Reconciling Fair Use and Trademark Use

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This article looks to early common law, the legislative history of the Lanham Act, and public policy considerations to evaluate the relationship of the Lanham Act’s trademark use requirement to the trademark fair use defense. Although a number of commentators have suggested the contrary, I conclude that requiring infringement plaintiffs to demonstrate the defendant’s “trademark use” as part of its case-in-chief is consistent with the fair use defense, which waives liability if the defendant can demonstrate that its use was “in good faith” and “otherwise than as a trademark” only to describe its goods or services. These two “use” doctrines work together to strike the balance of competing interests that Congress intended to establish in the Lanham Act.

The “trademark use” requirement, as historically developed and codified in the Lanham Act, provides a straightforward, objective standard for determining whether consumers are likely to look to the defendant’s application of a contested word or symbol for information about product or service source. It enables courts to avoid protracted, fact-intensive investigation of actual consumer perceptions, and identify cases in which the societal costs of protracted litigation are likely to outweigh potential consumer confusion costs, and dispose of them early in the litigation process. This should limit the chilling effects that threats of protracted, expensive infringement litigation have on marketplace actors seeking to make socially beneficial uses of marks, and protect First Amendment interests by limiting infringement claims, in most cases, to a defendant’s commercial speech.

The fair use defense was developed to accommodate the special concerns that arise when businesses claim exclusive rights in surnames and descriptive words and symbols. A competitive marketplace requires that all marketplace actors be able to use surnames, descriptive and geographically descriptive words and symbols truthfully to communicate the qualities and characteristics of their goods or services to consumers. Historical analysis of early common law, Lanham Act legislative history, and post-Lanham Act fair use decisions, as well as a line of recent Supreme Court decisions, support the conclusion that the fair use defense focuses on the defendant’s purpose in applying a surname or descriptive word or symbol, not on the impact of

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the use on consumers. The defendant’s purpose is determined through examination of circumstantial evidence.

Thus, even though an infringement plaintiff demonstrates that the defendant made a “trademark use” of its surname, descriptive or geographically descriptive word or symbol (that is, shows that the defendant closely, directly associated the contested word or symbol with products or services that it was advertising or offering for sale, in a manner that was perceptible to consumers and that makes a separate commercial impression), and even though the plaintiff demonstrates that this trademark use is likely to confuse consumers, the defendant can avoid liability by demonstrating that it applied the word or symbol, in good faith, merely for the purpose of describing its own goods or services.

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I. INTRODUCTION

The question of “trademark use” has become central in determining the reach of trademark owners’ rights on the Internet. Our traditional conception of trademark infringement entails a defendant applying a competitor’s mark (or a word or symbol that is similar to it) to the labels of its own goods, or to displays, documents or advertisements for its goods or services, in a manner that creates a likelihood of consumer confusion about the goods’ or services’ source. In such cases the defendant has engaged in a “trademark use” of the word or symbol at issue, by closely associating it with goods or services it is offering for sale, so that consumers may rely on it for information about the product or service’s source or sponsorship. Prior to the rise of the Internet, the issue of whether an infringement defendant made a “trademark use” rarely arose.

But the Internet has provided a host of new ways for ingenious businesses and individuals to promote their own agendas through unauthorized use of others’ marks. Ensuing infringement suits have forced courts to answer questions for which there is relatively little pre-Internet
precedent. Is the trademark infringement cause of action limited to cases in which a mark owner can demonstrate that the defendant used its mark (or a word or symbol that is confusingly similar to it) “as a trademark” to identify the source of goods or services? Or will any unauthorized use of the mark suffice, as long as the plaintiff can demonstrate that the defendant’s use affects interstate commerce and causes a likelihood of consumer confusion about source, sponsorship, or a possible licensing arrangement between the parties at some point in time? If there is a “trademark use” limitation to the infringement cause of action, what, exactly, does it entail?²

These issues have generated a host of splits among the federal courts,³

² For example, must the defendant use the mark in close association with goods or services that it is offering for sale, or is it sufficient that the defendant use the mark in a manner that may interfere with the mark owner’s sales or business good will? Should it suffice that the defendant used the mark in a general commercial context? If so, what if the use is on a non-commercial web site that links to commercial sites? What if the defendant’s use is invisible to consumers? See the cases described in footnote 3, infra.

³ In the early “cybersquatter” cases, enterprising speculators registered large numbers of well-established trademarks as domain names in the “.com” top level generic domain, and then sought to sell the domain name registrations to the mark owners. Cybersquatting defendants certainly did not make the kind of “trademark use” generally associated with infringement: They generally did not associate the mark with products in a manner that would enable consumers to rely on the mark for information about the product’s source. The mark itself could be characterized as the defendant’s product. See Panavision Int’l, L.P. v. Toeppen, 141 F.3d 1311, 1125 (9th Cir. 1998). However, a line of decisions engaged in remarkable contortions to find an actionable trademark use. See, e.g., Panavision, supra; Intermatic, Inc. v. Toeppen, 947 F.Supp. 1227 (N.D.Ill. 1996). Other courts rejected the claims on the ground that the defendant’s actions did not constitute trademark use. Ford Motor Co. v. Great Domains.com, Inc., 177 F.Supp. 2d 635, 647-48 (E.D. Mich. 2002).

In “gripe site” or “forum site” domain name cases, a disgruntled customer of the mark owner registered “mark.com” as his domain name and used it to identify a web site dedicated to denouncing the mark owner or its products or services. See, e.g., Bosley Medical Institute, Inc. v. Kremer, 403 F.3d 672 (9th Cir. 2005); Bihari v. Gross, 119 F.Supp.2d 309 (S.D.N.Y. 2000). Or an ardent opponent of a particular religious or political group registered a domain name that incorporated the group’s mark, to identify a web site that denounced or argued with the group’s views. See, e.g., Planned Parenthood Fed’n of Am., Inc. v. Bucci, No. 97 Civ. 0629, 1997 WL
aff'd, 152 F.3d 920 (2d Cir. 1997); People for the Ethical Treatment of Animals, Inc. v. Doughney, 263 F.3d 359 (4th Cir. 2001). The mark owners sued for infringement, alleging that the website operators’ use of their marks would mislead and divert Internet users seeking to find the mark owners’ own web sites, causing them to lose patronage. However, in most of these cases, the defendants were operating non-commercial sites to engage in fully protected First Amendment speech—the digital equivalent of protesters standing in front of the mark owner’s headquarters or place of business, passing out leaflets of protest to approaching pedestrians. See Margreth Barrett, *Domain Names, Trademarks and the First Amendment: Searching for Meaningful Boundaries*, 39 Conn. L. Rev. 973, 1013-14 (2007) (hereafter “Barrett, *Domain Names, Trademarks, and the First Amendment*”). The site operators generally sold no goods or services, so it was hard to see how they could be engaging in “trademark use”—using the mark to identify the source of goods or services. Some courts essentially ignored the question of trademark use. See, e.g., Bd. of Dirs. Sapphire Bay Condos West v. Simpson, 129 F.App’x 711 (3d Cir. 2005); Coca-Cola Co. v. Purdy, No. 02-1782, 2005 WL 121797 (D. Minn. Jan. 28, 2005). Others purported to find “trademark use” (1) on the ground that the defendant linked to other Internet sites that offered goods or services for sale, see, e.g., Jews for Jesus v. Brodsky, 993 F.Supp. 282 288-91 (D.N.J.), aff’d, 159 F.3d 1351 (3d Cir. 1998); *People for Ethical Treatment of Animals, supra*, 263 F.3d. at 365; (2) by reasoning that the defendant’s use of the mark “affected” the plaintiff’s sales, see, e.g., *Planned Parenthood, supra*, 1997 WL 133313 at *4; E.J. Gallo Winery v. Spider Webs Ltd., 286 F.3d 270, 275 (5th Cir. 2002); or (3) by reasoning that the defendant’s personal rant constituted the “dissemination of information services” within the meaning of the Lanham Act. See, e.g., *Planned Parenthood, supra*, 1997 WL 133313 at *4. Others refused to find actionable use at all. See, e.g., *Bosley Medical Institute, supra*, 403 F.3d at 672; Voice-Tel Enterprises v. JOBA, Inc. 258 F.Supp.2d 1353, 1362-63 (N.D. Ga. 2003).

In the “metatagging” cases, enterprising website operators placed another business’s mark in hidden html code on their sites. Site visitors never saw the mark, but search engines would detect the presence of the mark and list the site in the search results of Internet users who entered the other business’s mark as a search term. Again, a number of courts found actionable use of the mark, even when the defendant used an entirely different (non-confusing) domain name, and consumers were never at any point exposed to the defendant’s use of the plaintiff’s mark. See, e.g., Brookfield Communications, Inc. v. West Coast Entertainment Corp., 174 F.3d 1036 (9th Cir. 1999); Promatek Industries, Ltd. v. Equitrac Corp., 300 F.3d 808 (7th Cir. 2002). It is hard to see how the defendant’s use could have indicated the source of its products to consumers. Other courts declined to find a cause of action. See Site Pro-1, Inc. v. Better Metal, LLC, 506 F.Supp.2d 123 (E.D.N.Y. 2007).

The most current controversies involve use of others’ marks in contextual advertising, to key pop-up advertising or banner ads. For example, a search engine sells businesses the opportunity to place a banner ad or “sponsored link” on the search result page whenever a search engine user inputs a competitor’s trademark as a search term. The keying process is buried deep in proprietary software, and application of the mark is invisible to consumers. In most cases the advertiser does not reproduce the plaintiff’s mark in the advertisement itself. Nevertheless, a
and a growing body of scholarly literature arguing and proposing a range of angles to consider and approaches to take. One issue that has frequently been noted in the course of this discussion, but never directly addressed, is the relationship between the plaintiff’s burden to demonstrate the defendant’s “trademark use,” and the “fair use” defense to infringement liability. That defense, number of courts have held this to be actionable trademark use. See, e.g., Rescuecom Corp. v. Google, 562 F.3d 123 (2d Cir. 2009); Playboy Enterprises, Inc. v. Netscape Communications Corp., 354 F.3d 1020 (9th Cir. 2004). Others have said no. See, e.g., Wells Fargo & Co. v. WhenU.com, Inc., 293 F.Supp.2d 734 (E.D. Mich. 2003). And there is relatively little uniformity of reasoning.

For further discussion of these and similar cases, see Margreth Barrett, Internet Trademark Suits and the Demise of “Trademark Use,” 39 U.C. Davis L. Rev. 371, 396-402 (2006) (hereafter, Barrett, Internet Trademark Suits).

4 For a partial listing of the scholarly literature addressing this issue, see Margreth Barrett, Finding Trademark Use: The Historical Foundation for Limiting Infringement Liability to Uses “In the Manner of a Mark,” 43 Wake Forest L. Rev. 893, 899 (2008) (hereafter, Barrett, Finding Trademark Use).

5 Several commentators have suggested that imposing a “trademark use” requirement on infringement plaintiffs would be inconsistent with the fair use defense: If the plaintiff must demonstrate that the infringement defendant made a trademark use of the mark as part of its case-in-chief, then it would be impossible for a defendant to demonstrate use “otherwise than as a mark” and avail himself of the fair use defense. See Graeme B. Dinwoodie & Mark D. Janis, Confusion over Use: Contextualism in Trademark Law, 92 Iowa L. Rev. 1597, 1617 (2007) (A requirement that defendants make a trademark use “cannot be squared with the language of section 33(b)(4) of the Lanham Act . . . . If ‘use as a mark’ were a threshold condition of trademark infringement, all uses otherwise than as a mark, whether in good faith and whether falling within the uses delineated by section 33(b)(4), would be outside the scope of trademark rights. The plaintiff would be unable to establish a prima facie case of infringement, rendering section 33(b)(4) superfluous.”); Lisa P. Ramsey, Increasing First Amendment Scrutiny of Trademark Law, 61 S.M.U. L. Rev. 381, 455, n. 432 (stating that imposition of a rule requiring trademark use as an element for a prima facie trademark claim would make the fair use defense “superfluous.”); Mark P. McKenna, Trademark Use and the Problem of Source in Trademark Law, 2009 U. Ill. L. Rev. 773, 797, 802-05 (discussing whether the fair use defense is compatible with a general “trademark use” requirement). But see Stacey L. Dogan & Mark A. Lemley, Grounding Trademark Law Through Trademark Use, 92 Iowa L. Rev. 1669, 1683-85 (2007) (arguing that the trademark use requirement “does not make the statutory fair use provision in 15 U.S.C. § 1115(b)(4) superfluous, as Dinwoodie and Janis contend. Descriptive fair use is simply
which is codified in in Lanham Act § 33(b)(4), provides that in cases involving marks comprised of surnames, descriptive, or geographically descriptive words or symbols, infringement defendants may avoid liability by demonstrating that their use was “otherwise than as a mark” and was made “in good faith, only to describe the goods or services of [the defendant] or their geographic origin.”

In an earlier article, I reviewed the pre-Lanham common-law, the pre-1946 federal trademark acts, and the legislative history of the Lanham Act itself, to conclude that these sources all point to the existence of a “trademark use” limitation on infringement liability. They suggest that “trademark use,” for this purpose, should entail at least three requirements: 1) consumers should be able to perceive the defendant’s application of the allegedly infringing word or symbol; 2) the defendant should closely, directly associate the allegedly confusing word or symbol with goods or services that the defendant is advertising or offering for sale or distribution; and 3) the defendant’s use of the allegedly infringing word or symbol should make a separate commercial impression on consumers.

one category of non-trademark use that falls explicitly beyond the purview of trademark infringement law. The fact that Congress has codified explicit exclusions for some of these categories does not foreclose courts from recognizing others, particularly those that have long been implicit in trademark law.”


7 Barrett, Finding Trademark Use, supra, note 00.

8 Id., at 964-77. While the trademark use requirement, as defined, would significantly reduce the ability of trademark owners to control others’ uses of their marks in the Internet context, the limitation would better serve a host of competing interests: promoting beneficial on-line competition; ensuring the unfettered flow of useful marketplace information to consumers; development of innovative, efficient customized digital indexing, reference and search services
In this article, I look to the same historic sources to evaluate the relationship of the Lanham Act’s trademark use requirement with the fair use defense. I conclude that the trademark use requirement and the fair use defense are consistent and work together to strike the balance of competing interests that Congress sought to establish in the Lanham Act. The requirement that infringement plaintiffs demonstrate the defendant’s “trademark use” serves a screening or gate-keeping function, limiting assertions of trademark rights to those cases in which potential consumer confusion is likely to be material and detrimental from a societal standpoint. As defined above, the “trademark use” requirement provides a relatively straightforward, objective means to determine whether consumers are likely to look to the defendant’s application of the contested word or symbol for information about product or service source, and thus avoid protracted, fact-intensive investigation of actual consumer perceptions. This, in turn, enables courts to identify cases in which potential consumer confusion costs are unlikely to justify the societal costs of protracted litigation, and dispose of them early in the litigation process. The initial showing of trademark use, as defined, limits the chilling effects that threats of protracted, expensive infringement litigation may have on marketplace actors seeking to make socially beneficial uses of marks, and protects First Amendment interests by limiting infringement claims, in most cases, to a defendant’s commercial speech.

The *fair use defense* is meant to accommodate the special concerns that arise when businesses claim exclusive rights in surnames and descriptive words and symbols. A competitive for consumers; and protecting First Amendment expressive interests. See also Barrett, *Internet Trademark Suits, supra*, note 00, at 450-56.

See notes 00, *infra*, and accompanying text.
marketplace (and the traditional interest in using one’s own name in business) require that all marketplace actors be able to use surnames, descriptive and geographically descriptive words and symbols truthfully to communicate the qualities and characteristics of their goods or services to consumers. Permitting one competitor to exclude all others from such use would sharply impair the flow of useful marketplace information to consumers, and inhibit competition.¹⁰ Both an historical analysis of early common-law, post-Lanham Act fair use decisions, and a line of recent Supreme Court decisions indicate that the fair use defense focuses on the defendant’s purpose in applying a surname or descriptive word or symbol, not on the impact of the use on consumers. The defendant’s purpose is determined through examination of circumstantial evidence. The fair use defense provides defendants who are acting in good faith leeway to make descriptive uses of words and symbols in their primary (surname or descriptive) meaning, even if consumers may perceive the use as source-indicating.¹¹

Thus, even though an infringement plaintiff demonstrates that the defendant made a “trademark use” of its surname, descriptive or geographically descriptive word or symbol (that is, shows that the defendant closely, directly associated the contested word or symbol with products or services that it was advertising or offering for sale, in a manner that was perceptible to consumers and that makes a separate commercial impression), and even though the plaintiff demonstrates that this trademark use is likely to confuse consumers, the defendant can avoid liability by demonstrating that it applied the word or symbol, in good faith, merely for the purpose of describing its own goods or services.

¹¹See notes 00, infra, and accompanying text.
Part II, *infra*, will describe the historical context in which both the trademark use and the concept of permissible fair use arose, and discuss how both concepts co-existed in the common law. It will then discuss how Congress incorporated both doctrines in the Lanham Act—the trademark use requirement in Lanham Act §§ 32(1)(a), 43(a) and 45, and the exception to liability for “fair,” descriptive uses of surname, descriptive and geographically descriptive words and symbols in Lanham Act § 33(b)(4).

Part III will then focus on the meaning of “fair use” in light of the doctrine’s historical roots, first examining a series of pre-Lanham Act Supreme Court and Circuit Court decisions that established and defined the concept, then turning to legislative history and more modern decisions defining the fair use defense as enacted in Lanham Act § 33(b)(4). Part IIIC will conclude that the proper standard for evaluating whether a defendant made a use “in good faith,” “otherwise than as a mark,” for purposes of the § 33(b)(4) fair use defense, is the defendant’s subjective purpose in making the use, as evidenced by the manner of its use and other circumstantial evidence. It will explain why a “subjective purpose” standard better serves the established purpose of the fair use defense, and how this standard is consistent with a recent line

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12 See Part II-IIB, *infra.*
13 See Part IIC, *infra.*
14 See Part IIIA, *infra.*
15 See Part IIIB, *infra.*
16 See Part IIIC, *infra.*
17 See notes 00, *infra,* and accompanying text.
of Supreme Court decisions, and even compelled by the Supreme Court’s decision in *KP Permanent Make-Up, Inc. v. Lasting Impression I, Inc.*.\(^\text{18}\)

Part IV will then briefly explain how the requirement that plaintiffs demonstrate the defendant’s “trademark use” and the fair use defense do not conflict, but rather work together to provide a proper balance of competing societal interests in trademark infringement cases.\(^\text{19}\)

Section IV will conclude with a number of examples of cases in which courts have found an exonerating “fair use,” notwithstanding the fact that the defendant’s use constituted “trademark use.”

**II. THE HISTORICAL ROOTS OF THE “TRADEMARK USE” AND “FAIR USE” DOCTRINES**

Throughout the development of trademark and unfair competition law, courts have recognized the need to balance a range of conflicting interests. In order to have an efficient, competitive marketplace, consumers must have the means to easily and quickly distinguish the goods\(^\text{20}\) of competing producers and exercise their purchasing preferences. Thus, each producer


\(^{19}\) See Part IV, *infra*.

\(^{20}\) In this section I will refer to the “goods,” “merchandise” or “products” of marketplace actors. Early case law focused primarily on marks for *tangible goods*, and the law of technical trademarks was *limited* to protecting marks that distinguished goods, as were the early federal trademark acts. While marks used to identify *services* might be protected through an action for unfair competition, federal law had relatively little specifically to say about marks for services prior to enactment of the Lanham Act in 1946. However, it would be fair, in discussing the common-law unfair competition cause of action for “trade name” (or secondary meaning mark)
must be able to adopt a word or symbol (a “mark” or “trademark”) that readily identifies it as the source of its goods, and prohibit other producers from adopting a confusingly similar mark that may mislead consumers and cause them to make mistaken purchases. Affording merchants exclusive rights in the marks they adopt provides multiple benefits: It reduces consumer search costs, promotes marketplace efficiency, protects both consumers and other marketplace actors against deceptive and fraudulent practices, enables producers to reap the benefits of their investment in product quality and business good will, and thus provides an incentive for producers to strive for high quality.21

Infringement, to assume that similar rules might apply, regardless of whether the secondary meaning mark at issue identified its user’s products or services. The Restatement of Torts defined a “trade name” as:

any designation which

(a) is adopted and used by a person to denominate goods which he markets or services which he renders or a business which he conducts, or has come to be so used by others, and

(b) through its association with such goods, services or business, has acquired a special significance as the name thereof, and

(c) the use of which for the purpose stated in Clause (a) is prohibited neither by a legislative enactment nor by an otherwise defined public policy.

Restatement of Torts § 716 (1938) (emphasis added).

21 The Supreme Court has stated:

In principle, trademark law, by preventing others from copying a source-identifying mark, “reduce[s] the customer’s costs of shopping and making purchasing decisions,” for it quickly and easily assures a potential customer that this item—the item with this mark—is made by the same producer as other similarly marked items that he or she liked
On the other hand, an efficient, competitive marketplace requires that competing producers have adequate means to communicate the nature, qualities and characteristics of their products to interested consumers without unwarranted interference. Thus, it is problematic to permit individual merchants to assert exclusive rights in words or symbols that others may legitimately need for this purpose. If merchants are granted trademark rights in descriptive words or symbols they may be able, individually or collectively, to prevent others from effectively describing their competing goods to prospective purchasers, and thus impair competition and establish product “monopolies.” 22 They may be able to claim exclusive rights in their surnames, (or disliked) in the past. At the same time, the law helps assure a producer that it (and not an imitating competitor) will reap the financial, reputation-related rewards associated with a desirable product. The law thereby “encourage[s] the production of quality products,” and simultaneously discourages those who hope to sell inferior products by capitalizing on a consumer’s inability quickly to evaluate the quality of an item offered for sale.

