

No. 16-1225

In the Supreme Court of the United States

PATTEL, INC.,

PETITIONER

-- v. --

CAMMY GARDASHYAN,

RESPONDENT

ON WRIT OF CERTIORARI TO
THE COURT OF APPEALS FOR THE FOURTEENTH CIRCUIT

PRIMARY BRIEF FOR RESPONDENT

Counsel for Respondent

QUESTIONS PRESENTED

1. Should the United States Supreme Court adopt a nominative fair use test in a trademark infringement action under § 1114 of the Lanham Act when a defendant used the plaintiff's mark in reference to the plaintiff, and if so, should the Court adopt it as an affirmative defense that may be asserted by the defendant despite a finding of a likelihood of confusion, or is it subsumed by a likelihood of confusion analysis?
2. How should the nominative fair use test be articulated and applied to petitioner's infringement of respondent's trademark?

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BRIEF FOR RESPONDENT

OPINIONS BELOW

The June 5, 2016, opinion of the Court of Appeals for the Fourteenth Circuit is reported at 1135 F.3d 759. The order of the United States District Court for the Central District of Bel Air granting petitioner's motion for summary judgment, and the judgment entered thereon in favor of the petitioner, is unreported.

JURISDICTION

The Fourteenth Circuit's opinion was filed June 5, 2016. The Petition for Writ of Certiorari was filed with this Court, and granted on September 6, 2016. This Court has jurisdiction over this matter pursuant to 28 U.S.C. § 1254(1).

STATUTORY PROVISIONS INVOLVED

This case involves an examination of the federal statute defining trademark infringement, contained in Section 32(1)(a) of the Lanham Act, and the elements thereof. The relevant text of the section, codified at 15 U.S.C. § 1114(1)(a), reads as follows:

(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; * * *

This case involves an evaluation of the federal statute articulating the defenses available to a party accused of trademark infringement, as defined by Section 32(1)(a) of the Lanham Act, and as contained in Section 33(b)(4) and codified at 15 U.S.C. § 1115(b)(4). The relevant text reads in pertinent part:

(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; * * *

STATEMENT OF THE CASE

A. Statement of the Facts

Cammy Gardashyan is a worldwide celebrity, becoming a household name primarily due to the popularity of her own reality-television series. *Gardashyan v. Pattel, Inc.*, 1135 F.3d 759, 760 (14th Cir. 2016). Her fame has led to her acquiring millions of fans and social media followers, most of whom recognize and associate her name with her particular style and sense of fashion. *Id.* Cammy Gardashyan’s personal style has been lauded in national fashion magazines, and her penchant for animal print clothing, knee-length dresses, and flashy high-heeled shoes, in conjunction with her long black hair and curvy figure, has become iconic. *Id.* Naturally, her millions of fans have become millions of consumers for all things related to Cammy Gardashyan. *Id.* Gardashyan owns the trademark “CAMMY GARDASHYAN,”¹ a brand estimated to be worth over fifty million dollars. *Id.* Gardashyan’s brand is prominent throughout the greater fashion industry, and she has produced numerous fashion related items such as “jewelry, clothing, cosmetics, perfumes, handbags, and footwear” under her trademark. *Id.*

Pattel, Inc. is a Bel-Air based toy manufacturer well-known for its widely-popular Bambi dolls. *Id.* at 759. To date, Pattel has sold over five hundred million Bambi dolls to customers of all ages. *Id.* The Bambi dolls typically resemble the “original look” of the early 1960s dolls, but, over time, have been produced to incorporate the look and style of particular popular culture icons. *Id.* When

¹ Gardashyan’s trademark consists of both her name (as stylized in capital lettering) and her signature “CG” logo (where the letters are displayed back-to-back).

deciding how to design new versions of its Bambi doll, Pattel’s corporate strategy has been to analyze market and cultural trends on an annual basis. *Id.* Noting Cammy Gardashyan’s immense fame, Pattel specifically chose to model its 2015 doll (the Fashionista Bambi) after her. *Id.* at 760.

The Fashionista Bambi measures the standard height and carries the usual body figure of past Bambi dolls. *Id.* at 761. However, the Fashionista Bambi was manufactured with long black hair and incorporated many Gardashyan-esque fashion choices: a leopard print top, a knee-length skirt, and sparkly high-heeled shoes. *Id.* Additionally, the Fashionista Bambi also includes a button-activated voice feature that, when pressed, causes the doll to repeat the phrase, “I want to be a fashionista, just like Cammy Gardashyan.” *Id.* The packaging for the Fashionista Bambi is emblazoned with a caption bubble that reads: “I say: I want to be just like Cammy Gardashyan.” *Id.* Only on the reverse side of the packaging, at the very bottom of the box – in tiny 10-point font – does Pattel print a disclaimer regarding its affiliation with Cammy Gardashyan.²

Unsurprisingly, the talking Fashionista Bambi was an immediate and immense success for Pattel. Over thirty-five million Fashionista Bambi dolls have been sold that bear Cammy Gardashyan’s name on its packaging, generating profits to Pattel of over \$45 million. *Id.*

² The disclaimer reads: “Pattel, Inc. and Fashionista Bambi are not sponsored by or affiliated with Cammy Gardashyan.”

B. Procedural History

Cammy Gardashyan filed a trademark infringement suit against Pattel, Inc. on February 9, 2015, seeking a permanent injunction against Pattel for its use of her name in conjunction with the Fashionista Bambi. *Gardashyan*, 1135 F.3d at 761. Pattel’s answer asserted a nominative fair use defense for its use of Gardashyan’s trademark. *Id.* The District Court for the Central District of Bel-Air (finding nominative fair use to be an affirmative defense) agreed and granted summary judgment in favor of Pattel. *Id.* at 762. However, the Fourteenth Circuit Court of Appeals reversed and remanded the district court’s ruling, recognizing nominative fair use, but dismissing it as an affirmative defense. *Id.* at 365. Pattel, Inc. appealed to the United States Supreme Court and was granted a writ of certiorari.

SUMMARY OF THE ARGUMENT

The Lanham Act protects a properly registered trademark against any use by anyone other than the markholder, without consent, that is “likely to cause confusion, or to cause mistake, or to deceive” potential consumers. 15 U.S.C. § 1114(1)(a). Section § 1115(b)(4) of the Act provides specific defenses available to parties accused of trademark infringement, including descriptive fair use. In a traditional descriptive use case, the defendant uses the plaintiff’s mark to refer to the defendant’s own product(s); however, in a nominative use case, a defendant uses the plaintiff’s mark to refer to the plaintiff’s own product(s).

