real Estate Corp. v. Lendingtree, Inc., 425 F.3d 211, 228 (3d Cir. 2005) (reversing the district court’s injunction and remanding for analysis under the majority’s articulated two-part nominative fair use test).}

\footnote{58. See Pebble Beach Co. v. Tour 18 I Ltd., 155 F.3d 526, 546 (5th Cir. 1998) (formulating a test for nominative fair use which includes an analysis of likelihood of confusion).}

\footnote{59. See Calvin Klein Cosmetics Corp. v. Lenox Laboratories, 815 F.2d 500, 503 (8th Cir. 1987); see also Brody & Roberts, supra note 53, at 1312–13 (“The Eighth Circuit has generally adhered to the principle of nominative fair use without formulating any specific test.”).}

\footnote{60. See PACCAR Inc. v. TeleScan Techs., LLC, 319 F.3d 243, 256 (6th Cir. 2003) (rejecting nominative fair use analysis as substitute for traditional multi-factor analysis of likelihood of confusion).}


\footnote{62. Id.}

\footnote{63. Mattel, Inc. v. MCA Records, 296 F.3d 894, 903 (9th Cir. 2000) (internal quotations omitted).}


Court’s holding in *Moseley v. V Secret Catalogue* that “actual dilution” must be shown. The TDRA changed the standard from “causes dilution” to “likely to cause dilution.” Alongside clarifying issues involving fame and commercial use, the TDRA also articulated two specific types of dilution: dilution by blurring and dilution by tarnishment.

The TDRA defines dilution by blurring as an “association arising from the similarity between a mark or trade name and a famous mark that impairs the distinctiveness of the famous mark.” To determine dilution by blurring, the TDRA instructs courts to consider factors such as similarity, distinctiveness, exclusive use by the famous mark owner, recognition, defendant’s intent, and actual association between defendant’s mark and the famous mark. Dilution by tarnishment is important to trademark owners because it protects the trademark owner’s considerable investment in ensuring that consumers maintain positive associations with the trademark. Use of a trademark in a negative context, such as in the context of sexual activity, obscenity, or illegal activity, is contrary to that goal.

A requirement for bringing a dilution cause of action under the TDRA is fame. Under the TDRA, “a mark is famous if it is widely recognized by the general consuming

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69. *Id.*
71. *Id.*
73. V Secret Catalogue, Inc. v. Moseley, 605 F.3d 382, 392 (6th Cir. 2010) (holding that “Victor’s Little Secret” when use to sell sexual toys, videos, and similar soft-core pornographic products tarnished the famous mark VICTORIA’S SECRET).
public of the United States as a designation of a source of the goods or services of the mark’s owner.” 77 Several factors help determine whether a mark is famous. 78 These include the mark’s advertising, the amount, volume, geographic extent of goods or services sold under the mark, actual recognition of the mark, and when and how the mark was registered. 79 Courts often deny relief when a mark is found to be insufficiently famous. 80 “Some examples of marks that have been found to be insufficiently famous marks under the TDRA are: CHARLOTTE for clothing and accessories; JARRITOS for soft drinks; SUNSHINE IN A BOX for sunlamps; [and] the University of Texas ‘longhorn logo . . . .’ 81 Examples of famous marks include “NIKE; PEPSI; eBay, the adidas ‘Three-Stripe Mark’ for shoes; and Louis Vuitton ‘Monogram Multicolore Mark’ for handbags.” 82 “Courts have also assumed—without deciding—that the following marks are sufficiently famous under the TDRA: DIANE VON FURSTENBERG for dresses, STARBUCKS for coffee, and VICTORIA’S SECRET for lingerie.” 83

4. Exclusions and Defenses to Dilution under the TDRA

The TDRA exempts certain unauthorized uses from a dilution cause of action. 84 The exclusions, described in further detail in Part III, are: fair uses, including comparative advertising, parodies, criticisms, or comments on the famous mark owner’s goods or services; 85 news reporting and commentary; 86 and noncommercial uses. 87 These exemptions are intended to preserve First Amendment speech

