

No. 16-1225

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IN THE  
SUPREME COURT OF THE UNITED STATES  
NOVEMBER TERM 2016

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PATTEL, INC.,  
*Petitioner,*

v.

CAMMY GARDASHYAN,  
*Respondent.*

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

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BRIEF FOR PETITIONER

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*Counsel for Petitioner*

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## QUESTIONS PRESENTED

- I. Should a defendant in a trademark infringement action be able to assert a nominative-fair-use defense when the use of the plaintiff's mark was merely made to refer to the plaintiff?
- II. Should the nominative-fair-use defense be analyzed as an affirmative defense, as the classic fair use defense is, or as a part of the plaintiff's burden to show a likelihood of confusion?
- III. What is the appropriate test for analyzing if a defendant's use of the plaintiff's mark to refer to the plaintiff qualifies as a nominative fair use?
- IV. Under the facts of this case, does reference to a mark on the defendant's products qualify as a nominative fair use?

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## OPINIONS BELOW

The opinion of the United States District Court for the Central District of Bel Air is unreported. The opinion of the United States Court of Appeals for the Fourteenth Circuit (No. 70593-2016) is reported at *Gardashyan v. Pattel, Inc.*, 1135 F.3d 759 (14th Cir. 2016).

## STATEMENT OF JURISDICTION

The Fourteenth Circuit Court of Appeals entered its decision on June 5, 2016. This Court granted the petition for writ of certiorari and has jurisdiction pursuant to 28 U.S.C. § 1254(1) (2012).

## CONSTITUTIONAL AND STATUTORY PROVISIONS INVOLVED

This case involves the First Amendment to the United States Constitution, which provides: “Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or the right of the people peaceably to assemble, and to petition the Government for a redress of grievances.” U.S. Const. amend. I.

This case also involves two provisions of the Lanham Act. Section 32 provides:

- (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; or
  - (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 . . . .

15 U.S.C. § 1114 (2012). Section 33(b)(4) provides:

(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 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 . . . .

15 U.S.C. § 1115(b)(4) (2012).

## STATEMENT OF THE CASE

Pattel, Inc. (“Pattel”) is an American toy manufacturing company. *Gardashyan v. Pattel, Inc.*, 1135 F.3d 759, 356 (14th Cir. 2016). Founded in 1961, Pattel produces a variety of brands and products, including the Bambi doll series. *Id.* The trademarked Bambi doll series reflects modern day social values, including female independence. *Id.* Often, Bambi dolls are inspired by female celebrities, including television stars, musicians, and fashion models. *Id.* The concept has helped Pattel sell over 500 million Bambi dolls. *Id.*

As a part of its Bambi doll series, Pattel released the Fashionista Bambi Doll. *Id.* at 357. The Fashionista doll accounted for \$45 million in profits, up from \$35 million the previous year. *Id.* Continuing with Pattel’s past practice, the Fashionista Bambi doll incorporated references to popular culture. *Id.* The 2015 edition was partially inspired by celebrity Cammy Gardashyan (“Gardashyan”). *Id.* Gardashyan is an American reality television personality. *Id.* at 356. She is also a model, socialite, and singer. *Id.* Gardashyan rose to fame as a character on “Keeping Up with the Gardashyans.” *Id.* The reality television show made Gardashyan and her three sisters household names, especially in the world of fashion. *Id.* Gardashyan’s style included wearing animal prints, knee-length skirts or dresses, and shiny high-heeled shoes. *Id.* She was also known for her “curvy” style and her long, black hair. *Id.*

The 2015 Fashionista Bambi doll was the same standard size and shape as its predecessors. *Id.* The doll also featured sparkly high-heeled shoes, leopard print,

and a knee-length skirt. *Id.* When squeezed, it says, “I want to be a fashionista, just like Cammy Gardashyan.” *Id.* The doll’s packaging demonstrates the talking function. *Id.* The box contains a caption bubble which states: “I say: I want to be just like Cammy Gardashyan.” *Id.* The bubble text is in standard black block typeface. *Id.* The box includes a disclaimer which reads: “Pattel, Inc. and Fashionista Bambi are not sponsored by or affiliated with Cammy Gardashyan.” *Id.*

Within two months of the doll’s release, Gardashyan filed an action against Pattel seeking a permanent injunction, claiming the Fashionista doll’s use of “Cammy Gardashyan” infringed on Gardashyan’s trademark. *Id.* The claim was based on the following trademark:

**CG**

**CAMMY GARDASHYAN™**

*Id.*

Following cross-motions for summary judgment, the district court found for Pattel on all counts. *Id.* at 359. In doing so, the district court held Pattel was entitled to nominative fair use as an affirmative defense, regardless of the existence of a likelihood of confusion. *Id.*

The Fourteenth Circuit Court of Appeals reversed and remanded. *Id.* at 355–65. The court of appeals recognized the nominative fair use as a defense to trademark infringement but held it was part of the likelihood-of-confusion analysis—not a stand-alone affirmative defense. *Id.* at 363.

This Court granted certiorari to consider: (1) whether to adopt the nominative fair use as a defense under § 1114 of the Lanham Act; (2) whether, if adopted, the nominative fair use defense is an affirmative defense or part of the likelihood-of-confusion analysis; and (3) assuming the nominative-fair-use test is adopted, how should it be articulated and applied in this case. *Pattel, Inc. v. Gardashyan* (No. 16-1225).

### SUMMARY OF THE ARGUMENT

This case involves four specific issues that are critical to ensuring that trademark law properly weighs the rights of the mark-holder against the rights of the public. The proper balance must be struck.

First, this Court should hold that a defendant in a trademark infringement suit may assert a nominative-fair-use defense when a mark is used to refer to, comment upon, or offer a comparison with the mark-holder's product or service. The defense recognizes that trademark protection does not give the mark-holder a monopoly over descriptive words with no substitute. It also recognizes that the unique circumstance involved is fundamentally different from the classic-fair-use circumstance where the infringing party refers to its own products and mentions the mark.

Second, this Court should hold that nominative fair use is an affirmative defense that may be asserted even when a likelihood of confusion has been found. The defense is simply a form of fair use, which has already been recognized to be an affirmative defense. Alternatively, it is at least analogous to classic fair use and

should be treated in a similar fashion. Recognizing the defense as an affirmative defense is necessary to ensure that a defendant in a trademark infringement action is not forced to bear a burden to disprove likelihood of confusion in the plaintiff's prima-facie case. That would occur if nominative fair use were merely factors in the likelihood-of-confusion analysis, which would make quick and easy resolution of clear cases of nominative fair use difficult as the factors are rarely resolved early in the litigation or on summary judgment.

