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Citation:

Julie Zando-Dennis, Not Playing Around: The Chilling Power of the Federal Trademark Dilution Act of 1995, 11 Cardozo Women's L.J. 599 (2005)

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Thu Feb 7 21:28:28 2019

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NOT PLAYING AROUND: THE CHILLING POWER OF THE FEDERAL TRADEMARK DILUTION ACT OF 1995

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INTRODUCTION

If one were to think of the domain name “www.trademarks.org,” she might expect this web address to be sponsored by a trade group devoted to the business community, perhaps providing information on how to obtain a federal trademark registration or other trademark information targeted to commercial entrepreneurs. But, surprisingly, “www.trademarks.org” leads not to information generated by the trade but to an activist site that critiques a large, multinational corporation’s use of trademark law to bully and intimidate critics.¹

The law that critics feel is most vulnerable to abuse is the Federal Trademark Dilution Act of 1995 (FTDA).² The FTDA amends the Lanham Act, the federal trademark statute first enacted in 1946. The historic purpose of the Lanham Act was to protect consumers from confusion as to the source of goods.³ Under the FTDA, however, it is not necessary for plaintiffs to allege consumer confusion as an element of their cause of action.⁴ Rather, trademark owners need only claim that the infringer’s use of the mark “causes dilution of the distinctive quality of the mark.”⁵ Dilution of the distinctive quality of a mark is known as the “whittling away” of the value of a trademark.⁶ The value of a trademark is “whittled away” by two amorphous and ambiguous concepts: “blurring”⁷ and “tarnishment.”⁸

* Editor-in-Chief, *Cardozo Women’s Law Journal*, J.D. (June 2005). Thank you to Professor Barton Beebe for his guidance and support.

¹ Critics include artists, activists, civil libertarians, scholars, doll collectors, and parents. See, e.g., text accompanying footnotes 11, 12, 18, & 86 (describing the work of selected critics).

² 15 U.S.C. § 1125(c) (2005).

³ See discussion *infra* Part I.

⁴ JEROME GILSON & ANNE GILSON LALONDE, 1 TRADEMARK PROTECTION AND PRACTICE § 5A.01[2] (2005) [hereinafter GILSON].

⁵ 15 U.S.C. § 1125(c) (2005) (False designations of origin, false descriptions and dilution forbidden). “Dilution” is defined 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.” 15 U.S.C. § 1127 (2005) (emphasis added).

⁶ Frank Schechter, *Rational Basis of Trademark Protection*, 40 HARV. L. REV. 813, 825 (1927). This seminal article was the first to introduce the idea that legal protection was appropriate to protect against dilution. Schechter described dilution as the “gradual whittling away or dispersion of the identity and hold upon the public mind of the mark or name by its use upon non-competing goods.” *Id.*

This note will describe how corporations have used both state and federal dilution statutes to chill artists' and activists' speech. Artists⁹ and activists who parody corporate products¹⁰ are extremely vulnerable to accusations of dilution. Using every medium—including websites, sculpture, photography, and performance art—artists critique corporate culture, global imperialism and gender stereotyping. These artists are known as “pranksters” engaged in “culture jamming.”¹¹ Pranksters are those who create mischief to upset conventional expectations and, often, to make a political point.¹² Culture jammers specifically target popular, commodity culture and those that generate it.¹³

Given that commodity culture is a favorite target of anti-corporate activism, it is not surprising that the target of “www.trademarks.org” is not just any corporation, but Mattel, Inc., the company responsible for one of the most successful commodities in the world: the Barbie doll.¹⁴ The entire site is dedicated

He describes the need to enlarge the scope of trademark protection beyond the likelihood of confusion test, by protecting well-known marks from *non*-competing uses. *Id.* As an example, he argues the German mouthwash “Odol” mark should be protected from use on steel products. *Id.* at 831.

⁷ “Blurring” is defined as when a defendant’s mark has diluted the “efficiency of the trademark as an identifier.” See GILSON, *supra* note 4, § 5A.01[5]. For example, marks like IBM, Motorola, Budweiser and Microsoft are “so well known that consumers, upon finding a Budweiser lipstick or Kellogg’s wristwatch in the marketplace, would almost certainly assume an association or license arrangement with the trademark owner.” *Id.* at 5A-39.

⁸ “Tarnishment” occurs when the value of the mark deteriorates, and the business reputation of the trademark owner suffers, through undesirable mental associations by consumers. *Id.*

⁹ Artists often target famous trademarks because they are powerful symbols of our society’s norms and values, and they exert significant influence over public discourse. Sarah M. Schlosser, Note, *The High Price of (Criticizing) Coffee: the Chilling Effect of the Federal Trademark Dilution Act on Corporate Parody*, 43 ARIZ. L. REV. 931, 962-63 (2001).

¹⁰ Targets of parody have included companies that produce dolls, coffee, beer, cola, mail-order catalogs, jeans, oil, tobacco, ice cream, and services like insurance, advertising, news, and cheerleading. See *e.g.*, *infra* notes 156, 160, & 165 and accompanying text (describing parodies aimed at these products).

¹¹ According to the LA Weekly, the noise band Negativland coined the term “culture jamming” to describe the work of the Bay Area’s Billboard Liberation Front (BLF), who transformed billboards into political and social commentary. See Doug Harvey, *Tactical Embarrassment: The Subversive Cyber Actions Of ®™Ark*, L.A. WEEKLY, March 24-30, 2000, available at <http://www.laweekly.com/ink/printme.php?eid=13527> (last visited Apr. 11, 2005).

¹² Examples can be found in the work of American artist Igor Vamos, a renowned prankster. After downtown business leaders in Portland, Oregon opposed a plan to rename a major boulevard “Martin Luther King Drive,” preferring a “more appropriate” name, Vamos assembled a team of pranksters who descended on the boulevard in a pre-dawn raid and replaced (by covering with realistic silk-screened stickers) every sign (including freeway overpass exit markers) with a new one which read “Malcolm X Blvd.” One surprised citizen was quoted in the local newspaper: “I felt as if I’d been struck by lightning.” *Pranks from Reed’s Web Conference Site*, REED MAGAZINE: NEWS OF THE COLLEGE (Nov. 1998), at http://web.reed.edu/reed_magazine/nov1998/news/2letters.html (last visited May 25, 2005). Vamos is currently a co-creator of “The Yes Men,” where he and a partner use fake resumes and credentials to attract speaking engagements at prestigious international conferences, including those of the World Trade Organization. The Yes Men are the subject of a film released in Sept. 2004 and directed by Dan Olman, Sarah Price, and Chris Smith, whose previous credits include the 1999 Sundance Winner “American Movie.” See *The Yes Men: Changing the World One Prank at a Time*, at <http://www.thesemenmovie.com/> (last visited May 25, 2005).

¹³ See, *e.g.*, *supra* note 11 (describing the Bay Area’s Billboard Liberation Front (BLF)).

¹⁴ Mattel provides the following information to its shareholders:

Mattel, Inc., (NYSE: MAT, www.mattel.com) is the worldwide leader in the design, manufacture and marketing of toys and family products, including Barbie®, the most

to critiquing the Mattel Corporation and parodying its most famous product, described as the “most potent icon of American popular culture in the late twentieth century.”¹⁵ Links on the site connect to a diverse group of Barbie’s critics and commentators, including scholars, parents, collectors, internet watchdogs, artists, activists, and civil libertarians. Each carries a similar complaint: Barbie embodies an ideal femininity that, according to art historian Carol Ockman, is “at once an ideological sign for commodity fetishism, rigid gender definitions, and a hegemonic vision of heterosexuality.”¹⁶

Not only is the Barbie doll a magnet for critique and commentary, but the Mattel Corporation itself attracts condemnation for being an aggressive litigator¹⁷ against those that use Barbie images to critique corporate commodity culture and stereotypical images of femininity. Consequently, “www.trademarks.org” tries to embarrass Mattel by cataloging the company’s cease and desist orders, lawsuits, and threatening letters aimed at critics and artists. “Trademarks.org” critiques Mattel’s aggressive legal tactics under provocative headings: “Not-So-Sweet Barbie®” (“see her real personality when she speaks through her trademark lawyers”), and “Domain Name Hijacker Barbie®” (“the Barbie® that uses threats, lawsuits, and trademark lawyers to get what she wants”).¹⁸

This note investigates the criticism and commentary that the Barbie doll has engendered, and how Mattel’s response is emblematic of corporations that use state dilution laws and the FTDA to silence its critics. The legal battles described pit a diverse group of progressives who argue that trademark law chills cultural and political critiques of commodity culture, against corporations that view those critiques as violating their reputations and bottom line.

popular fashion doll ever introduced. The Mattel family of toys and games is comprised of such best-selling brands as Hot Wheels®, Matchbox®, American Girl®, and Fisher-Price®, which also includes Little People®, Rescue Heroes™, Power Wheels®, as well as a wide array of entertainment-inspired toy lines. With worldwide headquarters in El Segundo, Calif., Mattel employs more than 25,000 people in 36 countries and sells products in more than 150 nations throughout the world. The Mattel vision is to be the world’s premier toy brands—today and tomorrow.

Investors and Media, Mattel.com, at <http://www.shareholder.com/mattel/news/20040212-128705.cfm> (last visited Apr. 11, 2005).

¹⁵ Carol Ockman, *Barbie Meets Bougerereau: Constructing an Ideal Body for the Late Twentieth Century*, in *THE BARBIE CHRONICLES 75* (Yona Zeldis McDounough ed., 1999) (quoting M.G. LORD, *FOREVER BARBIE: THE UNAUTHORIZED BIOGRAPHY OF A REAL DOLL 6* (1994)).

¹⁶ *Id.*

¹⁷ See Judge Says No to Mattel’s Effort To Stop Artist’s Photographic Critiques of Barbie, *AMERICAN CIVIL LIBERTIES UNION FREEDOM NETWORK* (Sept. 25, 2000), at <http://www.aclu.org/FreeSpeech/FreeSpeech.cfm?ID=8124&c=83> (last visited May 16, 2005).

¹⁸ Trademarks.org at <http://www.trademarks.org/Barbie> (last visited Oct. 4, 2004). Other headings on the web site, with links to relevant material, include “The Decline of Civilization Barbie®” (includes: Aids Barbie®, Anorexia Commemorative Barbie® Stamp, Pregnant Teen Barbie®, Streetwalker Barbie®, Bag Lady Barbie®) and “Threatening Barbie®” (“If you try using Barbie® in artwork, in a song, use her name in a discussion board, or even place her name in a dead link . . . you may get a personal threat from Barbie® . . . through her attorney”); “Can’t Take a Joke Barbie®” (“Don’t even think about making a Barbie® joke . . . or her attorney will be a callin’[sic]”); and “Takedown Barbie®” (“Barbie® may use trademark and copyright claims to take down your site . . . even if it just contains links”). *Id.*

Part I describes two conflicting theories of the nature and purpose of trademark law: the "traditional" theory and "dilution." It will outline how the concepts of "blurring" and "tarnishment," are vague and overbroad. Part II explores subversive modifications of Barbie that seek to parody, comment on, or critique the doll, the corporation behind the doll, and corporate commodity culture generally. This section also surveys selected litigation launched by Mattel against critics who have created mischief for the company. Part III describes the split between the courts on the issue of whether parody is an automatic defense to trademark infringement. Part IV shows how the FTDA gives easy access to injunctions, providing corporations with a powerful weapon to overpower defendants. Part V describes two recent cases that have liberalized trademark law and concludes with an argument that the Supreme Court should declare the FTDA unconstitutional, or at minimum, expand the "fair use" defense so that artists and activists can exercise their First Amendment right to critique and comment on trademarks and the corporations that sponsor them.

I. THE "CONFUSION" VERSUS "DILUTION" DOCTRINES:
TWO CONFLICTING THEORIES OF THE NATURE AND PURPOSE OF TRADEMARK LAW

Trademark law offers two theories of trademark protection: the traditional "confusion" doctrine and "dilution," a concept first introduced into federal trademark law in 1995 with the passing of the FTDA.¹⁹ The discussion that follows describes each concept and how they protect diametrically opposed interests.

A. Traditional Theory: The "Confusion" Doctrine

Protecting the consumer is the historic purpose of trademark law. The "confusion" doctrine protects consumer interests by minimizing confusion regarding the source of goods and services.²⁰ When a consumer is confused about the source of a product, he is more vulnerable to deceit by unscrupulous manufacturers or counterfeiters. Trademarks identify the source of goods or services—thereby fostering consumer trust that expectations will be met²¹ and fixing responsibility on producers.²²

Concomitantly, the confusion doctrine also protects the trademark owner from upstarts who unjustly enrich²³ themselves by trying to pass off inferior goods

¹⁹ 15 U.S.C. § 1125(a) & (c).

²⁰ See Robert J. Shaughnessy, Note, *Trademark Parody: A Fair Use and First Amendment Analysis*, 72 VA. L. REV. 1079, 1084 (1986).

²¹ 1 MCCARTHY ON TRADEMARK AND UNFAIR COMPETITION § 2:3 (4th ed.) [hereinafter 1 MCCARTHY].

