No. 20-365

In the Supreme Court of the United States

JACK DANIEL'S PROPERTIES, INC.,
PETITIONER,
v.
VIP PRODUCTS LLC,
RESPONDENT.

ON PETTION FOR WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE NINTH CIRCUIT

BRIEF OF THE INTELLECTUAL PROPERTY LAW ASSOCIATION OF CHICAGO AS AMICUS CURIAE IN SUPPORT OF PETITIONER

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INTEREST OF AMICUS CURIAE[1]

The Intellectual Property Law Association of Chicago ("IPLAC") respectfully requests that this Court grant the petition for writ of certiorari regarding the Ninth Circuit's decision in *VIP Prods. LLC v. Jack Daniel's Properties, Inc.*, 953 F.3d 1170 (9th Cir. 2020) to resolve a circuit split in the law of trademarks and to clarify an area of law that is in disarray.[2]

Founded in 1884 in Chicago, Illinois, a principal forum for U.S. technological innovation and intellectual property litigation, IPLAC is the country's oldest bar association devoted exclusively to intellectual property matters. IPLAC has as its governing objects, *inter alia,* to aid in the development of intellectual property laws, the administration of them, and the procedures of the U.S. Patent and Trademark Office, the U.S. Copyright Office, and the U.S. courts and other officers and tribunals charged with administration. IPLAC's about 1,000 voluntary members include attorneys in private and corporate practices in the areas of copyrights, patents,

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[1] Pursuant to Supreme Court Rule 37.6, no counsel for a party authored this brief in whole or in part and no such counsel, or party made a monetary contribution intended to fund the preparation or submission of this brief. No person or entity, other than Amicus, its members or its counsel, has made a monetary contribution to the preparation or submission of this brief.

[2] Pursuant to Supreme Court Rule 37.2(a), both Petitioner and Respondent have provided written consents to IPLAC's filing of this brief, and the counsel of record for all parties received notice of IPLAC's intention to file an amicus curiae brief at least 10 days prior to the due date for the amicus curiae brief.

trademarks, trade secrets, and the legal issues they present before federal courts throughout the United States, as well as before the U.S. Patent and Trademark Office and the U.S. Copyright Office.[3] IPLAC's members represent innovators and accused infringers in roughly equal measure and are split roughly equally between plaintiffs and defendants in litigation.

As part of its central objectives, IPLAC is dedicated to aiding in developing intellectual property law, especially in the federal courts.[4]

SUMMARY OF FACTS[5]

In 2007, Respondent VIP Products LLC ("VIP") began selling its "Silly Squeakers" line of dog toys. In 2013, VIP introduced a "Bad Spaniels" toy, which

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[3] In addition to the statement of footnote 1, after reasonable investigation, IPLAC believes that (a) no member of its Board or Amicus Committee who voted to prepare this brief, or any attorney in the law firm or corporation of such a member, represents a party to this litigation in this matter; (b) no representative of any party to this litigation participated in the authorship of this brief; and (c) no one other than IPLAC, or its members who authored this brief and their law firms or employers, made a monetary contribution to the preparation or submission of this brief.

[4] Although over 30 federal judges are honorary members of IPLAC, none were consulted on, or participated in, this brief.

[5] *See generally VIP Prods. LLC v. Jack Daniel's Properties, Inc.,* 953 F.3d 1170 (9th Cir. 2020).

resembles the shape, color, label, and appearance of a bottle of Jack Daniel's Tennessee Whiskey.[6]

In 2014, Jack Daniel's Properties, Inc. ("Jack Daniel's") demanded that VIP stop selling the Bad Spaniels toy. In response, VIP filed a complaint in the U.S. District Court for the District of Arizona, seeking a declaratory judgment that the Bad Spaniels toy did not infringe or dilute any trademark or trade dress rights owned by Jack Daniel's. The district court found that "the Bad Spaniels' product has caused a likelihood of confusion and reputational harm" constituting trademark infringement, trade dress infringement, and dilution by tarnishment.[7] *VIP Prods. LLC v. Jack Daniel's Properties, Inc.*, 291 F. Supp. 3d 891, 911 (D. Ariz. 2018).

VIP appealed to the U.S. Court of Appeals for the Ninth Circuit, arguing that its use of the Jack Daniel's marks was an expressive, noncommercial use that is not subject to the Lanham Act. The Ninth Circuit

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[6] Jack Daniel's Properties, Inc. owns several U.S. trademark registrations for Jack Daniel's marks used in conjunction with its whiskey bottle, including for the bottle's shape. *See, e.g.*, U.S. Trademark Registration Nos. 42,663; 582,789; 1,923981; and 4,106,178.

[7] The similarities in VIP's Bad Spaniels toy and the Jack Daniel's bottle were not particularly amusing to Jack Daniel's. For example, the "Old No. 7" old-fashioned looking script displayed on a Jack Daniel's bottle is changed to "Old No. 2," to represent dog excrement. Another one of the similarities in the two products is the word "Tennessee" ("Tennessee Whiskey" for Jack Daniel's product and "Tennessee Carpet" for VIP's dog toy located in similar order on both labels). *See* Petition at p. 11.

applied the *Rogers* test and reversed the decision of the district court. *See VIP Prods. LLC v. Jack Daniel's Properties, Inc.*, 953 F.3d 1170, 1174-76 (9th Cir. 2020), citing *Rogers v. Grimaldi*, 875 F. 2d 994 (2d Cir. 1989).

