

Lecture 5

Law 115
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Agenda

- Trade Dress
- Trademark Infringement Claims
 - 1. Run-of-the-mill Trademark Infringement
 - 2. Dilution
- Defenses
- Fair Use in Trademark law
- Exemplary Cases

Trademark vs. Trade Dress



Trade Dress

Trade Dress = total image of product

- Includes features such as size, shape, color or color combinations, texture, graphics, even sales techniques and design of product
- Elements combine to create the whole visual image presented to customers
- Three types →
 1. Product design
 2. Product packaging
 3. Tertium Quid



Trademark Infringement Claims



Use in commerce

That causes a
likelihood of confusion about
origin, affiliation,
association, or
sponsorship



Blurring and
tarnishment

Does **not** require a
likelihood of
confusion

Trademark Infringement Claims

When courts evaluate likelihood of confusion, they look at several factors...

1. Strength of the mark
2. Degree of similarity of the marks
3. Whether the similar trademarks operate in the same market
4. Actual confusion
5. Quality of the products
6. Sophistication of the relevant consumer

Trademark Infringement Claims

Factor 1: Strength of the mark

Where on the distinctiveness spectrum does the mark fall?



Strength also refers to the commercial strength of the mark, based on market share, recognition among customers, and duration of use.

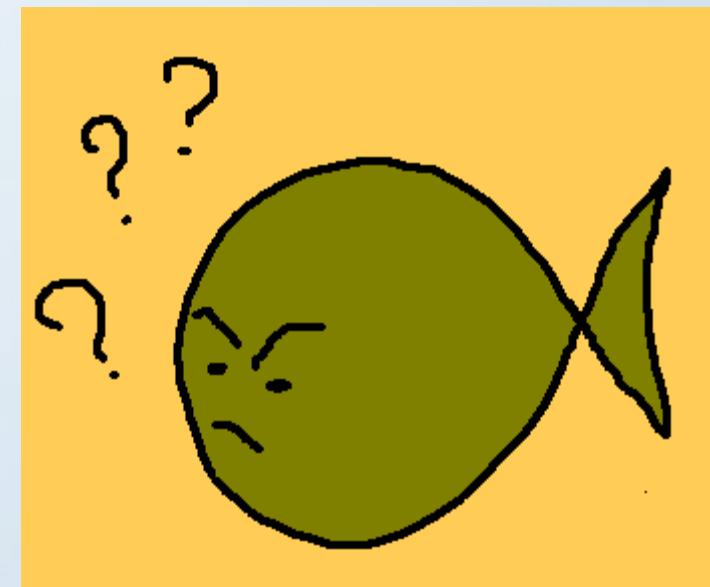
Trademark Infringement Claims

Factor 2: Degree of similarity of the marks

This factor looks to the “sight, sound and meaning” of the two marks.

For example, if the mark is “Fish”, then similar marks could be...

- “Fisch” (similar in sight)
- “Phish” (similar in sound)
- Picture of a fish (similar in meaning)



Trademark Infringement Claims



Factor 3: Whether the similar trademarks operate in the same market

- The more similar or related the goods or services, the more likely the confusion
- The products do not need to be directly in competition

Trademark Infringement Claims

Factor 4: Actual confusion

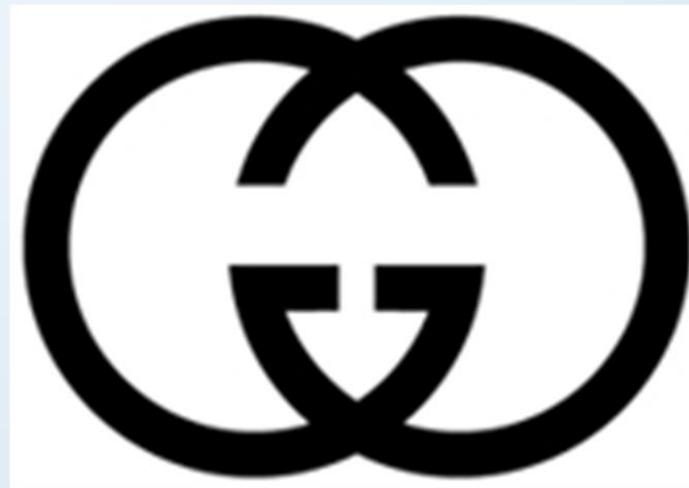
- Examines whether there is confusion in the “relevant purchasing community” not the public generally
- This includes misdirected emails, calls, or mail, and/or polls conducted for the purpose of the dispute



Trademark Infringement Claims

Factor 5: Quality of the products

- If the quality is similar, confusion is more likely
- If quality is disparate, confusion is less likely



Trademark Infringement Claims



Factor 6: Sophistication of the relevant consumer

- Looks to how the typical buyer of the product is likely to behave
- Impulse buyers vs. buyers of a big-ticket item or a product used in a narrow field

Dilution

Even if there is no likelihood of confusion, owners of famous marks may have a claim for dilution. There are two flavors of dilution...

