

No. 16-1225

IN THE
Supreme Court of the United States

NOVEMBER TERM, 2016

PATTEL, INC.,

PETITIONER,

v.

CAMMY GARDASHYAN,

RESPONDENT.

*On Writ of Certiorari to the
United States Court of Appeals
for the Fourteenth Circuit*

BRIEF FOR PETITIONER

QUESTIONS PRESENTED

I. Whether this Court should adopt the doctrine of nominative fair use as an affirmative defense to trademark infringement under Section 1114 of the Lanham Act to afford protection when a user references the trademark itself?

II. Under a nominative fair use doctrine, should a three prong nominative fair use affirmative defense be adopted when the user needs to reference the trademark to clearly describe its product to consumers and when Pattel used Gardashyan's name to describe the Fashionista Bambi doll?

TABLE OF CONTENTS

QUESTIONS PRESENTED i

TABLE OF AUTHORITIES v

OPINIONS BELOW viii

STATEMENT OF JURISDICTION ix

STATUTORY PROVISIONS x

STATEMENT OF THE CASE 1

SUMMARY OF THE ARGUMENT 4

ARGUMENT 6

 I. THIS COURT SHOULD ADOPT A NOMINATIVE FAIR USE ANALYSIS
 AS AN AFFIRMATIVE DEFENSE TO TRADEMARK INFRINGEMENT
 DESPITE A FINDING OF A LIKELIHOOD OF CONFUSION 6

 A. This Court should adopt a nominative fair use analysis under Section
 1114 of the Lanham Act 7

 1. Nominative fair use protects secondary users in situations where
 classic fair use is not applicable 8

 2. This Court should adopt a nominative fair use analysis to resolve
 confusion amongst the circuit courts 8

 3. Nominative fair use comports with the original intent of trademark
 protection. 9

 a. Nominative fair use furthers the purpose of original trademark
 protection in the Lanham Act because it safeguards consumers 10

 b. Reading the Lanham Act to preclude a nominative fair use defense
 would be improper. 12

 4. Nominative fair use is analogous to collateral reference. 12

 5. Even if this Court declines to adopt nominative fair use, Pattel used
 Gardashyan’s name fairly. 13

 B. This Court should adopt nominative fair use as an affirmative defense. 14

1.	The correct analysis for nominative fair use is a bifurcated approach, mirroring this Court’s classic fair use analysis.....	14
2.	The bifurcated approach articulated in <i>KP Permanent Make-Up</i> should apply because the risk of confusion is the same for both classic and nominative fair use.....	15
3.	A consolidated analysis improperly places too high a burden on defendants.....	16
II.	THIS COURT SHOULD ADOPT THE THIRD CIRCUIT’S NOMINATIVE FAIR USE ANALYSIS AND FIND THAT PATEL DID NOT INFRINGE ON GARDASHYAN’S MARK.	16
A.	This Court should adopt the Third Circuit’s nominative fair use analysis.	18
1.	The Third Circuit’s bifurcated approach better comports with this Court’s classic fair use analysis.	18
2.	The language of the Third Circuit’s first prong is clear and allows for consistent application.	20
3.	The language of the Third Circuit’s second prong properly balances the interests of trademark holders and secondary users.	21
4.	The language of the Third Circuit’s final prong properly analyzes truthfulness, a principle consideration of the Lanham Act.	22
B.	Pattel used Gardashyan’s name fairly under the Third Circuit’s analysis.	23
1.	Pattel properly used Gardashyan’s name because her name was necessary to describe both Gardashyan and the Fashionista doll.	23
2.	Pattel used only as much of Gardashyan’s mark as was necessary to describe the Fashionista doll.	25
3.	Pattel reflected its true and accurate relationship with Gardashyan.	26
C.	Even if this Court adopts the language of the Ninth Circuit, Patte used Gardashyan’s name fairly.	27
1.	Gardashyan is not readily identifiable without the use of her name.	28
2.	Pattel only used as much of Gardashyan’s mark as reasonably necessary to identify the Fashionista doll.	29

3. Pattel’s use of Gardashyan’s name did not suggest sponsorship or endorsement.....30

D. Pattel used Gardashyan’s mark fairly under the Second and Fourteenth Circuits’ analyses.30

CONCLUSION.....35

TABLE OF AUTHORITIES

UNITED STATES SUPREME COURT CASES

KP Permanent Make-Up, Inc. v. Lasting Impression I, Inc., 543 U.S. 111 (1994).....*passim*

Lexmark Int’l, Inc. v. Static Control Components, Inc., 134 S.Ct. 1377 (2014)20

Park ‘N Fly, Inc. v. Dollar Park & Fly, Inc., 469 U.S. 189 (1985)21

Prestonettes, Inc., v. Coty, 264 U.S. 359 (1924)..... 10, 13

Saxlehner v. Wagner, 216 U.S. 375 (1910)..... 13

United States v. Vonn, 535 U.S. 55 (2002)..... 12

William R. Warner & Co. v. Eli Lilly & Co., 265 U.S. 526 (1924)..... 10

UNITED STATES COURT OF APPEALS CASES

A&H Sportswear, Inc. v. Victoria’s Secret Stores, Inc., 237 F.3d 198 (3d Cir. 2000)26

Brother Records, Inc. v. Jardine, 318 F.3d 900 (9th Cir. 2003), *cert. denied*, 540 U.S. 824 (2003)..... 21

Cairns v. Franklin Mint Co., 292 F.3d 1139 (9th Cir. 2002)22, 28, 29

Century 21 Real Estate Corp. v. Lendingtree, Inc., 425 F.3d 211 (3d Cir. 2005)
.....*passim*

G.S. Rasmussen & Assocs., Inc. v. Kalitta Flying Serv., Inc., 958 F.2d 896 (9th Cir. 1992)..... 22

Gardashyan v. Pattel, Inc., 1135 F.3d 759 (14th Cir. 2016)*passim*

Int’l Info. Sys. Sec. Certification Consortium v. Sec. Univ., LLC, 823 F.3d 153 (2d Cir. 2016) *petition for cert. filed*, 2016 WL 5048645 (U.S. Sept. 19, 2016) (No. 16-352)9, 30

Mattel, Inc. v. Walking Mountain Prods., 353 F.3d 792 (9th Cir. 2003) 10

Nabisco, Inc. v. PF Brands, Inc., 191 F.3d 208 (2d Cir. 1999) *abrogated on other grounds by Moseley v. V Secret Catalogue, Inc.*, 537 U.S. 418 (2003).....34

Nabisco, Inc. v. Warner-Lambert Co., 220 F.3d 43 (2d Cir. 2000).....31

<i>New Kids on the Block v. News Am. Publ'g. Inc.</i> , 971 F.2d 302 (9th Cir. 1992)	
.....	<i>passim</i>
<i>Playboy Enters. Inc. v. Welles</i> , 279 F.3d 796 (9th Cir. 2002)	8, 13, 26, 30
<i>Plus Prods. v. Plus Disc. Foods, Inc.</i> , 722 F.2d 999 (2d Cir. 1983).....	32
<i>Polaroid Corp. v. Polarad Elecs. Corp.</i> , 287 F.2d 492 (2d Cir. 1961)	31
<i>Rock & Roll Hall of Fame & Museum, Inc. v. Gentile Prods.</i> , 134 F.3d 749 (6th Cir. 1998).....	13
<i>Rosetta Stone Ltd. v. Google, Inc.</i> , 676 F.3d 144 (4th Cir. 2012)	9
<i>Savin Corp. v. Savin Grp.</i> , 391 F.3d 439 (2d Cir. 2004), <i>cert. denied</i> , 546 U.S. 822 (2005).....	31, 32, 33, 34
<i>Starbucks Corp. v. Wolfe's Borough Coffee, Inc.</i> , 588 F.3d 97 (2d Cir. 2009)	31, 32
<i>Swarovski Aktiengesellschaft v. Bldg. #19, Inc.</i> , 704 F.3d 44 (1st Cir. 2013).....	9
<i>The Sports Auth., Inc. v. Prime Hosp. Corp.</i> , 89 F.3d 955 (2d Cir. 1996)	33
<i>Toyota Motor Sales, U.S.A., Inc. v. Tabari</i> , 610 F.3d 1171 (9th Cir. 2010)	
.....	9, 11, 21, 29
<i>U-Haul Int'l, Inc. v. Jartran, Inc.</i> , 681 F.2d 1159 (9th Cir. 1982).....	22
<i>Volkswagenwerk Aktiengesellschaft v. Church</i> , 411 F.2d 350 (9th Cir. 1969).....	25