Third, this Court should adopt the *New Kids* test to measure nominative fair use. The *New Kids* test provides a defense so long as: (1) the plaintiff's product or service is not "readily identifiable" without use of the trademark; (2) the defendant used only so much of the trademark as was reasonably necessary to identify the plaintiff's product or service; and (3) the defendant did nothing that would, in conjunction with the trademark, suggest sponsorship or endorsement by the mark-holder. The *New Kids* test properly isolates the nominative-fair-use analysis. The Fourteenth Circuit Court of Appeals used a test that does not. Thus, the *New Kids* test is less likely to be misapplied to classic-fair-use cases.

Fourth, the facts of this case illustrate that Pattel's use of Cammy Gardashyan's mark is nominative fair use regardless of which standard is used. Pattel's use satisfies the *New Kids* test. A caption bubble on the packaging of the Fashionista doll stated, "I say: I want to be a Fashionista, just like Cammy Gardashyan." The quote uses the "Cammy Gardashyan" trademark to identify the plaintiff. Additionally the quote appears in plain text, which is different from

Gardashyan’s distinctive mark. Thus, Pattel identified the plaintiff’s product using her trademark, used only so much of the mark as was reasonably necessary, and did not suggest sponsorship or endorsement. Pattel’s use also satisfies the test adopted by the Fourteenth Circuit Court of Appeals. Pattel needed to use Gardashyan’s mark to explain the dolls theme and to relate to its target market—fashion-obsessed teenagers. Pattel affirmatively disclaimed any relationship with Gardashyan so as to meet the additional requirements imposed by the court of appeals’ more onerous standard.

This Court should reverse the judgment of the Fourteenth Circuit Court of Appeals and reinstate the district court’s judgment, which properly recognized that Pattel’s use of Cammy Gardashyan’s name on its products was permissible as nominative fair use.

### **ARGUMENT AND AUTHORITIES**

The district court resolved this case by granting one of competing summary judgment motions. *Gardashyan*, 1135 F.3d at 358. Summary judgment is proper only when “the movant shows that there is no genuine dispute as to any material fact and the movant is entitled to judgment as a matter of law.” Fed. R. Civ. P. 56(a). “A genuine dispute of material fact exists when the ‘evidence is such that a reasonable jury could return a verdict for the nonmoving party.’” *Anderson v. Liberty Lobby*, 477 U.S. 242, 248 (1986). “A fact is ‘material’ if its resolution in favor of one party might affect the outcome of the lawsuit under governing law.” *Sossamon v. Texas*, 560 F.3d 316, 326 (5th Cir. 2009) (quotation omitted).



A reviewing court applies the same standard as the district court. *Morse v. Frederick*, 551 U.S. 393, 400–01 (2007). The only issues before this Court are legal in nature; therefore, fact analysis is unnecessary. This Court reviews underlying questions of law de novo. See *Celotex Corp. v. Catrett*, 477 U.S. 317, 323 (1986). Additionally, in cases with First Amendment implications, this Court independently examines the statements in issue and the circumstances under which they were made to ensure that “the judgment does not constitute a forbidden intrusion on the field of free expression.” *N.Y. Times Co. v. Sullivan*, 376 U.S. 254, 285 (1964).

**I. PATEL’S USE OF CAMMY GARDASHYAN’S NAME ON ITS PRODUCTS WAS FAIR USE UNDER THE NOMINATIVE-FAIR-USE DEFENSE.**

Cammy Gardashyan contends that reference to her name on Patel’s product constitutes trademark infringement in violation of the Lanham Act. *Gardashyan*, 1135 F.3d at 357. Unlike the typical trademark infringement case, however, Gardashyan does not contend that Patel has improperly attempted to pass off its goods as those of Gardashyan. *Id.* at 358. She contends that, despite a specific disclaimer on the product, Patel uses her name in a manner likely to create consumer confusion by implying an affiliation with or an endorsement by her. *Id.* at 356. The reference to her name was nominative, fair, and permitted as a matter of law.

Gardashyan has asserted claims for trademark infringement under the Lanham Act. *Id.* (citing 15 U.S.C. § 1114). To succeed, a plaintiff must establish (1) that its mark is entitled to trademark protection and (2) that the allegedly infringing use is likely to cause consumer confusion. *Brennan’s, Inc. v. Brennan’s*

*Rest., L.L.C.*, 360 F.3d 125, 129 (2d Cir. 2004). The essence of her claim is that there is a likelihood of consumer confusion that the doll was affiliated with Gardashyan’s mark. *Gardashyan*, 1135 F.3d at 358.

For more than a hundred years, this Court has recognized that a mark-holder cannot exclude others from using its mark to refer to, comment upon, or offer a comparison with the mark-holder’s product or service. *Saxlehner v. Wagner*, 216 U.S. 375, 380 (1910) (holding defendants “have the right to tell the public” what they are imitating); *see also Prestonettes, Inc. v. Coty*, 264 U.S. 359, 368 (1924) (“When the mark is used in a way that does not deceive the public, we see no such sanctity in the word as to prevent its being used to tell the truth. It is not taboo.”). The doctrine that protects such conduct is known as nominative fair use. *New Kids on the Block v. News Am. Publ’g, Inc.*, 971 F.2d 302, 308 (9th Cir. 1992). Unlike cases involving classic fair uses of a mark that typically address consumer confusion as to the source of the good, service, or certification to which the mark is attached, cases involving nominative fair use address confusion as to affiliation, endorsement, or sponsorship. *Id.* In light of this unique context, the circuit courts have adopted divergent approaches to assess trademark infringement under these circumstances.<sup>1</sup> This case presents this Court with the opportunity to end the confusion about nominative fair use.

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<sup>1</sup> The Sixth Circuit Court of Appeals applies the traditional likelihood-of-confusion test. *PACCAR, Inc. v. TeleScan Techs., L.L.C.*, 319 F.3d 243, 256 (6th Cir. 2003). The Ninth Circuit Court of Appeals replaces the traditional likelihood-of-confusion factors with nominative-fair-use factors. *Playboy Enters. v. Welles*, 279 F.3d 796, 801 (9th Cir. 2002) (considering if the product was readily identifiable without use

This Court has recognized that “some possibility of consumer confusion must be compatible with fair use.” *KP Permanent Make-Up, Inc. v. Lasting Impression I, Inc.*, 543 U.S. 111, 121 (2004). Adopting nominative fair use as an affirmative defense to trademark infringement strikes the appropriate balance. Doing so would prevent trademark holders from impermissibly preventing others from talking about the mark or what it represents. This approach is consistent with reason, logic, and the principles underlying trademark law. Further, this Court should adopt nominative fair use as an affirmative defense and the test articulated in *New Kids*. See *New Kids*, 971 F.2d at 307. Pattel used Cammy Gardashyan’s mark to identify her, which is nominative. Accordingly, this Court should reverse the Fourteenth Circuit Court of Appeals’ judgment and reinstate the district court’s judgment.

