

# **Freedom of Expression and Trademark Law: Assessing the Impact of External Boundaries**

**Ninth WIPO Advanced Intellectual  
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Property Law – A Closer Look at  
Internal and External Balancing Tools**

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Leonardo Machado Pontes  
PhD candidate  
lm.pontes@hotmail.com

Prof. Dr. C. Geiger  
Prof. Dr. D. Barbosa

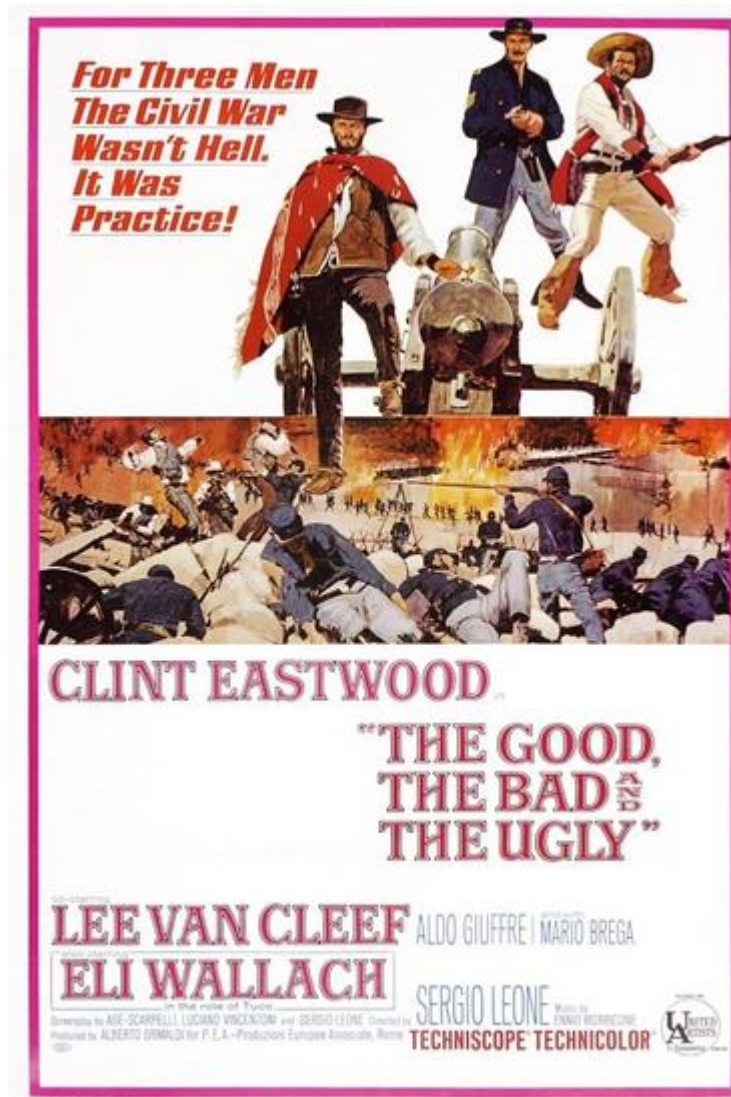
I– THE SUPREME COURT’S FULL AND INTERMEDIATE SCRUTINY CASE LAW

II– THE COMMERCIAL/NONCOMMERCIAL SPEECH DICHOTOMY TO TRADEMARK CASE LAW

III– THE EUROPEAN COURT OF HUMAN RIGHTS’ MARGIN OF APPRECIATION SCRUTINY TO POLITICAL, ARTISTIC AND COMMERCIAL EXPRESSION