²² *Id.* at § 2:4.

²³ See Shaughnessy, *supra* note 20, at 1084. See e.g. *Aetna Casualty & Sur. Co. v. Aetna Auto Fin.*, 123 F.2d 582, 584 (5th Cir. 1941) (holding that local finance company that lent money and

as those of an established brand.²⁴ Furthermore, if there were no trademarks, producers would lose their incentive to make investments in quality control, resulting in lower overall quality. Therefore, under the confusion doctrine, both consumers and producers are protected: consumers are protected from inferior look-alikes while businesses are motivated to make quality products that will enhance their goodwill in the marketplace.²⁵

In a trademark infringement case, courts apply a "likelihood of confusion" test to determine whether a consumer has been, or is likely to be confused. Whether consumers are likely to be confused depends on the sophistication of the buying public—a standard that can be manipulated by the courts to fit the equities of each particular case.²⁶ For example, some courts find that consumers are generally "ordinarily prudent purchasers," not easily deceived, while others find that they are "ignorant," "inexperienced," and "gullible" and need strong protection.²⁷

B. *The Dilution Doctrine: Vague and Overbroad*

In contrast to the traditional doctrine, the theory of dilution is not aimed at avoiding confusion. When introducing the federal dilution bill to the Senate, Senator Orrin Hatch 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 competition between the owner and other parties, or the likelihood of confusion, mistake, or deception.*"²⁸ Thus, unlike the confusion doctrine, dilution theory does not function to protect consumers, but rather "is designed to protect famous trademarks from subsequent uses that blur the distinctiveness of the mark or tarnish or disparage it, *even in the absence of a likelihood of confusion.*"²⁹

Dilution of a trademark can occur in two ways. Firstly, unauthorized use of a famous mark can "blur" or weaken the mark's distinctiveness.³⁰ The Subcommittee on Courts and Intellectual Property of the House Judiciary

provided insurance for automobiles unjustly built upon the established reputation of plaintiff national insurance company).

²⁴ See Shaughnessy, *supra* note 20, at 1089. See e.g. *Yale Elec. Corp. v. Robertson*, 26 F.2d 972, 974 (2d Cir. 1928) (Judge Learned Hand writing that a manufacturer cannot control the quality of goods that borrow its mark).

²⁵ See 1 MCCARTHY, *supra* note 21, at § 2.4

²⁶ Shaughnessy, *supra* note 20, at 1084.

²⁷ See, e.g., *Mushroom Makers, Inc. v. R.G. Barry Corp.*, 441 F. Supp. 1220, 1225 (S.D.N.Y. 1977) (finding that consumers were ordinarily prudent). Cf. *Stork Restaurant, Inc. v. Sahati*, 166 F.2d 348, 359 (9th Cir. 1948) (finding that consumers are unsophisticated and ignorant).

²⁸ See 141 CONG. REC. S19310 (daily ed. Dec. 29, 1995) (statement of Sen. Hatch) (emphasis added). See also Federal Trademark Dilution Act of 1995: Hearing Before the Subcommittee on Courts and Intellectual Property of the Committee on the Judiciary, 104th Cong. 4 (1995) (opening statement of Chairman Moorhead) ("H.R. 1295, the Federal Trademark Dilution Act of 1995, is designed to protect famous trademarks from subsequent uses that blur the distinctiveness of the mark or tarnish or disparage it, *even in the absence of a likelihood of confusion.*") (emphasis added).

²⁹ 141 CONG. REC. S19310 (daily ed. Dec. 29, 1995) (statement of Sen. Hatch reading from the definition inscribed in the FTDA) (emphasis added).

³⁰ See Shaughnessy, *supra* note 20, at 1089.

Committee provided the following examples of "blurring:" "the use of DUPONT shoes, BUICK aspirin, and KODAK pianos."³¹ Senator Hatch also referred to the "Dupont Shoes, Buick aspirin, and Kodak piano" example when he extended his endorsement to the Senate dilution bill.³²

Secondly, unauthorized use of a trademark can *pollute* or *tarnish* the wholesome or positive image built up for the mark.³³ Thus under this "tarnishment" theory, a mark's commercial appeal is weakened by an association with a supposedly distasteful or inappropriate setting.³⁴

For example, plaintiffs have claimed tarnishment where a product has been associated with obscenity, crime, or sex.³⁵ In *Lucasfilm Ltd. v. Media Market Group, Ltd.*, Lucasfilm, producers of "Star Wars" films and related properties, claimed that the production and distribution of a pornographic animated film entitled "Starballz" infringed, diluted and tarnished various copyright and trademark registrations.³⁶ Similarly, a claim of tarnishment was pursued by the Dallas Cowboys Cheerleaders against the film production company that made the notorious pornographic film "Debbie Does Dallas." The film featured actresses wearing the distinctive uniform of the cheerleaders.³⁷ The film's advertising declared, "You'll do more than cheer for this X Dallas Cheerleader."³⁸ In *Pillsbury Co. v. Milky Way Productions, Inc.*,³⁹ the defendant *Screw Magazine* published a picture resembling the plaintiff's trade characters "Poppin' Fresh" and "Poppie Fresh" engaged in sexual intercourse and oral sex. Plaintiff bakery complained that the defendant had tarnished the reputation of their trade symbols by placing them in a "depraved context."⁴⁰ In *Eastman Kodak Co. v. Rakow*,⁴¹ an action was brought to prevent a comedian from using the stage name "Kodak." The defendant had

³¹ H.R. REP. NO. 104-374, at 3 (1995).

³² See 141 CONG. REC. S19310 (daily ed. Dec. 29, 1995) (statement of Sen. Hatch) S. 1513, 104th Cong (1995) ("Thus, for example, the use of DuPont shoes, Buick aspirin, and Kodak pianos would be actionable under this bill.").

³³ See generally GILSON, *supra*, note 4 at § 5A.01(6). See also, e.g., *Mattel, Inc. v. Pitt*, 229 F. Supp. 2d 315, 318 (S.D.N.Y. 2002) (alleging tarnishment where entrepreneur Susanne Pitt modified a Barbie doll to appear like a dominatrix, called it the "Dungeon Doll," and then sold it through her mail-order business to the sadomasochistic sexual community).

³⁴ See Shaughnessy, *supra* note 20, at 1089-90.

³⁵ *Motorsport Engineering Inc. v. Maserati, S.p.A.*, 183 F. Supp. 2d 209, 227 (D. Mass. 2001) ("Tarnishment is usually found in contexts that associate a product with obscenity, crime, or sex, although it is not limited to such matters.").

³⁶ *Lucasfilm Ltd. v. Media Market Group, Ltd.*, 182 F. Supp. 2d 897, 899 (N.D. Cal. 2002).

³⁷ *Dallas Cowboys Cheerleaders, Inc. v. Pussycat Cinema, Ltd.*, 467 F. Supp. 366 (S.D.N.Y. 1979), *aff'd*, 604 F.2d 200 (2d Cir. 1979) (finding that a likelihood of confusion was sufficiently established to entitle plaintiff's cheerleading group to a preliminary injunction).

³⁸ 604 F.2d at 203.

³⁹ *Pillsbury Co. v. Milky Way Productions, Inc.*, 1981 U.S. Dist. LEXIS 17722 (N.D. Ga 1981).

⁴⁰ *Id.* (concluding that, despite the lack of actual damages, there is a likelihood that the defendant's presentation could injure the plaintiff's reputation or dilute the distinctive quality of its trademarks).

⁴¹ *Eastman Kodak Co. v. Rakow* 739 F. Supp. 116 (W.D.N.Y. 1990).

admitted that his “comedy act includes humor that relates to bodily functions and sex, and that [he] uses crude, off-color language repeatedly.”⁴²

Claims of tarnishment are not limited to pornography or juvenile humor.⁴³ Any interference with the positive images associated with the mark may present a cause for tarnishment,⁴⁴ even “products that ‘poke fun at widely recognized marks of non-competing products risk diluting the selling power of the mark that is made fun of.’”⁴⁵ For example, in *Chemical Corp. of America v. Anheuser-Busch, Inc.*, the maker of an insecticide was enjoined from using the slogan “Where There’s Life . . . There’s Bugs,” a modified version of the Budweiser beer slogan “Where There’s Life . . . There’s Bud.”⁴⁶

Film companies are often the target of tarnishment claims. In *Caterpillar Inc. v. Walt Disney Co.*, the bulldozer manufacturer Caterpillar alleged that the use of its products and trademarks in the Disney film *George 2* would tarnish the reputation of its business and products.⁴⁷ *George 2* is a comedy that chronicles the exploits of George, the “klutzy king of the jungle.”⁴⁸ George’s nemesis plans to destroy George’s beloved Ape Mountain with “dastardly dozers.”⁴⁹ The bulldozers shown in the movie are genuine Caterpillar products bearing the Caterpillar and Cat trademarks with no apparent alterations.⁵⁰ Four separate scenes feature the Caterpillar bulldozers moving toward Ape Mountain at various angles.⁵¹ While the action is occurring onscreen, the narrator occasionally chimes in with descriptions of the machines as “deleterious dozers,” “maniacal machines” and other similar comments.⁵² Caterpillar maintained that the portrayal of its products and trademarks in *George 2* casts them in an unwholesome or unsavory light.⁵³

Another tarnishment claim in the movie industry is found in *Hormel Foods Corp. v. Jim Henson Prods.* In *Hormel*, the producer of the luncheon meat “Spam” sought a permanent injunction against puppet-makers Jim Henson Productions,

⁴² *Id.* at 118. The district court found that “[t]he mental association between the two marks coupled with the content of defendant’s act creates a likelihood that the ‘affirmative associations [that the Kodak] mark has come to convey’ and which the Company has carefully tended for over a century will be tarnished by defendant’s use of the mark.” *Id.* (quoting *Mead Data Central, Inc. v. Toyota Motor Sales, USA, Inc.*, 87 F.2d 1026, 1031).

⁴³ *Hormel Foods Corp. v. Jim Henson Prods., Inc.*, 73 F.3d 497, 507 (2d Cir. 1996) (“tarnishment is not limited to seamy conduct”).

⁴⁴ RESTATEMENT (THIRD) OF UNFAIR COMPETITION § 25 cmt. g (1995).

⁴⁵ *Hormel*, 73 F.3d at 507 (quoting *Deere & Co. v. MTD Prods., Inc.*, 41 F.3d 39, 43 (2d Cir. 1994)).

⁴⁶ *Chemical Corp. of America v. Anheuser-Busch, Inc.*, 30 F.2d 433 (5th Cir. 1962) (applying Florida common law).

⁴⁷ *Caterpillar Inc. v. Walt Disney Co.*, 287 F. Supp. 2d 913, 921 (C.D. Ill. 2003).

⁴⁸ *Id.* at 916.

⁴⁹ *Id.* at 916-917.

⁵⁰ *Id.* at 917.

⁵¹ *Id.* The court points out that “George and his allies manage to decommission these bulldozers in several different ways, generally involving instances of combustible ape flatulence and projectile coconuts and animal feces.” *Caterpillar*, 287 F. Supp. 2d at 917.

⁵² *Id.*

⁵³ *Id.* at 922 (finding this argument to be unpersuasive because *George 2* borrows many well established cartoon clichés that clearly establish the fantastic nature of the movie).

alleging trademark infringement and dilution for a character named "Spa'am" in Henson's film, *Muppet Treasure Island*.⁵⁴ Meat-packer Hormel argued that the image of Spa'am, as a "grotesque," "untidy" wild boar will "inspire negative and unsavory associations with SPAM® luncheon meat."⁵⁵

The dilution doctrine presents a number of concerns. Firstly, the concept of tarnishment does not even appear in the FTDA, but is judicially-made law. Senator Hatch does not mention the concept of tarnishment in his introduction of the FTDA,⁵⁶ and the term is not included, nor defined, in the FTDA itself.⁵⁷ Tarnishment is a concept borrowed from state statutes and common law.⁵⁸ Nevertheless, federal courts have interpreted the FTDA's legislative history to include actions for trademark tarnishment.⁵⁹

Moreover, the enforcement of anti-dilution statutes is reserved for "famous"⁶⁰ marks, usually held by the largest companies that invest heavily in cultivating their brands.⁶¹ Thus, under dilution theory, trademark law has developed a new corporate-centered agenda. The theory shifts trademark protection away from protecting consumers so that they can make informed decisions about the source of the products they buy, toward protecting famous marks from reputational harm. One critic of the FTDA argues that courts should approach the issue as a claim of reputational harm in tort⁶² rather than unduly expanding the FTDA to give corporations a federal cause of action—with accompanying federal court jurisdiction, national statutory uniformity, and the potential for nationwide injunctive relief.⁶³

Furthermore, tarnishment defies precise definition.⁶⁴ Adjectives such as "distasteful" and "inappropriate" are vague standards that may be interpreted quite differently by various social groups. What one group vilifies, another may valorize. A claim of tarnishment should not arise merely because the trademark

⁵⁴ *Hormel Foods Corp. v. Jim Henson Productions, Inc.*, 1995 WL 567369 (S.D.N.Y. 1995), *aff'd* *Hormel Foods Corp. v. Jim Henson Prods.*, 73 F.3d 497 (2d Cir. 1996). See generally *MUPPET TREASURE ISLAND* (Jim Henson Productions 1996).

