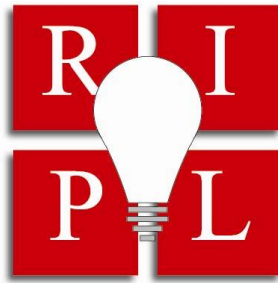


# THE JOHN MARSHALL REVIEW OF INTELLECTUAL PROPERTY LAW



## THE DEPICTION OF TRADEMARKED LANDMARKS IN FICTIONAL FILMS: PROTECTING FILMMAKERS FROM INFRINGEMENT AND DILUTION LIABILITY

DR. JOEL TIMMER

### ABSTRACT

Many well-known landmarks, like the Empire State Building, are protected as trademarks. This trademark status may be used by trademark holders to attempt to control or limit the depictions of those landmarks in artistic works like feature films. Using the trademarked Hollywood Sign as an example, this article examines the status of landmarks as trademarks as well as the protections trademark holders have over unauthorized depictions of trademarked landmarks through actions for trademark infringement or trademark dilution. Concluding that trademark dilution is more likely the proper cause of action for the unauthorized depiction of trademarks in films, this article then examines the significant protections filmmakers are given under federal trademark dilution law when the depictions qualify as noncommercial uses or descriptive or nominative fair uses.

Copyright © 2016 The John Marshall Law School



*Cite as Joel Timmer, The Depiction of Trademarked Landmarks in Fictional Films:  
Protecting Filmmakers from Infringement and Dilution Liability,*

15 J. MARSHALL REV. INTELL. PROP. L. 676 (2016).

THE DEPICTION OF TRADEMARKED LANDMARKS IN FICTIONAL FILMS:  
PROTECTING FILMMAKERS FROM INFRINGEMENT AND DILUTION LIABILITY

DR. JOEL TIMMER

I. THE HOLLYWOOD SIGN.....	677
II. TRADEMARK DEFINITION .....	679
III. TRADEMARK INFRINGEMENT .....	682
IV. TRADEMARK DILUTION.....	684
V. DILUTION ACTION EXCLUSIONS .....	691
A. Nominative Fair Use Exception .....	695
VI. CONCLUSION .....	697

## THE DEPICTION OF TRADEMARKED LANDMARKS IN FICTIONAL FILMS: PROTECTING FILMMAKERS FROM INFRINGEMENT AND DILUTION LIABILITY

DR. JOEL TIMMER\*

### I. THE HOLLYWOOD SIGN

Sitting high on the Hollywood Hills, the Hollywood Sign (the “Sign”) is a well-known landmark, considered by some to be “the worldwide symbol of the entertainment industry.”<sup>1</sup> The caretaker of the Hollywood Sign is the Hollywood Sign Trust. Its purpose “is to physically maintain, repair and secure the Hollywood Sign; to educate the world about its historical and cultural importance; and to raise the funds necessary to accomplish these projects.”<sup>2</sup> One way that money is raised to support these activities is by collecting license fees from those who wish to depict or use an image of the sign. The basis for collecting these license fees comes from the fact that the Sign is trademarked.<sup>3</sup>

The Sign has been depicted in many films and television shows.<sup>4</sup> Despite the fact that the Sign is clearly visible from many parts of the greater Los Angeles area, filmmakers may need permission to include shots in which the Sign is visible in their productions. The Hollywood Chamber of Commerce, which owns the licensing rights in the Sign’s image,<sup>5</sup> has engaged Global Icons to manage its trademark rights in the

---

\* © Dr. Joel Timmer 2016. Dr. Joel Timmer is an Assistant Professor in the Department of Film, Television and Digital Media at Texas Christian University. He earned his J.D. from the UCLA School of Law (1993) and his Ph.D. from Indiana University (2002). He has published a number of articles on media law topics in academic journals such as COMMUNICATION LAW AND POLICY, JOURNAL OF POPULAR FILM & TELEVISION, and JOURNAL OF FILM AND VIDEO.

<sup>1</sup> *The History of the Sign*, THE HOLLYWOOD SIGN, <http://hollywoodsign.org/the-history-of-the-sign/> (last visited Jan. 30, 2016).

<sup>2</sup> *Hollywood Sign Trust*, THE HOLLYWOOD SIGN, <http://hollywoodsign.org/hollywood-sign-trust/> (last visited Jan. 30, 2016). Some of the accomplishments of the Trust in this regard include “two major refurbishments” of the Sign and “the installation of a state-of-the-art security and surveillance system.” *Id.*

<sup>3</sup> *Filming the Sign*, THE HOLLYWOOD SIGN, <http://hollywoodsign.org/filming-the-sign/#rules> (last visited Jan. 30, 2016). In fact, the Hollywood Chamber of Commerce “actually owns about a half-dozen related trademarks, not in the image of the Sign itself, but in the word ‘HOLLYWOOD’ when depicted in . . . staggered, blocky typeface.” Trade dress protection is also used by the Chamber to assert rights over “other words when set in a similar typeface against a Hollywood Hills type backdrop.” Jonathan Handel, *Hollywood Sign Owner Cries Foul Over Ad Agency Infringement*, THE HOLLYWOOD REPORTER (Oct. 26, 2012), <http://www.hollywoodreporter.com/thr-esq/bb-hollywood-trademark-dispute-383648>. See also Samuel Osborne, *Trademark law stops people filming Hollywood Sign*, THE INDEPENDENT (Nov. 3, 2015), <http://www.independent.co.uk/news/world/americas/trademark-law-stops-people-filming-hollywood-sign-a6720311.html>.

<sup>4</sup> See, e.g., *The Sign in Popular Culture: Movies*, THE HOLLYWOOD SIGN, <http://hollywoodsign.org/category/the-sign-in-the-movies/> (last visited Jan. 30, 2016); *The Sign in Popular Culture: Television*, THE HOLLYWOOD SIGN, <http://hollywoodsign.org/category/the-sign-on-television/> (last visited Jan. 30, 2016).

<sup>5</sup> *The Sign Today*, THE HOLLYWOOD SIGN, <http://hollywoodsign.org/the-sign-today/> (last visited Jan. 30, 2016).

signs for such uses.<sup>6</sup> The Hollywood Sign webpage directs those who wish to obtain a license to depict the Sign in feature films to contact Global Icons,<sup>7</sup> which “administers and enforces all licenses relating to the sign, negotiates all fees/permissions on a case by case basis, and protects the Chamber’s proprietary rights in the Sign.”<sup>8</sup> What does it cost to get permission to depict the Sign in a film? According to one author, Global Icons doesn’t “have a set license fee, and will generally take budget and other factors into consideration in coming up with a fair rate.”<sup>9</sup>

What can happen if one depicts the Sign without getting permission? First, the Hollywood Chamber and Global Icons are said to “police [the trademark rights in the Sign] vigilantly.”<sup>10</sup> In one instance, a student filmmaker made a short film while in college which included a shot of the Sign in the background without obtaining permission. When the film was screened at a film festival nearly a year later, he “was suddenly contacted and asked to produce evidence of his permission to use the Sign in his movie.”<sup>11</sup> In another instance, a photographer reports receiving “a cease and desist letter . . . demanding monetary damages for a tourist photo of the Sign [he had] on [his] website.”<sup>12</sup> Former L.A. Kings goalie Jonathan Bernier was contacted by Global Icons and told he would need to remove an image of the Hollywood Sign from his helmet or pay license fees.<sup>13</sup> Another example involves an attempt by the UCLA School of Law to use a photo of the Hollywood Sign “in a recruitment brochure to illustrate its connection to the world’s entertainment capital,” in response to which the Hollywood Chamber of Commerce threatened a lawsuit.<sup>14</sup> Despite the conclusion of some law professors at the school that the use did not require authorization, “the law school, rather than fight a frivolous claim, gave in. It used a stock photo of a film reel instead.”<sup>15</sup>

The Hollywood Sign is not the only landmark that is protected by trademark, or for which license fees are sought for its depiction in films. According to real-estate

<sup>6</sup> *Filming the Sign*, *supra* note 3.

<sup>7</sup> *Id.*

<sup>8</sup> Kevin Breuner, *How to Legally Use a Famous Icon (like the Hollywood Sign) in Your Album Artwork or Music Video*, THE [DIY] MUSICIAN (Feb. 27, 2012), <http://diymusician.cdbaby.com/musician-tips/how-to-legally-use-a-famous-icon-like-the-hollywood-sign-in-your-album-artwork-or-music-video/>.

<sup>9</sup> *Id.*

<sup>10</sup> Handel, *supra* note 3.

<sup>11</sup> Breuner, *supra* note 8.

<sup>12</sup> *Hollywood Sign Trademarked?*, ASK META-FILTER (Apr. 9, 2008), <http://ask.metafilter.com/88293/Hollywood-Sign-Trademarked>.

<sup>13</sup> John Hoven, *Kelly Hrudy not happy about Bernier vs Hollywood*, MAYOR’S MANOR (Mar. 20, 2002) <http://mayorsmanor.com/2012/03/kelly-hrudy-not-happy-about-bernier-vs-hollywood/>. Global Icons later changed its position and declared that Bernier could continue using the image of the Sign on his helmet without paying royalties for its use. John Hoven, *Jonathan Bernier cleared to use Hollywood sign*, MAYOR’S MANOR, (Mar. 21, 2002) <http://mayorsmanor.com/2012/03/bernier-cleared-to-use-hollywood-sign/>.