Qualitex Co. v. Jacobson Products Co., Inc., 514 U.S. 159, 163-64 (1995)(quoting 1 J. T. McCarthy, McCarthy on Trademarks and Unfair Competition § 201[2], p. 2-3 (3d ed. 1994)). See also S. Rep. No. 1333, 79th Cong., 2d Sess, 1-17 (1946)(“[Trademarks] are the essence of competition, because they make possible a choice between competing articles by enabling the buyer to distinguish one from the other. Trade-marks encourage the maintenance of quality by securing to the producer the benefit of the good reputation which excellence creates.”)

22 As the Supreme Court explained in Canal Co. v. Clark, 80 U.S. 311, 323-24 (1871):

No one can claim protection for the exclusive use of a trade-mark or trade-name which would practically give him a monopoly in the sale of any goods other than those produced or made by himself. If he could, the public would be injured rather than protected, for competition would be destroyed. . . . [A merchant] has no right to appropriate a sign or a symbol, which, from the nature of the fact it is used to signify, others may employ with equal truth, and therefore have an equal right to employ for the same purpose.

See also Glynn S. Lunney, Jr., Trademark Monopolies, 48 Emory L. J. 367, 371 (1999)(trademark law balances the competitive interests at stake by tailoring protection to minimize material consumer deception without discouraging competitive entry).
and thus prevent others with the same name from using it to identify goods of their own personal manufacture. A single producer of goods in a desirable geographic area may be able to assert trademark rights in the geographic name of the place, and thus deny its neighbors the benefits arising from associating their own goods with it. Moreover, overly generous trademark rights in any kind of word or symbol may enable mark owners to block others from referring to their products in the course of comparative advertising, to the detriment of consumers. They might also assert trademark rights to censor critical product critiques and commentary, not only by their competitors, but also by dissatisfied consumers and the media. This, of course, would impair

23 For many years, courts believed that “the right to do business under one’s own name is one of the sacred rights known to the law,” a “natural and inalienable right.” 2 Rudolf Callmann, The Law of Unfair Competition and Trade-Marks, §85.2 (1945) (quoting Ida May Co. v. Ensign, 20 Cal.App.2d 339, 66 P.2d 727 (1937); and Hilton v. Hilton, 89 N.J. Eq.182, 183, 104 A. 375 (1918)). See note 00, infra.

24 See Canal Co. v. Clark, supra, 80 U.S. at 324-25:

[I]t is obvious that the same reasons which forbid the exclusive appropriation of generic names or of those merely descriptive of the article manufactured and which can be employed with truth by other manufacturers, apply with equal force to the appropriation of geographical names, designating districts of country. . . . [C]ould they be appropriated exclusively, the appropriation would result in mischievous monopolies. Could such phrases as “Pennsylvania wheat,” “Kentucky hemp,” Virginia tobacco,” or “Sea Island cotton,” be protected as trade-marks; could any one prevent all others from using them, or from selling articles produced in the districts they describe under those appellations, it would greatly embarrass trade, and secure exclusive rights to individuals in that which is the common right of many.

25 See, e.g., Smith v. Chanel, Inc., 402 F.2d 562 (9th Cir. 1968)(suit by owner of prestigious “Chanel No. 5” mark for perfume alleges infringement against manufacturer of a knock-off perfume, seeking to enjoin him from truthfully telling consumers that his “Ta’Ron Second Chance” perfume smells like “Chanel No. 5”).

26 See, e.g., L.L. Bean, Inc. v. Drake Publishers, Inc., 811 F.2d 26 (1st Cir. 1987)(Owner of L.L. Bean mark for mail-order clothing and outdoor equipment alleges trademark rights against adult magazine that published a parody of its catalog, denominated “L.L. Beam Back to School
First Amendment interests, as well as impair competition by choking the essential flow of useful marketplace information to consumers.

In developing the common law, American courts reconciled these conflicting concerns by crafting *two separate causes of action* to regulate interests in product marks—1) the cause of action for technical trademark infringement and 2) the unfair competition cause of action for trade name (or “secondary meaning mark”)\(^\text{27}\) infringement. Courts correlated the contours of these two causes of action to the comparative social impact of permitting merchants to appropriate fanciful, coined or arbitrary words or symbols to their exclusive use, on one hand, and allowing them to

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\(^{27}\) Prior to 1946, when the Lanham Act was enacted, courts generally described the unfair competition cause of action as providing rights in *trade names*. “Trade name” was a broad term, encompassing both ordinary, descriptive, geographically descriptive, and surname marks for products and services, and the names of businesses. See Restatement of Torts, *supra*, note 00, at § 716; James Love Hopkins, The Law of Trademarks, Trade Names and Unfair Competition, § 3 (2d ed. 1905); 1 Harry D. Nims, the Law of Unfair Competition and Trademarks, § 185, at p. 512 (4\(^{\text{th}}\) ed. 1947). However, this article focuses primarily on the unfair competition rules regarding infringement of *marks*, rather than the names of businesses. When Congress enacted the Lanham Act, it defined the term “trademark” to include words, names, symbols or devices (or combinations thereof) used to identify the source of the user’s product. 15 U.S.C. § 1127. It provided for “service marks,” which it defined as including words, names, symbols and devices (and combinations thereof) used to identify the source of the user’s services. *Id.* It redefined the term “trade name” to refer *only* to the name of a business. *Id.* That is the terminology that most modern trademark practitioners and scholars use today.

In an attempt to avoid reader confusion, I will use the term *secondary meaning mark* in referring to common, descriptive, geographically descriptive and surname marks that might be protected under the common-law cause of action for unfair competition, rather than the (once broader) term “trade name.” However, to the extent that this article includes quotations from courts or other pre-Lanham Act commentaries that refer to “trade names,” readers should understand the reference to mean (among other things) secondary meaning marks, as defined above.
appropriate surnames and existing descriptive and geographically descriptive words and symbols, on the other. The technical trademark infringement cause of action provided merchants with strong, property-like rights in the fanciful, coined or arbitrary (“inherently distinctive”) marks they adopted to identify their goods. In contrast, the unfair competition cause of action only purported to enforce rights in surnames or descriptive or geographically descriptive words or symbols when the merchant claiming them could demonstrate that the defendant used them in their “secondary” (trademark) sense, rather than their “primary” (surname, descriptive, or geographically descriptive) sense, and acted with fraudulent intent to deceive consumers about the source of its goods.

As will be explained below, today’s “trademark use” requirement arose primarily from the law of technical trademark infringement, which required plaintiffs to demonstrate that the defendant “affixed” the allegedly infringing mark to products that it was offering for sale, or otherwise associated the mark closely with its products in the course of marketing or advertising. The “fair use” doctrine, in contrast, arose from the unfair competition cause of action for secondary meaning mark infringement. It represents the courts’ attempts to preserve marketplace actors’ ability to use words and symbols in their ordinary, “primary” descriptive or

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28 See Part II B, infra.

29 See Part II A, infra. For a useful discussion of how these two causes of action developed, and the courts’ reasoning in shaping them as they did, see Daniel M. McClure, Trademarks and Unfair Competition: A Critical History of Legal Thought, 69 Trademark Rep. 305 (1979).

30 See Part II B, infra. A corresponding but looser “close association” requirement existed in the common-law unfair competition cause of action for infringement of secondary meaning marks, and when federal registration became available for secondary meaning marks, the federal statutory “affixation or other close association” requirement that applied to technical trademarks was extended to them. See notes 00, infra, and accompanying text.
surname meaning, without interference from competitors who claim to have appropriated them through acquisition of secondary meaning.\textsuperscript{31}

Subpart A will describe the unfair competition cause of action for secondary meaning mark infringement, and more fully explain the judicial requirements that infringement defendants: 1) act with fraudulent intent, and 2) use the allegedly infringing words or symbols in their “secondary” (trademark) sense or meaning, rather than their “primary” (non-trademark) sense or meaning.\textsuperscript{32} Subpart B will briefly describe the cause of action for technical trademark infringement, explain its early “affixation” requirement, and describe the evolution of that requirement into a broader “affixation or other close association” (or “trademark use”) requirement.\textsuperscript{33}

Subpart C will explain how, in 1946, Congress consolidated the common-law doctrines of technical trademark infringement and unfair competition in the Lanham Act’s causes of action for “trademark infringement.”\textsuperscript{34} The Lanham Act provided registration procedures for both technical trademarks and secondary meaning marks,\textsuperscript{35} and a single cause of action for “trademark infringement” that was applicable to both kinds or marks, whether registered or unregistered.\textsuperscript{36} In

\textsuperscript{31} See Part II A, \textit{infra}.

\textsuperscript{32} \textit{Id}.

\textsuperscript{33} See Part II B, \textit{infra}. Subsection B will also briefly discuss how a similar requirement was extended to unfair competition causes of action for secondary meaning mark infringement.

\textsuperscript{34} See Part II C, \textit{infra}.


\textsuperscript{36} 15 U.S.C. §§ 1114(1)(a), 1125(a).
sections 32(a)(1) and 43(a), the Lanham Act required *all* mark owners to demonstrate that the infringement defendant “affixed or otherwise closely associated” its allegedly infringing mark to goods or services it was advertising or offering for sale, as a prerequisite to recovering for infringement. (That is, these sections required that the plaintiff demonstrate that the defendant made a “trademark use.”) Lanham Act section 33(b)(4) 37 codified the unfair competition law’s requirement that defendants alleged to infringe secondary meaning marks use the contested word or symbol in its “secondary” (trademark) meaning or sense, rather than its primary (surname or descriptive) sense. The Lanham Act recognized the common-law’s gradual movement away from requiring unfair competition plaintiffs to demonstrate the defendant’s fraudulent intent. Section 33(b)(4) retained considerations of the defendant’s intent in cases involving secondary meaning marks, but shifted the burden of proof: Rather than require all plaintiffs in secondary meaning mark actions to demonstrate the defendant’s bad faith, the Lanham Act permitted defendants to avoid infringement liability by showing that they used the allegedly infringing surname or descriptive word or symbol in *good faith*, not to confuse consumers, but merely to describe their own products or services. 38

Thus, this section will demonstrate how the “trademark use” and “fair use” doctrines arose from different aspects of the common-law regulation of rights in marks, served different purposes, and were ultimately codified as separate and distinct considerations in the Lanham Act infringement causes of action. Subsequent sections will discuss the appropriate standard for determining section 33(b)(4) fair use, in light of its common-law history, judicial interpretation,

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38 *Id.*
and legislative intent, and will explain how that standard differs from the standard for judging whether the defendant made a “trademark use,” as required under sections 32(a)(1) and 43(a).

I have discussed the evolution of the “trademark use” requirement in depth in an earlier article. Thus, with regard to that doctrine, the following sections will mainly restate the conclusions I reached in the earlier article, and provide citations to the earlier analysis and supporting authorities.

A. The Unfair Competition Cause of Action for Secondary Meaning Mark Infringement

The early common law declined to afford merchants exclusive rights in words or symbols (or combinations of words or symbols) that described their user’s product, described the product’s geographical origin, or constituted a surname or designation common to the trade. Numerous marketplace actors might legitimately want or need to use such words and symbols in

39 See Part III, infra.
40 See Part IV, infra.
41 See Barrett, Finding Trademark Use, supra, note 00.

Courts would also consider arbitrary or fanciful words or symbols as “secondary meaning marks” if they failed to satisfy the early technical trademark infringement requirements that the plaintiff “affix” the mark to its products, or that the defendant “affix” the mark to its products. See infra, notes 00.
communicating the nature and qualities of their goods to consumers, and a robust, efficient marketplace depended on their ability to do so freely. Thus, the early common law relegated such words and symbols to the commons, for use by all.\textsuperscript{43} While a business might adopt such a word or symbol to identify its product, it had no right to expect exclusivity.\textsuperscript{44} The courts made it clear that

\textsuperscript{43} The practice of refusing to recognize trademark rights in common, surname and descriptive words and symbols protected the interest in efficient marketplace competition, preventing individual businesses from monopolizing language in a manner that might enable them to “monopolize” product markets. Canal Co. v. Clark, 80 U.S. 311, 323 (1872); Handler and Pickett I, supra, note 00, at 170. It also protected First Amendment interests. See Pierre N. Leval, Trademark: Champion of Free Speech, 27 Colum. J. L. & Arts 187, 189-192 (2004).

I should note here that the common law did not view surnames in quite the same manner that it viewed descriptive and geographically descriptive words and symbols. In the case of surnames, courts emphasized the private, individual interest that each person has in using his or her own name in business, rather than the other, more general competition-related considerations noted above. Commentators have characterized the common-law rules regarding surnames as distinct from, but parallel to the rules regarding descriptive and geographically descriptive words and symbols. See, e.g., Rudolf Callmann, Trademark Infringement and Unfair Competition, 14 L. & Contemp. Pros. 183, 196-98 (1949)(hereafter “Callman, Article”); Restatement (Third) of Unfair Competition § 28, cmt. a (1995)(characterizing the surname rule as “analogous” to the rule regarding descriptive and geographically descriptive words and symbols). However, the manner in which the courts accommodated a claimant’s interest in exclusivity and a defendant’s interest in using surname marks was highly similar to the manner in which they accommodated those parties’ interest in descriptive and geographically descriptive words and symbols, and the Lanham Act lumped surnames and descriptive terms together in codifying the common-law “fair use” doctrine. Since any differences between surnames and descriptive or geographically descriptive words and symbols are immaterial for purposes of this article, I will treat them as a single category, without differentiation.

\textsuperscript{44} As one court put it:

The alphabet, English vocabulary, and Arabic numerals are to man, in conveying his thoughts, feelings and the truth, what air, light, and water are to him in the enjoyment of his physical being. Neither can be taken from him. They are the common property of mankind, in which all have an equal share and character of interest. From these fountains whosoever will may drink, but an exclusive right to do so cannot be acquired by any.
the interest in unfettered, truthful use of language in its ordinary or descriptive meaning
outweighed concerns about potential consumer confusion. As the Supreme Court explained in

*Canal Co. v. Clark*:

True it may be that the use by a second producer, in describing truthfully his product, of a
name or a combination of words already in use by another, may have the effect of causing
the public to mistake as to the origin or ownership of the product, but if it is just as true in
its application to his goods as it is to those of another who first applied it, and who
therefore claims an exclusive right to use it, there is no legal or moral wrong done.
Purchasers may be mistaken, but they are not deceived by false representations, and equity
will not enjoin against telling the truth.  

However, courts came to recognize that when a merchant heavily stressed a surname or
descriptive word or symbol in marketing its goods, or employed such a word or symbol for a long
period of time, the public might come to associate it with the user’s business good will, and upon
encountering it in connection with similar goods or services, believe it to indicate source in the
heavy or long-term user. In such cases (when the surname or descriptive word or symbol had
acquired a “secondary meaning” as an indication of source), unregulated use by competitors could
lead to problematic consumer deception. Recognizing *limited* rights in such words or symbols

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Avery & Sons v. Meikle & Co., 81 Ky. 73, 90 (1883). See also Elgin National Watch Co. v.
Illinois Watch Case Co., 179 U.S. 665, 673 (1901)(“No sign or form of words can be appropriated
as a valid trademark which, from the nature of the fact conveyed by its primary meaning, others
may employ with equal truth and with equal right for the same purpose”); Amoskeag Mfg. Co. v.
Spear, 2 Sandf. Ch. 599, 606-7 (N.Y. Sup. Ct. 1849)(Duer, J.) (One merchant “has no right . . . to
appropriate a [term, signifying some fact] which others may employ with equal truth.”); Fetridge
v. Wells, 4 Abb. Pr. 144, 146 (N.Y. Sup. Ct. 1857)(Duer, J.)(Rights in descriptive terms would be
“a species of property that . . . can be given to one–[only] by the infringement of the rights of
all.”). See also Grafton Dulany Cushing, *On Certain Cases Analogous to Trade-Marks*, 4 Harv. L.
Rev. 321, 322 (1890)(explaining why certain words and symbols were excluded from trademark
protection).

526 (1924).
(“secondary meaning marks”) might be in order to minimize confusion, notwithstanding the counter interest in retaining competitor access to descriptive and surname words and symbols.46

Courts reasoned that while the common law permitted all competitors to employ surnames and descriptive words and symbols in their ordinary meaning, it did not permit them to use such words or symbols for the purpose of committing fraud.47 Thus, when competitors used a surname or descriptive word or symbol for its secondary meaning (as a mark, to indicate source), rather than in its non-trademark “primary” meaning, for the purpose of confusing consumers and diverting trade from an earlier user, courts would intervene. They did not intervene on the ground that the plaintiff had property rights in the surname or descriptive word or symbol (as might be

46 See Elgin Nat. Watch Co. v. Illinois Watch Case Co., 179 U.S. 665 (1901); Computing Scale Co. v. Standard Computing Scale Co., 118 F. 965 (6th Cir. 1902); Chickering v. Chickering & Sons, 215 F. 490 (7th Cir. 1914); Trappey v. Milhenny Co., 281 F.23 (5th Cir. 1922); Hygrade Food Products Corp. v. H.D. Lee Mercantile Co., 46 F.2d 771 (10th Cir. 1931); 2 Rudolf Callman, supra, note 00, § 85, at 1350-51; Zachariah Chafee, Jr., Unfair Competition, 53 Harv. L. Rev. 1289, 1295-96 (1940); Restatement of Torts, supra, note 00, § 715 cmt. d.

47 As the Eighth Circuit put it:

Everyone has the right to use and enjoy the rays of the sun, but no one may lawfully focus them to burn his neighbor’s house . . .. Everyone has the right to use pen, ink and paper, but no one may apply them to the purpose of defrauding his neighbor of his property, or making counterfeit money, or of committing forgery.

Shaver v. Heller & Merz Co., 108 F. 821, 827 (8th Cir. 1901). See also Cushing, supra, note 00, at 324:

The distinction between the law of trade-marks and of cases analogous to trade-marks [secondary meaning marks] I understand to be this: In cases of trade-marks there is a definite exclusive right, which may be infringed in certain definite ways. The right is recognized as being exclusively the plaintiff’s, and, indeed, it is by virtue of his exclusive right that he gets relief. Unless he has a trade-mark within these technical rules he has no exclusive right and can get no relief . . .. In cases analogous to trade-marks, the right of the plaintiff is only against a particular defendant by reason of his fraud. . ..
the case with regard to a technical trademark), but because the defendant/competitor was engaged in fraudulent conduct. As one court explained:

The infringement of trademarks is the violation by one person of an exclusive right of another person to the use of a word, mark or symbol. Unfair competition in trade, as distinguished from infringement of trademarks, does not involve the violation of any exclusive right to the use of a word, mark or symbol. [Secondary meaning marks are] open to public use ‘like the adjectives of the language,’ yet there may be unfair competition in trade by an improper use of such word, mark or symbol. Two rivals in business competing with each other in the same line of goods may have an equal right to use the same words, marks or symbols on similar articles produced or sold by them respectively. Yet if such words, marks or symbols were used by one of them before the other and by association have come to indicate to the public that the goods to which they are applied are of the production of the former, the latter will not be permitted, with intent to mislead the public, to use such words, marks or symbols in such a manner . . . as to deceive or be capable of deceiving the public as to the origin of manufacture or ownership of the articles to which they are applied.

48 See 1 Nims, supra, note 00, at 66-70 (Noting that technical trademarks often were referred to as property rights, although that characterization was also often disputed); Restatement of Torts, supra, note 00, § 717, cmt. a (explaining that for a period of time, some courts in equity characterized the plaintiff’s technical trademark as ‘property,” but that this view did not ultimately prevail. However, it helped to establish the rule that fraud was not an essential element of technical trademark infringement (as opposed to secondary meaning mark infringement).) See also Robert G. Bone, Hunting Goodwill: A History of the Concept of Goodwill in Trademark Law, 86 B.U. L. Rev. 547, 560-72 (2006) (describing the historical development and decline of the notion that technical trademarks constitute “property.”).

49 Lawrence Mfg. Co. v. Tennessee Mfg. Co., 138 U.S. 537, 551 (1891); Elgin Nat. Watch Co. v. Illinois Watch Case Co., 179 U.S. 665 (1901); L.E. Waterman Co. v. Modern Pen Co., 235 U.S. 88 (1914); James Love Hopkins, supra, note 00, at § 19 pp. 40-41; Grafton Dulany Cushing, supra, note 00, at 323-24. See Milton Handler & Charles Pickett, Trade-Marks and Trade Names–An Analysis and Synthesis: II, 30 Columbia L. Rev. 757, 769 (1930)(hereafter “Handler & Pickett II”) (In unfair competition–as contrasted to technical trademark cases–fraud was said to be “the essence of the wrong.”); Hopkins, supra, at 35 (“If the use of any words, numerals or symbols is adopted for the purpose of defrauding the public, the courts will interfere to protect the public from such fraudulent intent, even though the person asking the intervention of the court may not have the exclusive right to use these words, numerals or symbols”) (emphasis added)(quoting Charles E. Coddington, Digest, § 36 (1877)).