⁵⁵ *Hormel*, 73 F.3d at 507. In affirming the district courts denial of injunctive relief, the Second Circuit found that "Spa'am, a likeable, positive character, will not generate any negative associations. Moreover, contrary to Hormel's contentions, the district court also found no evidence that Spa'am is unhygienic or that his character places Hormel's mark in an unsavory context." *Id.*

⁵⁶ See 141 CONG. REC. S19310 (daily ed. Dec. 29, 1995) (statement of Sen. Hatch).

⁵⁷ See generally 15 U.S.C. § 1125(c).

⁵⁸ See Shaughnessy, *supra* note 20, at 1087; 2 MCCARTHY ON TRADEMARK AND UNFAIR COMPETITION § 24.13(B) (4th ed.) [hereinafter 2 MCCARTHY].

⁵⁹ 2 MCCARTHY, *supra*, note 58.

⁶⁰ 15 U.S.C. § 1125(c). Factors to assess "famousness" include: the degree of distinctiveness of the mark; the duration the mark was used; the extent of advertising; the geographical scope of advertising and distribution; the channels of trade where the goods or services can be obtained; and the degree of recognition of the mark. 15 U.S.C. § 1125(c)(1)(A)-(F).

⁶¹ The Nike "swoosh" trademark is a prime example.

⁶² See Schlosser, *supra* note 9, at 936.

⁶³ GILSON, *supra* note 4, § 5A.01[1] ("In terms of U.S. trademark law, then, the Act was a major breakthrough for an elite category of trademark owners, and dilution protection now has teeth.")

⁶⁴ See Shaughnessy, *supra* note 20, at 1088.

owner fears that its product or service will be aligned with an unsavory "mental association."⁶⁵ For example, in *Dallas Cowboys Cheerleaders* the court ruled against defendants because their film "unquestionably bring[s] to mind" the plaintiffs' trademarks.⁶⁶ This "unquestionably bring to mind" standard is precariously overbroad, ephemeral, and indeterminate.⁶⁷ It is a dangerously vague standard that is subject to abuse by corporations and unsympathetic judges.⁶⁸ Purchasers of adult films and magazines, consumers who purchase bug spray and bulldozers, and children who eat Spam do not need paternalistic courts to protect them from "mental associations" that are meant to amuse and entertain. Furthermore, it is far from settled that, even if negative, the association affects a consumer's purchase decision.⁶⁹

Another concern is that the FTDA provides an exceptionally narrow fair use doctrine that does not protect the free exercise of criticism and commentary. The "fair use" exception in trademark merely protects "newsworthy" information, "noncommercial" expression, and comparative commercial advertising.⁷⁰

Comparative commercial advertising takes two forms.⁷¹ The first, "classic" fair use, is where an advertisement might claim that its product is better than the competitor, e.g. "Tide cleans whiter than Borax." This "classic" fair use defense is

⁶⁵ See generally Shaughnessy, *supra* note 20, at 1096 (discussing "sexually depraved" porn film's association with the Dallas Cowboys Cheerleaders). The vague "mental associations" standard analyzed by Shaughnessy has been narrowed somewhat, but not entirely, by *Moseley v. V Secret Catalogue*, a Supreme Court decision holding that plaintiffs must show evidence of actual damage, as opposed to the mere likelihood of damage. See *Moseley v. V Secret Catalogue*, 537 U.S. 418 (2003) and discussion *infra* Part IV.B.

⁶⁶ See *Dallas Cowboys Cheerleaders*, 604 F.2d at 202 (2d Cir. 1979) (granting defendant Pussycat Cinema's motion to stay an injunction issued by the U.S. District Court for the Southern District of New York, prohibiting the distribution or exhibition of the motion picture "Debbie Does Dallas").

⁶⁷ See Shaughnessy, *supra* note 20, at 1095.

⁶⁸ Fortunately, some courts have maintained the status quo by rejecting claims that mere "bringing-to-mind" will confuse consumers. See *Tetley, Inc. v. Topps Chewing Gum, Inc.*, 556 F. Supp. 785, 790 (E.D.N.Y. 1983); *Stop the Olympic Prison v. United States Olympic Comm.*, 489 F. Supp. 1112 (S.D.N.Y. 1980). Given that parodies often represent grotesque alterations of the original work, these courts are unlikely to assume that the average consumer is likely to become confused by parody. See Shaughnessy, *supra* note 20, at 1093.

⁶⁹ See, e.g., RESTATEMENT (THIRD) OF UNFAIR COMPETITION § 25 (1995) (asserting that "[d]irect evidence of a dilution of distinctiveness is seldom available because the harm at issue is a blurring of the mental associations evoked by the mark, a phenomenon not easily sampled by consumer surveys and not normally manifested by unambiguous consumer behavior").

⁷⁰ See 15 U.S.C. § 1125 (c).

(4) The following shall not be actionable under this section:

(A) Fair use of a famous mark by another person in comparative commercial advertising or promotion to identify the competing goods or services of the owner of the famous mark.

(B) Noncommercial use of a mark

(c) All forms of news reporting and news commentary.

⁷¹ 15 U.S.C. § 1115. See e.g., *R.G. Smith v. Chanel, Inc.*, 402 F.2d 562, 563 (9th Cir. 1968) ("advertising may not be enjoined under either the Lanham Act, 15 U.S.C. §1125(a)(1964), or the common law of unfair competition, so long as it does not contain misrepresentations or create a reasonable likelihood that purchasers will be confused as to the source, identity, or sponsorship of the advertiser's product").

codified in the Lanham Act,⁷² and allowed only when the mark is used in its descriptive sense.⁷³ The second form is “nominative” fair use where the defendant uses a trademark to describe the plaintiff’s product, rather than its own.⁷⁴ In other words, if a mechanic has a sign that says “Sam’s Volkswagen Repair,” mechanic Sam is allowed “nominative” fair use to describe the cars he has expertise repairing, even though he does not own the Volkswagen trademark nor is a licensed dealer. Both “classic” and “nominative” fair uses apply to a competitor’s right to advertise his product. That, along with the “newsworthy” and narrowly interpreted “noncommercial” exception, is the extent of fair use in trademark law.

Contrasted to copyright law, trademark fair use is a relatively underdeveloped doctrine. Thomas McCarthy, in his authoritative treatise, *Trademarks and Unfair Competition*, notes that there is “some conflict in the case law as to whether ‘fair use’ is really a distinct and separate ‘defense’ in trademark law.”⁷⁵ Comparatively, copyright fair use is a major area of attention in copyright litigation and policy debates⁷⁶ and is codified in the Copyright Act.⁷⁷ Thus by limiting its protection to comparative advertising, noncommercial use, and “newsworthy” information, the Lanham Act’s fair use exception is relatively anorexic and insufficiently protects the First Amendment rights of defendants.⁷⁸

Thus, given that the doctrine of tarnishment is not authorized by the Lanham Act itself and has vague standards, that enforcement of anti-dilution statutes is reserved for “famous” marks, thus creating a property right in trademarks, and the limited fair use defense, the FTDA is a dangerous and powerful tool to chill speech and stifle criticism.

The problem with the doctrine is succinctly stated by one commentator:

[T]he public policy underlying the Dilution Act stands in sharp contrast to that underlying the law of trademark infringement. Under the latter, the twin policy reasons behind the law are to protect the goodwill property rights of the trademark owner and the corresponding right of the public to be free from confusion, deception and mistake. The Dilution Act, on the other hand, protects only a private interest, and a narrow one at that: the distinctiveness of the owner’s famous trademark. At least in cases where there is no simultaneous likelihood of confusion, there is no identifiable benefit to the public. Second, taken to its extreme, the FTDA suggests that

⁷² See 15 U.S.C. § 1125(b)(4) (“the use of the name, term or device charged to be an infringement is a use, otherwise than as a mark . . . of a term or device 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”).

⁷³ See 2 MCCARTHY, *supra* note 58, §11:45 (Under the common law classic fair use defense “[a] junior user is always entitled to use a descriptive term in good faith in its primary . . . sense.”).

⁷⁴ *Id.*

⁷⁵ 2 MCCARTHY, *supra* note 58, at §11:47.

⁷⁶ Copyright fair use doctrine is codified at 17 U.S.C. §107. See Shaughnessy, *supra* note 20, at 1080-1081.

⁷⁷ See *id.*

⁷⁸ See Schlosser, *supra* note 9, at 945.

federal law now requires or condones trademark protection in gross, a concept that is completely alien to a century of trademark jurisprudence.⁷⁹

In summary, dilution theory has turned trademark law upside down: whereas traditional trademark theory protects vulnerable consumers from confusion as to the source of goods and services, the FTDA, in contrast, protects the largest corporations from consumers—who often are well informed and educated about irresponsible corporate policy and global relations.⁸⁰

II. SUBVERSIVE ACTIVITIES THAT PARODY MATTEL'S BARBIE DOLL

*As a trademark or copyright, as the intellectual property of a corporate entity, Barbie® enjoys better protection against legitimate criticism and inquiry than would a human being!*⁸¹

There are hundreds of websites that praise the Barbie doll, reproduce her image, and relate stories of how Barbie enthusiasts love and identify with this symbol.⁸² One site, “Living Vicariously Through Barbie,” provides a typical hobbyist approach:

Barbie was more than a doll to me. She was a way of living: the Ideal Woman. When I played with her, I could make her do and be ANYTHING I wanted. Never before or since have I found such an ideal method of living vicariously through anyone or anything. And I don't believe I am alone. I am certain that most people have, in fact, lived their dreams with Barbie as the role player. Boys and girls, men and women alike, know Barbie, and whether having played with her outright or secretly as a closet Barbie lover, they have somehow utilized her in their imagination.⁸³

⁷⁹ GILSON, *supra* note 4, § 5A.01[1].

⁸⁰ Examples of instances where grassroots protests against corporate policy have had an impact on the economy (and have garnered generous media attention) include the successful letter-writing campaign by school children against McDonald's use of Styrofoam packaging; protests from local activists and small businesses against the opening of a Wal-Mart store near the ancient Teotihuacán pyramids of Mexico; and school boards voting to develop a “sweat-free” policy for the purchase of all athletic equipment and apparel. See, respectively, *McDonald's Caves In To Pressure From Kids*, *Rachel's Environment & Health Weekly* #206, (Nov. 7, 1990) at <http://www.monitor.net/rachel/r206.html>; Susana Hayward, *Mexicans Battle Wal-Mart Desecration of Ancient Aztec City of Teotihuacán*, *Organic Consumers Association: Campaigning for Food Safety, Organic Agriculture, Fair Trade & Sustainability*, (Oct. 22, 2004) at <http://www.organicconsumers.org/corp/mexicowalmart102504.cfm>; Ben Plimpton, *Sweat-Free School Purchasing Resolutions: a New Trend?*, *CorpWatch*, (Feb. 6, 2003) at <http://www.corpwatch.org/article.php?id=5488>.

⁸¹ Stated by Mattel's Former CEO Jill E. Barad. Mattel sued a fanzine for trademark infringement, after the magazine satirically portrayed a Barbie® with alcohol and pills. Facing the storm from faithful customers, many of whom buy 50 Barbies a year, Mattel's (former) CEO Barad said “What I do in my job, first and foremost, is protect Barbie.” Trademarks.org, at <http://www.trademarks.org/barbie/> (last visited Oct. 4, 2004).

⁸² Michael Strahan, *Cyberspace and the Subversion of Definitional Control: Everybody Wants To Be Barbie*, at <http://www.strangelove.com/book/chp-5.html> (last visited May 25, 2005).

⁸³ *Id.*

Because of the adoration that the doll inspires in its fans, because the doll sets an idealized standard of physical beauty beyond the reach of most consumers, and because the brand is a worldwide corporate juggernaut, the “plastic princess”⁸⁴ offers an attractive target to those who use satire and parody to critique social values and corporate commodity culture.

One such satirist is Mark Napier, who created a website called “The Distorted Barbie,” which featured digitally manipulated images of Barbie made to look like celebrities, such as Kate Moss⁸⁵ and Dolly Parton,⁸⁶ as well as distorted images titled “Fat and Ugly Barbie” and “Possessed Barbie.”⁸⁷ Napier explains:

Barbie says a lot about the world. I can't think of any other icon that is more widely accepted as an image of femininity. Barbie is a defining force for both women and men, for the culture in general. But . . . [w]hat about all those aspects of our society that are not represented by Barbie? Let's open up the closet doors and let out the repressed real-world Barbies; Barbie's extended family of disowned and inbred rejects; politically correct Barbies that celebrate the ignored and disenfranchised.⁸⁸

In Napier's artwork, Barbie is transformed from “a toy or collectible, [to] Barbie as a symbol that a culture has created, absorbed, shaped, and been shaped by.”⁸⁹

Using the power of the FTDA, Mattel moved to stop Napier from modifying or distorting Barbie images. Mattel tried to force Napier to alter his images and ultimately intimidated his ISP-server into dropping the website.⁹⁰ Napier's gives this account of his experience with Mattel:

⁸⁴ *Id.*

⁸⁵ Mark Napier's commentary accompanying the image of “Kate Moss Barbie:”

Kate Moss is one of a growing group of women who make a career out of being anemic. It is a life of rigorous discipline. Each day, Kate wakes up to a breakfast consisting of a blueberry, a glass of air, and two ice cubes. She runs twenty miles, then begins her daily workout: two hours of frowning, scowling, pouting, and pursing, then two hours of slouching, hunching, and drooping, followed by an hour of looking pale and angst-ridden. “It's hard work” Ms. Moss said wearily in a recent interview. “I mean, try not smiling. Like, never. Not even a little bit. Yesterday I watched Seinfeld and it threw off my training schedule for three weeks.”