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of the mark, if defendant used more of the mark than necessary, and if defendant falsely suggested sponsorship or endorsement). The Third Circuit Court of Appeals applies its own variation of the nominative-fair-use factors as an affirmative defense. *Century 21 Real Estate Corp. v. Lendingtree, Inc.*, 425 F.3d 211, 232 (3d Cir. 2005) (considering if the use of the plaintiff’s mark is necessary to describe both the plaintiff’s product and the defendant’s product, if defendant uses only so much of the plaintiff’s mark as is necessary to describe plaintiff’s products or services, and if the defendant’s conduct or language reflect the true and accurate relationship between plaintiff and defendant’s products). The Second and Fifth Circuit Courts of Appeals combine nominative-fair-use factors with traditional factors used to assess likelihood of confusion. *Int’l Info. Sys. Sec. Certification Consortium v. Sec. Univ., L.L.C.*, 823 F.3d 153, 168 (2d Cir. 2016) (adopting both the Third and Ninth Circuit factors), *petition for cert. filed*, 85 U.S.L.W. 3108 (U.S. Sept. 15, 2016) (No. 16-352); *Pebble Beach Co. v. Tour 18 I, Ltd.*, 155 F.3d 526, 547 (5th Cir. 1998) (adopting the Ninth Circuit factors). The Seventh and Eighth Circuit Courts of Appeals have acknowledged the nominative-fair-use defense without adopting a particular approach. See *August Stork K.G. v. Nabisco, Inc.*, 59 F.3d 616, 618 (7th Cir. 1995); *Calvin Klein Cosmetic Corp. v. Lenox Labs., Inc.*, 815 F.2d 500, 503–04 (8th Cir. 1987).

**A. This Court Should Adopt a Nominative-Fair-Use Defense in Trademark Infringement Actions Under § 1114 of the Lanham Act When a Defendant Uses the Plaintiff's Mark in Reference to the Plaintiff.**

The threshold question in this case considers if a nominative-fair-use defense should be available to a defendant in a trademark infringement action. The court of appeals joined the majority of circuits and determined that it should be. *Gardashyan*, 1135 F.3d at 360. This Court should reach the same conclusion.

**1. The nominative-fair-use defense recognizes that trademark law may not grant exclusive rights in words in the English language that have no substitute.**

Some words in the English language simply have no substitute. American courts have long recognized this conundrum and allowed use of trademarked terms when it “would be difficult, if not impossible” to avoid their use altogether. *Volkswagenwerk Aktiengesellschaft v. Church*, 411 F.2d 350, 352 (9th Cir. 1969). For example, in *Volkswagenwerk*, the defendant operated a vehicle repair shop specializing in repairing Volkswagen cars and used the word “Volkswagen” in the name of his business. *Id.* Using the term “Volkswagen” in this manner did not constitute an infringing use of the trademark. *Id.* The court specifically noted that “Volkswagen” was a “normal term” and “to the public at large, signif[ied] [Volkswagen]’s cars.” *Id.* The repair shop owner was not required to change the name of his business simply because Volkswagen held a trademark. *See Playboy Enters. v. Welles*, 279 F.3d 796, 801 (9th Cir. 2002) (allowing defendant to refer to herself as “Playboy Playmate of the Year 1981” on personal website); *New Kids*, 971 F.2d at 306 (allowing newspaper to refer to a band by its name in poll question);

*WCVB-TV v. Bos. Athletic Ass'n*, 926 F.2d 42, 46 (1st Cir. 1991) (allowing television station to refer to Boston Marathon during broadcast). The recognition that trademarks can be used when there is no reasonably available alternative to describe a particular product reconciles the First Amendment with the Lanham Act. *Cf. Eldred v. Ashcroft*, 537 U.S. 186, 197, 219 (2003) (discussing “fair use” in copyright context, and calling it a “traditional First Amendment safeguard”). Failure to do so risks diminishing society’s ability to freely discuss companies and their products. *See* Mark A. Lemley, *The Modern Lanham Act and the Death of Common Sense*, 108 Yale L.J. 1687, 1710–11 (1999).

This case presents the same conundrum. The name Cammy Gardashyan holds unique meaning and cannot be stated effectively in an alternative manner. Of course, the phrase “American reality television personality, socialite, businesswoman, model, and singer whose 2014 wedding cost \$30 million” accurately describes the individual. But Pattel need not use this cumbersome description to lawfully refer to Gardashyan. After all, the primary concern behind nominative fair use is preventing the restriction of free speech. *Playboy Enters.*, 279 F.3d at 802 (citing *New Kids*, 971 F.2d at 306). In situations where the trademark identifies a specific person or place “allowing the trademark holder exclusive rights would allow the language to be depleted in much the same way as if generic words were protectable.” *Id.* Therefore, nominative fair use is protecting the entire realm of public speech, not a single defendant’s unfair situation. Thus, a nominative-fair-use

defense should be available to Pattel. Trademark law cannot “deplete the stock of useful words” by providing “exclusive rights in them.” *New Kids*, 971 F.2d at 306.

**2. The unique circumstance and perspective of a nominative-fair-use defense requires a different analysis from what is used for a classic-fair-use defense.**

Classic fair use, also called descriptive fair use, is a statutorily prescribed defense to trademark infringement. The Lanham Act expressly grants the defense of classic fair use when a defendant’s use of a trademark “is descriptive of and used fairly and in good faith only to describe the goods or services of such party, or their geographic origin.” 15 U.S.C. § 1115(b)(4) (2012). Thus, classic fair use focuses on whether a defendant’s use of another’s trademark to describe the defendant’s product or service is fair. *Rosetta Stone Ltd. v. Google, Inc.*, 676 F.3d 144, 169 (4th Cir. 2012); *Fortune Dynamic, Inc. v. Victoria’s Secret Stores Brand Mgmt., Inc.*, 618 F.3d 1025, 1031 (9th Cir. 2010). The classic-fair-use defense is applied in situations involving a single defendant’s need to use the mark for a specific purpose.

For example, in *Hensley Manufacturing v. ProRide, Inc.*, Jim Hensley designed a trailer hitch product. 579 F.3d 603, 606 (6th Cir. 2009). Hensley Manufacturing acquired Jim Hensley’s business and held a trademark for “Hensley.” *Id.* Jim Hensley left Hensley Manufacturing and designed a different trailer hitch to be sold by a different manufacturer. *Id.* The new manufacturer of the new product used advertisements mentioning Jim Hensley was the designer of the new and improved product. *Id.* Hensley Manufacturing sued for infringement on its “Hensley” trademark. *Id.*

The use was classic fair use because it was not describing “Hensley” the company brand, which was trademarked. *Id.* at 612. Instead, it described Jim Hensley the person. *Id.* While describing Jim Hensley the person and “Hensley” the trademark requires the use of the same words, it is not the description of the same thing. *Id.* The court explained the use did not infringe on the “Hensley” trademark because it described the person and not the protected trademark. *Id.* The classic-fair-use defense is concerned with whether the trademark is used in the manner for which it was trademarked. If the use is different than that of the trademark, then the classic-fair-use defense is applicable. This protects against unfair application of trademark law against specific defendants. Essentially, classic fair use is concerned with whether or not the trademark and the use match up, which requires examination of the defendant’s reason for using the mark.