UNITED STATES DISTRICT COURT CASES

<i>Keurig, Inc. v. Strum Foods, Inc.</i> , 769 F. Supp. 2d 699 (D. Del. 2011)	25, 26
<i>Nespresso USA, Inc. v. Africa Am. Coffee Trading Co. LLC</i> , No. 15CV5553- LTS, 2016 WL 3162118 (S.D.N.Y. June 2, 2016)	32
<i>Yurman Design Inc. v. Diamonds and Time</i> , 169 F. Supp. 2d 181 (S.D.N.Y. 2001)	26

STATUTES

15 U.S.C. § 1114 (2012)	19
15 U.S.C. § 1125 (1996)	12

OTHER AUTHORITIES

Charlotte Romano, <i>Comparative Advertising in the United States and in France</i> , 25 <i>Nw. J. Int'l L. & Bus.</i> 371 (2005)	11
Courtney Szocs & Sreedhar Madhavaram, <i>Exploring Fashionistas</i> , 23 <i>AMA Winter Educators' Conf. Proc.</i> 315 (2012)	24
J. Thomas McCarthy, <i>McCarthy on Trademarks and Unfair Competition</i> § 11:45 (4th ed. 2016)	19
Jonathan Schwartz, <i>Making The Consumer Watchdog's Bark as Strong as Its Gripe: Complaint Sites and the Changing Dynamic of the Fair Use Defense</i> , 16 <i>Alb. L. J. Sci.</i> 59 (2006)	7
Kanye West, Address at the Oxford Guild Society (Mar. 2, 2015) (transcript available at http://thegatewayonline.com/student-life/on-campus/gateway-exclusive-kanye-west-speaks-to-the-oxford-guild-in-the-biggest-talk-of-2015) (last visited Oct. 19, 2016)	6
Leslie Rochat, <i>"I See What You're Saying": Trademarked Terms and Symbols as Protected Consumer Commentary in Consumer Opinion Websites</i> , 24 <i>Seattle U. L. Rev.</i> 599 (2000)	12
Thomas E. Barry, <i>Comparative Advertising: What Have We Learned in Two Decades?</i> , 33 <i>J. of Advert. Res.</i> , 19 (1993)	11
Vincent Chiappetta, <i>Trademarks: More Than Meets the Eye</i> , 36 <i>U. Ill. J. L. Tech. & Pol'y</i> 35 (2003)	6
William M. Landes & Richard A. Posner, <i>Trademark Law: An Economic Perspective</i> , 30 <i>J. L. & Econ.</i> 265 (1987)	10

DEFINITIONS

<i>Fashionista</i> , <i>Oxford English Dictionary</i> (3d ed. 2010)	24
---	----

OPINIONS BELOW

The opinion for the United States District Court of Bel Air is unreported. The opinion of the United States Court of Appeals for the Fourteenth Circuit is reported as *Gardashyan v. Pattel, Inc.*, 1135 F.3d 759 (14th Cir. 2016).

STATEMENT OF JURISDICTION

The United States District Court for the Central District of Bel Air had jurisdiction pursuant to 28 U.S.C. § 1338 (2012). The United States Court of Appeals for the Fourteenth Circuit had jurisdiction pursuant to 28 U.S.C. § 1291 (2012). This Court has jurisdiction over these claims pursuant to 28 U.S.C. § 1254(1) (2012).

STATUTORY PROVISIONS

LANHAM ACT

Remedies; Infringement; Innocent Infringement by Printers and Publishers
15 U.S.C. § 1114(1) (2012)

- (1) Any person who shall, without the consent of the registrant—
- (a) use in commerce any reproduction, counterfeit, copy, or colorable imitation of a registered mark in connection with the sale, offering for sale, distribution, or advertising of any goods or services on or in connection with which such use is likely to cause confusion, or to cause mistake, or to deceive;
 - (b) reproduce, counterfeit, copy, or colorably imitate a registered mark and apply such reproduction, counterfeit, copy, or colorable imitation to labels, signs, prints, packages, wrappers, receptacles or advertisements intended to be used in commerce upon or in connection with the sale, offering for sale, distribution, or advertising of goods or services on or in connection with which such use is likely to cause confusion, or to cause mistake, or to deceive.

shall be liable in a civil action by the registrant for the remedies hereinafter provided. Under subsection (b) hereof, the registrant shall not be entitled to recover profits or damages unless the acts have been committed with knowledge that such imitation is intended to be used to cause confusion, or to cause mistake, or to deceive.

Registration on Principal Register as Evidence of Exclusive Rights to Use Mark; Defenses
15 U.S.C. § 1115(b)(4) (2012)

- (b) Incontestability; defenses

To the extent that the right to use the registered mark has become incontestable under section 1065 of this title, the registration shall be conclusive evidence of the validity of the registered mark and of the registration of the mark, of the registrant's ownership of the mark, and of the registrant's exclusive right to use the registered mark in commerce. Such conclusive evidence shall relate to the exclusive right to use the mark on or in connection with the goods or services specified in the affidavit filed under the provisions of section 1065 of this title, or in the renewal application filed under the provisions of section 1059 of this title if the goods or services specified in the renewal are fewer in

number, subject to any conditions or limitations in the registration or in such affidavit or renewal application. Such conclusive evidence of the right to use the registered mark shall be subject to proof of infringement as defined in section 1114 of this title, and shall be subject to the following defenses or defects:

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

False Designations of Origin, False Descriptions, and Dilution Forbidden
15 U.S.C. § 1125(c)(3) (2012)

(c) Dilution by blurring; dilution by tarnishment

(3) Exclusions

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.

STATEMENT OF THE CASE

Material Facts

Pattel, Inc. (“Pattel”) is a toy manufacturing company that creates many products, including Bambi dolls. *Gardashyan v. Pattel, Inc.*, 1135 F.3d 759, 759 (14th Cir. 2016). Since 1961, Pattel’s Bambi dolls have reflected contemporary social values and conveyed female independence through the depiction of inspirational women. *Id.* The dolls are often inspired by modern-day movie and television stars, musicians, and models. *Id.* Valuable as both toys and collectibles, Pattel has sold over five hundred million dolls to consumers ranging from ages three to one hundred. *Id.*

Cammy Gardashyan (“Gardashyan”), a socialite, businesswoman, model, and singer, gained celebrity in 2007 while appearing on the reality show “Keeping Up with the Gardashyans.” *Id.* at 760. Based on her rise in fame, millions of people watched her thirty-million-dollar wedding in 2014. *Id.* Known for her curvy figure, Gardashyan has worldwide fame and is a household name, often appearing in headlines of entertainment news websites, television shows, and fashion magazines. *Id.* She has a vast social media presence, including tens of millions of followers on Fanbook, Witter, and Delaygram. *Id.* Gardashyan, who usually wears her black hair long and straight, is also recognized for her signature styles, including, animal prints, knee length skirts or dresses, and shiny high-heeled shoes. *Id.* Other celebrities, including Gardashyan’s three sisters, also share similar features and sense of style and are widely recognized and portrayed in entertainment media. *Id.* Gardashyan registered a trademark that consists of a stylized “CG” displayed back

to back, and the words “CAMMY GARDASHYAN” appear underneath in standard, block typeface. *Id.* Gardashyan has released a variety of products including jewelry, clothing, cosmetics, perfumes, handbags, and footwear, which bear her name and mark. *Id.*

In 2015, Pattel, inspired by Gardashyan’s look, created the Fashionista Bambi doll (“the doll” or “the Fashionista doll”). *Id.* at 760–61. The Fashionista doll has the body figure and height of a standard Bambi doll. *Id.* at 761. The doll has long, black, straight hair, and wears a leopard print top, knee length skirt, and sparkly high-heeled shoes. *Id.* The doll came in a standard Bambi box with the top front cover displaying the name “Fashionista Bambi.” *Id.* The front and back covers of the box contained the Bambi trademark and Pattel’s standard messages, which included warnings and recommendations. *Id.* Under the name “Fashionista Bambi,” a caption bubble in twenty point font and standard typeface, read: “I say: I want to be just like Cammy Gardashyan.” *Id.* A disclaimer was printed on the back lower portion of the box in ten point font and standard typeface, which read: “Pattel, Inc. and Fashionista Bambi are not sponsored by or affiliated with Cammy Gardashyan.” *Id.* Pattel never used Gardashyan’s full trademark. *Id.*

Procedural History

On February 9, 2015, Gardashyan filed a trademark infringement action against Pattel and sought a permanent injunction for the use of “Cammy Gardashyan” under 15 U.S.C. § 1114 of the Lanham Act. *Id.* In response, Pattel claimed its use of Gardashyan’s name was fair under a nominative fair use defense.