77. See id. § 1125(c)(2)(A).
78. See generally Barton Beebe, A Defense of the New Federal Trademark Antidilution Law, 16 FORDHAM INTELL. PROP. MEDIA & ENT. L.J. 1143, 1157–65 (2006) (“This is a new formulation that provides guidance to the courts on how famous a mark must be to qualify for anti-dilution protection, something that the FTDA failed to do.”).
81. See id. at 1217 and accompanying footnotes.
82. See id. at 1218 and accompanying footnotes.
83. See id.
84. 15 U.S.C. § 1125(c)(3).
85. Id. § 1125(c)(3)(A).
86. Id. § 1125(c)(3)(B).
87. Id. § 1125(c)(3)(C).
B. Levels of Speech Protection Under the First Amendment

In pertinent part, the First Amendment states that “Congress shall make no law . . . abridging the freedom of speech . . . .” The First Amendment renders unconstitutional state action that prohibits or unduly burdens First Amendment speech rights. Any law that regulates speech based on its content and discriminates as to either viewpoint or subject matter is presumptively unconstitutional, and consequently must meet a rigorous strict scrutiny standard. To regulate speech based on content, the state must show the law is narrowly tailored to achieve a compelling governmental interest using the least restrictive means.

Overbroad and vague regulations must also meet strict scrutiny because these regulations have the ability to chill protected speech. In overbreadth cases “the possible harm to society in permitting some unprotected speech to go unpunished is outweighed by the possibility that protected speech of others may be muted . . . .” Vague regulations chill speech because of the speaker’s uncertainty as to what is

89. U.S. Const. amend. I.
90. U.S. Const. amend. I; see R.A.V. v. City of St. Paul, 505 U.S. 377, 382 (1992) (“The First Amendment generally prevents government from proscribing speech or even expressive conduct, because of disapproval of the ideas expressed.” (citations omitted)).
91. Consol. Edison Co. v. Public Serv. Comm’n, 447 U.S. 530, 537 (1980) (“The First Amendment’s hostility to content-based regulations extends not only to restrictions on particular viewpoints, but also to prohibition of public discussion of an entire topic.”).
92. See R.A.V., 505 U.S. at 382; see also Consol. Edison, 447 U.S. at 540 (“Where a government restricts the speech of a private person, the state action may be sustained only if the government can show that the regulation is a precisely drawn means of serving a compelling state interest.”).
93. Sable Comm’ns of Cal., Inc. v. F.C.C., 492 U.S. 115, 126 (1989) (“The Government may, however, regulate the content of constitutionally protected speech in order to promote a compelling interest if it chooses the least restrictive means to further the articulated interest.”).
protected or unprotected under the regulation.96 Both overbroad and vague regulations are unconstitutional and are struck by courts.97

There are certain areas of speech that, while subject to heavier regulation, implicate less risk of deterring speech. For example, false or deceptive advertising is not protected speech because of its detriment to society.98 Another type of less-protected speech is commercial speech99—speech that “does no more than propose a commercial transaction.”100 Commercial speech regulations are subject to a less rigorous standard articulated by the United States Supreme Court in Central Hudson Gas & Elec. Corp. v Public Service Comm’n:101 the regulation must “directly advance[] a substantial governmental interest” and “not [be] more extensive than is necessary to serve that interest.”102 The policy reason permitting heavier regulations on commercial speech is that the economic incentives in making commercial speech reduce any potential chilling effects of a regulation.103

Applied to trademark law, the First Amendment allows purely commercial speech to be regulated by the TDRA.104 However, the TDRA does not regulate noncommercial speech for fear that it “would allow trademark owners to suppress or inhibit discussion about them . . . [and] would thus represent an impermissible burden on free speech.”105

96. Morales, 527 U.S. at 59–60 (declaring an ordinance prohibiting loitering “in one place with no apparent purpose” as vague for definiteness and clarity).
97. See id. at 64.
99. Id. at 771–72.
100. Id. at 762.
102. Id. at 564–66.
103. Bates v. State Bar of Arizona, 433 U.S. 350, 381 (1977) (“Since advertising is linked to commercial well-being, it seems unlikely that such speech is particularly susceptible to being crushed by overbroad regulations.”).
II. ANALYSIS OF UNAUTHORIZED TRADEMARK USE IN NONCOMMERCIAL SPEECH

Returning to the Louboutin case discussed above, the Flemish group’s Anti-Islam poster weakens the trademark’s reputation in the eyes of consumers, who likely identified the mark as accepting of all religions and races. Although it is possible some minimal amount of consumer confusion may result—and a competent attorney would bring an infringement action—Louboutin’s injury is primarily due to consumers’ newly-ingrained and likely subconscious negative associations with the mark. The poster’s controversial comment on Islam may cause consumers to associate the luxury red-soled stilettos with the poster’s negative political message. This association is detrimental because the mark is used in a way antithetical to the mark owner’s presumptively positive uses. If the Flemish group distributed the poster in the United States, Louboutin’s potential causes of action would be infringement and dilution by tarnishment. However, as this Comment will establish in Part II.A–Part III, both will fail.