Nominative fair use is different. Rather than focusing on the use of a trademark to describe something different, it focuses on situations where the trademark is used to describe the trademark. *Tiffany (NJ) Inc. v. eBay Inc.*, 600 F.3d 93, 102 (2d Cir. 2010). “The doctrine protects those who deliberately use another’s trademark . . . for the purposes of comparison, criticism[,] or point of reference.” *E.S.S. Entm’t 2000, Inc. v. Rock Star Videos, Inc.*, 547 F.3d 1095, 1098 (9th Cir. 2008). Nominative fair use allows a defendant to call a spade a spade, even if “spade” is trademarked. Conversely, classic fair use allows David Spade to use his name to promote one of his movies, even if “spade” is trademarked. While classic

fair use is specific to a small number of defendants with the last name Spade, nominative fair use applies to every person who wishes to identify a spade.

The free speech and public discourse implications of nominative fair use are evident in case law. For example, if someone holds a trademark on “The Boston Marathon,” the nominative-fair-use defense protects a television station that does a segment reporting who won the Boston Marathon, even when the plaintiff’s trademark is used. *See WCVB-TV*, 926 F.2d 42, 46.<sup>2</sup> The television station is using the Boston Marathon trademark to identify the Boston Marathon. *Id.* Thus, it is calling a spade a spade, and the use is nominative.

Allowing an infringement claim under such circumstances would severely limit the public discourse. “Prohibition of such truthful and non-misleading speech does not advance the Lanham Act’s purpose of protecting consumers and preventing unfair competition; in fact, it undermines that rationale by frustrating honest communication between the [businesses] and their customers.” *Toyota Motor Sales, U.S.A., Inc. v. Tabari*, 610 F.3d 1171, 1176–77 (9th Cir. 2010)<sup>3</sup> Thus, the nominative-fair-use defense protects truthful speech in its purest form. Allowing a trademark holder a cause of action for purely truthful speech would infringe on the First Amendment.

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<sup>2</sup> *WCVB-TV* was decided before the Ninth Circuit Court of Appeals used the term nominative. But the First Circuit Court of Appeals recognized the free speech implications under these facts. *WCVB-TV*, 926 F.2d at 46.

<sup>3</sup> First Amendment protections have led to the development of similar doctrines in the law of defamation. *See* Restatement (Second) of Torts § 581A (1977) (“Truth of a defamatory statement of fact is a complete bar to recovery not only in an action.”).



Classic fair use protects individual defendants in factual situations specific to them. *See Hensley*, 579 F.3d at 612. Nominative fair use protects the public at large and the right to truthful speech. *See Tabari*, 610 F.3d at 1176–77. Nominative fair use stands for the principle that a defendant should always be allowed to call something exactly what it is, even if the person, place, or thing is trademarked. *New Kids*, 971 F.2d at 309 (“[W]e see no such sanctity in the word as to prevent its being used to tell the truth.”). Classic fair use is concerned with the use of a trademarked term to describe something else. *Hensley*, 579 F.3d at 612. Therefore, nominative fair use requires a different and distinct test from classic fair use.

**B. This Court Should Adopt Nominative Fair Use as an Affirmative Defense That May Be Asserted by the Defendant Despite a Finding of Likelihood of Confusion.**

The next issue relates to how nominative fair use should be analyzed in relation to likelihood of confusion. The district court adopted the Third Circuit Court of Appeals’ two-step approach and allowed Pattel to assert nominative fair use as an affirmative defense regardless of a finding of likelihood of confusion. *Gardashyan*, 1135 F.3d at 358; *see Century 21 Real Estate Corp. v. Lendingtree, Inc.*, 425 F.3d 211, 222 (3d Cir. 2005). The court of appeals opted for a different approach, adopting the Second Circuit Court of Appeals’ combination of the traditional likelihood-of-confusion factors with the nominative-fair-use factors as part of the plaintiff’s burden to show a likelihood of confusion. *Gardashyan*, 1135 F.3d at 362 (citing *Int’l Info. Sys. Sec. Certification Consortium v. Sec. Univ., L.L.C.*, 823 F.3d 153, 168 (2d Cir. 2016), *petition for cert. filed*, 85 U.S.L.W. 3108 (U.S. Sept.

15, 2016) (No. 16-352)). The district court’s approach more closely follows precedent and furthers the policies underlying trademark law.

**1. Nominative fair use is a species of classic fair use, which is already recognized as an affirmative defense to trademark infringement.**

This is not the first time this Court has faced an issue related to the interplay between permissible use of a mark and a likelihood of confusion. In *KP Permanent Make-Up, Inc. v. Lasting Impression I, Inc.*, this Court had to resolve a circuit split as to whether a finding of likelihood of confusion foreclosed the availability of the fair use defense, which was established by statute as an affirmative defense to allegations of trademark infringement. 543 U.S. at 118 (citing 15 U.S.C. § 1115(b)(4)). There, a make-up seller used the term “microcolor” to describe its product, in spite of a competitor’s trademark of the term “Micro Colors.” *Id.* at 114. This Court held that the defendant could prevail on his affirmative defense regardless of any resulting confusion. *Id.* at 123. A finding of fair use means that the defendant’s use is lawful, and therefore, a court need not conduct a separate likelihood of confusion analysis.

The Ninth Circuit Court of Appeals held that nominative fair use is a species of the classic-fair-use defense. *See Abdul-Jabbar v. Gen. Motors Co.*, 85 F.3d 407, 412 (9th Cir. 1996). There, an automobile manufacturer aired a television commercial during the 1993 NCAA basketball tournament. *Id.* at 409. The commercial asked “Who holds the record for being voted the most outstanding player of this tournament?” and included the name Lew Alcindor of UCLA 1967, 1968, 1969. *Id.*

The commercial then compared the Oldsmobile Eighty-Eight's success in Consumer Digest's Best Buy competition three years running. *Id.* In assessing this nominative use, the appellate court acknowledged the unique focus of nominative use but nonetheless evaluated the nominative use as a form of the classic fair use defense. See William McGeeveran, *Rethinking Trademark Fair Use*, 94 Iowa L. Rev. 49, 91 (2008). In fact, the heading under which the analysis is included is entitled "Lanham Act 'fair use' doctrine." *Abdul-Jabbar*, 85 F.3d at 412. Although the analysis was not conducted as an affirmative defense, this was because this Court had yet to decide *KP Permanent Make-Up*, and at the time, the Ninth Circuit Court of Appeals did not view fair use as an affirmative defense. See *Lindy Pen Co. v. Bic Pen Corp.*, 725 F.2d 1240 (9th Cir. 1984) (explaining that the fair use defense is not available if likelihood of confusion is shown). The *Abdul-Jabbar* opinion links nominative fair use to classic fair use and *KP Permanent* makes that an affirmative defense.

