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COMMENTARY

THE REAL LIFE OF FICTIONAL TRADEMARKS

By Lisa Pearson*



An assortment of Acme products from Warner Bros. cartoons.¹

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¹ *The Illustrated Catalog of ACME Products*, <http://acme.com/catalog/acme.html> (last visited Apr. 28, 2020).

I. INTRODUCTION

In his 1990 *New Yorker* story “Coyote v. Acme,” humorist Ian Frazier scripted the opening statement of trial counsel for the plaintiff Wile E. Coyote in a products liability suit against Acme Company, Coyote’s regular supplier “of such specialized products as itching powder, giant kites, Burmese tiger traps, anvils, and two-hundred-foot-long rubber bands” for the intended purpose of thwarting his nemesis, Roadrunner.² (For those unfamiliar with the Roadrunner cartoons, the products invariably backfired.) While there are no reported decisions in that (fictional) lawsuit, fictional brands like Acme have given rise to real legal disputes. Those disputes just more typically arise under U.S. intellectual property than product liability laws.

Entertainment and media providers have progressed well beyond the simplistic animated worlds of Saturday morning cartoons. They have created ever more complex, immersive, and interactive universes to engage audiences. The brands appearing in those universes may be real, imaginary, or a mix. In the United States, it is not uncommon for someone to launch a real product or service under a formerly fictional trademark or service mark to capitalize on the popularity of the property in which it originally appeared. Conversely, a fictional brand name in an entertainment property may bear more than a passing resemblance to an actual brand in the material world.

Consumers, intellectual property lawyers, and even judges take delight in the mind-bending implications of brands that traverse parallel universes, real and imaginary.

Welcome to the real life of fictional trademarks.

II. ART IMITATES LIFE

Countless brand impressions bombard us every day. Because branding is so ubiquitous in modern life, it makes perfect sense for the entertainment we consume to mirror the heavily branded world in which we live. We would find it hard to relate to a contemporary fictional environment in which the characters eat at restaurants called “restaurant” (except perhaps on the *Seinfeld* show), drink beer labeled “beer,” and use computer laptops devoid of any marking.

As a result, consumers are well accustomed to product placements in entertainment content. To name just a few memorable examples:

- Mars famously declined the opportunity to place M & M candies in *E.T. The Extraterrestrial*, and then watched sales

² Ian Frazier, *Coyote v. Acme*, The New Yorker, Feb. 26, 1990, available at <https://www.newyorker.com/magazine/1990/02/26/coyote-v-acme>.

of Hershey's recent market entry REESE'S PIECES increase 70% after their screen debut as E.T.'s favorite earth food.³

- Bill Murray, playing an aging American actor who travels to Japan to film a Suntory commercial in *Lost in Translation*, has been credited with sparking the Japanese whisky boom. At the time, many mistakenly thought the SUNTORY HIBIKI whisky his character promoted was a fictional brand.⁴
- In both the book and movie *Wild*, Cheryl Strayed gives a shout-out to REI for replacing, without question or charge, the battered hiking boots she lost midway through her arduous trek on the Pacific Crest Trail.⁵ (Even in the deepest wilderness, there is no escape from consumerism.)

Most of the time, we hardly notice the branded products in the entertainment we consume. We are so inured to them they simply blend into the props and scenery.

III. LIFE IMITATES ART

Of course, creators of fictional works not only take inspiration from the outside world. They often inspire it as well. Numerous formerly fictional marks have been pressed into service to brand actual goods and services, shattering the "fourth wall" between fiction and reality.

For example, the Holiday Inn hotel chain borrowed its name from the charming country inn in the 1942 movie *Holiday Inn*, the holiday classic starring Bing Crosby and Fred Astaire that popularized the song "White Christmas."

³ Stephanie Mansfield, *Sweet Success: Reese's Cashes in on E.T.'s Candy Cravings*, Wash. Post, July 14, 1982, available at <https://www.washingtonpost.com/archive/lifestyle/1982/07/14/sweet-success/3592f8fa-8a05-4491-b98f-d8fbe03dbd96/>.

⁴ Jason Diamond, *How Bill Murray Sparked the Japanese Whiskey Boom*, Men's Journal, Nov. 3, 2015, available at <https://www.mensjournal.com/food-drink/how-bill-murray-sparked-the-japanese-whiskey-boom-20151103/>.

⁵ Adele Chapin, *REI Gets Free Product Placement in Reese's Hiking Film*, Racked, Dec. 11, 2014, available at <https://www.racked.com/2014/12/11/7564763/rei-wild-danner-boots>.