<sup>14</sup> Kal Raustialia & Chris Sprigman, *Why Trademark Tarnishment Laws Are Dubious*, FREAKONOMICS (Mar. 31, 2011), <http://freakonomics.com/2011/05/31/why-trademark-tarnishment-laws-are-dubious/>.

<sup>15</sup> *Id.* In another example, Marvel Comics discontinued its use of the façade of trademarked landmark The Biltmore House in association with its X-Men comics after the Biltmore Company, the House’s owner, filed a lawsuit against Marvel. Keri Christ, *Edifice Complex: Protecting Landmark Buildings as Intellectual Property—A Critique of Available Protections and a Proposal*, 92 THE TRADEMARK REPORTER 1041, 1066 (2002).

magnate Donald Trump, all of his company's buildings are trademarked: "If producers want to use the buildings in movies or advertisements, they come to us for permission and sometimes pay us for the use of the image."<sup>16</sup> The façade of the Biltmore House, the "largest private residence" in the U.S. is trademarked. Its trademark holder "routinely receives royalties and fees" for its appearances in films and other media.<sup>17</sup> Other trademarked building and landmarks include, in New York City alone, "the Citicorp building; the Chrysler building; Yankee Stadium; 30 Rockefeller Plaza; the Empire State Building; the Channel Gardens; the Guggenheim Museum; [and the] Metropolitan Opera House."<sup>18</sup>

Are filmmakers legally obligated to seek permission to depict a trademarked landmark in a film, or are such depictions protected under the law? That is the question this article addresses. Part II discusses the intent and purposes of trademark protection, as well as the use of landmarks and buildings as trademarks. Part III discusses trademark holders' rights to prevent unauthorized uses that constitute trademark infringement. Part IV discusses the protections trademark holders have to prevent "trademark dilution." Observing that trademark dilution is more likely to be the proper cause of action for trademark holders that object to the unauthorized depiction of their trademarks in films, Part V turns to an examination of the protections filmmakers and others are provided for the unauthorized use of trademarks under federal trademark dilution law. While the analysis in this article focuses on the depiction of trademarked landmarks in fictional films, the analysis herein should also extend to the depiction of trademarks in other artistic works as well.

## II. TRADEMARK DEFINITION

A trademark is generally a word, phrase, symbol, design, or a combination thereof that identifies and distinguishes the source of the goods or services of one party from those of others.<sup>19</sup> Trademarks typically consist of brand names and logos.<sup>20</sup> Federal trademark protection is provided by the Lanham Act.<sup>21</sup> Trademark law is intended to protect the "source identifying" function of trademarks, that is, to preserve a trademark's ability to identify the provider of the goods or services associated with the mark, which is intended to benefit both businesses and consumers. As the Supreme Court has observed:

In principle, trademark law, by preventing others from copying a source-identifying mark, reduces the customer's costs of shopping and making purchasing decisions for it quickly and easily assures a

---

<sup>16</sup> David D. Kirkpatrick, *Landmark Buildings Make Move to Trademark Their Images*, WALL STREET J. (June 10, 1998), <http://www.wsj.com/articles/SB897434998149805000>.

<sup>17</sup> Christ, *supra* note 15, at 1069 (citations omitted).

<sup>18</sup> *Id.* at 1055 n.60 (internal citations omitted).

<sup>19</sup> U.S. PAT. & TRADEMARK OFFICE, U.S. DEPT OF COMMERCE, PROTECTING YOUR TRADEMARK: ENHANCING YOUR RIGHTS THROUGH FEDERAL REGISTRATION 1 (2012).

<sup>20</sup> *Id.* at 1.

<sup>21</sup> Trademark Act of 1946 ("Lanham Act"), ch. 540, 60 Stat. 427 (codified as amended at 15 U.S.C. §§ 1051-1127 (2012)).

potential customer that this item—the item with the mark—is made by the same producer as other similarly marked items that he or she liked (or disliked) in the past. At the same time, the law helps assure a producer that it (and not an imitating competitor) will reap the financial, reputation-related rewards associated with a desirable product. The law thereby encourages the production of quality products and simultaneously discourages those who hope to sell inferior products by capitalizing on a consumer's inability quickly to evaluate the quality of an item offered for sale.<sup>22</sup>

Although trademarks are typically words or symbols, trademark protection can also extend to other things that identify the source of a good or service. For example, sounds can function as a trademark: the NBC chimes,<sup>23</sup> the MGM lion's roar,<sup>24</sup> and the Twentieth Century Fox fanfare<sup>25</sup> are all registered trademarks. Landmarks and building designs also may be protected by trademark.<sup>26</sup> In *White Tower System, Inc. v. White Castle System of Eating Houses Corp.*,<sup>27</sup> it was held that White Castle's unique, castle-shaped hamburger stand could serve as a trademark for the company.<sup>28</sup> Thus, when a building design serves to identify the source of goods or services for consumers, it may be protected by trademark law.<sup>29</sup> Several landmarks are in fact protected by trademark. In addition to the several New York landmarks previously identified,<sup>30</sup> San Francisco's Transamerica Tower<sup>31</sup> and Los Angeles' Mann's Chinese Theater<sup>32</sup> are among those landmarks that are also registered trademarks. In fact, THE NEW YORK TIMES observed “a growing inclination by the

---

<sup>22</sup> *Qualitex Co. v. Jacobson Prods. Co.*, 514 U.S. 162, 166 (1995) (quoting 1 J. THOMAS MCCARTHY, MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION § 3.01[1], at 3-2, § 7.26, at 7-113 (3d ed. 1994)).

<sup>23</sup> Nat'l Broadcasting Comp., Reg. No. 0916522 (“The mark comprises a sequence of chime-like musical notes which are in the Key of C and Sound the notes G, E, C, the ‘G’ being the one just below middle C, the ‘E’ the one just above middle C, and the ‘C’ being middle C, thereby to identify applicant’s broadcasting service.”).

<sup>24</sup> MGM/UA Entertainment, Reg. No. 1395550 (“The mark comprises a lion roaring.”).

<sup>25</sup> Twentieth Century Fox Film Corp., Reg. No. 2000732 (“The mark consists of nine bars of primarily musical chords in the key of B flat; the chords consisting of four, eighth and sixteenth notes.”).

<sup>26</sup> See MCCARTHY, *supra* note 22, at 7:100-02; see, e.g., *House of Hunan, Inc. v. Hunan at Pavilion*, 227 U.S.P.Q. (BNA) 803 (D.D.C. 1985).

<sup>27</sup> *White Tower System, Inc. v. White Castle System of Eating Houses Corp.*, 90 F.2d 67, 69 (6th Cir. 1937), *cert. denied*, 302 U.S. 720 (1937).

<sup>28</sup> *Id.* In the case, White Tower “deliberately used one of appellee’s stands as a model, obtained measurements and photographs thereof, and later secured plans and specification of appellee’s building and gave them to their architect.” *Id.* White Tower sought an injunction against White Castle when White Castle opened a location near one of White Tower’s restaurants. *Id.* Not only did the court deny White Tower’s request for an injunction, it enjoined White Tower from using the White Castle building design. *Id.* at 68-70.

<sup>29</sup> In addition, “the Two Pesos decision supports the proposition that an inherently distinctive building design is protected by trademark law as trade dress.” Lucia Sitar, *The Sky’s the Limit? The Emergence of Building Trademarks*, 103 DICK. L. REV. 821, 829 (1999) (discussing *Two Pesos, Inc. v. Taco Cabana, Inc.*, 505 U.S. 763 (1992)).

<sup>30</sup> See *supra* note 18 and accompanying text.

<sup>31</sup> See Kirkpatrick, *supra* note 16.

<sup>32</sup> See Keri Christ, *Architecture and Trademarks*, 558 P.L.I./PAT 111, 113-114 (1999).

owners of unique structures to assert a trademark right to the design of their buildings and thereby control and even limit how images are used.”<sup>33</sup>

For a landmark to be protected as a trademark, it must be “used to identify and distinguish goods or services.”<sup>34</sup> In other words, “the landmark must be used on or in connection with the promotion and sale of goods and services, or displayed on materials used in offering the goods or services for sale, rather than merely as a landmark per se.”<sup>35</sup> Further, the public must recognize such building or landmark as indicating and designating the source of particular goods or services.<sup>36</sup> Thus, trademark protection “cannot be enforced in the absence of evidence that the public recognizes it and associates it with the owner’s services.”<sup>37</sup>

This limitation on the use of a building as a trademark is illustrated by a case involving the Rock and Roll Hall of Fame and Museum in Cleveland, Ohio (the “Museum”).<sup>38</sup> The Museum’s building design was registered with the State of Ohio and the United States Patent and Trademark Office as a trademark.<sup>39</sup> Photographer Charles Gentile took a picture of the Museum against a colorful sunset and began selling the photograph as a poster. The Museum filed a lawsuit against Gentile over the depiction of the Museum in the poster.<sup>40</sup> The Sixth Circuit stated that “in order to be protected as a valid trademark, [the building design] must create ‘a separate and distinct commercial impression which . . . performs the trademark function of identifying the source of the merchandise to the customers.’”<sup>41</sup> Examining the picture of the building in the poster, the court stated that it did “not readily recognize the design of the Museum’s building as an indicator of source or sponsorship.”<sup>42</sup> What it saw instead was “a photograph of an accessible, well-known, public

---

<sup>33</sup> David W. Dunlap, *Lawsuits Involved the Flatiron and the New York Stock Exchange; A Building As a Trademark*, N.Y. TIMES (Oct. 24, 1999), <http://www.nytimes.com/1999/10/24/realestate/postings-lawsuits-involved-flatiron-new-york-stock-exchange-building-trademark.html>.