A. Trademark Infringement

1. Likelihood of Confusion

Once an infringement claim is brought in the United States, courts determine infringement liability by analyzing whether the use is likely to confuse consumers. The first factor is the strength of the mark. Louboutin has an arguably strong mark because the red soles have gained secondary meaning in the luxury shoe market; however, colors are typically given narrow protection since a color is not inherently distinctive. Therefore, a court could go either way—strong or weak—in determining the strength of the mark. Second, the proximity of the goods factor is unlikely to favor Louboutin because the Flemish group does not market or sell shoes. The third factor, similarity of the marks, will

likely favor Louboutin because the “sight, sound, and meaning” of the mark used in the Flemish group’s poster is in fact the same as Louboutin’s mark.\textsuperscript{109}

The other five factors are unfavorable, or at best, ambiguous. The fourth factor, actual confusion, cannot be determined without survey evidence or actual testimony.\textsuperscript{110} This evidence is not readily available. The fifth factor, similarity of marketing channels, is also ambiguous. On the one hand, Louboutin likely uses posters to market his brand and therefore this factor supports confusion. On the other hand, this factor is arguably irrelevant because regardless of the marketing channel used, the poster can be found on the Internet through a few key search terms and shared instantaneously through online news sources and forums.\textsuperscript{111} The unauthorized use may become well known, if not viral.

The sixth factor, purchaser care and sophistication, will weigh against confusion. Louboutin’s shoes are expensive and therefore consumers will likely take more time and care in making a purchasing decision. These consumers are not likely to believe Louboutin would authorize his mark in the Flemish group’s tasteless poster.

The seventh factor, intent, is difficult to discern, but the Flemish group would likely successfully argue it used the Louboutin stilettos in good faith because it only used the mark for decorative purposes, not to confuse consumers. Finally, the eighth factor, likelihood of expansion, would also weigh against Louboutin because it is unlikely Louboutin will start a political group, like the Anti-Islam group, antagonizing a large sector of his consumer base.

Four of the eight Sleekcraft factors—proximity of the goods, degree of care likely to be exercised by the purchaser, defendant’s intent in selecting the mark, and likelihood of expansion—weigh against a likelihood of confusion. Moreover, three factors—strength of the mark, evidence of actual confusion, and marketing channels used—are either difficult to discern or just inapplicable to this unauthorized

\textsuperscript{109} Sleekcraft, 599 F.2d at 351.
\textsuperscript{110} See Fortune Dynamics, Inc. v. Victoria Secret Stores Brand Mgmt, Inc., 618 F.3d 1025, 1035 (9th Cir. 2010).
\textsuperscript{111} Playboy Enters. v. Netscape Commc’ns. Corp., 354 F.3d 1020, 1028 (9th Cir. 2001) (“Given the broad use of the Internet today . . . this factor merits little weight.”).
use. Therefore, a court would likely find no confusion and therefore no infringement by the Anti-Islam Campaign poster.

2. Trademark Infringement Defenses

Although analyzing the Flemish group’s infringement defenses is moot because consumers are unlikely to be confused, this section will describe the First Amendment defense to infringement because it will play a key role in the proposal in Part III below. Trademark infringers engaging in noncommercial speech often raise the First Amendment as a defense to their unauthorized use. To balance First Amendment rights with those of the trademark owner, courts use the test set forth in Rogers v. Grimaldi.112 The Rogers test requires courts to inquire into whether a mark’s use is “artistically relevant” to the speech and whether the mark “explicitly mislead[s]” the public.113 Artistic relevance is satisfied when an unauthorized use of a mark is “‘not arbitrarily chosen just to exploit the publicity value of the [plaintiff’s mark] but instead has genuine relevance [to the work].’”114 For example, in Rogers, the court held the title “Ginger and Fred,” for a film that depicted two performers nicknamed Ginger and Fred, was artistically relevant to the work.115