The eponymous country inn in the 1942 movie *Holiday Inn*.⁶

Willy Wonka's WONKA candy company first appeared in Roald Dahl's 1964 children's book *Charlie and the Chocolate Factory*. Producers seeking financing for a movie adaptation approached The Quaker Oat Company, which was developing a candy line and saw a golden opportunity to release a WONKA BAR (such as the one in which Charlie found his golden ticket) as a merchandising tie-in. In exchange for funding, the movie producers licensed the new candy line and retitled the film *Willy Wonka & the Chocolate Factory* to showcase the WONKA brand.⁷ Although manufacturing problems delayed the launch of the WONKA BAR, various other confections such as SUPER SKRUNCH BARS and PEANUT BUTTER OOMPAS were released in conjunction with the movie. The WONKA BAR and other formerly imaginary candies soon followed, culminating in the use of WONKA as a brand for a variety of different candies for several decades under different owners.⁸

And proving the adage that art imitates life imitates art, *Time* magazine ran a 2016 business article on "The 18 Most Influential Fake Companies of All Time."⁹ It tells the story of The Bull and Finch Pub in Boston, which inspired the television series *Cheers* and subsequently rebranded itself under its more famous fictional name and logo. According to *Time*, the CHEERS BEACON HILL bar is

⁶ Hooked on Houses, *A Classic White Christmas in the Movie "Holiday Inn,"* Dec. 18, 2012, available at <https://hookedonhouses.net/2012/12/17/holiday-inn-movie-sets/>.

⁷ Brandchannel, *At 40, Wonka Candy Is Greatest Reverse Product Placement Ever*, May 16, 2011, available at <https://www.brandchannel.com/2011/05/16/at-40-wonka-candy-is-greatest-reverse-product-placement-ever/>.

⁸ Phil Rosenthal, *How a Chicago Company Made Gene Wilder's Most Beloved Movie Role Possible*, Chi. Trib., Aug. 30, 2016, available at <https://www.chicagotribune.com/business/ct-rosenthal-gene-wilder-willy-wonka-0831-biz-20160830-column.html>.

⁹ Alex Fitzpatrick, Lisa Eadicicco, Matt Peckham, John Patrick Pullen, Sarah Begley, and Daniel D'Addario, *The 18 Most Influential Fake Companies of All Time*, *Time*, June 2, 2016, available at <http://time.com/4351022/influential-fake-companies/>.

now “one of the city’s most popular destinations. It makes sense. You want to go where everybody knows your name.”

A. The Möbius Strip

Branding has become pervasive in our culture. The correspondent growth of the licensing industry allows trademarks to migrate more easily across product and service categories. By the same token, fictional branded products can now transmogrify more readily into actual branded products in the real world.

Consider the merchandising phenomenon of Pixar’s 1995 computer-animated movie *Toy Story*, starring a battalion of mid-century toys. Some of the toys, like Woody and Buzz Lightyear, were newly minted fictional characters created for the movie. Others, like Mr. Potato Head and Slinky the Dog, were classic playthings introduced by major toy companies some four decades earlier. (The classic toys were no doubt new to most child movie-goers, if not to the nostalgic parents or grandparents who bought their tickets.) Children of all ages can now play with both the classic and formerly fictional toys. They can also eat TOY STORY cereal endorsed by the animated toy characters for breakfast; pack their lunches in TOY STORY plastic bags; go to sleep wearing TOY STORY pajamas under TOY STORY sheets; and then wake up the next day to a whole new array of licensed TOY STORY products and experiences branded with the toys starring in the franchise.

It should come as no surprise, then, that at least one enterprising entrepreneur has formed a niche licensing company devoted to actualizing fictional brands. With tongue in cheek, Omni Consumer Products pioneered the art of so-called “reverse product placement” by bringing to market such formerly make-believe products as SEX PANTHER cologne (from *Anchorman*), TRU BLOOD “blood replacement drink” (from *True Blood*), BRAWNDO energy drink (from *Idiocracy*), and STAY PUFT marshmallows (from *Ghostbusters*).¹⁰ According to Omni’s founder, Pete Hottelet, “*Scientific American* referred to it as ‘Moebius-like-referential pop-culture-as-reality mocketing contortionism.’ Defictionalization is definitely more succinct, although maybe not as much fun to say. Basically, it’s the act of creating or identifying a brand within a narrative, and producing a physical product of the described type bearing that branding.”¹¹

¹⁰ <http://omniconsumerproductscorporation.com/> (last visited July 2, 2020).

¹¹ Rebecca Cullers, *That’s Entertainvertising*, Adweek, July 26, 2010, available at <https://www.adweek.com/creativity/thats-entertainvertising-12427/>; see also John Pavlus, *Fake product satirizing scientific illiteracy turned into real product monetizing scientific illiteracy*, Sci Am. 60-Second Sci., December 5, 2007, available at <https://web.archive.org/web/20080229121922/http://www.60secondscience.com/archive/health-news-articles-medicine-news/fake-product-satirizing-scient.php>.



STAY PUFT marshmallows,
a defictionalized product from the movie *Ghostbusters*.¹²

B. “Proto-Brands”

For popular culture geeks, ferreting out defictionalized brands is an enjoyable pastime. Even *Bloomberg News* and the *HuffPost* have played the game.¹³ Nor are academics immune to its charm. In their article “Branding in Fictional and Virtual Environments: Introducing a New Conceptual Domain and Research Agenda,” Laurent Muzellec, Theodore Lynn, and Mary Lambkin provide a typology of the crossover of real brands into virtual worlds and virtual brands into the real world, as depicted below.¹⁴ They also introduce the term “proto-brand” to refer to “virtual brands in computer-synthesized or fictional worlds” that have yet to be actualized in the real world.¹⁵

<https://web.archive.org/web/20080229121922/http://www.60secondscience.com/archive/health-news-articles-medicine-news/fake-product-satirizing-scient.php>.