Id. The United States District Court for the Central District of Bel Air held that Pattel's use of Gardashyan's name constituted nominative fair use, adopting a two-step approach. *Id.* at 762. The court found Pattel was entitled to reference Gardashyan to describe its products, regardless of a finding of likelihood of confusion. *Id.* The district court granted summary judgment on all counts in favor of Pattel, which Gardashyan timely appealed. *Id.*

The Fourteenth Circuit Court of Appeals reversed the district court's order and remanded the case. *Id.* Declining to adopt nominative fair use as an affirmative defense, the court merged the analysis of likelihood of confusion and nominative fair use. *Id.* at 763. The court adopted the eight factors of the Second Circuit's *Polaroid* test and combined them with the three nominative fair use prongs articulated by the Third Circuit. *Id.* at 767. In doing so, the Fourteenth Circuit stripped secondary users' ability to demonstrate fair use. *Id.* Further, the court noted that some of the eight *Polaroid* factors may not always be relevant, but the three nominative fair use factors should always be assessed. *Id.* Finding the district court improperly adopted nominative fair use as an affirmative defense, the Fourteenth Circuit reversed and remanded. *Id.* at 769.

SUMMARY OF THE ARGUMENT

I.

This Court should adopt a nominative fair use analysis as an affirmative defense to trademark infringement despite a finding of a likelihood of confusion. The Fourteenth Circuit improperly applied a single analysis when assessing nominative fair use because it conflated likelihood of confusion with fair use.

This Court should adopt a nominative fair use analysis under Section 1114 of the Lanham Act to protect secondary users in situations where classic fair use is not applicable. While the majority of circuit courts have acknowledged the doctrine of nominative fair use, a consistent analysis has not been applied. Additionally, nominative fair use extends the original protection of trademark law, safeguarding consumers by allowing them to assess products in the market. This Court has previously protected collateral reference to trademarks, analogous to today's definition of nominative use. Therefore, this Court should take the opportunity to set the appropriate standard for the analysis.

Further, nominative fair use should be adopted as an affirmative defense, despite a finding of a likelihood of confusion because it better comports with this Court's established classic fair use analysis. An identical bifurcated analysis should be adopted as the risk of confusion is the same in both classic and nominative use. Finally, the merged analysis relied on by the Fourteenth Circuit incorrectly places too high a burden on secondary users who assert a nominative fair use defense.

II.

This Court should adopt the bifurcated nominative fair use analysis articulated by the Third Circuit. The bifurcated structure and language of the Third Circuit's analysis parallels the classic fair use test adopted by this Court in *KP Permanent Make-Up*. A bifurcated approach properly ensures that a trademark holder must first show a likelihood of confusion before a secondary user has the opportunity to assert a nominative fair use defense. Moreover, the language of the Third Circuit's three prongs properly creates a clearer, and therefore more consistent analysis, while also appropriately addressing the interests of trademark law. Under the Third Circuit's analysis, Pattel used Gardashyan's name fairly and did not infringe on her mark. Lastly, even if this Court adopts the Ninth or Fourteenth Circuits' analyses, Gardashyan will be unable to prove that Pattel infringed on her mark.

ARGUMENT

I. THIS COURT SHOULD ADOPT A NOMINATIVE FAIR USE ANALYSIS AS AN AFFIRMATIVE DEFENSE TO TRADEMARK INFRINGEMENT DESPITE A FINDING OF A LIKELIHOOD OF CONFUSION.

The husband of a world famous fashionista once said: “I [would] see toys that people would buy for my daughter and I [would] say this toy is [not] quality . . . there’s not enough love put into this, this is just manufactured with the will to sell, and not the will of giving inspiration.” Kanye West, Address at the Oxford Guild Society (Mar. 2, 2015) (transcript available at <http://thegatewayonline.com/student-life/on-campus/gateway-exclusive-kanye-west-speaks-to-the-oxford-guild-in-the-biggest-talk-of-2015>) (last visited Oct. 19, 2016). Pattel makes their dolls with the will to inspire women and girls everywhere. Preventing the use of trademarks to reference the inspirational women Pattel models its dolls after would cripple their ability to speak to consumers and identify their product.

Precluding secondary users from asserting nominative fair use as an affirmative defense would allow monopolizing trademark owners to restrict use of everyday language, crushing free speech. See Vincent Chiappetta, *Trademarks: More Than Meets the Eye*, 36 U. Ill. J. L. Tech. & Pol’y 35, 36–37 (2003). First coined by the Ninth Circuit in 1992, nominative fair use does not constitute trademark infringement because the mark is used to describe a product or thing—not to imply sponsorship. See *New Kids on the Block v. News Am. Publ’g. Inc.*, 971 F.2d 302 (9th Cir. 1992). Indeed, nominative fair use protects consumers by allowing clearer product descriptions that enable consumers to make informed

purchases. Trademark law must continue to focus on consumers, rather than protect the economic investments of those trying to monopolize their mark. *See Jonathan Schwartz, Making The Consumer Watchdog's Bark as Strong as Its Gripe: Complaint Sites and the Changing Dynamic of the Fair Use Defense*, 16 Alb. L. J. Sci. 59, 63 (2006). Therefore, this Court needs to adopt nominative fair use to ensure that consumer protection survives.

Further, this Court should adopt nominative fair use as an affirmative defense to trademark infringement. The Fourteenth Circuit was correct in adopting nominative fair use because the analysis covers instances of fair use beyond the scope of the classic analysis and further protects consumers. Nevertheless, the Fourteenth Circuit erred in its application of the analysis as a consolidated test, contrary to this Court's jurisprudence regarding fair use. Thus, this Court should adopt nominative fair use as an affirmative defense to trademark infringement.

A. This Court should adopt a nominative fair use analysis under Section 1114 of the Lanham Act.

Nominative fair use extends beyond the classic analysis, affording protection to trademark holders, while not over-burdening secondary users who rely on the marks to describe their products. Although the majority of circuit courts have acknowledged the doctrine of nominative fair use, none have applied the same analysis. Moreover, nominative fair use comports with the original intent of trademark protection—safeguarding consumers. Lastly, this Court has previously protected collateral reference to trademarks, which is analogous to nominative fair use. Therefore, this Court should adopt a nominative fair use analysis.

1. Nominative fair use protects secondary users in situations where classic fair use is not applicable.

Because classic fair use does not protect all instances of fair use, this Court should adopt a nominative fair use analysis. This Court applies classic fair use when secondary users rely on a mark to describe their products. *See KP Permanent Make-Up, Inc. v. Lasting Impression I, Inc.*, 543 U.S. 111, 116 (1994) (applying the classic fair use analysis when the defendant used the trademarked term “microcolor” not to refer to the trademark holder, but to the term’s common meaning to describe their good). Nominative fair use was created to protect secondary users referencing a mark to describe the trademark holder’s product. *See New Kids on the Block*, 971 F.2d at 307 (creating nominative fair use because it is at times “virtually impossible” to refer to a product for comparison or reference without using the mark); *see also Playboy Enters., Inc. v. Welles*, 279 F.3d 796 (9th Cir. 2002) (recognizing nominative fair use as the correct test when the defendant used “Playboy” to reference her prior modeling career with Playboy Magazine). Therefore, this Court should embrace the doctrine of nominative fair use as it covers different instances of trademark usage left unprotected by the classic definition.