<sup>34</sup> Christ, *supra* note 15 at 1057.

<sup>35</sup> *Id.* at 1056 (citation omitted).

<sup>36</sup> *Id.* at 1055-56 (internal citations omitted). In addition,

[e]xisting case law suggests that for a landmark to be protected and enforced as a trademark it always must be presented to the public in the same format. The disparate use of several different perspectives of a landmark may fail to create a consistent distinct commercial impression as an indicator of a single source of origin or sponsorship. At least one court has refused to protect a building design as a trademark because it was not presented in a uniform and consistent format from one perspective, despite being a three-dimensional object readily recognizable from many perspectives.

*Id.*

<sup>37</sup> *Id.* at 1058 (citations omitted).

<sup>38</sup> *Rock and Roll Hall of Fame and Museum, Inc. v. Gentile Productions*, 71 F. Supp. 2d 755 (N.D. Ohio 1999).

<sup>39</sup> *Id.* at 756.

<sup>40</sup> *Rock & Roll Hall of Fame and Museum v. Gentile Prods.*, 934 F. Supp. 868 (N.D. Ohio 1996), *vacated*, 134 F.3d 749, 751 (6th Cir. 1998), *summary judgment granted by* 71 F. Supp. 2d 755 (N.D. Ohio 1999). The Museum claimed that that the poster “infringe[d] upon, dilute[d], and unfairly compete[d]” with the trademarks and service marks in the Museum’s building design. *Rock & Roll Hall of Fame and Museum*, 134 F.3d at 751.

<sup>41</sup> *Rock & Roll Hall of Fame and Museum*, 134 F.3d at 753-54.

<sup>42</sup> *Id.* at 754.

landmark.”<sup>43</sup> As the court put it, the picture in Gentile’s poster of “the Museum’s building strikes us not as a separate and distinct mark *on the good*, but rather, as the good itself.”<sup>44</sup> The fact that there was “absolutely no evidence in the record which documents or demonstrates public recognition of the Museum’s building design as a trademark” is consistent with the court’s conclusion.<sup>45</sup> As a result, the Sixth Circuit vacated the injunction initially granted to the Museum, finding that the record did not establish that the Museum had used its building design as a trademark and thus lacked a strong likelihood of success on the merits.<sup>46</sup> Thus, for a landmark to be protected as a trademark, the public must recognize the landmark as a trademark, not just as a landmark.

### III. TRADEMARK INFRINGEMENT

Trademark rights are infringed upon when one makes an unauthorized use of a trademark in a way that creates a likelihood of confusion as to the origin of the goods or services.<sup>47</sup> For example, if XYZ Company were to label its soda as “Pepsi,” and consumers bought the soda thinking it was Pepsi when in fact it was not, XYZ Company could be infringing on Pepsi’s trademark. Trademark law protects those who expended resources and effort “to develop an identification for [a] product” and prevents those “who [have] made no such expenditure, to use the unique symbol and to trade on that party’s goodwill and reputation to promote his or her own goods or services.”<sup>48</sup> A trademark owner may prevent others from using its mark, or one that is similar, if such use is likely to confuse consumers about the source or provider of goods or services, as “[c]onfusingly similar marks may cause consumers to unwittingly purchase goods or services of a different or inferior quality or reliability.”<sup>49</sup> Accordingly, “the touchstone of trademark infringement is consumer confusion.”<sup>50</sup>

---

<sup>43</sup> *Id.*

<sup>44</sup> *Id.* (emphasis in original).

<sup>45</sup> *Id.*

<sup>46</sup> *Id.* at 756. The court also noted that, “although the Museum has used drawings or pictures of its building design on various goods, it has not done so with any consistency . . . [Rather], the Museum has used versions of the building shape on . . . a wide variety of products.” *Id.* at 755 (internal quotation and citation omitted) (emphasis in original). The court cited cases in which a party claimed trademark rights in a famous person’s likeness, only to have those claims denied by the courts because “it cannot be said that every photograph of [a famous person] serves [the] origin-indicating function of a trademark.” *Id.* (discussing *Pirone v. MacMillan, Inc.*, 894 F.2d 579, 583 (2d Cir. 1990); *Estate of Presley v. Russen*, 513 F. Supp. 1339, 1363-64 (D.N.J. 1982)) (internal quotation omitted). According to the court, “[c]onsistent and repetitive use of a designation as an indicator of source is the hallmark of a trademark.” *Rock and Roll Hall of Fame and Museum*, 134 F.3d at 755.

<sup>47</sup> 15 U.S.C. § 1125(a)(1)(A) (2012).

<sup>48</sup> Tara J. Goldsmith, *What’s Wrong with this Picture? When the Lanham Act Clashes with Artistic Expression*, 7 *FORDHAM INTELL. PROP. MEDIA & ENT. L.J.* 821, 829-30 (1997) (internal citations omitted).

<sup>49</sup> *Id.*

<sup>50</sup> Robert C. Welsh & Pratheepan Gulasekaram, *Protecting Products That Go Hollywood*, *DAILY JOURNAL*, <http://www.dailyjournal.com/cle.cfm?show=CLEDisplayArticle&qVersionID=133&id=589011&evid=1>



A trademark owner's right to exclude others from using its mark when such use could cause consumer confusion will generally outweigh any First Amendment concerns: "Whatever First Amendment rights you may have in calling the brew you make in your bathtub 'Pepsi' are easily outweighed by the buyer's interest in not being fooled into buying it."<sup>51</sup> In such a case, the trademark holder can prevent the unauthorized use of its trademark.<sup>52</sup> However, trademarks may be used without authorization for purposes other than designating the source of a good or service. Trademarks may appear in films, television programs, and other works of art, oftentimes to signify the trademarked product itself rather than a competing product. Such uses of trademarks, even when not authorized by the trademark holder, will generally be allowed. Courts have made allowances for such uses, recognizing "that where the use of the trademark is not as a source identifier, it is a fair one to which the trademark laws simply do not apply."<sup>53</sup> Not being able to use other's trademarks to communicate ideas

would diminish our ability to discuss the products or criticize the conduct of companies that may be of widespread public concern and importance . . . Much useful social and commercial discourse would be all but impossible if speakers were under threat of an infringement lawsuit every time they made reference to a person, company or product by using its trademark.<sup>54</sup>

Nevertheless, trademark holders may object to their trademarks appearing in films or other media productions without their consent, and seek to quash such uses by filing a trademark infringement action. The problem with an infringement action

---

[<http://web.archive.org/web/20101007153654/http://dailyjournal.com/cle.cfm?show=CLEDisplayArticle&qVersionID=133&eid=589011&eid=1>]. In order to make out a cause of action for trademark infringement a plaintiff must establish that it has a valid mark that is entitled to protection under the Lanham Act, and that (1) the defendant used the mark, (2) in commerce, (3) in connection with the sale or advertising of goods or services, (4) without the plaintiff's consent, and that (5) such use "is likely to cause confusion . . . as to the affiliation, connection, or association of the defendant with the plaintiff, or as to the origin, sponsorship, or approval of the defendant's goods, services, or commercial activities by the plaintiff." *1-800 Contacts, Inc. v. WhenU.com, Inc.*, 414 F.3d 400, 407 (2d Cir. 2005) (citing 15 U.S.C. § 1114(1)(a); *Time, Inc. v. Petersen Publ'g Co.*, 173 F.3d 113, 117 (2d Cir. 1999); *Genesee Brewing Co., Inc. v. Stroh Brewing Co.*, 124 F.3d 137, 142 (2d Cir. 1997)).

Federal circuits use a variety of tests to determine whether the defendant's conduct creates the "likelihood of confusion" necessary to establish trademark infringement. Essentially, all variations focus on some combination of the same eight factors:

1. Strength of the plaintiff's mark;
2. Proximity of the plaintiff's and defendant's goods;
3. Similarity of marks;
4. Evidence of actual confusion;
5. Marketing channels used;
6. Type of goods and degree of care likely to be exercised by the purchaser;
7. The defendant's intent in selecting the mark; and
8. Likelihood of expansion of the product lines.

See *AMF Inc. v. Sleekcraft Boats*, 599 F.2d 341, 348-49 (9th Cir. 1979).

<sup>51</sup> *Mattel, Inc. v. MCA Records, Inc.*, 296 F.3d 894, 900 (9th Cir. 2002).

<sup>52</sup> See Goldsmith, *supra* note 48, at 832-33 (internal citations omitted).

<sup>53</sup> *Id.* at 824-25 (internal citations omitted).