If an expression is deemed artistically relevant, courts will then determine whether the use is “explicitly misleading” as to the source or content of the work.116 An explicitly misleading use leads the public to believe the mark owner “prepared or otherwise authorized” the use.117 Some examples of explicitly misleading uses are “Jane Fonda’s Workout Book”—a label for a book unaffiliated with Jane

112. 875 F.2d 994 (2d Cir. 1989).
113. Id. at 1000.
115. Rogers, 875 F.2d at 999–1000.
116. See Rogers, 875 F.2d at 1000; see also Mattel, Inc. v. MCA Records, 296 F.3d 894, 901 (9th Cir. 2002) (adopting the Rogers test for artistic works); Parks v. LaFace Records, 329 F.3d 437, 458 (6th Cir. 2003) (adopting the Rogers test in the context of expressive works and citing Restatement (Third) of Unfair Competition § 47 cmt. c (1995))).
117. Twin Peaks Prods., Inc. v. Publ’ns Int’l, Ltd., 996 F.2d 1366, 1379 (2d Cir. 1993).
Fonda—and Pepsi’s Blog on Human Rights—a blog unaffiliated with Pepsi. In both circumstances, the unauthorized user is overtly misrepresenting his product as authored or sponsored by Jane Fonda and Pepsi, respectively.

B. Trademark Dilution

“Dilution law is the antithesis of trademark law . . . because it seeks to protect the mark from association in the public’s mind with wholly unrelated goods and services.” Congress enacted the TDRA to prevent unauthorized uses that “seize upon the popularity of a trademark at the expense of the rightful owner and the public.” Unlike infringement, dilution causes of action do not require a likelihood of confusion.

1. Dilution by Tarnishment

Dilution by tarnishment allows a trademark owner to enjoin an unauthorized use that diminishes the value of its mark by placing the mark in an unsavory context. To bring a dilution by tarnishment claim, the TDRA first requires the mark to be famous. A mark is famous “if it is 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.” The statute also lists a set of factors to help determine “whether a mark possesses the requisite degree of recognition.” Those factors include:

(i) The duration, extent, and geographic reach of advertising and publicity of the mark, whether advertised or publicized by the owner or third parties.

118. Rogers, 875 F.2d at 1001.
119. Mattel, Inc. v. MCA Records, 296 F.3d 894, 904 (9th Cir. 2000).
121. See discussion supra Part II.B; see also San Francisco Arts & Athletics, Inc. v. United States Olympic Comm., 483 U.S. 522, 539 (1987) (“[E]ven if not confusing . . . [the mark] nevertheless may harm [mark owner] by lessening the distinctiveness and thus the commercial value of the marks.”) (citations omitted).
122. Mattel, Inc. v. MCA Records, 296 F.3d 894, 903 (9th Cir. 2000) (internal quotations omitted).
124. Id. § 1125(c)(2)(A).
125. Id.
(ii) The amount, volume, and geographic extent of sales of goods or services offered under the mark.
(iii) The extent of actual recognition of the mark.
(iv) Whether the mark was registered under the Act of March 3, 1881, or the Act of February 1905, or on the principle register. 126

For Louboutin, the fame requirement could potentially impede his access to dilution causes of action since the luxury shoe designer may only have “niche fame” within the fashion-knowledgeable consuming public not the general consuming public. 127 “Niche fame” is specifically excluded by the TDRA “to prevent courts from labeling a mark as ‘famous’ because it is well-known only in a local geographical territory or in a local product or service line.” 128 Nevertheless, since this may be a close call, a court will likely look to the TDRA’s factors to make this finding. First, the Louboutin brand has invested substantial amounts in advertising, media coverage, and demonstrated sales success. 129 Second, Louboutin sells about 240,000 pairs a year with revenues of approximately $135 million in 2011, 130 but Louboutin’s recognition goes far beyond what these sales indicate due to its high degree of publicity. “The brand’s fame derives largely from the red outsole itself: interested consumers can instantly recognize the brand when they see a red-soled shoe gracing the red carpet or the pages of fashion publications.” 131 Finally, Louboutin’s mark has been on the principal register since 2008. 132 This factor analysis indicates that at least three of the four fame factors favor Louboutin’s wide degree of recognition.