Id.

⁸⁶ Mark Napier's commentary accompanying the image of “Dolly Parton Barbie:” “Barbie, in an attempt to outdo Dolly Parton, goes in for one more plastic surgery. Unfortunately tissue must be taken from her head and shoulders to cover the 1.5 cubic liters of silicon. Commenting on her now inadequate cranial appendage, Barbie says confidently “No problem! Hee Haw, here I come!” *Id.*

⁸⁷ See Strahan, *Cyberspace*, *supra* note 82, at <http://www.strangelove.com/book/chp-5.html> (last visited May 5, 2005).

⁸⁸ *Id.*

⁸⁹ Mark Napier, *The Distorted Barbie*, at <http://207.159.135.123/bbhold/censored/censored.htm> (last visited Oct. 4, 2004).

⁹⁰ Mark Napier, *Does The Distorted Barbie violate Mattel's copyright?*, *The Distorted Barbie*, at <http://users.rcn.com/napier.interport/barbie/censored/> (last visited May 25, 2005).

I received an email from my internet provider requesting that I remove my web page from the Internet. They explained that a lawyer from Mattel⁹¹ had contacted them and claimed that *The Distorted Barbie* violates Mattel's copyright on Barbie. The email stated:

Interport is in a position of potential liability . . . We hope that you would appreciate our position and, as such, voluntarily remove the Web page from the Internet until the issue is resolved between Mattel, Inc. and yourself. Interport must have the Web page removed as of Wednesday 22 October 1997.

Since my provider was showing no interest in supporting my site, I thought it best to proceed cautiously (or face being shut down altogether). I distorted all the Barbie images to an extreme, effectively erasing the image of Barbie from my site, and on October 22 sent email to my provider explaining that I had addressed the copyright issue.

My provider responded to Mattel, informing them of my changes, and wrote that they considered the matter to be resolved. I received another email from Interport informing me that the matter was in fact not resolved, and that now the lawyer had an issue with the Barbie trademark. The email from Interport stated:

*He does not think the modifications you have made are sufficient. He was citing a recent law passed in 1996 called the Trademark Dilution Act which protects famous trademarks from apropos, dilution. He would like you to call him to discuss what changes do need to be made.*⁹²

Soon after, an on-line journal, or "e-zine," picked up Mark Napier's story, and started chronicling the events surrounding the legal action in a series called "The Daily Barbie."⁹³ According to the journal, a group of artists responded to Mattel's intimidation by copying, or making a mirror⁹⁴ of Napier's Barbie artwork,

⁹¹ Mattel's attorneys are not immune from being parodied. The website "www.trademarks.org" imagined a doll named the "BallBuster Barbie®." Elaborating, they write: "The new Corporate Barbie® is for little girls of the 90's . . . she's smart, tough and *knows the law*. Accessories include: Briefcase w/ Law degree, cell phone and corporate credit card." Trademarks.org, at <http://www.trademarks.org/Barbie> (last visited Oct. 4, 2004).

⁹² Napier, *Does The Distorted Barbie violate Mattel's copyright?*, *supra* note 90, at <http://users.rcn.com/napier.interport/barbie/censored/>.

⁹³ See Christian Crumlish, *The Daily Barbie™, E-ZINE ENTERZONE*, at <http://ezone.org/xian/barbie/> (last visited May 25, 2005). Elaborating on the story, Enterzone publisher Christian Crumlish remarked:

If Barbie were a person, we would not be libeling or slandering her, regardless of the fact that she'd no doubt be considered a public figure. As a trademark or copyright, as the intellectual property of a corporate entity, she enjoys better protection against legitimate criticism and inquiry than would a human being! . . . I really think in some ways that all this constitutional talk about intellectual property is b.s. when the real issue is political: women's bodies, what can and cannot be said about them in the public sphere.

Id. See generally Strahan, *Cyberspace*, *supra* note 82, at <http://www.strangelove.com/book/chp-5.html> (last visited May 5, 2005).

⁹⁴ Mirrors are duplicate copies known as a 'meme' (also known as a 'free-floating meme'). Memes are web sites that can be completely copied and reduplicated at any other location within the Web. *Id.* Cultural critic Michael Strahan encourages that his readers make mirrors:

and storing it on a website devoted to "endangered" art works.⁹⁵ The website, "Detritus.net," lists seven sites that have been taken down after Mattel threatened suit, including "*BKPC (Barbie & Ken Politically Correct)*," by G.H. Hovagimyan; "*untitled*," by Benjamin Wade; "*Barbie und Ken sind HIV-positiv*," by the artist Franz Wasserman; "*Klaus Barbie*" by Elliot Feldman; "*Barbie of the 90's*," and "*The Barbie Chronicles*," by Dean Brown.⁹⁶

Another artist, Paul Hansen, sold 150 modified Barbies as art works, on which he made a profit of around \$2,000.⁹⁷ Mattel sued for damages of \$1.2 billion.⁹⁸ After Mattel threatened to pursue a protracted legal battle, Hansen ultimately settled.⁹⁹ The judge in the case granted partial summary judgment against Mattel "for not having a sense of humor."¹⁰⁰ "It's been a year from hell," said the artist.¹⁰¹

In 2002, Mattel brought a copyright infringement suit against Susanne Pitt, a woman who owned a boutique shop specializing in sadomasochistic paraphernalia.¹⁰² Pitt repainted and re-costumed Barbie dolls, resold them under the name "Dungeon Dolls," and maintained an internet site, "www.dungeondolls.com," which featured images of the dolls in sexually explicit stories.¹⁰³ Pitt asserted that "sex is inherent in the doll" and that she is simply

Place copies of the site all over the net, then sit back and wait for Mattel to find them. When the company asks us to cease and desist, we will. But by that time, dozens more copies of the site will have sprung up elsewhere to take its place. The lawyers' bogus squirrel hunt will turn into an endless, crazy-making pursuit of a target that multiplies exponentially by digital mitosis. Eventually, they'll give up and realize that the Internet is not a very good place to try and squelch free expression. . . . Barbie provides a beautiful demonstration of cyberspace's subversive capabilities.

Strahan, *supra* note 82, at <http://www.strangelove.com/book/chp-5.html>.

⁹⁵ See DetritusNet: Dedicated To Recycled Culture, <http://www.detritus.net/> (last visited May 14, 2005). Strahan argues that individuals who created mirrors of Napier's "Distorted Barbie" site see themselves engaged in a struggle with the Mattel Corporation over the definition of women's bodies, the values of consumer culture, and the nature of free speech. Strahan, *supra* note 82, at <http://www.strangelove.com/book/chp-5.html>.

⁹⁶ See Mark Napier, *The Distorted Barbie*, at <http://users.rcn.com/napier.interport/barbie/censored/bbsites.htm> (last visited Oct. 4, 2004).

⁹⁷ See Judge Says No to Mattel's Effort, AMERICAN CIVIL LIBERTIES UNION FREEDOM NETWORK, *supra* note 17, at <http://www.aclu.org/FreeSpeech/FreeSpeech.cfm?ID=8124&c=83>.

⁹⁸ *Id.*

⁹⁹ *Id.*

¹⁰⁰ *Id.*

¹⁰¹ Lisa Bannon, *Barrister Barbie? Mattel Plays Rough: Lawsuits Fly Over Suspected Copyright Poaching*, THE WALL STREET JOURNAL (Jan. 9, 1998), available at <http://www.s-t.com/daily/01-98/01-09-98/b02li044.htm> (last visited May 25, 2005). Even after Hansen vowed to never sell his creations in stores again—only through art galleries with the proceeds going to charity, Mattel's lawyer still wanted to go to trial to collect damages and win a stricter definition of "art gallery." Bannon writes: "After nearly a year of litigation, even the judge lost patience. The judge granted a partial summary judgment against Mattel 'for not having a sense of humor.' Hansen settled the case last month, agreeing to quit any commercial use of the dolls including art galleries." *Id.*

¹⁰² See Pitt, 229 F. Supp. at 318, *supra*, note 33.

¹⁰³ *Id.* Pitt's website presented a photographic storyboard titled "Lily the Diva Dominatrix," where a re-costumed and physically altered Barbie doll was the protagonist in a tale of sexual slavery and torture, the victim of which was another reconfigured Barbie. *Id.* at 322.

revealing this sexual nature by placing Barbie in a “modern erotic context.”¹⁰⁴ In a letter to the court, Pitt stated that after Mattel had filed suit she stopped offering the dolls to the general public, but admitted that she still offered a “Customizing Service for dolls at private request only,” characterizing her work as “legitimate freedom of artistic expression.”¹⁰⁵ Pitt further argued that Barbie is the subject of frequent parody and satire, and that Mattel is indiscriminate in its enforcement efforts by not distinguishing between “social commentary and commercial exploitation.”¹⁰⁶

Mattel’s “Teen Talk Barbie,” an electronic talking version of their top-selling doll,¹⁰⁷ became the flashpoint in a national discussion on girls and education after it was discovered the doll uttered the phrase “Math is hard!” Critics of the new doll complained that the doll gave a bad message to girls and they publicly condemned it.¹⁰⁸ In 1993, the Barbie Liberation Organization (BLO)¹⁰⁹ responded by switching the microchips in Teen Talk Barbies with Hasbro’s “Talking Duke” GI Joes, and vice versa.¹¹⁰ The BLO then placed the modified dolls on store shelves to be bought by unwary consumers.¹¹¹ The modified Talking Barbie threatened “Eat lead, Cobra. Vengeance is mine!” while G.I. Joe chirped “Let’s go shopping!” and “Will we ever have enough clothes?”¹¹² The mission was intended as “a critique of gender stereotypes” in toys.¹¹³ While the BLO was never threatened with legal action, the group is typical of those who manipulate and distort the idealized image of Barbie and the reactionary gender stereotypes she represents.

¹⁰⁴ *Id.*

¹⁰⁵ *Pitt*, 229 F. Supp. 2d at 318-319.

¹⁰⁶ *Pitt*, 229 F. Supp. 2d at 319. The Court received an email from Pitt indicating that the “dungeondolls” website was closing down due to her financial difficulties. *Id.* She wrote to say that she considered the matter closed. *Id.* The Court then heard nothing further from Pitt. *Id.* In denying Mattel’s motion for summary judgment, the Court held that Pitt’s dolls were sufficiently transformative to support a fair use defense. *Id.* at 324-325. “Defendant’s ‘touch-ups’ of the dolls, plus the setting she creates for them, transform, to put it mildly, the original doll to an extent beyond merely ‘supplanting’ it. A different analysis would apply if Defendant had, for example, dressed Barbie dolls in a different style of cheerleader outfit than those marketed by Mattel. To the Court’s knowledge, there is no Mattel line of ‘S&M’ Barbie.” *Id.* at 322.

¹⁰⁷ The first talking Barbie debuted in 1968. “Barbie® doll speaks for the first time in both English and Spanish as Talking Barbie®. She quotes six different phrases when a string on the back of her neck is pulled, including ‘I have a date tonight,’ ‘I love being a fashion model,’ and ‘Let’s have a costume party.’” Barbie Year-by-Year History, Barbie Collector at <http://www.barbiecollector.com/collecting/barbiehistory/index.asp>.

¹⁰⁸ Brian Zumhagen, *Barbie Through the Ages: From Plastic Princess to President*, AdiosBarbie.com, at http://www.adiosbarbie.com/bology/bology_timeline.html.

¹⁰⁹ Many websites, books and articles about the Barbie Liberation Organization cite the BLO as a large group of “concerned parents and teachers.” See, e.g., BARBIE CHRONICLES, *supra* note 14, at 86-87. However, the BLO was really an M.F.A. project of artist Igor Vamos, then a University of California, San Diego graduate student. See generally *supra* note 12. Vamos manipulated the media to create the illusion that the BLO was a large group. In-person Interview with Igor Vamos (Aug. 1993).

¹¹⁰ Brigitte Greenberg, *The BLO—Barbie Liberation Organization—Strikes*, Associated Press, at <http://www.etext.org/Zines/UnitCircle/nonfiction/blo.html>. See generally *The Barbie Liberation Organization*, RTMARK.COM at <http://www.rtmark.com/blo.html> (last visited June 16, 2005).