IV– THE DECISION OF THE CJEU IN *JOHAN DECKMYN V. HELENA VANDERSTEEN*

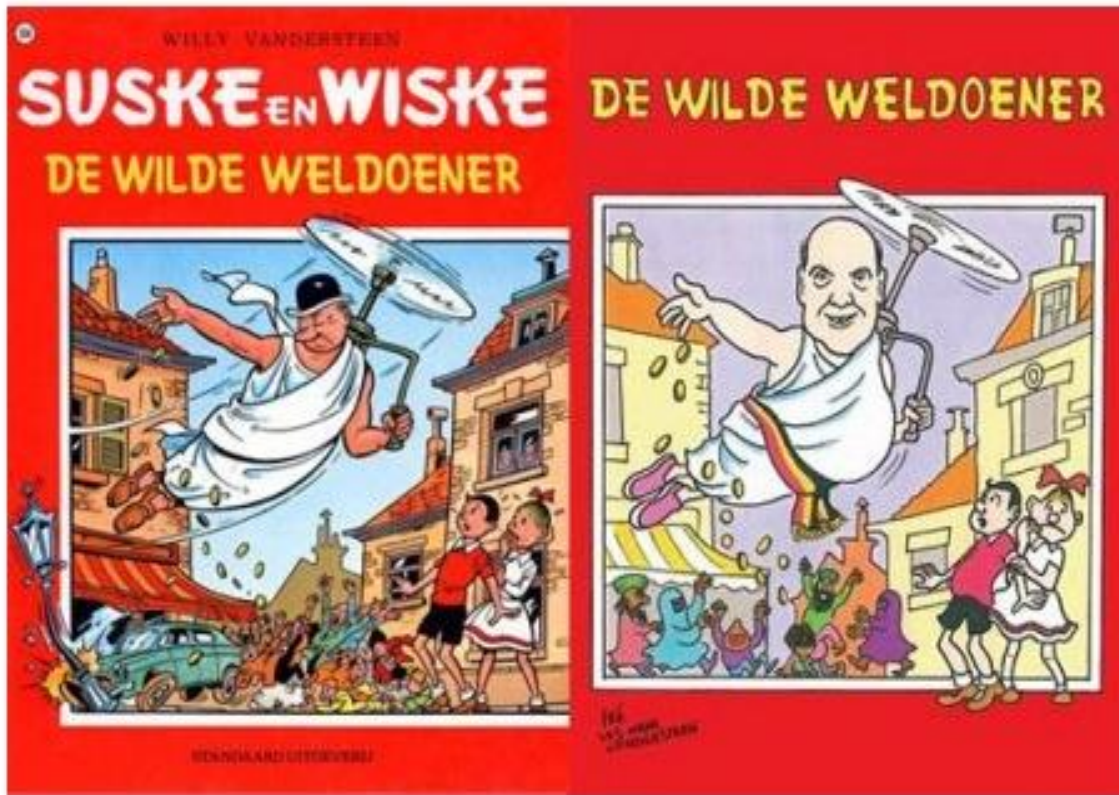
V– THE COMMERCIAL/NONCOMMERCIAL EXPRESSION DICHOTOMY AND FRENCH TRADEMARK CASE LAW



“[T]hus the ‘[m]isleading commercial speech’ regulated by the Lanham Act ‘is beyond the protective reach of the First Amendment’... Moreover, the content-neutral prohibitions of the Lanham Act against false and misleading advertising ‘do not arouse First Amendment concerns that justify alteration of the normal standard for ... relief.’... *First Amendment concerns for commercial speech do not justify altering standards or burdens of proof in Lanham Act cases.*

**Consumers Union of U.S., Inc. v. New Regina Corp.** 664 F.Supp. 753,767-68(S.D.N.Y.,1987).

Case C-201/13, *Johan Deckmyn v. Helena Vandersteen* [2014] OJ 2015 C16/3.

