

Scenario Four

Your e-mail lights up with a new message from the Internet Freedom Foundation, an organization that recruits attorneys for *pro bono* representation of individuals and not-for-profit businesses in cases arising out of their activities on the internet. Today's case involves Zach, a 20-something Los Angeles blogger, musician by night, *barista* in a local coffee house by day, and self-styled media critic online. Zach posted an entry complaining about the incessant sniping between two of the judges on the popular television program American Idol, Simon Cowell and Paula Abdul. He thought perhaps they needed to "take it outside" to resolve their issues, so that the show would be less annoying. Apparently this entry touched a nerve, as there were dozens of responses. He posted a follow-up entry in which he announced the following:

Since Ms. Abdul and Mr. Cowell seem intent on fighting, and since American Idol is all about taking sides, I have retrofitted my old Rock'em Sock'em Robots set (in Photoshop, of course) so that we can choose sides and settle this once and for all. Who will knock out who?



The response of site readers was enthusiastic, and Zach decided that it would be fun to sell an inexpensive conversion kit so that others could have one, too.

Okay people, you asked for it, you're getting it. I have found a company that will make little rubber "faces" custom-fitted to slip over the robot heads, but I need to know how many to order because it would not be fun to have a lot of excess inventory. You will be able to place orders (yes, including paying for them) at www.PaulaHatesSimon.com, just as soon as

I get around to putting up some pages there. And naturally each kit will include the “American Imbecile” logo sticker.

Word quickly got around the internet and FOX raised objections in a demand letter. Of course, Zach blogged about this, adding:

Once upon a time there was a First Amendment in this country. I’ve posted a copy of it at www.AmericanImbecile.com so that those who seem to have forgotten can refresh their memories.

In fact, the First Amendment was the entire content of that site. FOX sued, seeking relief on several grounds, including trademark infringement and dilution (based on the name/logo American Imbecile and the domain name AmericanImbecile.com), and cybersquatting. FOX asked for an order barring Zach from selling any product associated with the program or its characters, and for transfer of the AmericanImbecile.com domain name. Paula Abdul and Simon Cowell joined the suit, alleging that the proposed “rubber faces” and the domain name PaulaHatesSimon.com misappropriated their identities. The stars sought an order barring Zach from selling any product evoking their personas, or using the PaulaHatesSimon.com domain name for anything related to either of them.

You check in with Joan, one of your more experienced colleagues. She finds it extremely silly, but agrees to outline her thoughts for your consideration.

Q10. Joan’s take on FOX’s infringement claim is that Zach’s use of “American Imbecile” in connection with his “conversion kit” does not create a likelihood of confusion. She noted that the marks look and sound different, and the meanings are just about the complete opposites. Furthermore, in Zach’s logo, the word Imbecile is in neon pink. Although FOX sell a variety of merchandise with the American Idol name on it, such as t-shirts, hats, bags, and an iPod slipcover, there is nothing like this at all. While both sides sell through the web and target the show’s viewers, such loyal fans would have no difficulty recognizing that Zach’s product is unofficial. Finally, she says that Zach’s product clearly is a kind of commentary or parody, so any minor amount of confusion that might arise will be outweighed by the First Amendment interest. Do you agree?

A. No, because Joan did not consider the strength of the American Idol mark, which is very well known and for a mark this strong, a court will strain to find a likelihood of confusion despite all the other differences.

Strength of a mark is an important consideration, but this statement is too extreme in asserting that it could outweigh all of the other factors.

B. Yes, for the name, but No for Zach’s logo because in the Ninth Circuit, a nominative fair use can take only as much as is necessary to call to mind the original (here, “American” is enough).

The choice assumes that Zach asserts a nominative fair use defense, so that the 3-prong New Kids test is applied. Reasonable people could differ on the necessity

of using the logo for a “parody” product, but the assertion that “American” alone is enough to identify the program American Idol definitely seems mistaken.

- C. No, because based on other FOX shows such as The Simpsons, character-based toys are within the foreseeable scope of expansion for genuine American Idol merchandise, at which point the balance of factors would swing sharply in favor of FOX.

The analogy between a cartoon and a talent show is strained, but the idea of expansion is not entirely absurd. Even then, though, the differences between the marks would carry a lot of weight, making a “sharp swing” unlikely.

- D. Yes, because even though the American Idol mark is strong, the right to engage in minimally confusing media criticism — in diverse forms — is stronger, particularly where there is no risk of product substitution.