Thus, the unfair competition cause of action for infringement of secondary meaning marks represented a judicial balancing of the competing social interests in: 1) preventing consumer confusion; 2) regulating fraudulent conduct; and 3) retaining general marketplace access to common and descriptive words and symbols. When a descriptive, geographically descriptive, surname or other common word or symbol acquired secondary (trademark) meaning by virtue of its claimant’s long and/or heavy use, competitors could continue to employ the word or symbol in its “primary” sense (that is, in its non-trademark, descriptive, geographic or surname sense), but they would not be permitted fraudulently to use it in its secondary (trademark, or source-indicating) sense.51

As noted above, courts in unfair competition cases specifically required the plaintiff to demonstrate that the defendant acted fraudulently, with bad-faith intent to pass off its business,  

51 See National Watch Co. v. Illinois Watch Co., 179 U.S. 665, 674 (1901) (In an unfair competition case in which the plaintiff can demonstrate secondary meaning and the defendant’s fraudulent intent, the defendant will be required to confine his use of the word to its primary sense); 2 Nims, supra, at § 319, pp. 1016-1017 (“use of a word in the public domain is unfair only when used in its trade-mark or secondary sense, not in its common or primary sense.”); id., at § 371a (Noting how, even when a secondary meaning mark owner prevailed in an unfair competition action, courts would give limited injunctive relief, permitting use of the word or symbol in its primary sense, but not in its trademark sense); Grover C. Grismore, Fraudulent Intent in Trademark Cases, 27 Mich. L. Rev. 857, 863-64 (1929)(explaining that the purpose of unfair competition law is “to safeguard the plaintiff in the secondary meaning which the word has acquired in relation to the goods which he puts upon the market, and also to permit the defendant to use it in its primary sense.”); Handler & Pickett I, supra, note 00, at 181-83 (discussing how courts often would provide only limited injunctive relief, even when unfair competition was found, to protect interests in use of mark in primary sense).
goods or services as those of the plaintiff. The Supreme Court reinforced this requirement in a number of its decisions. However, as the United States progressed into the twentieth century, courts and commentators increasingly criticized the fraud requirement, reasoning that technical trademark infringement and infringement of secondary meaning marks caused the same injury to business goodwill and consumer reliance interests, and that all infringement cases should focus

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52 See Lawrence Manufacturing Co. v. Tennessee Manufacturing Co., 138 U.S. 537 (1891); Handler & Pickett II, supra note 00, at 769 ("Many courts have sharply differentiated between the fraud requirement in equitable actions of trademark infringement and unfair competition. In trademark cases, fraud is said to be inmaterial or 'conclusively presumed' from the fact of infringement, whereas in unfair competition it is the essence of the wrong.").

53 McLean v. Fleming, 96 U.S. 245 (1877) (proof of fraudulent intent to deceive is required in unfair competition cases); Lawrence Manufacturing Co. v. Tennessee Manufacturing Co., 138 U.S. 537 (1891)(It is necessary to prove intent in cases where no fanciful trademark is involved); Elgin National Watch Co. v. Illinois Watch Co., 179 U.S. 665, 674 (1901)(If the plaintiff has demonstrated a technical trademark infringement the defendant’s wrongful or fraudulent intent is presumed; but in the case of trade names with secondary meaning, “such circumstances must be made out as will show wrongful intent in fact, or justify that inference from the inevitable consequences of the act complained of”); Thaddeus Davids Co. v. Davids, 233 U.S. 461, 471 (1914) (suggesting that when secondary meaning marks were federally registered under the Trademark Act of 1905 “10-year rule,” the registrant did not need to demonstrate wrongful intent on the defendant’s part, but implying that proof of wrongful intent would be required under the common law (unfair competition) cause of action for infringement of unregistered secondary meaning marks).

In contrast, by the late 1800's, English courts had moved away from requiring fraudulent intent in unfair competition cases, 2 Nims, supra, note 00, at § 351, pp. 1087, 1089, as had a significant number of state courts. Id. Nims also lists and discusses some lower federal court decisions that appeared not to require a demonstration of fraud in secondary meaning mark infringement (unfair competition) cases, though he suggests that this may have resulted at least in part from those courts’ mistaken reliance on precedent from technical trademark decisions. But see Handler & Pickett II, supra, note 00, at 770 (suggesting that while courts often recited the fraud rule in secondary meaning mark cases, the outcome in these cases rarely differed from the outcome in technical trademark infringement cases).
on the effect of the defendant’s acts, rather than on the defendant’s intent. Indeed, some noteworthy commentators called for elimination of all distinctions between technical trademark infringement and unfair competition, and for unification of the two causes of action. In unfair competition cases, courts began to more readily infer the requisite fraudulent intent from circumstantial evidence--such as the defendant’s adoption of a print style or color that simulated the plaintiff’s presentation of the mark, or the defendant’s emphasis on and placement of the mark on its product or packaging--that might suggest an intent to use the contested word or symbol in its secondary (source indicating) sense, and thus to confuse consumers.

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54 See, e.g., 2 Callmann, supra, note 00, § 86.1(a), at pp. 1399, 1401 (The vital question today is not “what did defendant mean but what has he done?”); 2 Nims, supra, note 00, at § 351 (describing a gradual trend among courts to focus more on the effect of the defendant’s actions, which (in secondary meaning mark infringement cases) was very similar to the effect of technical trademark infringement); Restatement of Torts, supra, note 00, at § 717 cmt. a (“A trade name is . . . no less effective than a trade-mark as a means of identification. Whether a designation identifies the goods of one person is a question of fact necessary to be answered in determining whether the designation is a trade name. When that determination is made, there is no more reason for the requirement of ‘fraud’ in the trade name cases than in the trade-mark cases.”); Grismore, supra, note 00, at 866 (arguing that a mark user’s good will is the interest to be protected, regardless of a defendant’s fraudulent intent).

55 See, e.g., Handler & Pickett I and II, supra; 2 Callmann, supra, note 00, § 86.1(a), at pp. 1400-02. See also 1 Nims, supra, note 00, at 513 (suggesting the growing tendency (in 1930) to minimize the distinction between technical trademarks and secondary meaning marks).

56 See, e.g., 2 Nims, supra, note 00, at § 351, p. 1089 (describing a trend on the part of courts to lay less emphasis on the distinction between technical trademark infringement and unfair competition, and to stress evidence on which inferences of fraudulent intent might be based, when no direct evidence of intent was available); id., § 359, p. 1109-11 (close similarities in mark presentation may give rise to a finding of fraudulent intent); 2 Callmann, supra, note 00, at § 86.1(a), p. 1398 (In secondary meaning mark cases, “the early law of this country read that fraud on the part of the defendant was the essence of the wrong and that proof thereof was a condition precedent to relief. As the law developed, the concept of ‘fraud’ was enlarged.”); Grismore, supra, note 00, at 864-65 (noting tendency in the courts to modify the fraud requirement in unfair competition cases “by relaxing the requirements in regard to the character and quantum of proof
B. The Technical Trademark Infringement Cause of Action and the “Affixation or Other Close Association” Requirement

“Technical trademarks,” as recognized in the common law, were marks that we would consider “inherently distinctive” today--words and symbols, or combinations of words and symbols, that were “fanciful, arbitrary, unique, distinctive, and non-descriptive in character,” and which the claimant had physically affixed to articles of merchandise.\footnote{2 Callmann, supra, note 00, § 66.1 at p. 814 (1947). See also Handler & Pickett 1, supra, note 00, at 169. The Restatement of Torts, § 715 (1938), provided the following definition of a common-law technical trademark:

A trade-mark is any mark, word, letter, number, design, picture or combination thereof in any form of arrangement, which

(a) is adopted and used by a person to denominate goods which he markets, and

(b) is affixed to the goods, and}

necessary to make out a case of fraudulent intent.” “Fraud may be inferred from the fact of imitation alone.”).
In crafting the cause of action for technical trademark infringement, courts reasoned that a business could legitimately appropriate a fanciful or arbitrary word or symbol to its sole, exclusive use, with no great harm to competition. A technical trademark, by definition, was either made up (and thus had no meaning) or had a meaning that bore no descriptive or other apparent relationship to the user’s product. Thus, competitors had no legitimate reason to adopt a similar word or symbol to identify or describe their similar goods.\(^{58}\) If they did adopt a similar mark, it could be assumed that they did so for the purpose of perpetrating a fraud on the mark owner and the public.\(^{59}\)

Because protection of technical trademarks threatened no significant interference with competitors’ ability to describe their products to consumers, courts provided exclusive rights, to

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\(^{(c)}\) is not* a common or generic name for the goods or a picture of them, or a geographical, personal, or corporate or other association name, or a designation descriptive of the goods or of their quality, ingredients, properties or functions, and

\(^{(d)}\) the use of which for the purpose stated in clause (a) is prohibited neither by legislative enactment nor by an otherwise defined public policy.

\(^{58}\) See Almond G. Shepard, *Protection of Descriptive Word Used as Trademark*, 11 Maine L. Rev. 103, 104 (1917-18)(unlike in the case of descriptive words or phrases, the public has no right to “invented” words or phrases).

\(^{59}\) See, e.g., Aunt Jemima Mills Co. v. Rigney, 247 F. 407, 409 (2d Cir. 1917)(“To use precisely the same mark as the defendants have done, is, in our opinion, evidence of intention to make something out of it—either to get the benefit of the complainant’s reputation or of its advertisement or to forestall the extension of its trade. There is no other conceivable reason why they should have appropriated this precise mark.”). See also Grover C. Grismore, *supra*, note 00, at 863 (explaining how, since defendants had no legitimate excuse for using a technical trademark, technical trademark owners essentially enjoyed a property right in their marks, which did not depend on proving the defendant’s fraudulent intent.)
enable technical trademark owners to protect the source-indicating function of their marks. To acquire rights in a technical trademark, the claimant need only be the first to “affix” the mark to its products and offer them for sale in the ordinary course of business. And if a defendant affixed a similar mark to similar goods, courts would presume that the defendant acted with fraudulent intent, and might also presume a likelihood of confusion. Upon finding

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60 1 Harry D. Nims, supra, note 00, at § 10, p. 66 (“Technical trademarks are of such a character that they may be appropriated to the use of one person exclusively, while in unfair competition cases the words or symbols involved are not capable of exclusive appropriation because others may rightfully use them.”); 2 Callmann, supra, note 00, § 66.1 at p. 814 (1945) (trademarks could be appropriated for the use of one person); Grover C. Grismore, supra, note 00, at pp. 863-64 (explaining that technical trademarks, unlike secondary meaning marks, were property rights). See also Robert G. Bone, supra, note 00, at 552, 560-72 (explaining the history and reasoning that led courts to consider technical trademarks as “property” for a period of time).

61 2 Callmann, supra, note 00, at § 98.6; 1 Nims, supra, note 00, at § 218, p. 636-37; Handler & Pickett II, supra, note 00, at 759-62. “Affixation,” as it was defined in early common law, was a rather narrow, technical requirement. The purpose of requiring a plaintiff’s affixation as a prerequisite to ownership rights clearly was to ensure that the claimant had used the word or symbol as a trademark, to indicate source, and thus was in legitimate need of protection. See, e.g., 1 Nims, supra, note 00, at § 218, p. 636 (pointing out that the plaintiff’s affixation must be “appropriate to the fulfillment of the purpose of the trade-mark. It must be so attached as to enable it to function as a trade-mark. It must be reasonably permanent, visible, and placed so that purchasers of the goods can use it to identify their origin.”); Restatement of Torts, supra, notes 00, at § 718 cmt. a. (while one might demonstrate adoption and use of a mark without affixation, the common law’s technical affixation requirement avoids the necessity of resolving sharply disputed issues of fact.) Professors Handler and Pickett agreed that “the act of affixation is objective evidence of adoption, proof of which can easily be adduced for purposes of corroboration in the event that priority of appropriation is disputed.” Handler & Pickett II, supra, note 00, at 760.

The Restatement also notes historical reasons why courts required affixation as a prerequisite to ownership—because trademarks developed from production marks, which were necessarily affixed to the goods. Restatement of Torts, supra, note 00, at § 718, cmt. a.

62 Hopkins, supra, note 00, at 44, 255-56; 2 Callmann at § 86.1(a), p. 1397; Robert G. Bone, supra, note 00, at 568.
infringement, courts typically granted injunctive relief prohibiting the defendant from all uses of the word or symbol at issue.\textsuperscript{64}

Notwithstanding courts’ frequent characterization of technical trademark rights as “property” rights and “exclusive,” it was clear that the law did not give technical trademark owners exclusive rights to all uses of their inherently distinctive words or symbols. Rather, it gave them the exclusive right to use the word or symbol \textit{as an indication of product source}.\textsuperscript{65}

In the 1800's, technical trademark infringement could only be asserted against a defendant who “affixed” a similar mark to similar goods.\textsuperscript{66} Affixation ensured that the defendant’s use of the contested word or symbol would be likely to signal source to consumers. Indeed, prior to the

\textsuperscript{63} Handler & Pickett I, \textit{supra}, note 00, at 168; 1 Nims, \textit{supra}, note 00, § 221b at p. 669; 2 Callmann, \textit{supra}, note 00, § 661.1 at p. 815. For additional background on this issue, see Restatement of Torts, \textit{supra}, note 00, at § 717 cmt. a; Bone, \textit{supra}, note 00, at 564-65.

\textsuperscript{64} 2 Callmann, \textit{supra}, note 00, § 661.1 at p. 815.

\textsuperscript{65} See Restatement of Torts, \textit{supra}, note 00, at § 727 and cmt. a.

\textsuperscript{66} See, e.g., Postal Tel. Cable Co. v. Netter, 102 F. 691 (E.D.Pa. 1900)(No cause of action for trademark infringement because the defendant had “not affixed the trade-mark complained of to any merchandise”); Air-Brush Mfg. Co. v. Thayer, 84 F. 640 (N.D. Ill. 1897)(No cause of action for trademark infringement because the defendants had not “affixed complainant’s registered mark to merchandise”); Ball v. Broadway Bazaar, 194 N.Y. 429, 87 N.E. 674 (N.Y. App. Div. 1909)(Plaintiff used the word “Lilliputian” both in its business name and as a mark for its products. The defendant incorporated “Lilliputian” into its business name and advertisements, but did not use it as a mark for its own merchandise. Drawing on the affixation requirement, the court found that the plaintiff could recover for unfair competition, but not technical trademark infringement). See also Trademark Act of 1881, 21 Stat 502, § 7 (emphasis added):

\begin{quote}
Any person who shall reproduce, counterfeit, copy or colorably imitate any trademark registered under this Act, and \textit{affix the same to merchandise of substantially the same descriptive properties} as those described in the registration, shall be liable . . . .
\end{quote}
advent of modern mass market advertising practices, which commenced in the earlier half of the twentieth century, affixation to products undoubtedly was the primary way that source was indicated.\textsuperscript{67}

While “affixation” was a rather rigid limitation, it was relaxed in the early 1900’s to require that the defendant affix the allegedly infringing mark \textit{either} to its merchandise \textit{or} to labels, signs, prints, packages, wrappers or receptacles intended to be used upon or in connection with the sale” of the merchandise. \textsuperscript{68} This more relaxed “affixation or other close association” requirement was codified in the federal Trademark Act of 1905,\textsuperscript{69} and again in the Trademark Act

\begin{footnotesize}
\begin{itemize}
\item \textsuperscript{67} 1 Nims, \textit{supra}, note 00, at § 218, p. 636 (suggesting that marks must be attached to products in order to indicate source); Mark Bartholomew, \textit{Advertising and the Transformation of Trademark Law}, 38 N. M. L. Rev. 1 (2008) (describing the introduction and growth of modern advertising practices in the U.S.).
\item \textsuperscript{68} See New York Mackintosh Co. v. Flam, 198 F. 571, 573 (D.C.N.Y. 1912)(“A trade-mark is something attached to the goods, or the receptacles containing them, which the buyer sees, and by which the goods become known to the buyer.”); Pure Oil Co. v. Puritan Oil Co., 127 F.2d 6, 8 (2d Cir. 1942)(Judge Learned Hand finds that the plaintiff’s trademark infringement claim is sufficient, because the defendant “does affix an ‘imitation’ of the mark to ‘receptacles intended to be used . . . in connection with the sale’ of gasoline”); Ironite Co. v. Guarantee Waterproofing Co., 64 F.2d 608, 610 (8th Cir. 1933)(action at law for trademark infringement required showing that defendant affixed objectionable mark to packages); Thomas A. Edison, Inc., v. Shotkin, 69 F.Supp. 176, 179 (D. Co. 1946), \textit{app dismissed}, 163 F.2d 1020 (10th Cir.), \textit{cert. denied}, 332 U.S. 813 (1947)(same). For other citations to cases describing or affirming this affixation requirement for technical trademark infringement, see Barrett, \textit{Finding Trademark Use, supra}, note 00, at 915-16, n.89; for citations to state statutes imposing a “defendant affixation” limitation for infringement of technical trademarks, see \textit{id.}, at 917, n. 92.
\item \textsuperscript{69} 33 Stat. 724 § 16 (1905). More fully, § 16 imposed liability on:
\end{itemize}
\end{footnotesize}
Courts found that a defendant’s application of the contested mark *in advertising* would also constitute actionable trademark use. Thus, during the first half of the twentieth century, the

Any person who shall, without the consent of the owner thereof, reproduce, counterfeit, copy or colorably imitate any such trademark and affix the same to merchandise of substantially the same descriptive properties as those set forth in the registration, or to labels, signs, prints, packages, wrappers, or receptacles intended to be used upon or in connection with the sale of merchandise of substantially the same descriptive properties as those set forth in such registration, and shall use, or shall have used, such reproduction, counterfeit, copy, or colorable imitation in commerce among the several states, or with a foreign nation, or with the Indian tribes.

41 Stat. 533 § 4 (1920)(similar language). As I explained at greater length in an earlier article, Barrett, *Finding Trademark Use*, supra, note 00, at 915-22, a large portion of the case decisions that stated and applied the “affixation” and “affixation or other close association” requirement were federal cases involving infringement claims brought by technical trademark owners who had registered their marks pursuant to the Federal Trademark Acts that preceded the Lanham Act. Trademark Act of 1881, 21 Stat. 502; Trademark Act of 1905, 33 Stat 724; Trademark Act of 1920, 41 Stat. 533. These early trademark acts all expressly required that infringement defendants “affix” or “affix or otherwise closely associate” the alleged infringing mark to products similar to those sold by the plaintiff. See Trademark Act of 1881, *supra* at § 7; Trademark Act of 1905, *supra*, at § 16; Trademark Act of 1920, *supra*, at §4. However, it was clearly understood at the time that those early trademark acts only codified the common-law rights of trademark owners, and made no substantive alterations. See Dwinell-Wright Co. v. National Fruit Product Co., Inc., 129 F.2d 848, 851 (1st Cir. 1942)(“Registration of a trade-mark under the Trade-mark Act of 1905 neither enlarges nor abridges the registrant’s substantive common-law rights in the mark. The [Act], without changing the substantive law of trademarks, provided . . . for the registration of marks . . . which, without the statute, would be entitled to legal and equitable protection.”); E.F. Prichard Co. v. Consumers Brewing Co., 136 F.2d 512, 516 (6th Cir. 1943). Indeed, it was widely understood at the time that Congress had no authority to enact substantive regulation of marks. A. Leschen & Sons Rope Co. v. American Steel & Wire Co., 55 F.2d 455, 459 (C.C.Pa. 1932); Walter Derenberg, *The Patent Office as Guardian of the Public Interest in Trade-Mark Registration Proceedings*, 14 L. & Contemp. Prob. 288 (1949)(“The Act of 1905 was based on the theory that the Federal Government could not under the commerce clause of the Constitution enact legislation granting substantive statutory rights to the owner of a trade-mark.”). Thus, this early “trademark use” requirement clearly must have originated in the common law.

original, restrictive “defendant affixation” requirement evolved into a more general requirement that the defendant closely or directly associate the mark with goods it was advertising or offering for sale.

In effect, this “affixation or other close association” requirement ensured that the infringement defendant used the allegedly infringing word or symbol “as a trademark,” or in a manner that was likely to indicate the source of its goods to consumers. Only such uses were likely to cause a serious possibility of consumer confusion, and thus justify judicial intervention.

The lower court assumed, without discussion, that the display of plaintiff’s registered mark in defendant’s advertising would constitute an infringement under 15 U.S.C.A. § 96. We think that assumption is correct, though the precedents are not so clear as they might be. Some cases have held that, to come within the Trade-Mark Act, defendant’s accused mark must in some way be impressed upon or affixed to the goods or the wrapper or container thereof. We agree with Sanborn, J., dissenting in Diederich v. W. Schneider Wholesale Wine & Liquor Co., 195 F. 35, 39-41 (8th Cir. 1912), that however much such holding may have been justified under the earlier versions of the Trade-Mark Act, the broader language of the present [1905] Act does not require any such limited view.

* * *

The use of a copy or colorable imitation of plaintiff’s trade-mark in an advertisement of defendant’s product might well amount to affixing said mark “to labels, signs, (or) prints,” intended to be used “in connection with the sale of merchandise” within the meaning of the Act. Manifestly the essential wrong of trade-mark infringement, the appropriation of the good will of another’s established mark, may be effectively accomplished by advertising matter associating that other’s distinguishing mark with the product of defendant.

See also Hygienic Products Co. v. Judson Dunaway Corp., 81 F.Supp. 935, 943-44 (D.N.H. 1948), vacated, 178 F.2d 461 (1st Cir. 1949), cert. denied, 339 U.S. 948 (1950). (“The protection which is to be accorded to the legal owner of a valid trademark extends beyond the sole use thereof in the marketing of his product in various forms of container merchandising. Even though the statute does not include the term ‘advertising,’ it has been construed that ‘signs’ and ‘prints’ used in advertising constitute a use of such material ‘in connection with the sale of merchandise.’ There is ample authority to the effect that leaflets, display cards, and newspaper advertising will support a claim of infringement.”).
1. Distinguishing “Affixation or Other Close Association” from “Use for Secondary Meaning”

As I have explained elsewhere, the early common-law unfair competition cause of action did not expressly specify how defendants must associate contested words or symbols with their products, services or business, although it appears to have been understood that defendants in

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The unfair competition cause of action was much broader than the technical trademark infringement cause of action: It provided relief not only for secondary meaning mark infringement, but also for business name infringement and other forms of “passing off” that involved fraudulent misrepresentations about the source of products or services, but not necessarily the imitation of words or symbols that the plaintiff used to identify his products. See 1 Nims, supra, note 00, at § 4; Restatement of Torts, supra, note 00, at §§ 711, 754. That being the case, it is not surprising that unfair competition law did not stress this early trademark-specific “affixation” requirement. See, e.g., Atlas Assur. Co. v. Atlas Ins. Co., 138 Iowa 228, 112 N.W. 232, 233 (Iowa 1907)(To limit protection to uses in connection with manufactured articles of commerce would “leave large financial interests engaged in other lines of business wholly without the protection of the court”).