¹¹¹ Greenberg, *The BLO—Barbie Liberation Organization*, *supra* note 110.

¹¹² *Id.*

¹¹³ *Id.*

Another group, The Barbie Disinformation Organization, strikes not at the dolls themselves, but at their packaging.¹¹⁴ They print up stickers in a style identical to traditional Mattel packaging and place them on Barbie products.¹¹⁵ The stickers include "Barbie Lesbian Barber Shop," complete with instructions on how to give Barbie "Dyke Haircut nos 1 & 2," and "Lipstick Lesbian Betty."¹¹⁶ The Barbie Disinformation Organization has also escaped legal troubles with Mattel, as they strike anonymously, operating under Mattel's radar.¹¹⁷

However, one small book publisher found out that Mattel has little tolerance for critiques of gender stereotyping. Seal Press, a small book publisher that specializes in non-fiction and fiction by women writers, published a book, "Adios, Barbie," that examined body image from a feminist perspective.¹¹⁸ Seal was sued by Mattel for dilution.¹¹⁹ Commenting on the suit, the Seal Press publisher said "[w]e thought the First Amendment provided us with every right to evoke the outrageousness of tall, thin, and white being the only widely accepted body type."¹²⁰ But Mattel overwhelmed the small press. In a settlement, Seal agreed to remove Barbie's name from the book's title and to remove images of the doll's clothing and accoutrements from its cover.¹²¹ "We are a small publisher," said the publisher. "We're not insured for the costs associated with this type of lawsuit."¹²²

In one lawsuit Mattel launched against publisher of pictures that parodied Barbie, a member of the Mattel legal team was quoted in the *Spokane Spokesman-Review* as threatening, "We want [the defendant's] house."¹²³

Artists are not the only ones who have been targeted by Mattel. The Troy, Michigan, Great Lakes chapter of the Barbie Collectors Club holds an annual fundraiser for children's charities called the "Barbie Grants a Wish" weekend, where the group sells Barbie dolls and donates the proceeds, about \$120,000 over the

¹¹⁴ Hermione Kitson, *Barbie: Mistress of Disguise Leads Subcultural Revolution*, TheCud.com at <http://www.thecud.com.au/story12.htm> (last visited May 5, 2005). The Barbie Disinformation Organization website operated in February 2004. However, links to the website are now being routed to: Peggy Marguiles, *The Barbie Disinformation Organization*, at <http://www-2.cs.cmu.edu/afs/cs/user/jthomas/SurReview/reviews-html/bdo.html>.

¹¹⁵ *Id.*

¹¹⁶ *Id.*

¹¹⁷ *Id.*

¹¹⁸ See SealPress.com, at <http://www.sealpress.com/> (last visited May 25, 2005).

¹¹⁹ Judge Says No to Mattel's Effort, AMERICAN CIVIL LIBERTIES UNION FREEDOM NETWORK, *supra* note 17, at <http://www.aclu.org/FreeSpeech/FreeSpeech.cfm?ID=8124&c=83> (quoting *Seal of Disapproval*, SEATTLE WEEKLY, Mar. 3, 2000).

¹²⁰ *Id.*

¹²¹ *Id.*

¹²² *Id.*

¹²³ Judge Says No to Mattel's Effort to Stop Artist's Photographic Critiques of Barbie, AMERICAN CIVIL LIBERTIES UNION FREEDOM NETWORK, *supra* note 17, at <http://www.aclu.org/FreeSpeech/FreeSpeech.cfm?ID=8124&c=83> (quoting *Mattel's Latest: Cease and Desist Barbie*, WIRED NEWS (Oct. 28, 1997) at <http://www.wired.com/news/culture/0,1284,8037,00.html> (last visited May 25, 2005). The quote is now infamous, and is prominently featured on "www.trademarks.org's" home page.

years, to critically ill children.¹²⁴ The club received a cease-and-desist letter from Mattel demanding that it remove the Barbie name from the event.¹²⁵ Mattel defended its action, saying it would not lend its name to any event that is not officially sanctioned.¹²⁶ “It is us versus them” the club’s president said.¹²⁷ “We call it the doll formerly known as Barbie,” huffed a club member.¹²⁸ Recognizing that it had alienated a core group of consumers, Mattel finally agreed to let the club use the Barbie name for one year.¹²⁹

But Mattel has notified other collectors’ clubs that they can no longer use the Barbie name unless they agree to an official license, which has confused and enraged some clubs.¹³⁰ A group of formerly adoring Barbie fans has organized the group “Pink Anger” to focus their frustration against the toy giant.¹³¹ Pink Anger was triggered by perceived deficiencies in quality control and by concerns that Mattel’s strong-arm tactics against a collector magazine amounted to censorship.¹³²

Even Mattel subsidiaries have been criticized for disrupting free speech, most notably SurfControl, a company that has been critiqued by Internet watchdogs for its internet filtering software.¹³³ The filtering software, “CyberPatrol,” is described as a collection of programs that block access to websites based on certain banned subjects.¹³⁴ The software has been criticized for blocking legitimate sites on the subjects of health, reproductive rights, and gay issues.¹³⁵

¹²⁴ Bannon, *Barrister Barbie? Mattel Plays Rough*, *supra* note 98, at <http://www.s-t.com/daily/01-98/01-09-98/b02li044.htm>. See also Denise Gellene, *Barbie Protesters Aren’t Playing Around*, LOS ANGELES TIMES (May 10, 1997), reprinted in Napier, *The Distorted Barbie*, *supra* note 89, at <http://users.rcn.com/napier.interport/barbie/censored/bbanger.htm> (last visited Oct. 4, 2004).

¹²⁵ *Id.*

¹²⁶ *Id.*

¹²⁷ Gellene, *Barbie Protesters Aren’t Playing Around*, *supra* note 124, at <http://users.rcn.com/napier.interport/barbie/censored/bbanger.htm>. Gellene reported: “Online Barbie chat groups buzzed about 1st Amendment rights and what collectors viewed as Mattel’s Big Brotherish behavior. The Iron Curtain may have fallen, but in America, they said, a toy company is stomping on the Bill of Rights . . . ‘Sounds like communism!’ sniffed one posting. ‘Take a stand girls!’ said another.” *Id.*

¹²⁸ *Id.*

¹²⁹ *Id.*

¹³⁰ *Id.*

¹³¹ *Id.*

¹³² Gellene, *Barbie Protesters Aren’t Playing Around*, *supra* note 124, at <http://users.rcn.com/napier.interport/barbie/censored/bbanger.htm>.

¹³³ See, e.g., ACLU Joins Fray Over Cyber Patrol “Censorware” On Behalf of U.S. Web Site Host, American Civil Liberties Union: Privacy and Technology, at <http://www.aclu.org/Privacy/Privacy.cfm?ID=7888&c=252> (03/24/2000) (last visited May 25, 2005); *Blacklisted by Cyber Patrol: From Ada to Yoyo*, The Censorware Project: Exposing the Secrets of Censorware Since 1997, at <http://censorware.net/reports/cyberpatrol/ada-yoyo.html> (last visited May 25, 2005); *Mattel/Cyber Patrol Censors Critics Again*, SLASHDOT: NEWS FOR NERDS, STUFF THAT MATTERS, Posted by Michael, from the deCSS-all-over-again dept., on Mon. Mar. 20, ‘00 10:45 AM, at <http://slashdot.org/yro/00/03/20/0845236.shtml> (last visited May 25, 2005).

¹³⁴ *Blacklisted by Cyber Patrol*, The Censorware Project, *supra* note 133, at <http://censorware.net/reports/cyberpatrol/ada-yoyo.html>. SurfControl calls their software “Internet safety” software.” See CyberPatrol: Internet Safety Software: Protecting an Online Generation, at <http://www.cyberpatrol.com/Default.aspx?id=33&mnuid=7>.

¹³⁵ A list of allegedly “blacklisted” sites at *Blacklisted by Cyber Patrol*, The Censorware Project, *supra* note 133, at <http://censorware.net/reports/cyberpatrol/ada-yoyo.html>.

These cases are just a sampling of dozens of cases where Mattel has issued cease and desist letters and/or filed suit. In each case, the defendant had a legitimate criticism or social commentary that deserved First Amendment protection. If the FTDA continues to expand, it will stifle these critics and the contributions they make to the public discourse.

III. COURTS ARE SPLIT ON WHETHER PARODY IS AN AUTOMATIC DEFENSE TO TRADEMARK INFRINGEMENT

The application of dilution theory has been marked by ad hoc and inconsistent results.¹³⁶ This has been attributed to factors such as the flexibility of the "likelihood of confusion" test, judicial ambivalence toward the dilution theory, and the unique nature of parody as a form of expression.¹³⁷ The cases below demonstrate that the law is inconsistent and far from settled.

A. *Parody Is Not an Automatic Defense to Trademark Infringement*

While several courts have addressed whether the use of parody and satire is a defense to trademark infringement, they have reached different results, demonstrating that parody is not an automatic defense to trademark infringement or trademark dilution claims.

In *Coca-Cola Co. v. Gemini Rising*,¹³⁸ the Coca-Cola company sued a small business that printed, distributed, and sold a poster containing a modified reproduction of plaintiff's "Coca-Cola" trademark that read "Enjoy Cocaine."¹³⁹ The defendant argued that its poster constituted fair comment and was protected by the First Amendment.¹⁴⁰ The court, however, found for Coca-Cola, stating that cocaine was a noxious substance that tarnished plaintiff's wholesome product and business reputation.¹⁴¹

In *Anheuser-Busch v. Balducci*,¹⁴² the Anheuser-Busch beer company claimed that its Michelob brand was infringed when a humor magazine published a mock advertisement for "Michelob Oily." The magazine claimed a fair use defense, arguing that the parody commented on the polluted source of Anheuser-Busch's water supply, the closing of an Anheuser-Busch brewery due to the polluted water source, and the saturation of Anheuser-Busch advertisements in the media.¹⁴³ The Court of Appeals for the Eighth Circuit held that defendant's mock

¹³⁶ See Shaughnessy, *supra*, note 20 at 1092.

¹³⁷ See *id.*

¹³⁸ See *Coca-Cola Co. v. Gemini Rising*, 346 F. Supp. 1183 (E.D.N.Y. 1972).

¹³⁹ *Id.* at 1186.

¹⁴⁰ *Id.* at 1192.

¹⁴¹ See *id.*

¹⁴² See *Anheuser-Busch v. Balducci*, 28 F.3d 769 (8th Cir. 1994).

¹⁴³ *Id.* at 772.

ad was likely to be confused with Anheuser-Busch.¹⁴⁴ Furthermore, the court stated that the First Amendment did not protect the parodist from liability:

[W]e are convinced that the First Amendment places no bar to the application of the Lanham Act in this case. . . . Balducci's ad parody was likely to confuse consumers as to its origin, sponsorship or approval.

. . . .

Balducci's ad, developed through the nearly unaltered appropriation of Anheuser-Busch's marks, conveys that it is the original, but the ad founders on its failure to convey that it is not the original.¹⁴⁵

In *Mutual of Omaha Ins. Co. v. Novak*,¹⁴⁶ the insurance company sued a parodist who created and sold shirts, caps, and coffee mugs with the words "Mutant of Omaha" and "Nuclear Holocaust Insurance," along with a depiction of a side view of feather-bonneted, emaciated "Indian head" logo.¹⁴⁷ In denying defendant's claim that the First Amendment protected his use of the design, the Eighth Circuit argued that the defendant's right to free speech did not give it a license to infringe upon Mutual's property rights.¹⁴⁸ According to the Circuit Court, the question of whether Mutual of Omaha's property rights should yield to the defendant's First Amendment rights was determinable by whether adequate alternative avenues of communication existed for the defendant to express his message.¹⁴⁹ They found that he had adequate alternatives.¹⁵⁰

Thus in cases like *Anheuser-Busch* and *Mutual of Omaha*, the doctrine of dilution affects not only parody, but adversely impacts the ability of citizens to question the corporate policy and integrity of corporations.

B. Cases That Have Allowed a Parody Defense

Well-known trademarks play a strong role in shaping public discourse, especially as consumerism threatens to replace traditional religious and social values. As the new source of religious and social authority, they become inviting targets for parody.¹⁵¹

Some courts have recognized the important role parodies play in social criticism. For example, the Ninth Circuit has noted the potential for injury to public discourse if individuals cannot refer to specific trademarks in their social

¹⁴⁴ *Id.* at 776.

¹⁴⁵ *See id.* at 776-777.

¹⁴⁶ *See Mutual of Omaha Ins. Co. v. Novak*, 836 F.2d 397 (8th Cir. 1987).

¹⁴⁷ *Mutual of Omaha* uses an "Indian head" in its logo design.

¹⁴⁸ *Mutual of Omaha*, 836 F.2d at 402.