¹² Fandom.com, *Stay Puft Marshmallows (Omni Consumer Products)*, [https://ghostbusters.fandom.com/wiki/Stay_Puft_Marshmallows_\(Omni_Consumer_Products\)](https://ghostbusters.fandom.com/wiki/Stay_Puft_Marshmallows_(Omni_Consumer_Products)) (last visited May 18, 2020).

¹³ *Fictional Brands That Crossed Over to Reality*, Bloomberg, Apr. 18, 2012, available at <https://www.bloomberg.com/news/photo-essays/2012-04-18/fictional-brands-that-crossed-over-to-reality>; James Sunshine, *12 Fictional Products That You Can Now Actually Buy*, HuffPost, Aug. 10, 2012, available at https://www.huffpost.com/entry/fictional-products-real_n_1764290?slideshow=true#gallery/5bb2cdb3e4b0480ca65c6481/11).

¹⁴ Laurent Muzellec, Theodore Lynn, Mary Lambkin, *Branding in fictional and virtual environments: Introducing a new conceptual domain and research agenda*, 46 Eur. J. Mktg. 811, 816 (2012), available at https://www.academia.edu/1461042/Branding_In_Fictional_And_Virtual_Environments_Introducing_A_New_Conceptual_Domain_And_Research_Agenda.

¹⁵ *Id.* at 816.

Virtual World / Real World	Real brands in computer-synthesized or fictional worlds (Product Placement) A	Virtual brands in computer-synthesized or fictional worlds (Proto-Brands) B
	Real brands in the real world (Most brands as we experience them) C	Virtual brands in the real worlds (Reverse Brand Placement) D
Real Brands		Virtual Brands

“Typology of brands in real and virtual worlds” from
“Branding in Fictional and Virtual Environments:
Introducing a New Conceptual Domain and Research Agenda.”¹⁶

As a quintessential example of a proto-brand, the authors point to DUFF beer, Homer Simpson’s beverage of choice on *The Simpsons* television series.¹⁷ Due to concern that it would encourage underage drinking, Twentieth Century Fox chose not to sell DUFF beer and so it remained a proto-brand—a virtual brand in a virtual world—that is, until brand highjackers around the world started offering their own unauthorized DUFF beers to fill the void.¹⁸



Homer Simpson enjoying his favorite brew.¹⁹

¹⁶ *Id.*
¹⁷ *See id.* at 820-21.
¹⁸ *Id.* at 820.
¹⁹ Tom Acitelli, *That Wonderful Duff Beer Turns 25*, All About Beer Mag., June 4, 2015, available at <http://allaboutbeer.com/that-wonderful-duff-beer-turns-25/>.

In the United States, where trademark rights typically flow from use in commerce on or in connection with specific goods or services as opposed to registration, is it possible to protect and enforce a proto-brand that exists only in a fictional world? After engaging in several legal battles raising variants of that issue overseas,²⁰ Twentieth Century Fox resorted to self-help. It sidestepped legal skirmishes in the United States by introducing an authorized DUFF beer (in limited theme park locations) and DUFF energy drinks (to a broader market). It also secured several U.S. trademark registrations based on those uses to protect the DUFF brand.²¹

As a matter of common sense, and public policy, it should not be necessary for a brand owner to be forced to create real products in order to protect the commercial magnetism of a fictional brand—particularly a fictional brand the owner may prefer not to commercialize for good reason (such as DUFF beer or ACME weapons). The unauthorized party exploiting the proto-brand typically does so to capitalize on the popularity of the property in which it appears, and so has misappropriated something of value. Further, the public may well be confused as to the source of the goods or services bearing the formerly fictional mark, and the reputation and good will of the owner of the work in which it appears may well be harmed by the unauthorized use, as to which it exercises no quality control.

IV. POSSIBLE CAUSES OF ACTION FOR PROTECTING FICTIONAL MARKS

In the United States, there are at least three potentially viable legal theories to redress unauthorized exploitation of a fictional mark: copyright infringement, trademark infringement under the Lanham Act, and common-law trademark infringement or unfair competition.

A. Copyright Infringement

Unauthorized use of a fictional brand name *per se* does not amount to infringement under U.S. copyright law, but unauthorized users capitalizing on the popularity of a fictional work typically borrow much more. The U.S. Copyright Office succinctly summarizes the applicable principles: “Copyright does not protect names, titles, slogans, or short phrases. . . . However, copyright protection may be available for logo artwork that contains sufficient

²⁰ See, e.g., *Twentieth Century Fox Film Corp. v. South Australian Brewing Co.*, [1996] 66 FCR 451 (Austl.).