BEST ANSWER — because American Imbecile was used first as part of a parodic illustration in a blog, it has significant First Amendment credibility, even after it is used on a parody product. There’s no guarantee that a court will agree, but the famousness of American Idol seems to “cut against” confusion in this case.

- E. No, even though it is funny and not intended to harm FOX, the court will always act to protect the public from possible confusion, and thereby the trademark owner’s reputation, no matter how minimal that risk might be.

Simply not true. Courts tolerate “some” level of confusion to accommodate other important interests.

- Q11. On the dilution claim, Joan concedes that “American Idol” is a famous mark, and therefore is protected against tarnishment. Anyone called an “imbecile” should be highly insulted, as the word refers to someone who is stupid or has a mental age of 7 or under. Zach’s readers and customers might understand the term to refer to the show’s host and judges, its contestants, or its audience. Any of these interpretations might lower the program’s esteem in the eyes of the public, and therefore be considered to tarnish it. It’s a harsh result, but, she says, parody must have some limits. Do you agree?

- A. No, because the Ninth Circuit has held that using the very famous mark “Barbie” does not cause dilution, so any *less* famous marks like American Idol must be available for third party use.

It’s not that simple.

- B. Yes, because the analogy to the *Deere* case (altered deer logo) is better than the analogy to the *Hormel* case (altered SPAM mark).

Actually, the analogy to the fictional character SPA’AM in the Muppet feature is closer than the altered reference in a direct competitor’s advertising. Not only are the relationship of the parties and the context of use quite different from Deere,

the intention behind the altered mark is media criticism, rather than ridiculing a competitor.

- C. No, because under the emerging multiple-factor test, the dissimilarity of the words “idol” and “imbecile” would lead to the conclusion that there would be no blurring of the American Idol mark in the public mind.

Ah, but the issue is tarnishment, not blurring.

- D. Yes, because Congress has not yet passed H.R. 683, so courts do not yet recognize parody as a defense to Federal trademark dilution.

While the Federal trademark dilution act does not refer to parody by name, the courts have in fact recognized it as a type of noncommercial speech.

- E. No, because Joan has overlooked the noncommercial use exception, which applies even to products sold for a profit.

BEST ANSWER — *Come on Barbie, let’s go party. (At least one student observed that this defense may not be available under State anti-dilution laws, which is true.)*

Q12. Registering AmericanImbecile.com in response to FOX’s demand letter was not the best move, Joan says. It suggests a type of inappropriate retaliation. On the other hand, the usage purely to display the First Amendment presents little risk of confusion, and it does not seem as though FOX would itself have a need to use this domain. Because Zach had labeled his “prototype” product with the “American Imbecile” name, he might be considered to have one of the first four “no bad faith” ACPA factors in his favor. He also doesn’t appear to have a habit or practice of trademark-squatting. All things considered, it doesn’t sound like cybersquatting to her. Do you agree?

- A. Yes, because the ACPA was written to address a well defined set of piratical practices, and this simply is not listed in the statute.

The ACPA’s bad faith factors are nonexclusive and from the outset (e.g., in Sporty’s Farm), the courts have not felt limited to any particular scenarios.

- B. No, because there is a serious risk of initial interest confusion among web users who guess that American Idol (FOX) might have a web site at www.AmericanImbecile.com and find themselves there with no exit link.

The leading cases on initial interest confusion involve sites that provide some kind of substitute or alternative to the trademark owner’s goods. That is not the case here, nor is it very plausible that users looking for information on American Idol will instead type American Imbecile into their address bars.

- C. Yes, because Zach has done nothing to extract commercial value from the domain, and has not associated it in any way with FOX, other than to mention it in the course of a blog entry about FOX’s demands.

BEST ANSWER — *inasmuch as the page is a “dead end” with no transactional features, the ACPA probably does not apply.*

- D. No, because courts view with great suspicion any activity undertaken after a party is notified of an intellectual property dispute, so the appearance of retaliation would receive decisive weight.

The record seems mixed in cases of post-complaint registrations, and has not been condemned in all cases.

- E. Yes, because Zach’s usage qualifies for the automatic “safe harbor” exception, even if he failed to first obtain legal advice after being informed of FOX’s claims of alleged trademark infringement.

The ACPA’s “safe harbor” has become very narrow, certainly not “automatic.” If Zach failed to obtain legal advice in the face of FOX’s accusations, he might not have had a “reasonable” basis for thinking the phrase was noninfringing.

