

THE "MERELY DESCRIPTIVE" TERM: IS IT A TRADEMARK, A DESCRIPTION PROTECTED BY THE FIRST AMENDMENT, OR BOTH?

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I. Introduction

A substantial body of literature has arisen considering whether the non-commercial use of registered trademarks may result in a tension between the First Amendment and the Lanham Act. [n.1] The discussion has generally centered on the extent to which the parodist's use of trademarks represents constitutionally protected expression. In recent years, as the United States Supreme Court has developed a doctrine protecting commercial speech, suggestion has been made that the First Amendment may limit the extent to which the Lanham Act may control even the commercial use of a trademark by the registrant's competition.

This article focuses on the nexus between the First Amendment and the Lanham Act for "merely descriptive" terms that have acquired secondary meaning. Other types of trademarks, i.e. generic, suggestive or arbitrary marks, fall rather clearly on one side or the other of the line separating public domain free speech from private trademark property. The Lanham Act restricts its protection of merely descriptive marks by allowing other "fair use" of these marks in certain circumstances.

*342 Although it appears that such restrictions arose primarily from considerations of unfair competition rather than free speech, the emergence and evolution of the commercial speech doctrine mandates that closer scrutiny be made of the relationship between the Lanham Act and the First Amendment.

II. Registration of Descriptive Marks

Under the Lanham Act, a term is generally not viable for registration if it is "merely descriptive" when applied to the goods of the applicant. [n.2] However, an exception is made for terms which, although merely descriptive, have become "distinctive of the applicant's goods in commerce." [n.3] If such "secondary meaning" is shown, the mark may be registered. [n.4]

The protection of merely descriptive marks has increased markedly since the industrial revolution. As late as 1871, the Supreme Court held, in accord with the common law, that merely descriptive names could not be protected as trademarks. [n.5]

The Trademark Act of 1905, reflecting state trademark and unfair competition laws, began to afford limited protection to merely descriptive marks under certain circumstances. [n.6] The Trademark Act of 1920 provided that certain merely descriptive marks which had acquired secondary meaning were registrable. [n.7] The Lanham Act went a step further by conferring incontestible status on merely descriptive marks which had been in use for five consecutive years subsequent to registration. [n.8]

III. Statutory Limitation on Descriptive Trademarks

Descriptive trademarks have not, however, come to be equally as durable as suggestive or arbitrary marks, even under the Lanham Act. Descriptive trademarks may be lost by becoming generic [n.9] or by *343 abandonment, [n.10] as other marks may. However, these marks are also subject to a provision that allows potential infringers to use the mark in good faith to describe their goods. [n.11] The legislative history indicates that this "fair use" defense was not included in the Act to alter substantive trademark law, but merely to reflect the then-current common law in the area. [n.12]

The legislative history of 15 U.S.C. § 1115(b) (4) establishes that the adoption by Congress of the American Bar Association version of this section provides for permissible descriptive use of merely descriptive terms.

The American Bar Association thought that, so far as English language is concerned, when a question arises as to whether a term is just merely descriptive and whether it is used in good faith, that ought to always be a proper defense in one of these cases. . . . The H.R. 102 [which was not adopted] provision takes the position that the question of whether this is a good trademark is finally decided as to everybody, and nobody can contest it, and therefore anybody who wants to use the English language in a normal way is deprived of the right to use it because of that situation. [Hearings before the Subcommittee on Trade-Marks Committee on Patents, House of Representatives, 77th Congress, 1st Session on H.R. 102, H.R. 5461 and S.A. 95, Nove. 4, 12, 13 and 14, 1941, bracketed information added].

Specifically, the fair use defense provides:

If the right to use the registered mark has become incontestable. . . the registration shall be conclusive evidence of the registrant's exclusive right to use the registered mark. . . except when one of the following defenses or defects is established: ***

(4) That the use of the name, term, or device charged to be an infringement is a use, otherwise than as a trade or service mark, . . . of a term or device which is descriptive of and used fairly and in good faith only to describe to users the goods or services of such party

Thus, the elements of a fair use defense seem to entail: 1) the incontestability of the registered mark; 2) the non-trademark usage of the allegedly infringing mark; 3) in good faith; 4) to describe goods.

In practice the "fair use" exception appears equally applicable whether or not the term is registered. Indeed, cases abound where courts have applied the fair use defense to marks which had not yet become *344 incontestable. [n.13] In fact, the defense has even been successful in cases where registration was still pending. [n.14]

The justification for applying the fair use defense more broadly than the statute apparently provides is usually based on the common law origins of the defense:

Although it has been recognized that technically the fair use defense applies only in actions in which infringement of an incontestable mark is alleged, it has been recognized also that the defense, because it is restatement of the common law defense, is available in defense of a contestable mark by virtue of 15 USC § 1115(a) [Lanham Act § 33(a), which preserves legal and equitable defenses which might have been raised if the mark had not been registered]. [n.15]

The latter three elements of the fair use defense, that the use be in a non-trademark manner in good faith to describe goods, have evolved generally into a singular test of the manner in which the word or term is displayed by the alleged infringer. The size, color, style and placement of text in the trade dress have all been considered recently in determining whether a fair use defense could be sustained. [n.16] Other relevant factors include whether a subordinate phrase describes the goods and whether the use is meant to attract public attention. [n.17]

Earlier tests had not placed as much weight on such pure trade dress factors:

The fact that [a capitalized word] is used by defendant "as a symbol to attract public attention" does not mean it is being used as a trademark. Virtually every aspect of a product's trade dress is intended to catch the eye of the purchaser. Unless attention is drawn to the particular word or term as being indicative of source of origin of that product, the term is not being used as a trademark. [n.18]

The Supreme Court in *Park 'N Fly, Inc., v. Dollar Park and Fly, Inc.* [n.19] has held that 15 U.S.C. § 1115 (b)(4) ". . . permits the non- trademark use of descriptive terms contained in an uncontestable mark."