In suits for infringement, the United States Supreme Court made clear that a plaintiff must prove that a likelihood of confusion exists. If the plaintiff cannot carry this burden, then no infringement is present. Most circuits have adopted some version of a multi-factor likelihood of confusion test that inquires into such elements as: similarity of the marks, strength of the mark, proximity of the marks, the bad faith of the junior user in adoption, the channels employed, and the likelihood the markholder will bridge the gap. Historically, these multi-factor tests were applied to descriptive use cases. The Ninth Circuit crafted a new test for nominative use after recognizing that descriptive and nominative use may speak to different types of confusion. Though adopted by a number of circuit courts of appeal, nominative use is not specifically listed as a defense in either § 1114 or § 1115. This Court should not adopt a completely separate nominative use test, rather, it should analyze nominative use for likelihood of confusion as in all infringement cases.

The Ninth Circuit Court of Appeals' test for nominative use, articulated in *New Kids on the Block v. News Am. Publ'g Inc.*, 971 F.2d 302 (9th Cir. 1992), should not be adopted as a replacement for the traditional multi-factor likelihood of confusion test, often referred to as the *Polaroid* test. The Ninth Circuit is heavily conflicted as to the exact function of its own test, which was essentially originally created as a defense to an infringement claim. This is obvious given the results that the test seeks to discover, namely, the justification for the alleged infringer's use – and not the likelihood of confusion, as required by the Lanham Act and Supreme

Court jurisprudence. At its most basic level, the Ninth Circuit's *New Kids* test is extraordinarily under-inclusive and inflexible.

The bifurcated, two-step, approach to nominative use adopted by the Third Circuit Court of Appeals in *Century 21 Real Estate Corp. v. Lendingtree, Inc.*, 425 F.3d 211 (3d Cir. 2005) is likewise inappropriate for the task. This is so because it misunderstands, and therefore misapplies, the *New Kids* test, and it ignores the obvious intent of Congress. Most importantly, the application of a nominative use test, even after a plaintiff proves a likelihood of confusion, is contrary to the clear holding of the United States Supreme Court in *KP Permanent Make-Up, Inc. v. Lasting Impression I, Inc.*, 543 U.S. 111 (2004).

There, the Court held that the burden for proving likelihood of confusion rests solely upon the plaintiff bringing a trademark infringement action. Because the three-factor nominative use test, adopted from *New Kids*, and employed by the Third Circuit seeks to test for likelihood of confusion, it impermissibly places the burden to negate confusion on the defendant. Additionally, the adoption of a nominative use test as an affirmative defense runs counter to prior Supreme Court jurisprudence, as evidenced by the Courts approach in *Prestonettes, Inc. v. Coty*, 264 U.S. 359 (1924). There, the Court inquired into an archetypical nominative use case and determined that the ultimate question revolved around the likely confusion of consumers in the marketplace. The Court made clear that if confusion was found, the inquiry must end.

Therefore, the best test for likelihood of confusion is one that is universal, flexible, and highly inclusive so as to be applicable to all infringement cases – regardless of whether the case concerns a descriptive or nominative fair use. To date, the best example of this test has been articulated by the Fourteenth (*Gardashyan*) and Third (*Century 21*) Circuits. In simple terms, this test is the eight classic *Polaroid* factors combined with three additional nominative fair use factors. While the *Century 21* court was incorrect in bifurcating the test to include an affirmative defense, their articulation of an eleven-factor likelihood of confusion test is the example this Court should adopt.

Though the Ninth Circuit provides the genesis for the “three nominative use factors,” that original language is clumsy and imprecise. This is particularly why the *Century 21* court re-worded the language of these factors. Their efforts produced a better framework to analyze likelihood of confusion in the nominative use context, and thus should be adopted over and above the original *New Kids* factors.

In applying the proposed test, Cammy Gardashyan carries the burden of proof on seven of eleven total factors (and seven of eight truly relevant factors). While Pattel has no burden to prove otherwise, in keeping with *KP Permanent*, it may offer rebutting evidence for each of the factors asserted by Gardashyan. However, none of Pattel’s actions in mitigating the consumer confusion it created is effective enough to sway a single factor.

Despite their respective enterprises, both Cammy Gardashyan and Pattel operate in the same general marketplaces of fashion and popular culture. Both market products to consumers of similar ages. Like most celebrities, Cammy Gardashyan capitalizes on her fame by branding or endorsing an ever-increasing number of diffuse products, and it would not be unusual or unexpected for her to endorse or sponsor a fashion doll of her own likeness. Pattel's strategy of mimicking popular culture trends with its Bambi dolls is a proven formula for success. However, there is a distinction between taking inspiration from a celebrity in designing a product and taking advantage of that celebrity's name in selling one's own product.

The facts of this case demonstrate Pattel intended the latter. Pattel intentionally incorporated Gardashyan's mark into the features and packaging of the Fashionista Bambi. It was unnecessary to invoke her name on their product, as Gardashyan's iconic style is easily recognizable without the express use of her mark. Given the context, the average consumer is likely to confuse the true nature of the affiliation between Cammy Gardashyan and Pattel when viewing the Fashionista Bambi.

ARGUMENT

The Lanham Act, originally promulgated in 1946 and codified at 15 U.S.C. § 1051 *et seq.*, constitutes the primary trademark statutes under United States federal law. *See* Lanham Act of 1946, Pub. L. No. 79-489, 60 Stat. 427 (1946). The primary purpose of the federal trademark statutes is to prevent confusion among

consumers in purchasing a particular good or service. *See* S. REP. NO. 1333, 79th Cong., 2d Sess. 4 (1946), *reprinted in* 1946 U.S.C.C.A.N. 1274-75 (making clear that the overriding purpose of the Lanham Act is “protect[ing] the public so it may be confident that, in purchasing a product bearing a particular trade-mark . . . it will get the product which it asks for and wants to get”); *see also Summit Mach. Tool Mfg. Corp. v. Victor CNC Systems, Inc.*, 7 F.3d 1434 (9th Cir. 1993); *John Allan Co. v. Craig Allen Co.*, 540 F.3d 1133, 1138 (10th Cir. 2008) (“Confusion occurs when consumers make an incorrect mental association between the involved commercial products or their producers” or “when a mark is likely to deceive purchasers or users as to the source, endorsement, affiliation, or sponsorship of a product.”). Specifically, § 1114 of the Lanham Act protects a markholder’s trademark against infringement. *See* 15 U.S.C. § 1114.

Infringement shall lie if a plaintiff can show that a defendant used the plaintiff’s mark – without the markholder’s consent – in commerce, and the use of the mark “is likely to cause confusion, or to cause mistake, or to deceive” consumers. 15 U.S.C. § 1114(1)(a); *see Time, Inc. v. Petersen Pub. Co. L.L.C.*, 173 F.3d 113 (2d Cir. 1999); *Packman v. Chicago Tribune Co.*, 267 F.3d 628 (7th Cir. 2001); *Tana v. Dantanna’s*, 611 F.3d 767 (11th Cir. 2010).