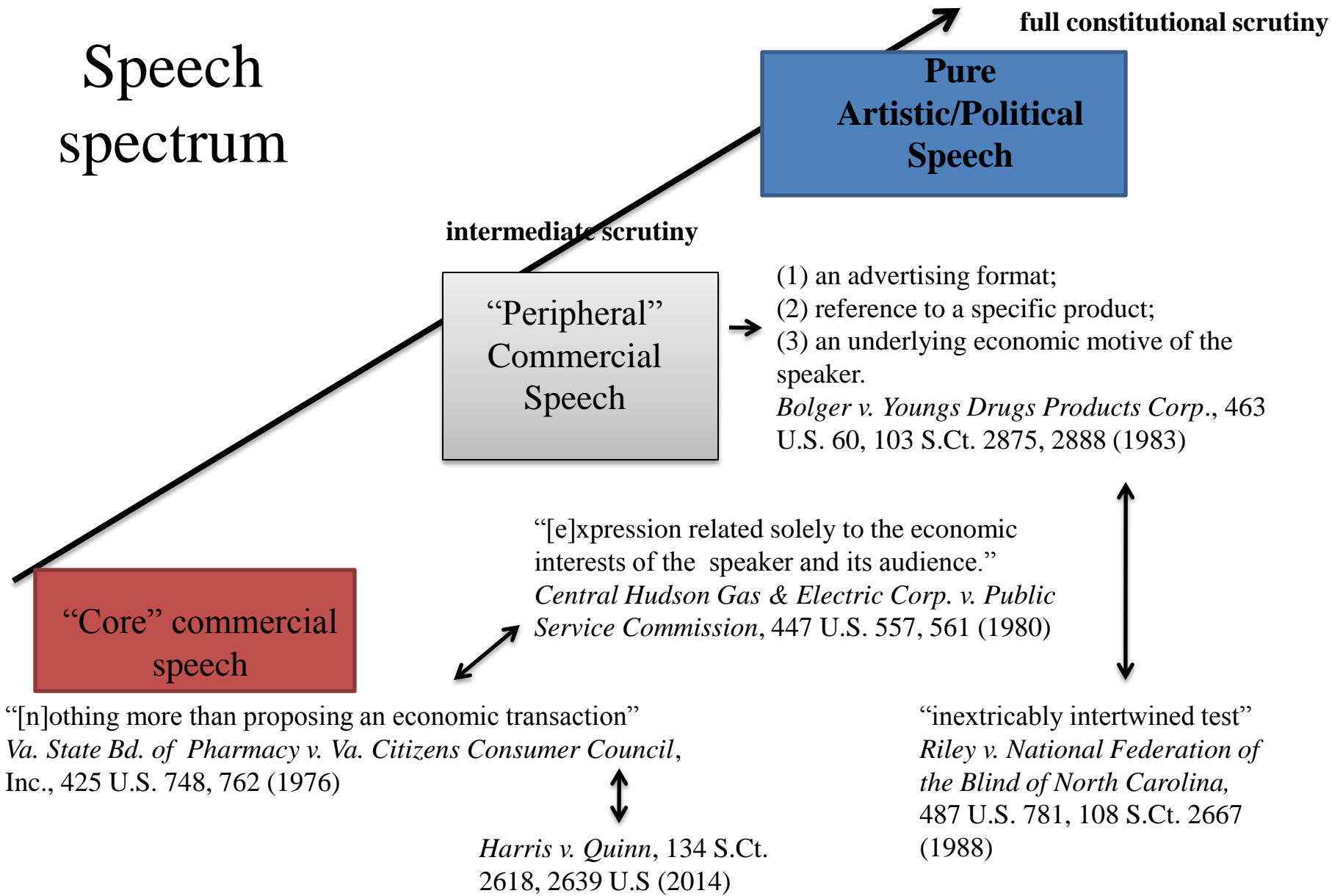


Paras. 21 and 24

“[r]easonably be attributed to a person other than the author of the original work itself.”

“[d]oes therefore not lead to the scope of that provision being restricted by conditions, such as those set out in paragraph 21.”

# Speech spectrum



[C]ommercial/noncommercial distinction is potentially dispositive. If the ad is properly classified as commercial speech, *then it may be regulated, normal liability rules apply (statutory and common law), and the battle moves to the merits of Jordan's claims.* If, on the other hand, the ad is fully protected expression, then Jordan agrees with Jewel that the First Amendment provides *a complete defense and his claims cannot proceed.*

*Michael Jordan v. Jewel Food Stores, Inc.* 743 F.3d 509, 511 (7th Cir. 2014)



## Intermediate scrutiny

“Enhanced” Central Hudson test

*Central Hudson Gas & Electric Corp. v. Public Service Commission*, 447 U.S. 557, 561 (1980)

- (1) if an act of speech is *lawful* and not *misleading* it receives First Amendment protection;
- (2) the Government can then regulate it only if the regulation serves a *substantial interest* of the governed;
- (3) if the regulation *directly promotes this substantial interest*, either through *direct* and *material* advancement, the burden to show that the harm is “real” and that restriction will alleviate the harm to a “material degree”;
- (4) only if the regulation is not *more extensive than necessary* to serve this particular interest, the Government is required to take numerous and obvious less-burdensome alternatives to the restriction, in order to achieve the “reasonable fit” between the government’s end and its means.