Moreover, the pre-Lanham Act unfair competition cause of action focused on the defendant’s fraudulent intent, not on the invasion of a plaintiff’s exclusive right to use the word or symbol as an indication of source. While courts may have thought it sensible to stress a defendant’s “affixation” in technical trademark infringement suits, to ensure that the presumptions of fraudulent intent and consumer confusion could be justified, such precautions were not as essential in the larger, unfair competition context because no such presumption existed. Plaintiffs bore the burden of demonstrating the defendant’s fraudulent intent and the likelihood of consumer confusion. See Barrett, Finding Trademark Use, supra, note 00, at 918-20. Indeed, technical trademark owners who could not demonstrate that a defendant “affixed” the mark to its merchandise as strictly defined in the early common law and the Trademark Act of 1871, could always sue instead for unfair competition, if they were able to make the requisite showing of fraudulent intent.
secondary meaning mark infringement cases must use their allegedly infringing words or symbols in close, direct association with their products or services.\textsuperscript{73}

This looser “trademark use” requirement might seem to overlap the unfair competition “use for secondary meaning” requirement at first glance. However, the requirements served different purposes. The loose “trademark use” requirement was meant to ensure that consumers would likely understand the contested word or symbol to indicate source. The purpose of the “use for secondary meaning” requirement was to ensure that surnames and descriptive words and symbols remained available to competitors to use for descriptive purposes.

In 1938, the drafters of the Restatement of Torts undertook to consolidate and simplify the law of technical trademark infringement and the law of unfair competition. The Restatement, as drafted, set forth a single, flexible, all-purpose “defendant use” standard. Restatement section 717 provided that, to be liable for infringement, a defendant must use an allegedly infringing technical trademark or secondary meaning mark “in the manner of a trade-mark or trade name.”\textsuperscript{74} Restatement § 727 elaborated that use “in the manner of a trade-mark or trade name” was a use that was \textit{likely to indicate source to consumers}.

\textsuperscript{73} See Barrett, \textit{Finding Trademark Use, supra}, note 00, at pp. 922-28.

\textsuperscript{74} Restatement of Torts, \textit{supra}, note 00, at § 717.

\textsuperscript{75} Section 727 provided:

One uses a designation in the manner of a trade-mark or trade name, under the rule stated in § 717, if he so uses it that prospective purchasers are likely to regard it as the name of, or the means of identifying [the user’s] goods, services or business.

\textit{Id.}, § 727.
The Restatement’s “use in the manner of a trade-mark or trade name” standard was much broader and more general than the definition traditionally applied in the technical trademark context, which listed specific, concrete forms of mark application—placement on the product itself, on its receptacle, label or packaging, on signs or prints associated with the product, or in product advertising. All of technical trademark law’s enumerated forms of mark placement could be easily and objectively verified, and served as a proxy, to indicate that the use was likely to indicate source to consumers. The more general Restatement of Torts definition of use contemplated a case-by-case, fact-intensive determination in which courts should not only evaluate the defendant’s placement of the contested word or symbol, but also the likely impact of the defendant’s use—the impression that the use was likely to convey to consumers.

See notes 00, supra, and accompanying text.

See Restatement of Torts, supra, note 00, at § 727, cmt. a:

The right of a person having a trade-mark or trade name is not to the exclusive use of the designation in all circumstances, but only to its exclusive use for the performance of the functions of a trademark, subject to the conditions stated in § 717(1)(b). Other persons may use the designation if their use does not involve a performance of those functions. . . . Legally, the fundamental function of a trade-mark or trade name is to denominate or identify the goods, services or business of a single trader. . . . In determining whether or not the actor’s use of a designation involves the performance of that function and thus infringes another’s trade-mark or trade name, it is the impression likely to be conveyed to prospective purchasers . . . that is important.

See also id., at cmt. b:

One uses a designation in the manner of a trade-mark or trade name . . . , whether he affixes the designation to goods or otherwise uses it in such a way as to convey the impression to prospective purchasers that it identifies his goods, services or business. This impression he may give by using the designation in various ways, such as in his advertising or his signs or letterheads, or in his correspondence or speech. . . .
The Restatement’s approach accommodated claims for service mark and business name infringement: Given the difficulty of “affixing” a mark to an intangible, the more specific standard of technical trademark law (which only contemplated marks to identify product source) may have been deemed inadequate to address the broader array of unfair competition claims.\textsuperscript{78}

The Restatement “use in the manner of a trademark or trade name” standard also contemplated that mere affixation or close association might be insufficient to indicate consumer reliance for source in unfair competition cases. In technical trademark infringement cases, simply demonstrating that the defendant “affixed or closely associated” the contested word or symbol with its product or packaging permitted courts to assume that the made-up or arbitrary word or symbol would likely indicate product source to consumers—there was no other reason for the word or symbol to appear in connections with the product. However, in unfair competition cases, contested words or symbols might describe the product or service, or its geographic origin. Consumers might assume that such words or symbols were present for purposes other than indicating source. Thus, the Restatement drafters may have believed that a more specific, case-by-case, fact-intensive determination of actual consumer perceptions was needed.

The Restatement apparently also intended for its all-purpose “use in the manner of a trademark or trade name” standard to replace the unfair competition law’s “use for secondary meaning” requirement. There was no other Restatement provision that purported to address that common-law limitation, and various comments made it clear that the Restatement drafters intended to blend the unfair competition “use for secondary (trademark) meaning” limitation into

\textsuperscript{78} The drafters of the Lanham Act later provided different definitions of “use in commerce” for trademarks and service marks. 15 U.S.C. § 1127.
the initial “use in the manner of a trade-mark or trade name” determination. However, in its desire to unify and simplify the law, the Restatement drafters overlooked an important common-law objective. In focusing the Restatement’s defendant “use in the manner of a trademark or trade name” requirement on likely consumer perceptions, the Restatement adhered to the underlying purpose of the “affixation or other close association” requirement. However, it did not effectively serve the purpose or conform to the established focus of the unfair competition “use for secondary meaning” requirement. As will be discussed in greater depth infra, courts determining the “use for secondary meaning” issue focused on the defendant’s purpose in applying the mark, rather than on the application’s likely impact on consumers. Focusing on the defendant’s apparent purpose, as opposed to the likely impact of the use on consumers, provided significantly greater latitude for competitors to use descriptive and surname words and symbols.

While the Restatement of Torts undertook to combine the “affixation or other close association” requirement and the “use for secondary meaning rather than primary meaning” requirement in a single standard, the subsequent Restatement (Third) of Unfair Competition reverted to stating “trademark use” and “use for secondary meaning” as separate elements of the

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79 Restatement section 740 specified that “the fact that the designation which the actor uses is his own personal name or the name of the place where the goods which he markets are processed or is descriptive of such goods does not in itself constitute a defense to a charge of infringement.” Restatement of Torts, supra, note 00, at § 740. Rather, the descriptive, surname or geographically descriptive status of the contested word or symbol would be relevant (though not decisive) in determining whether the defendant’s use was “denominative,” or constituted use “in the manner of a trade-mark or trade name,” as required under Restatement section 717. Id., cmt. a. In defining use “in the manner of a trade-mark or trade name,” Section 727 incorporated factors (such as the arrangement of words, and variations in the size of the letters used) that had traditionally been associated with the common-law unfair competition “use for primary/secondary meaning” inquiry. Id, § 727, cmt. a.

80 See notes 00, infra, and accompanying text.
Moreover, the federal statutory law never undertook to combine them. Indeed, the Supreme Court clearly differentiated the requirements in the context of secondary meaning marks that were federally registered pursuant to the Trademark Act of 1905’s “10-year clause.”

81 The Restatement (Third) of Unfair Competition states the “trademark use” requirement in § 20:

One is subject to liability for infringement of another’s trademark, trade name, collective mark, or certification mark if the other’s use has priority under the rules stated in § 19 and in identifying the actor’s business or in marketing the actor’s goods or services the actor uses a designation that causes a likelihood of confusion . . .

Restatement (Third) of Unfair Competition, supra, note 00, at § 20 (emphasis added). Section 28 follows the Lanham Act in stating the common-law “use for secondary meaning” requirement as a “fair use” defense:

In an action for infringement . . . it is a defense that the term used by the actor is descriptive or geographically descriptive of the actor’s goods, services, or business, or is the personal name of the actor or a person connected with the actor, and the actor has used the term fairly and in good faith solely to describe the actor’s goods, services, or business, or to indicate a connection with the named person.

Id., § 28.

82 Trade-Mark Act of 1905 § 5. Federal registration had previously been limited to technical trademarks, but the “ten-year clause” of the 1905 Act permitted secondary meaning marks to be registered if they had been used exclusively for a period of ten years immediately preceding 1905. The apparent reasoning was that marks that were not inherently distinctive, but had been in exclusive use for ten or more years, could be presumed to have acquired secondary meaning and thus could be equated to technical trademarks in function and interest. See Callmann, supra, note 00 at § 98.7, pp. 1701-02; 2 Nims, supra, note 00, § 229(a), p 790; Handler & Pickett II, supra, note 00, at 783-84.

This measure was further liberalized in the Trademark Act of 1920, 41 Stat. 5339, and was the precursor of Lanham Act § 2(e) and (f), 15 U.S.C. § 1052(e) & (f), which provided even more liberally for the registration of descriptive, geographically descriptive and surname marks that had become distinctive through acquisition of secondary meaning.
In *Thaddeus Davids Co. v. Davids*, the Supreme Court held that the 1905 Act’s statutory elements for registered mark infringement (which restated the elements of the common-law cause of action for technical trademark infringement) would govern all claims of registered mark infringement, regardless of whether the registrant’s allegedly infringed mark was a technical trademark or a secondary meaning mark. Thus, to prevail in an infringement claim, the owner of a registered secondary meaning mark would have to demonstrate all of the Act’s statutory infringement elements, including the requirement that the defendant affix or closely associate its mark with its product. However, the Supreme Court clearly distinguished the plaintiff’s burden to prove statutory “trademark use” elements from the issue of whether the defendant had used the registered descriptive or surname mark for its “secondary” (trademark) meaning, or its “primary” descriptive or surname meaning. The court characterized the “use for secondary meaning”

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83 233 U.S. 461 (1914).

84 Trademark Act of 1905, 33 Stat. 724, § 16. Section § 16 imposed liability on:

Any person who shall, without the consent of the owner thereof, reproduce, counterfeit, copy or colorably imitate any such trademark *and affix the same to merchandise of substantially the same descriptive properties as those set forth in the registration, or to labels, signs, prints, packages, wrappers, or receptacles intended to be used upon or in connection with the sale of merchandise of substantially the same descriptive properties as those set forth in such registration,* and shall use, or shall have used, such reproduction, counterfeit, copy, or colorable imitation in commerce among the several states, or with a foreign nation, or with the Indian tribes.

*Id.* (emphasis added). See also Trademark Act of 1920, 41 Stat. 533 §4 (similar language).
requirement as an additional, extra-statutory limitation on the rights of secondary meaning mark registrants.\textsuperscript{85}

\textsuperscript{85} The Court noted:

The applicant who, by virtue of actual and exclusive use, is entitled to register his mark under [the ten-year] clause, becomes on due registration the “owner” of a “trademark” within the meaning of the act, and he is entitled to be protected in its use as such. . . . [Section 16 of the act] applies to all trademarks that are within the act, including those which come under the ten-year clause . . . .

But, while this is true, the inquiry as to the extent of the right thus secured by the statute, in the case of marks which are admitted to registration under the ten-year clause, is not completely answered. It is apparent that, with respect to names or terms coming within this class, there may be proper uses by others than the registrant, even in connection with trade in similar goods. It would seem to be clear, for example, that the registration for which the statute provides was not designed to confer a monopoly of the use of surnames, or of geographical names, as such. It is not to be supposed that Congress intended to prevent one from using his own name in trade, or from making appropriate reference to the town or city in which his place of business is located, and we do not find it necessary to consider the question of the validity of such an attempt if one were made. Congress has admitted to registration the names of terms belonging to the class under consideration simply because of their prior use as trademarks, although they had not been such in law. Their exclusive use as trademarks for the stated period was deemed, in the judgment of Congress, a sufficient assurance that they had acquired a secondary meaning as the designation of the origin or ownership of the merchandise to which they were affixed. And it was manifestly in this limited character only that they received statutory recognition, and, on registration, became entitled to protection under the act.

In the case, therefore, of marks consisting of names or terms having a double significance, and being susceptible of legitimate uses with respect to their primary sense, the reproduction, copy, or imitation which constitutes infringement must be such as is calculated to mislead the public with respect to the origin or ownership of the goods, and thus to invade the right of the registrant to the use of the name or term as a designation of his merchandise. This we conceive to be the meaning of the statute. It follows that where the mark consists of a surname, a person having the same name and using it in is own business, although dealing in similar goods, would not be an infringer, provided that the name was not used in a manner tending to mislead, and it was clearly made to appear that the goods were his own, and not those of the registrant. This is not to say that, in this view, the case becomes one of unfair competition, as that category had been defined in the law: for whatever analogy may exist with respect to the scope of protection in this class of cases, still the right to be protected against an unwarranted use of the registered mark has been made a statutory right, and the courts of the United States have been vested with jurisdiction for suits for infringement, regardless of diversity of citizenship. Moreover, in view of this
As will be discussed below, Congress followed a similar pattern in enacting the Lanham Act: It required all federal infringement claimants to demonstrate that the defendant affixed or closely associated its mark to its product (as had been required in technical trademark law and the Trademark Act of 1905) and imposed a separate statutory “secondary meaning rather than primary meaning” limitation on federal infringement claims involving secondary meaning marks. Unlike the Restatement of Torts, the Lanham Act did not undertake to consolidate these two “use-related” requirements, or state a unified standard for evaluating them both.

C. Consolidation of the Common Law of Trademark Infringement and Unfair Competition in the Lanham Act

As the United States developed a more expansive and sophisticated marketplace, pressure grew to modernize and expand federal trademark protection. By the late 1930's the Trademark statutory right, it could not be considered necessary that the complainant, in order to establish infringement, should show wrongful intent in fact on the part of the defendant, or facts justifying the inference of such an intent. . . . Having duly registered under the act, the complainant would be entitled to protection against any infringing use, but, in determining the extent of the right which the statute secures, and what may be said to constitute an infringing use, regard must be had, as has been said, to the nature of the mark, and its secondary, as distinguished from its primary, significance.

Thaddeus Davids, supra, 233 U.S. at 469-471 (emphasis added).


Act of 1905 had been frequently amended, resulting in a confusing array of statutory provisions. Commentators argued that common-law distinctions between technical trademarks and secondary meaning marks were artificial and outdated, and particularly questioned the wisdom of requiring plaintiffs to demonstrate fraud in secondary meaning mark infringement cases. Practitioners argued that registration opportunities should be provided for service marks, and that the limited opportunities to register secondary meaning marks under the Trademark Acts of 1905 and 1920 should be liberalized. In addition, they complained that the “substantially the same descriptive properties” language of the 1905 and 1920 Acts’ infringement provision was unnecessarily vague, unpredictable and limiting.

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88 See 1 J. Thomas McCarthy, McCarthy on Trademarks and Unfair Competition § 5:3 (4th ed., 2008) (enumerating drawbacks and deficiencies in the 1905 Act that lead to a series of amendments over the years, eventually resulting in a “crazy quilt of modifications and amendments”); 2 Nims, supra, note 00, at § 223a (describing ten amendments to the 1905 Act).

89 See, e.g., 1 Nimms, supra, note 00, § 135, at 513; Handler & Pickett I & II, supra, notes 00 & 00, passim; Grismore, supra, note 00, passim; 2 Callmann, supra, note 00, at §§ 86.1(a), 98.6, 98.7.

90 These Acts required that defendants use the contested mark with “merchandise of substantially the same descriptive properties” as the merchandise set forth in the plaintiff’s registration certificate. See Trademark Act of 1881, 21 Stat. 502 § 7; Trademark Act of 1905, 33 Stat. 724 § 16; Trademark Act of 1920, 41 Stat. 533 § 4. For examples of the criticisms, see Edward S. Rogers, Some Suggestions Concerning a Trade-Mark Registration Act, 16 U.S.T.A. Bull. 45, 50-51 (1921); Edward S. Rogers, The Expensive Futility of the United States’ Trade-Mark Statute, 12 Mich. L. Rev. 660, 668-71; Edward C. Lukens, The Application of the Principles of Unfair Competition to Cases of Dissimilar Products, 75 U. Pa. L. Rev. 197, 202-205 (1927). Complaints focused on the vagueness and uncertainty of the statutory language, and the resulting inconsistency in the case law regarding how similar the defendant’s products had to be to the plaintiff’s before infringement could be found. Critics also argued that limiting infringement to cases where the parties marketed similar goods was too narrow. See Bartholomew, supra, note 00, at 11.
In 1938, Congress began seriously to focus on drafting a new, more modern and comprehensive federal trademark act. \(^91\) It completed the task in 1946, and the resulting act (called the “Lanham Act” in honor of the Congressman primarily credited with its drafting and enactment) went into effect in 1947. \(^92\) The legislative history states that the Act was meant to “simplify registration and make it stronger and more liberal, to dispense with mere technical prohibitions and arbitrary provisions, to make procedure simple, and relief against infringement prompt and simple.” \(^93\) However, it is generally understood that Congress primarily codified contemporary common-law doctrine, \(^94\) just as it had in prior federal trademark acts. \(^95\)

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\(^94\) Inwood Laboratories, Inc. v. Ives Laboratories, Inc., 456 U.S. 844, 861 n.2 (1982)(White, J., concurring)(“The purpose of the Lanham Act was to codify and unify the common law of unfair competition and trademark protection”); S. Rep. No. 79-1333, at 5 (1946); 92 Cong. Rec. 6, 7524 (1946). See also Restatement (Third) of Unfair Competition, *supra*, note 00, at §9 cmt. e (“The Lanham Act is generally declarative of existing law, incorporating the principal features of common law trademark protection”); Leval, *supra*, note 00, at 198-99 (Lanham Act “adopts and stands for the complete common law development, representing a complexity of doctrine which would require dozens of pages to set forth in full. . . What may look on its face like a legislative creation of a body of rules is in fact nothing more than a cursory legislative recognition of a long pre-existing body of law developed by courts through the common law process.”); McClure, *supra*, note 00, at 334, 340 (Lanham Act adopted the substance of existing common-law doctrine and court constructions have not altered it)

\(^95\) The earlier acts codified the common-law trademark rights of mark registrants, providing procedural, but no substantive advantages over the common law. Walgreen Drug Stores, Inc. v. Obear-Nester Glass Co., 113 F.2d 956, 960 (8\(^{th}\) Cir. 1940); Callmann Article, *supra*, note 00, at 202. Prior to enactment of the Lanham Act, it was widely believed that Congress lacked jurisdiction, even under the Commerce Clause, to provide substantive rights in trademarks. See, e.g., American Steel Foundries v. Robertson, 269 U.S. 372, 381 (1926)(suggesting that Congress
Moreover, it retained much of the structure, methodology and terminology of the earlier federal trademark acts in the new one.\textsuperscript{96}

The Lanham Act did introduce some new concepts,\textsuperscript{97} and modernize and liberalize features of the earlier trademark acts.\textsuperscript{98} For purposes of the present discussion, the Lanham Act

\textsuperscript{96} Judge Clarence G. Galston, \textit{Some Aspects of the Lanham Trade-Mark Act–Effective July 5, 37 Trademark Rep. 412 (1947)}(characterizing the Lanham Act as codifying the Trademark Act of 1905 and its numerous amendments). See Barrett, \textit{Finding Trademark Use, supra}, note 00, at 933-57. Indeed, some commentators criticized the Lanham Act as merely codifying entrenched formalist doctrine. See, e.g., McClure, \textit{supra}, note 00, at 334, 340 ( noting that “the effect of the Lanham Act was essentially to freeze common-law doctrine in the form it had taken since the turn of the century” and characterizing it not as progressive reform but as “essentially reactionary.”).

\textsuperscript{97} For example, it introduced the doctrine of constructive notice, which enabled mark registrants to enhance the geographic scope of their rights, 15 U.S.C. § 1072, and incontestability status to shelter mark registrants from certain challenges and defenses after five years of registration. 15 U.S.C. §§ 1065, 1115. It officially recognized and provided registration and protection for service marks, collective marks and certification marks. 15 U.S.C. §§ 1053, 1054.

\textsuperscript{98} For example, as commentators had advocated, Congress liberalized the earlier acts’ restriction of infringement to “merchandise of substantially the same descriptive properties” as those set forth in the plaintiff’s certificate of registration. 15 U.S.C. § 1114(1)(a). Moreover, the Lanham Act’s statutory language defining a “trademark” and describing what marks could be

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did three important things. First, the Lanham Act liberalized registration of secondary meaning marks. Lanham Act § 2 provides that words, names, symbols or devices that are merely descriptive, primarily geographically descriptive or constitute surnames can be registered upon a showing that they have “become distinctive” of the applicant’s goods or services (that is, have acquired a secondary meaning). It authorizes the Patent and Trademark Office to accept proof of “substantially exclusive and continuous use of the mark” for five years as prima facie evidence of secondary meaning. 99

Second, the Lanham Act continued the practice (begun in the 1905 Act) of applying a uniform infringement standard that did not distinguish between technical (or inherently distinctive) registered marks and secondary meaning registered marks. 100 It also provided a federal cause of action for infringement of unregistered marks, applying essentially the same registered, 15 U.S.C. § §1052, 1127, opened the way for businesses to claim and register a broader range of symbols and devices than would have been deemed marks under the common law. See Qualitex Co. v. Jacobson Products Co., Inc., 514 U.S. 159 (1995).