Several Circuits have held that an injunction shall not preclude prospective descriptive use of a term that has been found to be a trademark.

*345 In *Soweco, Inc. v. Shell Oil Company* [n.20] the court affirmed a ruling that "larvicide" had acquired secondary meaning and was a trademark but that no injunction should enter prohibiting future descriptive use of "larvicide." Shell used the designation RABON Oral Larvicide and SHELL Poultry Spray & Larvicide. The court stated that:

Moreover, we are convinced that even if there were a likelihood of confusion, the defendant would still be entitled to its fair use defense . . . to hold otherwise would

effectively eviscerate the fair-use defense. If defendant's use of the term to fairly describe the characteristics of its goods creates a likelihood of confusion, then plaintiff should adopt some other method of distinguishing its goods from those of defendant. He cannot deprive defendant of his statutory defense [n.21]

In *Zatarains, Inc. v. Oak Grove Smoke House, Inc.* [n.22] the court held that plaintiff's description "Fish Fri" had acquired secondary meaning and was a trademark. Defendant marketed coatings for fried foods labeled with the Oak Grove name along with "FISH FRY". The court held that the fair use defense prohibits a trademark owner from preventing others from accurately describing their goods and refused to enjoin prospective descriptive use of "fish fry".

The Callmann treatise states that a prospective injunction should not issue for descriptive terms:

Where secondary meaning creates an exclusive right, it is confined to its trademark meaning. . . it cannot, however, prevent use of the word in any other sense, i.e., its primary or non-trademark meaning. An injunction will not issue against its non-trademark use. [n.23]

An injunction is refused where the use is "a purely descriptive use to apprise the public of the type of product." [n.24] Even where infringement *346 is found by a court, the court may decide to issue an injunction that only prohibits trademark use and not prospective descriptive use. In *Tree Tavern Products, Inc. v. Conagra, Inc.*, [n.25] the court found infringement and enjoined use of the term "Side Dish" in a trademark sense, but explicitly permitted future descriptive use. The court reasoned that, "Enjoining only defendant from trademark usage of the term "side dish" for its line of frozen food products would not take the word out of circulation. Anyone, including defendant, can still use the term in a good-faith, non-trademark sense, as long as there is no likelihood of confusion." [n.26]

Regarding good faith, a question arises as to the scope of this requirement in a fair use defense. Once it is determined that a trademark has been infringed, is the infringer forever precluded from availing itself of the fair use defense, or will the good faith standard be applied to subsequent uses of an allegedly infringing term? [n.27] That this area of the law is not yet settled, suggests that study of the first amendment principles underlying the fair use exception may prove useful in shaping future application of this defense.

IV. The Commercial Speech Doctrine

The free speech clause of the First Amendment states simply that, "Congress shall make no law. . . abridging the freedom of speech. . . ." Traditionally, this clause was not applied to speech of a commercial *347 nature. [n.28] However, a series of Supreme Court cases over the past decade have indicated a willingness to bring even purely commercial speech under the ambit of First Amendment protection.

In the landmark case of *Virginia Pharmacy Board v. Virginia Citizens Consumer Council*, [n.29] the Court adopted the notion that even expression concerning purely commercial transactions could be protected under the First Amendment. The Court did qualify its holding by acknowledging "common-sense" distinctions between commercial speech and other varieties of expression. Such distinctions called for a reduced level of protection for commercial speech to allow for modes of regulation of commercial speech that would be objectionable if applied to noncommercial expression. For instance, the maintenance of veracity in commercial speech raises concerns that would be of less importance in noncommercial speech. On another level, commercial speech differs from traditionally protected speech in that the former may not be as easily "chilled" by government action because of the economic incentives giving rise to commercial speech.

Just such a distinction arose the year following *Virginia Pharmacy Board* in *Bates v. State Bar of Arizona*. [n.30] In *Bates*, the Court declined to apply the First Amendment overbreadth doctrine in the commercial context. The overbreadth doctrine permits the court to strike down statutes which have the potential of being overly broad regardless of whether the statute has actually been applied in an overbroad manner. This doctrine arose in order to prevent the mere existence of a statute from chilling speech. [n.31] The Court held that, "The justification for application of overbreadth analysis applies weakly, if at all, in the ordinary commercial context." [n.32]

It is interesting to note that in both *Virginia Pharmacy Board* and *Bates*, Chief Justice (then Associate Justice) Rehnquist filed strong dissents which may be summarized by the following statement in *Bates*:

I continue to believe that the First Amendment speech provision, long regarded by this Court as a sanctuary for expressions of public importance or intellectual interest, is demeaned by invocation to protect advertisements of goods and services. [n.33]

*348 Despite the protestations of Justice Rehnquist, the commercial speech doctrine continued its emergence. In *Ohralik v. Ohio State Bar Association*, [n.34] the Court once again noted that speech which proposes a commercial transaction is within the range of First Amendment protection, albeit in an attenuated measure to allow for necessary government regulation. [n.35]

In 1980, the Court began to give more definite shape to the still largely amorphous commercial speech doctrine. In *Village of Schaumburg v. Citizens for a Better Environment*, [n.36] the court specifically held that none of its past decisions excluding commercial speech from First Amendment protections should any longer be considered good law. [n.37] Justice Rehnquist was biting in his dissent, stating that he was not surprised at the majority opinion "now that this Court has swept even the most banal commercial speech within the ambit of the First Amendment." [n.38] The Court, undaunted, followed in *Central Hudson Gas & Electric Corporation v. Public Service Commission of New York* [n.39] by stating the following:

The First Amendment's concern for commercial speech is based on the informational function of advertising. Consequently, there can be no constitutional objection to the

suppression of commercial messages that do not accurately inform the public about lawful activity. The government may ban forms of communication more likely to deceive the public than to inform it or commercial speech related to illegal activity.