In addition, a survey of luxury designer trademark case law supports a court’s determination that Louboutin’s mark is

famous because of his marketing strategies. In Malletier v. Dooney & Bourke, Inc,\textsuperscript{133} the court found that “Louis Vuitton’s Monogram Multicolore mark achieved a high level of fame in the broad fashion market” due to “widespread advertising, publicity, and sales of products bearing the Monogram Multicolore mark, and enjoyed a deluge of unsolicited media coverage and attention.”\textsuperscript{134} Another court found the fame requirement satisfied for the highly-marketed luxury brand, Burberry.\textsuperscript{135} Though luxury goods typically have niche fame, case law indicates that brands employing widespread marketing and advertising efforts meet the TDRA’s fame requirement.\textsuperscript{136} Here, Louboutin spends approximately $2 million each year on promotional activities.\textsuperscript{137} Louboutin also engages in promotional activities such as cooperative advertising, loaning its shoes for highly publicized events, and unique collaborations, such as its 2009 collaboration with Mattel to celebrate BARBIE’s fiftieth anniversary.\textsuperscript{138} Therefore, a court, relying on the TDRA’s fame factors and precedent, will likely find that Louboutin indeed meets the standard for fame.

Next, a court will determine whether Louboutin’s mark was likely to be tarnished through an “association . . . that harms the reputation of the famous mark.”\textsuperscript{139} The poster harms Louboutin’s trademark by creating associations in the consumer’s mind with Islamic intolerance.\textsuperscript{140} Uses such as the Flemish group’s unauthorized use diminish a trademark

\begin{footnotes}
\item[133.] 561 F. Supp. 2d 368 (S.D.N.Y. 2008).
\item[134.]  Id. at 391 (internal quotations omitted).
\item[135.] Burberry Ltd. v. Euro Moda, Inc., 2009 WL 1675080 at *12 (S.D.N.Y. 2009) (“Burberry has prominent advertising presence in the United States, placing advertisements of its products bearing the Burberry Marks in popular and widely circulated United States publications.”).
\item[136.] See Sun, supra note 127, at 807 (“Since the fame of a mark is essentially measured by advertising and marketing efforts made by the owner of the mark, these low-profile marketing strategies could make it difficult for the relevant luxury companies to prove the well-known status of their trademarks.”).
\item[137.] Brief for Plaintiffs-Counter-Defendants-Appellants and Special Appendix at 14, Christian Louboutin S.A. v. Yves Saint Laurent America Holdings, Inc., 696 F.3d 206, 226 (2d Cir. 2012) (No. 11-3303-cv).
\item[138.]  Id.
\item[140.] See John D. Shakow, Note, Just Steal It: Political Sloganeering and the Rights of Trademark Holders, 14 J.L. & POLITICS 199, 208 (1998) (“Association with some political philosophies, when forced on a commercial actor, may well hurt the commercial prospects of the actor’s goods.”).
\end{footnotes}
owner’s ability to “reap the financial, reputation-related rewards associated with a desirable product.”

Continuous, unregulated association of a mark with divisive political speech considerably diminishes goodwill.

2. Defenses to Dilution—The TDRA’s Exceptions

The TDRA has several defenses that exclude certain uses from a dilution cause of action. Under the TDRA, section 43(c)(3) states:

The following shall not be actionable as dilution by blurring or dilution by tarnishment under this subsection:

(A) Any fair use, including a nominative or descriptive fair use, or facilitation of such fair use, of a famous mark by another person other than as a designation of source for the person’s own goods or services, including use in connection with—

(i) advertising or promotion that permits consumers to compare goods or services; or

(ii) identifying and parodying, criticizing, or commenting upon the famous mark owner or the goods or services of the famous mark owner.

(B) All forms of news reporting and news commentary.

(C) Any noncommercial use of a mark.

The Flemish group’s use will not fall under the exceptions in section 43(c)(3)(A) or (B). Under this set of facts, the trademark’s use is not descriptive because it does not propose to describe or promote its own non-trademark related message. A descriptive fair use cannot exist here because red soles do not have a primary meaning, or in other words, without Louboutin’s secondary meaning red soles are just red soles.