Judicial recognition of nominative fair use as a type of fair use is neither new nor novel to trademark law. It is precisely how many new forms of confusion were first recognized. See *Brookfield Commc'ns, Inc. v. W. Coast Entm't Corp.*, 174 F.3d 1036, 1057 (9th Cir. 1999) (holding "initial-interest confusion" is an actionable form of confusion that occurs when a competitor "impermissibly capitalizes on the goodwill associated with a mark" and when a customer, although seeking the markholder's product, realizes an interest in a competitor's product); *Fisons Horticulture, Inc. v. Vigoro Indus., Inc.*, 30 F.3d 466, 475 (3d Cir. 1994) (holding "reverse

confusion” is an actionable form of confusion that occurs when the first entity to claim the mark is overwhelmed by a large corporation’s confusingly similar trademarks); *Lois Sportswear, U.S.A., Inc. v. Levi Strauss & Co.*, 799 F.2d 867, 872 (2d Cir. 1986) (holding “post-sale confusion” is an actionable form of confusion to protect a manufacturer’s reputation that occurs where the purchaser is aware they are buying an imitation product but non-purchasers who see the product after the sale wrongly attribute the product to the trademark holder). Thus, the traditional infringement action has expanded to encompass more forms of confusion, including what confusion is actionable, whose confusion is actionable, and when actionable confusion can occur. Graeme B. Dinwoodie, *Symposium: Treaties and Domestic Law After Medellin v. Texas: Developing Defenses in Trademark Law*, 13 Lewis & Clark L. Rev. 99, 120 (2009). If new forms of confusion may be recognized in this manner, new forms of fair uses may be as well.

**2. Alternatively, nominative fair use is analogous to classic fair use and should also be analyzed as an affirmative defense.**

Even if nominative fair use is not viewed as a species of classic fair use, it is directly analogous and should be treated in the same manner. Like classic fair use, nominative fair use focuses on the defendant’s perspective and considers if its use of the mark is necessary and fair. Carl Regelmann, *Trademark Nominative Fair Use: The Relevance of the “New Kids on the Block Factors” After the Supreme Court KP Permanent Make-Up v. Lasting Impression Decision*, 16 DePaul-LCA J. Art & Ent. L. 1, 30 (2005) (noting that application of descriptive fair use is “very similar” to

nominative fair use). By contrast, the likelihood-of-confusion analysis focuses on the consumer's perspective and considers if the defendant's use will imply affiliation or sponsorship with the trademark holder. *Polaroid Corp. v. Polarad Elecs. Corp.*, 287 F.2d 492, 495 (2d Cir. 1961) (adopting eight-factor test); *Starbucks Corp. v. Wolfe's Borough Coffee, Inc.*, 588 F.3d 97, 115 (2d Cir. 2009) (applying same). Thus, proof of a lawful nominative use should not require a defendant to prevail in a confusion analysis.

This is a quintessential affirmative defense. An affirmative defense is one where a defendant asserts new facts and arguments that, if true, will defeat the plaintiff's claim even if all the allegations in the complaint are true. *See Century 21*, 425 F.3d at 223 (citing *KP Permanent Make-Up*, 543 U.S. at 120). When a fact finder determines that the defendant's use is lawful, there is no reason to conduct a separate likelihood-of-confusion analysis. Proof of the lawful nominative fair use sets aside any allegation of trademark infringement based on confusion.

### **3. Applying nominative fair use as part of the likelihood-of-confusion analysis improperly places a burden on defendants.**

Defendants bear no burden to negate confusion in trademark infringement actions. *KP Permanent Make-Up*, 543 U.S. at 118. Yet that is precisely what the court of appeals' new eleven-factor likelihood-of-confusion analysis does. It effectively requires defendants to negate confusion. *See Century 21*, 425 F.3d at 223. As the Third Circuit Court of Appeals explained:

If the factors for determining fairness were incorporated into the likelihood-of-confusion test, a plaintiff's showing of confusion might

overwhelm a defendant's showing of fair use. This would essentially force a defendant asserting nominative fair use to negate all likelihood of confusion to succeed, a proposition that the Supreme Court rejected in *KP Permanent Make-Up*.

*Id.* In other words, a defendant could prevail on all three nominative-fair-use factors and still lose on likelihood of confusion because a fact finder may determine the three nominative-fair-use factors were outweighed by the other eight likelihood-of-confusion factors. To avoid such an outcome, a defendant would be forced to put on evidence to negate the other eight likelihood-of-confusion factors. Although contained within the mark-holder's prima-facie case, this structure places a burden on defendants to ensure their nominative use is not balanced out of existence.

Adopting nominative fair use as an affirmative defense avoids this problem altogether. It also acknowledges fundamental principles of trademark law: that the burden of proving likelihood of confusion rests with the plaintiff, that the fair use defendant has no need to show confusion is unlikely, that some confusion can co-exist with fair use, and that no one may obtain a complete monopoly on a descriptive term or name by grabbing it first. *KP Permanent Make-Up*, 543 U.S. at 122 (citing *Canal Co. v. Clark*, 80 U.S. (13 Wall.) 311, 323–24 (1872)).

**4. Adopting nominative fair use as an affirmative defense allows for quick resolution of clearly nominative uses without resorting to the vague and fact-intensive likelihood-of-confusion factors.**

The court of appeals decided to accommodate nominative uses within the core likelihood-of-confusion liability standard of trademark infringement law. *Gardashyan*, 1135 F.3d at 363. Like other circuit courts approaching the analysis in

this manner, the court of appeals would compare the plaintiff's mark to the defendant's use of it, generally emphasizing considerations such as the degree of similarity between them, the "strength" of the plaintiff's mark, evidence of actual confusion of consumers, improper intent of the defendant, and the manner in which consumers encounter the disputed trademarks and uses in the marketplace. *Id.*; see also Matthew D. Bunker, *Mired in Confusion: Nominative Fair Use in Trademark Law and Freedom of Expression*, 20 *Comm. L. & Pol'y* 191, 193 (2005) (describing likelihood-of-confusion analysis as "inherently subjective," "fuzzy," and "impressionistic"). Unfortunately, this approach is both unpredictable and time-consuming. Ann Bartow, *Likelihood of Confusion*, 41 *San Diego L. Rev.* 721, 749 (2004). Not surprisingly, the fact-intensive nature of the likelihood-of-confusion inquiry requires significant resources and can turn the threat of litigation into an economic weapon.