¹⁴⁹ *Id.*

¹⁵⁰ *Id.*

¹⁵¹ *See generally* Shaughnessy, *supra* note 20, at 1079.

commentaries.¹⁵² And the Supreme Court has protected satire, as it is a form of social and political commentary subject to First Amendment protection.¹⁵³

The court that ruled in *Lucasfilm*, the trademark action against the aforementioned pornographic film *Starballz*, emphatically stated that “[p]arody is a form of non-commercial, protected speech which is not affected by the Federal Trademark Dilution Act.”¹⁵⁴ Despite the “serious questions regarding whether there is a likelihood of confusion between Star Wars and Starballz for purposes of trademark infringement . . . and whether Starballz is a non-commercial use for purposes of trademark dilution,” the court denied a motion for a preliminary injunction.¹⁵⁵ Such an action, the court stated, would threaten the defendant’s First Amendment rights.¹⁵⁶

L.L. Bean v. Drake Publishers involved a parody of the well-known L.L. Bean mail-order catalogue.¹⁵⁷ The parody, published in *High Society*, an adult magazine devoted to erotic entertainment, was entitled “L.L. Bean’s Back-to-School-Sex-Catalog” and displayed a facsimile of Bean’s trademark.¹⁵⁸ The First Circuit stated that the rights of a trademark owner extend only to prevent injurious unauthorized commercial uses of the mark by another, and that such rights do not entitle the owner to quash an unauthorized use of the mark by one who is communicating ideas or expressing points of view.¹⁵⁹ The court eloquently summarized their view:

The First Amendment issues involved in this case cannot be disposed of by equating the rights of a trademark owner with the rights of an owner of real property: [*T*]rademark is not property in the ordinary sense but only a word or symbol indicating the origin of a commercial product. The owner of the mark acquires the right to prevent the goods to which the mark is applied from being confused with those of others and to prevent his own trade from being diverted to competitors through their use of misleading marks. . . . Trademark rights do not entitle the owner to quash an unauthorized use of the mark by another who is communicating ideas or expressing points of view.¹⁶⁰

In *Jordache v. Hogg Wyld*, the famous jean company claimed that a competitor infringed and diluted its mark by selling jeans with a large, bright, pig’s head and hooves mark with the word “Lardashe” in script on the back pocket.¹⁶¹ The Tenth Circuit disagreed, and distinguished intent to parody from intent to

¹⁵² See *New Kids on the Block v. News Am. Publ’g Inc.*, 971 F.2d 302, 309 (9th Cir. 1992).

¹⁵³ See, e.g., *Hustler Magazine v. Falwell*, 485 U.S. 46, 54-55 (1988).

¹⁵⁴ *Lucasfilm*, 182 F. Supp. 2d at 900.

¹⁵⁵ *Id.* at 901-902.

¹⁵⁶ *Id.* at 902.

¹⁵⁷ *L.L. Bean v. Drake Publishers, Inc.* 811 F.2d 26 (1st Cir. 1987).

¹⁵⁸ *Id.* at 27.

¹⁵⁹ *Id.* at 29.

¹⁶⁰ *Id.* (citations omitted).

¹⁶¹ *Jordache v. Hogg Wyld, Ltd.*, 828 F.2d 1482 (10th Cir. 1987).

confuse the public as to the source of goods. The Court asserted that in parody, the intent is to amuse—not to confuse. While the Court’s ruling was in favor of the defendant, their analysis—that parody is amusement—is problematic because it deflates the political power that parodies of trademark often contain. Interestingly, the court noted that parody tends to reinforce the public’s identification of the trademark with the owner, rather than weaken it. Under this theory, “Lardashe” therefore would only cause the “Jordache” mark to increase its distinctiveness, an interesting idea not raised, to this author’s knowledge, in any other cases. Like the phrase “copying is the sincerest form of flattery,” this analysis sees parody as enhancing, rather than diluting the reputation of famous brands.

Thus, whether parody falls within the First Amendment’s protective reach; whether parodies confuse consumers, or simply amuse them, and whether parody enhances or detracts from the value of a brand is unsettled law.

IV. THE FTDA CIRCUMVENTS FREE SPEECH PROTECTIONS TO GIVE EASY ACCESS TO INJUNCTIONS

One serious problem with trademark law is that courts readily grant preliminary and permanent injunctions under state statutes and the FTDA,¹⁶² despite the Supreme Court’s declaration that “prior restraints on speech and publication are the most serious and least tolerable infringement on First Amendment rights”¹⁶³ and carry a heavy presumption of being unconstitutional.¹⁶⁴ Injunctions are common in trademark law for two main reasons: (1) prior to 2003, some circuit courts had ruled that injunctions could be ordered on a mere inference of “likelihood of dilution” and (2) some courts treat trademarks as limited property rights.¹⁶⁵ Corporations take advantage of those rights when they assert that blurring and/or tarnishment destroys the value in their marks.

A. *Plaintiffs Have Obtained Injunctions by Merely Showing a Likelihood of Dilution*

Prior to 2003, some circuit courts had ruled that injunctions could be ordered on a mere inference of “likelihood of dilution.” For example, in *American Dairy*

¹⁶² See e.g. *Eli Lilly & Co. v. Natural Answers, Inc.*, 233 F.3d 456, 469 (7th Cir. 2000) (Pharmaceutical giant Lilly claimed defendant’s herbal drug “Herbrozac” diluted Lilly’s protected mark for “Prozacthorn,” a prescription drug used to treat clinical depression. The Court of Appeals affirmed the issuance of an injunction where plaintiff had shown a likelihood of success in proving a likelihood of dilution, adding that the “causes dilution” element of 11 U.S.C.S. § 1125(c)(1) could be satisfied by evidence of a *mere likelihood* of dilution.) (emphasis added); *OBH, Inc. v. Spotlight Magazine, Inc.*, 86 F. Supp. 2d 176, 198 (W.D.N.Y. 2000) (granting a preliminary injunction against a website operator for using the trademarked name of a newspaper in its website domain name. The site criticized and parodied the paper.); *Am. Dairy Queen Corp. v. New Line Prod., Inc.*, 35 F. Supp. 2d 727, 728 (D. Minn. 1998) (barring a movie company from using the title “Dairy Queens” based on a likelihood of dilution to the national ice cream franchise).

¹⁶³ *Nebraska Press Ass’n v. Stuart*, 427 U.S. 539, 559 (1976).

¹⁶⁴ *N.Y. Times Co. v. United States*, 403 U.S. 713, 714 (1971).

¹⁶⁵ See Schlosser, *supra* note 9, at 949-950.

Queen Corporation v. New Line Prods., the court held that "although actual confusion is useful and persuasive in typical infringement cases, it is important to remember "it is the likelihood of confusion that serves as a test for infringement, not actual confusion."¹⁶⁶

Circuits were split until the Supreme Court granted certiorari to resolve the issue in *Moseley v. V Secret Catalogue*.¹⁶⁷ In *Moseley*, the question was whether "the owner of a famous mark must show economic injury to show dilution or whether potential injury is sufficient."¹⁶⁸ In a victory for free speech advocates, the Court held that the FTDA requires proof of actual dilution.¹⁶⁹

This case featured a David and Goliath battle between small entrepreneurs and a large corporation. Victor and Cathy Moseley owned a retail store named Victor's Secret in a strip mall in Elizabethtown, Kentucky.¹⁷⁰ The store offered diverse merchandise for adults, including intimate lingerie, "romantic" lighting, Lycra dresses, pagers and adult novelties, and gifts.¹⁷¹ The corporation that owns the Victoria's Secret trademark, which operates over 750 Victoria's Secret stores with sales exceeding \$1.5 billion annually, sued the Moseleys.¹⁷² The corporation's counsel wrote to the Moseleys stating that their choice of the name "Victor's Secret" for their store was likely to "dilute the distinctiveness" of the mark.¹⁷³ In response, the Moseleys changed the name of their store to "Victor's Little Secret," but the corporation was not appeased and proceeded to file an action in federal district court.¹⁷⁴ In the dilution count, the complaint alleged that the Moseleys' conduct was "likely to blur and erode the distinctiveness" and "tarnish the reputation" of the Victoria's Secret trademark.¹⁷⁵

The district court found that the defendants had tarnished the plaintiff's mark, reasoning that dilution "corrodes" a trademark either by "blurring its product identification or by damaging positive associations that have attached to it."¹⁷⁶ The district court enjoined the Moseleys "from using the mark 'Victor's Little Secret' on the basis that it causes dilution of the distinctive quality of the Victoria's Secret mark."¹⁷⁷ The Court of Appeals for the Sixth Circuit affirmed,¹⁷⁸ relying on an analogy suggested by the Congressional House Report: "Confusion," the

¹⁶⁶ *American Dairy Queen Corporation v. New Line Prods.*, 35 F. Supp. 2d 727 (D. Minn. 1998).

¹⁶⁷ *Moseley v. V Secret Catalogue*, 537 U.S. 418 (2003).

¹⁶⁸ See Brief of Amicus Curiae Malla Pollack, at 2, 537 U.S. 418 (2003) (No. 01-1015) (arguing that plaintiff "Victoria's Secret" was not harmed by defendant's store "Victor's Secret").

¹⁶⁹ See *Moseley*, 537 U.S. at 433.

¹⁷⁰ See *Moseley*, 537 U.S. at 422-424.

¹⁷¹ *Id.*

¹⁷² *Id.*

¹⁷³ *Id.*

¹⁷⁴ See *V Secret Catalogue v. Moseley*, 2000 U.S. Dist. LEXIS 5215 (W.D. Ky. 2000), *aff'd* 259 F.3d 464 (6th Cir. 2001).

¹⁷⁵ See *Moseley*, 537 U.S. at 424.

¹⁷⁶ *Id.* at 425.

¹⁷⁷ *Id.*

¹⁷⁸ *Id.* See *V Secret Catalogue*, 259 F.3d 464 (affirming district court's grant of injunction).

report said, "leads to immediate injury, while dilution is an infection, which if allowed to spread, will inevitably destroy the advertising value of the mark."¹⁷⁹

However, the Supreme Court reversed, holding that the plain language of the statute¹⁸⁰ unambiguously requires a showing of actual dilution, rather than a likelihood of dilution.¹⁸¹

Thus *Moseley* softened the application of the dilution doctrine by setting an actual harm standard. The ruling imposes the same actual harm standard found in defamation suits.¹⁸² An actual harm standard makes sense because the corporate owners protected by the FTDA are analogous to public figures, in that both are "famous" and have public responsibilities.

Moseley is an important victory for defendants in trademark dilution cases. However, the *Moseley* Court did not hold, as they should have, that blurring and tarnishment are per se unconstitutional as vague, overbroad, and infringing on free speech. After *Moseley*, plaintiffs must demonstrate harm, but it remains that this damage can occur to the "mental associations" consumers associate with the mark. Such "mental associations" are measured by surveys and research studies, standard litigation tools in trademark infringement cases. Therefore, defendants whose critiques of commodity culture, corporations and trademarks create "negative mental associations" may still lose against a corporation that brings a dilution action, regardless of how momentarily those associations last or contain editorial content that is constitutionally protected by the First Amendment.

B. Courts Are More Likely to Issue Injunctions When They View the Distinction Between "Commercial" and "Non-Commercial" As a Bright Line Test

Especially vulnerable to injunctions are those defendants whose parodies of famous trademarks appear in or on commercial products because some courts hold that whether a parody is commercial or not is a bright line distinction in determinations of infringement. This is alarming, especially when a court makes the distinction regardless of a parody's marginality in the marketplace.¹⁸³

An example of a marginally commercial parody subjected to an FTDA-authorized injunction is the dilution suit brought by the Starbucks Corporation against a web-artist who created a parody of Starbucks' mermaid logo.¹⁸⁴ In *Starbucks Corp. v. Dwyer*, defendant Dwyer drew the coffee company's famous

¹⁷⁹ See *Moseley*, 537 U.S. at 427 (quoting H. R. Rep. No. 104-374, at 1030 (1995)).

¹⁸⁰ See 15 U.S.C. § 1125(c)(1) ("The owner of a famous mark shall be entitled . . . to an injunction against another person's commercial use in commerce of a mark or trade name, if such use begins after the mark has become famous and causes dilution of the distinctive quality of the mark. . . .") (emphasis added).

¹⁸¹ See *Moseley*, 537 U.S. at 432-433.

¹⁸² See Schlosser, *supra* note 9, at 936-937.

¹⁸³ See Schlosser, *supra* note 9, at 949-950.