99 15 U.S.C. § 1052(e) & (f). The Lanham Act defines “trademarks” broadly, to include “any word, name, symbol or device or any combination thereof” used “to identify and distinguish [the claimant’s] goods . . . from those manufactured or sold by others and to indicate the source of the goods, even if that source is unknown.” 15 U.S.C. § 1127. Thus, the Lanham Act denominates both kinds of common-law marks (technical marks and secondary meaning marks (aka “trade names”) as “trademarks.” It provides that “trademarks” can be registered unless they are specifically disqualified under one of the provisions of Lanham Act § 2. 15 U.S.C. § 1052. While § 2(e) disqualifies surname, descriptive, and geographically descriptive marks, subsection (f) provides that “nothing . . . shall prevent the registration of a mark used by the applicant which has become distinctive of the applicant’s goods in commerce.” Id., § 1052(f). This standard for determining secondary meaning is much more liberal and flexible than the rigid ten years of exclusive use required under the Trademark Act of 1905. See notes 00, supra, and accompanying text.

100 See notes 00, supra, and accompanying text.
eligibility and infringement standards as for registered marks.\textsuperscript{101} This uniform infringement standard required that infringement defendants “\textit{use in commerce}” a reproduction, counterfeit, copy, or colorable imitation of a mark “in connection with” the sale, offering for sale, distribution, or advertising of goods or services.\textsuperscript{102} It defined “\textit{use in commerce}” essentially to entail


As originally enacted, the pertinent portion of §43(a) provided:

Any person who shall \textit{affix, apply, or annex}, or use in connection with any goods or services, or any container or containers for goods, a false designation of origin, or any false description or representation, including words or other symbols tending falsely to describe or represent the same, and shall cause such goods or services to enter into commerce * * * shall be liable * * *.

15 U.S.C. § 1125(a)(1946) (emphasis added). A similarly worded provision existed under the Trademark Act of 1920, but unlike the cause of action for registered mark infringement, it required plaintiffs to demonstrate that the defendant acted with fraudulent intent. Trade-Mark Act of 1920, § 3, 41 Stat 533, 534. Revisions enacted in 1988 reworded the Lanham Act § 43(a) language to provide:

Any person who, on or in connection with any goods or services, or any container for goods, \textit{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 * * * 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 * * *.

Trademark Law Revision Act of 1988, Pub. L. No. 100-667, § 132, 102 Stat. 3946 (emphasis added). The Senate Report explained that the revision was meant to codify the courts’ interpretation of § 43(a). As written, § 43(a) appeared “to deal only with false descriptions or representations and false designations of geographic origin.” Since its enactment in 1946, however, § 43(a) had “been widely interpreted as creating, in essence, a federal law of unfair competition.” S. Rep. No. 100-515, at 40 (1988) (emphasis added).

\textsuperscript{102} Lanham Act § 32(1)(a), which provides for infringement of registered marks, provides:
affixation or other close association of the mark with the defendant’s goods or services (or a “trademark use), as was required in the common-law cause of action for technical trademark infringement and in the Trademark Acts of 1905 and 1920. 103  Like the Trademark Act of 1905, (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 * * * shall be liable in a civil action by the registrant for the remedies hereinafter provided.

15 U.S.C. § 1115(1)(a). Lanham Act § 43(a), which provides a cause of action for infringement of unregistered marks, currently 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 * * * 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.


103  See notes 00, supra, and accompanying notes. Lanham Act § 45 states that the definitions it provides should be applied in construing the Lanham Act “unless the contrary is plainly apparent from the context.” 15 U.S.C. § 1127. It provides that a mark * * * shall be deemed to be in use in commerce—

(1) on goods when—

(A) it is placed in any manner on the goods or their containers or the displays associated therewith or on the tags or labels affixed thereto, or if the nature of the goods makes such placement impracticable, then on documents associated with the goods or their sake, and
the Lanham Act infringement provisions imposed no requirement that the plaintiff demonstrate the defendant’s fraudulent intent, regardless of whether the mark at issue was inherently distinctive or distinctive through secondary meaning.

Finally, the Lanham Act codified the unfair competition law’s longstanding distinction between a defendant’s use of a word or symbol for its secondary (trademark) meaning, and its use of a word or symbol for its primary (descriptive, geographically descriptive or surname) meaning. In keeping with the common law of unfair competition, the Lanham Act limited liability for infringement of secondary meaning marks to a defendant’s use of the contested word or symbol for its secondary (trademark) meaning. However, the Lanham Act imposed that limitation in the form of a defense, codified in section 33(b)(4), rather than as a part of the plaintiff’s case in chief. Under section 33(b)(4), a defendant will not be liable for infringement if its use of the allegedly infringing word or symbol was a use “otherwise than as a mark, of [his] individual name in his own business * * * or of a term or device which is descriptive of and used fairly and in good faith only to describe [his] goods or services, or their geographic origin.”

(B) the goods are sold or transported in commerce, and

(2) on services when it is used or displayed in the sale or advertising or services and the services are rendered in commerce, or the services are rendered in more than one State or in the United States and a foreign country and the person rendering the services is engaged in commerce in connection with the services.

15 U.S.C. § 1127. This provision describes a “trademark use,” as traditionally understood in the context of technical trademark infringement, and also ensures Congressional authority to regulate the use under the Constitution’s Commerce Clause. U.S. Const. Art. 1, § 8, cl. 3.


105 Id.
1. The Lanham Act’s Codification of the “Trademark Use” (“Affixation or other Close Association”) Prerequisite to Infringement Liability

The legislative history makes it clear that Congress intended for the Lanham Act infringement provisions to retain the “trademark use” requirement from the common law of technical trademark infringement, which it had codified earlier in the Trademark Act of 1905. That is, Congress intended to require infringement plaintiffs to demonstrate that the defendant affixed or closely associated the allegedly infringing word or symbol to the goods or services it was marketing. First, Congress made it clear that it generally intended the Lanham Act to codify contemporary common-law doctrine. While Congress augmented and altered the common law in some aspects, it typically did so in response to criticisms and suggestions made

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106 Barrett, Finding Trademark Use, supra, notes 00, at 932 n. 141, 943-64.

107 It is important to note that Congress explicitly extended registration and protection to marks used to identify the source of the user’s services. However, for the sake of brevity, in the remaining sections of this article I will refer to marks in connection with “goods” or “products” and ask the reader to understand the discussion to include use of marks in connection with “services,” as well.

108 See also Bartholomew Diggins, The Lanham Trade-Mark Act, 37 Trademark Rep. 419, 436 (1947) (characterizing the Lanham Act § 32(1)(a) infringement provisions as continuing the 1905 Act “affixation” requirement, but improving on it: “Under the 1905 Act, affixation of the infringing mark was an essential element of infringement but Section 32(1) of the Lanham Act defines infringement in terms broad enough to include sales and resales of goods or services bearing the infringing mark even though such infringing mark was affixed by some other infringer. Section 32(1) specifically includes the use of an infringing mark in advertising apart from the goods themselves and thus remedies another deficiency of the prior trade-mark legislation.”)
by interested parties and commentators, or (as in the case of the constructive notice and incontestability provisions) to provide inducements to register.\textsuperscript{110} There was no expressed dissatisfaction or call to reform the “trademark use” (“affixation or other close association”) prerequisite to infringement liability.\textsuperscript{111} Commentators have uniformly understood that the Lanham Act essentially codified the existing common-law and 1905 Act rules governing infringement.\textsuperscript{112}

Second, Congress expressly drafted the Lanham Act infringement provisions to require that defendants “use [their allegedly infringing word or symbol] in commerce.”\textsuperscript{113} In Lanham Act § 45, Congress defined “use in commerce” to entail essentially two things: 1) affixation or close, direct association of the mark with the goods or services the defendant is marketing; and 2) a link to Interstate Commerce sufficient to provide Congressional power to regulate the subject matter.\textsuperscript{114} The section 45 definition is highly reminiscent of the “affixation or other close

\textsuperscript{109} See Barrett, \textit{Finding Trademark Use, supra}, notes 00, at 932 n. 141, 960-64, and sources cited therein.

\textsuperscript{110} With regard to the elements of infringement, commentators only advocated changing the 1905 Act requirement that the defendant’s goods constitute “merchandise of substantially the same descriptive properties as those set forth” in the plaintiff’s registration certificate. See note 00, \textit{supra}, and accompanying text; Trademark Act of 1905, § 16.

\textsuperscript{111} See Barrett, \textit{Finding Trademark Use, supra}, note 00, at 939.

\textsuperscript{112} See sources cited in note 00, \textit{supra}.

\textsuperscript{113} 15 U.S.C. §§ 1114(1)(a), 1125(a).

\textsuperscript{114} In the case of goods, section 45 requires that the trademark be placed on goods or their containers, on displays associated with the goods, on tags or labels affixed to the goods or when such placement is impracticable, on documents associated with the goods or their sale. 15 U.S.C. § 1127. For the full statutory language, see note __, \textit{supra}.
association” language of the Trademark Act of 1905, section 16, and can be readily understood to require that the defendant’s mark be *used as a trademark* to identify the source of the defendant’s goods or services. Both the opening language of section 45\textsuperscript{115} and the Lanham Act’s extensive legislative history make it clear that Congress intended for this definition to apply in the *infringement context* and limit the scope of mark owners’ rights.\textsuperscript{116} Indeed, a number of courts have cited the section 45 definition of “use in commerce” as authority for requiring infringement plaintiffs to demonstrate a form of “trademark use” on the defendant’s part.\textsuperscript{117}

\textsuperscript{115} See note 00, supra; Barrett, *Finding Trademark Use*, supra, note 00, at 946-56.

\textsuperscript{116} *Id.* As explained more fully in the cited article: 1) this construction is most consistent with the infringement provisions in prior Federal Trademark Acts, and there is no suggestion that Congress intended to change their substance; 2) statements made in hearings on the bills suggest that participants linked the § 45 “use in commerce” definition with the infringement provisions; and perhaps most importantly, 3) during the course of enactment, the section 45 definition tracked changes in the section 32 infringement language from one bill to the next, clearly indicating that the drafters primarily envisioned the § 45 definition as working in conjunction with the *infringement* provisions, rather than with the provisions regarding acquisition of rights.


In Rescuecom v. Google, Inc., 562 F.3d 123, 131-41 (2d Cir. 2009), the Court of Appeals for the Second Circuit revisited the question of whether Congress intended the § 45 definition to apply in the infringement context. It ultimately found that § 45 applied, although its discussion of the legislative history overlooked important elements, and its application of the definition to the factors at hand lacked credibility.
Finally, even if the section 45 definition of “use in commerce” were not applicable in the infringement context, Congress expressly required, in both its registered and unregistered mark infringement provisions, that the defendant’s use of its allegedly infringing mark “on or in connection with” goods or services be likely to confuse consumers. As I have explained elsewhere, this language is historically linked to the “affixation or other close association” concept, and is essentially synonymous with “trademark use,” as traditionally required under the common law of technical trademark infringement and the Trademark Act of 1905. Even apart from historical context, this language stresses the connection between the allegedly infringing word or symbol and the goods or services the defendant is marketing, much like the terms “affix” and “apply,” which Congress used more or less interchangeably with the “on or in connection with” language during the course of drafting the the Lanham Act infringement and definition sections. Again, a significant number of courts have looked to this language to find a form of trademark use requirement.

119 See Barrett, Finding Trademark Use, supra, note 00, at 955-60.
120 Id.
121 E.g., Bosley Medical Institute, Inc. v. Kremer, 403 F.3d 672, 676-680 (9th Cir. 2005); North American Medical Corp. v. Axiom Worldwide, Inc., 522 F.3d 1211, 1218-20 & n. 7 (11th Cir. 2008); Utah Lighthouse Ministry v. Foundation for Apologetic Information and Research, 527 F.3d 1045,1052-54 (10th Cir. 2008).
2. Codification of the Unfair Competition “Use for Secondary, Rather than Primary Meaning” Limitation

Congress codified the unfair competition “use for secondary meaning” limitation in Lanham Act § 1115(b)(4), which is now generally known as the “fair use defense.” As codified, the fair use defense shelters an infringement defendant when his use of an allegedly infringing mark

is a use, otherwise than as a mark, of the party’s individual name in his own business, or of the individual name of anyone in privity with such party, or of a term or device which is descriptive and used fairly and in good faith only to describe the goods or services of such party, or their geographic origin. Consistent with the Supreme Court’s reasoning in the Davids case, the fair use defense recognizes that even when secondary meaning marks are registered, they are entitled to a narrower scope of protection than inherently distinctive marks, because of their pre-existing descriptive or surname meaning, and the long-established public interest in ensuring competitor

\[\text{123} \quad 15 \text{ U.S.C. } \S 1115(b)(4).\]

\[\text{124} \quad \text{See notes } 00, \text{ supra, and accompanying text.}\]
access to words and symbols that describe their goods, their goods’ geographic origin, or constitute their surname.\textsuperscript{125}

Several attempts were made, during the course of drafting the Lanham Act, to restrict the fair use doctrine by confining it to situations in which the defendant used a \textit{generic} word or

\textsuperscript{125} See K.P. Permanent Make-Up, Inc. v. Lasting Impression I, Inc, 543 U.S. 111, 122 (2004)(The \textit{common law} afforded lesser protection for secondary meaning marks due to “the very fact that . . . a originally descriptive term was selected to be used as a mark” and “the undesirability of allowing anyone to obtain a complete monopoly on use of a descriptive term simply by grabbing it first.” \textit{Lanham Act} § 1115(b)(4) “adopts a similar leniency, there being no indication that the statute was meant to deprive commercial speakers of the ordinary utility of descriptive words.”); Restatement (Third) of Unfair Competition, \textit{supra}, note 00, § 28 cmt. a (noting that due to the fair use defense, “the owner of a trademark . . . cannot deprive others of the use of the term in its original descriptive sense”); Hearings on H.R. 102 before the Subcommittee on Trademarks of the House Committee on Patents, 77\textsuperscript{th} Cong., 1\textsuperscript{st} Sess., at 72 (1941)(Testimony of Wallace Martin, Chairman of ABA Committee on Trademark Legislation, with regard to forerunner of § 1115(b)(4)) (“Everybody has got a right to use of the English Language and has got a right to assume that nobody is going to take that English language away from him.”); 2 Nims, \textit{supra}, note 00, at § 229a, p. 790 (“If an applicant obtains registration of [a descriptive] mark, it is protected only in its trade or secondary sense.”).

As noted \textit{supra}, at notes 00, courts continued to apply the primary/secondary meaning distinction in infringement cases involving secondary meaning marks registered under the Trademark Act of 1905, even though the 1905 Act did not expressly incorporate it. Congress found it necessary to codify the primary/secondary meaning distinction in the Lanham Act because of the Lanham Act’s institution of “incontestability status” for marks that have been registered for over five years. 15 U.S.C. §§ 1064, 1065, 1115. Under the incontestability provisions, a mark that has obtained incontestability status is immune from all challenges and defenses except for those expressly reserved in sections 1064, 1065, and 1115(b). Congress codified the primary/secondary meaning doctrine, as the § 1115(b)(4) “fair use” defense, to ensure that the doctrine remained applicable to all secondary meaning marks, regardless of incontestability status. Even though the defense is codified in the § 1115 “incontestability” provisions, courts have made it clear that it applies in \textit{all} infringement cases, whether the mark is incontestable or not, and whether the mark is registered or not. See, e.g., Venetianaire Corp. of America v. A & P Import Co., 429 F.2d 1079, 1081 (2d Cir. 1970); M.B.H. Enterprises, Inc. v. WOKY, Inc., 633 F.2d 50, 52 n. 2 (7th Cir. 1980); 4 J. Thomas McCarthy, \textit{supra}, note 00, at § 11:49 at 11-117; Restatement (Third) of Unfair Competition, \textit{supra}, note 00, § 28, cmt. a.
symbol,\textsuperscript{126} by confining it to situations in which the defendant’s use was \textit{not likely to deceive the public}, and by confining it to situations in which the defendant’s use was “\textit{necessary}” truthfully to describe his goods or services.\textsuperscript{127} Congress rejected all of these narrowing formulations in favor of the existing, more expansive common-law scope of the limitation on secondary mark owners’ rights:\textsuperscript{128} A defendant only infringes a secondary meaning mark if he uses it in a trademark

\textsuperscript{126} See H.R. 6618, 76\textsuperscript{th} Cong., 1\textsuperscript{st} Sess., § 32(2) (1939) (proposed language would provide a defense when “the use by the defendant of the mark charged to be an infringement is a fair use of the defendant’s individual name in his own business in a manner not calculated to deceive the public, or is a fair use of the \textit{only known descriptive term} for goods rightfully sold by the defendant”)

\textsuperscript{127} See H.R. 5461, 77\textsuperscript{th} Cong., 1\textsuperscript{st} Sess., § 33(b)(4) (1941)(proposed language would provide a defense when “the use by the defendant of the term or device charged to be an infringement is not a use as a trade or service mark and \textit{in a manner not likely to deceive the public}, of the defendant’s individual name in his own business, or of the individual name of anyone in privity with the defendant who uses his own name in his own business, or of a term or device which is merely descriptive of \textit{and necessary} truthfully to describe to users the goods or services of the defendant, or of a term or device which is primarily descriptive of their geographic origin”). These restrictions had significant support from prominent trademark lawyers. See, e.g., 2 Harry D. Nims, \textit{supra}, note 00, at § 366g, pp. 1153-54; Handler & Pickett I, \textit{supra}, note 00, at 184.

\textsuperscript{128} See H.R. 82, 78\textsuperscript{th} Cong., 1\textsuperscript{st} Sess. § 33(b)(4) (1943)(providing defense when “the use by the defendant of the name, term, or device charged to be an infringement is a use, otherwise than as a trade or service mark, of the defendant’s individual name in his own business, or of the individual name of any one in privity with the defendant, or of a term or device which is descriptive of and used fairly and in good faith only to describe to users the goods or services of the defendant, or their geographic origin”); H.R. 1654, 79\textsuperscript{th} Cong., 2d Sess. § 33(b)(4) (1945)(providing defense when “the use of the name, term, or device charged to be an infringement is a use, otherwise than as a trade or service mark, of the party’s individual name in his own business, or of the individual name of anyone in privity with such party, or of a term or device which is descriptive of and used fairly and in good faith only to describe to users the goods or services of such party, or their geographic origin”).

The committee hearings make it clear that the drafters intended to codify the existing common-law scope of the primary/secondary meaning limitation. Hearings before the Subcommittee on Trade-Marks, Committee on Patents on H.R. 102, H.R. 5461, and S. 895, 77\textsuperscript{th} Cong., 1\textsuperscript{st} Sess., at 63-74 (debate among witnesses about the scope of the existing common-law rule, in which Mr. Martin, representing the ABA, assures the Committee that the common-law
(secondary) sense, rather than its primary descriptive or surname meaning, regardless of whether it is strictly necessary for the defendant to use the word or symbol, or whether the use may confuse consumers.\textsuperscript{129}

The codification does, however, represent some alteration (or perhaps evolution) of the original common-law unfair competition doctrine. First, Lanham Act § 33(b)(4) shifts the burden of proof regarding whether the defendant used the word or symbol for its primary or secondary meaning. Under the common law of unfair competition, the unfair competition plaintiff had the burden to demonstrate that the defendant had used the contested word or symbol for its secondary, or trademark, meaning.\textsuperscript{130} Under the Lanham Act the defendant must demonstrate that

\textsuperscript{129} See notes 00, \textit{infra}, and accompanying text.

\textsuperscript{130} See, e.g., 2 Nims, \textit{supra}, note 00, at § 336, pp. 1057-58 (“In actions based on defendant’s use of a descriptive word . . . which, in a secondary sense, indicates plaintiff’s business or product, the burden is on the plaintiff to show such secondary meaning, also that defendant is using the word in its secondary, not its primary sense); Kellog Toasted Corn Flake Co. v. Quake Oats Co., 235 F. 657, 664 (6\textsuperscript{th} Cir. 1916)(“It is conceded that the burden of proof is upon the plaintiff to establish such secondary meaning; and this is a substantial burden, since the ultimate fact to be proved is fraud, that is, that the defendant is using the words in their secondary, not simply their primary, sense, and with the result of passing off its goods as the goods of plaintiff.”); DixiePig Corp. v. Pig Stand Co., 31 S.W.2d 325, 328 (Tx. Civ. App. 1930)(“To establish this secondary meaning the burden of proof rested upon plaintiff and is a substantial burden that is, one to be emphatically discharged, since the ultimate to be proved is fraud, that is, that defendant was using plaintiff’s trade-mark in its secondary meaning and not simply in a primary sense, with the result accomplished that defendant passed off its goods as those of plaintiff.”); De Long Hook & Eye Co. v. Hump Hairpin Mfg. Co., 130 N.E. 765 (Ill. Supreme Ct. 1921). See also 2 Nims, \textit{supra}, note 00, at § 319, pp. 1016-17 (“[T]he use of a word in the public domain is unfair only when used in its trade-mark or secondary sense, not in its common or primary sense. The plaintiff must show that the defendant is using it under such circumstances or in such manner as to put off his goods as the goods of the plaintiff.”).
its use was “otherwise than as a mark,”  

“only to describe the goods or services of such party, or their geographic origin.” The Lanham Act language clearly codifies the common-law unfair competition understanding that marketplace actors may use surname or descriptive words or symbols in their primary descriptive sense, but not in a trademark (or secondary meaning) sense. However, casting the “use for secondary meaning” limitation as a defense clearly moves the burden to the defendant.  

Second, while the Lanham Act relieved plaintiffs of the unpopular burden of affirmatively demonstrating the defendant’s fraudulent intent in secondary meaning mark infringement cases, it did not dismiss consideration of the plaintiff’s state of mind altogether. Rather, it required the defendant to demonstrate that it acted “in good faith,” or with a lack of fraudulent intent.

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131 “Otherwise than as a mark” is equivalent to “use for primary (as opposed to secondary) meaning.” See Restatement (Third) of Unfair competition, supra, note 00, at § 28, cmt. A (“The defense of fair use under the law of trademarks is limited to the original descriptive or personal name significance of a term. This limitation of the scope of the fair use doctrine is sometimes described by stating that the doctrine applies only to use ‘otherwise than as a trademark,’ or only to ‘non-trademark use’ of another’s mark.”).