“Content/neutral-based”

*Sorrell v. IMS Health Inc.*, 131 S. Ct. 2653, 2666 (2011)

Rebecca Tushnet, *Trademark Law as Commercial Speech Regulation*, 58 SCL REV. 737 (2006).

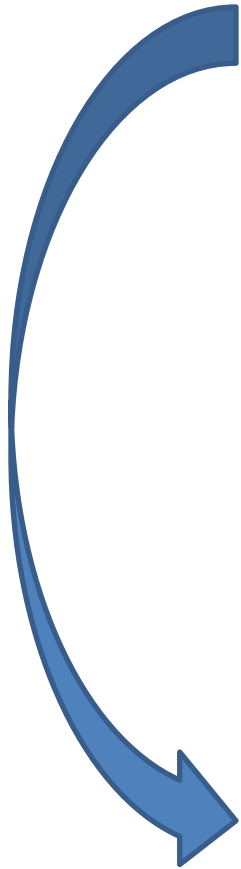
Lisa P. Ramsey, *Descriptive Trademarks and the First Amendment*, 70 TENN. L. REV. 1095 (2002).

→ *Eldenfield v. Fane*, 507 U.S. 761, 770-71 (1993)

*Rubin v. Coors Brewing Co.* 514 U.S. 476, 487 (1995)

→ *City of Cincinnati v. Discovery Network, Inc.* 507 U.S. 410, 418, n. 13 (1993)





[...] courts apply one of several tests, referred to in the legal discourse as “balancing tests,” that are unique to intellectual property-related cases, to determine whether the First Amendment limits a right of publicity claim in that context. *Courts do not tend to apply strict or intermediate scrutiny tests when addressing a First Amendment defense to intellectual property-related claims, such as the right of publicity.*

*Hart v. Electronic Arts, Inc.*, 808 F.Supp.2d 757, 769 (D.N.J. 2011).

Even content-based commercial speech restrictions to intellectual property may receive less First Amendment protection – an exception to *Sorrell*.

## ***Bolger factors***

*Thomas v. Anchorage Equal Rights Com'n.*, 165 F.3d 692, 709-10 (9th Cir. 1999)



“no more than propose a commercial transaction” test as the true and unique test to separate commercial from noncommercial

*Mil-Spec Monkey, Inc. v. Activision Blizzard, Inc.*, 2014 WL 6655844 (N.D.Cal., 2014)



classical definition + *Rogers v. Grimaldi*

*CPC Intern., Inc. v. Skippy Inc.*, 214 F.3d 456, 462 (4th Cir. 2000)



commercial speech supplemented by comments related to the marketed product ≠ comments on the trademarked or plaintiff's actions or image as a corporation

*Kasky v. Nike, Inc.* 93 Cal.Rptr.2d 854, 860-61 (Cal. App. 1 Dist. 2000)

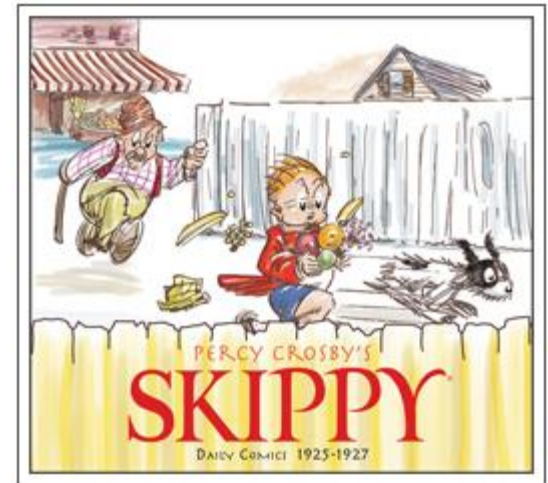


## ***Riley factors***

*Morgan Creek Productions, Inc. v. Capital Cities/ABC, Inc.*, No. CV-89-5463-RSWL(JRX), Not Reported in F. Supp., 1991 WL 352619, at \*5 (C.D.Cal.,1991)



merit attention, but...