2. This Court should adopt a nominative fair use analysis to resolve confusion amongst the circuit courts.

Although the majority of circuit courts have confronted the doctrine of nominative fair use, this Court should resolve disagreement as to the appropriate application of the analysis. When the circuits disagree on the proper application of a fair use doctrine, this Court steps in to resolve the split. *See KP Permanent Make-Up*, 543 U.S. at 117. In *KP Permanent Make-Up*, this Court granted certiorari to

clarify the correct application of the classic fair use defense. *Id.* at 116. Similarly here, the circuits are unclear on the correct application of the nominative fair use defense. *See, e.g., Int'l Info. Sys. Sec. Certification Consortium v. Sec. Univ., LLC*, 823 F.3d 153, 168 (2d Cir. 2016) *petition for cert. filed*, 2016 WL 5048645 (U.S. Sept. 19, 2016) (No. 16-352) (applying the *Polaroid* factors with three additional nominative fair use factors); *Swarovski Aktiengesellschaft v. Bldg. #19, Inc.*, 704 F.3d 44, 50 (1st Cir. 2013) (failing to endorse any particular approach to nominative fair use); *Rosetta Stone Ltd. v. Google, Inc.*, 676 F.3d 144, 155 (4th Cir. 2012) (noting the court was not adopting nominative fair use as either a defense to trademark infringement or as part of the likelihood of confusion test); *Toyota Motor Sales, U.S.A., Inc. v. Tabari*, 610 F.3d 1171, 1181 (9th Cir. 2010) (rejecting the lower court's adoption of nominative fair use as an affirmative defense). Thus, this Court should adopt nominative fair use to settle confusion amongst the circuit courts.

3. Nominative fair use comports with the original intent of trademark protection.

Nominative fair use comports with the original purpose of trademark protection provided for in the Lanham Act. Further, the doctrine allows manufacturers and consumers to reference trademarks for accurate product descriptions, promoting free speech interests. While the Lanham Act does not explicitly address nominative fair use under infringement, it is nevertheless still proper to read the defense under Section 1114. Thus, this Court should adopt nominative fair use because the analysis comports with the original purpose of trademark protection.

a. Nominative fair use furthers the purpose of original trademark protection in the Lanham Act because it safeguards consumers.

Although Section 1115 of the Lanham Act does not explicitly include nominative fair use regarding infringement, this Court should recognize the doctrine because it comports with trademark law's original purpose. Original trademark law protected consumers from being misled by sellers purporting to be the original manufacturer. *See William R. Warner & Co. v. Eli Lilly & Co.*, 265 U.S. 526, 532 (1924) (“the manufacturer is entitled the reputation which his goods have acquired and the public to the means of distinguishing between them and other goods”). At the time this initial protection was created, the term “nominative use” had not been coined. *See New Kids on the Block*, 971 F.2d at 302. However, its overall purpose of informing consumers and reducing search costs is comparable to that of original trademark law. *See William M. Landes & Richard A. Posner, Trademark Law: An Economic Perspective*, 30 J. L. & Econ. 265, 269 (1987). Therefore, this Court should adopt nominative fair use because it further protects consumers, keeping with the original intent of trademark law.

Additionally, nominative fair use protects the free speech of manufacturers to reference trademarks for the accurate explanation of their products to consumers. At times, the secondary use of a trademark is appropriate as a trademark does not “confer a right to prohibit the use of the word.” *Prestonettes, Inc., v. Coty*, 264 U.S. 359, 368 (1924) (finding that courts may not prevent a word from being used to express the truth about a product); *see also generally Mattel, Inc. v. Walking Mountain Prods.*, 353 F.3d 792 (9th Cir. 2003) (allowing use of a trademark when

the defendant desires to refer to the plaintiff's product as a point of reference to their product). Comparative advertising relies on this protected use of trademarks when one user draws a comparison between their product, service, or brand and that of a competitor. See Charlotte Romano, *Comparative Advertising in the United States and in France*, 25 Nw. J. Int'l L. & Bus. 371, 372 (2005). This form of advertisement and comparison is a protected form of free speech that trademark law should not dilute, as it is valuable for consumers to evaluate the products they purchase. See Thomas E. Barry, *Comparative Advertising: What Have We Learned in Two Decades?*, 33 J. of Advert. Res. 19, 29 (1993). Thus, nominative fair use furthers the interests of consumers by protecting free speech for the purposes of advertisement and comparison.

Lastly, without nominative fair use, the free speech interests of consumers who use commonplace trademarks to criticize and advise other consumers would be greatly diminished. Trademarks are part of common language, therefore everyone has a right to use them to communicate in non-misleading ways. *Toyota Motor Sales*, 610 F.3d at 1185 (allowing at least some use of the LEXUS mark in the defendant's domain names to truthfully acknowledge they sold that make of car). In the digital age, consumers must use trademarks to accurately communicate about products online so that other consumers can be market savvy. See Schwartz, *supra*, at 69–70. The over-extension of trademark protection negatively impacts those who share their opinions about goods and services online by restricting their use of trademarked language. See Leslie Rochat, *"I See What You're Saying"*:

Trademarked Terms and Symbols as Protected Consumer Commentary in Consumer Opinion Websites, 24 Seattle U. L. Rev. 599, 626 (2000). Because nominative fair use protects the free sharing of information among consumers online, this Court should adopt the analysis.

b. Reading the Lanham Act to preclude a nominative fair use defense would be improper.

While the Lanham Act accounts for nominative use as a defense to trademark dilution in Section 1125, the exclusion of the term under infringement in Section 1114 should not be read to preclude nominative fair use as a defense. When a statute uses a term in one section but excludes it elsewhere, courts should not interpret the exclusion as purposeful if it leads to a confusing result. *See United States v. Vonn*, 535 U.S. 55, 65 (2002) (rejecting an exclusionary reading when it nonsensically would amount to finding a partial repeal of the statute in question). When the Lanham Act was first enacted, courts had yet to define “nominative fair use.” *See New Kids on the Block*, 971 F.2d at 302 (first using the term “nominative fair use” in 1992). Further, the dilution doctrine was introduced in 1996, fifty years after the original act had defined infringement. *See* 15 U.S.C. § 1125 (1996). Because the drafters of the Lanham Act could not have included a term that did not yet exist, this Court should not read nominative use’s exclusion from the infringement statute as intentional.

4. Nominative fair use is analogous to collateral reference.

This Court should adopt nominative fair use as it has already acknowledged the right of a secondary user to reference a trademark. Using a trademark as a

collateral reference is not infringement when the user relies on the trademark to describe their goods, but does not purport to be the trademark holder. *See Prestonettes, Inc.*, 264 U.S. at 368 (finding no infringement because Coty's use of Prestonette's trademark in rebottling and selling the product in the United States constituted a collateral reference); *see also generally Saxlehner v. Wagner*, 216 U.S. 375 (1910) (allowing manufacturers to reference other trademarks to explain to the public what they sell). Similarly, using a mark nominatively to explain the good being sold is different from attempting to deceive consumers as to the origin of the good. *See Playboy Enters.*, 279 F.3d at 806. Therefore, a nominative fair use defense should be adopted because it is analogous to referential use, which this Court protected in *Prestonettes, Inc.*

5. Even if this Court declines to adopt nominative fair use, Pattel used Gardashyan's name fairly.

Even if this Court declines to adopt nominative fair use, Pattel may lawfully use the name "Cammy Gardashyan" on the Bambi box under classic fair use. Infringement occurs when the trademarked phrase or word is used "as a trademark," so that consumers believe the defendant's good is produced by the plaintiff. *Rock & Roll Hall of Fame & Museum, Inc. v. Gentile Prods.*, 134 F.3d 749, 753 (6th Cir. 1998) (holding defendant's use of "Rock & Roll Hall of Fame" on a poster depicting the museum was not a use of the distinctive trademark, but rather a description of the good itself). Here, Pattel did not use Gardashyan's full distinctive trademark, but referenced her name to describe the doll. *Gardashyan v. Pattel, Inc.*, 1135 F.3d 759, 761 (14th Cir. 2016). Because Pattel used Gardashyan's

name descriptively rather than as a distinctive trademark, the use would be permissible under the classic fair use doctrine.