132 One contemporary commentator suggested that the common law of unfair competition moved the burden of proof to the defendant prior to the enactment of the Lanham Act. See 2 Rudolf Callmann, supra, note 00, at § 336, pp. 1057-58; Callmann, supra, note 00, at 196. However, he did not cite convincing authority for this proposition. The law of technical trademarks held that once the owner of a technical trademark made a prima facie showing of infringement, the burden shifted to the defendant to justify his use. 2 Nims, supra, note 00, § 336, p. 1057; Standard Oil Co. v. California Peach & Fig Growers, 28 F.2d 283, 285 (D. Del. 1928); Centaur v. Genesh, 33 F.2d 985, 986 (W.D. Pa. 1929), and it appears that the defendant bore the burden of proving that its use was a proper nominative use of the mark to identify the plaintiff. See, e.g., Vick Chemical Co. v. Stromeir, 39 F.2d 89, 91 (E.D. Pa. 1930).

133 Section 33(b)(4) requires that the defendant use the contested word or symbol “in good faith only to describe the goods or services of such party, or their geographic origin.” 15 U.S.C. § 1115(b)(4).
The Lanham Act combines the issues of use for primary/secondary meaning and the defendant’s intent into a single defense, but this fusing of the two issues reflects the general practice at common law. As I will explain in the next section, by the time the Lanham Act was enacted, the courts had essentially woven these two issues into a unified concept: infringement liability in secondary meaning mark cases turned on the defendant’s \textit{purpose} in applying the word or symbol. Was its apparent purpose, or intent, simply to describe its own product (use the word in its primary sense), or was it to use the word or symbol as a trademark to indicate source, and thereby deceive consumers?

III. THE MEANING OF “FAIR USE,” IN LIGHT OF THE DOCTRINE’S HISTORICAL ROOTS

As discussed in the prior section, “fair use,” as set forth in Lanham Act § 1115(b)(4), codifies the common-law unfair competition requirement that defendants in secondary meaning mark infringement cases use the plaintiff’s descriptive or surname word or symbol for its secondary (trademark) meaning, rather than for its primary (descriptive or surname) meaning.

\footnote{The early common-law cases imposed infringement liability if the defendant used the contested word or symbol for its trademark meaning “with intent to defraud,” or “fraudulent intent.” The Lanham Act fair use defense excuses the defendant from liability if he uses the contested word or symbol “otherwise than as a mark,” “in good faith.” For purposes of this article, I assume that bad faith is the opposite of good faith, and I treat the terms “fraudulent intent” and “bad faith” as interchangeable in this context. Black’s Law Dictionary defines “bad faith” as “dishonesty of belief or purpose.” Black’s Law Dictionary (8th ed., 2004). It defines a “fraudulent act” as “conduct involving bad faith.” \textit{Id.} It defines “fraud” as “a knowing misrepresentation of the truth or concealment of a material fact.” and “dishonesty, a lack of integrity, or moral turpitude.” \textit{Id.}}
Subsection A will discuss how the pre-Lanham Act common law construed and applied the “use for secondary (as opposed to primary) meaning” requirement, and how this requirement related to the common-law requirement that unfair competition defendants act with fraudulent intent or bad faith. The combination of these requirements led courts to focus on the defendant’s apparent purpose in applying the contested word or symbol— as evaluated through circumstantial evidence. Subsection B will then review modern courts’ construction and application of Lanham Act § 1115(b)(4), demonstrating that courts have continued to pursue the same essential inquiry, informed by the same factors of circumstantial evidence. Subsection C will then argue that the modern fair use defense turns on an evaluation of the defendant’s apparent purpose in using the contested descriptive or surname word or symbol, rather than on the likely impact of the defendant’s use on consumers. The fair use defense thus differs from (and can readily be reconciled with) the plaintiff’s burden to demonstrate that the defendant made a “trademark use” of the contested word or symbol, as a part of its case-in-chief. Essentially, the plaintiff must demonstrate the defendant’s use of the word or symbol in close, direct association with goods or services it is advertising or offering for sale, as objective evidence of likely source-indicating significance to consumers. However, even after the plaintiff has made this showing, and even though the defendant’s use may cause a likelihood of consumer confusion, the defendant may avoid liability by demonstrating fair use: that is, by demonstrating that it applied the contested word or symbol for the purpose of describing its product, its product’s geographic origin, or to identify himself by name. The fair use defense thus provides leeway for competitors to use descriptive and surname words and symbols in marketing their products, even when the effect of their use might otherwise lead to a finding of infringement. Such leeway for good-faith use of
descriptive words and symbols for their primary meaning is essential if competitors are to have meaningful access to descriptive language and surnames in their marketing activities.

A. The Pre-Lanham Act Case Law

In Thaddeus Davids Co. v. Davids, the Supreme Court expressly distinguished the issue of fraudulent intent from the issue of whether the defendant used a surname for its secondary (as opposed to its primary) meaning. In that case, the plaintiff had federally registered its surname mark pursuant to the Trademark Act of 1905’s “ten-year clause.” In resolving the registrant’s infringement claim, the Court explained that federal registration of a secondary meaning mark relieved the plaintiff of the common-law duty to demonstrate that the plaintiff acted with fraudulent intent. This was because the 1905 Act’s section 16 governed the infringement cause of action for all federally registered marks, regardless of whether they constituted technical trademarks or secondary meaning marks, and section 16 imposed no duty to demonstrate fraudulent intent. However, the Supreme Court stressed that registration did not expand the scope of the registrant’s rights in a secondary meaning mark: a registrant’s rights in a surname did not extend beyond the secondary meaning that it had acquired in the name. Neither the common

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135 233 U.S. 461 (1914).
136 See supra, notes __, and accompanying text.
137 Since section 16 codified the elements of technical trademark infringement, and fraud was presumed in technical trademark infringement cases, the plaintiff need not demonstrate fraud. See notes 00, supra, and accompanying text.
law nor registration gave a secondary meaning mark claimant a right to prohibit others from using its mark in its primary (descriptive, geographically descriptive or surname) meaning.\textsuperscript{138}

As a practical matter, finding that the registered secondary meaning mark owner must demonstrate use for secondary meaning, but not fraudulent intent, was a formal distinction that made little difference. As applied by the courts in unregistered secondary meaning mark cases, the two issues were integrally intertwined. Most Supreme Court and other federal appellate decisions consolidated the “use for secondary meaning” and intent issues into a single, unified inquiry.\textsuperscript{139} Even in the Davids Court’s analysis the distinction between “use for the secondary meaning” and “fraudulent intent” is not clear. The Supreme court characterized use of a mark for its secondary meaning as a use that is “calculated to mislead the public with respect to the origin or ownership of the goods, and thus to invade the right of the registrant to the use of the name or term as a designation of his merchandise.”\textsuperscript{140} It characterized the fraud issue as entailing a showing of “wrongful intent, in fact, on the part of the defendant, or facts justifying an inference of such an intent.”\textsuperscript{141} As a number of courts and early commentators noted, the fraudulent intent

\textsuperscript{138} \textit{Id.}, at 469-71.

\textsuperscript{139} See, e.g., Kellogg Toasted Corn Flake Co. v. Quaker Oats Co., 235 F. 657, 664 (6th Cir. 1916)(“the ultimate fact to be proved is fraud, \textit{that is}, that defendant is using the words in their secondary, not simply their primary sense, and with the result of passing off its goods as the goods of appellant.”)(emphasis added); (Computing Scale Co. v. Standard Computing Scale Co., 118 F.965, 967 (6th Cir. 1902)(“When the word is incapable of becoming a valid trade-mark, because descriptive or geographical, yet has by use come to stand for a particular maker or vendor, its use by another in this secondary sense will be restrained \textit{as} unfair and fraudulent competition”)(emphasis added).

\textsuperscript{140} \textit{Davids, supra}, 233 U.S. at 470-71.

\textsuperscript{141} \textit{Id.} at 471.
necessary to demonstrate secondary meaning mark infringement could be inferred from the circumstances of the case, and the same circumstances used to evaluate wrongful intent were deemed relevant to evaluate whether the defendant used the contested word or symbol for its trademark meaning, as opposed to its primary (non-trademark) meaning. Both inquiries focused on the *manner in which the defendant used the word or symbol*, and other surrounding circumstances. Courts sometimes framed the overall inquiry as whether the defendant’s use was truthful or constituted a false representation. This question encompasses both the issue of fraud (fraud requires a false representation) and the issue of whether the defendant was undertaking truthfully to describe the qualities, characteristics or geographic origin of its

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142 See, e.g., Lawrence Mfg. Co. v. Tennessee Mfg. Co., 138 U.S. 537, 551 (1891) (in unfair competition cases, “deceitful representation or perfidious dealing must be made out or be clearly inferable from the circumstances”); Elgin National Watch Co. v. Illinois Watch Co., 179 U.S. 665, 674 (1901) (in unfair competition cases “such circumstances must be made out as will show wrongful intent in fact, or justify that inference from the inevitable consequences of the act complained.”); Grismore, *supra*, note 00, at 865 (noting tendency of courts to relax the proof necessary to demonstrate fraudulent intent: “Fraud may be inferred in many cases from the fact of imitation alone”); 2 Harry D. Nims, *supra*, at § 351, pp. 1089-91 (describing judicial tendency to infer fraud from the circumstances of the case).

Some commentators characterized the unfair competition law of the first half of the Twentieth Century as abandoning the fraudulent intent requirement altogether. See, e.g., 2 Callmann, *supra*, note 00, at §__, p. 1400; 2 Nims, *supra*, note 00, at § 351. This perception may be attributable to the courts’ amalgamation of the fraud issue and the “use for secondary meaning” issue.

143 See, e.g., 2 Harry D. Nims, *supra*, at §359, p. 1106, 1110 (describing how a defendant’s fraudulent intent can be ascertained “by the manner in which he uses” the word or symbol, and discussing cases). With regard to the “use for secondary meaning” requirement, see the following text and footnotes.

144 Canal Co. v. Clark, 80 U.S. 311, 327 (1871); William R. Warner & Co. v. Eli Lilly & Co., 265 U.S. 526, 528 (1924); Anheuser-Busch Brewing Ass’n v. Piza, 24 F. 149 (S.D.N.Y. 1885); Apollo Bros. v. Perkins, 207 F. 530, 533 (3d Cir. 1913).
products. In other cases, courts framed the overarching question as whether the defendant intended to describe his goods or to injure the plaintiff and/or free-ride on the plaintiff’s business goodwill.145 Again, the defendant’s intent to injure the plaintiff and/or free-ride on the plaintiff’s business goodwill will indicates both bad faith/fraudulent intent and use for the word or symbol’s secondary (trademark, or source-indicating) meaning. Indeed, use of the word or symbol for its secondary (trademark) meaning would seem a necessary prerequisite to finding the requisite bad faith/fraudulent intent to deceive consumers.146

In most cases, courts pursued this overarching inquiry by asking whether the defendant did more than use the same or a similar descriptive, geographically descriptive, or surname word or symbol in connection with its product. They inquired whether the manner and circumstances of the defendant’s use suggested that he or she had more in mind than simple, honest description.147 For example, was the defendant’s use of the word or symbol inaccurate or

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146 See, e.g., DixiePig Corp. v. Pig Stand Co., 31 S.W.2d 325, 328 (Tex. App. 1930)(in a secondary meaning mark infringement case “the ultimate to be proven is fraud, that is, that appellants were using appellee’s trade-mark in its secondary meaning and not simply in a primary sense”); Kellogg Toasted Corn Flake Co. v. Quaker Oats Co., 235 F. 657, 664 (6th Cir. 1916)(“the ultimate fact to be proved is fraud, that is, that defendant is using the words in their secondary, not simply their primary sense, and with the result of passing off its goods as the goods of appellant.”)

147 Courts frequently noted that in secondary meaning mark infringement cases, a defendant’s wrongdoing was not in the use of the contested word or symbol, per se, but in the defendant’s manner of use. See, e.g., McLean v. Fleming, 96 U.S. 245, 252 (1877); Howe Scale Co., supra, 198 U.S. 118, 134-36; Higrade Food Products Corp. v. H.D. Lee Mercantile Co., 46 F.2d 771, 772 (10th Cir. 1931).
untruthful in connection with its particular product? Did the defendant reproduce additional aspects of the plaintiff’s marketing material, along with the contested word or symbol? For example, did the defendant reproduce the printing style or color in which the plaintiff typically displayed the word or symbol? Did the defendant imitate other elements of the plaintiff’s product label or packaging? Did the defendant place the contested word or symbol in the same

148 See, e.g., Anheuser-Busch Brewing, supra, 24 F. 149, 150 (St. Louis brewer who manufactured and sold “St. Louis Lager Beer” might have no right to prevent other St. Louis brewers from using city name, but could prohibit use of “St. Louis Lager Beer” by competitor who operated no brewery in St. Louis: “[T]he defendant shall not be permitted, by the adoption of a trade-mark which is untrue and deceptive, to sell his own goods as the goods of the plaintiff, thus injuring the plaintiff and defrauding the public.” Defendant’s adoption of “St. Louis Lager Beer” under these circumstances indicated an intent to use the city name not in its primary, descriptive meaning, but in its trademark meaning, and also indicated fraudulent intent). Compare Canal Co. v. Clark, 80 U.S. 311, (1871) (finding that the plaintiff, who sold coal under the geographic mark “Lackwanna,” had no right to enjoin use of “Lackwanna” by competitor, whose coal came from the Lackwanna region and was of the same quality and appearance as the plaintiff’s. The Court stressed that there is no right to relief, absent a “false representation:” “It cannot be said that there is any attempt to deceive the public when one sells as Kentucky hemp, or as Lehigh coal, that which in truth is such, or that there is any attempt to appropriate the enterprise or business reputation of another who may have previously sold his goods with the same description.”)

149 See, e.g., Chickering v. Chickering & Sons, 215 F. 490, 496 (7th Cir. 1914)(competing producers of pianos had same surname: court notes that it might constitute unfair competition for the defendant to portray its name in a manner that imitates the writing and style in which the plaintiff places its name on its pianos); Kellogg Toasted Corn Flake Co., supra, 235 F. 657, 668 (competitor’s use of words constituting plaintiff’s descriptive mark did not constitute unfair competition, but might have if defendant had imitated the defendant’s lettering).

150 See, e.g., Standard Paint Co. v. Trinidad Asphalt Mfg. Co., 220 U.S. 446, 461-62 (1911) (no showing of unfair competition where defendant/competitor used a similar descriptive word to sell its roofing material, but used a very different “arrangement, color, design [and] appearance” for its wrappers and the markings on its packages: Its use of the word did not “amount to a fraud on the public.”); McLean v. Fleming, 96 U.S. 245, 252 (1877)(plaintiff has no right against another person of the same name “unless such other person uses a form of stamp or label so like that used by the complaining party as to represent that the goods of the former are the goods of the latter’s manufacture”); Howe Scale Co., supra, 198 U.S. 118, 135 (there may be an unfair competition claim against a defendant of the same surname if, in addition to using the surname,
location on its label?\textsuperscript{151} Did the defendant emphasize the contested word or symbol in a manner calculated to grab consumers’ immediate attention, or focus them primarily on that word or symbol?\textsuperscript{152} That “something else” beyond mere use of the same or similar surname or descriptive term, might demonstrate both “use for secondary meaning” and “fraudulent intent.” courts also asked whether the defendant provided and emphasized its own distinguishing mark, along with the contested word or symbol, to ensure that consumers could accurately ascertain the source of its product, or if it incorporated the contested word or symbol into its own mark, whether it made any effort to differentiate its mark from the plaintiff’s.\textsuperscript{153} Assuming that the defendant knew of

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the defendant imitates the plaintiff’s labels, boxes, or packages, and thereby induces the public to belief that his goods are those of the plaintiff.); Grocers Baking Co. v. Sigler, 132 F.2d 498, 499-501 (6\textsuperscript{th} Cir. 1942)(competitor’s use of descriptive mark similar to the plaintiff’s constitutes unfair competition because competitor also imitates the oval-shaped figure with symmetrical indentations at each end, on which the plaintiff places its mark on its bread wrappers); Scriven v. North, 134 F. 366, (4\textsuperscript{th} Cir. 1904)(unfair competition found because defendant not only imitated plaintiff’s descriptive mark in advertising, but also imitated the plaintiff’s stamp and product appearance: “Courts cannot forbid the use of words, which, standing alone and in their ordinary signification, are common property, or of numerals, which all the world is free to use, or of labels and stamps of common form, in which one can claim an exclusive use, even though it may be shown that careless persons may in some instances be misled; but if they are so collocated and stamped upon an article in manifest imitation of a form previously adopted by another as a means of distinguishing his goods, with the deceptive purpose to mislead ***, such conduct falls under the ban.”)
\end{quote}

\textsuperscript{151} See, e.g., Thaddeus Davids Co. v. Davids, 233 U.S. 461, 472 (1914)(noting placement of “Davids” in the same position on plaintiff’s and defendant’s labels).

\textsuperscript{152} See Rudolf Callmann, \textit{supra}, note 00, at 195 (describing use of a word or symbol for its secondary (trademark) meaning as a “catchword” use; a conspicuous use; “a use which is patently calculated to call the public’s attention to the symbol of the advertised article.”); \textit{Chickering v. Chickering & Sons, supra}, 215 F. 490, 496-97 (while competitor may use his own surname, which is the same as the plaintiff’s surname, defendant’s emphasizing similar name through use of large lettering may constitute unfair competition).

\textsuperscript{153} See, e.g., \textit{Thaddeus Davids Co., supra}, 233 U.S. 461 at 471-72 (“The distinction between permissible and prohibited uses may be a difficult one to draw in particular cases, but it must be
the plaintiff’s mark, did it take other reasonable precautions to avoid consumer confusion? A lack of such precautions might indicate that the defendant used the word or symbol for trademark meaning, rather than simply to describe its own product. They might likewise provide

drawn in order to give effect to the act of Congress. That the distinction may readily be observed in practice is apparent. In this case, for instance, if the defendants had so chosen, they could have adopted a distinct mark of their own, which would have served to designate their inks and completely to distinguish them from those of the complainant. It was not necessary that, in exercising the right to use their own name in trade they should imitate the mark which the complainant used, and was entitled to use under the statute, as a designation of its wares’’); Hygrade Food Products Corp. v. H.D. Lee Mercantile Co., 46 F.2d 771, 772-73 (10th Cir. 1931) (“Although a word may have acquired a secondary meaning, it still belongs to the public in its primary descriptive sense and any person may use it, provided he does so in such a way as not to convey the secondary meaning and deceive the purchasing public. Therefore, where a word has acquired such secondary meaning, a person, notwithstanding his general right to use such word because it is descriptive, when he offers his goods to that part of the public to whom such word has come to mean the products of another, must accompany the word with such distinguishing marks that a buyer exercising ordinary prudence will not be deceived.”); Chickering v. Chickering & Sons., supra, 215 F. 490, 497 (finding that while defendants were entitled to use their surname to identify themselves as the producers of their pianos, they must accompany the surname with the words “made by,” and a differentiating mark printed in larger type size.); Kellogg Toasted Corn Flake Co., supra, 235 F. 657, 668 (competitor’s use of descriptive words “Toasted Corn Flakes” did not constitute unfair competition, since it accompanied the use with its own prominent “Quaker” mark). See also Howe Scale Co. v. Wycoff, Semans & Benedict, 198 U.S. 118, 139-40 (1905)(While defendants used the same surname--“Remington”--as the plaintiff to distinguish their products, they sufficiently distinguished their use by combining it with a second surname--“Remington-Sholes”).

A superficial reading of the Supreme Court’s decision in Baglin v. Cusenier Co., 221 U.S. 580 (1911), might lead one to conclude that, while a defendant may use a descriptive word in which the plaintiff has secondary meaning in descriptive matter accompanying its product, it may not use the word in its own product brand. However, such an interpretation would be contrary to the clear implication of other Supreme Court decisions of the same era, that upheld a defendant’s use of the word constituting the secondary meaning mark in its brand name. See, e.g., Standard Paint Co. v. Trinidad Asphalt Manufacturing Co., 220 U.S. 446 (1911); Canal Co. v. Clark, 80 U.S. 311 (1871). Rather, Baglin should be understood in light of its specific facts. In that case the defendant had used not just the geographically descriptive word, but also the plaintiff’s trade dress and other composite marks.

circumstantial evidence from which to infer fraudulent intent or bad faith. Courts’ amalgamation of these inquiries essentially addressed a single question: Did the defendant apply the word or symbol in order to describe, or in order to indicate source? He will be liable if his apparent purpose was to indicate source and/or deceive consumers, but not if it was merely truthfully to describe his product.

A few examples of the early decisions may be useful to illustrate. Canal Co. v. Clark 155 is one of the more famous early Supreme Court decisions to address the scope of secondary meaning mark protection. In that case the plaintiff, Canal Company, was the first to mine coal in the Lackawanna Valley, and marketed its coal under the name “Lackawanna coal” for many years. Mining companies that subsequently commenced mining in the same geographic region sold their coal under other names: Pittston coal, Scranton coal, Lehigh coal, Hazelton coal, Spring Mountain coal, Sugarloaf coal, etc. All of the coal mined from the Lackawanna region was similar in nature, however, and persons in the trade, when speaking generally, might refer to all coal from that region as “Lackawanna coal.”156

Clark, a coal dealer, sold and advertised the coal he had for sale as “Lackawanna coal,” although the coal had been sold to him as “Pittston coal” and “Scranton coal”—he sold no coal produced under the “Lakawanna” designation by the Canal Co. The Canal Co. sued to enjoin the use, and Supreme Court rejected the claim, noting that no individual has a right
to appropriate a sign or a symbol, which, from the nature of the fact it is used to signify, others may employ with equal truth, and therefore have an equal right to employ for the same purpose.” 156

155 Canal Co. v. Clark, 80 U.S. 311 (1871).

156 Id.
hemp, or as Lehigh coal, that which in truth is such, [nor is] there is any attempt to appropriate the enterprise or business reputation of another who may have previously sold his goods with the same description.\textsuperscript{157}

The Court went on to distinguish earlier cases in which courts had enjoined use of geographic, descriptive or surname marks, noting that they had all involved fraudulent conduct on the defendant’s part. In particular, the court distinguished \textit{Alvord v. Newman}, in which an Akron, Ohio company selling its cement as “Akron Cement” sued a Syracuse, New York company that was selling its competing cement as “Onondaga Akron Cement.” The \textit{Canal Co.} Court noted that the defendant’s actions constituted attempted fraud and were therefore properly restrained.