There is a general consensus among the circuits with respect to what test to apply to determine whether a likelihood of confusion exists. Admittedly, there are some variations in the formulation of such a test. *Compare AMF v. Sleekcraft Boats*, 599 F.2d 341, 348-49 (9th Cir. 1979), *with Frisch’s Rests., Inc. v. Elby’s Big*

Boy of Steubenville, Inc., 670 F.2d 642, 648 (6th Cir. 1982), and *Polaroid Corp. v. Polarad Electronics, Corp.*, 287 F.2d 492 (2d Cir. 1961), and *Dantanna's*, 611 F.3d at 775. These variations notwithstanding, the Supreme Court held – without speaking to the validity of one test over another – that these tests are all appropriately aimed at determining the likelihood of confusion on the part of consumers as to the source of the goods at issue. *Two Pesos, Inc. v. Taco Cabana, Inc.*, 505 U.S. 763, 780 (1992).

Arguably the most well-known is the Second Circuit's articulation of the test for likelihood of confusion, known as the *Polaroid* test. The factors constituting the *Polaroid* test are: (1) the strength of the mark, (2) the similarity of the marks, (3) the proximity of the goods or services, (4) the likelihood the senior user will enter the junior user's market, (5) evidence of actual consumer confusion, (6) evidence that the imitative mark was adopted in bad faith, (7) the respective quality of the products, and (8) the sophistication of consumers in the relevant market. *Polaroid Corp.*, 287 F.2d at 492.

The Second Circuit appropriately points out that, “[t]he application of the *Polaroid* test is not mechanical, but rather, focuses on the ultimate question of whether, looking at the products in their totality, consumers are likely to be confused.” *Kelly-Brown v. Winfrey*, 717 F.3d 295, 307 (2d Cir. 2013) (quoting *Starbucks Corp. v. Wolfe's Borough Coffee, Inc.*, 588 F.3d 97, 115 (2d Cir. 2009)). Accord *Sally Beauty Co. v. Beautyco, Inc.*, 304 F.3d 964, 972 (10th Cir. 2002). The Sixth Circuit is in accord with this sentiment, adding that the factors articulated

“imply no mathematical precision, and a plaintiff need not show that all, or even most, of the factors listed are present in any particular case to be successful.” *PACCAR Inc. v. TeleScan Technologies, L.L.C.*, 319 F.3d 243, 249–50 (6th Cir. 2003).

In a suit for trademark infringement under § 1114, the plaintiff carries the initial burden of demonstrating “likely confusion by a preponderance of the evidence [before] a defendant could have any need of an affirmative defense.” *KP Permanent Make-Up, Inc. v. Lasting Impression I, Inc.*, 543 U.S. 111, 120 (2004). The *KP Permanent* Court made clear that, unless and until this initial burden is met by the plaintiff, then the defendant in a trademark suit is under no obligation to even introduce evidence on his or her own behalf. *Id.* at 119. However, once a prima facie showing is made by the plaintiff, then the defendant may either simply rebut the plaintiff’s case, or assert the affirmative defense of descriptive (classic) fair use under 15 U.S.C. § 1115(b)(4). *Id.* at 121.

The Lanham Act provides alleged infringers with a potential defense, *inter alia*, against an infringement claim based upon fair use. *See* 15 U.S.C. § 1115(b)(4). Fair use, in a trademark context, can be generally defined as the use of a mark by a junior user that does not infringe on the markholder’s rights. As currently constituted, federal trademark common law contains two distinct types of fair use: “classic” or “descriptive” fair use, and nominative fair use – though the latter is recognized by a minority of the Circuit Courts of Appeals and there is no consensus among those circuits as to how to apply the defense.

Collectively, so-called classic or descriptive fair use is often referred to as “statutory” fair use because the defense itself is expressly created under the Lanham Act. Section 1115(b)(4), in pertinent part, provides that:

[P]roof of infringement ... shall be subject ... to the defense[] ... [t]hat 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). Framed more succinctly, classic fair use arises “where the [junior user] has used the [mark-holder]'s mark to describe [the junior user's] own product.” *New Kids on the Block v. News Am. Publ'g Inc.*, 971 F.2d 302, 308 (9th Cir. 1992); *Cairns v. Franklin Mint Co.*, 292 F.3d 1139, 1150 (9th Cir. 2002).

A classic fair use defense will succeed when it is shown that a mark is used due to the inherent descriptiveness of the mark. *KP Permanent Make-Up*, 543 U.S. at 119-20; *See also Sunmark, Inc. v. Ocean Spray Cranberries, Inc.*, 64 F.3d 1055, 1058 (7th Cir. 1995) (holding that Ocean Spray's use of “sweet” and “tart” to describe its cranberry juice drink did not infringe on Sunmark's use of “SweeTARTS” in selling its popular candy).

I. THIS COURT SHOULD NOT ADOPT A COMPLETELY SEPARATE TEST FOR ANALYZING NOMINATIVE USE, RATHER, IT SHOULD ANALYZE NOMINATIVE USE FOR LIKELIHOOD OF CONFUSION AS IN ALL INFRINGEMENT CASES

While the Supreme Court has squarely addressed the doctrine of classic fair use, it has never expressly addressed the issue of nominative fair use. *See e.g., KP*

Permanent, 543 U.S. at 119 n.3. The Court has never affirmatively stated whether the defense exists at all, and if it does exist, what test is used in its application.

This Court faces a choice between a panoply of possible approaches to nominative use, including: (1) declining to adopt nominative fair use as an available defense to trademark infringement; (2) adopting the approach of the Ninth Circuit in applying its three-factor *New Kids* test; (3) adopting the approach of the Third Circuit from *Century 21* recognizing nominative fair use as an affirmative defense; or (4) adopting the approach of the Second and Fourteenth Circuits, combining the *Polaroid* multi-factor likelihood of confusion and *New Kids* tests into a single eleven-factor likelihood of confusion test.

If the Court chooses to adopt the nominative fair use doctrine in a claim of trademark infringement, the Court should adopt the nominative fair use test formulated by the Fourteenth Circuit Court of Appeals in the proceedings below – to wit, the adoption of the combined *Polaroid* likelihood of confusion factors with the refined three-factor *New Kids* test. *Cammy Gardashyan v. Pattel Inc.*, 1135 F.3d 759, 767-69 (14th Cir. 2016). While a few circuits are in agreement that nominative fair use exists and is a viable defense against a suit for infringement under § 1114, they are split on how to actually apply the doctrine.

A. The Ninth Circuit’s *New Kids* test is insufficient in a trademark infringement action involving nominative use based upon a lack of inquiry into the threshold issue of likelihood of confusion as required by statute and Supreme Court jurisprudence

The nominative fair use doctrine traces its independent doctrinal genesis to the Ninth Circuit’s holding in *New Kids on the Block v. News Am. Publ’g Inc.*, 971

F.2d 302 (9th Cir. 1992). However, the Ninth Circuit has encountered difficulty in reconciling its nominative fair use doctrine with the Lanham Act and Supreme Court jurisprudence.

In *New Kids*, the plaintiff raised an infringement claim, *inter alia*, arising from the use of their trademarked name by several newspapers including USA Today and The Star. The newspapers in question conducted national polls asking which member of the band was the most popular and which member was “the best” or “the sexiest.” *Id.* at 304. The Ninth Circuit reasoned that the papers' use of the trademarked term did not fall within the classic fair use doctrine because the papers' use of the mark did not describe the papers' product(s), but rather the product(s) of the plaintiff. *Id.* at 308–09.

