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The First Amendment: Apparent Immunity from Trademark Infringement?

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When a creator of an expressive work¹ incorporates a well-known trademark into the work, what recourse should the trademark owner have for infringement of its mark, if any? At the intersection of trademark infringement under the Lanham Act and the First Amendment, it is likely that the trademark owner's property interest will yield to free expression.

However, due to the U.S. Supreme Court's silence on this issue, it is far from clear under what circumstances such use of a trademark in an expressive work and in that work's marketing and promotion should be permissible.

The Expansion of the *Rogers* Test

The predominant approach taken by courts is to limit the application of the Lanham Act to expressive works where "the public interest in avoiding

consumer confusion outweighs the public interest in free expression" as set forth by the U.S. Court of Appeals for the Second Circuit in *Rogers v. Grimaldi*.²

Under the *Rogers* test, the use of another's mark in an expressive work will not be actionable under the Lanham Act unless it "has no artistic relevance to the underlying work whatsoever, or if it has some artistic relevance, unless [it] explicitly misleads as to the source or content of the work."³

Recently, in *Twentieth Century Fox Television, a division of Twentieth Century Fox Film Corp. v. Empire Distribution, Inc. (Empire)*,⁴ the U.S. Court of Appeals for the Ninth Circuit was faced with the question of whether the *Rogers* balancing test applies to expressive works, where other related commercial works used the trademark to advertise that expressive work.

In *Empire*, the defendant was accused of trademark infringement due to the use of the plaintiff's mark EMPIRE as the name of a television show and related soundtrack.⁵ Under the guise of advertising the television show, the defendant also used the EMPIRE mark in connection with commercial enterprises such as live musical performances, radio play, and consumer goods such as shirts and champagne glasses bearing the television show's "Empire" brand.⁶

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The Ninth Circuit applied the *Rogers* balancing test to permit the defendant to use the EMPIRE mark in connection with each of the above uses, stating “it requires only a minor logical extension of the reasoning of *Rogers* to hold that works protected under its test may be advertised and marketed by name.”⁷ However, while the Ninth Circuit’s holding may appear, at first, to be relatively benign – a movie title that includes a trademark should be able to use its title in its trailers and promotional posters – the particulars of the advertising in *Empire* that was protected by the First Amendment demonstrate the breadth of the Ninth Circuit’s holding.

The Ninth Circuit applied the *Rogers* balancing test to permit the defendant to use the EMPIRE mark.

Instead of simply using the plaintiff’s mark in traditional advertising and promotion (e.g. commercials and posters advertising the TV show), it was also permissible for the defendant to conduct advertising and promotion that was “auxiliary to the television show and music releases, which lie at the heart of its ‘Empire’ brand,” including “appearances by cast members in other media, radio play, online advertising, live events, and the sale or licensing of consumer goods.”⁸ This view of the First Amendment defense to trademark infringement is unprecedented.

Refining the *Rogers* Test

Perhaps realizing that the rights of trademark owners should not yield under all circumstances, most recently in *Gordon v. Drape Creative, Inc.*, the Ninth Circuit modified the inquiry of the *Rogers* balancing test.⁹ Prior to *Gordon*, under the first prong of the *Rogers* test, the Ninth Circuit required “the level of artistic relevance of the trademark or other identifying material to the work merely must be above zero.”¹⁰

However, in *Gordon*, the Ninth Circuit refashioned the test to require not only that the mark is relevant to the rest of the work but also that the “defendant [has] add[ed] his own artistic expression beyond that represented by the mark.”¹¹ Stated

otherwise, “the use of a mark is not artistically relevant if the defendant uses it merely to appropriate the goodwill inhering in the mark or for no reason at all.”¹²

Applying the test as refashioned, the Ninth Circuit found that summary judgment in favor of the defendants on their First Amendment defense was improper where the defendants have appropriated the plaintiff’s mark for use in greeting cards without adding any creativity of their own. *Gordon* is the first (and only) case where the Ninth Circuit has not found in favor of the alleged infringer on a First Amendment defense.

A Variety of Paths

Although some federal appeals courts, such as the U.S. Courts of Appeals for the Eleventh and Fifth circuits, have adopted the *Rogers* balancing test, other circuits have taken different approaches to resolving the tension between the First Amendment and the Lanham Act.

For example, the U.S. Court of Appeals for the Eighth Circuit has held that a trademark owner’s rights need not “yield to the exercise of First Amendment rights under circumstances where adequate alternative avenues of communication exist.”¹³ The U.S. Court of Appeals for the Tenth Circuit has suggested that trademark law has “built-in mechanisms that serve to avoid First Amendment concerns” by requiring “proof of likelihood of confusion.”¹⁴ And yet other circuit courts have declined to decide whether to follow the *Rogers* approach with respect to claims of trademark infringement.¹⁵

The Supreme Court of the United States has yet to provide guidance as to when and to what extent trademark rights yield to free expression.