¹⁸⁴ See Order for Preliminary Injunction, *Starbucks Corp. v. Dwyer*, No. 3:00-CV-1499 MMC (N.D. Cal. 1999). For an extended discussion of the case, see Schlosser, *supra* note 9.

green-and-white mermaid logo with nipples and a naval ring.¹⁸⁵ Criticizing Starbucks as an "icon of rampant consumerism," and the customer as "prostitutes of consumerism," the words "Starbucks Coffee" were replaced with "Consumer Whore" and replaced the stars in the original logo with dollar signs.¹⁸⁶

Starbucks pointed to how T-shirts, coffee mugs, and bumper stickers featuring the offending parody were easy to obtain because they were sold via the Internet.¹⁸⁷ The District Court for the Northern District of California held that Dwyer had diluted the Starbucks mark because the parody website had a link to a page that offered merchandise for sale.¹⁸⁸ The artist was initially permitted to keep the parody on his website, as long as he stopped selling products containing the offending image.¹⁸⁹ A later court order required the artist to completely remove the parody from his website.¹⁹⁰

Using the commercial/non-commercial distinction as a bright line test is problematic because the line between "commercial" and "non-commercial" is muddled, at best. Legal scholar Lawrence Tribe writes that "the lesson of [cases that classify speech as commercial or noncommercial] is less than clear."¹⁹¹

Circuit courts have wrestled with the issue. For example, in *Hoffman v. Capital Cities/ABC, Inc.*, the Ninth Circuit analyzed a magazine feature using a photograph of Dustin Hoffman's Tootsie character modeling current fashions. Noting that the photo feature "as a whole is a combination of fashion photography, humor, and visual and verbal editorial comment on classic films and famous actors" they concluded that "any commercial aspects are 'inextricably entwined' with expressive elements, and so they cannot be separated out 'from the fully protected whole.'"¹⁹²

The Supreme Court has also struggled with the distinction. Notable cases include *Bolger v. Young's Drug Prods. Corp.*,¹⁹³ where the Court tackled whether advertising or information predominated in pamphlets for contraceptives,¹⁹⁴ and *Board of Trustees of the State University v. Fox*,¹⁹⁵ where the Court classified

¹⁸⁵ See Defendant's Memorandum of Points and Authorities in Opposition to Order to Show Cause Re Preliminary Hearing, at 2, Starbucks Corp. v. Dwyer, No. 3:00-CV-1499 MMC (N.D. Cal. filed Apr. 28, 2000) [hereinafter Defendant's Memorandum].

¹⁸⁶ *Id.*

¹⁸⁷ *Id.*

¹⁸⁸ *Id.*

¹⁸⁹ *Id.*

¹⁹⁰ Defendant's Memorandum, *supra* note 185.

¹⁹¹ LAURENCE TRIBE, AMERICAN CONSTITUTIONAL LAW § 12-15, at 896-98.

¹⁹² *Hoffman v. Capital Cities/ABC, Inc.*, 255 F.3d 1180, 1185 (9th Cir. 2001) (quoting *Gaudiya Vaishnava Soc'y v. City & County of San Francisco*, 952 F.2d 1059, 1064 (9th Cir.1990)) (concluding that the altered "Tootsie" photograph was not commercial speech).

¹⁹³ See *Bolger v. Young's Drug Prods. Corp.*, 463 U.S. 60 (1983).

¹⁹⁴ *Bolger*, 463 U.S. at 66 (holding that statute prohibiting unsolicited mailing of contraceptive advertisements was an unconstitutional restriction on commercial speech).

¹⁹⁵ *Board of Trustees of the State University v. Fox*, 492 U.S. 469 (1989).

Tupperware parties as commercial speech even though they included discussions on home economics.¹⁹⁶

Because the distinction between commercial and non-commercial is often blurred, the Supreme Court has several times declared that the level of First Amendment protection is not determined by whether materials are sold for profit¹⁹⁷ and that the fact that expressive material is sold does not transform it into commercial speech.¹⁹⁸ One commentator notes:

[i]n infringement, dilution, and false advertising cases, a finding that the use of a trademark is non-commercial is critical to a First Amendment “defense.” If the use has both commercial and noncommercial expressive aspects, the court must determine which aspect dominates. The determination that a use is commercial speech is both factual and legal. The Supreme Court has defined “commercial speech” as speech proposing a commercial transaction, and along those lines the Court has held that speech may reap financial gain and not necessarily be “commercial speech.” Therefore, the mere fact that a mark is used in a profit-making publication or enterprise should not be dispositive.¹⁹⁹

Yet some courts continue to use the commercial/non-commercial as a dispositive distinction in trademark infringement analysis. Although the trademark infringement and false designation of origin provisions of the Lanham Act pertain only to the use of a mark “in connection with the sale, offering for sale, distribution, or advertising of any goods or services,”²⁰⁰ or “in connection with any goods or services,”²⁰¹ courts have been reluctant to define those terms narrowly.²⁰² Rather, as the Second Circuit has explained, “the term ‘services’ has been interpreted broadly” and so “the Lanham Act has . . . been applied to defendants furnishing a wide variety of non-commercial public and civic benefits.”²⁰³

For example, in *People for the Ethical Treatment of Animals v. Doughney*, the court noted that a website need not actually sell goods or services for the domain name to constitute a use “in connection with goods or services.”²⁰⁴ Another case, *Taubman Co. v. Webfeats*,²⁰⁵ concluded that a website with two links to websites of for-profit entities violated the Lanham Act. In *Planned Parenthood Fed’n of America, Inc. v. Bucci*, the Southern District of New York found that the

¹⁹⁶ *Fox*, 492 U.S. at 474-475 (holding resolution that banned Tupperware parties in college dorm rooms overbroad and unconstitutional).

¹⁹⁷ *Lakewood v. Plain Dealer Publishing Co.*, 486 U.S. 750, 765 n.5 (1988).

¹⁹⁸ *Virginia State Bd. of Pharmacy v. Virginia Citizens Consumer Council, Inc.*, 425 U.S. 748, 761 (1976).

¹⁹⁹ GILSON, *supra* note 4, § 11.08.

²⁰⁰ 15 U.S.C. § 1114(1)(a).

²⁰¹ 15 U.S.C. § 1125(a)(1).

²⁰² *Lamparello v. Falwell*, 420 F.3d 309, 314 (4th Cir. 2005) (quoting *United We Stand Am., Inc. v. United We Stand, Am. N.Y., Inc.*, 128 F.3d 86, 89-90 (2d Cir. 1997)).

²⁰³ *Id.*

²⁰⁴ *People for the Ethical Treatment of Animals v. Doughney*, 263 F.3d 359, 365 (4th Cir. 2001).

²⁰⁵ *Taubman Co. v. Webfeats*, 319 F.3d 770, 775 (6th Cir. 2002).

use of domain name "www.plannedparenthood.com" to provide links to passages of an anti-abortion book on sale constituted infringement.²⁰⁶ The court relied on the commercial/non-commercial distinction as a bright line test of liability:

It is well settled that the scope of "in commerce" as a jurisdictional predicate of the Lanham Act is broad and has a sweeping reach . . . Internet users constitute a national, even international, audience, who must use interstate telephone lines to access defendant's web site on the Internet. The nature of the Internet indicates that establishing a typical home page on the Internet, for access to all users, would satisfy the Lanham Act's "in commerce" requirement.²⁰⁷

This case was criticized by the Fourth Circuit for its overbroad scope; for relying on commercial content as a bright line test of liability; and for not considering in its analysis whether the websites' content would dispel any confusion. The Fourth Circuit concluded that "[i]n expanding the initial interest confusion theory of liability, these cases cut it off from its moorings to the detriment of the First Amendment."²⁰⁸

Some courts are wary to treat the commercial/noncommercial distinction as a bright line of liability. Courts within the Second Circuit, for example, generally exclude editorial content from trademark liability regardless of whether the content increases the defendant's sales.²⁰⁹ In *Bad Frog Brewery, Inc. v. New York State Liquor Auth.*, whether a parody was commercial was just one factor among many considered in a trademark disparagement case.²¹⁰ Other factors to consider, the court said, include whether the communication is an advertisement; whether it refers to a specific product; and whether the speaker has an economic motive.²¹¹

In contrast to trademark law, copyright law clearly rejects using the commercial/non-commercial distinction as dispositive. The important Supreme Court case that declared that the commercial character of a parody did not create a presumption that the parody was unfair was *Campbell v. Acuff-Rose Music, Inc.*²¹²

²⁰⁶ See *Planned Parenthood Fed'n of Am., Inc. v. Bucci*, 1997 U.S. Dist. LEXIS 3338, No. 97 Civ. 0629, 1997 WL 133313 (S.D.N.Y. Mar. 24, 1997), *aff'd*, 152 F.3d 920 (2d Cir. 1998).

²⁰⁷ *Id.* at 16-12.

²⁰⁸ *Lamparello*, 420 F.3d at 318.

²⁰⁹ See *e.g.* *World Championship Wrestling v. Titan Sports, Inc.*, 46 F. Supp. 2d 118, 122-123 (D. Conn. 1999) (holding that the insults, taunts and stunts of professional wrestling are expressive speech that is not commercial use solely because they increase sales). See also *Charles Atlas, Ltd. v. DC Comics, Inc.*, 112 F. Supp. 2d 330, 336 (S.D.N.Y. 2000) (holding that comic book story mocking well-known body building advertisement was a parody protected by the First Amendment and thus not infringing or diluting). *Accord* *Dr. Seuss Enter. v. Penguin Books USA, Inc.*, 924 F. Supp. 1559, 1574 (S.D. Cal. 1996), *aff'd* 109 F.3d 1394 (9th Cir. 1997), *cert denied*, *Penguin Books USA, Inc. v. Dr. Seuss Enter.*, 521 U.S. 1146 (1997) (holding that the FTDA did not apply to parody generally, and specifically to intended parody of children's books).

²¹⁰ *Bad Frog Brewery, Inc. v. New York State Liquor Auth.*, 134 F.3d 87, 97 (2d Cir. 1998). The court listed several considerations when classifying commercial speech, including: "Is the communication an advertisement? Does it refer to a specific product? and Does the speaker have economic motive?"

²¹¹ *Id.* at 97.

²¹² *Campbell v. Acuff-Rose Music, Inc.* 510 U.S. 569, 579 (1994).

In that case, defendants, the rap group 2 Live Crew, appropriated the 1964 melody of Roy Orbison's well-known ballad "Pretty Woman" but replaced the original Orbison lyrics with raw street lyrics.²¹³ Plaintiff Acuff-Rose, owners of the copyright to "Pretty Woman," sued 2 Live Crew and their record company, Luke Skywalker Records, for copyright infringement, amongst other claims.²¹⁴ Acuff-Rose contended that the lyrics of the song, as sung by 2 Live Crew, "are not consistent with good taste or would disparage the future value of the copyright."²¹⁵ Defendants argued that "Pretty Woman" is a parody that constitutes fair use.²¹⁶

The District Court for the Middle District of Tennessee granted summary judgment for the rap group.²¹⁷ The Court of Appeals reversed, holding that the defense of fair use was barred because of the commercial character of the rap song and its excessive borrowing from the original.²¹⁸ The Supreme Court reversed and remanded, holding that the commercial character of the song did not create a presumption against fair use.²¹⁹ The Court clearly spoke on the issue:

The Court of Appeals, however, immediately cut short the enquiry into 2 Live Crew's fair use claim by confining its treatment of the first factor essentially to one relevant fact, the commercial nature of the use. The court then inflated the significance of this fact by applying a presumption ostensibly culled from Sony, that "every commercial use of copyrighted material is presumptively . . . unfair. . . ." In giving virtually dispositive weight to the commercial nature of the parody, the Court of Appeals erred.²²⁰

²¹³ Selected lyrics from Orbison's *Pretty Woman*:

Verse 2:

Pretty woman won't you pardon me
 Pretty woman I couldn't help but see
 Pretty woman that you look lovely as can be
 Are you lonely just like me

....

Roy Orbison, *Pretty Woman*, on *YO TE AMO MARIA* (Monument Records 1964).

Selected lyrics from 2 Live Crew's *Pretty Woman*:

Verse 2: [Fresh Kid Ice]

Big hairy woman, you need to shave that stuff,
 Big hairy woman, you know I bet it's tough.
 Big hairy woman, all that hair ain't legit,
 'Cause you look like Cousin It.
 Big hairy woman

....

2 Live Crew, *Pretty Woman*, on *AS CLEAN AS THEY WANNA BE/GREATEST HITS VOL. 2* (Luke Records 1989).

²¹⁴ *Acuff-Rose Music v. Campbell*, 754 F. Supp. 1150, 1152 (D. Tenn. 1991).

²¹⁵ *Id.*

²¹⁶ *Id.* See 17 U.S.C. §§ 101-914 (1982).

²¹⁷ *Acuff-Rose Music v. Campbell*, 754 F. Supp. 1150, 1152 (D. Tenn. 1991).

²¹⁸ See *Acuff-Rose Music v. Campbell*, 972 F.2d 1429.

²¹⁹ See *Campbell*, 510 U.S. at 594.

²²⁰ *Id.* at 583-584 (citation omitted).

Trademark law, on the other hand, still has courts who give dispositive weight to whether a parody is commercial or not, thus expanding the "reasonable" standard for authorizing injunctions.²²¹ When these courts perceive that a parody is commercial, other factors that should weigh in the balance, such as avoiding consumer confusion and free speech interests, are swept aside.²²²

Not to be lost in the discussion is the fact that the Lanham Act, by providing for significant treble damages, can intimidate artists and critics without an injunction.²²³ A simple cease and desist letter will often make these cultural critics, artists, and anarchists—who make up the largest proportion of defendants in dilution actions—fold because they cannot match the financial and legal resources of the trademark owners. Thus merely the prospect of a protracted settlement, trial, and appeals process will often deter a financially strapped critic.²²⁴

In sum, vague definitions of "blurring" and "tarnishment," judicial expansion of tarnishment theory, bright line distinctions on what constitutes "commercial" use, the abuse of a "likelihood of harm" standard, the frequent application of injunctions, and treble damages has meant that the FTDA can effectively chill the speech of critics who target trademarks and the corporations behind them.