However, the \textit{Alvord case} did not prevent other cement producers \textit{in Akron} from calling their products “Akron cement,” for their use would be truthful.\textsuperscript{158}

The Court conceded that such a use by a subsequent Akron producer may have the effect of causing the public to mistake as to the origin or ownership of the product, but if it is just as true in its application to his goods as it is to those of another who first applied it, and who therefore claims an exclusive right to use it, there is no legal or moral wrong done. Purchasers may be mistaken, but they are not deceived by false representations, and equity will not enjoin against telling the truth.”\textsuperscript{159}

In concluding, the Court stressed:

\begin{quote}
By advertising and selling coal brought from the Lackawanna Valley as Lackawanna coal, [Clark] has made no false representation, and we see no evidence that he has attempted to sell his coal as and for the coal of the plaintiffs. If the public are led into mistake, it is by the truth, not by any false pretense. If the complainants’ sales are diminished, it is because they are not the only producers of Lackawanna coal, and not because of any fraud of the defendant.”\textsuperscript{160}
\end{quote}

\textsuperscript{157} \textit{Id.}, at 324-25.

\textsuperscript{158} \textit{Id.}, at 325-27.

\textsuperscript{159} \textit{Id.}, at 327.

\textsuperscript{160} \textit{Id.}, at 328.
Thus, because the defendant applied the geographic term “Lakawanna” truthfully to describe the coal he had for sale, and there were no circumstances to suggest that he intended to deceive consumers, his use was lawful and non-infringing.

By contrast, in McLean v. Fleming,\(^{161}\) the Supreme Court found that the defendant’s use of a surname mark that was similar to the plaintiff’s surname mark was actionable. The plaintiffs, who were successors of Dr. Charles McLane, marketed “Dr. C. McLane’s Celebrated Liver Pills,” and the defendant, James H. McLean, commenced selling his own liver pills as “Dr. McLean’s Universal Pills,” and later, “Dr. J.H. McLean’s Universal Pills.” The Court observed that the names were highly similar, but particularly stressed that the defendant used very similar packaging, as well as a similar name, noting that: “the form of the box containing the pills and the general appearance of the wrapper which surrounded it were calculated to [mislead and deceive].”\(^{162}\) Thus, even though the defendant was using his own name in connection with his product, the surrounding circumstances indicated that his *purpose* was not merely to describe the products as his own creation, but to deceive consumers about the source of the product. The evidence indicated that he used the name in its trademark sense, to deceive consumers about the source of his pills. He could be enjoined. However, the injunction that the Court upheld only prohibited the defendant from using the “McLean” name “upon any label or wrapper for boxes or other packages of pills” resembling or imitating those of the plaintiff.\(^{163}\)

\(^{161}\) 96 U.S. 245 (1877).

\(^{162}\) *Id.*, 96 U.S. at 255.

\(^{163}\) *Id.*, at 250-51.
Finally, in Standard Paint Co. v. Trinidad Asphalt Mfg. Co., the Supreme Court refused to enforce rights in a descriptive term. The plaintiff manufactured strips of roofing material, which it sold in rolls with paper wrappers bearing the words “Ruberoid Roofing.” The defendant manufactured roofing made from a different kind of material, which it sold in similarly sized rolls under the name “Rubbero Roofing.” Although the plaintiff’s roofing contained no rubber, the Court nonetheless found that the word “Ruberoid” was descriptive of the product, and thus could not constitute a technical trademark. The Supreme Court found no actionable unfair competition, notwithstanding the similarity of “Ruberoid Roofing” and “Rubbero Roofing” and the fact that the defendant’s roofing materials were sold in similarly sized and shaped rolls. The Court stressed that the general appearance of the parties’ wrappers and markings was quite different. The only imitation on the defendant’s part was that arising from the similarity of “Rubbero” to the descriptive term “Ruberoid.” To preclude the defendant’s use of “Rubbero” because of its resemblance to “Ruberoid” would “be to give the word ‘Ruberoid’ the full effect of a trademark, while denying its validity as such.” The defendant appeared to have used the word “Rubbero” truthfully only to describe its product, not in “such a way as to amount to a fraud on the public.”

164 220 U.S. 446 (1911).

165 The plaintiff described its product as being in the “nature of soft, flexible rubber.” Id., at 454. Resorting to a dictionary, the Court found that the combination of “Rubber” and “Oid” conveyed the meaning: “having the form or resemblance of rubber,” or “rubber-like.” Id., at 455.

166 Id.

167 Id., at 461-62.
B. Construction and Application of Lanham Act § 1115(b)(4).

As discussed supra, Congress intended Lanham Act § 1115(b)(4) to preserve the common-law limitation on protection for secondary meaning marks. The stated policies underlying this statutory limitation are the same as those underlying its common-law predecessor. As the Supreme Court recently emphasized in *KP Permanent Make-Up, Inc. v. Lasting Impression I, Inc.*, neither the common-law nor the Lanham Act may be applied to “deprive commercial speakers of the ordinary utility of descriptive words.” Courts and commentators routinely note that the Lanham Act fair use defense is substantively equivalent to the common-law “use for secondary meaning” requirement and limits rights in descriptive and surname

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169 *Id.*, at 122. See also *Soweco, Inc. v. Shell Oil Co.*, 617 F.2d 1178, 1185 (5th Cir. 1980), *cert. denied*, 450 U.S. 981 (1981)(“the fair use defense, in essence, forbids a trademark registrant to appropriate a descriptive term for his exclusive use and so prevent others from accurately describing a characteristic of their goods’); Hearings on H.R. 102 *et al* before the Subcommittee on Trademarks of the House Committee on Patents, 77th Cong., 1st Sess., at 72 (1941) (Testimony Wallace Martin, Chairman of ABA Committee on Trademark Legislation)(“Everybody has got a right to the use of the English Language and has got a right to assume that nobody is going to take that English language away from him.”); Restatement (Third) of Unfair Competition, *supra*, note 00, at cmnt. a (“the owner of a trademark . . . cannot deprive others of the use of the term in its original descriptive sense”).


The Lanham Act’s fair use defense applies both to registered marks and to unregistered marks asserted pursuant to Lanham Act section 43(a). Restatement (Third) of Unfair Competition, *supra*, note 00, § 28, cmnt. a.
words and symbols to their source-identifying significance. Another’s use of a claimed word or symbol in its purely descriptive capacity will not infringe.\textsuperscript{171}

To qualify for the statutory defense, the defendant must have used the surname or descriptive word or symbol “otherwise than as a mark,” “fairly and in good faith only to describe” its own goods or services.\textsuperscript{172} The phrase “otherwise than as a trademark” carries forward the common-law distinction between use of a word or symbol for its “primary” meaning and use of it for its “secondary” (trademark) meaning. and affirms that the trademark meaning is the only aspect of a surname or descriptive word that trademark law regulates.\textsuperscript{173} The statutory requirement that the defendant act “in good faith”\textsuperscript{174} only to describe” its goods continues the

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\textsuperscript{171} Car-Freshner Corp. v. S.C. Johnson & Son, Inc., 70 F.3d 267, 270 (2d Cir. 1995)(even if the word or symbol is inherently distinctive as to the plaintiff’s goods or services, a defendant may still use it fairly to describe its own); Restatement (Third) of Unfair Competition, supra, at cmt. a (“the owner of a trademark . . . cannot deprive others of the use of the term in its original descriptive sense. reasonable use of a descriptive term by another solely to describe the nature or characteristics of its own goods or services will not subject the user to liability for infringement.”).
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\textsuperscript{173} See Restatement (Third) of Unfair Competition, supra, § 28, cmt. a, at 294 (“The defense of fair use under the law of trademarks is limited to use of the original descriptive or personal name significance of a term. This limitation on the scope of the fair use doctrine is sometimes described by stating that the doctrine applies only to use “otherwise than as a trademark,” or only to “non-trademark use” of another’s mark”).
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\textsuperscript{174} Good faith, for purposes of Lanham Act § 1115(b)(4), does not turn on the defendant’s knowledge (or lack of knowledge) of the plaintiff’s prior use of the word or symbol. Car-Freshener Corp. v. S.C. Johnson & Son, Inc., 70 F.3d 267, 270 (2d Cir. 1995); Dessert Beauty, Inc. v. Fox, supra, 568 F.Supp.2d at 427; Restatement (Third) of Unfair Competition, supra, note 00, at § 28, cmt. d; J. Thomas McCarthy, supra, note 00, at p. 11-19 to 11-20. A defendant may know of the plaintiff’s use and still intend only to describe the qualities and characteristics of its own goods. However, if the defendant intended to tap the source-indicating significance of the word or symbol, and thus trade on the plaintiff’s business good will by creating confusion about source or sponsorship, good faith will be lacking and the fair use defense will not apply.
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common-law practice of intertwining the “use for secondary (trademark) meaning” question with the defendant’s fraudulent intent.

Courts evaluating Lanham Act fair use defenses consider the same elements of circumstantial evidence as they did under the common law of unfair competition. The focus is on the defendant’s apparent purpose in applying the surname or descriptive symbol. The factors courts consider in evaluating fair use typically point to the defendant’s purpose. Courts examine how the defendant employed the word or symbol—its prominence, style and placement on labels or packaging or in advertising, along with any physical similarities to the plaintiff’s presentation and packaging. Such considerations provide circumstantial evidence of the defendant’s purpose in

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175 To the extent that “fairness” is deemed to be a separate requirement under Lanham Act § 33(b)(4), it is understood to go to the defendant’s commercial justification for its descriptive use of the word or symbol, and to the accuracy of the description. See, e.g., KP Permanent, supra, 543 U.S. at 123 (“Accuracy . . . has to be a consideration in considering whether a use is fair”). See also Restatement (Third) of Unfair Competition, supra, note 00, at § 28, cmt. c (suggesting that to be “fair,” the descriptive use should accurately describe an important aspect of the defendant’s goods or services, and noting authority that the availability of alternative descriptive terms may also be relevant.).

176 See, e.g., Venetianaire Corp. of America v. A&P Import Co., 429 F.2d 1079, 1080, 1082 (2d Cir. 1970) (court finds use as a trademark, noting, in particular, the way the defendant mimicked the plaintiff’s type style, figurative design and placement of the descriptive word “Hygient,” and the word’s prominent display on the defendant’s packaging); Dessert Beauty, supra, 568 F.Supp. 2d at 426 (“Descriptive use is often evident in the manner of use, such as the physical nature of the use in terms of size, location, and other characteristics in comparison with the appearance of other descriptive matter or other trademarks”) (quoting EMI Catalogue Partnership v. Hill, Holliday, Connors, Cosmopolos, Inc., 228 F.3d 56, 65 (2d Cir. 2000); Corbitt Manufacturing Co. v. GSO America, Inc., 197 F.Supp.2d 1368 (S.D.Ga. 2002) (“[L]ettering, type-style, size and visual placement and prominence of the challenged words are factors in determining whether a term is being used as a trademark”) (citing McCarthy on Trademarks and Unfair Competition § 11:46 (4th ed. 2002)); Restatement (Third) of Unfair Competition, supra, note 00, § 28 cmt. c (noting that the “physical nature of the use in terms of size, location, and other characteristics in comparison with the appearance of other descriptive matter or other trade marks is also relevant to determining whether a use is fair”). See notes 00, supra, and accompanying text.
using the word or symbol. They may also suggest how consumers may perceive the use, but that does not appear to be the courts’ primary focus: As in the pre-Lanham Act cases, courts have often found a defendant’s very prominent placement on packaging and/or emphasis upon the word or symbol in advertising to constitute a fair use, when the defendant also prominently displayed its own mark on the label or packaging, or in the advertising. Merchants may and frequently do claim trademark rights in multiple words and symbols on their labels and packaging. Thus, even if the defendant places other identifying marks on the same label or packaging, consumers may understand the contested word or symbol to indicate source. The courts’ emphasis on the presence of another, distinguishing mark demonstrates a focus upon the defendant’s apparent purpose, rather than upon the likely impact of the defendant’s use on

177 See, e.g., Car-Freshner Corp. v. S.C. Johnson & Son, Inc., 70 F.3d 267, 270 (2d Cir. 1995) (even though the defendant’s use of the plaintiff’s descriptive symbol was highly prominent and noticeable, Second Circuit finds fair use, emphasizing that the defendant prominently displayed its own mark, as well); Packman v. Chicago Tribune Co., 267 F.3d 628, 639-40 (7th Cir. 2001) (even though plaintiff’s trademarked phrase was the most prominent text and an attention-getting symbol, Seventh Circuit finds that the use is a “non-trademark use,” stressing that the defendant newspaper’s own mark (its masthead) also appeared with the plaintiff’s phrase); Cosmetically Sealed Industries, Inc. v. Chesebrough-Pond’s U.S.A. Co., 125 F.3d 28, (2d Cir. 1995) (“So long as the defendants in good faith are using the phrase in its descriptive sense and prominently identifying the product with the defendants’ marks, the defendants incur no liability simply because the materials containing the descriptive phrase are so widely disseminated as to form some degree of association in the public’s mind between the phrase and the product’); In Re Schmid Laboratories v. Youngs Drug Products Corp., 482 F.Supp. 14, 17, 20 (D.N.J. 1979) (No “trademark use,” even though defendant’s packaging prominently displayed the contested word in large capital letters. Court notes that the defendant also prominently displayed its own mark on the packaging); The Citrus Group, Inc. v. Cadbury Beverages, Inc., 781 F.Supp. 386, 391-92 (D.Md. 1991) (defendant prominently placed phrase “Main Squeeze” in print advertisements, radio ads, and on the front of t-shirts and towels, but there was no trademark use: The defendant also prominently displayed its trademark and trade dress the product and promotional items, along with the contested phrase); Patterson v. TNA Entertainment, L.L.C., 2006 W.L. 3091136 at 13 (E.D. Wisc. 2006) (defendant makes prominent use of plaintiff’s descriptive words in
consumers. If the defendant also prominently displays its own mark, its *purpose* in employing the plaintiff’s descriptive word or symbol is more likely to describe than to identify source.

As in the pre-Lanham Act common law, courts also consider the relevance or accuracy of the descriptive meaning in connection with the defendant’s product or service,\(^{178}\) and the *presence* or *absence* (as opposed to the *effectiveness*) of precautionary measures to avoid consumer confusion.\(^{179}\) Again, these inquiries shed light on the defendant’s *purpose* in applying the surname or descriptive word or symbol.

Modern courts have suggested some additional factors that may be relevant to evaluating fair use, including whether the defendant filed an application to register the word or symbol at issue\(^{180}\) or placed a ® or ™ symbol near it;\(^{181}\) the availability of alternative, equally effective descriptive terms;\(^{182}\) the strength or fame of the plaintiff’s mark;\(^{183}\) and the degree of confusion

 advertisements, but use is not a “trademark use” because defendant used its own marks in the ads to indicate the source of its services). See notes 00, *supra*, and accompanying text.

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\(^{179}\) See, e.g., Zatrains, Inc. v. Oak Grove Smokehouse, Inc., 698 F.2d 786, 796 (5th Cir. 1983); Restatement (Third) of Unfair Competition, *supra*, note 00, § 28 at cmt.c. See note 00, *supra*, and accompanying text.

\(^{180}\) Zatrains, *supra*, 786 F.2d at 796; Restatement (Third) of Unfair Competition, *supra*, note 00, at § 28 cmt. c.


\(^{182}\) K.P. Permanent Make-Up, Inc. v. Lasting Impression I, Inc., 408 F.3d 596, 609 (9th Cir. 2005).
likely to be caused by the purported fair use. Like the earlier factors, these are consistent with an undertaking to evaluate the defendant’s purpose. If the plaintiff’s mark is widely known, and and there are equally effective alternative words or symbols to describe the defendant’s product or service, that may support an inference that the defendant selected the word or symbol strategically to appropriate the plaintiff’s business good will, rather than merely to describe its goods. Likewise, the degree of likely consumer confusion may constitute circumstantial evidence of the defendant’s purpose—a purpose merely to describe is likely to result in a lower level of consumer confusion than a purpose to indicate source.

Finally, as in pre-Lanham Act common law, one finds courts consolidating their evaluation of the defendant’s use “otherwise than as a mark” with their evaluation of the defendant’s “good faith,” and relying on the same factors to determine both. Modern courts

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183 Id.

184 In KP, the Supreme Court ruled that a likelihood of confusion would not rule out fair use, but declined to decide whether the degree of likely confusion was a relevant consideration. K.P., supra, 543 U.S. at 123. The Ninth Circuit, on remand, has ruled it relevant. 408 F.3d 596, 609 (2005). See also Shakespear Co. v. Silstar Corp. of America, Inc., 110 F.3d 234, 243 (4th Cir. 1997)(finding that the degree of confusion may be relevant to determining whether a use is fair). But see Graeme W. Austin, Essay, Tolerating Confusion about Confusion: Trademark Policies and Fair Use, 50 Ariz. L. Rev. 157 (2008)(arguing that consideration of likelihood of confusion in determining fair use is inappropriate).

185 This proposition is consistent with courts’ practice in the likelihood of confusion determination itself, where the opposite inference is made: Evidence of an intent to deceive on the defendant’s part may constitute evidence that a likelihood of confusion has been created. See Restatement (Third) of Unfair Competition, supra, note 00, at § 22, cmt. c.


state that an infringement defendant lacks good faith if it applies the descriptive word or symbol with the intention of creating a likelihood of consumer confusion, and thus trading on the plaintiff’s business good will.\textsuperscript{188} This subjective inquiry,\textsuperscript{189} like the “use otherwise than as a

In discussing the good faith issue, courts inquire whether the defendant emphasized the contested word or symbol, or emulated its appearance and presentation on the plaintiff’s labels or advertising. See, e.g., Venetianaire Corp. of America v. A&P Import Co., 429 F.2d 1079, 1083 (2d Cir. 1970); Dessert Beauty, Inc. v. Fox, 568 F.Supp.2d 416, 428 (S.D.N.Y. 2008); Restatement (Third) of Unfair Competition, supra note 00, § 28, cmt. d. They ask whether the defendant displayed its own mark along with the descriptive word or symbol, International Stamp Art, supra, 456 F.3d at 1275; Packman, supra, 267 F.3d at 642; EMI Catalogue, supra, 228 F.3d at 67; Cosmetically Sealed, supra, 125 F.3d at 30; Paterson v. TNA Entertainment, LLC, 2006 WL 3091136 at 13 (E.D.Wis.), and whether the defendant’s use of the descriptive word or symbol was truthful and accurate with regard to its goods. International Stamp Art, supra, 456 F.3d at 1275. Did the defendant have equally effective alternative means of describing its product but nonetheless choose descriptors similar to the plaintiff’s mark? International Stamp Art, supra, 456 F.3d at 1276; EMI Catalogue Partnership, supra, 228 F.3d at 67; Sierra On-Line, Inc. v. Phonix Software, Inc., 739 F.2d 1415, 1423 (9th Cir. 1984); Restatement (Third) of Unfair Competition, supra, note 00, at § 28 cmt. d. Did the defendant take reasonable precautions to prevent consumer confusion? Zatarains, Inc. v. Oak Grove Smokehouse, Inc., 698 F.2d 786, 796 (5th Cir. 1983); Restatement (Third) of Unfair Competition, supra note 00, at § 28 cmt. d.

\textsuperscript{188} International Stamp Art, Inc. v. United States Postal Service, 456 F.3d 1270,1274-75 (11th Cir. 2006); EMI Catalogue Partnership v. Hill, Holliday, Connors, Cosmopolus Inc., 228 F.3d 56, 66 (2nd Cir. 2000); Packman v. Chicago Tribune Co., 267 F.3d 628, 642 (7th Cir. 2001);

This statement echoes pre-Lanham Act descriptions of a defendant’s fraudulent intent which, along with a showing that a surname or descriptive word or symbol was “used for its secondary meaning,” was a prerequisite to a secondary meaning mark claimant’s recovery. See notes 00, supra, and accompanying text.

\textsuperscript{189} See, e.g., Packman, supra, 267 F.3d at 642 (“the defendants’ good faith “can be judged only by inquiry into [their] subjective purpose in using the slogan[”]”)(quoting MBH Enterprises, Inc. v. WOKY, Inc., 633 F.2d 50, 54 (7th Cir. 1980)).
A number of fair use decisions seem to dispense with separate use “otherwise than as a mark” and “good faith” inquiries altogether and directly resolve the fair use issue strictly on the court’s evaluation of the defendant’s purpose in employing the contested word or symbol. This should not be surprising, since the fair use defense is meant to give marketplace actors meaningful leeway to use descriptive words or symbols in their purely descriptive capacity, without fear of infringement liability. An evaluation that turns on the defendant’s purpose, rather than the effect of its actions, better accomplishes this goal.

C. A “Purpose” Standard

As discussed earlier, the interests in robust marketplace competition and marketplace efficiency require that all participants have meaningful access to the words and symbols they need effectively to communicate their products’ qualities and characteristics to consumers. Removing such words and symbols from competitors’ reach would reduce the flow of useful, truthful information to consumers, raise consumer search costs, and raise a bar to new entrants to the marketplace.