Nor is the Flemish group’s use nominative fair use because it does not depict or compare Louboutin’s product to others. The poster was political propaganda for Woman Against Islamisation, a group which provides neither goods nor services. A scenario where fair use could apply would be

142. See Shakow, supra note 140, at 208.
144. Kelly-Brown v. Winfrey, 717 F.3d 295, 308 (2d Cir. 2013)
if the poster’s message described Louboutin stilettos’ conformance or nonconformance to Islamic ideals.\footnote{See New Kids on the Block v. News America Publ’g, Inc., 971 F.2d 302, 308 (9th Cir. 1992).}

Other fair use exclusions include parody, criticism, and commenting upon the mark.\footnote{15 U.S.C. § 1125(c)(3)(A)(ii).} The Flemish group’s poster would not qualify as a parody. This is because it did not “imitate and then comically transform” Louboutin, its shoes, or its mark, in an ambiguous or complex meta-fictional way.\footnote{Tyler T. Ochoa, Dr. Seuss, The Juice and Fair Use: How the Grinch Silenced a Parody, 45 J. COPYRIGHT SOC’Y U.S.A. 546, 548–52 (1998) (quoting Margaret A. Rose, PARODY: ANCIENT, MODERN AND POST-MODERN 54 (1993)).} The poster also did not criticize or comment on Louboutin or his goods; instead the poster criticized Islamic beliefs and promoted xenophobia—neither having anything to do with Louboutin or its shoes. The statutory exclusion of news reporting and news commentary would similarly not apply because the Flemish group did not transmit information regarding Louboutin or his goods through the poster.

The last defense, noncommercial use, functions as a catch-all exception and will defeat Louboutin’s dilution action. The group’s message regarding Islam and the Islamisation of Belgium is political in nature and therefore likely to be political, noncommercial speech.\footnote{Mattel, Inc. v. MCA Records, Inc., 296 F.3d 894, 905 (9th Cir. 2002).} Under the TDRA, noncommercial speech is noncommercial use\footnote{Though Mattel was decided before the TDRA’s enactment in 2006, the language of the noncommercial use exception has not changed.} and noncommercial use is exempted from dilution by tarnishment claims.\footnote{15 U.S.C. § 1125 (c)(3)(C).} This leaves a court with little choice but to dismiss Louboutin’s dilution claim against the Flemish group and essentially deprives Louboutin of its ability to enjoin the Flemish group’s use despite its nonconformity with any of the specific fair use exceptions. Because trademark owners cannot enjoin noncommercial uses, mark owners are subject to considerable economic harm.\footnote{See John Zevitas, Comment, If it Doesn’t Fit, Keep on Trying?: The Court’s Attempt to Find A Place For Pure Political Speech in the Lanham Act, 60 CATH. U.L. REV. 243, 271 (2010).}
III. PROPOSAL

To protect the underlying goals of the TDRA, Congress should remove the noncommercial use exception from the TDRA. Furthermore, to protect First Amendment rights and the ability to effectively communicate messages using trademarks, Congress should take the “artistic relevance” of the Rogers test,153 and apply it to the TDRA’s exceptions. The proposed statute would read as follows:

The following shall not be actionable as dilution by blurring or dilution by tarnishment under this subsection:

(A) Any fair use, including a nominative or descriptive fair use, or facilitation of such fair use, of a famous mark by another person other than as a designation of source for the person’s own goods or services, including use in connection with—

(i) advertising or promotion that permits consumers to compare goods or services; or

(ii) identifying and parodying, criticizing, or commenting upon the famous mark owner or the goods or services of the famous mark owner.

(B) All forms of news reporting and news commentary. 154

(C) Any use artistically relevant to a noncommercial message.155

Eliminating the noncommercial use exception will promote the Lanham Acts’ twin objectives: preventing consumer confusion, and protecting mark owners’ distinctive marks from misappropriation and dilution. As it stands, the noncommercial use exception allows the frivolous, unauthorized use of famous trademarks, along with their damaging repercussions, to persist so long as the use is not solely “to propose a commercial transaction.”156 The proposed statute will protect innocent trademark owners from value-decreasing unauthorized uses and will justly curtail obvious attempts to “free ride” on a mark’s fame. Moreover, the

155. The italicized section (C) would replace the noncommercial use exception in 15 U.S.C. § 1125(c)(3)(C).
general public will continue to have broad First Amendment protections through the TDRA’s numerous existing exceptions and the proposed artistic relevance exception. With this proposal, the general public may continue to criticize, make fun of, comment on, compare, describe, advertise, promote, or make any tarnishing noncommercial message using a mark, so long as the mark is relevant to the message.\footnote{157. 15 U.S.C. § 1125(c)(3).}