## Trademark parody

### adequate alternative avenues of communication test

*Coca-Cola Co. v. Gemini Rising, Inc.*, 346 F. Supp. 1183 (E.D.N.Y. 1972)

*Dallas Cowboys Cheerleaders v. Pussycat Cinema* 604 F. 2d 200 (2d Cir. 1979)

*General Elec. Co. v. Alumpa Coal Co.*, 205 U.S.P.Q. 1036 (D. Mass. 1979)

### “No satires”

*Harley Davidson, Inc. v. Grottanelli*, 164 F.3d 806, 813 (2d Cir.1999)

*Louis Vuitton Malletier, S.A v. Hyundai Motor America*, No. 10 Civ. 1611(PKC), Not Reported in F.Supp.2d, 2012 WL 1022247, at \*17 (S.D.N.Y. 2012)

### “No direct competition”

*Starbucks Corporation v. Wolfe's Borough Coffee, Inc.* 588 F.3d 97, 113 (2d Cir. 2009)



### But...

*Volkswagen AG v. Dorling Kindersley Pub., Inc.*, 614 F.Supp.2d 793,810(E.D.Mich.,2009) “[...] VW has not identified any case law which precludes the use of the *Rogers* test where the First Amendment use of the mark is in direct competition with the use of the trademark holder.”

## Rogers v. Grimaldi

- (1) it has **no artistic relevance to the underlying work** or,
- (2) if there is artistic relevance, the title **explicitly misleads as to the source or the content of the work**

## Rogers Mutation

*Cliffs Notes, Inc. v. Bantam Doubleday Dell Publ'g Group*, 886 F.2d 490, 495 (2d Cir.1989)  
**“a colorable claim”**

*E.S.S. Entertainment 2000, Inc. v. Rock Star Videos, Inc.*, 547 F.3d 1095, 1100 (9th Cir. 2008)  
**“...[t]he level of relevance merely must be above zero.”**

*Dillinger, LLC v. Electronic Arts Inc.* Not Reported in F.Supp.2d, 2011 WL 2457678, at\*6 (S.D.Ind.,2011)

**“superficial and attenuated” link**

*Rebellion Developments Ltd. v. Stardock Entertainment, Inc.*, Not Reported in F.Supp.2d, 2013 WL 1944888, at\*3(E.D.Mich.,2013)  
**no need of any referential use to plaintiff’s mark**

### First prong

But...

*Masters Software, Inc. v. Discovery Communications, Inc.*, 725 F.Supp.2d 1294, 1306 (W.D.Wash.,2010) (“Cake Boss”)  
**must allude**

*Rebelution, LLC v. Perez*, 732 F.Supp.2d 883, 888-89(N.D.Cal.,2010)  
**“cultural significance”; iconic; association**

it “[w]ould allow any person to ascribe their own meaning to a mark and thereafter argue that their artistic work bears relevance to this opportunistically-defined meaning. Indeed, it would allow defendants to co-opt the most fanciful marks—marks afforded great protection under trademark law—as those marks are the most susceptible to differing interpretations.”

## Rogers Mutation

### Second prong

*Fortres Grand Corp. v. Warner Bros. Entertainment Inc.*,  
947 F.Supp.2d 922, 932 (N.D.Ind.,2013)

**affirmative statement**

*Rebellion Developments Ltd. v. Stardock  
Entertainment, Inc.*, Not Reported in F.Supp.2d, 2013  
WL 1944888, at\*4-6(E.D.Mich.,2013)

**“overt misrepresentation”**

*Volkswagen AG v. Dorling Kindersley Pub., Inc.*, 614  
F.Supp.2d 793,810(E.D.Mich.,2009)

**“[a] slight risk of customer confusion will not  
necessarily defeat a First Amendment defense”**

But...