- Q13. The celebrities’ right of publicity claims with respect to likeness, “image” or identity are a bit vague, but presumably are based both on the applicable State privacy laws and the common law. Because Zach has not yet had the rubber faces manufactured, it is not clear how similar they will be, but undoubtedly they will be similar enough that customers will know who they are intended to be. Joan concludes that the only hope is a First Amendment defense, along the lines of the *Cardtoons* case. Having thought through the facts, she thinks that such a defense will work. Do you agree?

- A. No, because the case is in the Ninth Circuit, and while *Motschenbacher*, *Midler* and *Samsung* dealt with advertising, the distinction between commercial speech and fully protected speech has lost its significance.

No, the First Amendment still is viable for noncommercial speech.

- B. Yes, because Zach’s commentary on the celebrities’ behavior requires the use of their likenesses and, under the reasoning of the *ETW* case, the overall effect of placing the rubber heads and sticker on the robot game is sufficiently transformative to qualify for a First Amendment defense.

BEST ANSWER — *The first argument here is the opposite of Answer C, discussed below. The second involves a principle applied to a creatively assembled art print of Tiger Woods. Although the Sixth Circuit was not evaluating a parody, the concept may well apply here. Zach’s rubber faces are not mere look-alike dolls or souvenirs of the American Idol show, but are fittings for plastic fighting robots. In that context, the likenesses transcend mere commercial exploitation of celebrity identity and serve a larger purpose: to comment on their public behavior. Because Zach doesn’t make his living as a rubber face artist, however, the match is not exact, and a court might conclude that the separability of the faces from the rest of the elements required for the parody distinguishes this*

case. Nevertheless, this answer comes closest to the evolving jurisprudence of the First Amendment defense in celebrity cases.

- C. No, because Zach is able to sufficiently express his views on the two celebrities without using their likenesses at all — much less selling a kit enabling others to spread his message — even if a purely textual description is a somewhat less compact or powerful way to convey it.

*SECOND BEST ANSWER — Imagine that Zach simply applies name labels to the robots; while the likeness more readily conveys the correct Paula and Simon, the parody might be effective for many people without them. But is the First Amendment defense really so limited? Most courts allow for a greater scope of artistic freedom. The *Cardtoons* court allowed both names and images because the parody targeted traditionally laudatory baseball cards, in which context both name and likeness are traditional. Here the “fighters” are not robots, but humans, so arguably it is equally appropriate to depict the celebrities in this case as well. But it’s a close call.*

- D. Yes, because like the targets of the parody baseball cards, the plaintiffs here are overpaid celebrities who don’t know how to behave in a civilized manner and therefore deserve to be lampooned.

Even Judge Kozinski isn’t this harsh. Anyway, it’s not whether they are lampooned but how that is the issue here.

- E. No, because the parody in *Cardtoons* was primarily a literary one, involving cards full of commentary along with the players’ caricatured names and images, so a court would not apply its principles to a toy.

*In the trademark context, courts have been more comfortable with books and magazines (e.g., *SpyNotes*) than tangible products (e.g., “Mutant” t-shirts). But this seeming “rule” may reflect the difficulty of satisfying judges that readers would actually “get” the fact that it’s a parody in such cases. Where a toy successfully conveys that it is the original and that it is not the original, and is perceived by the typical person as a parody, it should be equally eligible for a First Amendment defense as a type of protected expression.*

- Q14. The celebrities’ claims with respect to their names presumably are based on the Lanham Act and applicable State privacy laws and the common law. While Paula and Simon are common given names, Joan suspects the plaintiffs will be able to show that the combination “PaulaHatesSimon” would be understood by anyone familiar with American Idol to refer to Paula Abdul and Simon Cowell. Zach never posted a web site at the domain, and it merely displays “This page was recently registered by one of our customers.” Do you agree with Joan’s rough assessment of these causes of action, as set out below?

- I. Lanham Act: usually no *regular* likelihood of confusion or *initial interest* confusion when there’s no site; moreover, consumers would

not believe the celebrities sponsored or approved a site named “Paula Hates Simon”: the word “hates” negates any association.

The last line might seem too strong in light of the trend in “sucks” cases, where UDRP arbitration panels express concern that not everyone understands the meaning of “sucks.” However, “hates” is not a slang term mysterious to older generations; the meaning would be understood. The problem is whether the phrase, properly understood “negates any association” of affiliation or endorsement with the individuals. Because these two people seem to intentionally cultivate animosity on American Idol, an appreciable number of people may believe the domain is just another extension of absurdity TV.