A. Application of the Proposed Amendment

Under the proposed TDRA amendment, a court’s analysis would begin by determining whether the unauthorized use would likely tarnish the mark. Tarnishment occurs when an unauthorized user “associates a mark with something unwholesome or somehow damages the positive image the trademark holder has built up in the [mark].”\footnote{158. See Shakow, supra note 140, at 208.}

Once a court determines that an unauthorized use dilutes a famous mark, it may look to the newly enacted statutory defense, the “artistic relevance” test, if the other defenses—nominative or descriptive fair use, comparative advertising, parody, criticism, commentary, and news reporting—fail to apply to the unauthorized use.\footnote{159. 15 U.S.C. § 1125(c)(3)(A)–(C).} In applying the artistic relevance exception, the court would determine whether the mark had some “artistic relevance to the underlying work.”\footnote{160. Rogers v. Grimaldi, 875 F.2d 994, 999 (2d. Cir. 1989).} To do so, the court would examine the speech’s underlying message. The Louboutin case, if hypothetically brought to a U.S. court, illustrates this point below.

B. Louboutin Under the Proposed Statute

Under the proposed TDRA amendment, Louboutin could bring a cause of action for dilution by tarnishment. Displaying Louboutin’s trademark on a poster expressing disdain for the Islamic religion is likely to associate its expensive, high fashion shoes with images of stoning and anti-Islamic sentiment. Political associations or philosophies are naturally discriminatory against certain citizens, and the unauthorized uses of marks in such speech certainly damage
the owner and the mark’s image.\footnote{161} For this reason, Louboutin may lose a good portion of its client base in the Middle East.\footnote{162} Dilution by tarnishment is an appropriate cause of action.

A court would next decide whether the use falls under any of the articulated exceptions to dilution. Nominative or descriptive fair use, comparative advertising, parody, criticism, commentary, news reporting, and any noncommercial use of a mark, as discussed in Part II.B.2, would not merit a successful defense for the Islamic group.\footnote{163} This leaves the proposed artistic relevance exception.

To determine whether the unauthorized use falls under the artistic relevance exception, the court would look to the poster’s underlying message. In this case, the message pertains to Islam, and more specifically Islam’s treatment of women as either prostitutes to be stoned or housewives with floor-length skirts. However, Louboutin’s mark—the red-sole stilettos—is not artistically relevant to that message because with or without the red-sole stilettos the poster adequately communicates the criticism of Islam’s treatment of women. This point is further illustrated by the group’s post-injunction tweet, depicting a similar image with yellow soles.\footnote{164} This tweet demonstrates the mark’s irrelevance to the poster because the Flemish group’s message was not lost or even slightly lessened by the change. Instead, the group still communicated an Anti-Islamic message using a woman’s leg to portray different skirt lengths and its alleged “sharia” compatibility. The Flemish group’s use of Louboutin’s mark had no significance or relevance to their message.

Upon finding no artistic relevance, a court may enjoin the unauthorized use as unlawfully tarnishing the mark. Therefore, under the proposed amendment, Louboutin’s mark would be protected from the Flemish group’s free-riding use. The Antwerp Court and Court of Appeal in Belgium correctly decided Louboutin’s case, and should Congress implement the changes proposed, the result in the United States would

\footnotesize{\begin{itemize}
\item \footnote{161} See Shakow, supra note 140, at 208.
\item \footnote{162} See Sambridge, supra note 10.
\item \footnote{163} See analysis supra Part II.B.2.
\item \footnote{164} See infra Figure 3.
\end{itemize}}
similarly protect Louboutin’s mark.  

C. First Amendment Challenges

Inevitably the proposed amendment will be challenged on the grounds of the First Amendment’s freedom of expression. Protecting trademark use in noncommercial speech is a laudable goal that allows the public to comment on a recognizable brand. The proposed artistic relevance exception will maintain this protection. Courts will retain the discretion to factually determine “artistic relevance” in unauthorized uses, rather than sweepingly deny trademark owners dilution remedies in noncommercial uses. The TDRA’s existing exclusions—such as parody, criticism, and news commentary—will continue to protect the public’s interest in free speech in most noncommercial uses. By extending the artistic relevance test to dilution actions involving artistic, expressive, or political speech, the proposed statute will bridge any gap remaining in protecting free speech interests.