If the communication is neither misleading nor related to unlawful activity, the government's power is more circumscribed. The State must assert a substantial interest to be achieved by restrictions on commercial speech. Moreover, the regulatory technique must be in proportion to that interest. The limitation on expression must be designed carefully to achieve the State's goal. Compliance with this requirement may be measured by two criteria. First, the restriction must directly advance the state interest involved; the regulation may not be sustained if it provides only ineffective or remote support for the government's purpose. Second, if the governmental interest could be served as well by a more limited restriction on commercial speech, the excessive restrictions cannot survive. [n.40]

The Court went on to enunciate a four-part test for analyzing commercial speech cases. [n.41] First, the speech must be examined to ensure *349 that it concerns lawful activity and is not misleading. Second, the government interest must be scrutinized to determine whether it is "substantial" If both answers thus obtained are affirmative, the third prong of the analysis looks to whether the regulation in question directly advances the asserted governmental interest. Finally, it must be determined whether or not the regulation is more extensive than required to serve the governmental interest.

Justice Blackmun, joined by Justice Brennan, concurred in the judgment but found fault with the above test, fearing that it might not "provide adequate protection for truthful, nonmisleading, noncoercive commercial speech." [n.42] Justice Rehnquist, true to form, once again dissented, stating, "I remain of the view that the Court unlocked a Pandora's Box when it 'elevated' commercial speech to the level of traditional political speech by according it First Amendment protection. . . ." [n.43]

A parade of cases through the mid-1980s suggests that the commercial speech doctrine is here to stay. In 1985, the Court applied the doctrine to uphold attorney advertising in *Zauderer v. Office of Disciplinary Counsel* [n.44] and to strike down a restraint on publication of a financial newsletter in *Lowe v. Securities and Exchange Commission*. [n.45] *Lowe* is particularly interesting in that Justice Rehnquist joined with Justice White's concurrence in the result which asserted that, " E ven where mere 'commercial speech' is concerned, the First Amendment permits restraints on speech only when they are narrowly tailored to advance a legitimate governmental interest." [n.46] Had Justice Rehnquist finally come to accept the commercial speech doctrine?

The answer was to be forthcoming in two decisions which were handed down the following year. In *Pacific Gas & Electric Co. v. Public Utilities Commission of California*, [n.47] Justice Rehnquist, again in dissent, attempted to clarify the intellectual underpinnings of the commercial speech doctrine. " T he interest on which the constitutional protection of corporate speech rests is the societal interest in receiving information and ideas. . . ." [n.48] However, this point was made to support an argument that the state action at issue did not violate the First Amendment.

*350 Several months after *Pacific Gas*, Justice Rehnquist, writing for the majority, applied the Central Hudson formulation of the commercial speech doctrine in the case of *Posadas de Puerto Rico Associates v. Tourism Company of Puerto Rico*. [n.49] However, the result of the Central Hudson analysis by the Court indicated that the regulation of speech was constitutionally permissible. In fact, a dissent by Justice Brennan, with whom Justices Marshall and Blackmun joined, charged that the majority "totally ignores the fact that commercial speech is entitled to First Amendment protection. . . ." [n.50] Thus, it appears that the adoption of the commercial speech doctrine by the members of the Court has been widespread, but not 100% complete. The lower courts have indicated an alacrity in accepting the reasoning behind the commercial speech doctrine [n.51] and the Central Hudson analysis, [n.52] and this test is the present standard for determining the limits of the doctrine.

The rather lengthy recitation of the cases above suggests that the commercial speech doctrine is still an adolescent, that the ultimate strength it will achieve cannot yet be predicted, and that it will continue to be applied to new and varied situations. Without even looking to cases connecting the commercial speech doctrine with trademark law, the inference is strong that the doctrine would be applied in Lanham Act situations.

V. The Connection Between the Lanham Act and the Commercial Speech Doctrine

The parallels between the Lanham Act's treatment of merely descriptive marks and the protections of the commercial speech doctrine suggest that the two have a common philosophical origin. Of course on the most fundamental level trademark law in general, and copyright law as well, operate as exceptions to the broad First Amendment concept of free speech. However, the examination here is more focused, and centers on the common grounding of the two rather than the antagonisms between them. The legislative history and the caselaw indicate that the Lanham Act's provisions for the protection of merely descriptive marks and the commercial speech doctrine do share a common origin to some extent, although the differences in the concepts underlying the two seem to outweigh the similarities.

*351 For instance, in the early case of *Canal Co. v. Clark*, [n.53] while the Supreme Court did hold that no one may claim exclusive use of a merely descriptive trademark, the focus was on the anticompetitive effects that would result otherwise and not on the preservation of a freedom of speech. The public injury discussed was purely economic; the Court warned that private appropriation of such terms "would result in mischievous monopolies." [n.54]

The modern cases pertinent to the connection between the Lanham Act and private appropriation of language have shown a mixture of approaches, sometimes applying a purely economic approach and sometimes considering the free speech aspects. A chronological recitation of the cases will demonstrate this combination of approaches.

A question of the tension between state regulation of trade names and the First Amendment was at issue before the Court in *Friedman v. Rogers*. [n.55] The majority upheld the validity of the state regulation of optometrists' trade names despite a claim that the recent emergence of the commercial speech doctrine would protect such expression. The majority replied:

A trade name is, however, a significantly different form of commercial speech from that considered in *Virginia Pharmacy and Bates* Here, we are concerned with a form of commercial speech that has no intrinsic meaning. A trade name conveys no information about the price and nature of the services offered by an optometrist until it acquires meaning over a period of time by associations formed in the minds of the public between the name and some standard of price or quality. Because these ill defined associations of trade names with price and quality information can be manipulated by the users of trade names, there is a significant possibility that trade names will be used to mislead the public. [n.56]

The majority added in a footnote that the First Amendment does not require a state to permit "deceptive or misleading commercial speech even when the publication of additional information can clarify or offset the effects of the spurious communication." [n.57] Justices Blackmun and Marshall, in dissent, took issue with this last point. "Corrected falsehood, however, is truth, and, absent some other regulatory justification, a State may not prohibit the dissemination of truthful commercial information." [n.58]

*352 The result of *Friedman*, then, seems to be a presumption that arbitrary commercial speech such as use of a trade name is burdened with an inherent vulnerability for deception and therefore carries diminished protection from state regulation.