*Westchester Media v. PRL USA Holdings  
Inc.*, 214 F.3d 658 (5th Cir.2000)

*Twin Peaks Productions, Inc. v.  
Publications Intern., Ltd.*, 996 F.2d  
1366,1379(2 Cir.1993)

*No Fear, Inc. v. Imagine Films, Inc.*, 930  
F.Supp. 1381, 1383(C.D.Cal.,1995)

**traditional likelihood of confusion factors  
+ particularly compelling to outweigh the  
First Amendment**

*New York Racing Ass'n, Inc. v. Perlmutter Pub., Inc.*, 959 F.Supp. 578, 82 (N.D.N.Y.,1997)

**No difference between canvas or cotton t-shirts**

*Hart v. Electronic Arts, Inc.* 808 F.Supp.2d 757, 793 (D.N.J. 2011)

**“In” the video game**

*Brown v. Electronic Arts, Inc.*, 724 F.3d 1235 (9th Cir. 2013)

**all artistic works, but might draw the line on later cases between expressive and non-expressive video games**

*University of Alabama Bd. of Trustees v. New Life Art, Inc.*, 683 F.3d 1266, 1278-79 (11th Cir. 2012)

**paintings, prints and calendars, but... mugs and ordinary products**

*Cummings v. Soul Train Holdings LLC*, No. 14 Civ. 36(LGS), 2014 WL 7008952, at \*6 (S.D.N.Y.,2014)

**plaintiff’s likeness “in” and “on” DVD sets + promotional materials**

## Rogers Mutation

## Expansion

*In re NCAA Student-Athlete Name & Likeness Licensing Litigation*, 724 F.3d 1268, 1280-81 (9th Cir.2013)  
**no wholesale to publicity rights**

*Facenda v. N.F.L. Films, Inc.* 542 F.3d 1007, 1015-16 (3d Cir. 2008)

**no commercial speech + beyond titles**

*Dryer v. National Football League*, NO. CIV. 09-2182 PAM/FL, 2014 WL 5106738 at 20\*(n.8) (D.Minn.,2014)

**Pure artistic works, no commercial speech**

*Anheuser-Busch, Inc. v. Balducci Publications*, 814 F.Supp. 791, 795-96 (E.D.Mo.,1993)

**traditional likelihood of confusion test +special sensitivity**

*Warner Bros. Entertainment v. Global Asylum, Inc.*, Not Reported in F.Supp.2d, No. CV 12–9547 PSG (CWx), 2012 WL 6951315, at 2 (n.2)\* (C.D.Cal.,2012)

**No dilution claims**

*Mattel, Inc. v. Walking Mountain Productions*, 353 F.3d 792, 808 (n.14) (9th Cir.2003)

**no trademarks or trade dress**



## Enhanced Rogers



**no referential use + even direct competition + above slight risk of confusion + affirmative statement + all artistic works + commercial speech + source of origin uses**

“[I]t is clear that the *commercial nature of artistic works does not diminish their protections under the First Amendment*, and the fact that a title attempts to attract public attention with stylized components is irrelevant.”  
*Rebellion Developments Ltd. v. Stardock Entertainment, Inc.*, Not Reported in F.Supp.2d, 2013 WL 1944888, at\*3(E.D.Mich.,2013)

## Original Rogers



**non-misleading competitive titles + minimal artistic relevance + explicitly misleading**

## Altered Rogers



**Minimal artistic relevance + all artistic works + traditional likelihood of confusion factors, but particularly compelling**

## Mummified Rogers



**Only iconic marks + direct comment + traditional likelihood of confusion**



*Back to ....*  
*Johan Deckmyn v. Helena Vandersteen*

What does it mean not to “[r]easonably be attributed to a person other than the author of the original work itself”?