Even those circuits that have adopted the *Rogers* balancing test have treated the test differently in conjunction with existing trademark infringement jurisprudence.

The Second and Fifth circuits have incorporated the nonexhaustive likelihood of confusion factors, e.g., the *Polaroid* factors, into the second prong of the *Rogers* analysis – the “explicitly misleading”

prong. In the Second Circuit, the appropriate analysis of this prong must be made by an application of the *Polaroid* factors, but the finding of likelihood of confusion “must be particularly compelling” to outweigh the First Amendment interest.¹⁶

On the other hand, the U.S. Courts of Appeals for the Fourth, Sixth, Ninth, and Eleventh Circuits treat the “explicitly misleading” prong as a distinct inquiry from the likelihood of confusion analysis – instead requiring a consideration of “whether there was an ‘explicit indication,’ ‘overt claim,’ or ‘explicit misstatement’ that caused . . . consumer confusion.”¹⁷ Specifically, according to the Ninth Circuit, *Rogers* requires the “defendant to come forward and make a threshold legal showing that its allegedly infringing use is part of an expressive work protected by the First Amendment.”¹⁸ Thereafter, the plaintiff must demonstrate that “the mark is either not artistically relevant to the underlying work” or that the mark “explicitly misleads consumers as to the source or content of the work” in addition to demonstrating a likelihood of confusion.¹⁹ Thus, in these circuits, the *Rogers* balancing test is an inquiry that is separate and apart from the elements to demonstrate trademark infringement.

The Supreme Court’s Continued Silence

Despite the importance of both the rights of the trademark owners and First Amendment rights afforded to a creator of an expressive work and the various approaches taken by circuits regarding the appropriate weight accorded to First Amendment rights, the Supreme Court of the United States has yet to speak on this issue and provide guidance as to when and to what extent trademark rights yield to free expression.

Empire Distribution, Inc., the owner of the EMPIRE mark, filed a petition for certiorari requesting that the Supreme Court decide whether “an implied ‘expressive work’ exception to the Lanham Act²⁰ excuses the use of another’s trademark, including on directly competing goods and services, without regard to the likelihood of confusion among consumers,” which could have shed

light on the significance of the likelihood of consumer confusion in the context of a work that enjoys First Amendment protection.²¹ However, the Supreme Court denied the petition on October 1 – a missed opportunity to provide some much needed clarity.

Notes

1. An expressive work, as used herein, is any work that is afforded First Amendment protections, including but not limited to movies, paintings, books, songs, television shows, etc.
2. 875 F.2d 994, 999 (2d Cir. 1989).
3. *Id.* at 999.
4. 875 F.3d 1192 (9th Cir. 2017).
5. *Id.*
6. *Id.* at 1195.
7. *Id.* at 1196–1197.
8. *Id.* at 1196.
9. 897 F.3d 1184, 1194–1195 (9th Cir. 2018).
10. *Id.* at 1194.
11. *Id.* at 1195.
12. *Id.* at 1194.
13. *Mut. of Omaha Ins. Co. v. Novak*, 836 F.2d 397, 402 (8th Cir. 1987).
14. *Cardtoons, L.C. v. Major League Baseball Players Ass’n*, 95 F.3d 959, 970 (10th Cir. 1996).
15. *See e.g. Eastland Music Grp., LLC v. Lionsgate Entm’t, Inc.*, 707 F.3d 869, 871 (7th Cir. 2013); *Facenda v. N.F.L. Films, Inc.*, 542 F.3d 1007 (3d Cir. 2008).
16. *Twin Peaks Prods., Inc. v. Publ’ns Int’l, Ltd.*, 996 F.2d 1366, 1379 (2d Cir. 1993); *see also Westchester Media v. PRL USA Holdings, Inc.*, 214 F.3d 658, 664–66 (5th Cir. 2000).
17. *Empire*, 875 F.3d at 1199; *see also Radiance Found., Inc. v. N.A.A.C.P.*, 786 F.3d 316, 329 (4th Cir. 2015); *ETW Corp. v. Jireh Pub., Inc.*, 332 F.3d 915, 937 (6th Cir. 2003); *Univ. of Ala. Bd. of Trustees v. New Life Art, Inc.*, 683 F.3d 1266, 1279 (11th Cir. 2012).
18. *Gordon*, 897 F.3d at 1190.
19. *Id.*
20. 15 U.S.C. 1125(a)(1)(A).
21. *Petition for a Writ of Certiorari, Empire Distribution, Inc., v. Twentieth Century, Fox Television and Fox Broadcasting Co.*, 17–1383, 2018 WL 1606065 (April 2, 2018), *cert denied*, --- S.Ct. ---, 2018 WL 1609822 (2018).

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