In the 1980 case of *Stop the Olympic Prison v. United States Olympic Committee*, [n.59] a federal district court considered but rejected defendant's counterclaim for an injunction to suppress a protest poster which displayed defendant's trademark. The court held that, "The Lanham Act should not be construed in a manner that would bring it into conflict with First Amendment interests." [n.60] In connection with this, the court noted that any limitations on First Amendment rights necessary to prevent fraud must be narrowly drawn. [n.61] Thus, the freedom of expression involved in using another's trademark was placed more on a par with the state's power to restrict use of the symbol.

A panel of the Second Circuit indicated general accord with these principles in *Consumers Union of United States, Inc. v. General Signal Corp.* [n.62] There, the court reversed a preliminary injunction order prohibiting in a vacuum cleaner manufacturer from quoting plaintiff's test results in television commercials which included a visual disclaimer. The court held, "The First Amendment demands use of a disclaimer over an outright prohibition of expression where there is a reasonable possibility that it will suffice to alleviate consumer confusion." [n.63]

This area was touched on briefly by the Supreme Court about a year later in *Park 'N Fly*. [n.64] Justice Stevens's lone dissent brought up the notion that, "Language, even in a commercial context, properly belongs to the public unless Congress instructs otherwise."

[n.65] However, none of the supporting argument given for this point specifically mentions the First Amendment; the focus lies on the economic effects of appropriating such language. Even the position of the Patent and Trademark office noted by Justice Stevens, explaining why merely descriptively marks are generally not registrable, was justified on the grounds that appropriation *353 of ordinary language would have detrimental economic effects and would not be effective in indicating origin. [n.66]

First Amendment concerns were raised in a slightly different context in *Federal Trade Commission v. Brown & Williamson Tobacco Corp.* [n.67] There, Judge Bork, writing for a panel of the District of Columbia Circuit, held that an injunction against certain cigarette advertising was overbroad. " Any restrictions imposed on deceptive commercial speech can be no 'broader than reasonably necessary to prevent the deception.' The restriction imposed, moreover, may not 'place an absolute prohibition on . . . potentially misleading information if the information may also be presented in a way that is not deceptive.'" [n.68] The court held that part of the injunction did indeed constitute an impermissibly broad prior restraint on the appellant's First Amendment rights. Thus, this case seems to be in tension with the Supreme Court's holding in *Friedman*, as it adopts the dissent's attitude that corrected falsehood is truth, which may not be suppressed.

The limits of trademark protection were considered by a District of Columbia District Court in *Lucasfilm, Ltd. v. High Frontier*. [n.69] That case involved the issue of whether defendants, public interest groups, could be enjoined from using plaintiff's trademark "STAR WARS" in political debate. The court held:

Plaintiff has no property right in the use of words commonly found in the English language. It is well established that the property right conferred by a trademark is very limited:

A trademark is not property in the ordinary sense, but only a word or symbol indicating the origin of a commercial product. The owner of a mark acquires the right to prevent the goods to which the mark is applied from being confused with those of others and to prevent his own trade from being diverted to competitors through their use of misleading marks. There are no rights in a trademark beyond these. [n.70]

The court denied the request for injunctive relief on the grounds that it could not "venture beyond the property protections provided by the trademark laws and attempt to regulate the terms of public debate." [n.71] While it is significant that the alleged infringement here was in the course of political debate rather than commercial speech, this does not *354 alter the holding that property rights in trademark law are narrow. A similar result was reached in *Dolby v. Robertson*, [n.72] where the district court recognized that, in enjoining a performer from using a stage name which was identical with a name registered as a trademark, "The balance of equities favors a narrow injunction." [n.73] Only specific uses of the name which the court found would be confusing were enjoined, the use of disclaimers was allowed, and it was recognized that the usage of the trademarked name by third parties was not within the scope of the injunctive relief.

The year 1987, turned out to be the true watershed for consideration of the Lanham Act/First Amendment connection. In continuing litigation, the District Court for the Southern District of New York again considered a claim by Consumers Union that quotation of its test results in commercial by a vacuum manufacturer violated its rights under the Lanham Act. *Consumers Union of United States, Inc. v. New Regina Corporation*. [n.74] The defense argued that there were no Lanham Act issues raised which could avoid "fundamental inconsistency" with First Amendment rights and moved for summary judgment. The court denied this request, holding that, ". . . First Amendment concerns for commercial speech do not justify altering standards or burdens of proof in Lanham Act cases." [n.75] The court further suggested that standard First amendment "time, place and manner" analyses might be used to resolve fair use- type conflicts between the First Amendment and the Lanham Act. [n.76]

Contemporaneously, the same jurisdiction considered the case of *Home Box Office v. Showtime/The Movie Channel*. [n.77] There, HBO sought preliminary injunctive relief to prevent Showtime from using the advertising slogan, "Showtime & HBO. It's Not Either/Or Anymore." The court held, in accord with previously cited authority, that where, as in this case, an effective disclaimer was included in the advertisement, an absolute prohibition on speech would be improper. [n.78]

The majority view in the line of cases just recited thus holds that if a method is available whereby conflicts between trademark rights and *355 free speech rights, even commercial speech rights, can be avoided, that method should be favored over a broad prohibition. Note that this result can be reached without deciding whether the weight of authority would favor trademark or speech rights in a direct, head on conflict. In 1987, a case involving just such a conflict was decided by the Supreme Court.