To show a likelihood of confusion, litigants routinely hire experts to design and conduct a survey of consumer responses to the trademark use. See *Indianapolis Colts, Inc. v. Metro. Balt. Football Club Ltd. P'ship*, 34 F.3d 410, 414 (7th Cir. 1994). If one side hires an expert, then the other side usually must as well. *Id.* The resulting fees can be "hideously expensive." McGeeveran, *supra*, at 70. When the cost of trademark defense can run into seven-figures, "many people who have the right to make a use may give in rather than fight to protect their rights." Stacey L. Dogan & Mark A. Lemley, *Grounding Trademark Law Through Trademark Use*, 92 *Iowa L. Rev.* 1669, 1696 (2006–2007); see also Am. Intellectual Prop. Law Ass'n, *Report of*

*the Economic Survey* 18–22 (2015) (showing \$354,000 mean litigation cost in cases with less than \$1 million in controversy; \$670,000 mean litigation cost in cases with between \$1 million and \$10 million in controversy; \$1,057,000 mean litigation cost in cases with between \$10 million and \$25 million in controversy; and \$2,078,000 mean litigation cost in cases with more than \$25 million in controversy).

The court of appeals’ approach is further undermined by the general reluctance to resolve the likelihood-of-confusion inquiry early in the litigation. Given the fact-intensive nature of likelihood-of-confusion analysis, determining whether a likelihood of confusion exists at the summary judgment stage is disfavored because a fully developed record is usually required to fully assess the facts. *See GMC v. Keystone Auto. Indus.*, 453 F.3d 351, 359 (6th Cir. 2006) (“These genuine disputes of material fact render summary judgment inappropriate, a common disposition in evaluating likelihood of confusion.”); 6 J. Thomas McCarthy, *McCarthy on Trademarks and Unfair Competition* §§ 32:120–32:121 (4th ed. 2007) (collecting cases showing a strong presumption against summary judgment either for or against likelihood of confusion). Although the comparative weighing of the likelihood-of-confusion factors is ultimately a question of law, the weighing can only occur after the factual development has occurred. *See Bristol-Myers Squib Co. v. McNeil-P.P.C. Inc.*, 973 F.2d 1033, 1043 (2d Cir. 1992).

The length and cost of the likelihood-of-confusion analysis—regardless of the outcome—thus “creates a classic chilling effect upon the unlicensed use of trademarks to facilitate speech.” McGeeveran, *supra*, at 52. A preferable route would



be to address nominative fair use as an affirmative defense. Doing so avoids entangling nominative fair use in the vague and unpredictable likelihood-of-confusion analysis. This approach segregates the nominative fair use analysis to the defendant's use and allows for early dismissal of clear cases where, as here, the nominative use is fair. This approach also prevents future litigants from using the threat of a lengthy and costly battle to chill speech or to provoke capitulation by defendants making truthful nominative uses of trademarks.

**C. This Court Should Adopt the *New Kids* Test for the Nominative-Fair-Use Defense.**

This Court should adopt the Ninth Circuit Court of Appeals' test for nominative fair use because it is the only test that does not confuse nominative fair use with classic fair use. The *New Kids* test focuses on whether the plaintiff's mark is necessary to identify the plaintiff. *See New Kids*, 971 F.2d at 308. However, in this case the appellate court adopted a test that considers whether the use of the plaintiff's mark is necessary to identify the defendant's goods—a classic-fair-use inquiry. Thus, this Court should adopt the *New Kids* test because unlike the appellate court's approach, it does not confuse nominative fair use and classic fair use.

**1. The *New Kids* test properly separates the nominative-fair-use analysis from the classic-fair-use analysis.**

The *New Kids* test is better suited for use in a nominative situation because it remains focused on whether or not the use is to identify the plaintiff. The *New Kids* test provides a defense so long as: (1) the plaintiff's product or service is not "readily

identifiable” without use of the trademark; (2) the defendant used only so much of the trademark as was reasonably necessary to identify the plaintiff’s product or service; and (3) the defendant did nothing that would, in conjunction with the trademark, suggest sponsorship or endorsement by the trademark holder. *New Kids*, 971 F.2d at 308. This test properly maintains the focus on whether the plaintiff’s mark is used to identify the plaintiff and therefore should be adopted for nominative-fair-use cases.

Instead of inquiring into the defendant’s need to describe his product, prong one of the *New Kids* test focuses purely on whether the use of the plaintiff’s mark is used to identify the plaintiff.<sup>4</sup> *E.S.S. Entertainment 2000, Inc. v. Rock Star Videos, Inc.* illustrates how prong one of the *New Kids* test remains limited to nominative situations. 547 F.3d at 1097. In that case, the plaintiff owned a Los Angeles-area strip club called “The Play Pen.” *Id.* The defendant created a video game with a city loosely based off of Los Angeles. *Id.* The game featured a strip club called the “Pig Pen.” *Id.* In evaluating a claim for trademark infringement, the court held prong one of the *New Kids* test was not met. *Id.* at 1099. The court explained that the Play Pen may have inspired the Pig Pen, but the video game’s use did not identify the actual Los Angeles strip club. *Id.* at 1097. It identified a similar fictional strip club in a fictional city, which is not a nominative use. *Id.* at 1099. The court held that because the use was not nominative, which prong one tests for, the defendant was

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<sup>4</sup> See *E.S.S. Entm’t 2000, Inc.*, 547 F.3d at 1090 (holding that where a defendant was using a plaintiff’s trademark to describe something other than the plaintiff’s goods or services, the defendant could not meet the first prong and nominative fair use was not applicable).

not entitled to the nominative-fair-use defense. *Id.* Thus, prong one of the *New Kids* test filters out non-nominative uses, preventing misapplication of the defense. *Id.* This narrower focus ensures application of the defense to only nominative situations, which will result in easier application.

If the Fourteenth Circuit Court of Appeals' test were employed in *E.S.S. Entertainment*, a court would be asked to consider why the defendant might need to use the trademark. In this additional analysis, courts would be distracted. Asking why the video game needed to depict a similar strip club requires a speculative trip into the defendant's mind. Nominative fair use is not concerned with why. It stands for the proposition that you can always call something what it is, even if that name is trademarked. Thus, why a defendant uses a trademark is not relevant to the key inquiry of nominative fair use, that is whether the use is "truthful and non-misleading." *Tabari*, 610 F.3d at 1176.

Unlike the Fourteenth Circuit Court of Appeals' test, the third prong of the *New Kids* test also ensures the test is not applied to non-nominative situations. It requires that the defendant do nothing in conjunction with the use to suggest sponsorship or endorsement. *New Kids*, 971 F.2d at 308. Suggesting sponsorship requires using the plaintiff's mark to describe the defendant's product. It is the result of a defendant trying to pass off their good as the plaintiff's. Thus, *New Kids* does not allow for any suggestion of sponsorship because anything to the contrary would allow a defendant to describe his own goods. This type of deception would not serve the nominative-fair-use defense's principles of protecting truthful and non-

misleading use of a trademark. Thus, the third prong of *New Kids* also ensures the test is not applied in non-nominative situations.