<sup>54</sup> *CPC Int'l, Inc. v. Skippy Inc.*, 214 F.3d 456, 462 (4th Cir. 2000).

in this context is that the “unauthorized use of the mark for artistic purposes does not promote a competing product. That absence of direct competition between the trademark owner and the artist substantially lessens the likelihood of consumer confusion . . . .”<sup>55</sup> As such, trademark infringement typically does not occur simply because an artist depicts another’s trademark in a work of art. The trademark is not being used to identify a competing product; rather, the trademark is used to identify and bring to mind the product that it signifies.

#### IV. TRADEMARK DILUTION

Trademark law provides trademark holders with another tool they might use to prevent unauthorized uses of their trademarks. In addition to protections against infringement, federal trademark law also provides owners of famous trademarks the right to prevent unauthorized uses of their trademarks that might “dilute” the trademark. The Federal Trademark Dilution Act of 1995 (“FTDA”) defined dilution as, “the lessening of the capacity of a famous mark to identify and distinguish goods or services, regardless of the presence or absence of (1) competition between the owner of the famous mark and other parties, or (2) likelihood of confusion, mistake, or deception.”<sup>56</sup> The FTDA was largely supplanted by the Trademark Dilution Revision Act of 2006 (“TDRA”) which removed the requirement of a showing of *actual* trademark dilution and made a showing of *likely* trademark dilution sufficient.<sup>57</sup> The law allows owners of famous trademarks the right to prevent others from using their trademarks in a manner that would make them less “distinctive,” or less able to identify and distinguish the owners’ goods or services.<sup>58</sup> For example, dilution could occur by use of a distinctive trademark on a type of product other than that with which the trademark is associated: if the “Pepsi” trademark were used by other companies on goods such as bird seed, chainsaws, financial products, and light bulbs, the distinctiveness of the Pepsi mark and its ability to identify a particular type of beverage could be reduced. Thus, with trademark dilution, the harm to be prevented is “harm to the mark itself—to its uniqueness, to its singularity, to its capacity to identify the source of goods sold under it.”<sup>59</sup> In contrast with infringement actions, dilution does not require the unauthorized use to cause consumer confusion in order for the trademark holder to prevail.<sup>60</sup>

The Lanham Act provides for two different types of dilution: dilution by tarnishment and dilution by blurring. Under federal law, “dilution by tarnishment”

---

<sup>55</sup> Welsh and Gulasekaram, *supra* note 50.

<sup>56</sup> Federal Trademark Dilution Act of 1995, Pub. L. No. 104-98, 109 Stat. 985 (1996). Prior to the FTDA, dilution was actionable only under state law. *See e.g.*, Goldsmith, *supra* note 48, at 835-36.

<sup>57</sup> Trademark Dilution Revision Act of 2006, Pub. L. No. 109-312, 120 Stat. 1730 (codified as amended at 15 U.S.C. § 1125(c) (2012)). Both the FTDA and the TDRA, upon enactment of each, were incorporated into the overall law governing trademarks: the Lanham Act.

<sup>58</sup> *See Nabisco, Inc. v. PF Brands, Inc.*, 191 F.3d 208, 214-17 (2d Cir. 1999).

<sup>59</sup> Goldsmith, *supra* note 48, at 834-35 (internal citations omitted). “[D]ilution works its harm . . . by creating an association in consumers’ minds between a mark and a different good or service.” *Wham-O, Inc. v. Paramount Pictures Corp.* 286 F. Supp. 2d 1254, 1260 (N.D. Cal. 2003).

<sup>60</sup> 15 U.S.C. § 1125(c)(1) (2012).

is defined as an “association arising from the similarity between a mark or trade name and a famous mark that *harms the reputation* of the famous mark.”<sup>61</sup> One court described “tarnishment” this way:

‘Tarnishment’ generally arises when the plaintiff’s trademark is linked to products of shoddy quality, or is portrayed in an unwholesome or unsavory context likely to evoke unflattering thoughts about the owner’s product. In such situations, the trademark’s reputation and commercial value might be diminished because the public will associate the lack of quality or the lack of prestige in the defendant’s goods with the plaintiff’s unrelated goods, or because the defendant’s use reduces the trademark’s reputation and standing in the eyes of consumers as a wholesome identifier of the owner’s products or services.<sup>62</sup>

It has been observed that there “is not a vast amount of case law on federal trademark dilution,”<sup>63</sup> whether it be dilution by tarnishment or dilution by blurring. Nevertheless, existing case law on trademark dilution and analogous causes of action provide some guidance on the application of trademark dilution law. In *Mattel, Inc. v. MCA Records, Inc.*,<sup>64</sup> Mattel claimed that its Barbie trademark was tarnished by the song “Barbie Girl” because the song supports “promiscuity, lewdness, and the stereotyping and denigration of young women.”<sup>65</sup> Specifically, Mattel objected to phrases sung by the pretend Barbie in the song such as “undress me everywhere, I’m a blonde bimbo girl, in a fantasy world’; [and] ‘you can touch, you can play, if you say ‘I’m always yours,’ and ‘make me talk, do whatever you please, I can act like a star, I can beg on my knees.’”<sup>66</sup> The court observed “that mere association of a trademark with ‘unwholesome or negative context’ is [not] enough to make a trademark dilution claim.”<sup>67</sup> In fact, a “trademark may even be used lawfully in a way that many people, including the trademark owner, may find offensive.”<sup>68</sup>

As the Barbie Girl holding indicates, tarnishment does not occur simply because a trademarked product is depicted in a negative context that the trademark holder finds objectionable. Another example is *Caterpillar Inc. v. Walt Disney Co.*,<sup>69</sup> in which Caterpillar argued that it suffered trademark dilution by tarnishment from the depiction of its bulldozers in the film *George of the Jungle 2*.<sup>70</sup> The court described the role the bulldozers played in the film:

---

<sup>61</sup> *Id.* § 1125(c)(2)(C) (2012) (emphasis added).

<sup>62</sup> *Deere and Co. v. MTD Prods., Inc.*, 41 F.3d 39, 43 (2d Cir. 1994).

<sup>63</sup> Sitar, *supra* note 29, at 836.

<sup>64</sup> 46 U.S.P.Q.2d (BNA) 1407 (C.D. Cal. 1998), *aff’d* by *Mattel, Inc. v. MCA Records, Inc.*, 296 F.3d 894 (9th Cir. 2002).

<sup>65</sup> *Mattel*, 46 U.S.P.Q.2d (BNA) at 1419.

<sup>66</sup> *Id.* at 1409. Mattel also objected to lyrics sung by the pretend Ken, which included “‘kiss me here, touch me there, hanky panky’ and ‘come jump in, bimbo friend, let us do it again, hit the town, fool around, let’s go party.’” *Id.*

<sup>67</sup> *Id.* at 1419.

<sup>68</sup> *Id.*

<sup>69</sup> *Caterpillar Inc. v. Walt Disney Co.*, 287 F. Supp. 2d 913 (C.D. Ill. 2003).

<sup>70</sup> *Id.* at 915.

In the movie, the villainous Lyle dispatches his henchmen on Caterpillar bulldozers to raze Ape Mountain. During the scenes leading up to the battle and the battle itself, the narrator describes these bulldozers as ‘deleterious dozers,’ ‘maniacal machinery,’ and by other similar descriptions.<sup>71</sup>

Caterpillar objected to its products being associated with the evil character Lyle and his nefarious scheme, alleging the depiction would “tarnish the reputation of its business and products.”<sup>72</sup>

As there was nothing in the film “to even remotely suggest that Caterpillar products are shoddy or of low quality,” the court focused on Caterpillar’s claim that the film portrayed Caterpillar bulldozers “in an unwholesome or unsavory light.”<sup>73</sup> The court found a number of reasons to reject Caterpillar’s contention. One was “context . . . *George 2* is a children’s comedy that is really a live action cartoon. It borrows many motifs from its animated forebears such as belated recognition close-ups, collisions so bone-jarring that George’s outline is left embedded into a tree and other such well-established cartoon clichés that clearly establish the fantastic nature of the movie.”<sup>74</sup> In regard to the bulldozers being described as “deleterious dozers,” and “maniacal machines” in the film, the court saw Caterpillar as arguing that the depiction was “somehow implying that the machines are directly responsible for the attempted destruction of Ape Mountain.”<sup>75</sup> Rejecting this argument, the court believed it was “clear to even the most credulous viewer or child that the bulldozers in the movie are operated by humans and are merely inanimate implements of Lyle’s environmentally unfriendly schemes.”<sup>76</sup> As a result, the court found Caterpillar unlikely to succeed on its trademark dilution by tarnishment claim.<sup>77</sup>

Tarnishment was also claimed in *Wham-O, Inc. v. Paramount Pictures Corp.*,<sup>78</sup> which involved the comical misuse of the trademarked Slip’N Slide toy in the film *Dickie Roberts: Former Child Star*. Wham-O, owner of the Slip-n-Slide brand, sued the film’s producer for depicting the product in the film without its consent.<sup>79</sup> In the film, the character Dickie Roberts launches himself face first onto a dry Slip’N Slide and “skids—with accompanying sound effects—to a quick and painful stop.”<sup>80</sup> Roberts makes other attempts to use the Slip’N Slide, culminating in an attempt, after lubricating the slide with cooking oil, in which “Roberts slides well off the end of the mat, careening across the lawn at an exaggerated speed, ultimately colliding with a picket fence.”<sup>81</sup>

---

<sup>71</sup> *Id.* at 921.