V. CURRENT TRENDS, SUCCESSES AND REMAINING CHALLENGES

Two recent cases, both brought and lost by Mattel, have benefited artists and First Amendment advocates.

The first of these is *Mattel, Inc. v. MCA Records*.²²⁵ There, Mattel brought a lawsuit against the Danish band Aqua for their song "Barbie Girl." The song focuses on the sexual tension between the Ken and Barbie dolls and parodies their wholesome image with lyrics like

I'm a Barbie girl—in a Barbie world—
Life in plastic—it's fantastic.
You can brush my hair—undress me everywhere

....

²²¹ See 15 U.S.C. § 1116 (authorizing courts to grant injunctions "according to the principles of equity and upon such terms as the court may deem reasonable").

²²² Cf. *Rogers v. Grimaldi*, 875 F.2d 994, 999 (2d Cir. 1989) (In suit by celebrity Ginger Rogers against movie producers whose film was titled "Ginger and Fred," courts must balance the public interest in avoiding consumer confusion against the public interest in free expression.); *Yankee Publ'n Inc. v. News Am. Publ'n Inc.* 809 F. Supp. 267, 276 (S.D.N.Y. 1992) (balancing the property and economic interests of the publishers of "The Old Farmer's Almanac" against the free speech interests of a magazine that imitated the Almanac as part of their annual Christmas gift guide).

²²³ See 15 U.S.C. § 1117(a).

²²⁴ See Schlosser, *supra* note 9, at 951-952.

²²⁵ See *Mattel, Inc. v. MCA Records, Inc.*, 28 F. Supp. 2d 1120 (C.D. Cal. 1998) *aff'd* *Mattel, Inc. v. MCA Records, Inc.*, 296 F.3d 894 (9th Cir. 2002).

I'm a blond bimbo girl in a fantasy world,
Dress me up—make it tight—I'm your dolly²²⁶

Mattel took exception to the suggestive lyrics.²²⁷ Mattel Vice President Sean Fitzgerald said that “[t]he veiled sexual content is our greatest concern . . . [t]his is a product that has been designed for 3 to 11 year-old girls.”²²⁸ Arguably, Mattel missed the point of Barbie’s critics—that the doll is inappropriate for that age group *because she has a sexualized body*.

The court noted the song’s parody of the Barbie image and commentary on the cultural values she represents. Finding that the song falls within the noncommercial use exemption and is fully protected, the trial court ruled in favor of MCA Records and the Ninth Circuit affirmed.²²⁹

In a second case, *Mattel, Inc. v. Walking Mt. Prods.*, Mattel began a protracted legal struggle with artist Tom Forsythe after he used Barbie dolls in photographs that show the doll, usually nude, along with household appliances posed in sexual or startling positions.²³⁰ On the biography page of his website, he elaborates on his intentions:

Barbie may be only one of a great number of products contributing to a false sense of inadequacy, but in many ways, this product is the most potent single representation of the ubiquitous beauty myth. As a part of our cultural identity since being introduced in 1958, Barbie reveals the continuity of the commodity machine. In the same way, the doll retains its glazed, blissful smile regardless of its impending fate. While most of us at least start to grimace when we smell the heating oil that signals our demise, Barbie keeps a happy face courtesy of the image-makers who hope beyond hope that those of us on the receiving end will continue to do the same.²³¹

Mattel sued, alleging that Forsythe’s “Food Chain Barbie” series infringed Mattel’s copyrights, trademarks, and trade dress.²³² In response, Forsythe and his

²²⁶ Aqua, *Barbie Girl*, on AQUARIUM (MCA Records 1997).

²²⁷ Including the following exchange:
Kiss me here, touch me there—hanky panky.
You can touch—you can play—
If you say—I’m always yours

....
Make me walk—make me talk—
Do whatever you please,
I can act like a star—I can beg on my knees.

Id. See also Marcus Errico, *Toy Maker Sues over “Barbie Girl,”* EONLINE, (Sept. 12, 1997) at <http://www.eonline.com/News/Items/Pf/0,1527,1757,00.html> (last visited May 25, 2005).

²²⁸ Errico, *supra* note 227.

²²⁹ *Mattel, Inc. v. MCA Records*, 296 F.3d 894.

²³⁰ *Mattel, Inc. v. Walking Mt. Prods.*, 2000 U.S. Dist. LEXIS 15293 (C.D. Cal. 2000). “Some of these images are purposely made overtly sexual to put Barbie completely out of context from what Mattel intends,” Forsythe said. *Id.*

²³¹ Tom Forsythe, *Artsurdism*, creativecommons.org, <http://creativecommons.org/Assets/BIOGRAPHY.htm> (last visited May 25, 2005).

²³² *Mattel, Inc. v. Walking Mt. Prods.*, 2000 U.S. Dist. LEXIS 15293 (C.D. Cal. 2000), *aff’d*. *Mattel Inc. v. Walking Mt. Prods.*, 353 F.3d 792, 797 (9th Cir. 2003).

supporters established The Creative Freedom Defense Fund to raise defense funds for artists who are targets of copyright or trademark infringement actions.²³³ The group defines their long-term goal as becoming a financial resource for "anyone facing censorship from corporate bullies who refuse to recognize the concept of 'fair use.'"²³⁴ In an American Civil Liberties Union press release, Forsythe's defense lawyer said:

This case is about insisting that a corporate giant can't stop an artist from using one of their products to create art and to comment on our society. If we were to allow that to happen, the content of our culture would be greatly reduced and emptied. We cannot allow Mattel to do that.²³⁵

The federal district court denied Mattel's request for a preliminary injunction against Forsythe, saying that there were material issues of fact whether Forsythe's photographs caused harm to Mattel.²³⁶ Significantly, the court found that Forsythe's use had been "noncommercial."

²³³ Tom Forsythe, Mission Statement, CreativeFreedomDefense.org, at <http://creativefreedomdefense.org> (last visited Oct. 4, 2004). The website describes their mission "to raise money for artists who run afoul of corporations that take offense at having their brands used in socially critical ways and to raise awareness in society of how corporations are silencing expression that they can't control." *Id.*

²³⁴ *Id.* "My Barbie series of photos critiques the Barbie doll and the shallow, consumerist values fostered and perpetuated by it," said Forsythe. "Little did I know that Mattel, chief purveyor of images that degrade and silence young women, would turn the full force of its multi-billion dollar power on me. This lawsuit has been a surreal experience: Mattel has basically taken over my life in an effort to shut down my work. I don't plan to roll over and play dead as so many other artists have been forced to do by Mattel's aggressive tactics." Judge Says No to Mattel's Effort, AMERICAN CIVIL LIBERTIES UNION FREEDOM NETWORK, *supra* note 17, at <http://www.aclu.org/FreeSpeech/FreeSpeech.cfm?ID=8124&c=83>.

²³⁵ Judge Says No to Mattel's Effort, AMERICAN CIVIL LIBERTIES UNION FREEDOM NETWORK, *supra* note 17, at <http://www.aclu.org/FreeSpeech/FreeSpeech.cfm?ID=8124&c=83>. Despite the defiant tone, the website includes the following disclaimer:

Barbie® is a registered trademark of the Mattel Corporation and the image of Barbie® may be protected under copyrights or trade dress of the Mattel Corporation. As set forth in Mr. Forsythe's Artist's Statement, the photographic works appearing on this website are a parody of Barbie® and the values she represents. Accordingly, references to Barbie® and depictions of Barbie® in these works are descriptive of the contents of the works and are made under the fair use provision of U.S. copyright law which protects the unauthorized creation of a derivative work 'for purposes such as criticism (and) comment.' The U.S. Supreme Court held that parody may be considered as a "fair use" of copyright in *Campbell v. Acuff-Rose Music, Inc.*, 510 U.S. 569 (1994). Neither this website nor the content of this website is in any way sanctioned, sponsored or approved by the Mattel Corporation. The Mattel Corporation has not in any way authorized this website or the content of this website. Viewers are advised that "certain of the images contained on this website may not be appropriate for young children."

Mission statement, The Creative Freedom Defense Fund, *supra* note 248, at <http://creativefreedomdefense.org/> (last visited Oct. 4, 2004).

²³⁶ *Walking Mt.*, 2000 U.S. Dist. LEXIS 15293. Staff attorney at the ACLU of Southern California, Peter Eliasberg, said "Today's statement from the court should give Mattel and its attorneys pause. Their strategy of trying to bury Tom Forsythe's First Amendment rights in an avalanche of legal documents will not work." Judge Says No to Mattel's Effort, AMERICAN CIVIL LIBERTIES UNION FREEDOM NETWORK, *supra* note 17, at <http://www.aclu.org/FreeSpeech/FreeSpeech.cfm?ID=8124&c=83>. "There are a few things money and power can't buy in America," said Annette Hurst, of San Francisco's Howard, Rice, 'and one of them is the silence of someone determined to express a

The Ninth Circuit affirmed the district court's grant of summary judgment in favor of Forsythe, arguing that "Mattel cannot use trademark laws to . . . censor all parodies or satires which use [its] name or dress."²³⁷ While this case is significant for artists who use parody to critique trademarks, it is noteworthy that the court expressly avoided ruling on the constitutionality of the FTDA. Declining to balance Mattel's property rights in the trademark against First Amendment issues, they instead employed the "time honored tradition of avoiding constitutional questions where narrower grounds are available."²³⁸

Rather, the Court found Forsythe's use of the Barbie trade dress was nominative fair use.²³⁹ "Forsythe used Mattel's Barbie figure and head in his works to conjure up associations of Mattel, while at the same time to identify his own work, which is a criticism and parody of Barbie."²⁴⁰ On the dilution claim, the Court found that Forsythe's artistic and parodic work is considered noncommercial speech and, therefore, not subject to a trademark dilution claim.²⁴¹ However, as discussed in greater detail *supra*, many courts would have found Forsythe's work to be commercial and, therefore, diluting. So while parodists may be protected in the Ninth Circuit, they are still vulnerable to dilution actions in other circuits.

Thus, because *Mattel v. MCA Records* and *Walking Mt.* clearly signal that parody is protected speech under the FTDA, these Ninth Circuit cases significantly liberalize trademark law. Nevertheless, other circuits, notably the Eighth, have expanded the authority and scope of the FTDA and must be reined in.

In sum, there are numerous reasons to fear the power of the FTDA. Firstly, "tarnishment" is not even written in the FTDA statute itself, but has been applied by federal judges who have borrowed the concept from state statutes or the common law. The justification for enacting the FTDA is weak compared to the original basis underlying trademark enforcement. The traditional basis for trademark law was to protect the public from fraud and deception. Only secondarily did the trademark owner receive a benefit. But dilution doctrine turns trademark law on its head. By protecting the marks themselves, rather than consumers, the FTDA has broken with its traditional public policy objectives.

Secondly, by protecting only "famous" marks, the FTDA extends protection to the strongest trademark owners who ordinarily would not require added

viewpoint. That's what the First Amendment is all about, and the court recognized that intellectual property laws must sometimes accommodate free speech interests." *Id.*

²³⁷ *Walking Mt.*, 353 F.3d at 812 (quoting *New Kids on the Block v. News Am. Publ'g Inc.*, 971 F.2d 302, 309 (9th Cir. 1992)).

²³⁸ *Id.* at 808, n.14 (stating that "if we were to apply the *Rogers* balancing test, we would have to grapple with First Amendment issues. By instead employing the nominative fair use test—which, incidentally works well in a case like this—we are following the time-honored tradition of avoiding constitutional questions where narrower grounds are available. . . . Thus, we leave the applicability of the Second Circuit's *Rogers* balancing test to trade dress infringement claims for another day.").

²³⁹ *Id.* at 810.

²⁴⁰ *Id.*

²⁴¹ *Id.*

protection. The corporate owners of these "famous" marks typically have superior financial resources that can overpower defendants.

Thirdly, the district and appellate courts have applied the ambiguous concepts of "blurring" and "tarnishment" and allow "mental associations" to be a factor in determining harm.

Fourthly, the "fair use" defense is weak and not commensurate with copyright law. Thus a large and diverse group of people who choose to criticize and comment on trademarks and commodity culture are left vulnerable.

Fifthly, courts have obliged corporations by issuing quick injunctions.

And finally, the FTDA truncates the right to free expression embodied in the First Amendment. Courts have improperly applied the balancing test, giving greater weight to property rights than freedom of expression. This is accomplished by maintaining a bright line distinction between commercial and noncommercial expression, which results in decisions against commercial products that carry editorial content.

While the *Moseley*, *MCA Records*, and *Walking Mt.* decisions were a step in the right direction, they provide only partial stability. Serious issues remain about the FTDA's power to harass critics and stifle free speech. These issues should be resolved at the earliest opportunity by the Supreme Court.