1. Blurring
2. Tarnishment

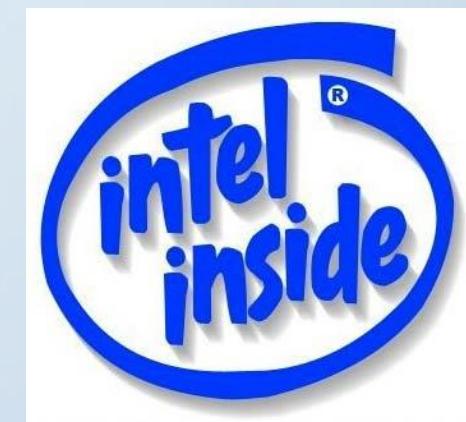
Federal Dilution Revision Act (2006):
Dilution occurs when...defendant begins use...that is likely to cause dilution by blurring or tarnishment, regardless of actual or likely confusion, competition, or actual economic injury



Dilution: Famous Marks

Famous Trademark = widely recognized by general consuming public (defined in FDRA)

1. Duration, extent, geographic reach of advertising
2. Amount, volume, and geographic extent of sales
3. Actual recognition of plaintiff's mark
4. Whether plaintiff's mark is registered



Dilution: Blurring



Dilution by Blurring = the association arising from the similarity defendant's trademark and plaintiff's famous trademark harms the distinctiveness of the plaintiff's mark

- Examples: Buick for aspirin, Kodak for pianos
- Blurring lessens the capacity of a famous mark to identify and distinguish goods

Dilution: Tarnishment

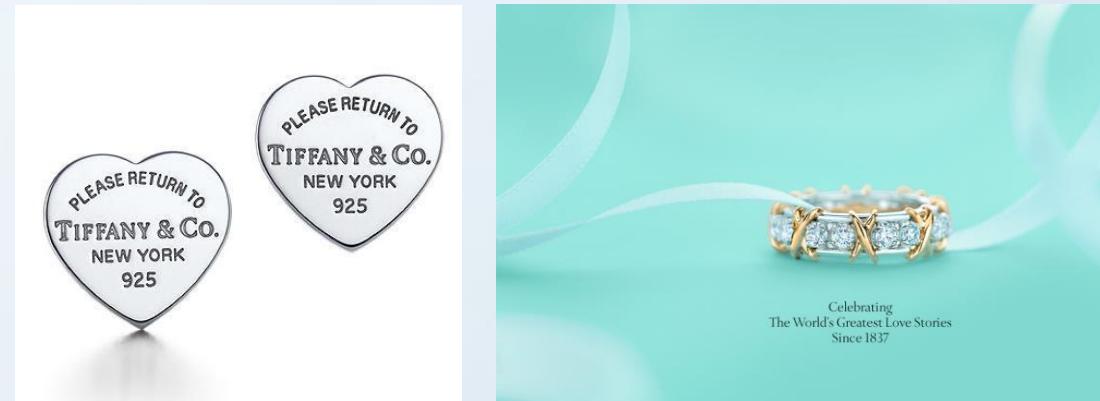
Dilution by Tarnishment = the association arising from the similarity between defendant's trademark and plaintiff's famous TM that harms the reputation of plaintiff's trademark

- Harms the image of the trademark holder
- Use of the mark in an unsavory way arguably adds a negative association to that reputation, and threatens to change the very meaning of the mark itself, by adding disreputable meaning to the mark's associations



Dilution vs. Infringement

Famous Mark: Tiffany



Use	Type of Claim
Tiffany for a jewelry store	Infringement
Tiffany for an upscale restaurant	Blurring
Tiffany for an adult book store	Tarnishment

Defenses

1. **Genericness:** primary significance of mark is to identify the product (not the source of the product)
2. **Abandonment**
 - Non-use
 - Failure to control (“naked licensing”)



Fair Use in Trademark Law

Descriptive Fair Use

- Allows descriptive marks to be used in a way necessary to describe the product
- Also called “nominative fair use”

Classic Fair Use

- Based on First Amendment principles
- Similar factors to those considered in copyright

Fair Use in Trademark Law

“Because overextension of Lanham Action restrictions...might intrude on First Amendment values, we must construe the Act narrowly to avoid such a conflict.”