B. This Court should adopt nominative fair use as an affirmative defense.

This Court should adopt nominative fair use as an affirmative defense to trademark infringement. A two-step nominative fair use analysis better follows this Court's holding in *KP Permanent Make-Up*. As the risk of confusion is the same for both nominative and classic fair use, a similar test is required to evaluate the uses. Further, a consolidated analysis would place too high a burden on secondary users, a proposition this Court has previously rejected. Therefore, this Court should adopt nominative fair use as an affirmative defense.

1. The correct analysis for nominative fair use is a bifurcated approach, mirroring this Court's classic fair use analysis.

This Court should adopt a two-step approach to nominative fair use because it corresponds with the decision in *KP Permanent Make-Up*. There, this Court applied a bifurcated approach when assessing fair use, recognizing it as an affirmative defense. *See KP Permanent Make-Up*, 543 U.S. at 119–21 (holding that it would be incoherent in litigation to place a burden to show non-confusion on a defendant who asserts classic fair use). While classic and nominative fair use are not identical, neither should fail due to a finding of likelihood of confusion because they are both proper fair use defenses. *Century 21 Real Estate Corp. v. Lendingtree, Inc.*, 425 F.3d 211, 222–23 (3d Cir. 2005) (applying this Court's classic fair use analysis as precedent because nominative and classic fair use analyze a secondary user's ability to refer to a plaintiff's mark descriptively in a way that might confuse

consumers). Therefore, this Court should also apply a bifurcated approach to nominative fair use cases in keeping with this Court's jurisprudence.

2. The bifurcated approach articulated in *KP Permanent Make-Up* should apply because the risk of confusion is the same for both classic and nominative fair use.

The nominative fair use analysis should mirror that of classic fair use because both assess the same type of consumer confusion not present in traditional infringement cases. Traditional infringement examines whether consumers would be confused about the true owner of a trademark. *See Century 21 Real Estate Corp.*, 425 F.3d at 217. On the other hand, classic and nominative fair use both assess whether consumer confusion would exist regarding the relationship between a mark owner and a secondary user. *Id.* For classic fair use, this Court first analyzes confusion and then permits an affirmative defense. *Id.* As the same confusion is evaluated in both types of fair use, the same bifurcated analysis should be used to assess nominative fair use.

Additionally, as this Court has held that fair use and confusion may coexist, a bifurcated analysis is correct. To assert an affirmative defense of fair use, the defendant has no burden to negate a likelihood of consumer confusion. *KP Permanent Make-Up*, 543 U.S. at 119–21. Instead, the burden of proof is on the plaintiff, allowing some degree of confusion and fair use to coexist. *Id.* Therefore, the bifurcated approach is the correct nominative fair use analysis as it allows a finding of fair use despite a showing of likely confusion.

3. A consolidated analysis improperly places too high a burden on defendants.

This Court does not require defendants to negate all likelihood of confusion factors to succeed when asserting a fair use defense. *KP Permanent Make-Up*, 543 U.S. at 118. If the factors considering nominative fair use were merged with a likelihood of confusion analysis, plaintiffs would be able to show confusion and overwhelm any argument of fair use asserted by defendants. *See Century 21 Real Estate Corp.*, 425 F.3d at 223. Because confusion and fair use can coexist under a bifurcated approach, defendants have no duty to negate confusion, but instead must only show that its use of the plaintiff's mark is fair. *KP Permanent Make-Up*, 543 U.S. at 118. Therefore, the bifurcated analysis is the better approach because the burden on defendants required by the merged analysis is too high.

II. THIS COURT SHOULD ADOPT THE THIRD CIRCUIT'S NOMINATIVE FAIR USE ANALYSIS AND FIND THAT PATEL DID NOT INFRINGE ON GARDASHYAN'S MARK.

This Court should resolve the discord surrounding nominative fair use by adopting the Third Circuit's bifurcated analysis. The language of the Third Circuit's two-step analysis provides both trademark owners and secondary users clarity regarding their protected rights. The Third and Ninth Circuits use different language when articulating the nominative fair use prongs. The Third Circuit's nominative fair use language asks whether the user meets the following three requirements:

- (1) the use of the plaintiff's mark is necessary to describe both the plaintiff's product or service and the defendant's product or service;
- (2) the defendant uses only so much of the plaintiff's mark as is necessary to describe the

plaintiff's product; and (3) the defendant's conduct or language reflect the true and accurate relationship between the plaintiff and the defendant's products or services.

Century 21 Real Estate Corp., 425 F.3d at 228. The Ninth Circuit's language asks whether a secondary user meets the following three requirements:

(1) the product or service in question must be one not readily identifiable without the use of the trademark; (2) only so much of the mark or marks may be used as is reasonably necessary to identify the product or service; and (3) the use must do nothing that would, in conjunction with the mark, suggest sponsorship or endorsement by the trademark holder.

New Kids on the Block, 971 F.2d at 308. Both the Third and Ninth Circuits' analyses examine whether a secondary user fairly uses a trademark owner's mark, with the Third Circuit appropriately allowing an affirmative defense.

The Ninth Circuit's approach, however, should not be adopted as the uniform nominative fair use analysis. Since creating nominative fair use in 1992, the Ninth Circuit continues to change its analysis; most recently adjusting its approach in *Toyota Motor Sales* after realizing it did not comport with this Court's decision in *KP Permanent Make-Up*. See *Toyota Motor Sales*, 610 F.3d at 1182. Instead, this Court should adopt the Third Circuit's approach and language. The Third Circuit's approach mirrors the fair use affirmative defense created by this Court and provides better clarity and guidance than the Ninth Circuit. Therefore, this Court should adopt both the Third Circuit's bifurcated approach and language when assessing nominative fair use.

Under the Third Circuit's approach, Pattel's use of Gardashyan's name is fair. Even if this Court adopts the Ninth Circuit's language, Gardashyan could not prove that Pattel's use of her name was unfair. Further, if this Court applies the approach of the Second and Fourteenth Circuits, and consolidates the nominative fair use prongs with the *Polaroid* factors, Gardashyan will be unable to prove that Pattel used Gardashyan's name unfairly. Therefore, Pattel did not infringe on Gardashyan's trademark.

A. This Court should adopt the Third Circuit's nominative fair use analysis.

This Court should adopt the Third Circuit's articulation of nominative fair use because the structure and language of the analysis best comports with trademark law. A bifurcated approach matches the structure of this Court's classic fair use analysis. Moreover, the Third Circuit's language clearly and properly addresses the interests of trademark protection. The language of the first prong provides well-defined guidance, which allows for more consistent application. Further, the second prong properly articulates the need to balance competing rights of trademark owners with those of secondary users. Finally, the language of the third prong emphasizes truthfulness in advertising, a principle consideration of the Lanham Act. Therefore, this Court should adopt the Third Circuit's nominative fair use analysis.

1. The Third Circuit's bifurcated approach better comports with this Court's classic fair use analysis.

This Court should adopt the Third Circuit's nominative fair use approach because it most closely aligns with this Court's articulation of classic fair use.

While classic and nominative fair use are separate defenses, both ultimately analyze whether or not a secondary user can use a plaintiff's mark. *See Century 21 Real Estate Corp.*, 425 F.3d at 223. The doctrines share the same goal of protecting free competition and free speech by dictating that trademark law cannot forbid the commercial use of terms in their descriptive sense. *See* J. Thomas McCarthy, *McCarthy on Trademarks and Unfair Competition* § 11:45 (4th ed. 2016). The Third Circuit's approach mirrors the classic fair use analysis by requiring secondary users to prove their use was fair and in good faith. *See Century 21 Real Estate Corp.*, 425 F.3d at 222–24. Therefore, this Court should adopt the Third Circuit's nominative fair use analysis because it most appropriately follows the structure of the fair use analysis articulated in *KP Permanent Make-Up*.

