

Trademark Law

Prof. Madison

Today: Confusion basics, sponsorship and affiliation

Key concepts from Class 13:

Legal rules and concepts as tools for problem solving.

Mark X for Product (Service) Y.

Infringement basics based on passing off, appropriation of goodwill.

Use in commerce, likelihood of confusion factors.

Elements of the claim: To win their case, plaintiffs must plead, then prove, all 4 elements of a valid claim for relief.

1 - Ownership of a valid mark (*X for Y; don't forget: primary significance of the mark in the minds of consumers is distinctiveness as to source, a/k/a goodwill*)

2 - Use of the mark by the defendant(s)

3 - In a way that violates a TM entitlement (**passing off, appropriation of goodwill, likelihood of confusion, dilution**)

4 - Harm (?) (*TM blends (i) tort / unfair competition law & (ii) property-ish concepts*)

“Passing off” as the central “likelihood of confusion” theory, historically and today. *Big incumbent sues smaller upstart, usually.*

Multi-factor tests dominate, descended from *Polaroid v. Polarad*.

Overall, across the circuits, five core factors appear to drive the outcome of the likelihood of confusion test. In order of importance, these factors are:

1. the similarity of the marks [sight, sound, meaning],
2. the defendant’s intent [intent to use the mark, intent to appropriate goodwill; “bad faith”],
3. the proximity of the goods [likelihood of expansion],
4. evidence of actual confusion, and
5. the strength of the plaintiff’s mark [*Abercrombie*; commercial strength].

The remaining factors appear, in practice, to be largely irrelevant to the outcome of the test, but courts generally are expected to weigh and consider evidence as to each factor.

Evidence, surveys,
and experts in TM cases

Distinctiveness as to
source = required for
TM validity

But LoC goes beyond
confusion as to source

WAL★MART®



Under the Lanham Act, building on the Restatement of Torts and Restatement of Unfair Competition), older unfair competition concepts and older technical trademark concepts are blended:

1. Section 32 (registered marks):

(1) Any person who shall, without the consent of the registrant —
(a) use in commerce any reproduction, counterfeit, copy, or colorable imitation of a registered mark **in connection with the sale, offering for sale, distribution, or advertising of any goods or services** on or in connection with which such use is **likely to cause confusion, or to cause mistake, or to deceive**; ...

2. Section 43(a) (unregistered distinctive marks, unfair competition):

(a) (1) Any person who, **on or in connection with any goods or services, or any container for goods, uses in commerce** any word, term, name, symbol, or device, or any combination thereof, or any false designation of origin, false or misleading description of fact, or false or misleading representation of fact, which—(A) is **likely to cause confusion, or to cause mistake, or to deceive as to the affiliation, connection, or association of such person with another person, or as to the origin, sponsorship, or approval of his or her goods, services, or commercial activities by another person**, ...



“Smack’s use of the Universities’ colors and indicia is designed to create the illusion of affiliation with the Universities and essentially obtain a ‘free ride’ by profiting from confusion among the fans of the Universities’ football teams who desire to show support for and affiliation with those teams. This creation of a link in the consumer’s mind between the t-shirts and the Universities and the intent to directly profit therefrom results in ‘an unmistakable aura of deception’ and likelihood of confusion.”

Board of Supervisors for Louisiana State University
Agricultural & Mechanical College v. Smack Apparel Co.
(5th Cir. 2008)

Sponsorship or affiliation confusion: Major League Baseball (Oakland A's/Athletics) v. Cape Code Baseball League (Chatham A's)





Bavaria, a Dutch brewery, gave away orange “Leeuwenhose” pants to Dutch fans attending the 2006 World Cup match between the Netherlands and the Ivory Coast. This is sometimes called “ambush” marketing.

FIFA objected to the “Bavaria” beer marketing strategy on behalf of its exclusive WC2006 marketing partner for beer, Budweiser. Fans had to remove the shorts before entering the stadium.

Is there a likelihood of confusion here? Why? How?

Professors Lemley and McKenna: This is “irrelevant confusion.”



Sponsorship or affiliation confusion:

The so-called “merchandising right”:

Where the product consists of the mark, *as in the case of sports merchandise*, consumers may be confused as to the source of the *mark* itself rather than source of the *good*.

The precedent encourages the growth of the sports merchandise industry; the existence of the industry is itself offered as evidence of the existence of valid TMs (e.g., *Smack Apparel*) and as justification for finding TM infringement in cases against “counterfeiters” in order to protect the mark owners’ investments (i.e., goodwill).

Boston Professional Hockey Ass'n v. Dallas Cap & Emblem Manufacturing (5th Cir. 1975)
("Boston Hockey")



1. Are consumers likely to be confused as to the *source* of the t-shirts?
2. Are consumers likely to be confused as to the *source* of the trademarks? As to *sponsorship* of the marks? The t-shirts?
3. *What if the only confusion concerns whether the t-shirts are / are not licensed by Penn State? I.e., consumers cannot tell whether these are “authorized.” If so, has the deft engaged in “passing off”? In “appropriation of goodwill? How? Can confusion be OK?*

**TO BE
CONTINUED...»**