²¹ See, e.g., DUFF, Registration No. 4,566,718; DUFF BEER, Registration No. 4,570,986.

authorship.”²² Copyright protection may also be available for the artwork or any blocks of text appearing on real or fictional product packaging.

In the DUFF beer example, Twentieth Century Fox (the owner of the copyright in *The Simpsons* television series) would not have a viable U.S. copyright claim against a third party who, without authorization, merely launched a beer product under the name DUFF. If that third party also copied the artwork from the series featuring DUFF beer (e.g., the bottle label or can design), a copyright infringement claim would lie provided the copyright owner could prove substantial similarity of protectable expression. Similarly, an unauthorized use of the STAY-PUFT marshmallow man or packaging from *Ghostbusters* might well infringe copyright-protected content. Because the elements of copyright infringement differ from those of trademark infringement or unfair competition, it may well be the easiest of the three causes of action to prove on the facts of a given case. Neither use in commerce nor likelihood of confusion is an element of a copyright infringement claim.

B. Trademark Infringement

Section 32 of the Lanham Act, the U.S. federal trademark statute, prohibits use of a registered mark on or in connection with goods or services in a manner “likely to cause confusion, or to cause mistake, or to deceive.”²³ The statute defines a trademark as “any word, name, symbol, or device, or any combination thereof— (1) *used by a person*, or (2) which a person has a bona fide intention to use in commerce and applies to register on the principal register . . . *to identify and distinguish his or her goods* . . . from those manufactured or sold by others and to indicate the source of the goods.”²⁴ With the limited exception of applications based upon a foreign registration,²⁵ an applicant cannot obtain a U.S. registration until the mark is actually used in commerce on the goods or services covered by the application.

As a practical matter, the creator or other owner of the rights in a work of fiction will probably not be able to secure a federal trademark registration for a fictional mark until it is used in the real world. Section 32 of the Lanham Act is therefore not a promising theory for protecting a proto-brand, which by definition has not yet been actualized as a commercially available product or

²² *What Does Copyright Protect?* U.S. Copyright Office, <https://www.copyright.gov/help/faq/faq-protect.html> (last visited Apr. 3, 2020).

²³ 15 U.S.C. § 1114.

²⁴ 15 U.S.C. § 1127 (emphasis added).

²⁵ 15 U.S.C. § 1126(e) (“The application must state the applicant’s bona fide intention to use the mark in commerce, but use in commerce shall not be required prior to registration.”); 37 C.F.R. § 2.34(a)(3).

service. In the DUFF beer example, a Section 32 claim for trademark infringement was not available until Twentieth Century Fox obtained federal registrations based on its use of the mark for beer and energy drinks.

In short, until the mark owner obtains a federal registration based on use and its “reverse product placement” is a *fait accompli*, it is exceedingly unlikely that trademark infringement under Section 32 will be a viable legal theory to protect a proto-brand that only exists in a virtual world.

C. Common-Law Trademark Infringement or Unfair Competition

The stringent requirements of Section 32 of the Lanham Act are not, however, an insurmountable obstacle as long as the proto-brand is closely identified with the fictional work in which it appears. The more versatile trademark theories for protecting a proto-brand are common-law trademark infringement or unfair competition under Section 43(a)(1) of the Lanham Act and applicable state law. Section 43(a)(1)(A) provides:

(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 . . .

shall be liable in a civil action by any person who believes that he or she is or is likely to be damaged by such act.

U.S. federal courts, particularly those sitting in the entertainment capital of New York, have long held that the “ingredients” of an entertainment property qualify for trademark protection when they have come to symbolize in the public’s mind the entertainment property in which they appear or its source. For example, in *Warner Bros. Inc. v. Gay Toys, Inc.*,²⁶ the U.S. Court of Appeals for the Second Circuit held protectable as a source identifier a car that essentially functioned as a recurring character in the popular television series *The Dukes of Hazzard*. The car in question was the General Lee, an orange 1969 Dodge Charger customized

²⁶ *Warner Bros., Inc. v. Gay Toys, Inc.*, 658 F.2d 76 (2d Cir. 1981) (reversing denial of preliminary injunction), *aff’d after entry of permanent injunction*, 724 F.2d 327 (2d Cir. 1983).

with a Confederate flag painted on the roof and the numbers “01” painted on each of the two side doors.



The General Lee, automotive star of *The Dukes of Hazzard*.²⁷

Warner Bros. built a compelling factual record in the lower court to support its motion for preliminary injunctive relief to stop the sale of “Dixie Racer” toy replicas of the General Lee by Gay Toys. It introduced evidence establishing the extensive use of the General Lee in the series; its own *Dukes of Hazzard* licensing program and industry practice of licensing elements of television shows more generally; its prior refusal to grant the defendant a toy license; and Gay Toys’ comparatively lackluster sales of a 1969 Dodge Charger replica without the same customization.²⁸ Warner Bros. also introduced a survey showing “that eight out of ten children respond immediately to the ‘Dixie Racer’ as the ‘General Lee’ or as ‘The Dukes of Hazzard Car’” as well as evidence that retailers sold the “Dixie Racer” as “The Dukes of Hazzard Car.”²⁹ The district court nevertheless refused to enter a preliminary injunction on the ground that Warner Bros. was not in the business of manufacturing toy cars and would not be perceived as the source of the “Dixie Racer.”