Moreover, the Third Circuit's bifurcated approach is most compatible with this Court's interpretation of the Lanham Act. Likelihood of confusion is a threshold matter that must be shown in a claim for trademark infringement before defenses are evaluated. *See KP Permanent Make-Up*, 543 U.S. at 117–18. To establish trademark infringement, a party must prove its *prima facie* case by showing that its mark was used in a way that “is likely to cause confusion, or to cause mistake, or to deceive.” 15 U.S.C. § 1114 (2012). Further, the burden of proving likelihood of confusion is always on the party claiming infringement. *See KP Permanent Make-Up*, 543 U.S. at 118. As a result, a plaintiff must first prove a likelihood of confusion before the defendant has the opportunity to rebut the case or

raise a defense. *Id.* at 120. Therefore, a burden shifting approach is most in line with this Court’s interpretation of the Lanham Act regarding fair use.

The Third Circuit’s analysis also appropriately creates a role for nominative fair use as an affirmative defense. Incorporating fairness into a likelihood of confusion analysis allows the confusion inquiry to overwhelm the fair use assessment. *See Century 21 Real Estate Corp.*, 425 F.3d at 223–24. In *KP Permanent Make-Up*, this Court stated that a secondary user need not disprove likelihood of confusion, but must only show that the use of a plaintiff’s mark was fair. *See KP Permanent Make-Up*, 543 U.S. at 118 (“it takes a long stretch to claim that a defense of fair use entails any burden to negate confusion”). Similarly, the Third Circuit’s bifurcated approach preserves a fair use defense because it does not require a secondary user to negate likelihood of confusion. *See Century 21 Real Estate Corp.*, 425 F.3d at 221. Rather, the user must only show that use of the mark was fair. *Id.* Therefore, this Court should adopt the Third Circuit’s approach because it preserves a secondary user’s ability to argue a nominative fair use defense.

2. The language of the Third Circuit’s first prong is clear and allows for consistent application.

The Third Circuit’s first prong uses more precise and defined language, minimizing inconsistent application. Tests providing clearer and more precise guidance are preferred. *See Lexmark Int’l, Inc. v. Static Control Components, Inc.*, 134 S.Ct. 1377, 1393 (2014) (adopting a clearer test to minimize “widely divergent” application of a multi-factor test as a result of vague language). The language of

the Ninth Circuit’s first prong asks whether “the product was readily identifiable without use of the mark.” See *Toyota Motor Sales*, 610 F.3d at 1175. The term, “the product,” is ambiguous as to whether the prong refers to the plaintiff’s or defendant’s product, which has led to inconsistent application. Compare *Toyota Motor Sales*, 610 F.3d at 1180 (holding that the analysis is whether the defendant’s use of the mark was necessary to describe the defendant’s service), with *Brother Records, Inc. v. Jardine*, 318 F.3d 900, 908 (9th Cir. 2003), cert. denied, 540 U.S. 824 (2003) (finding that it was “virtually impossible” for the defendant to refer to the plaintiff’s product without using the trademark). In contrast, the Third Circuit’s first prong examines the necessity of using the plaintiff’s mark to describe the plaintiff and defendant’s products or services. See *Century 21 Real Estate Corp.*, 425 F.3d at 222. The court specifies both parties’ products should be analyzed in its articulation of the prong, rather than using the ambiguous term, “the products.” *Id.* Therefore, the Third Circuit’s language reduces inconsistent application as it offers clearer guidance than the Ninth Circuit’s prong.

3. The language of the Third Circuit’s second prong properly balances the interests of trademark holders and secondary users.

This Court should adopt the Third Circuit’s second prong because the language ensures that a secondary user’s nominative fair use right does not encroach on the trademark holder’s right. The Lanham Act protects the goodwill of a mark owner’s business and the ability of consumers to distinguish among competing producers. See *Park ‘N Fly, Inc. v. Dollar Park & Fly, Inc.*, 469 U.S. 189, 198 (1985). A trademark is a limited property right—not an absolute right—that

guards against overuse of a mark. *See New Kids on the Block*, 971 F.2d at 306 (citing *G.S. Rasmussen & Assocs., Inc. v. Kalitta Flying Serv., Inc.*, 958 F.2d 896, 900 (9th Cir. 1992)). The Ninth Circuit has extended the scope of its second prong by incorporating necessity into an examination of the amount of the trademark used. *See Cairns v. Franklin Mint Co.*, 292 F.3d 1139, 1154 (9th Cir. 2002). Under this analysis, if the court finds that the description of the defendant's product is highly dependent on the plaintiff's mark, the defendant may use an equally high amount of the mark. *See id.* Instead, the Third Circuit's language evaluates the amount of the mark used only after necessity has been established. *See Century 21 Real Estate Corp.*, 425 F.3d at 230. Because the Third Circuit's analysis disregards necessity at this stage, it properly balances the ownership rights of trademark holders with the nominative fair use rights of secondary users.

4. The language of the Third Circuit's final prong properly analyzes truthfulness, a principle consideration of the Lanham Act.

This Court should adopt the Third Circuit's language because it promotes truthful advertising—a principle consideration of the Lanham Act. The Lanham Act seeks to ensure truthful advertising to protect consumers as well as trademark holders. *See U-Haul Int'l, Inc. v. Jartran, Inc.*, 681 F.2d 1159, 1161 (9th Cir. 1982). When a relationship may exist between parties, courts should assess whether it is truthfully reflected by the defendant's use of the plaintiff's mark. *See Century 21 Real Estate Corp.*, 425 F.3d at 230–31. Accordingly, the Third Circuit asks whether the secondary user's conduct or language reflects the true and accurate relationship between the parties. *Id.* at 222. Conversely, the Ninth Circuit's test requires that

the secondary user must do nothing, in conjunction with the mark, that would suggest sponsorship or endorsement. *New Kids on the Block*, 971 F.2d at 308. If the language of the Ninth Circuit's test were applied, courts would be restricted from acknowledging that some type of relationship between the parties may truly exist. *See Century 21 Real Estate Corp.*, 425 F.3d at 230 (stating that the parties' relationship may be one of endorsement, but the nature of the endorsement may be portrayed incorrectly). Therefore, this Court should adopt the Third Circuit's language because it examines whether the secondary user's portrayal of the parties' relationship is truthful.

B. Pattel used Gardashyan's name fairly under the Third Circuit's analysis.

Pattel used Gardashyan's name fairly because the use satisfies the three prongs of the nominative fair use analysis articulated by the Third Circuit. First, it was necessary for Pattel to use Gardashyan's name to describe both Gardashyan and the Fashionista doll. Second, Pattel only used as much of Gardashyan's mark as was necessary. Third, Pattel reflected its true and accurate relationship with Gardashyan by use of a clear and visible disclaimer. Thus, Pattel's use was fair under the Third Circuit's language.

1. Pattel properly used Gardashyan's name because her name was necessary to describe both Gardashyan and the Fashionista doll.

Pattel needed to use Gardashyan's name because it would be significantly more difficult to describe Gardashyan without its use. The secondary use of a mark is necessary when it would be more difficult for consumers to understand a reference to a plaintiff's product, absent the mark. *See Century 21 Real Estate*

Corp., 425 F.3d at 229. Here, to avoid using Gardashyan’s name, Pattel would have to use a more difficult description, such as “the multi-talented American celebrity with long straight black hair and signature styles that include animal prints, knee length skirts or dresses, and shiny high-heeled shoes.” Moreover, Gardashyan’s distinct attributes, such as her fame, style, and figure, are shared by other celebrities, including her three sisters. *Gardashyan*, 1135 F.3d at 760. Thus, it would be more difficult for Pattel to describe Gardashyan without her name and would inevitably confuse consumers.

Pattel needed to use Gardashyan’s name to properly describe the Fashionista doll to consumers. Defendants may use a plaintiff’s mark when the accurate description of the defendant’s product requires its use. *See Century 21 Real Estate Corp.*, 425 F.3d at 229. A fashionista is a “person employed in the creation or promotion of high fashion, as a designer, photographer, model, fashion writer, etc.” *Fashionista*, Oxford English Dictionary (3d ed. 2010). Being a fashionista represents a lifestyle, which fashion magazines suggest “may influence attitudes and behaviors.” Courtney Szocs & Sreedhar Madhavaram, *Exploring Fashionistas*, 23 AMA Winter Educators’ Conf. Proc. 315, 315 (2012). Here, Pattel creates its Bambi dolls to reflect modern social values by conveying female independence through the depiction of inspirational women who are well known in popular culture. *Gardashyan*, 1135 F.3d at 759. Gardashyan is a fashion designer and model whose style is widely promoted and top rated by fashion magazines. *Id.* at 760. Further, she maintains a strong media presence with daily entertainment

news coverage and tens of millions of followers on social media. *Id.* Because Gardashyan is the epitome of a fashionista, Pattel's use of Gardashyan's name was necessary to accurately describe the Fashionista doll to consumers.