The case, *San Francisco Arts & Athletics, Inc. v. United States Olympic Committee*, [n.79] did not technically involve the Lanham Act itself. At issue was a provision of the Amateur Sports Act [n.80] which grants the United States Olympic Committee (USOC) the right to prohibit certain uses of the word "Olympic" as well as the Olympic symbol. This portion of the Amateur Sports Act mimics the Lanham Act in many respects, but the Amateur Sports Act differs in that first, it prohibits the use of the word without regard to whether the use is confusing and second, it does not provide a fair use defense. The USOC also has a registered trademark in the word "Olympic." The USOC brought suit against the petitioner (SFAA) when SFAA began to promote the "Gay Olympic Games."

SFAA argued first, that the word was generic and not registrable as a trademark, and second, that the First Amendment precluded Congress from granting exclusive use regardless of likelihood of confusion. The Court was not moved by either of these arguments. Regarding the first, the Court held that Congress reasonably could have found that the mark had acquired secondary meaning and was therefore not generic.

The inquiry regarding the second argument was more complex. First, the Court held that the pertinent provisions of the Amateur Sports Act would be applied "primarily" to commercial, rather than noncommercial speech. [n.81] Thus, the Court held that under

Ohralik and Bates, the Act was not subject to application of the overbreadth doctrine. Rather, the Court combined the commercial speech test of *Central Hudson* with its established test for "time, place and manner" restrictions to formulate a standard to be used in this case. "The appropriate inquiry is thus whether the incidental restrictions of First Amendment freedoms are greater than necessary to further a substantial government interest." [n.82]

The Court held that the Act passed this test, because Congress' protection of a certain word was not limited to particular confusing uses. "Congress reasonably could conclude that most commercial uses of the *356 Olympic words and symbols are likely to be confusing. It also could determine that unauthorized uses, even if not confusing, nevertheless may harm the USOC by lessening the distinctiveness and thus the commercial value of the marks." [n.83] The Court failed to deal with the common sense counterargument that all non-infringing uses of a trademark by anyone other than the registrant will reduce the distinctiveness of a mark. Further discussion of the arguments concerning such dilution will be presented *infra*.

Justice Brennan, joined by Justice Marshall, dissented on the grounds that the majority "ignor[ed] the serious First Amendment problems caused by its interpretation." [n.84] The dissent argued that the defenses available under the Lanham Act are "essential safeguards which prevent trademark power from infringing upon constitutionally protected speech." [n.85] The dissent quoted with approval the proposition from a popular treatise [n.86] that purely descriptive use of a trademark could be protected from a charge of infringement under the support of *Virginia Pharmacy*. However, it is clear that such a conclusion would be in direct tension with the holding of the Court in *San Francisco Arts & Athletics*.

The dissent, to this point in its analysis, had never accepted the majority's assumption that the Act would only affect commercial speech. Thus, all of Justice Brennan's arguments so far had pitted trademark rights against protected noncommercial speech. The dissent went on to assert that even if the Act only regulated commercial speech, its restrictions on free speech were still greater than were necessary. "At minimum, it is necessary to consider whether USOC's interest in use of the word 'Olympic' could not adequately be protected by rights coextensive with those in the Lanham Act, or by some other restriction on use of the word." [n.87] In concluding, Justice Brennan reinforced the point that the Lanham Act is "carefully crafted" to avoid the pitfalls of the Amateur Sports Act, and that even language in a commercial context belongs to the public unless a substantial government interest would allow a strictly limited intervention. [n.88]

The *San Francisco Arts & Athletics* case finally provides a relative weighting between the commercial speech doctrine and the Lanham Act; *357 based on its authority, the fair use defense is not mere surplusage. Despite Justice Brennan's protestations, it does not appear that present interpretation of the First Amendment would mandate an "implied" fair use defense were one not included in the statutory language.

VI. Comparison with Parody Cases

The discussion to this point has deliberately avoided consideration of cases involving the parody of trademarks. These cases are generally grounded on more traditional first amendment arguments that provide little insight into the relative strength of commercial speech rights vis-a-vis trademark property rights. However, a brief comparison of parody cases to descriptive mark cases may be useful for purposes of perspective.

Parody cases may involve either commercial or non-commercial use of a trademark. For instance, in *Jordache Enterprises, Inc. v. Hogg Wyld, Ltd*, [n.89] it was argued that defendant made a commercial parody use of plaintiff's trademark by marketing "Lardashe" blue jeans; conversely in *Reddy Communications v. Environmental Action Foundation, Inc.*, [n.90] the defendant was a non-profit corporation which published material using a caricature of "Reddy Kilowatt," plaintiff's trademark. The infringement claims in both of these cases failed on likelihood of confusion grounds, but notation was made of First Amendment issues. In *Reddy Communications*, the court opined in dicta that defendant's free speech rights would not "be severely hampered if this one arrow is removed from its quiver." [n.91] In *Jordache*, the court took note of the commercial nature of the parody at hand:

The tension between the first amendment and trademark rights is most acute when a noncommercial parody is alleged to have caused tarnishment, a situation in which first amendment protection is greatest. This concern is not as great here because Lardashe is being used as a trademark to identify a commercial product. [n.92]

Other courts in parody cases have rejected First Amendment arguments, particularly where facts suggesting commercial misappropriation were evident. [n.93] However, the First Amendment has been held to protect parodists in certain situations. For example, in the recent case *358 of *L.L. Bean, Inc. v. Drake Publishers, Inc.*, [n.94] the court cited *Lucasfilm* for the proposition that, "Trademark rights do not entitle the owner to quash an unauthorized use of the mark by another who is communicating ideas or expressing points of view." [n.95] The unauthorized use in that case was a parody of the L.L. Bean catalog which appeared in defendant's magazine *High Society*. The court characterized this as a non-commercial use of the trademark, and held that in such a situation plaintiff's trademark right would not trump defendant's First Amendment right.