Under the *Rogers* test, to prove trademark infringement of an expressive work, the trademark owner must show that the alleged infringer's "use of the mark is either (1) 'not artistically relevant to the underlying work' or (2) 'explicitly misleads consumers as to the source or content of the work.'" *VIP Prods.*, 953 F. 3d at 1174. The Ninth Circuit found that the Bad Spaniels toy is an "expressive work" that "communicates a 'humorous message'" and concluded that "… the district court erred in finding trademark infringement without first requiring [Jack Daniel's] to satisfy at least one of the two *Rogers* prongs." *Id.* at 1175-76.

Regarding dilution by tarnishment, the Ninth Circuit also reversed the finding of the district court. The Ninth Circuit held that the Bad Spaniels toy constitutes a noncommercial use of the Jack Daniel's marks because the product "convey[s] a humorous message." *Id.* at 1176. The Ninth Circuit concluded that because such use was "noncommercial," it was exempt from a claim of dilution by tarnishment as protected speech under the First Amendment.

ISSUES PRESENTED

This case presents two issues. The first is whether the humorous use of a mark on a commercial product is subject to the same likelihood of confusion analysis

for trademark infringement under the Lanham Act applicable to other marks or must receive heightened First Amendment protection from trademark infringement claims. Under the latter standard, the brand owner must prove that the alleged infringer's use of the mark either is "not artistically relevant" or "explicitly misleads consumers," in addition to a likelihood of confusion.

The second issue is whether a humorous use of a mark or trade dress in conjunction with a commercial product renders the use of the mark as "noncommercial," thus shielding it, as a matter of law, from a claim of trademark dilution by tarnishment under 15 U.S.C. § 1125(c)(3)(C).

IPLAC respectfully submits that the Court should grant the petition to resolve a division among the circuit courts on the first issue and to clarify the law, which is in disarray, on the second issue. The outcome of a federal trademark infringement claim or claim for dilution of a famous mark under the Lanham Act should not depend on which jurisdiction a claimant chooses.

IPLAC respectfully submits that the first issue presents a split in the circuits, which is ripe for the Court's review. A mark or trade dress used in conjunction with the sale of a commercial product, even one that purports to be funny, should be subject to the same likelihood of confusion analysis for trademark infringement under the Lanham Act. Several circuits have so held, finding that this analysis will take into account any First Amendment

protection for marks that convey a humorous message.

IPLAC also respectfully submits that the second issue presents an area of law that is in disarray. The humorous use of a famous mark on a commercial product should not automatically render the use "noncommercial." Such uses should be subject to claims of dilution by tarnishment under 15 U.S.C. § 1125(c)(3)(C) in appropriate circumstances.

SUMMARY OF ARGUMENT

The Court should grant certiorari to resolve the division among the circuit courts of appeals concerning the effect of a humorous use of a trademark or trade dress in a claim for trademark or trade dress infringement under the Lanham Act. This Court should reverse the Ninth Circuit's decision and hold that the use of marks or trade dress in a humorous manner is subject to the same likelihood of confusion analysis as other marks under the Lanham Act, as several other circuit courts of appeals have held.

Additionally, this Court should hold that the use of marks or trade dress on commercial products in a humorous manner does not automatically render such use "noncommercial" and thereby shield such marks or trade dress from claims of trademark dilution by tarnishment under 15 U.S.C. § 1125(c)(3)(C).

ARGUMENT

I. THE COURTS OF APPEALS ARE DIVIDED ON THE QUESTIONS PRESENTED

The Ninth Circuit's ruling presents a division among the circuit courts. Its decision renders any commercial product using a mark or trade dress in a humorous manner "an expressive work." In the Ninth Circuit, expressive works are given heightened protection, i.e., a plaintiff must show that the defendant's expressive use was either "not artistically relevant to the underlying work" or "explicitly misleads consumers as to the source or content of the work" – in addition to a likelihood of confusion – in order to succeed on a claim of trademark infringement under the Lanham Act.

In contrast with the Ninth Circuit, the Second, Fourth, Fifth, Seventh, Eighth, and Tenth Circuits apply a likelihood of confusion analysis to marks that are used on commercial products, even those that convey a humorous message, whereby humor is but one factor among several in the analysis. In *Louis Vuitton Malletier, S.A. v. Haute Diggity Dog, LLC*, the Fourth Circuit found that Haute Diggity Dog successfully parodied Louis Vuitton handbags with its "Chewy Vuitton" dog toy. *Louis Vuitton Malletier, S.A. v. Haute Diggity Dog, LLC*, 507 F.3d 252 (4th Cir. 2007). However, the court held that while a humorous use can influence the application of the likelihood of confusion factors, such use does not preclude the analysis.