The *New Kids* court held that a non-infringing nominative fair use exists if, “the [defendant's] use of the trademark does not attempt to capitalize on consumer confusion or to appropriate the cachet of one product for a different one.” *Id.* at 308. More succinctly, the Ninth Circuit considers a nominative fair use to be non-infringing because it is not likely to confuse consumers.

The Ninth Circuit articulated a three-factor test in evaluating a nominative fair use defense:

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

New Kids, 971 F.2d at 308.

The Ninth Circuit stated in *Playboy Enterprises, Inc. v. Welles* that the court's decision to supplant the traditional eight-factor likelihood of confusion test – known as the *Sleekcraft* test in the Ninth Circuit – used in descriptive fair use cases, was based upon the conclusion that use of the *Sleekcraft* test “would lead to the incorrect conclusion that virtually all nominative uses are confusing.” 279 F.3d 796, 801 (9th Cir. 2002). But the conclusion of the *Playboy* court runs counter to the basic ideological genesis of the nominative fair use doctrine in that circuit. If, as the *New Kids* court found, nominative fair use is non-infringing and “outside the strictures of trademark law,” *New Kids*, 971 F.2d at 308, then a likelihood of confusion analysis shouldn't be required at all.

The analytical test applied by the Ninth Circuit would effectively grant the plaintiff a reprieve from the burden of proving the essential element of a trademark infringement case – likelihood of confusion – “as a precondition to a defendant's having to assert and demonstrate its entitlement to a nominative fair use defense.” *Century 21 Real Estate Corp. v. Lendingtree, Inc.*, 425 F.3d 211, 221 (3d Cir. 2005). This approach, as correctly noted by the Fourteenth Circuit, runs afoul of the Court's holding in *KP Permanent* which clearly placed the burden of proof for likelihood of confusion on the plaintiff. *Gardashyan*, 1135 F.3d at 764. “If [nominative use] cases are truly outside of the scope of the trademark laws [as the Ninth Circuit suggests] then a plaintiff would simply fail to show confusion and the court's inquiry would end.” *Century 21*, 425 F.3d at 221 n.2.

In its original incarnation, the Ninth Circuit placed the burden of proof for the three-factor *New Kids* test on the defendant asserting nominative fair use. *See Mattel, Inc. v. Walking Mountain Productions*, 353 F.3d 792, 810 (9th Cir. 2003). However, in light of the Supreme Court’s 2004 holding in *KP Permanent*, the Ninth Circuit changed its application of the test and shifted the burden to the plaintiff to demonstrate that an alleged infringer’s use of the mark was not nominative fair use. *Toyota Motor Sales, U.S.A., Inc. v. Tabari*, 610 F.3d 1171, 1182-1183 (9th Cir. 2010). In practice, the Ninth Circuit simply took a test that it had specifically created for proof by a defendant and haphazardly hung it around a potential plaintiff’s neck.

The Ninth Circuit’s nominative fair use test has not been well received by its sister circuits since its promulgation. Each circuit to consider the *New Kids* test has flatly rejected the analytical approach or modified it in some way. *See e.g., PACCAR*, 319 F.3d at 256. In *PACCAR*, the Sixth Circuit declined to adopt the Ninth Circuit’s approach and stated, “[t]his circuit has never followed the nominative fair use analysis, always having applied the [multi-factor likelihood of confusion] *Frisch’s Restaurants* test. We are not inclined to adopt the Ninth Circuit’s analysis here.” *Id.*

There is ample case law that the results of the use of traditional multi-factor likelihood of confusion tests in nominative fair use cases by other courts reaches results consistent with those of courts employing the Ninth Circuit’s *New Kids* test. *See* 4 McCarthy on Trademarks and Unfair Competition § 23:11 (4th ed.); *see also*

Swarovski Aktiengesellschaft v. Building No. 19, Inc., 704 F.3d 44, 50 (1st Cir. 2013); *University of Florida v. KPBB, Inc.*, 89 F.3d 773, 777 (11th Cir. 1996).

The Third Circuit Court of Appeals highlighted this principle in its holding in *Century 21*, stating:

[I]t is clear to us that even a defendant's nominative use has the potential of confusing consumers with respect to its products or services. Since the defendant ultimately uses the plaintiff's mark in a nominative case in order to describe its own product or services, even an accurate nominative use could potentially confuse consumers about the plaintiff's endorsement or sponsorship of the defendant's products or services. Thus, we disagree with the fundamental distinction the Ninth Circuit Court of Appeals drew between classic and nominative fair use.

Century 21, 425 F.3d at 220-21 (internal citations omitted).

As currently constituted, the *New Kids* test is insufficient. The Lanham Act demands an inquiry into the likelihood of consumer confusion. *See* 15 § 1114(1)(a). The Ninth Circuit vacillates between justifying their test on the basis that nominative use falls outside the realm of trademark law, or on the basis that it supplants the normal likelihood of confusion analysis. If the former, then no test is required in the first place because the use was non-infringing from the start. If the latter, then the ultimate issue of confusion is not the focus of the inquiry, but rather a defendant's justification for using the mark. This would be consistent with the history of the doctrine in the Ninth Circuit – where nominative fair use was originally crafted as a defense. *New Kids*, 971 F.2d at 308.

B. Nominative fair use cannot serve as an affirmative defense, as applied by the Third Circuit Court of Appeals, to trademark infringement brought under § 1114

The petitioner will no doubt contend that because the Supreme Court recognized classic fair use as an affirmative defense, then so too should it recognize nominative fair use. This argument requires some amount of mental gymnastics and cognitive dissonance on the part of the Court. To reach this conclusion the Court would be required to ignore the plain language of the Lanham Act and the intent of the Congress in enacting the legislation. This is the approach adopted by the Third Circuit Court of Appeals in *Century 21*.

In *Century 21*, the Third Circuit articulated the test for nominative fair use differently than the Ninth Circuit's *New Kids* test. Instead of entirely replacing the traditional likelihood of confusion test – called the *Lapp*³ factors in the Third Circuit – with the three-factor *New Kids* test, the Third Circuit found a bifurcated approach to be more appropriate. *Century 21*, 425 F.3d at 222-24. The *Century 21* court adopted a two-step test whereby: (1) the plaintiff must first prove that a

³ The Third Circuit's list of factors includes: (1) degree of similarity between the owner's mark and the alleged infringing mark; (2) strength of the owner's mark; (3) price of the goods and other factors indicative of the care and attention expected of consumers when making a purchase; (4) length of time the defendant has used the mark without evidence of actual confusion; (5) intent of the defendant in adopting the mark; (6) evidence of actual confusion; (7) whether the goods, though not competing, are marketed through the same channels of trade and advertised through the same media; (8) the extent to which the targets of the parties' sales efforts are the same; (9) the relationship of the goods in the minds of consumers because of the similarity of function; and (10) other facts suggesting that the consuming public might expect the prior owner to manufacture a product in the defendant's market or that he is likely to expand into that market. *Interpace Corp. v. Lapp, Inc.*, 721 F.2d 460, 463 (3d Cir. 1983).

likelihood of confusion exists using the traditional factors, minus those factors that do not “fit in the nominative use context;” once proved, then (2) the defendant must then assert a nominative fair use defense and satisfy the three-pronged test taken nearly *in toto* from *New Kids*. *Id.*

There are certain fundamental flaws with the Third Circuit’s reasoning in *Century 21* that allows nominative fair use as an affirmative defense: (1) it misunderstands, and therefore misapplies, the *New Kids* test; (2) it ignores the obvious intent of Congress; (3) it misinterprets and misapplies the Supreme Court’s holding in *KP Permanent*; and (4) it flies in the face of Supreme Court precedent.