In addition, unauthorized uses wholly unrelated to a trademark, but which nevertheless use that mark in an unsavory and reputation-damaging manner, are less informative and should allow for more regulation. The Supreme Court has promoted this view as well, albeit more controversially. In San Francisco Arts & Athletics v. United States Olympic Committee the Court upheld the Amateur Sports Act and prohibited San Francisco Arts & Athletics


166. Some scholars express worries that free speech rights are diminishing, especially if First Amendment defenses are further limited, because users will refrain from speaking in fear of being subject to lengthy and costly litigation. See Lisa P. Ramsey, Increasing First Amendment Scrutiny of Trademark Law, 61 SMU L. REV. 381, 405–06 (2008).


168. See Shakow, supra note 140, at 108.

Inc.’s (“SFAA”) use of the word “Olympic” in promoting its “Gay Olympic Games.”\(^{170}\) Although the dissent chastised this prohibition as chilling SFAA’s First Amendment right to communicate its message of promoting social and political ideas,\(^{171}\) the majority brushed aside these concerns by focusing on mark owners’ rights.\(^{172}\) The majority reasoned that the SFAA’s use would “undercut the USOC’s efforts to use, and sell the right to use, the word in the future, since much of the word’s value comes from its limited use.”\(^{173}\)

More notably, the United States Supreme Court has never held that First Amendment rights are absolute.\(^{174}\) In United States v. O’Brien,\(^{175}\) the Court upheld a law that criminalized destruction of draft cards and upheld the defendant’s criminal conviction for burning his draft card.\(^{176}\) The law did not unconstitutionally limit the defendant’s First Amendment freedom of speech rights because the government’s interest was “limited to the noncommunicative aspect [the burning of the card] of O’Brien’s conduct.”\(^{177}\) To determine the level of protection afforded to this speech, the Court articulated that the regulation must be within the constitutional power of government; it must further a substantial or important governmental activity; the government interest must be unrelated to the suppression of free expression, and the incidental restriction must go no farther than is essential to furtherance of that interest.\(^{178}\) Here, Congress has the power to regulate trademark protection, it has a substantial interest in protecting mark owners from harm to its livelihood, which is an interest unrelated to the suppression of free expression, and lastly the restriction only restricts speech that harms famous trademarks through uses irrelevant to the underlying speech. By removing the noncommercial use exception and applying the proposed statute, Congress could regulate the

\(^{170}\) Id. at 525–28.
\(^{171}\) Id. at 567–70.
\(^{172}\) Id. at 534–35.
\(^{173}\) Id. at 539.
\(^{176}\) O’Brien, 391 U.S at 382.
\(^{177}\) Id. at 381.
\(^{178}\) Id. at 377.
noncommunicative aspects of unauthorized users’ message and protect mark owners from reputation-damaging unauthorized uses. Unauthorized uses of trademarks, unrelated to a message, such as in the Louboutin scenario, frustrates the TDRA’s purpose in providing protection to famous marks.

The proposed statute would also protect trademark owner’s First Amendment right to refrain from speaking. Corporations have First Amendment rights similar to individuals; therefore, a trademark owner (whether as an individual or corporation) has its own First Amendment rights, including the “right to refrain from speaking.” This First Amendment guarantee cannot be protected if trademark law is not amended. This First Amendment guarantee cannot be protected if trademark law is not amended. For example, in Louboutin’s case, the unauthorized use of a mark in political propaganda associates the mark owner with the Flemish group’s particular message—one with which the owner wholly disagrees—Anti-Islam. As in Wooley v. Maynard, where the Court held that a state could not force residents to display “Live Free or Die” on a government-issued license plate, courts should strive to protect an entity’s right not to speak particularly in regards to speech to which it may be ideologically opposed.

CONCLUSION

Reputation and goodwill are fundamental to trademark owners. Unauthorized use of a mark in unrelated political speech diminishes the protections that dilution law aims to provide. Congress should amend the TDRA to protect trademark owners from exploitation by unauthorized users. By substituting the noncommercial use exception with the artistic relevance exception, Congress will allow trademark owners to enjoin unauthorized users from tarnishing a trademark when the unauthorized use is unrelated to the message. By ensuring this protection to trademark owners, Congress will also alleviate First Amendment concerns in

181. Id.
182. Id.
noncommercial use dilution claims.

APPENDIX A


185. Photograph of “Women Against Islamisation” Campaign Poster, in Philip Blenkinsop, Christian Louboutin Wins Case Against Shoe Use by Flemish...
Far-Right, TELEGRAPH.CO.UK (Oct. 15, 2013),