<sup>72</sup> *Id.*

<sup>73</sup> *Id.* at 922.

<sup>74</sup> *Caterpillar Inc. v. Walt Disney Co.*, 287 F. Supp. 2d at 922.

<sup>75</sup> *Id.*

<sup>76</sup> *Id.*

<sup>77</sup> *Id.* Tarnishment was also unsuccessfully claimed in the Barbie Girl case. *See supra* notes 64-68 and accompanying discussion.

<sup>78</sup> *Wham-O, Inc. v. Paramount Pictures Corp.*, 286 F. Supp. 2d 1254 (N.D. Cal. 2003).

<sup>79</sup> *Id.* at 1258.

<sup>80</sup> *Id.* at 1257.

<sup>81</sup> *Id.* at 1258. Although it did not alter its analysis, the court also noted that the slide scene played a “prominent role” “[i]n the film’s advertisement and promotional campaigns”: “[i]t appears in the film’s publicly-released trailers; it appears in related promotional materials; it appears in the

In analyzing the dilution by tarnishment claim, the court concluded, “Silly as defendants’ depiction of the slide may be, the depiction does not inspire a ‘degree of probable loss of the capability of the mark to serve as a distinctive identifier.’”<sup>82</sup> Further, like the *Caterpillar* court, the *Wham-O* court also found the context of the depiction relevant: “The film presents a ham-fisted and exaggerated illustration of slide misuse. It is an obvious and unmistakable misuse, one recognizable by even the youngest or most credulous film viewer, and one expressly described as a misuse in the film itself.”<sup>83</sup> For these reasons, the court found it unlikely that Wham-O could successfully claim dilution by tarnishment.<sup>84</sup> As these cases show, filmmakers have been able to depict trademarks and trademarked products in films in ways that were objectionable to the trademark owners without “tarnishing” those trademarks as that term is defined under federal law. Simply having the trademarked product used by the villain in carrying out his scheme, or having a character injure himself through misuse of the trademarked product, was not sufficient to “harm the reputation” of the product as required by the statute.<sup>85</sup>

The other type of trademark dilution action is dilution by blurring, which is defined as an “association arising from the similarity between a mark or trade name and a famous mark that *impairs the distinctiveness* of the famous mark.”<sup>86</sup> As Kathleen Gooberlet describes it:

Dilution by blurring occurs when the public sees a famous mark, and thinks of a junior mark’s products. The association between the famous mark and the good is “blurred” in the mind of the consumer and the “distinctiveness” of the famous mark is weakened. Regardless of whether consumers are confused by the junior use, the famous mark loses its ability to uniquely and distinctively identify and distinguish one source. Consequently, the change in consumers’ perception reduces the marketing value or “selling power” of the famous trademark.<sup>87</sup>

The Lanham Act enumerates six non-exhaustive factors a court may consider to determine whether a mark is likely to cause dilution by blurring. These factors are:

- (i) The degree of similarity between the mark or trade name and the famous mark;

---

film’s television advertisements; it appears on the film’s internet website; and it dominates—or, better put, gives life to—an interactive game named “Dickie Slide” on the film’s website.” *Id.*

<sup>82</sup> *Id.* at 1261.

<sup>83</sup> *Wham-O*, 286 F. Supp. 2d at 1261.

<sup>84</sup> *Id.*

<sup>85</sup> Both of these examples involved portrayals of the trademarked product in comedic contexts, which was a significant factor for each court in finding dilution by tarnishment lacking. It is not clear that similar depictions in other contexts would lead to the same result.

<sup>86</sup> 15 U.S.C. § 1125(e)(2)(B) (2012) (emphasis added).

<sup>87</sup> Kathleen Gooberlet, *The Trademark Dilution Revision Act of 2006: Prospective Changes To Dilution Definition, Claim Analyses, And Standard Of Harm*, 6 J. HIGH TECH. L. 249, 254 (2006) (internal citations omitted).

- (ii) The degree of inherent or acquired distinctiveness of the famous mark;
- (iii) The extent to which the owner of the famous mark is engaging in substantially exclusive use of the mark;
- (iv) The degree of recognition of the famous mark;
- (v) Whether the user of the mark or trade name intended to create an association with the famous mark; and
- (vi) Any actual association between the mark or trade name and the famous mark.<sup>88</sup>

These factors, however, are likely to be of little relevance when the issue is the use or depiction of a trademark in a fictional film or other media production. That is because the trademark is typically being used to represent the product itself, not some other product. Courts faced with these types of cases typically do not engage in detailed analysis of the factors listed above. Rather, the courts focus on the larger question of whether the challenged use will weaken the association between the trademark and the trademark holder's product that trademark represents.

*Mattel, Inc. v. MCA Records, Inc.*<sup>89</sup> provides an example of trademark blurring. Mattel claimed that its Barbie trademark was diluted by the use of the name Barbie by the music group Aqua in its song titled "Barbie Girl."<sup>90</sup> Although the group's use of the name Barbie was ultimately protected,<sup>91</sup> the court acknowledged that the use of the Barbie trademark in the song's title was blurring, in that "after the song's popular success, some consumers hearing Barbie's name will think of both the doll and the song, or perhaps of the song only."<sup>92</sup>

Dilution by blurring was also found to be lacking in the *Wham-O* case when the trademarked Slip'N Slide water slide was misused in a film for comic effect, as "the kind of misuse to which defendants put the slide does not make plaintiff's marks less unique or identifiable."<sup>93</sup> For the court, even though the product was misused in the film and even though the misuse resulted in a character being injured in a comedic way, this did not lessen the ability of the Slip'N Slide trademark to be a "distinctive identifier" of the source of the product: after seeing the film, viewers would still associate the Slip'N Slide trademark with the water slide it identifies.<sup>94</sup>

As these cases indicate, simply including or depicting a trademark in a fictional media production in a manner that is not authorized by the trademark holder, but which in fact the trademark holder has some concern will cause some damage to the trademark, is not necessarily sufficient to constitute trademark dilution. Two other

---

<sup>88</sup> 15 U.S.C. § 1125(c)(2)(B) (2012).

<sup>89</sup> *Mattel, Inc. v. MCA Records, Inc.*, 296 F.3d 894 (9th Cir. 2002), *cert. denied*, 537 U.S. 1171 (2003).

<sup>90</sup> *Id.* at 902-03.

<sup>91</sup> The court found that the use of the Barbie trademark in the song and song title fell under both the noncommercial speech and parody exclusions to trademark dilution actions. *Id.* at 906-07. For further discussion of this aspect of the court's ruling, see *infra* notes 122-123 and accompanying text.

<sup>92</sup> *Mattel, Inc. v. MCA Records, Inc.*, 296 F.3d at 904.

<sup>93</sup> *Wham-O*, 286 F. Supp. 2d at 1262. For a more detailed discussion of the specifics of this case, see *supra* notes 78-84 and accompanying text.

<sup>94</sup> *Id.* at 1261.

limitations on the reach of trademark dilution law are the law's requirements that the mark sought to be protected, in a dilution action be sufficiently famous *and* sufficiently distinctive.<sup>95</sup> Under the law, a mark is considered "famous if it is widely recognized by the general consuming public of the United States as a designation of source of the goods or services of the mark's owner."<sup>96</sup> While the types of landmarks analyzed in this article, such as the Hollywood Sign, can be considered famous in that they are well-known by the American public, this notoriety does not necessarily mean that the public will recognize those landmarks "as a designation of source of the goods or services of the mark's owner."<sup>97</sup> For example, the Rock and Roll Hall of Fame Museum lost its case because the court did not think the public viewed the Museum building as a trademark.<sup>98</sup> Thus, whether a landmark is "famous" in the sense required by the law—as a designation of the source of particular goods or services—is a question a court will need to answer in the affirmative before examining whether dilution is present.<sup>99</sup>

Distinctiveness is also a requirement for a trademark to be the subject of a dilution action. Distinctiveness means that consumers perceive a trademark as identifying particular goods. Some trademarks are inherently distinctive, such as fanciful trademarks like "Google," which are made-up words used to identify a good or service.<sup>100</sup> Descriptive trademarks, on the other hand, are not inherently distinctive as they simply describe a good or service. "American Airlines" would be an example of this. However, descriptive trademarks may become distinctive when they acquire secondary meaning; that is, as a result of the mark's use, the public comes to associate the mark with a particular good or service.<sup>101</sup>

At least one court has denied a dilution claim for the unauthorized depiction of a trademarked building façade because the court did not consider the façade to meet the distinctiveness requirement. In *New York Stock Exchange, Inc. v. New York, New York Hotel, LLC*,<sup>102</sup> the New York Stock Exchange ("NYSE") filed an action for trademark dilution of its trademarked building façade against New York, New York Hotel & Casino in Las Vegas ("Casino"). The Casino had a replica of the NYSE building façade on its gambling floor and used photos of the replica in its advertising.<sup>103</sup> In its analysis of the dilution claim, the court noted that the NYSE

---

<sup>95</sup> 15 U.S.C. § 1125(c)(1) (2012). A "mark can be famous without being at all distinctive, as in the cases of American Airlines, American Tobacco Company, British Airways . . ." *Nabisco, Inc. v. PF Brands, Inc.*, 191 F.3d 208, 227-28 (2d Cir. 1999).