**Satirical use allowed:  
The real purpose of  
trademark law...**

Mummified version  
excluded

**A slight risk of confusion allowed?**

**The need of different factors of likelihood  
of consumer confusion?**

**How protective of expression?**

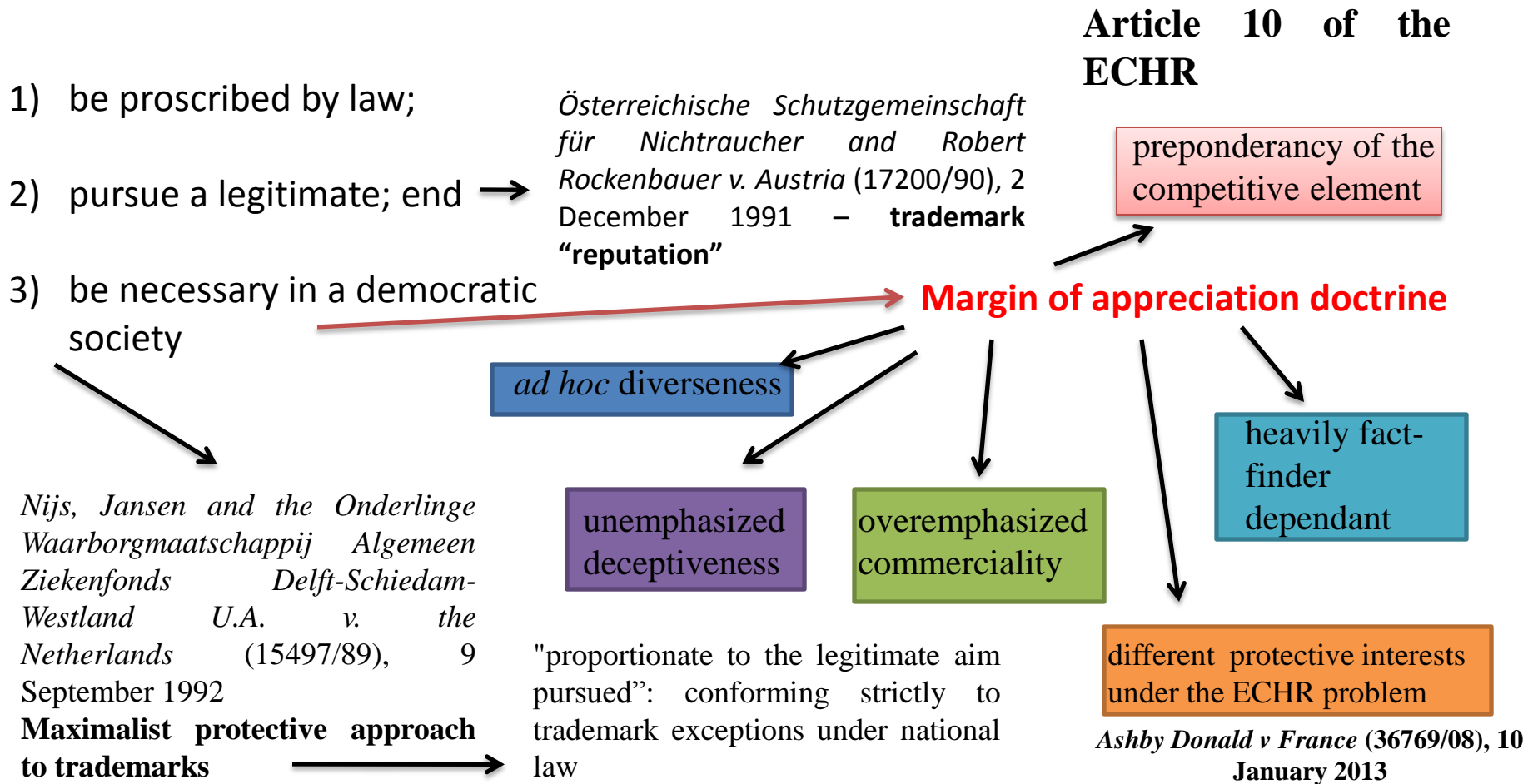
**“Hulk” or “Power Ranger”?**

## We should go for “Hulk”!

Daniel Jacob Wright, *Explicitly explicit: the Rogers test and the Ninth Circuit*, 21 J. INTELL. PROP. L. 193 (2013)