On appeal, the Second Circuit had little hesitation in reversing, holding that Section 43(a) of the Lanham Act protects “the specific

²⁷ Title screen from *The Dukes of Hazzard*, Wikipedia, https://en.wikipedia.org/wiki/The_Dukes_of_Hazzard#/media/File:Dukes_of_Hazzard.jpg (last visited June 12, 2020).

²⁸ *Warner Bros.*, 658 F.2d at 78.

²⁹ *Id.* at 78-79.

ingredients of a successful T.V. series,” and finding that Gay Toys deliberately used the General Lee symbols to mislead consumers as to the sponsorship of its Dixie Racers.³⁰ It subsequently affirmed the entry of summary judgment for Warner Bros. and a permanent injunction against Gay Toys on the same reasoning.³¹ (Warner Bros. ceased licensing the General Lee replica cars in 2015 due to the American public’s rising intolerance for the Confederate flag and other perceived symbols of racism.³²)

The General Lee was not a fictional brand as we have defined it for purposes of this article. It was essentially a product placement of a branded DODGE CHARGER vehicle, distinctively customized. Yet this and similar cases establish the key foundational proposition that ingredients of fictional universes warrant trademark protection when the public recognizes them as symbols of a specific entertainment property.

V. REAL COURT CASES PROTECTING FICTIONAL MARKS

Based on such precedents, no interdimensional travel is required to stop the unauthorized use of a fictional mark under U.S. trademark law on the right set of facts, as confirmed by the following real court cases. As usual, Superman forged the way.

Even before the U.S. courts had fully embraced the concept that “ingredients” of an entertainment property can be protected if they function as source identifiers, DC Comics obtained a preliminary injunction blocking publisher Jerry Powers from using the name *Daily Planet* for a real world newspaper in *DC Comics, Inc. v. Powers*.³³ The *Daily Planet* is, of course, the name of the fictional newspaper employing Clark Kent, Lois Lane, and Jimmy Olsen in DC’s *Superman* comics.

³⁰ *Id.* at 78.

³¹ *Warner Bros.*, 724 F.2d at 332-34.

³² *Warner Bros. Will Stop Licensing ‘Dukes of Hazzard’ Confederate Flag Car*, Hollywood Rep., June 24, 2015, available at <https://www.hollywoodreporter.com/news/dukes-hazzard-car-warner-brothers-804766>.

³³ *DC Comics, Inc. v. Powers*, 465 F. Supp. 843, 850 (S.D.N.Y. 1978).



The *Daily Planet* newspaper, employer of mild-mannered reporter Clark Kent.³⁴

The court found that the *Daily Planet* had played a key role in both the Superman story and the development of the Superman character since 1940; that DC Comics had invested significant effort and expense to offer “a myriad of products born of the Superman story”; and that many of these products featured the *Daily Planet*.³⁵ It concluded that DC Comics had “demonstrated an association of such duration and consistency with” the *Daily Planet* “to establish a common law trademark therein.”³⁶ Since the *Daily Planet* had become so inextricably woven into the fabric of the Superman story, “any use thereof by defendants would create a substantial likelihood of confusion at the consumer level.”³⁷

More recently, in *Viacom International Inc. v. IJR Capital Investments, LLC*, Viacom prevailed on its common-law trademark infringement and unfair competition claims against an alleged infringer of the mark THE KRUSTY KRAB, the name of a fictional restaurant in the animated television series *SpongeBob SquarePants*.³⁸ The U.S. Court of Appeals for the Fifth Circuit described the unlikely premise of the highly successful show as follows: “The show revolves around SpongeBob SquarePants, a sea sponge that wears square shorts, lives in an underwater pineapple, and works at the fictional The Krusty Krab restaurant as a fry cook with an array of characters including a cranky co-worker and the

³⁴ Tim Beedle, *Daily Planet: Why Dooming Superman May Be the Best Thing For Him*, May 29, 2014, available at <https://www.dccomics.com/blog/2014/05/29/daily-planet-why-dooming-superman-may-be-the-best-thing-for-him>.

³⁵ *D.C. Comics*, 465 F. Supp. at 847.

³⁶ *Id.*

³⁷ *Id.* at 848-49.