<sup>96</sup> 15 U.S.C. § 1125(c)(2)(A) (2012).

<sup>97</sup> *Id.*

<sup>98</sup> See *supra* notes 38-46 and accompanying text.

<sup>99</sup> For a discussion of the ways the fame requirement has been interpreted and applied by the different federal circuits, see Intellectual Property Owners Association Dilution Subcommittee, *Review of Decisions on Key Issues under Federal Dilution Law* (2011), <http://www.ipo.org/wp-content/uploads/2013/03/federaldilutionlawreview.pdf>.

<sup>100</sup> See *Abercrombie & Fitch Co. v. Hunting World, Inc.*, 537 F.2d 4, 10 (2d Cir. 1976).

<sup>101</sup> See RESTATEMENT (THIRD) OF UNFAIR COMPETITION § 13(b) (2000) (explaining that acquired distinctiveness is commonly referred to as "secondary meaning"). For a detailed discussion of trademark distinctiveness, see *Nabisco, Inc. v. PF Brands, Inc.*, 191 F.3d 208, 215-16 (2d Cir. 1999).

<sup>102</sup> *New York Stock Exchange, Inc. v. New York, New York Hotel, LLC*, 69 F. Supp. 2d 479 (S.D.N.Y. 1999) *aff'd in part and rev'd in part*, 293 F.3d 550 (2d Cir. 2002).

<sup>103</sup> Christ, *supra* note 15, at 1065 (2002) (discussing *New York Stock Exchange*, 69 F. Supp. 2d at 489-90).

building's appearance featured six Corinthian columns across its façade as well as a bas-relief sculpture at the pediment above the columns.<sup>104</sup> In determining the building façade was not distinctive as required by the statute, the court observed that many well-known buildings “have classical facades with Corinthian columns and bas-relief figures on a pediment, [including] the United States Supreme Court building, the Kings County Supreme Court building, New York County Supreme Court building and the Brooklyn Museum, as well as considerably older buildings such as the Parthenon.”<sup>105</sup> While the court considered some aspects of the façade to be “unique, [such as] the particular arrangement of the elements contained in the representation that the NYSE has registered, as well as the sculpture that appears on the pediment,”<sup>106</sup> this uniqueness by itself was “insufficient by itself to justify a finding of distinctiveness.”<sup>107</sup> Instead, for a mark to be distinctive, it “requires the consumer ‘to exercise the imagination in order to draw a conclusion as to the nature of the goods and services.’”<sup>108</sup> The court explained that the building façade failed this test:

The mark claimed and registered by the NYSE consists of a picture of the façade of its building together with the words NEW YORK STOCK EXCHANGE located below the building's pediment. The combination of a classical façade that is regularly used for buildings containing public spaces and the words NEW YORK STOCK EXCHANGE as part of the facade does not require a person to exercise imagination to realize that the building houses a stock exchange. The facade therefore is not “distinctive” as that concept is defined for purposes of the statute.<sup>109</sup>

Under this analysis, the Hollywood Sign may not be considered distinctive as required for dilution claims. The Hollywood Sign does not require consumers “to exercise the imagination in order to draw a conclusion” that the Sign represents the city of Hollywood. It should be noted, however, that in an appeal to the New York Stock Exchange decision just discussed, the appellate court held that an issue of fact existed as to whether the NYSE's architectural façade was an inherently distinctive mark for purposes of dilution.<sup>110</sup> Nevertheless, for the purpose of the analysis that is the focus of this article, it will be assumed that the mark in question is famous and distinctive as required by the statute. That being said, the “second and often decisive step” in trademark dilution actions “is determining whether the use falls into one of the [Lanham Act's] enumerated exemptions, absolving the defendant from liability.”<sup>111</sup>

---

<sup>104</sup> *New York Stock Exchange*, 69 F. Supp. 2d at 481 (citations omitted).

<sup>105</sup> *Id.* at 489 (citations omitted).

<sup>106</sup> *Id.*

<sup>107</sup> *Id.* (citing *Pebble Beach Company v. Tour 18 I Limited*, 155 F.3d 526, 541 n.7 (5th Cir. 1998)).

<sup>108</sup> *New York Stock Exchange*, 69 F. Supp. 2d at 489 (citing *Pebble Beach Company*, 155 F.3d at 540).

<sup>109</sup> *Id.* at 489-90.

<sup>110</sup> *New York Stock Exchange*, 293 F.3d at 557.

<sup>111</sup> *Welsh & Gulasekaram*, *supra* note 50.



## V. DILUTION ACTION EXCLUSIONS

Additional limitations on a trademark holder's ability to claim trademark dilution are provided by the statutory exclusions for actions for trademark dilution, which allow for unauthorized uses or depictions of other's trademarks.<sup>112</sup> One such exclusion is for "[a]ny noncommercial use[s] of a mark."<sup>113</sup> Movies and television shows are typically produced with the objective of making a profit, but this does not necessarily make them "commercial" in the legal sense.

A work of art, much like a movie, may be driven by an economic motive. The Supreme Court, however, has recognized that books, movies, religious literature, and even political speech are dependent on generating money for their dissemination: "it is well settled that a speaker's rights are not lost merely because compensation is received; a speaker is no less a speaker because he or she is paid to speak."<sup>114</sup>

In some contexts, commercial speech has been limited to speech that "does not more than propose a commercial transaction."<sup>115</sup> Interpreted that way, the noncommercial speech exemption would seem to provide filmmakers and other media producers significant leeway to depict trademarks in their productions without being liable for trademark dilution—so long as their productions did more than propose a commercial transaction, which would typically be the case. Courts, however, do not seem to have applied this exclusion so broadly.<sup>116</sup>

For example, in making its decision, the *Mattel* court relied on *Hoffman v. Capital Cities/ABC, Inc.*<sup>117</sup> In *Hoffman*, a magazine article featured digitally altered images from well-known films, with the images of actors from those films altered so that they were dressed in famous designers' spring fashions. The article included an image of actor Dustin Hoffman from the movie *Tootsie* altered so that he appeared in a different gown and different footwear than in the original image. Hoffman sued.<sup>118</sup> Despite the fact that the article did more than propose a commercial transaction, the court found the article nevertheless served a commercial purpose: "to draw attention

---

<sup>112</sup> 15 U.S.C. § 1125(c)(3) (2012).

<sup>113</sup> 15 U.S.C. § 1125(c)(3)(C) (2012).

<sup>114</sup> *Riley v. National Fed'n of Blind*, 487 U.S. 781, 801 (1988); see *Campbell v. Acuff-Rose Music, Inc.*, 510 U.S. 569, 584 (1994); *New York Times Co. v. Sullivan*, 376 U.S. 254, 265-66 (1964); *Burke v. City of Charleston*, 893 F. Supp. 589, 601 (D.S.C. 1995).

<sup>115</sup> *Bolger v. Youngs Drug Prods Corp.*, 463 U.S. 60, 66 (1983). The Supreme Court has offered multiple definitions of what constitutes commercial speech. In one instance, it defined it as speech which does "no more than propose a commercial transaction." *Virginia State Board of Pharmacy v. Virginia Citizens Consumer Council, Inc.*, 425 U.S. 748, 771 n.24 (1976). The Court has found this to include "commercial handbills, advertising of retail prices of alcoholic beverages, 'for sale' signs, advertising of prescription drug prices, and beer labels." Goldsmith, *supra* note 48, at 845 (internal citations omitted). Commercial speech has also been described by the Court as relating "solely to the economic interest of the speaker and its audience." *Id.* The Court has found this to include "advertising by electric utilities that promotes use of electricity, or a trade magazine article that blatantly promotes product manufactured by author/manufacturer's president." *Id.* (citations omitted).

<sup>116</sup> In terms of noncommercial uses, "the boundary between commercial and noncommercial speech has yet to be clearly delineated." *Hoffman v. Capital Cities/ABC, Inc.*, 255 F.3d 1180, 1184 (9th Cir. 2001) (quoting *Bolger*, 463 U.S. at 66).

<sup>117</sup> *Mattel*, 296 F.3d at 906 (discussing and quoting *Hoffman*, 255 F.3d at 1183-86).