- an extensive discovery period due to the fact-intensive nature of the likelihood of confusion inquiry is harmful to speech interests;
- many of the factors commonly included in likelihood of confusion tests are simply irrelevant in the context of expressive works;
- while a consumer may be led to wrongly believe that the markholder approved or sponsored the use of a mark in an expressive work, it is not clear in all cases that such a belief results in any real harm to the consumer;
- the degree of any increased evidentiary burden with the “Power Ranger” version would be subject to judicial discretion;
- considerable difficulty in determining whether an unauthorized use of a trademark in an artistic work will be protected creates a strong incentive for risk-averse content creators not to engage with trademark parody;
- expensive litigation only helps trademark owners, as opposed to the possibility of quick summary judgment;
- trademark is not a property right in gross; it does not create incremental incentives or innovation directly, as patent and copyright supposedly do;
- trademark protection last forever and there is no “public domain,” which blocks free expression uses and affects negatively such balance;
- trademark is a tool to reduce search costs of information, allowing for the consistence of product’s quality, not a monopoly to shield companies from criticism in the corporate arena;

## ECtHR's margin of appreciation pro-IP case law



“[W]e find the reasoning set out therein with regard to the “margin of appreciation” of States a cause for serious concern. As is shown by the result to which it leads in this case, it has the effect in practice of considerably restricting the freedom of expression in commercial matters.”

*Markt intern Verlag GmbH and Klaus Beermann*, (A/165) (1990) 12 E.H.R.R.161 (dissenting opinion)

Justices Walsh, MacDonald and Wildhaber argue that relying too much on the preponderancy of the competitive element to frame the margin of appreciation doctrine would permanently shield unfair competition cases from the Court’s scrutiny

*Jacobowski* [1995] 19 E.H.R.R. 64 at para 56

“[s]tatements made ‘for purposes of competition’ fell outside the basic nucleus protected by the freedom of expression and received a lower level of protection than other ‘ideas’ or ‘information.’”

*Markt intern Verlag GmbH and Klaus Beermann*, (A/165) (1990) 12 E.H.R.R.161 at para. 32.

a TV commercial

“[i]ndubitably fell outside the regular commercial context *inciting the public to purchase a particular product.*”

*Vtg Verein gegen*

*Tierfabriken*, 34 E.H.R.R. 4 at para. 57

## Mixed expressions

### Secondary effect doctrine

“[i]n the particular circumstances this [advertising] effect proved to be *altogether secondary* having regard to the principal content of the article and to the nature of the issue being put to the public at large.”

*Barthold*, 7 E.H.R.R. 383 at para. 58. See also:

*Stambuck v. Germany* [2003] 37 E.H.R.R. 49

it is “[n]ecessary to reduce the extent of the margin of appreciation when what is at stake is not a given individual’s *purely ‘commercial’* statements, but his participation in a debate affecting the general interest, for example, over public health.”

*Hertel*, 28 E.H.R.R. 534 at para. 47

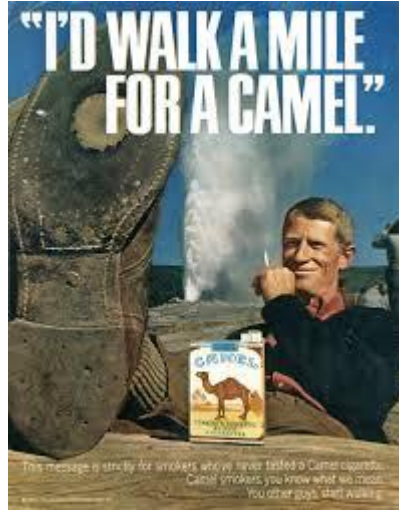
*Go back to Casado*

*Coca*, 18 E.H.R.R. 1

**Subject matter doctrine?**

commerciality broadly constructed as ‘subject matter’ and ‘type’ of discourse  
*Ashby Donald v France* (36769/08), 10 January 2013, at para. 39

Österreichische Schutzgemeinschaft für  
Nichtraucher and Robert Rockenbauer v. Austria  
(17200/90), 2 December 1991



"ONLY A CAMEL WALKS MILES FOR A CIGARETTE" ("NUR EIN KAMEL GEHT MEILENWEIT FÜR EINE ZIGARETTE")

But see...

*JT International GmbH v. Comité National Contre les Maladies Respiratoires et la Tuberculose (CNMRT)*, CA Paris, 4th Chamber, Section B, 14 January 2005, JurisData & cours suprêmes 2005.260197

Cour de Cassation