The *New Kids* test should be adopted because it does not confuse nominative and classic fair use. The Fourteenth Circuit Court of Appeals' test is overbroad because it calls for classic use to be analyzed in prongs one and three. Adopting the Fourteenth Circuit Court of Appeals' test could allow a defendant to claim the defense of nominative fair use in non-nominative situations. Thus, the *New Kids* test should be adopted in nominative fair use cases because it properly tests for only nominative fair use.

**2. The Fourteenth Circuit Court of Appeals' nominative-fair-use test improperly conflates nominative and classic fair use.**

The test used by the Fourteenth Circuit Court of Appeals improperly focuses on the defendant's use of the mark to describe his own goods—an inquiry reserved for descriptive fair use. Thus, adopting the Fourteenth Circuit Court of Appeals' test in a nominative-fair-use case would only continue the confusion between descriptive and nominative fair use. Pattel's use of Gardashyan's mark is nominative in nature and therefore this Court should not apply the Fourteenth Circuit Court of Appeals' descriptive-based test.

The test adopted in the lower court has three prongs: (1) is the use of the plaintiff's mark necessary to describe both (a) the plaintiff's product or service, and (b) the defendant's product or service; (2) was the quantum of the plaintiff's mark used by the defendant appropriate; and (3) to what extent did the defendant fail to

explain some aspect of the relationship between the plaintiff and defendant. *Gardashyan*, 1135 F.3d at 364–65. The first and third prongs require courts to engage in a classic-fair-use analysis by examining why the defendant needs to use the plaintiff’s trademark. This inquiry into why a particular defendant needs to use a trademark is not relevant in a nominative case. Thus, the language used by the lower court unnecessarily incorporates classic-fair-use analysis into the test for nominative fair use and should not be adopted.

Part (b) of the first prong examines whether the defendant’s use of the plaintiff’s mark “is necessary to accurately describe what defendant does.” *Id.* at 364. This is a classic-fair-use inquiry and should not be used in nominative-fair-use cases. Section 1115(b)(4) of the Lanham Act, which is the basis of the classic-fair-use defense, protects a use “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 . . . .” 15 U.S.C. § 1115(b)(4) (emphasis added). Thus, part (b) of the first prong is just a restatement of the Lanham Act’s classic-fair-use defense. The appellate court made it clear its test included a descriptive analysis when it stated, “[W]e believe it is important for the court to not only inquire to see whether the plaintiff’s product needs to be described by using its mark, but also whether the defendant’s use of that mark is necessary to *accurately describe* what the defendant does or sell[s] . . . .” *Gardashyan*, 1135 F.3d at 364 (emphasis added). Adding a classic-fair-use inquiry to a nominative-fair-use test only continues the confusion between nominative and classic fair use.

The third prong of the Fourteenth Circuit Court of Appeals’ test also confuses classic and nominative fair use. Prong three examines the extent the defendant fails to explain some aspect of the relationship between the plaintiff and defendant.<sup>5</sup> *Id.* “[T]he court must analyze the defendant’s failure to state or explain some aspect of the relationship.” *Id.* at 356. While not as blatant as the first prong, this prong is overly broad and could be read as prompting a court to examine why the specific defendant needs to use the plaintiff’s mark. Again, this inquiry asks the court to look at how the defendant describes his own product—the main inquiry of classic fair use. Thus, prong three also requires an unnecessary inquiry into classic fair use.

Adopting the Fourteenth Circuit Court of Appeals’ test in nominative-fair-use cases would be impractical because it tests for classic fair use. The two defenses are designed for different situations and commingling them runs the risk of rendering them both useless. Thus, the Fourteenth Circuit Court of Appeals’ test should not be adopted because it is overbroad and inapplicable to nominative-fair-use cases.

**D. Pattel’s Use of the Gardashyan Trademark Is Nominative Regardless of the Test Adopted.**

Ultimately, the outcome of this case does not turn on which test is applied. Pattel’s use is permissible nominative fair use under either standard.

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<sup>5</sup> The Fourteenth Circuit Court of Appeals correctly limited its analysis of prong two to the quantity of the plaintiff’s mark used to describe the plaintiff’s product, so it need not be addressed. *Gardashyan*, 1135 F.3d at 364–65.

**1. Pattel's use is nominative fair use under the *New Kids* test.**

Pattel's use is purely nominative because it merely identifies Gardashyan by using her mark. The *New Kids* test provides a defense so long as: (1) the plaintiff's product or service is not "readily identifiable" without use of the trademark; (2) the defendant used only so much of the trademark as was reasonably necessary to identify the plaintiff's product or service; and (3) the defendant did nothing that would, in conjunction with the trademark, suggest sponsorship or endorsement by the trademark holder. 971 F.2d at 308. Pattel is entitled to the nominative-fair-use defense because it satisfies all three prongs of the *New Kids* test.

*New Kids* involved a similar situation regarding the use of a celebrity's mark. *New Kids on the Block* was a band that was immensely popular in the early 1990s. *Id.* at 304. Two newspapers decided to run polls via telephone about the group. *Id.* The newspapers made money on the polls because they charged their readers when they called into 900 numbers to participate. *Id.* The printed announcement of the polls asked questions and made statements like "Which of the *New Kids on the Block* would you most like to move next door to?" and "*New Kids on the Block* are pop's hottest group." *Id.* One of the announcements contained a picture of the band, but neither used the band's distinctive logo. *Id.* The group brought suit for trademark infringement and the newspapers claimed nominative fair use. *Id.*

In applying prong one of the nominative-fair-use test, the court held the band was not identifiable without using the *New Kids on the Block* trademark. *Id.* at 308.

Thus, the newspapers' use passed prong one because using the mark was necessary to identify the band. The court noted:

It is no more reasonably possible, however, to refer to the New Kids as an entity than it is to refer to the Chicago Bulls, Volkswagens or the Boston Marathon without using the trademark. [H]ow could someone not conversant with the proper names of the individual New Kids talk about the group at all?

*Id.* Therefore, a defendant satisfies the first prong when the plaintiff's mark is necessary to identify the plaintiff.

In applying the second prong of the test, which is "whether the defendant used only so much of the trademark as was reasonably necessary to identify the plaintiff's product or service," the court found for the newspapers as well. *Id.* The court relied on the facts that the newspapers only used "New Kids on the Block" in text. *Id.* at 308–09. It also noted the newspapers refrained from using the band's distinctive logo. *Id.* The polls also passed the third prong because just using a mark to identify the band for the purpose of running a poll did nothing to suggest sponsorship. *Id.* Thus, even though the newspapers were making money, the court concluded that any New Kids on the Block trademark could not be infringed upon because "the uses in question were purely nominative." *Id.* at 309.