In *Harley-Davidson, Inc. v. Grottanelli*, 164 F.3d 806 (2d Cir. 1999), the Second Circuit held that "a trademark parody that endeavors to promote primarily non-expressive products" remains subject to the likelihood of confusion analysis. This is consistent with the majority of circuit courts. *See, e.g. Elvis Presley Enters., Inc. v. Capece*, 141 F.3d 188 (5th Cir. 1998); *Nike, Inc. v. "Just Did It" Enters.*, 6 F.3d 1225 (7th Cir. 1993); *Mutual of Omaha Insurance Co. v. Novak*, 836 F.2d 397 (8th Cir. 1987); and *Jordache Enters., Inc. v. Hogg Wyld, Ltd.*, 828 F.2d 1482 (10th Cir. 1987). The Court should grant certiorari to resolve this division between these circuit courts and the Ninth Circuit, so that the federal trademark laws will be applied consistently across all U.S. courts.

II. THE USE OF MARKS OR TRADE DRESS IN A HUMOROUS MANNER SHOULD BE SUBJECT TO THE SAME LIKELIHOOD OF CONFUSION ANALYSIS AS OTHER PRODUCTS UNDER THE LANHAM ACT

The Court should resolve the division among the circuit courts by holding that marks or trade dress used in a humorous manner should be subject to the same likelihood of confusion analysis as other marks or trade dress under the Lanham Act.

In *Nike, Inc. v. "Just Did It" Enters.,* the Court of Appeals for the Seventh Circuit considered a case concerning clothing bearing "MIKE" and "JUST DID IT" as takeoffs on NIKE and Nike's JUST DO IT marks. 6 F.3d 1225 (7th Cir. 1993). While the Seventh Circuit noted that if "the defendant employs a successful parody, the customer would not be

confused, but amused," the court held that parody is not an affirmative defense but rather an additional factor in the likelihood of confusion analysis. *Id.* at 1228. The ultimate question is whether the alleged infringer's "goods confuse customers. Parodies do not enjoy a dispensation from this standard." *Id.*

This holding balances First Amendment protections afforded to humor and criticism, while maintaining the right of a trademark owner to prohibit uses that are likely to cause confusion among consumers. The Court should reverse the decision of the Ninth Circuit and hold that the humorous use of marks or trade dress of others should be subject to the same likelihood of confusion analysis as other marks or trade dress under the Lanham Act, with the humorous aspect of the mark or trade dress being one factor in the likelihood of confusion analysis.

III. THE USE OF A MARK OR TRADE DRESS IN A HUMOROUS MANNER ON A COMMERCIAL PRODUCT DOES NOT RENDER THE USE "NONCOMMERCIAL"

The Court should clarify the law regarding trademark dilution by tarnishment, which is in disarray among the circuit courts of appeals. The Court should hold that the humorous use of a mark or trade dress on a commercial product does not necessarily render the use "noncommercial." The Ninth Circuit held that the use of a mark to convey a humorous message on a commercial product is not dilution because it is noncommercial, "even if it is used to 'sell' a product" (citing *Nissan Motor Co. v. Nissan Comput. Corp.*, 378 F.3d 1002, 1017 (9th Cir. 2004)).

While some courts have barred dilution claims concerning critical uses of trademarks, the Ninth Circuit decision uniquely expands all humorous uses of marks to "noncommercial."

Moreover, the Ninth Circuit's decision in the present case does not follow from its cited ruling in *Nissan Motor*, which held that Nissan Computer's negative commentary on Nissan Motor is protected as informational, rather than commercial. In contrast to negative commentary, a humorous use of a mark or trade dress on a commercial product does not necessarily convey information protected by the First Amendment. The Court should reverse the decision of the Ninth Circuit, clarify the law of trademark dilution by tarnishment and hold that a humorous use of a mark or trade dress in conjunction with a commercial product does not automatically render the use "noncommercial."[8]

CONCLUSION

Because there is a split in the circuits on whether the humorous use of trademarks or trade dress on commercial products should be subject to a likelihood of confusion analysis for trademark infringement under the Lanham Act, this Court should grant the Petition. Further, the Court should grant the Petition to clarify the law regarding trademark dilution by

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[8] *See, e.g., Radiance Found., Inc. v. N.A.A.C.P.*, 786 F.3d 316, 331 (4th Cir. 2015); *TMI, Inc. v. Maxwell*, 368 F.3d 433, 437 (5th Cir. 2004); *L.L. Bean, Inc. v. Drake Publishers, Inc.*, 811 F.2d 26, 32 (1st Circuit 1987); *but see Anheuser-Busch, Inc. v. Balducci Publ'ns,* 28 F.3d 769, 778 (8th Cir. 1994).

tarnishment and whether the humorous use of a mark or trade dress on a commercial product will render the use "noncommercial" for purposes of 15 U.S.C. § 1125(c)(3)(C). Both issues are important to the goals of the Lanham Act in protecting against consumer confusion over the source of products or services in the marketplace and harm to a trademark owner's goodwill and reputation.

Respectfully submitted,

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