³⁸ *Viacom Int'l Inc. v. IJR Capital Invs., LLC*, 242 F. Supp. 3d 563 (S.D. Tex. 2017), *aff'd* 891 F.3d 178 (5th Cir. 2018).

owner of The Krusty Krab.”³⁹ Possibly even more far-fetched, the decision notes this cartoon series had over 73 million viewers in a recent quarter, one-third of whom were 18 or older.⁴⁰



Screenshot of The Krusty Krab restaurant from
Sponge Bob Squarepants.⁴¹

The defendant sought to use THE KRUSTY KRAB as the name for an actual restaurant and had applied to register the mark for restaurant services. Although Viacom had neither used nor applied to register THE KRUSTY KRAB as a mark for restaurant services, it successfully enforced its fictional restaurant service mark, winning the case on summary judgment.⁴²

As a threshold matter, the trial court considered whether Viacom had established common-law trademark rights in THE KRUSTY KRAB through use. Punting on the question of whether THE KRUSTY KRAB is an inherently distinctive mark, it considered whether the mark had acquired secondary meaning as a source identifier by analyzing the seven-factor test adopted by the Fifth Circuit, which looks to “(1) length and manner of use of the mark or trade dress, (2) volume of sales, (3) amount and manner of advertising, (4) nature of use of the mark or trade dress in newspapers and magazines, (5) consumer-survey evidence, (6) direct consumer testimony, and (7) the defendant’s intent in copying the [mark].”⁴³ The court was persuaded by Viacom’s robust factual showing, including proof of Viacom’s use of THE KRUSTY KRAB as

³⁹ 891 F.3d at 183.

⁴⁰ *Id.*

⁴¹ “Krusty Krab,” Wikipedia, https://en.wikipedia.org/wiki/Krusty_Krab (last visited June 12, 2020).

⁴² *Viacom Int’l*, 242 F. Supp. 3d at 576.

⁴³ *Id.* at 570.

a key element of *SpongeBob SquarePants* since 1999; the appearance of THE KRUSTY KRAB restaurant in 166 of 203 aired television episodes and two feature films; the hundreds of millions of dollars in gross receipts and advertising expenditures for the films; the approximately one billion page views for *nick.com*, the official site for the series; and print and Internet advertisements for THE KRUSTY KRAB licensed consumer merchandise.⁴⁴

After concluding that Viacom owned common-law trademark rights in THE KRUSTY KRAB, the court then assessed likelihood of confusion. Here, in addition to the evidence establishing the strength of the mark based on Viacom's extensive use of THE KRUSTY KRAB mark, as well as the identical spelling and pronunciation of the two marks at issue, Viacom established two particularly compelling facts to counter the defense argument that it had never used THE KRUSTY KRAB as a mark for restaurant services in United States commerce (as opposed to the fictional undersea world of *SpongeBob SquarePants*).⁴⁵ First, not only had Viacom licensed the mark for other purposes, but its parent company had previously licensed its marks for restaurants, including Bubba Gump Shrimp Co., a seafood restaurant chain inspired by the 1994 film *Forrest Gump*.⁴⁶ Second, Viacom introduced consumer survey results indicating that thirty percent of respondents identified Viacom as the entity operating, approving, or sponsoring a restaurant named The Krusty Krab.⁴⁷ Even without evidence of bad-faith intent by the defendant (a factually intensive issue difficult to establish on a summary judgment motion), the court found that the defendant, by undertaking preparations to launch a restaurant under the name and applying to register KRUSTY KRAB, had committed common-law trademark infringement and unfair competition as a matter of law. That judgment was affirmed on appeal.⁴⁸

In a nutshell, U.S. courts do not consider trademark protection of a fictional mark a legal conundrum. They recognize that even if the fictional mark is not used in commerce in the real world on the goods or services it identifies in its fictional universe, it may nevertheless be entitled to protection as a mark signifying the source of the property in which it appears. The fictional mark functions as an actual mark, albeit for entertainment services

⁴⁴ *Id.* at 566, 568-70. According to the complaint in that proceeding, Viacom had licensed toy KRUSTY KRAB playsets, cake decorations, aquarium ornaments, magnet sets, costumes, a videogame, books, and apparel. *Viacom Int'l Inc. v. IJR Capital Invs.*, 4:16-cv-00257, ECF Doc. 1 (S.D. Tex., filed Jan. 29, 2016).

⁴⁵ *Id.* at 571.

⁴⁶ *Id.*

⁴⁷ *Id.* at 572.

⁴⁸ *Viacom Int'l*, 891 F.3d at 198.

rather than the fictional goods or services it identifies in its original context.

VI. REAL COURT CASES PROTECTING FICTIONAL GENERIC TERMS

U.S. courts have applied the same reasoning to transmute generic terms in entertainment properties into trademarks, notwithstanding the basic trademark law principle that a generic term can never serve as a protectable mark for the goods or services it identifies.⁴⁹ “Kryptonite,” in the Superman universe, is an alien mineral capable of deactivating Superman’s superpowers. The names of existing minerals are typically generic terms, and generic terms are typically incapable of achieving trademark status for the goods or services they identify. Nevertheless, in *DC Comics v. Kryptonite Corp.*,⁵⁰ the court held that DC Comics owned protectable trademark rights in the coined mineral name: “As a result of broad dissemination throughout all media, the fictional element Kryptonite, including its graphic depiction, has come to be recognized as a powerful symbol, and is immediately recognized or associated with the character Superman. As such, Kryptonite also serves to identify the entertainment and other goods and services created, distributed and/or licensed by or on behalf of DC Comics.”⁵¹