<sup>118</sup> *Hoffman*, 255 F.3d at 1183.

to the for-profit magazine in which it appeared' and to sell more copies."<sup>119</sup> Thus, the court seemed to rely on the economic motive behind the article—the desire to sell more copies of the magazine in order to increase the publisher's revenues—to classify the speech as commercial. This was despite the fact that the article did more “than propose a commercial transaction.” Nevertheless, the court looked at the content of the article itself and in doing so declared that the article “was fully protected under the First Amendment because it included protected expression: ‘humor’ and ‘visual and verbal editorial comment on classic films and famous actors.’ Because its commercial purpose was ‘inextricably entwined with [these] expressive elements,’ the article and accompanying photographs enjoyed full First Amendment protection.”<sup>120</sup>

Thus, to be protected under the noncommercial use exception, it appears that there must be some speech *associated with the use or depiction of the trademark* that would be considered protected under the First Amendment. To support this reading of the non-commercial use exception, courts have looked to the legislative history of the trademark acts, such as this statement by Sen. Orrin G. Hatch (R-Utah), the Chairman of the Senate Judiciary Committee: “[T]he [FTDA] bill will not prohibit or threaten noncommercial expression, such as parody, satire, editorial and other forms of expression that are not a part of a commercial transaction.”<sup>121</sup> Thus, it appears that the noncommercial speech exemption requires a movie to contain some protected speech, such a parody or commentary, *in connection with* the trademark or trademarked product itself. This interpretation provides a possible explanation for why neither the *Caterpillar* nor *Wham-O* courts even mentioned the noncommercial speech exemption in making their decision. Otherwise, if the film were to be considered noncommercial in this context—because the film did more than propose a commercial transaction—that would be a simple and straightforward basis for the courts to dispose of those cases. The *Mattel* court's analysis on the use of the Barbie trademark in the song is also consistent with this reading of the exception. There, the court observed that the song “lampoons the Barbie image and comments humorously on the cultural values Aqua claims she represents.”<sup>122</sup> This led the court to conclude that “use of the term ‘Barbie’ [in the song] appears to be for purposes of parody, rather than to sell knock-off Barbie products.” As a result, the court concluded that the “[u]se of the Barbie mark in the song *Barbie Girl* therefore falls within the noncommercial use exemption to the [Lanham Act].”<sup>123</sup>

In addition to the noncommercial use exclusion, the Lanham Act also provides a separate fair use exclusion, which specifically and explicitly allows for fair uses of a trademark. This fair use exclusion exempts from liability:

---

<sup>119</sup> *Mattel*, 296 F.3d at 906 (discussing and quoting *Hoffman*, 255 F.3d at 1183-86).

<sup>120</sup> *Mattel*, 296 F.3d at 906 (discussing and quoting *Hoffman*, 255 F.3d at 1185).

<sup>121</sup> *Mattel*, 28 F. Supp. 2d at 1155 n.55 (C.D. Cal. 1998) (citing 141 Cong. Rec. S19306, S19310 (1995) (Senator Hatch)).

<sup>122</sup> *Mattel*, 296 F.3d at 907.

<sup>123</sup> *Id.* The court observed that it “must be wary of applying anti-dilution statutes to permit a trademark owner to enjoin the use of his mark in a noncommercial context simply because they find such parodies negative or offensive. [A] corporation could shield itself from criticism by forbidding the use - of its name in commentaries critical of its conduct, with detrimental consequences to free speech in this society.” *Mattel*, 28 F. Supp. 2d at 1156 (internal quotations omitted).

Any fair use, including a nominative or descriptive fair use . . . of a famous mark by another person other than as a designation of source for the person's own goods or services, including in connection with . . . identifying and parodying, criticizing, or commenting upon the famous mark owner or the goods or services of the famous mark owner.<sup>124</sup>

Two different types of fair uses are excluded from being actionable here: descriptive fair use and nominative fair use. For descriptive fair use, "a defendant must demonstrate that 'the use of the name, term, or device charged to be an infringement is a use, otherwise than as a mark . . . which is descriptive of and used fairly and in good faith only to describe the goods or services of such party, or their geographic origin.'"<sup>125</sup> Thus, "the crucial question under the [descriptive] fair use doctrine is whether the defendants are using the protected word or image descriptively."<sup>126</sup>

To establish a descriptive fair use, the use of another's trademark must be used to describe goods or services, not as a trademark. For example, in *Sunmark, Inc. v. Ocean Spray Cranberries, Inc.*,<sup>127</sup> the descriptive fair use exclusion allowed Ocean Spray to describe its cranberry drink as tasting "sweet-tart," despite candy company Sunmark having a trademark on the term "SweetTart" for its candy.<sup>128</sup> In *WCVB-TV v. Boston Athletic Association*, the holder of the trademark "Boston Marathon" tried to prevent a TV station from using the name in its coverage of the Boston Marathon.<sup>129</sup> The court observed that the TV station's use of the term

describe[s] the event that Channel 5 will broadcast. Common sense suggests . . . that a viewer who sees those words flash upon the screen will believe simply that Channel 5 will show, or is showing, or has shown, the marathon, not that Channel 5 has some special approval from the [trademark holder] to do so.<sup>130</sup>

The court found this use to be a descriptive fair use.<sup>131</sup> Under this analysis, depicting the Hollywood Sign in a film to signify that the action in the scene took place in Hollywood would seem to qualify as a descriptive fair use.

---

<sup>124</sup> 15 U.S.C. § 125(c)(3)(A) (2012) (emphasis added). Fair use involving "advertising or promotion that permits consumers to compare goods or services" is also excluded as are "[a]ll forms of news reporting and news commentary." 15 U.S.C. § 1125(c)(3)(A)-(B) (2012). However, since the focus of analysis is on the use of trademarks in fictional products such as films, these exclusions are not analyzed herein. The fair use exemption also specifies some of the uses, such as parody or commentary, that may also be exempted for being noncommercial. However, the noncommercial use exemption may be broader, in that it does not require such use to also qualify as a fair use.

<sup>125</sup> *New York Racing Association, Inc. v. Perlmutter Publishing, Inc.*, 1996 U.S. Dist. LEXIS 11764, at \*24 (N.D.N.Y. 1996) (quoting 15 U.S.C. § 1115(b)(4)).

<sup>126</sup> *New York Racing Ass'n*, 1996 U.S. Dist. LEXIS, at \*25-26.

<sup>127</sup> *Sunmark, Inc. v. Ocean Spray Cranberries, Inc.*, 64 F.3d 1055 (7th Cir. 1995).

<sup>128</sup> *Id.*

<sup>129</sup> *WCVB-TV v. Boston Athletic Association*, 926 F.2d 42 (1st Cir. 1991).

<sup>130</sup> *Id.* at 46.

<sup>131</sup> *Id.*

Another example of a descriptive fair use that involved the use of another's trademarks to depict an actual scene in a work of art can be found in *New York Racing Ass'n*.<sup>132</sup> At issue in that case were paintings of the Saratoga Race Track by defendant artist Jenness Cortez and sold by co-defendant Perlmutter Publishing. In some of the paintings, New York Racing Association ("NYRA") marks were depicted in portions of the Saratoga Race Track where they did not actually exist.<sup>133</sup> In analyzing the fair use defense to these uses of the NYRA marks, the court noted that:

[T]rademark rights . . . will not prevent others from using the word or image in good faith in its descriptive sense, and not as a trademark. . . . The principle is of great importance because it protects the right of society at large to use words or images in their primary descriptive sense, as against the claims of a trademark owner to exclusivity. Thus, the crucial question under the fair use doctrine is whether the defendants are using the protected word or image descriptively.<sup>134</sup>

Applying this analysis to the case before it, the court found "that the fair use doctrine does not protect defendants' products displaying paintings which contain the NYRA logo where it does not actually exist in the scene portrayed."<sup>135</sup> On the other hand, the court did allow the depiction of the NYRA marks on a scoreboard and on a flag in paintings that accurately represented the scene at the Saratoga Race Track. In doing so, the court observed, "the record shows that defendants use the [NYRA trademark] images to describe Saratoga horse racing and not as an indication of source."<sup>136</sup> As the court put it, "incorporating one of plaintiff's marks in a painting that depicts a scene in which the mark actually exists serves the artistically relevant purpose of accurately depicting that scene . . . [In such a case, t]he interest of free expression weighs conclusively in defendants' favor for products displaying these painting."<sup>137</sup>

Under *New York Racing Ass'n*, the accurate depiction of a trademarked landmark would be protected, whether that be in a cityscape or in a shot that focuses more on the landmark itself. Inaccurate depiction of a trademarked landmark may not enjoy the same protection. For example, a shot of characters in a location from which the Hollywood Sign is visible should be permitted as a descriptive fair use, as it accurately depicts the scene. On the other hand, a film that depicts the destruction of the Hollywood sign, as in the film *SAN ANDREAS*,<sup>138</sup> would not accurately depict the sign and would not be permissible under the *New York Racing Ass'n* court's descriptive fair use analysis.

---

<sup>132</sup> *New York Racing Ass'n*, 1996 U.S. Dist. LEXIS 11764.

<sup>133</sup> *Id.* at \*20.

<sup>134</sup> *Id.* at \*25.

<sup>135</sup> *Id.* at \*25-26.

<sup>136</sup> *Id.* at \*16 n.13.

<sup>137</sup> *Id.* at \*20.

<sup>138</sup> See Sheila Roberts, *SAN ANDREAS: 18 Things to Know About the Dwayne Johnson Disaster Movie*, COLLIDER.COM (May 26, 2015), <http://collider.com/san-andreas-movie-18-things-to-know-about-dwayne-johnson-disaster-movie/>.