First, the Third Circuit clearly misunderstood the purpose and design of the three-factor *New Kids* test, and thus came to a conclusion in *Century 21* that runs contrary to *KP Permanent*. The *Century 21* court reasoned that if there was a finding of likelihood of confusion based upon the traditional multi-factor test – the *Lapp* factors – then the defendant may assert nominative fair use by proving the three factors from *New Kids*. *Century 21*, 425 F.3d at 222-24. However, this would then require the defendant to disprove confusion in violation of *KP Permanent*. *KP Permanent*, 543 U.S. at 119. This is so because the Ninth Circuit has specifically articulated that if the three factors of *New Kids* are satisfied, then there is no confusion, and thus no infringement. *KP Permanent Make-Up, Inc. v. Lasting Impression I, Inc.*, 328 F.3d 1061, 1072 (9th Cir. 2003) (“When analyzing nominative fair use, it is not necessary to address likelihood of confusion because the nominative fair use analysis replaces the likelihood of confusion analysis.”); *see also*

Brother Records, Inc. v. Jardine, 318 F.3d 900, 908-909 n.5 (9th Cir. 2003). Therefore, adopting nominative fair use as an affirmative defense would require both parties to an infringement suit to argue for or against a likelihood of confusion during both the plaintiff's case-in-chief, and the defendant's.

Second, the Third Circuit's reasoning in *Century 21* ignores the obvious intent of Congress. As the Fourteenth Circuit Court of Appeals astutely observed in the proceedings below, "[w]here Congress includes particular language in one section of a statute but omits it in another section of the same Act, it is generally presumed that Congress acts intentionally and purposely in the disparate inclusion or exclusion." *Gardashyan*, 1135 F.3d at 766 (citing *Russello v. United States*, 462 U.S. 16, 23 (1983)). The argument that Congress did not intend to create a nominative fair use defense is buttressed by the legislature's own actions. In 2012, Congress – as it has from time to time – amended portions of the Lanham Act. Section 1125(c)(3)(A) was specifically amended to include the term "nominative" in the exceptions to an action for trademark dilution. *See* Act of October 5, 2012, Pub. L. 112-190, 126 Stat. 1436 (2012) (codified at 15 U.S.C. § 1125(c)(3)(A)). It is evident that Congress specifically considered nominative fair use as a defense in a trademark action and concluded that it is only applicable in the context of a dilution action. Nowhere in §§ 1114 or 1115 does the term "nominative" appear.

To hurdle this obstacle, the *Century 21* court applied a contorted version of the *KP Permanent* holding. The Third Circuit erroneously reasoned that because the *KP Permanent* Court recognized classic fair use as an affirmative defense it

should treat nominative fair use the same way – congressional purpose and intent notwithstanding. This is an impermissible inference to be sure. This line of reasoning ignores the obvious fact that the Court was interpreting a specific provision of the Lanham Act, namely § 1115(b)(4), in determining that classic fair use was a viable affirmative defense to infringement. *KP Permanent*, 543 U.S. at 117, 124. In short, reading nominative fair use into the statute would run counter to the Court’s own analytical approach from the very same case upon which the *Century 21* majority relied.

As the Second Circuit pointedly noted in *Information Systems Security Certification Consortium, Inc. v. Security University, LLC*, when evaluating the application of the *KP Permanent* holding to nominative fair use, the creation of a nominative fair use affirmative defense “cannot fall within § 1115(b)(4)'s language, as nominative fair use is not the use of a name, term, or device otherwise than as a mark which is descriptive of and used merely to describe the goods or services of the alleged infringer.” 823 F.3d 153, 167 (2d Cir. 2016). Judge Fisher, in his *Century 21* dissent, articulated the point more bluntly: “The majority's transplantation of the Supreme Court's comments about descriptive fair use into the nominative use context is no more effective than replacing a healthy human heart with one from another species.” *Century 21*, 425 F.3d at 246 (Fisher, J. dissenting). While hyperbolic, the analogy is apt.

Finally, the creation of a nominative fair use affirmative defense is inconsistent with available Supreme Court precedent. In 1924, the Court addressed

what observers today would classify as an archetypical nominative fair use case. In *Prestonettes, Inc. v. Coty*, the plaintiff manufactured and sold toilet powders and perfumes under the trademarks “Coty” and “L’Origan.” 264 U.S. 359, 366-67 (1924). The defendant purchased the genuine powder, modified it by adding a binding agent, and then repackaged the powder in metal cases for sale. *Id.* at 366. The defendant likewise purchased genuine perfume and simply repackaged it into smaller bottles for sale. *Id.* at 367. The defendant then affixed a label to the cases and bottles disclaiming any affiliation with the plaintiff by using the plaintiff’s marks. *Id.* The Court concluded that “[w]hen 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.” *Id.* at 368. The *Prestonettes* Court placed no affirmative duty upon the defendant to justify its use of the plaintiff’s marks, and in doing so pursued a course directed only at determining likelihood of confusion and *nothing* else.

II. THE ELEVEN-FACTOR TEST ARTICULATED BY THE FOURTEENTH CIRCUIT COURT OF APPEALS IS THE TEST BEST SUITED TO EVALUATING WHETHER A NOMINATIVE USE IS INFRINGING DUE TO ITS INHERENT INCLUSIVENESS, FLEXIBILITY, AND TRUE FOCUS ON DETERMINING LIKELIHOOD OF CONFUSION AS REQUIRED BY TRADEMARK LAW

Likelihood of confusion is the touchstone of trademark infringement actions under the Lanham Act. Any analysis of infringement claims by a federal court – be it in a nominative use or otherwise – must begin here. It is important to note at the

outset that non-nominative and nominative uses speak to two different kinds of confusion.

The typical non-nominative use case, where a court employs one of the traditional multi-factor likelihood of confusion tests, seeks to evaluate whether there is the potential for a consumer to be confused about the *source* of good. For instance, a court may employ the traditional test to ascertain whether consumers might be confused between the origin of two different boats manufactured by two different boat companies, such as where one uses the brand name “Sleekcraft” and the other uses the name “Slickcraft.” *See Sleekcraft*, 599 F.2d 341.