2. Pattel used only as much of Gardashyan's mark as was necessary to describe the Fashionista doll.

In using Gardashyan's name, Pattel utilized only so much of her mark as was necessary. Secondary users only use as much of a mark as necessary when they refrain from displaying the mark too prominently or too often. *See Century 21 Real Estate Corp.*, 425 F.3d at 230 (recognizing that this analysis includes assessing size, emphasis, or repetition of the mark); *see also Keurig, Inc. v. Strum Foods, Inc.*, 769 F. Supp. 2d 699, 709 (D. Del. 2011) (finding that defendant's use of the plaintiff's mark was not more than necessary when the defendant only used the mark twice). Here, Pattel only used Gardashyan's name in two instances: (1) in twenty point font in a caption on the front of the doll's packaging; and (2) in ten point font in the disclaimer on the back of the box. *Gardashyan*, 1135 F.3d at 761. Thus, Pattel did not use Gardashyan's name too often or too prominently because it only used her name twice—in a caption and in a disclaimer.

Moreover, Pattel's incomplete usage of Gardashyan's mark demonstrates that Pattel did not use more of the mark than necessary. When a secondary user refrains from utilizing distinctive features of a mark, they do not use more of the mark than necessary. *See Century 21 Real Estate Corp.*, 425 F.3d at 230 (citing *Volkswagenwerk Aktiengesellschaft v. Church*, 411 F.2d 350, 352 (9th Cir. 1969) (finding that Church did not use more of the mark than needed because he did not

use Volkswagen’s distinctive encircled VW emblem)); *see also A&H Sportswear, Inc. v. Victoria’s Secret Stores, Inc.*, 237 F.3d 198, 217 (3d Cir. 2000) (recognizing that the defendant did not use more of the mark than necessary because it did not match the mark’s capitalized typeface). Here, Pattel did not use the distinctive features of Gardashyan’s mark—the stylized “CG” and the capitalized typeface. *Gardashyan*, 1135 F.3d at 760–61. Thus, Pattel did not use more of Gardashyan’s mark than necessary because it refrained from using the mark’s distinctive features.

3. Pattel reflected its true and accurate relationship with Gardashyan.

Pattel’s disclaimer disavowed any affiliation or endorsement with Gardashyan and reflected the parties’ true and accurate relationship. An accurate portrayal of the parties’ relationship negates consumer confusion regarding sponsorship or endorsement. *See Century 21 Real Estate Corp.*, 425 F.3d at 231 (citing *Playboy Enters.*, 279 F.3d at 803 (finding that a disclaimer that explicitly denounced endorsement, sponsorship, or affiliation, helped depict the parties’ true relationship)); *see also Keurig, Inc.*, 769 F. Supp. 2d at 709 (finding that a disclaimer located on the bottom of the box was reasonably visible). Further, a true and accurate relationship is evidenced when the font size of a disclaimer is at least half the font size of the other mark references. *See Yurman Design Inc. v. Diamonds and Time*, 169 F. Supp. 2d 181, 186 (S.D.N.Y. 2001) (“The disclaimer must be in a font size which is at least one half the size of that of the name”). Here, Pattel’s disclaimer, located on the back of the box, clearly stated “Pattel, Inc. and Fashionista Bambi are not sponsored by or affiliated with Cammy Gardashyan,” and was half the font size of Gardashyan’s name referenced on the front.

Gardashyan, 1135 F.3d at 761. Therefore, the wording, placement, and size of the disclaimer denounced any affiliation and reflected Pattel's true and accurate relationship with Gardashyan.

Further, Pattel represented the parties' true and accurate relationship because it did not use Gardashyan's mark as it is commercially depicted. There is no suggestion of sponsorship when a secondary user does not use the mark in its commercial depiction. *See Century 21 Real Estate Corp.*, 425 F.3d at 231.

Gardashyan uses her complete trademark on all of her products. *Gardashyan*, 1135 F.3d at 760. Pattel, however, did not use Gardashyan's mark as it is commercially depicted, but only used her name. *Id.* at 761. Therefore, Pattel ensured that its use of Gardashyan's name was not misleading and reflected the parties' true and accurate relationship.

C. Even if this Court adopts the language of the Ninth Circuit, Pattel used Gardashyan's name fairly.

Applying the Ninth Circuit's approach, Gardashyan would be unable to satisfy her burden to prove infringement. The three nominative fair use prongs replace the Ninth Circuit's original likelihood of confusion analysis. Under the first prong, neither Gardashyan nor the Fashionista doll was identifiable without the use of Gardashyan's name. Next, Pattel's use of Gardashyan's name did not exceed Pattel's necessity to describe the Fashionista doll. Finally, Pattel's disclaimer disavowed any suggestion of sponsorship or endorsement. Therefore, even under the Ninth Circuit's approach, Gardashyan could not prove that Pattel infringed on her mark.

1. Gardashyan is not readily identifiable without the use of her name.

Gardashyan would not be able to prove that her persona is readily identifiable without the use of her name. Inconsistently applying its first prong, the Ninth Circuit has used the ambiguous term, “the product,” to refer to both the defendant’s and plaintiff’s products. To demonstrate this inconsistent application, the prong will first be analyzed under the Ninth Circuit’s seminal nominative fair use case, *New Kids on the Block*, and then under its most recent interpretation in *Toyota Motor Sales*.

Under *New Kids on the Block*, Gardashyan would not be able to prove that her persona is readily identifiable without use of her name. A plaintiff must show that the defendant could “readily identify” *the plaintiff’s product* by using something other than its trademark. *See New Kids on the Block*, 971 F.2d at 308. Further, if the use of the mark is simpler than an alternative description, the use will be considered fair. *See Cairns*, 292 F.3d at 1153 (holding that the use of “Princess Diana” was far simpler and more likely to be understood than “the English princess who died in a car crash in 1997”). Here, Pattel used Gardashyan’s name instead of, for example, “The celebrity with the thirty-million-dollar wedding in 2014.” Moreover, there are other celebrities, including Gardashyan’s three sisters, who have similar distinctive features, senses of style, and are widely recognized and portrayed by the media. *Gardashyan*, 1135 F.3d at 760. Therefore, Gardashyan would fail to meet the first prong under *New Kids on the Block* because it would be difficult for Pattel to clearly refer to Gardashyan, and other celebrities have mimicked her distinct style.

Similarly, under *Toyota Motor Sales*, Gardashyan could not prove that Pattel used more of her mark than necessary to describe the Fashionista doll. A plaintiff must show that the defendant's use of the plaintiff's mark was "necessary to describe" *the defendant's product*. *Toyota Motor Sales*, 610 F.3d at 1180. For its Bambi dolls, Pattel uses depictions of inspirational women well known in popular culture to reflect modern social values of female independence. *Gardashyan*, 1135 F.3d at 759. Additionally, people worldwide recognize Gardashyan for her promotion of fashion through her status as a designer, model, and celebrity. *Id.* at 760. Because Gardashyan epitomizes a fashionista, Pattel needed to use her name to identify the Fashionista doll to consumers.

2. Pattel only used as much of Gardashyan's mark as reasonably necessary to identify the Fashionista doll.

The purpose and need for using the plaintiff's mark determines the scope of what is reasonably necessary. *See Cairns*, 292 F.3d at 1154 ("when the description of a defendant's product depends on the description of the plaintiff's product, more use of the plaintiff's trademark is reasonably necessary"). Here, Pattel needed its customers to understand the reference to Gardashyan in order to convey the modern social values she embodies. *Gardashyan*, 1135 F.3d at 759. To accomplish this purpose, Pattel only used Gardashyan's name twice—in a caption and in a disclaimer. *Id.* at 761. Therefore, Pattel did not use more of Gardashyan's name than reasonably necessary to identify Gardashyan.