Like the newspapers in *New Kids*, Pattel's use of Gardashyan's mark is purely nominative in nature. The box of the Fashionista doll says, "I say: I want to be a Fashionista, just like Cammy Gardashyan." This is very similar to "New Kids on the Block are pop's hottest group." Both uses identify the trademark. The



newspapers identify the band by using the name of the band, while Pattel identifies Gardashyan by using Gardashyan's name.

Additionally, just like calling a band by its name was necessary to identify the band in *New Kids*, it is necessary to call Gardashyan by her name. She is a popular music, fashion, and television star. The public routinely uses her name to identify her. Thus, like in *New Kids*, Pattel's use passes the first prong because it is being used to identify Gardashyan and she is not readily identifiable without using her name. The fact that Gardashyan has trademarked her name does not mean people can no longer use it to identify her. *See id.* at 309 (“[W]e see no such sanctity in the word as to prevent its being used to tell the truth.”) (internal citation omitted).

Pattel's use of Gardashyan's mark also satisfies the second and third prongs of the *New Kids* test. Like the newspapers, Pattel did not use the distinctive logo of the trademark holder. Both Pattel and the newspapers used the trademark in simplified, printed form. Additionally, both Pattel and the newspapers limited their use of the mark to an amount sufficient to complete the identification. In Pattel's case, they merely printed the words “Cammy Gardashyan” on the box. There is no more rudimentary manner to identify something. Thus, like the newspapers in *New Kids*, Pattel's use passes prong two because they used only so much of Gardashyan's mark as necessary to identify Gardashyan.

With regard to the third prong, the newspapers did not suggest sponsorship even though they used additional photographs of the band. Meanwhile, Pattel went out of its way to not suggest sponsorship. The back of the box explicitly stated,

“Pattel, Inc. and Fashionista Bambi are not sponsored by or affiliated with Cammy Gardashyan.” Therefore, just like in *New Kids*, Pattel’s use passes the third prong because they did nothing to suggest sponsorship by Gardashyan.

The nominative-fair-use defense protects a defendant when he uses a plaintiff’s trademark to identify the plaintiff’s goods or services. The defense protects the most sacred form of free speech—truthful speech. “Prohibition of such truthful and non-misleading speech does not advance the Lanham Act’s purpose.” *Tabari*, 610 F.3d at 1176–77. Pattel used the words “Cammy Gardashyan” to identify Cammy Gardashyan. “One’s birth name is an integral part of one’s identity; it is not bestowed for commercial purposes . . . .” *Abdul-Jabbar*, 85 F.3d at 411. Thus, Pattel should be entitled to the fair use defense because its purely nominative use passes the *New Kids* test.

## **2. Pattel’s use is nominative fair use under the Fourteenth Circuit Court of Appeals’ test.**

Even if this Court adopts the Fourteenth Circuit Court of Appeals’ test, Pattel’s use cannot form the basis of an infringement claim because it passes that test as well. The test adopted in the lower court asks: (1) is the use of the plaintiff’s mark necessary to describe both (a) the plaintiff’s product or service, and (b) the defendant’s product or service; (2) was the quantum of the plaintiff’s mark used by the defendant appropriate; and (3) to what extent did the defendant fail to explain some aspect of the relationship between the plaintiff and defendant. *Gardashyan*, 1135 F.3d at 364–65.

Pattel’s use of Gardashyan’s mark easily passes part (a) of the first prong because, as explained above, it is necessary to identify Gardashyan. But the test articulated by the Fourteenth Circuit Court of Appeals further asks if Pattel needs to use Gardashyan’s mark to describe Pattel’s product. *Id.* Here the Fashionista doll represents a prototypical fashion-obsessed teenage girl. Gardashyan’s status as the queen of all things fashion makes the use of her mark necessary to identify a fashion-obsessed girl. *See id.* at 356. Gardashyan has successfully positioned herself as a fashion icon. *Id.* Fashion-crazed teenagers often use Gardashyan as a launching point to a discussion about fashion. *See id.* at 356–57. Pattel similarly uses the identification of Gardashyan to explain the dolls fashion-based theme. *See id.* Thus, Pattel’s use passes part (b) of prong one because Gardashyan’s mark is necessary to identify the fashion and popular culture element of the Fashionista doll.<sup>6</sup>

With regard to the third prong, the Fourteenth Circuit Court of Appeals stated “[T]he court must analyze the defendant’s failure to state or explain some aspect of the relationship. Where a disclaimer exists, it must be considered in determining the infringer’s portrayal of the relationship between plaintiff and defendant, to see if it was accurate.” *Id.* at 365. Thus, a defendant can pass the third prong if he or she accurately portrays the relationship it has with the plaintiff.

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<sup>6</sup> Prong two of the Fourteenth Circuit Court of Appeals’ test and the *New Kids* test are substantially similar. Therefore, a different application under the Fourteenth Circuit Court of Appeals’ test is not necessary.

Pattel accurately described the relationship because it affirmatively disclaimed any relationship with Gardashyan. The box of the Fashionista doll has a disclaimer that reads: “Pattel, Inc. and Fashionista Bambi are not sponsored by or affiliated with Cammy Gardashyan.” *Id.* at 357. Pattel accurately explained that it maintained no relationship with Gardashyan and, therefore, its use passes the third prong.

Even if this Court chose to adopt the Fourteenth Circuit Court of Appeals’ test, Pattel’s use passes. Pattel needed to use Gardashyan’s mark to explain the dolls theme and to relate to fashion-obsessed teenagers. Further, Pattel affirmatively disclaimed any relationship with Gardashyan. Thus, even under the Fourteenth Circuit Court of Appeals’ test, Pattel is entitled to a nominative-fair-use defense because it passes the additional requirements of the first and third prongs.

## CONCLUSION

The judgment of the Fourteenth Circuit Court of Appeals should be reversed because Pattel should be entitled to the affirmative defense of nominative fair use. A nominative fair use test should be adopted because it protects fair and truthful speech. The purpose for adopting nominative fair use is best advanced by adopting it as an affirmative defense because nominative fair use is a species of classic fair use, which is already an affirmative defense. Further, this Court should adopt the *New Kids* test to analyze and apply the defense. Failure to do so would result in the “[p]rohibition of such truthful and non-misleading speech” which “does not advance the Lanham Act’s purpose of protecting consumers and preventing unfair

competition; in fact, it undermines that rationale by frustrating honest communication between the [businesses] and their customers.” *Tabari*, 610 F.3d at 1176–77. The *New Kids* test demonstrates that Pattel’s use of Gardashyan’s mark is nominative in nature because Pattel is merely identifying Gardashyan. Thus, the judgment of the court of appeals should be reversed because Pattel’s use of Gardashyan’s trademark was a nominative fair use.

Petitioner requests that this Court reverse the judgment of the court of appeals and reinstate the judgment of the district court.

Respectfully submitted,

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TEAM NO. 109  
COUNSEL FOR PETITIONER