In *Lucasfilm Ltd. LLC v. Ren Ventures Ltd.*,⁵² the well-known production company behind the STAR WARS franchise sued for both trademark and copyright infringement to enjoin the marketing and sale of the unauthorized mobile game app “Sabacc – The High Stakes Card Game.” In the STAR WARS movie universe, Sabacc is the generic term for a popular card game.⁵³ The court denied the defendant’s motion to dismiss, accepting Lucasfilm’s argument that SABACC effectively functions as a real-world trademark despite its use as a generic term in its fictional universe. The court observed: “According to defendants, fictional goods do not exist and thus cannot be placed in commerce—hence the name of the good is not a source identifier for a product that can be distinguished in commerce. . . . Lucasfilm does not claim ownership of the ‘Sabacc’ mark as a source identifier for a fictional card game product. Rather,

⁴⁹ *Abercrombie & Fitch Co. v. Hunting World*, 537 F.2d 4, 9 (2d Cir. 1976) (“[N]o matter how much money and effort the user of a generic term has poured into promoting the sale of its merchandise and what success it has achieved in securing public identification, it cannot deprive competing manufacturers of the product of the right to call an article by its name.”) (citations omitted).

⁵⁰ *DC Comics v. Kryptonite Corp.*, 336 F. Supp. 2d 324 (S.D.N.Y. 2004).

⁵¹ *Id.* at 332-33.

⁵² *Lucasfilm Ltd. LLC v. Ren Ventures Ltd.*, 126 U.S.P.Q.2d 1515 (N.D. Cal. 2018).

⁵³ *Sabacc*, StarWars.com, <https://www.starwars.com/databank/sabacc> (last visited May 6, 2020).

‘Sabacc’ functions as a mark for Lucasfilm and the Star Wars franchise, which are real entities that exist in commerce.”⁵⁴ Lucasfilm subsequently obtained summary judgment on its copyright claim (because the app developers liberally used other elements of the *Star Wars* works as well as the name of the card game).⁵⁵ The case ultimately settled with the entry of a consent judgment enjoining the use.⁵⁶

With respect to both KRYPTONITE and SABACC, the coined term at issue was generic in fiction but fanciful in fact. The more arbitrary, unique, and distinctive the fictional “ingredient,” the easier it will be to protect it.

VII. REAL COURT CASES HOLDING FICTIONAL MARKS DO NOT INFRINGE REAL WORLD MARKS

Ironically, in several cases involving the alleged infringement of a real-world mark by a fictional one, the plaintiff trademark owners have not fared nearly as well. U.S. courts frequently conclude that there is no likelihood of confusion based, at least in part, on the dissimilarity between the parties’ actual goods and services. In *Fortres Grand Corp. v. Warner Bros. Entertainment Inc.*, in which the plaintiff claimed infringement of its CLEAN SLATE security software program by use of “the clean slate” for a fictional computer program in the movie *The Dark Knight Rises*, the Seventh Circuit observed:

There is little authority on how to treat the ‘similarity of the products’ factor when one of them is fictional . . . , but what few cases have confronted the issue have considered the likelihood of confusion between the senior user’s product and the junior user’s creative work—not any fictional product therein.⁵⁷

The court cited, and followed, *Davis v. Walt Disney Co.*⁵⁸ and *Ocean Bio-Chem, Inc. v. Turner Network Television, Inc.*,⁵⁹ holding that,

⁵⁴ *Lucasfilm*, at 1518.

⁵⁵ *Lucasfilm Ltd. LLC v. Ren Ventures Ltd.*, No. 17-cv-07249-RS, 2018 WL 5310831 (N.D. Cal. June 29, 2018).

⁵⁶ Stipulated Consent Judgment and Permanent Injunction, N.D. Cal. Case No. 17-cv-07249, dkt. entry no. 89, filed Sept. 17, 2018.

⁵⁷ *Fortres Grand Corp. v. Warner Bros. Entm’t Inc.*, 763 F.3d 696, 702 (7th Cir. 2014).

⁵⁸ 430 F.3d 901, 904 (8th Cir. 2005). The plaintiff there claimed infringement of his EARTH PROTECTOR mark for environmental advocacy information and services by the Disney film *Up, Up, and Away*, which featured a fictional company called “Earth Protectors” as a villain; the appellate court affirmed the grant of summary judgment for Disney. 430 F.3d at 902.

⁵⁹ 741 F. Supp. 1546, 1557 (S.D. Fla. 1990). The plaintiff claimed that its STAR BRITE mark for marine and automotive cleaners and polishes was infringed by TNT’s television movie *Incident at Dark River*, in which the protagonist’s daughter was killed by toxic waste dumped into the local river by a fictional company named “Starbrite Batteries.”

for purposes of evaluating the similarity of the parties' goods and services, the proper comparison was not between the allegedly infringing product and the fictional branded product, but between the allegedly infringing product and the movie in which the fictional product appeared.⁶⁰