3. Pattel's use of Gardashyan's name did not suggest sponsorship or endorsement.

Gardashyan would be unable to prove that Pattel used her name to suggest sponsorship or endorsement. A secondary user does not suggest a commercial partnership when it makes a clear disclaimer to the contrary. *See Playboy Enters.*, 279 F.3d at 803. Pattel's disclaimer stated, "Pattel, Inc. and Fashionista Bambi are not sponsored by or affiliated with Cammy Gardashyan." *Gardashyan*, 1135 F.3d at 761. Therefore, Gardashyan would be unable to show any suggestion of sponsorship or endorsement because of Pattel's explicit disclaimer.

D. Pattel used Gardashyan's mark fairly under the Second and Fourteenth Circuits' analyses.

If this Court adopts the approach articulated by the Fourteenth Circuit, which closely mirrors the Second Circuit, Pattel did not infringe on Gardashyan's trademark. Under the Fourteenth Circuit's approach, nominative fair use is assessed in a single analysis combining the eight *Polaroid* factors and the three nominative fair use factors articulated by the Third Circuit. *Gardashyan*, 1135 F.3d at 767–68. This varies slightly from the Second Circuit's analysis, which also uses the *Polaroid* factors, but combines the nominative fair use language of the Third and Ninth Circuits. *See Int'l Info. Sys.*, 823 F.3d at 168. Pattel satisfies both the Third and Ninth Circuits' nominative fair use prongs. *See supra* §§ II.B.C. Therefore, only the eight *Polaroid* factors need to be examined to determine whether there is a likelihood of confusion under the Second and Fourteenth Circuits' analyses.

Pattel does not infringe on Gardashyan's trademark when analyzing the case under the *Polaroid* factors. The eight *Polaroid* factors are:

(1) strength of the trademark; (2) similarity of the marks; (3) proximity of the products and their competitiveness with one another; (4) evidence that the senior user may bridge the gap by developing a product for sale in the market of the alleged infringer's product; (5) evidence of actual consumer confusion; (6) evidence that the imitative mark was adopted in bad faith; (7) respective quality of the products; and (8) sophistication of consumers in the relevant market.

Starbucks Corp. v. Wolfe's Borough Coffee, Inc., 588 F.3d 97, 115 (2d Cir. 2009)

(citing *Polaroid Corp. v. Polarad Elecs. Corp.*, 287 F.2d 492 (2d Cir. 1961)).

Further, the likelihood of confusion analysis is a balancing test where no factor is dispositive and the list is not exhaustive. *See Nabisco, Inc. v. Warner-Lambert Co.*, 220 F.3d 43, 46 (2d Cir. 2000). The majority of the factors that can be analyzed weigh in Pattel's favor and lend to the conclusion that Gardashyan cannot establish the existence of a likelihood of confusion.

The first factor, strength of a trademark, weighs in favor of Gardashyan. This factor analyzes the distinctiveness of the plaintiff's mark in the eyes of the consuming public. *See Savin Corp. v. Savin Grp.*, 391 F.3d 439, 457 (2d Cir. 2004), *cert. denied*, 546 U.S. 822 (2005). A federally registered mark is presumed to be distinctive with respect to the goods or services that the registration covers. *See id.* Gardashyan's mark is federally registered and her name and mark appear on all of her products. *Gardashyan*, 1135 F.3d at 760. Therefore, Gardashyan's descriptive trademark is presumed to be strong.

The second *Polaroid* factor favors Pattel. Courts use this factor to determine

whether the similarity of the marks and the context in which the marks are used are likely to cause confusion. *See Starbucks*, 588 F.3d at 106; *see also Nespresso USA, Inc. v. Africa Am. Coffee Trading Co. LLC*, No. 15CV5553-LTS, 2016 WL 3162118, at *9–10 (S.D.N.Y. June 2, 2016). In *Nespresso*, the court examined the second *Polaroid* factor in a nominative fair use context and held the defendant’s use of the plaintiff’s mark, displayed prominently, in a highly stylized font, and bold colors, was likely to cause consumer confusion. *See id.* Here, Pattel did not use the stylized portion or capitalized typeface of Gardashyan’s mark. *Gardashyan*, 1135 F.3d at 761. Therefore, the setting in which Pattel utilized Gardashyan’s name was not likely to cause confusion.

The third factor, proximity of the products in the marketplace, favors Pattel. This factor looks at whether the goods serve the same purpose, fall within the same general class, or are used together. *See Savin*, 391 F.3d at 458. The dissimilarity between goods substantially lessens the likelihood of consumer confusion. *Plus Prods. v. Plus Disc. Foods, Inc.*, 722 F.2d 999, 1007 (2d Cir. 1983). In *Plus Products*, the Court found that a dissimilarity between the goods lowered the likelihood of confusion when the plaintiff sold high quality products featuring natural ingredients and the defendant sold discount, bargain basement food. *Id.* Here, the difference between Pattel’s and Gardashyan’s products are even starker—the Fashionista doll is a toy, whereas Gardashyan’s products include clothing and accessories. *Gardashyan*, 1135 F.3d at 759–60. Therefore, the products offered by Gardashyan and Pattel are significantly different.

There is insufficient information in the record to assess the fourth *Polaroid* factor, likelihood of bridging the gap. This factor assesses the likelihood that the plaintiff will enter the defendant's business from the average consumer's perspective. *See The Sports Auth., Inc. v. Prime Hosp. Corp.*, 89 F.3d 955, 963 (2d Cir. 1996). Here, the facts do not indicate whether consumers believe Gardashyan is planning on manufacturing toys, specifically dolls. Therefore, Gardashyan would not be able to prove that there is a likelihood of bridging the gap.

Evidence of actual confusion, the fifth *Polaroid* factor, cannot be assessed from the Fourteenth Circuit's decision. Courts look to proof of actual confusion because it is evidence that likelihood of confusion exists. *See Savin*, 391 F.3d at 459. Here, Gardashyan has not provided any evidence that consumers were actually confused whether Gardashyan was affiliated with the Fashionista doll. Gardashyan would be unable to prove the fifth factor because the record offered no proof of actual consumer confusion.

The sixth *Polaroid* factor, which examines the good or bad faith of the secondary user in adopting the mark, weighs evenly between Pattel and Gardashyan. This factor considers whether the secondary user adopted its mark with the intention of capitalizing on the mark owner's reputation. *See Savin*, 391 F.3d at 460. When secondary users have no reason to believe they might infringe on another's mark, they act in good faith. *Id.* While Pattel considered Gardashyan's celebrity, it nevertheless employed Gardashyan's name to convey characteristics of female independence and to inspire women of all ages. *Gardashyan*, 1135 F.3d at

759. Because Pattel used Gardashyan's name for inspirational purposes, not solely for financial gain, Pattel's use was not in bad faith.

There is insufficient information to assess the seventh *Polaroid* factor, the relative quality of the products. A difference in quality between the plaintiff and defendant's goods reduces the likelihood of confusion because buyers will be less likely to mistake one for the other. *See Savin*, 391 F.3d at 461. Here, the facts do not discuss the quality or price range of the Fashionista doll or Gardashyan's products. Therefore, Gardashyan would not be able to prove that the quality of the products was comparable.

The sophistication of the relevant consumer population, the eighth *Polaroid* factor, is unknown. Purchasers of inexpensive goods are assumed to be less sophisticated and thus more likely to be confused. *See Nabisco, Inc. v. PF Brands, Inc.*, 191 F.3d 208, 220 (2d Cir. 1999) *abrogated on other grounds by Moseley v. V Secret Catalogue, Inc.*, 537 U.S. 418 (2003). Here, the price of Gardashyan's goods and the price of the Fashionista doll are not provided. Therefore, Gardashyan has not proven there is a difference in the sophistication of the relevant consumer population.

CONCLUSION

For the foregoing reasons, this Court should adopt a nominative fair use analysis as a bifurcated approach and an affirmative defense despite a finding of a likelihood of confusion. In articulating the nominative fair use analysis, this Court should adopt the language and structure of the Third Circuit and find Pattel fairly used Gardashyan's name.

Respectfully Submitted,
/s/ Team Number 107
Team Number 107
Counsel for the Petitioner