The parody cases generally differ in two important aspects from those involving use of a trademark in a non-trademark, descriptive manner. First, parodists seem to be afforded some leniency by the courts in characterizing their activities as noncommercial. The court in *L.L. Bean* held that the parody was noncommercial because it was not featured on the magazine's cover, was listed as "humor" and "parody" in the table of contents, took up a small percentage of the magazine's pages, and did not seriously propose to market the goods of the parody's catalog. [n.96] Yet, it is extremely questionable whether analogous characterizations would save non-parody use of a trademark from categorization as commercial speech. For instance, consider a fair use case in which another's trademark was not prominent on the trade dress, was clearly used in a descriptive manner, and would unquestionably not cause confusion. Such expression, independent of the fair use

considerations, would almost certainly be considered "commercial" speech. [n.97] The distinction seems to lie in the purpose of the expression more than in the mechanics of the expression. Since the purpose of parody lies closer to that of expression afforded traditional First Amendment protection, parody cases will be less often subject to the restrictions of the commercial speech doctrine than their descriptive use counterparts.

The second difference between the parody cases and those involving a descriptive trademark lies in the availability of the fair use defense in the latter. Since parody cases will not generally have fair use available as a "safety valve," one would expect to see First Amendment defenses raised more often in parody cases than in descriptive use cases.

Despite these differences, the parody cases do provide a further testing ground for the relationship between trademark and first amendment *359 rights. The parody cases, in fact, help focus on another interesting aspect of this relationship. Since it is clear in most parody cases that there will be no consumer confusion, a plaintiff trademark owner may find it difficult to prevail on a claim to protect its trademark under the Lanham Act. As an alternative, the owner might rely on a state law claim that the value of their trademark is being "diluted" by the parodist's use of the mark. Such was the case, in fact in *L.L. Bean*. The trial court denied plaintiff's request for summary judgment on its Lanham Act claims, but granted summary judgment on its claims under the Maine anti-dilution statute. The court of appeals reversed, holding that the application of the anti-dilution statute to noncommercial parody violated the First Amendment. Similarly, in *Jordache*, plaintiff raised a claim under the New Mexico anti-dilution statute; in *Reddy Communications* a common law claim was asserted that every use of the mark by the parodist would bring the mark closer to becoming generic.

VII. Dilution Considerations

The connection between dilution, the First Amendment and fair use deserves attention. On the most basic level, one could argue that any unauthorized use of a trademark reduces its distinctiveness and therefore its value and prospects for a long non-generic life. Indeed, state statutes such as Maine's and New Mexico's, similar to the Model State Trademark Bill, [n.98] tend to support such a view:

Likelihood of injury to business reputation or of dilution of the distinctive quality of a mark registered under this Act, or a mark valid at common law, or a trade name valid at common law, shall be a ground for injunctive relief notwithstanding the absence of competition between the parties or the absence of confusion as to the source of goods or services. [n.99]

The difficulty with such a broad protection from dilution is that it may run afoul of both the commercial speech doctrine and the fair use defense. The Lanham Act's fair use defense would clearly preempt state protection from dilution in cases where the defense applies. Situations could also be imagined where a trademark owner could be precluded

from claiming dilution even under the present adolescent state of the commercial speech doctrine.

More specifically, the growth of the commercial speech doctrine may lead to a carving out of situations in which the state anti-dilution statutes may be invoked. Thus, apart from the Lanham Act, developments *360 in First Amendment jurisprudence will have an effect on state law trademark protection as well.

While the federal law does not have an explicit anti-dilution provision of its own, it does have a somewhat related provision covering unfair competition. Section 43(a) of the Lanham Act [n.100] prohibits false descriptions and false designations of origin. At first blush, it might appear that such a general prohibition would suffer from the same infirmities as the state dilution statutes. However, § 43(a) is not so burdened. The good faith requirement of the fair use defense, and the limitation of the commercial speech doctrine to non-misleading expression, effectively isolates § 43(a) from these concerns.

VIII. Implications/Conclusions

The emergence of the commercial speech doctrine in constitutional law has significant implications for those involved with trademark protection. Specifically, the doctrine presently bolsters, and may eventually supersede, the fair use defense applicable to unauthorized uses of merely descriptive trademarks.

The San Francisco Arts & Athletics case indicates that the Supreme Court is not quite prepared to say that the commercial speech doctrine is so strong as to prevent state sponsored appropriation of language from the public domain for trademark purposes.

Despite the similarity in goals between the commercial speech doctrine and the fair use defense, the two have developed along markedly different lines. The commercial speech doctrine developed as an extension of the traditional protection of freedom of expression, while the fair use defense developed at common law under more economic-based concerns. Even though there is little historical connection between the First Amendment and the Lanham Act, the emergence of the commercial speech doctrine has now created a nexus between free speech and trademark protection. Since both the commercial speech doctrine and the fair use defense are aimed in the same direction, the future development of each would best be implemented by considering the historical basis of the other. In this way a coherent merger of the two concepts may be fostered.

A secondary implication of the commercial speech doctrine on trademark law is that it has begun to invade the province of state anti-dilution statutes. While some application of these statutes had already been precluded by the fair use defense, the potential broadening of the *361 commercial speech doctrine would result in a concomitant contraction of the scope of these state statutes.

In practical terms, these developments suggest that the viability of merely descriptive marks may have passed its peak; besides vulnerability to fair use, these marks may now have lost additional protection from dilution which had been available under state law before the commercial speech doctrine became applicable to such situations.

The reckoning day may soon be approaching when a new line separating private trademark rights from the public domain will be drawn not by the traditional economic sword of the Lanham Act but by the pen of free speech.

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[n.1]. See, e.g., Denicola, Trademarks as Speech: Constitutional Implications of the Emerging Rationales for the Protection of Trade Symbols, 1982 Wis. L. Rev. 158 (1982); Note, Trademark Parody: A Fair Use and First Amendment Analysis, 72 Va. L. Rev. 1079 (1986); Dorsen, Satiric Appropriation and the Law of Libel, Trademark, and Copyright: Remedies Without Wrongs, 65 B.U.L. Rev. 923 (1985).