Moreover, in a controversial decision involving the use of the mark EMPIRE for the senior user's real-world hip-hop music label and the junior user's fictional hip-hop music label on the popular Fox television show of the same name, the U.S. Court of Appeals for the Ninth Circuit held that the usual likelihood-of-confusion test does not apply when the allegedly infringing use is in an expressive work due to First Amendment concerns.⁶¹ In the context of an expressive work, according to the Ninth Circuit, the use of a mark will not violate the Lanham Act unless it "has no artistic relevance to the underlying work whatsoever, or, if it has some artistic relevance, unless the [use] explicitly misleads as to the source or the content of the work."⁶² The decision significantly expands a more limited rule announced by the Second Circuit in *Rogers v. Grimaldi*,⁶³ involving the title of Federico Fellini's art film *Ginger and Fred*, by applying it to a fictional brand used in a commercial television series for the same goods and services offered by the senior user, and to associated advertising, promotional, and merchandising activities in the real world (including, for example, live musical performances, radio play, and soundtrack albums) identical or closely related to the senior user's goods and services.⁶⁴

It remains to be seen whether the Ninth Circuit's heightened standard will stick and provide a safe harbor for uses of marks in expressive works. In the meantime, suffice it to say that it may well be harder to prove that a fictional mark in an expressive work infringes an actual mark used in the real world than the reverse.

The trial court denied Ocean's motion for preliminary injunction and granted summary judgment to TNT, finding no likelihood of confusion.

⁶⁰ *Fortres Grand Corp.*, 763 F.3d at 702.

⁶¹ *Twentieth Century Fox Television v. Empire Distrib., Inc.*, 875 F.3d 1192 (9th Cir. 2017) (quoting *Mattel, Inc. v. MCA Records, Inc.*, 296 F.3d 894, 902 (9th Cir. 2002), and *Rogers v. Grimaldi*, 875 F.2d 994 (2d Cir. 1989)).

⁶² *Id.* at 1196.

⁶³ *Rogers v. Grimaldi*, 875 F.2d 994 (2d Cir. 1989).

⁶⁴ *Twentieth Century Fox Television*, 875 F.3d at 1196-97 ("[I]t requires only a minor logical extension of the reasoning of *Rogers* to hold that works protected under its test may be advertised and marketed by name, and we so hold."). For a representative critique of the decision, see Laura Goldbard George and Binni Shah, *The First Amendment: Apparent Immunity from Trademark Infringement?*, 31 *Intell. Prop. & Tech. Law J.* 1 (Feb. 2019).

VIII. THE DRAWING POWER OF FICTIONAL MARKS

The Supreme Court case *Mishawaka Rubber & Woolen Manufacturing Co. v. S.S. Kresge Co.*,⁶⁵ decided in 1942, before the enactment of the Lanham Act, involved the real-world infringement of a real-world registered trademark consisting of a circular red plug embedded in the center of a shoe heel. While such a hoary precedent anchored in such an earthbound set of facts hardly seems applicable to fictional marks, Justice Frankfurter's prescient and well-written decision provides the underlying trademark law rationale for protecting fictional marks in appropriate cases, and so supplies an excellent framework for building such a case:

The protection of trade-marks is the law's recognition of the psychological function of symbols. . . . A trade-mark is a merchandising shortcut which induces a purchaser to select what he wants, or what he has been led to believe he wants. The owner of a mark exploits this human propensity by making every effort to impregnate the atmosphere of the market with the drawing power of a congenial symbol. Whatever the means employed, the aim is the same—to convey through the mark, in the minds of potential customers, the desirability of the commodity upon which it appears. Once this is attained, the trade-mark owner has something of value. If another poaches upon the commercial magnetism of the symbol he has created, the owner can obtain legal redress.⁶⁶

In the decided cases protecting proto-brands (those fictional marks that have not been used in commerce on the actual goods or services they identify in their virtual worlds), the courts have quite properly given great weight to evidence of record establishing:

- the commercial magnetism of the fictional mark, including its prominence in the fictional world, its use in marketing materials for the work in which it appears, and any authorized merchandise bearing the fictional mark (albeit for different goods or services from those it brands in its fictional world);
- actual confusion, including consumer surveys;
- examples of other fictional brands that have bridged the gap between the parties' respective goods or services; and, most importantly,
- the alleged infringer's bad faith.

⁶⁵ *Mishawaka Rubber & Woolen Mfg. Co. v. S.S. Kresge Co.*, 316 U.S. 203 (1942), quoted in the seminal fictional marks case *DC Comics, Inc. v. Powers*, 465 F. Supp. 843, 846 (S.D.N.Y. 1978).

⁶⁶ *Mishawaka Rubber & Woolen Mfg. Co.*, 316 at 205.

These are the fundamental building blocks for a successful case.

Not every fictional mark will qualify as a protectable mark in the real world, because not every fictional mark has been imbued with “the drawing power of a congenial symbol” that leads the public to want “the commodity upon which it appears.”⁶⁷ Yet in situations where the fictional mark has achieved that “drawing power,” and particularly where an unauthorized user seeks to exploit the “commercial magnetism” of the fictional mark, the owner of the fictional mark may well have a real mark, and real remedies against its infringement.

⁶⁷ *Id.*