In a typical nominative case, consumer confusion is most likely to arise out of confusion over *sponsorship, endorsement, or affiliation*. *See John Allan* 540 F.3d at 1138. For instance, where the owner of an automobile repair shop uses the trademarks “Volkswagen” or “VW” on a sign in front of his business to indicate he repairs vehicles of that brand. *Volkswagenwerk Aktiengesellschaft v. Church*, 411 F.2d 350, 352 (9th Cir. 1969). Here, the application of the traditional multi-factor test’s first two prongs – strength of the mark and similarity of the mark – are essentially moot since the junior user is actually using the trademark and not something merely similar. This highlights the relative non-fit in trying to apply the archetypical multi-factor likelihood of confusion test to a purely nominative case. Indeed, this was the exact reason the *Playboy* court articulated for supplanting the *Sleekcraft* test in favor of the three-factor *New Kids* test. *Playboy*, 279 F.3d at 801. However, as explained above, the complete abandonment of the traditional multi-

factor likelihood of confusion test in favor of the *New Kids* test did nothing to better assess confusion, as is required by the Lanham Act.

A. The eleven-factor test articulated by the Fourteenth Circuit Court of Appeals is the test best suited to evaluate likelihood of confusion in all contexts

The ideal solution is to expand the traditional test. Doing so would create a universal test to determine the likelihood of consumer confusion that can be applied to cases of both classic and nominative fair use. The fact that the exact nature of a consumer's confusion differs in the non-nominative and nominative use case does not free a court of its duty to impose or conduct a likelihood of confusion test. The best approach is the one adopted by the court below. There, the Fourteenth Circuit held that a nominative fair use claim must be evaluated under the eight factors of the *Polaroid* test and the three factors articulated in *Century 21* – for a combined eleven-factor test as follows:

1. Strength of the mark
2. Similarity of the marks
3. Proximity of the goods or services
4. Likelihood the senior user will enter the junior user's market
5. Evidence of actual consumer confusion
6. Evidence that the imitative mark was adopted in bad faith
7. Respective quality of the products
8. Sophistication of consumers in the relevant market

9. Is the use of plaintiff's mark necessary to describe (1) plaintiff's product or service and (2), defendant's products or services?
10. Is only so much of the plaintiff's mark used as is necessary to describe plaintiff's products or services?
11. Does the defendant's conduct or language reflect the true and accurate relationship between plaintiff and defendant's products or services?

Gardashyan, 1135 F.3d at 767-69. This position is supported by the Second Circuit Court of Appeals, which adopted the same test prior to the Fourteenth Circuit. *See Int'l Info. Sys. Sec. Cert. Consortium, Inc.*, 823 F.3d at 168 (“[The] district courts are to consider the Ninth Circuit and Third Circuit's nominative fair use factors, in addition to the *Polaroid* factors.”).

Because nominative use cases engender unique sets of facts and circumstances, as well as types of confusion, any test adopted by the Court must be flexible enough to address all types of confusion that may potentially arise from a defendant's use of plaintiff's mark. The inclusion of all of the factors from the existing multi-factor likelihood of confusion test, in tandem with the modified *New Kids* factors, gives the finder of fact a broader base upon which to rest his or her opinion. Naturally, some factors will be quickly dismissed as irrelevant for a particular application, however, other factors will become exceedingly more important. By adopting this test outright, the Court would create a highly flexible multi-factor test, consistent with Supreme Court precedence, rooted in tradition,

but updated to address particular components regarding the confusion arising from the nominative use of a trademark.

B. Applying this test demonstrates Pattel created a likelihood of consumer confusion when it used Cammy Gardashyan’s mark to describe its own product

Utilizing this eleven-factor test demonstrates that Pattel created a likelihood of consumer confusion, and therefore infringed upon Cammy Gardashyan’s lucrative trademark when it purposely chose to incorporate her mark into the Fashionista Bambi. As previously noted, the test is not “mechanical,” and no one factor should be treated as dispositive; the winning party should be “the party with the greatest number of factors weighing in its favor.” *Guthrie Healthcare Sys. v. ContextMedia, Inc.*, 826 F.3d 27, 37 (2d Cir. 2016) (quoting *Nabisco, Inc. v. Warner-Lambert Co.*, F.3d 43, 46 (2d Cir. 2000)). The plaintiff does not have to “show that all, or even most, of the factors listed are present in any particular case to be successful.” *PACCAR*, 319 F.3d at 250 (citing *Wynn Oil Co. v. Thomas*, 839 F.2d 1183, 1186 (6th Cir. 1988)). The ultimate, bottom-line question is whether “relevant consumers are likely to believe that the ... parties are affiliated in some way.” *PACCAR*, 319 F.3d at 250 (quoting *Daddy’s Junky Music Stores, Inc. v. Big Daddy’s Family Music*, 109 F.3d 275, 280 (6th Cir. 1997)).

The following factors apply with particular relevance to the case at hand: the proximity of the goods; Gardashyan’s potential to enter the market; Pattel’s bad faith; the lack of consumer sophistication; Pattel’s unnecessary and gratuitous use

of the Gardashyan's mark; and conduct intended to infer a relationship between Gardashyan and Pattel, Inc.⁴

Pattel may offer evidence to rebut the force of Gardashyan's evidence on each factor asserted, but Gardashyan only needs to prove likelihood of confusion by a preponderance of the evidence. *KP Permanent* 543 U.S. at 120. For each factor soon to be examined, the fact that Pattel placed a small disclaimer on its packaging (or omitted using Gardashyan's logo) is insignificant to sway the analysis. *PACCAR*, 319 F.3d at 253 (finding TeleScan's disclaimer disavowing affiliation with PACCAR to be "too late" to ward off the "initial interest confusion" of consumers who accessed their website via domains that incorporated PACCAR's trademarks).⁵ Similarly, Pattel's attempts to mitigate the consumer confusion created by the invocation of Gardashyan's mark are insincere and ineffective to counter the weight of evidence in favor of Cammy Gardashyan.

⁴ This list represents factors 3, 4, 6, 8, 9, 10, & 11 of the proposed factor test. This equates to seven of the eleven factors weighing in Gardashyan's favor. The record below is unclear on whether evidence of actual confusion exists, but "while such evidence is the best evidence for likelihood of confusion, the absence of actual confusion evidence is inconsequential." *PACCAR*, 319 F.3d at 252. Therefore, by removing an inconsequential "actual confusion factor," along with the first two factors – because of their noted irrelevance to nominative use cases – Gardashyan is able to demonstrate a likelihood of consumer confusion on seven out of eight relevant factors.