“Poetic is not without limits.”



Zatarain's Inc. v. Oak Grove Smokehouse

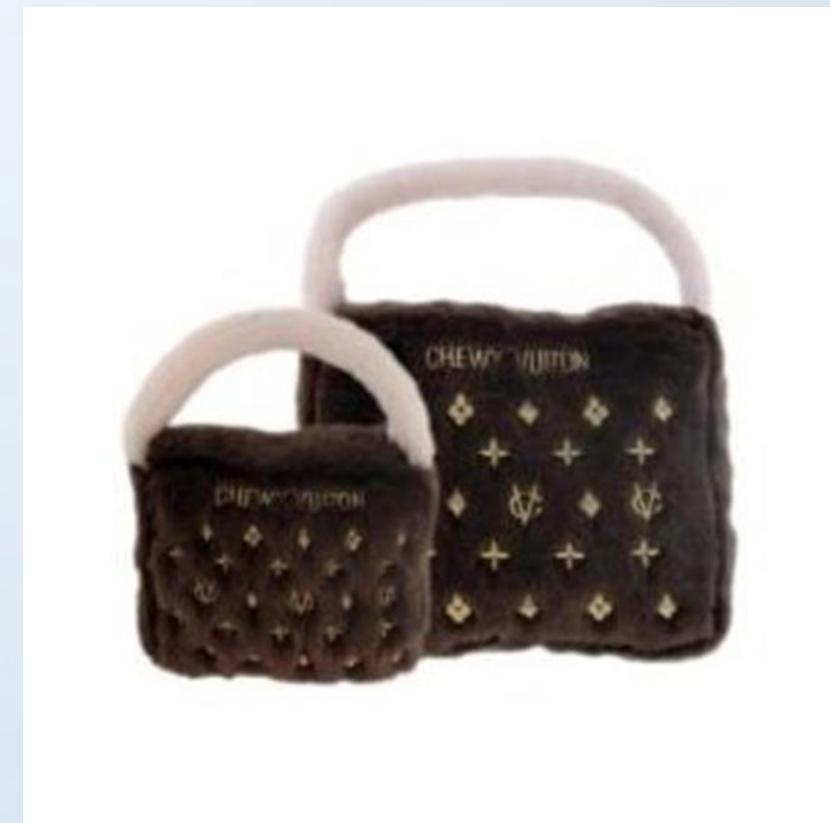
Original Mark



Alleged Infringement

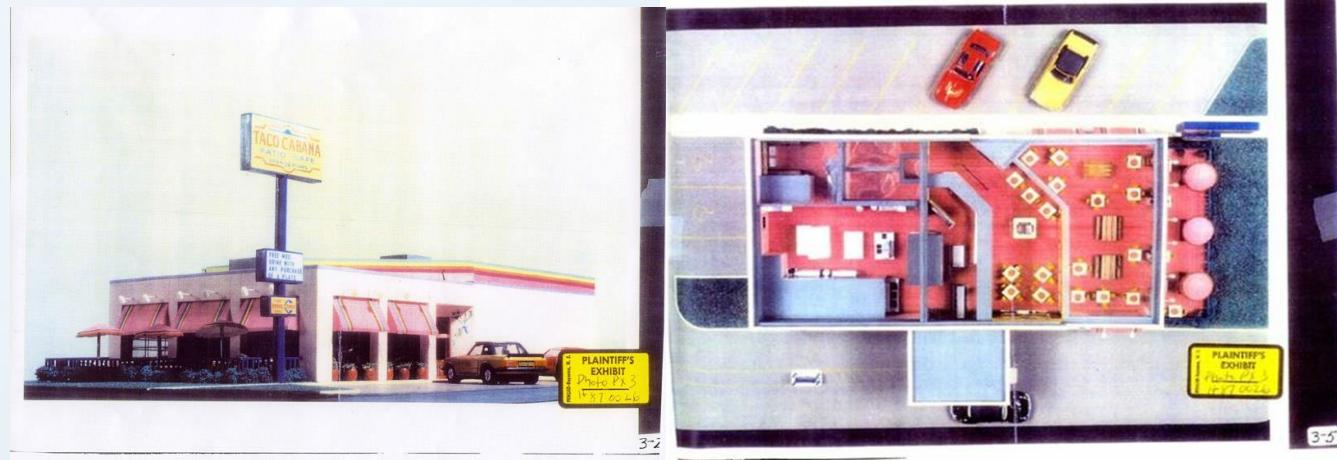


Louis Vuitton v. Haute Diggity Dog

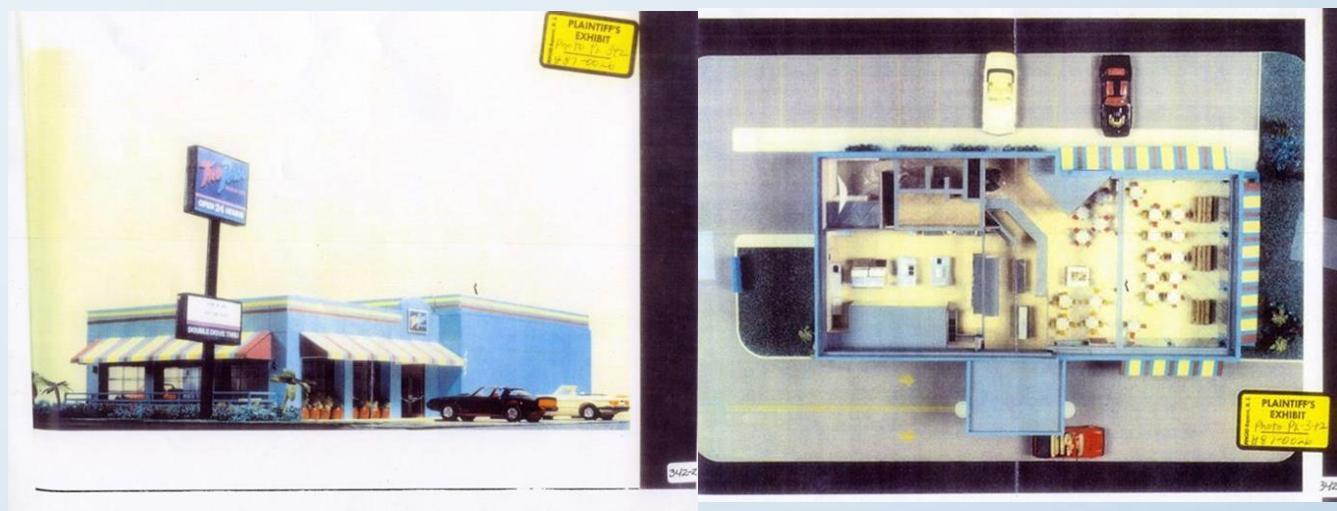


Two Pesos v. Taco Cabana

Taco Cabana



Two Pesos



Two Pesos v. Taco Cabana



Mattel v. MCA Records

Barbie Girl video: http://youtu.be/-_pTeDz4Zpk



ESS v. Rock Star



Dumb Starbucks?



The image shows a screenshot of a website's Frequently Asked Questions (FAQ) section. At the top is the Dumb Starbucks logo, which is a green circle with the mermaid logo and the words "DUMB STARBUCKS COFFEE". Below the logo is the heading "FREQUENTLY ASKED QUESTIONS".

Is this a Starbucks?
No. Dumb Starbucks is not affiliated in any way with Starbucks Corporation. We are simply using their name and logo for marketing purposes.

How is that legal?
Short answer - parody law.

Can you elaborate?
Of course. By adding the word 'dumb', we are technically "making fun" of Starbucks, which allows us to use their trademarks under a law known as 'fair use'. Fair use is a doctrine that permits use of copyrighted material in a parodic work without permission from the rights holder. It's the same law that allows Weird Al Yankovic to use the music from Michael Jackson's "Beat It" in his parody song "Eat It".

So is this a real business?
Yes it is. Although we are a fully functioning coffee shop, for legal reasons Dumb Starbucks needs to be categorized as a work of parody art. So, in the eyes of the law, our "coffee shop" is actually an art gallery and the "coffee" you're buying is considered the art. But that's for our lawyers to worry about. All you need to do is enjoy our delicious coffee!

Are you saying Starbucks is dumb?
Not at all. In fact, we love Starbucks and look up to them as role models. Unfortunately, the only way to use their intellectual property under fair use is if we are making fun of them. So the "dumb" comes out of necessity, not enmity.

Okay, I think I understand now.
Great. Anything else?

I guess not.
Okay thanks. See you later!

For any other questions, please contact us at DumbStarbucks@gmail.com.