- II. State law/Common law: like the movie title “Ginger and Fred” the domain calls to mind two particular people, but unlike the movie title, there is no special exception for domain names that either are in use or which have been advertised for future use.

Most courts analogize domain names to trademarks (“source identifiers”) rather than book titles. A few courts have considered and rejected defenses modeled on Rogers v. Grimaldi without really concluding that the test actually applies.

- III. First Amendment defense: “Paula Hates Simon” is an exaggerated and humorous version of Zach’s original comments, and a logical extension of the “fighting” metaphor illustrated by the modified robot game; if the game itself is permissible, then the usage in a domain is honestly descriptive and does no additional harm, but if the game is not permissible, then merely registering the domain name misappropriated the two celebrities’ identities.

*There are limits to the application of the First Amendment defense to domain names, as opposed to content, because domain names typically are deemed to be more “source identifying” than communicative. Nevertheless, use of trademarks has been excused where the content was in good faith (e.g., fan site) or highly protected speech (e.g., political campaign), and there was a prominent disclaimer and “exit link” to the trademark owner’s site. On the other hand, where the content posted at the domain is offensive to the targeted group — such as *plannedparenthood.com*, *peta.org*, and *jews-for-jesus.com* — courts strained to deny the defense. In this case, even if the domain is “honestly descriptive,” the proposed use is commercial in nature, and it is not clear that it satisfies the “double meaning” required for a parody. The last phrase is the most problematic. On page 643, the textbook refers to use “for advertising purposes or purposes of trade.” But merely registering a domain name does not constitute the type of use that might associate a celebrity with a product or service or otherwise trade on the celebrity’s identity.*

- A. Agree with I only.
B. Agree with II only.

BEST ANSWER — I is borderline.

- C. Agree with III only.
- D. Agree with I and II.

SECOND BEST ANSWER — outpolled B by a 4-to-3 margin.

- E. Agree with II and III.
- F. Agree with I and III.

- Q15. **BONUS QUESTION: Points awarded on this question are “above the curve.”** The company CafePress.com lets users upload any artwork to a personal storefront which other web users then can have printed on mugs, t-shirts, coasters, and other types of merchandise. A percentage of each sale goes to the owner of the storefront. Would Zach be in much worse trouble if he set up a storefront named “Parody Legal Defense Fund” to sell merchandise bearing the “American Imbecile” logo? If so, why: how would the additional conduct differ appreciably from his present conduct or, if applicable, change the way his present conduct is evaluated? (Limit your analysis to the trademark infringement and/or dilution claims.)



“American Imbecile” Coaster

Can I get a set of these?

The key issue in the trademark infringement context is likelihood of confusion regarding the source, affiliation or sponsorship of Zach’s “products.” Are the coasters (or mugs, or t-shirts) appreciably different from the conversion kits? On the one hand, yes, these types of merchandise are much closer to the types sold by FOX in association with the show. On the other hand, the differences between the marks (particularly in meaning) are the same. The risk of post-sale confusion might be higher, particularly for t-shirts, because they would be exposed to many more people.

Do the contours of the First Amendment or parody defenses change appreciably with the new activity? Whereas the “mark” previously was used in the context of a product specifically related to Zach’s critique of the show, and as a domain name for the display of the First Amendment, it now is being commercialized as a property in itself. While the storefront might relate the need to raise funds to defend First Amendment principles, that is a flimsier proposition when the goods being sold are not, in themselves, protected speech or a parody of the program itself. So Zach’s risk probably is higher because his defense would be weakened.

The key issue in the blurring/tarnishment context probably is the “noncommercial speech” exception. “Imbecile” remains insulting, and the oval design still might be considered to be blurred, when the “mark” is used on these new goods. But if the court takes the Barbie cases seriously, then the fact that the mark is used as part of a product rather than in advertising for a product, still should furnish a defense. But the credibility of the defense might be weakened in the context of ordinary goods such as mugs and coasters. Unlike the song Barbie Girl, or the modified robot game, there simply is not a clear expression of a point of view in these items. A court therefore could conclude that they are not speech, and bypass the defense entirely. So Zach’s risk probably would be higher on this claim as well.

Note: A maximum of 2 points was awarded on this question.