⁵ Initial interest confusion is a recognizable infringement under the Lanham Act. *PACCAR*, 319 F.3d at 253 (citing *Eli Lilly & Co. v. Natural Answers, Inc.*, 235 F.3d 456, 464 (7th Cir. 2000)). This same initial interest confusion is also generated by the Bambi Doll's packaging.

a. Proximity of the goods

“The proximity factor can apply to both the subject matter of the commerce in which the two parties engage and the geographic areas in which they operate.” *Guthrie Healthcare*, 826 F.3d at 39. “The more likely it appears that an enterprise in one party’s area of commerce might also engage in the other party’s area of commerce, the greater the likelihood that the public will infer an affiliation from the similarity of the marks.” *Id.*

Guthrie Healthcare highlights how easy it is for two objectively different entities to occupy the same general area of commerce. In *Guthrie Healthcare*, the plaintiff was an actual healthcare provider, whereas the defendant was an advertising agency that produced content within the medical community. *Id.* at 40. Yet, despite these vastly differing enterprises, the plaintiff and defendant were found to have a “clear subject matter relationship.” *Id.*

As both Cammy Gardashyan and Pattel, Inc. are worldwide brands, they arguably occupy the same geographic area. *Gardashyan*, 1135 F.3d at 355-56. And while Pattel is a toy manufacturer, and Gardashyan a pop-culture icon, it is clear the two parties compete in the same, general fashion market. Cammy Gardashyan’s trademark is found on a multitude of fashion-related products including clothing, jewelry, and accessories. *Id.* at 356. Fashion dolls are a natural derivative of the overall fashion market, and Pattel routinely incorporates the leading trends of the fashion market and its popular figures when producing the Bambi doll. *Id.* at 357. There is a strong subject matter relationship between the

two parties, indicating their products are situated in the same market, increasing the likelihood the two parties could be mistakenly associated. For these reasons, the proximity factor weighs strongly in Gardashyan's favor.

b. Potential to enter the market

Cammy Gardashyan asserts her potential to enter the fashion doll marketplace. It is not at all uncommon for celebrities to brand a plethora of related and un-related products throughout their career to take advantage of their earnings potential. *See New Kids*, 971 F.2d at 304 (noting entertainers trade on their popularity by branding as many products as practical). The record shows that Cammy Gardashyan is heavily involved in trademarking fashion-related and female-focused products. *Gardashyan*, 1135 F.3d at 760. The leap from her current fashion-market positions to fashion dolls is not a stretch. The mere potential for Gardashyan to enter this obvious and practical market also weighs this factor in her favor.

c. Bad faith

Pattel's use of Gardashyan's name was not a fair use, but rather it was an intentional, bad-faith-infringement of Cammy Gardashyan's mark. The intent to be analyzed here is not the defendant's intent to use the mark, as this is automatic in a nominative fair use context. *Century 21*, 425 F.3d at 227. Rather, the intent analyzed in a bad faith context is "whether [the defendant] used the mark with the intent to confuse the public as to the relationship between the defendant and the plaintiff." *Id.* A defendant's intent to deceive consumers may be highly probative of

a likelihood of confusion. *Versa Prods. Co. v. Bifold Co. (Mfg.)*, 50 F.3d 189, 205 (3d Cir. 1995); *see also Century 21*, 425 F.3d at 226 (consumer confusion is greater when a plaintiff's mark is used purposefully to imply a relationship).

Apparently, it was not enough for Pattel to simply create a Bambi doll that conspicuously resembled Cammy Gardashyan. Instead, Pattel's use of her name on the doll's packaging and – more tellingly – in its voice programming, demonstrates that Pattel intended to confuse consumers about the true relationship between its most recent Bambi doll and Cammy Gardashyan. Pattel's infringement was a calculated attempt to profit from Gardashyan's mark and made in bad faith.

d. Lack of sophisticated consumers

The level of sophistication of the target consumers is significant to a likelihood of confusion analysis. *Guthrie Healthcare*, 826 F.3d at 43. “[T]o the extent that a senior user's potential customers ... do not have a sophisticated knowledge of the overall market, the likelihood is higher that ... [they may be lead] to believe that a junior user's activities are affiliated with those of the senior user.” *Id.*

A sophisticated consumer is an elusive concept.⁶ Sophistication in this context clearly does not mean education, training, or experience, as the *Guthrie Healthcare* court found likely confusion to occur as easily among patients in the

⁶ Moreover, initial interest confusion affects sophisticated consumers as equally unsophisticated consumers, rendering most sophistication useless at the initial point of contact between a consumer and a product. *See PACCAR*, 319 F.3d at 254 (citing *OBH, Inc. v. Spotlight Magazine, Inc.*, 86 F. Supp. 2d 176, 190 (W.D.N.Y. 2000)).

waiting room as the doctors and nurses working in the clinic. *Guthrie Healthcare*, 826 F.3d at 43; *see also Induct-O-Matic Corp. v. Inductotherm Corp.*, 747 F.2d 358, 364 (6th Cir. 1984) (“It has been observed that the expertise of purchasers does not always assure the absence of confusion.”) (internal citation omitted).

Instead, sophistication is more akin to a substantial portion of the consumer base holding a majority-consensus that the two entities are not affiliated, despite the invocation of each other’s mark. *Guthrie Healthcare*, 826 F.3d at 43. Gardashyan’s potential customer base is large and increasingly growing as she brands more and more products with her mark. It cannot be said that a *substantial* number of this vast and growing segment would, by default, assume no affiliation between Cammy Gardashyan and a fashion doll produced by Pattel. Rather, the opposite is more likely to be true. Thus, the customers in question here are not sophisticated with respect to the larger market that both Pattel and Cammy Gardashyan are participating in.

e. Unnecessary and gratuitous use

This segment addresses two of the three “nominative factors” in the proposed test – factors #9 and #10. Factor #9 analyzes the *overall* necessity of the mark’s use, and Factor #10 analyzes the *amount* necessary to support a fair use of the mark. In analyzing the necessary use factor, “the more dependent the ready identification of [the] defendant’s product is on the description of [the] plaintiff’s product through the employment of [the] plaintiff’s mark, the more likely it is that the use is a fair one.” *Century 21*, 425 F.3d at 229. In many nominative fair use

cases, the use of a name may be the only way for a defendant to clearly and plainly refer to a plaintiff's brand in a way that would be understood by consumers. *Id.* at 225; *see also Cairns v. Franklin Mint Co.*, 292 F.3d 1139 (9th Cir. 2002) (holding that a caption reading "Diana" on Franklin Mint's packaging for its products was reasonably necessary to describe a Princess Diana doll because many potential consumers were not familiar with Diana's features).

But, unlike *Cairns*, Cammy Gardashyan's features and personal style are immensely more recognizable than those of Princess Diana.⁷ Gardashyan's look is widely recognizable by her millions of fans (and even among casual consumers). By its name (Fashionista Bambi) and clothing features (leopard print, black hair, high heels, etc.), Pattel created a readily identifiable product designed to appeal to Cammy Gardashyan's fan-base. It was entirely possible for Pattel to create a doll representative of Cammy Gardashyan *without* using her name. However, Pattel's use of her mark in connection with the doll was wholly unnecessary and patently gratuitous.