*A. Nominative Fair Use Exception*

In addition to noncommercial uses and descriptive fair uses, the Lanham Act also excludes from liability nominative fair uses, which require three conditions to be met:

First, the product or service in question must be one not readily identifiable without use of the trademark; second, only so much of the mark or marks may be used as is reasonably necessary to identify the product or service; and third, the use must do nothing that would, in conjunction with the mark, suggest sponsorship or endorsement by the trademark holder.<sup>139</sup>

The nominative fair use requirements were found to be satisfied in the *Wham-O Slip'N Slide* case. In terms of the unauthorized use of the Slip'N Slide trademark in the film, the court observed that “defendants’ use of plaintiff’s marks is nominative use, a kind of use excepted from the reach of the [Lanham Act],” in that (1) the product was not readily identifiable without use of the trademark; (2) only so much of the mark was used as was reasonably necessary to identify the product; and (3) the defendant did nothing to suggest sponsorship or endorsement by the trademark holder.<sup>140</sup>

The depiction of trademarked landmarks in films would be excluded from dilution actions so long as these three requirements are met. The first requirement would not seem to present much problem for depicting trademarked landmarks in films, as a landmark may not be identifiable without actually depicting it. As one author observed, “[o]f the three nominative fair use factors, this appears to be the easiest factor for the courts to apply. With only two exceptions, to the author’s knowledge, every time courts applied the . . . nominative fair use [test], the trademark met the first prong.”<sup>141</sup> The third factor would also seem relatively simple to satisfy, as audience members are unlikely to think a film was sponsored or endorsed by a trademarked landmark simply because the landmark was depicted in the film.

The second factor would seem more fact-dependent, as how much or for how long can a landmark be depicted without going beyond what was reasonably necessary to identify it would turn on the specific circumstances of the depiction. Carl Regelmann observes, “multiple nominative fair use cases have turned on the second prong of the

---

<sup>139</sup> *New Kids on the Block v. News America Publishing, Inc.*, 971 F.2d 302, 308 (9th Cir. 1992). There is some variation among the federal circuits in the application of the nominative fair use test. See, e.g., Matthew D. Bunker, *Mired in Confusion: Nominative Fair Use in Trademark Law and Freedom of Expression*, 20 COMM. L. & POL’Y 191 (2015); Samuel M. Duncan, *Protecting Nominative Fair Use, Parody, and Other Speech-Interests by Reforming the Inconsistent Exemptions from Trademark Liability*, 44 U. MICH. J.L. REFORM 219 (2010).

<sup>140</sup> *Wham-O*, 286 F. Supp. 2d at 1263.

<sup>141</sup> Carl Regelmann, *Trademark Nominative Fair Use: The Relevance of the “New Kids on the Block Factors” After the Supreme Court KP Permanent Make-Up v. Lasting Impression Decision*, 16 DEPAUL-LCA J. ART & ENT. L. 1, 20 (2005). In analyzing the exceptions referred to in this statement, Regelmann concludes, “It appears . . . as though the court misapplied the ‘New Kids [nominative fair use] test’ in applying the first factor in both cases. *Id.* at 21-24.

nominative fair use test.”<sup>142</sup> The inclusion of this right in the nominative fair use test “appears to derive from a concern that confusion as to affiliation may result if the defendant’s use of the plaintiff’s mark exceeds its legitimate referential purpose.”<sup>143</sup> For example, in *Toho Co., Ltd. v. William Marrow & Co., Inc.*, Toho was the owner of the character “Godzilla,” also holding a trademark in the character’s name. Toho engaged in extensive licensing and merchandising of the character.<sup>144</sup> Book publisher Morrow, without Toho’s authorization, planned to release a book about the character Godzilla, which was titled “Godzilla!” with the title of the book “written [on the book’s cover] in the distinctive lettering style used by Toho and its licensees in their merchandising activities.”<sup>145</sup> It was this use of the mark “Godzilla”—in “bold orange lettering prominently displayed” in the same style as Toho in its merchandising activities—that “exceed[ed] its legitimate referential purpose” under the second prong of the nominative fair use test.<sup>146</sup>

Nominative fair use was not available as a defense in a case where video game maker, Rockstar included a strip club called the “Pig Pen” in the virtual city of “Los Santos” in its *Grand Theft Auto: San Andreas* game.<sup>147</sup> The city of Los Santos was based on Los Angeles, and game designers took inspiration from actual Los Angeles locations in designing the game. The game designers’ goal, however, was not to create an accurate representation of Los Angeles, but rather “a fictional city that lampooned the seedy underbelly of Los Angeles and the people, business and places [that] comprise it.”<sup>148</sup> ESS Entertainment 2000, which operated the Play Pen Gentlemen’s Club in East Los Angeles, claimed that the inclusion of the Pig Pen in the game infringed its trademark rights.<sup>149</sup> The court noted that a “[nominative fair use occurs when] the defendant . . . us[es] the trademarked term to describe not its own product, but the plaintiff’s. The doctrine protects those who deliberately use another’s trademark or trade dress for the “purposes of comparison, criticism[,] or point of reference.”<sup>150</sup> The Pig Pen logo used in the game was similar, but not identical to ESS’s Play Pen mark.<sup>151</sup> In addition, there were significant differences between the appearance of the building that housed the Play Pen in East Los Angeles and the appearance of the Pig Pen in the game.<sup>152</sup> Furthermore, the district court observed that Rockstar’s Lead Map Artist had “testified the goal in designing the Pig Pen was . . . not to comment on Play Pen per se.”<sup>153</sup> Because Rockstar was not using the trademarked logo to identify or describe ESS’s Play Pen strip club, nominative fair use was held to be inapplicable in this case.<sup>154</sup> This holding suggests an important limitation in relying on nominative fair use when depicting trademarked

---

<sup>142</sup> *Id.* at 26.

<sup>143</sup> *Toho Co., Ltd. v. William Marrow & Co., Inc.*, 33 F. Supp. 2d 1206, 1211 (C.D. Cal. 1998).

<sup>144</sup> *Id.* at 1209.

<sup>145</sup> *Id.*

<sup>146</sup> *Id.* at 1211.

<sup>147</sup> *E.S.S. Entertainment 2000, Inc. v. Rock Star Videos, Inc.*, 547 F.3d 1095, 1096-97 (9th Cir. 2008).

<sup>148</sup> *Id.* at 1097.

<sup>149</sup> *Id.*

<sup>150</sup> *Id.* at 1098 (internal citations and quotations omitted).

<sup>151</sup> *Id.* at 1099.

<sup>152</sup> *E.S.S. Ent.*, 547 F.3d at 1098.

<sup>153</sup> *Id.* at 1099.

<sup>154</sup> *Id.*

landmarks: the depiction must be intended to represent the actual trademark and/or landmark. If the depiction represents the landmark as something other than what it actually is, nominative fair use may not be available as a defense.

## VI. CONCLUSION

As the foregoing discussion illustrates, there are several limitations on a trademark holder's ability to successfully assert its trademark rights to prevent the unauthorized use of its trademark in a fictional film. Trademark infringement actions will typically fail, as the trademark is typically not depicted on a product that competes with the trademark holder's, thus making consumer confusion about the source of the goods unlikely. Dilution by tarnishment does not occur simply because the trademarked product is shown in a light the trademark holder finds objectionable, such as the product being used as an instrument to carry out the villain's plan or being comically misused in a manner that causes injury to a character. Nor will simply depicting a trademark in a film lead to dilution by blurring if the depiction does nothing to negatively impact the association consumers will make between the trademark and the product it represents. The requirement that a trademark be both famous and distinctive also limits the range of trademarks that can make out a successful trademark dilution claim.<sup>155</sup>

Further, the Lanham Act excludes a number of unauthorized trademark uses from being actionable: noncommercial uses, descriptive fair uses, and nominative fair uses.<sup>156</sup> Thus, the noncommercial use exception may allow a trademark to be used where such use includes speech otherwise protected by the First Amendment, such as commentary or parody.<sup>157</sup> Descriptive fair use may allow a trademarked landmark to be used to describe goods or services or to be depicted accurately in the scene in which it is located.<sup>158</sup> Nominative fair use allows trademarks to be used to signify the goods or the source of the goods, which they represent.<sup>159</sup> Thus, the Lanham Act provides filmmakers significant leeway to depict trademarked landmarks in their films without violating the rights of the trademark holders.

Nevertheless, filmmakers often have strong incentives to seek a trademark holder's authorization before depicting a trademark in a film or to comply with trademark holders' demands when a trademark holder objects to the depiction of its trademark in a film. Making movies is already a costly and risky enough business; whenever filmmakers can reduce or eliminate a potential risk, it seems like it can make good business sense for them to do so. For example, although the challenged trademark depictions in the *Caterpillar* and *Wham-O* cases were ultimately protected,<sup>160</sup> the studios behind those films likely incurred significant legal costs to prevail.

---

<sup>155</sup> 15 U.S.C. § 1125(c)(1) (2012).

<sup>156</sup> 15 U.S.C. § 1125(c)(3) (2012).

<sup>157</sup> See *supra* notes 115-123 and accompanying text.

<sup>158</sup> See *supra* notes 124-138 and accompanying text.

<sup>159</sup> See *supra* notes 139-156 and accompanying text.

<sup>160</sup> See *supra* notes 69-83, 78-85, 140, and accompanying text.