[n.2]. 15 USC § 1052(e); Lanham Act § 2(e).

[n.3]. 15 USC § 1052(f); Lanham Act § 2(f).

[n.4]. See, e.g. *Soweco, Inc. v. Shell Oil Co.*, 617 F.2d 1178, 1183 (5th Cir. 1980).

[n.5]. *Canal Co. v. Clark*, 80 U.S. (13 Wall.) 311, 323, 20 L. Ed. 581 (1871); see also *Abercrombie & Fitch Co. v. Hunting World, Inc.*, 537 F.2d 4, 9 (2d Cir. 1976).

[n.6]. *Park 'N Fly, Inc. v. Dollar Park and Fly, Inc.*, 469 U.S. 189, 105 S. Ct. 658, 661 (1985); *Abercrombie*, supra note 5 at 9.

[n.7]. *Abercrombie*, supra note 5 at 9 n. 10, citing *Armstrong Paint & Varnish Works v. Nu-Enamel Corp.*, 305 U.S. 315 (1938).

[n.8]. 15 USC § 1065; Lanham Act § 15; *Park 'N Fly*, supra note 6 at 663.

[n.9]. 15 USC § 1064(c); Lanham Act § 14(c).

[n.10]. 15 USC § 1058(b); Lanham Act § 8(b).

[n.11]. 15 USC § 1115(b)(4); Lanham Act § 33(b)(4).

[n.12]. Park 'N Fly, *supra* note 6 at 664. See also *King-Size, Inc. v. Frank's King Size Clothes, Inc.*, 547 F. Supp. 1138, 1164 n. 19 (S.D. Tex. 1982).

[n.13]. See, e.g., *King-Size*, *supra* note 12; *Schmid Laboratories v. Youngs Drug Prods. Corp.*, 482 F. Supp. 14 (D.N.J. 1979); *Venetianaire Corp. of Am. v. A & P Import Co.*, 429 F.2d 1079 (2d Cir. 1970).

[n.14]. *Eli Lilly and Co. v. Revlon, Inc.*, 577 F. Supp. 477 (S.D.N.Y. 1983).

[n.15]. *King-Size*, *supra* note 12 at 1164 n. 19.

[n.16]. *Tree Tavern Prods., Inc. v. Conagra, Inc.*, 640 F. Supp. 1263, 1268 (D. Del. 1986).

[n.17]. *Beer Nuts, Inc. v. Clover Club Foods Co. ("Beer Nuts I")*, 711 F.2d 934, 937-38 (10th Cir. 1983).

[n.18]. *Schmid Laboratories*, *supra* note 13 at 20-21 (emphasis in original, footnote omitted).

[n.19]. 469 U.S. 189, 105 S.Ct. 658, 665, 83 L.Ed.2d 582 (1985).

[n.20]. 617 F.2d 1178 (5th Cir. 1980), cert. denied, 450 U.S. 981 (1981).

[n.21]. 617 F.2d 1178.

[n.22]. 698 F.2d 786, 791 (5th Cir. 1983).

[n.23]. 3 Callmann, *Unfair Competition, Trademarks and Monopolies*, Third Edition, § 77.2.

[n.24]. *Abercrombie & Fitch Co. v. Hunting World, Inc.*, 537 F.2d 4, 12(2d Cir. 1976)(Court refused under § 1115(b)(4) to enjoin prospective use of term "safari" for hunting boots imported from Africa, even though the plaintiff had obtained an incontestible registration for SAFARI for shoes). See also *MBH Enterprises, Inc. v. Woky, Inc.*, 633 F.2d 50 (7th Cir. 1980) (Court refused under § 1115(b)(4) to enjoin prospective use of the phrases "I LOVE MILWAUKEE" and "WOKY LOVES MILWAUKEE" for radio programs even though plaintiff had valid registration in the U.S. Patent and Trademark Office of the words "I LOVE YOU" as a mark for radio programs); *Schmid Laboratories v. Youngs Drug Products*, 482 F. Supp. 14, 20 (D.N.J. 1979) (Court refused under § 1115(b)(4) to enjoin the prospective use of "RIBBED" for a condom even though plaintiff had a valid registration for "SENSI-RIBBED" for condoms); *King Size, Inc. v. Frank's King Size Clothes, Inc.*, 547 F. Supp. 1138, 1164 (S.D. Tex. 1982) (Court refused under § 1115(b)(4) to enjoin use of "KING SIZE" for retail clothes services even though plaintiff had a registered trademark for KING SIZE for the same services); See also, *Eli Lilly and Co. v. Revlon, Inc.*, 577 F. Supp. 477 (S.D.N.Y. 1983) (Court refused under § 1115(b)(4) to enjoin use of "lip repair cream" for a cosmetic product even assuming that plaintiffs LIP-FIX mark for the same cosmetics acquired secondary meaning); *Leathersmith of London, Ltd. v. Alleyn*, 695 F.2d 27, 30 (1st Cir. 1982) cert. denied, 459 U.S. 1209 (1983) (Court refused under § 1115(b)(4) to enjoin use of "leathersmiths" for leather crafting even though plaintiff had a valid registered trademark for LEATHERSMITH for leather products); *Charles of the Ritz Group Ltd. v. Marcon, Ltd.*, 635 F. Supp. 158 (S.D.N.Y. 1986) (Court refused under § 1115(b)(4) to enjoin use of "silk" for cosmetics even though plaintiff had a registered trademark for SILK for cosmetics and toiletries).

[n.25]. 640 F. Supp. 1263 (D. Del. 1986).