The tenth factor of this likelihood of confusion test is closely tied to the ninth, with the tenth factor testing "whether only so much of the plaintiff's mark as is reasonably necessary to identify the plaintiff's product or services has been used by

⁷ There are several important factual distinctions between *Cairns* and the present case. The *Cairns* case was brought post-mortem by the charity foundation created by Princess Diana's estate. During her lifetime, Franklin Mint produced and sold Diana merchandise for over fifteen years without objection. *Cairns*, 292 F.3d at 1144. The court also found that Diana's physical appearance was not so well-known, and that the Fund-endorsed charities were not closely related to the Franklin Mint in the minds of consumers. *Id.* at 1153, 1155.

the defendant.” *Century 21*, 425 F.3d at 230. Put another way, this factor asks that if it was necessary for a defendant to use the plaintiff’s mark, did the defendant portray that mark in the most basic way possible? *Id.* While Pattel did not use Gardashyan’s logo, a significant portion of her mark includes her name as displayed in standard block typeface. *Gardashyan*, 1135 F.3d at 760. “Cammy Gardashyan” appears *twice* on the box for the Bambi doll, both times in full and in the same standard typeface as trademarked by Gardashyan. *Id.* at 761.

Arguably, Pattel’s use of her mark was completely unnecessary, and to the extent it *might* have been, using the full measure of her trademark to describe the doll was not. Combined, this shows Pattel’s overstep of the boundaries of fair use, and further supports that fact that Pattel created a likelihood of consumer confusion.

f. Conduct intended to infer a relationship

The modern view of infringement is aimed at confusion as to sponsorship, affiliation, or connection. *Int’l Info Sys.*, 823 F.3d at 161. The “nominative use of a mark ... is fair because it does not imply sponsorship or endorsement by the trademark holder.” *New Kids*, 971 F.2d at 307. “Even an accurate nominative use could potentially confuse consumers about the plaintiff’s endorsement or sponsorship of the defendant’s products or services.” *Century 21*, 425 F.3d at 221.

Here, Pattel’s use of Gardashyan’s name *does* imply sponsorship, endorsement, or affiliation. We do not argue that consumers are confused as to the *source* – Pattel’s Bambi dolls are timeless classics within American pop-culture

themselves. However, Pattel is experiencing high sales and immense profits from the perceived association it created with Cammy Gardashyan.

The Ninth Circuit noted that while nominative fair use protection certainly applies to “newspaper articles, conversations, polls, and comparative advertising,” it would not be available to defendants who falsely claim endorsement or sponsorship. *New Kids*, 971 F.2d at 308. The court reasoned that there was no better way to describe the New Kids On The Block than by using their exact name, and compared similar situations regarding the Chicago Bulls, Volkswagen, and the Boston Marathon. *Id.* at 306-07. But the context in which the court places these examples matters tremendously to the analysis. A person or a newspaper referring to the Chicago Bulls by name “does not imply sponsorship or endorsement of the product” because no reasonable consumer could expect such a connection. *Id.* at 306. Rather it is common sense to expect the opposite. *Id.* at 307 (“Common sense suggests ... that a viewer who sees [the phrase Boston Marathon on a television channel] will believe simply that [the channel] will show, or is showing, or has shown, the marathon, not that [the channel] has some special approval [of the Boston Marathon.]”).

The Ninth Circuit’s examples of a car mechanic advertising Volkswagen repair and a news broadcast reporting on the Boston Marathon are far cries from the situation presented by this case. Factually discussing Cammy Gardashyan in print is one thing, but placing Cammy Gardashyan’s name on a look-alike Bambi Doll is entirely another. No reasonable consumer would equate Cammy

Gardashyan's name appearing in the newspaper with Gardashyan's official endorsement of that newspaper. However, because Gardashyan produces a vast number of different products under her own trademark, the likelihood that an average consumer would be confused as to the relationship between Gardashyan and Pattel is highly probable. The stratification between one company's fashion doll and one entertainer's fashion brands is not obvious.

What Pattel did was cross the line from a protected, nominative fair use of Cammy Gardashyan's mark to an intentional, infringing nominative use of her mark in describing its own product. For example, if Nike introduced a new line of basketball shoes with the tagline "Play Like a Chicago Bull" on its packaging, it too would be an intentional act designed to confuse consumers as to Nike's association with (and the endorsement by) the Chicago Bulls. Because professional athletes and teams routinely sponsor athletic wear (and a myriad of other products), the obvious contextual distinctions that divide infringing from non-infringing nominative fair use are practically invisible. As stated by the Ninth Circuit, because there is no generic substitute, there really is no better way describe the Chicago Bulls than to use the exact name of the franchise. "In such cases, use of the trademark does not imply sponsorship or endorsement of the product because the mark is used only to describe the thing[.]" *New Kids*, 971 F.2d at 306. However, this hypothetical Nike shoe example demonstrates when the dynamic switches from a nominative-fair-use-descriptor and into the realm of implied sponsorship. Nike would be fine emblazoning its shoe packaging with a phrase such as "play like a

professional basketball player.” But, in this context, using “Chicago Bulls” would say something different all together – that the Chicago Bulls support these particular shoes, potentially inducing Bulls fans to purchase them, and therefore constituting a misuse by Nike of the Bull’s trademark.

The context is crucial to the case at hand. Here, use of Cammy Gardashyan’s name appears in an obvious commercial context, not one of pure description. Because Gardashyan’s name appears upon a numerous and diffuse range of products, the likelihood that typical consumers would assume a sponsorship, endorsement, or affiliation between her and Pattel’s Bambi Doll is too great. The overall conduct of Pattel, Inc. in applying Gardashyan’s mark to its product infers an otherwise nonexistent relationship between Pattel and Cammy Gardashyan.

CONCLUSION

This Court should not adopt a separate nominate fair use test. Instead, it should subject nominative use cases to the same likelihood of confusion analysis currently followed in all trademark infringement cases –including classic fair use. In keeping with the intent of Congress and prior Supreme Court cases, the Court should endorse the eleven-factor likelihood of confusion test as stated by the Fourteenth Circuit below. In applying this test, the respondent, Cammy Gardashyan, clearly demonstrates that Pattel, Inc. infringed upon her trademark by invoking her name in describing its own product. Multiple factors support a likelihood of consumer confusion, most notably the confusion as to sponsorship,

endorsement, or affiliation within their shared marketplace. For these reasons, the decision of the Court of Appeals for the Fourteenth Circuit should be affirmed.

Respectfully submitted,

Team 117

Counsel for the Respondent

OCTOBER 21, 2016

No. 16-1225

IN THE SUPREME COURT OF UNITED STATES

PATTEL, INC.,

Petitioner

v.

CAMMY GARDASHYAN,

Respondent

CERTIFICATE OF COMPLIANCE

As required by Supreme Court Rule 33.1(h), I certify that the Brief for Respondent contains 9760 words, excluding the parts of the brief that are exempted by Supreme Court Rule 33.1(d).

I declare under penalty of perjury that the foregoing is true and correct.

Executed on October 21, 2016

Team 117

Counsel for the Respondent