[n.26]. *Id.* at 1273. See also, *Dolby v. Richardson*, 654 F. Supp. 815 (N.D. Cal. 1986) in which the court balanced the competing equities between a trademark owner (DOLBY STEREO) and a musician's stage name (THOMAS DOLBY) and granted only a very narrow injunction which allowed the musician to use his stage name and yet would prevent a likelihood of confusion.

[n.27]. For related discussion, see *Soweco*, supra note 4 and *Tree Tavern*, supra note 16.

[n.28]. See *Valentine v. Chrestensen*, 316 U.S. 52 (1942); see generally *Central Hudson Gas v. Pub. Serv. Comm'n of N.Y.*, 447 U.S. 557, 584 (1980) (Rehnquist, dissenting).

[n.29]. 425 U.S. 748 (1976).

[n.30]. 433 U.S. 350 (1977).

[n.31]. *Bates*, *supra* note 30, at 380.

[n.32]. *Id.*

[n.33]. *Bates*, *supra* note 30, at 404.

[n.34]. 436 U.S. 447 (1978).

[n.35]. *Id.* at 455-56.

[n.36]. 444 U.S. 632, 633 (1980).

[n.37]. *Id.* at 633 n. 7.

[n.38]. *Id.* at 640.

[n.39]. 447 U.S. 557 (1980).

[n.40]. *Id.* at 564 (citations and footnote omitted).

[n.41]. *Id.* at 566.

[n.42]. *Id.* at 573.

[n.43]. *Id.* at 598.

[n.44]. 105 S. Ct. 2265 (1985).

[n.45]. 472 U.S. 181 (1975).

[n.46]. *Id.* at 234.

[n.47]. 106 S. Ct. 903 (1986).

[n.48]. *Id.* at 106 S. Ct. 903.

[n.49]. 106 S. Ct. 2968 (1986).

[n.50]. *Id.* at 2983.

[n.51]. See, e.g., *Fed. Trade Comm'n v. Brown & Williamson Tobacco Corp.*, 778 F.2d 35 (D.C. Cir. 1985).

[n.52]. See, e.g., *Supersign of Boca Raton, Inc. v. City of Fort Lauderdale*, 766 F.2d 1528 (11th Cir. 1985).

[n.53]. *Supra*, note 5 at 323-324.

[n.54]. *Id.* at 324.

[n.55]. 440 U.S. 1 (1979).

[n.56]. *Id.* at 985 (footnote omitted).

[n.57]. *Id.* at 11.

[n.58]. Id. at 902.

[n.59]. 489 F. Supp. 1112 (S.D.N.Y. 1980).

[n.60]. Id. at 1124.

[n.61]. Id., quoting from *Fur Information & Fashion Council v. E.F. Timme & Son, Inc.*, 364 F. Supp. 16, 22 (S.D.N.Y. 1973), *aff'd on other grounds*, 501 F.2d 1048 (2d Cir.), *cert. den.*, 419 U.S. 1022 (1974).

[n.62]. 724 F.2d 1044 (2d Cir. 1983), *reh'g den.* 730 F.2d 47 (1984).

[n.63]. Id. at 1053.

[n.64]. *Supra*, note 5.

[n.65]. 469 U.S. at 672.

[n.66]. Id. n. 20, quoting U.S. Department of Commerce, Patent and Trademark office, *Trademark Manual of Examining Procedure* 144 (1983).

[n.67]. *Supra*, n. 51.

[n.68]. Id. at 43 (citations omitted, omissions in original).

[n.69]. 622 F. Supp. 931 (D.D.C. 1985).

[n.70]. Id. at 933 (citations omitted).

[n.71]. Id. at 935.

[n.72]. 654 F. Supp. 815 (N.D. Cal. 1986).

[n.73]. Id. at 823.

[n.74]. 664 F. Supp. 753 (S.D.N.Y. 1987)

[n.75]. Id. at 768 (citation omitted).

[n.76]. Id. at 767-68 n. 17.

[n.77]. 665 F. Supp. 1079 (S.D.N.Y. 1987), aff'd in part, vacated in part, 832 F.2d 1311 (holding limited by Soltex Polymer Co. v. Fortex Industries, Inc. 832 F.2d 1325).

[n.78]. Id. at 1086.

[n.79]. 107 S. Ct. 2971 (1987).

[n.80]. Section 110 of the Act, 36 U.S.C. § 380.

[n.81]. Id. at 2981 n. 15.

[n.82]. Id. at 2981.

[n.83]. Id. at 2982.

[n.84]. Id. at 2994.

[n.85]. Id. at 1995.

[n.86]. Id. at 2996, quoting 1 J. Gilson, Trademark Protection and Practice § 5.09[5], pp. 5-88 to 5-89 (1986).

[n.87]. *Id.* at 2999.

[n.88]. *Id.* at 3000.

[n.89]. 828 F.2d 1482 (10th Cir. 1987).

[n.90]. 199 U.S.P.Q. 630 (D.D.C. 1977).

[n.91]. *Id.* at 634.

[n.92]. *Jordache*, *supra* note 89, at 1490 n. 7.

[n.93]. See *Dallas Cowboys Cheerleaders, Inc. v. Pussycat Cinema, Ltd.*, 604 F.2d 200 (1979) (motion picture "Debbie Does Dallas"); *Mutual of Omaha Ins. Co. v. Navak*, 648 F. Supp. 905 (D.Neb. 1986) (merchandise with slogan "Mutant of Omaha").

[n.94]. 811 F.2d 26 (1st Cir. 1987).

[n.95]. *Id.* at 29.

[n.96]. *Id.* at 32.

[n.97]. See *Tree Tavern*, *supra* note 16.

[n.98]. For related discussion, see *Denicola*, *supra* note 1 at 182-83.

[n.99]. Model State Trademark Bill § 12 (1964). See also *Jordache*, *supra* note 89, 828 F.2d at 1488; *L.L. Bean*, *supra* note 94, 811 F.2d at 27 n.1.

[n.100]. 15 U.S.C. § 1125(a).