191 See, e.g., Graeme W. Austin, supra, note 00, at 188 (stressing the value of “facilitating accurate descriptions of other firms’ goods and services”); Uche U. Ewelukwa, Comparative Trademark Law: Fair Use Defense in the United States and Europe–The Changing Landscape of
market. In addition, recognizing broad rights in descriptive words and symbols may interfere with important First Amendment interests, even in cases in which the alleged infringing use can be deemed commercial speech.

Trademark Law, 13 Weidner L. Rev. 97, at 127 (“The public interest in keeping signs and indications which describe characteristics of goods or services free for use by all is a fundamental principle of trademark law.” (citing Sands, Taylor & Wood Co. v. Quaker Oats Co., 978 F.2d 947, 951 (7th Cir. 1992)).

See, e.g., Stacey L. Dogan & Mark A. Lemley, supra, note 00, at 16 (classic fair use lowers search costs, protects the interest in the free flow of information, and prevents trademark owners from interfering with others’ ability to describe their products in truthful ways); 1 Jerome Gilson, Trademark Protection and Practice, § 5.09(5) (2005)(Without the availability of the rule that descriptive words and terms cannot be monopolized as trademarks, “fair and open competition might be impaired, the available vocabulary of descriptive words would be reduced, advertisers could not freely describe their products, and the public might be deprived of information necessary to make purchase decisions.”).

4 J. Thomas McCarthy, supra, note 00, § 11-45 at p. 11-90.18 (2007)(fair use defense limits liability for purely descriptive use of words and symbols, “in the interest of free competition”); Graeme W. Austin, supra note 00, at 17-18 (noting various competitive interests at stake under the fair use defense); Rebecca Tushnet, Trademark Law as Commercial Speech Regulation, 58 S.C. L. Rev. 737, 744 (2007) (noting that the fair use defense exists to promote free competition); Michael Fuller, “Fair Use” Trumps Likelihood of Confusion in Trademark Law the Supreme Court Rules in KP Permanent v. Lasting Impression, 2006 B.C. Intell. Prop. & Tech. F. 11001 at 2 (fair use defense accommodates the defendant’s interest in being able to describe its product accurately and thus compete effectively, the public’s interest in receiving accurate information about products and services available for purchase, and the public’s interest in preventing monopolies or other barriers to competition caused by improper use of trademark law to remove words, symbols or other product features from general use).

San Francisco Arts & Athletics, Inc. v. U.S. Olympic Committee, 483 U.S. 522, 565 (1987)(Brennan, J., dissenting)(the fair use defense “prevents the award of a trademark from regulating a substantial amount of noncommercial speech.”); Graeme W. Austin, supra, note 00, at 20 (noting the importance of the fair use defense in protecting expressive freedoms); Michael Machat, The Practical Significance of the Supreme Court Decision in KP Permanent Make-Up, Inc. v. Lasting Impression I, Inc., 95 Trademark Rep. 825, 836 (2005)(“the fair use defense is a safety valve designed to give the public confidence that aggressive trademark owners seeking to gain monopoly power over words will not have the power to interfere with the public’s ability to use words in their ordinary meaning in the course of their business and within the scope of their personal affairs”). See also Rebecca Tushnet, supra, note 00 (noting that serious First
A “defendant’s purpose” standard better accommodates these concerns than would a “consumer perception” standard that finds fair use only when consumers are demonstrably unlikely to take source-indicating meaning from the defendant’s use.\textsuperscript{195} Given the steadily expanding notions of what consumer perceptions are actionable\textsuperscript{196} and the self-fulfilling nature of Amendment concerns arise, even though trademark law addresses commercial speech); Lisa P. Ramsey, Descriptive Trademarks and the First Amendment, 70 Tenn. L. Rev. 1095 (2003)(arguing that the First Amendment prohibits trademark protection for descriptive marks).


The common law’s tolerance of a certain degree of confusion on the part of consumers followed from the very fact that in classes like this one an originally descriptive term was selected to be used as a mark, not to mention the undesirability of allowing anyone to obtain a complete monopoly on use of a descriptive term simply by gabing it first. Canal Co. v. Clark, 13 Wall., at 323-24, 327). The Lanham Act adopts a similar leniency, there being no indication that the statute was meant to deprive commercial speakers of the ordinary utility of descriptive words. “If any confusion results, that is a risk the plaintiff accepted when it decided to identify its product with a mark that uses a well known descriptive phrase.” Cosmetically Sealed Industries, Inc. v. Chesebrough-Pond’s USA Co., 125 F.3d, at 30 * * *. This right to describe is the reason that descriptive terms qualify for registration as trademarks only after taking on secondary meaning as “distinctive of the applicant’s goods.” 15 U.S.C. § 1052(f), with the registrant getting an exclusive right not in the original, descriptive sense, but only in the secondary one associated with the mark holder’s goods.”

See also; Graeme W. Austin, supra note 00, at 177 (noting that under the fair use defense, consumer confusion must sometimes be tolerated “to allow firms to make descriptive uses of otherwise-protected marks. Curtailing the trademark monopoly on descriptive words facilitates competition; it may also protect after-markets for such things as second-hand goods, sundries, and repair services.”); 4 J.T. McCarthy, supra, note 00, § 11:45 at 11-90.19, 11.93 (characterizing the purpose of the fair use defense as providing a competitive balance and ensuring that trademark law cannot forbid commercial use of terms in the descriptive sense.).

\textsuperscript{196} See Rochelle Cooper Dreyfuss, Reconciling Trademark Rights and Expressive Values: How to Stop Worrying and Learn to Love Ambiguity, in Trademark Law and Theory: A Handbook of Contemporary Research, [draft pp. 11-14], Graeme B. Dinoodie & Mark D. Janis, eds)(Edward Elgar Press, 2007) (discussing how courts’ understanding of “consumer confusion” has been extended to the point that confusion no longer provides meaningful limits to trademark
mark owners’ claims regarding consumer associations, a standard of fair use that focuses primarily on likely consumer perceptions will readily lead to infringement liability for good-faith use of words and symbols to describe products and services. This will chill marketplace actors’ willingness to use descriptive words or symbols in productive, pro-competitive ways. A “defendant purpose” standard affords merchants some leeway for honest misjudgement.

A “defendant purpose” standard is also consistent with the Supreme Court’s reasoning in *KP Permanent.* In *KP,* the Supreme Court held that the fair use defense may be available to defendants *even though their use creates a likelihood of consumer confusion,* because, as a general matter, merchants’ ability to use descriptive words and symbols in communicating the qualities and characteristics of their goods to consumers is of greater public concern than rights to accommodate countervailing expressive interests); Graeme W. Austin, *supra,* note 00, (discussing how courts’ analysis of consumer confusion fails to serve as a meaningful check on trademark rights or to provide a meaningful opportunity to accommodate countervailing interests, such as competition and First Amendment concerns); Barrett, *Domain Names, Trademarks and the First Amendment, supra,* note 00, at 985 (explaining how courts have stretched the concept of “consumer confusion” “to situations where consumers might think that the plaintiff licensed the defendant to put its mark on the defendant’s totally different type of product, the plaintiff simply acquiesced in the placement, or the defendant’s use created ‘initial interest confusion’ which would be dissipated prior to the actual sale of a product. Indeed, some modern courts have been willing to find actionable likelihood of confusion virtually whenever the defendant’s use threatens to undermine the mark’s distinctiveness or the plaintiff’s business good will, despite the lack of any meaningful likelihood that an appreciable number of consumers will be misled.”)(citations omitted).

197 See, e.g., Graeme W. Austin, *supra,* note 00 (discussing how marketers deliberately shape consumer perceptions); Mark McKenna, *supra,* note 00, at 776 (relying on consumer perceptions is problematic in trademark law because “the relevant consumer beliefs are those regarding ‘source,’” an extraordinarily vague concept capable of encompassing almost any imaginable relationship between parties,” and providing illustration).

preventing all consumer confusion.\textsuperscript{199} Implicit in this reasoning is the understanding that in some cases of fair use consumers will understand the defendant’s use to indicate source. If the use did not communicate source, then there could not be any likelihood of consumer confusion.\textsuperscript{200} That being the case, some other (non-consumer-perception-based) standard for identifying use “otherwise than as a mark” is necessary. A standard that exonerates defendants who endeavor, in good faith, to make a solely descriptive use (even though their use in fact indicates source to consumers and creates consumer confusion), while penalizing contrived, superficially descriptive uses made in bad faith, would seem to fill the bill. And such a standard better reflects the historic understanding that conditioned protection of secondary meaning marks in the first place.\textsuperscript{201}

A “defendant purpose” standard of fair use is also consistent with other recent Supreme Court decisions, that have repeatedly demonstrated the Justices’ desire to check expansion of trademark rights in order to accommodate competing interests and values. In \textit{Wal-Mart Stores, Inc. v. Samara Bros., Inc.},\textsuperscript{202} the Court significantly restricted the scope of product feature trade

\textsuperscript{199} \textit{Id.}, at pp. 121-23. The Supreme Court noted, however, that the degree of confusion might be relevant in some cases to determine whether a defendant used the mark only for descriptive purposes.

\textsuperscript{200} Professor McKenna has questioned the Supreme Court’s decision in \textit{KP Permanent Make-Up}, because there cannot simultaneously be non-trademark use (as required in Lanham Act § 1115(b)(4)) and a likelihood of consumer confusion—the two elements are mutually exclusive. See McKenna, \textit{supra}, note 00, at 802-805. However, McKenna is assuming that section 115(b)(4) “non-trademark use” is the opposite of the “trademark use” required under sections 32(1)(a) and 43(a). However, in light of the historical development discussed above, this assumption is incorrect.

\textsuperscript{201} That is, a purpose-based standard is consistent with the early common-law understanding that rights in secondary meaning marks turned not on property notions, but on the defendant’s improper purpose. See notes 00, \textit{supra}, and accompanying text.

\textsuperscript{202} 529 U.S. 205 (2000).
dress protection, on the reasoning that expansive rights in product feature trade dress would be harmful to competition and progress in the useful arts. The Court stressed the public’s interest in permitting competitors to adopt the utilitarian and aesthetic benefits of unpatented product design features, and found that this interest outweighed concerns about potential consumer confusion that might arise as the result of delaying trade dress protection until the claimant could demonstrate secondary meaning. In *TrafFix Devices, Inc. v. Marketing Displays, Inc.*, the Supreme Court further restricted protection for product feature trade dress by tightening the standard of non-functionality. Again, the Court reasoned that a strong functionality doctrine (which prevents assertion of trade dress rights in utilitarian product features, regardless of whether they communicate source to consumers) serves the public’s interest in competition and a strong public interest.

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203 *Id.*, at 00 (“Consumers should not be deprived of the benefits of competition with regard to the utilitarian and aesthetic purposes that product design ordinarily serves by a rule of law that facilitates plausible threats of suit against new entrants based upon alleged inherent distinctiveness. . . . Competition is deterred. . . not merely by successful suit but by the plausible threat of successful suit, and given the unlikelihood of inherently source-identifying design, the game of allowing suit based upon alleged inherent distinctiveness seems to us not worth the candle.”). See David S. Welkowitz, *The Supreme Court and Trademark Law in the New Millennium*, 30 Wm. Mitchell L. Rev. 1659, 1679 (2007) (*Wal-Mart* decision sent “a message that trademark protection had to compete with other concepts that also form the basis of trademark law, such as consumer protection”).

In *Wal-Mart*, the Court determined that all product feature trade dress claimants must demonstrate secondary meaning as a prerequisite to an infringement claim. While some product feature trade dress might be inherently distinctive, the lack of an effective standard for evaluating the distinctiveness of product features, coupled with the potential harm that litigation threats and liberal product feature protection might pose to competition and progress in the useful arts, counseled against recognition of “inherent distinctiveness” in that category of potential source indicators.

domain. In *Dastar Corp. v. Twentieth Century Fox Film Corp.*, the Supreme Court significantly restricted use of Lanham Act § 43(a) infringement claims to vindicate attribution interests in expressive works. The Court reasoned that notwithstanding the possible consumer confusion that may arise from alleged misattribution of the authorship of such works, concerns about consumer confusion were outweighed by the public interest in relegating uncopyrighted works to the public domain for free and unfettered copying by others. The *KP* decision itself

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205 *Id.*, at 29 ("Trade dress protection must subsist with the recognition that in many instances there is no prohibition against copying goods and products... As the Court has explained, copying is not always discouraged or disfavored by the laws which preserve our competitive economy. Allowing competitors to copy will have salutary effects in many instances.") (*citing* Bonito Boats, Inc. v. Thunder Craft Boats, Inc., 489 U.S. 141, 160 (1989)). As I have discussed in another article, the *TrafFix* Court essentially rejected a standard for determining functionality that rested on the assumption that the trademark interest in preventing consumer confusion equals or exceeds the countervailing interest in permitting competitors to copy unpatented product features. The *TrafFix* Court clearly found that the interest in permitting copying outweighed the competing trademark interests. Barrett, *Consolidating The Diffuse Paths to Trade Dress Functionality: Encountering TrafFix on the Way to Sears*, 61 Wash. & Lee L. Rev. 79 (2004). See also David S. Welkowitz, *supra*, note 00, at 1680 (*TrafFix* "implied that the trademark law is intended to preserve our competitive economy, not to grant proprietary rights to trademark owners.").


207 *Id.*, at 34 ("Assuming for the sake of argument that Dastar’s representation of itself as the ‘Producer’ of its videos amounted to a representation that it originated the creative work conveyed by the videos, allowing a cause of action under § 43(a) for that representation would create a species of mutant copyright law that limits the public’s ‘federal right to copy and to use’ expired copyrights.").

In *Moseley v. V Secret Catalogue, Inc.*, 537 U.S. 418 (2003), the Supreme Court again took a restrictive approach to expanded trademark rights by adopting a construction of the Lanham Act § 43(c) dilution cause of action that essentially nullified it. The opinion strongly questioned whether dilution protection served the best interests of consumers. *Id.* at 429 ("Unlike traditional infringement law, the prohibitions against trademark dilution are not the product of common-law development and are not motivated by an interest in protecting consumers"). Congress subsequently legislatively overruled that decision by enacting the Trademark Dilution Revision Act of 2006.
reinforces this message, construing the fair use defense more broadly than a number of circuit courts had done, emphasizing the competitive and communicative importance of access to descriptive words and symbols and generally unfettered marketplace communications. Requiring infringement plaintiffs to demonstrate “trademark use” (based on an objective measure of likely consumer perception) as a part of their case-in-chief, and construing the fair use defense in a manner that best enables good-faith marketplace uses of descriptive words and symbols, furthers the same basic competition interests that the Supreme Court undertook to shelter in the Wal-Mart/TrafFix/Dastar/KP Permanent line of cases.

IV. OBJECTIVE “TRADEMARK USE,” SUBJECTIVE USE “OTHERWISE THAN AS A MARK”

The focus on the defendant’s purpose, in evaluating fair use, differentiates section 1115(b)(4) use “otherwise than as a mark” from the “trademark use” that infringement plaintiffs must demonstrate under Lanham Act §§ 32(1)(a) and 43(a). The requirement that infringement plaintiffs demonstrate the defendant’s “trademark use” serves a screening or “gate-keeping” function, limiting assertions of trademark rights to those cases in which potential consumer confusion is likely to be material and detrimental from a societal standpoint. As I have argued elsewhere, this trademark use requirement (which derives from the “affixation or other close

For a more in-depth discussion of the Wal-Mart/TrafFix/Dastar/Mosley line of cases and their implications, and discussion of their groundings in earlier Supreme Court precedent, see David S. Welkowitz, supra, note 00.

208 Barrett, Finding Trademark Use, supra, note 00, at 971.
association” requirement in the common law and the Trademark Act of 1905)\(^{209}\) should be construed to require: 1) that the defendant’s use of the contested word or symbol be *perceptible to consumers*; 2) that the defendant *closely and directly associate* the word or symbol with goods or services it is advertising or offering for sale; and 3) that the defendant’s application of the word or symbol be likely to *make a separate commercial impression* on consumers.\(^{210}\) These relatively objective factors together provide some assurance that consumers may look to the contested word or symbol for information about the source of the defendant’s goods or services. The factors thus serve as a proxy for more fact-intensive findings regarding actual consumer perception, and enable courts efficiently to identify cases in which potential consumer confusion costs are unlikely to justify the societal costs of protracted litigation, and dispose of them early in the litigation process.\(^{211}\)

The plaintiff’s initial burden to demonstrate the defendant’s “trademark use” thus promotes judicial efficiency, and limits the chilling effects that threats of protracted, expensive infringement litigation may have on marketplace actors seeking to make socially beneficial (albeit unauthorized) uses of marks (or of words or symbols that resemble marks).\(^{212}\) Requiring plaintiffs

\(^{209}\) See notes 00, *supra*, and accompanying text.

\(^{210}\) Barrett, *Finding Trademark Use, supra*, note 00, at 969-76.

\(^{211}\) *Id.*

\(^{212}\) Such uses include providing consumer reviews of products, enhancing Internet search capabilities, and providing useful indexing services and information about aftermarket replacement parts and compatible accessories. They also include a vibrant range of purely expressive uses (“That’s the Rolls-Royce of golf courses!”; “My sister’s a real Barbie Doll!”; “It was an Alka-Seltzer moment!”).
to demonstrate “trademark use” also promotes First Amendment interests by limiting
infringement claims, in most cases, to a defendant’s commercial speech, where the trademark
claimants’ interests may more likely outweigh the free speech concerns.\textsuperscript{213} It protects marketplace
efficiency by accommodating an unhampered flow of useful product information and critiques to
consumers,\textsuperscript{214} and helps to prevent assertion of trademark rights in a range of anti-competitive
ways. Particularly in the digital context, the trademark use requirement may prevent trademark
interests from unnecessary chilling the development of new media and new business models that
can benefit consumers--\textsuperscript{215} new technologies that (through novel or hidden applications of marks)
provide consumers with efficient, customized digital indexing, reference and search services, as
well as customized advertising tailored to individual consumer interests, all of which may lower
consumer search costs, and thus enhance competition.\textsuperscript{216} Application of this relatively certain and
objective “trademark use” requirement in the digital context may also serve proactively to shape

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is deterred . . . not merely by successful suit but by the plausible threat of successful suit.”); 
585(2008)(describing growing levels of “trademark extortion”–the use of strike suits to deter
(expressing the need for a doctrine to avoid the chilling effect of protracted trademark litigation
on speech, but rejecting the trademark use requirement as a means to address the problem).

\item See Margreth Barrett, \textit{Finding Trademark Use, supra}, note 00, at 965, and sources cited therein.

\item \textit{Id.} at 966-67, and sources cited therein.

\item \textit{Id.}, at 967, and sources cited therein.

\item \textit{Id.}
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consumer expectations and thus counteract the forces that increasingly suggest a licensing or sponsoring relationship whenever a mark appears in a context not of the mark owner’s creation.\footnote{Id. Such a proactive stance (defining trademark use in a manner that may guide consumer perceptions to some extent) may be necessary in order to counteract what commentators have sometimes described as the “circular” or “reactive” nature of consumer perceptions. See Dogan & Lemley, supra, note 00, at 1693-95 (noting the “circular” and “reactive” nature of a likelihood of confusion standard absent a trademark use limitation); McKenna, supra, note 00, at 822 (noting how “highly suggestable” consumer perceptions can be, and how trademark doctrine and consumer expectations “feed into one another in an endless loop,” so that “what consumers know (or think they know) about the law shapes expectations, which then feed back into the law only to influence future expectations.”); Graeme W. Austin, supra, note 00, at 15-17 (discussing how marketing practices shape consumer expectations and suggesting that the law might be shaped “proactively” to protect other legal principles, values and agendas).

But while the plaintiff’s burden to demonstrate “trademark use” constitutes a first step in maintaining the proper balance of marketplace interests, the fair use “non-trademark use” determination fine-tunes it, to accommodate the special concerns that arise when businesses claim exclusive rights in surnames and descriptive words and symbols. A defendant may make a “trademark use” of the plaintiff’s descriptive word or symbol, for purposes of Lanham Act §§ 32(1)(a) and 43 (a), but nonetheless make a “non-trademark” fair use for purposes of § 1115(b)(4). It may do this by demonstrating that even though it “affixed or closely associated” a confusingly similar surname or descriptive word or symbol with its product, its purpose was merely to describe its own goods or services. The fair use defense turns on the apparent reason

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\item Consumers may be led to expect (thorough mark owners’ suggestion or publicity of prior infringement suits) that marks may only be reproduced by the mark owner or under a license from the mark owner. To the extent that this happens, by definition, consumers will believe that any unauthorized use of a mark they encounter signals some affiliation (at least, a license relationship) between the user and the owner. A strictly reactive consumer perception standard for judging trademark use only strengthens this downwardly spiraling effect. This is undesirable, because it enables mark owners to tighten their control over others’ potentially expressive and potentially pro-competitive uses of words and symbols, to the general detriment of the public.
\end{itemize}
for the defendant’s affixation or other close association, not on the fact of the affixation or other close association in itself. As the Supreme Court made clear in *KP Permanent Make-Up*, even affixation of a word or symbol that causes a likelihood of consumer confusion may be deemed a lawful fair use.

There are numerous examples of cases in which the defendant made a “trademark use” of a descriptive word or symbol from an objectively measured consumer perception standpoint (that is, affixed or closely associated a confusingly similar surname or descriptive word or symbol with its product), but was nonetheless able to demonstrate that the use was a good-faith “non-trademark use” for purposes of the fair use defense, and thus avoid infringement liability. For example, in the Second Circuit’s famous decision, *Abercrombie & Fitch Co. v. Hunting World, Inc.*, the plaintiff held incontestable trademark rights in the word “Safari” as a mark for shoes. The defendant sold the boots it imported from Africa under the names “Camel Safari,” “Hippo Safari” and “Safari Chukka.” While the defendant clearly affixed or otherwise closely associated “safari” with its boots, and consumers certainly may have understood this use to indicate source, the Second Circuit found it a noninfringing fair use. The Second Circuit reasoned that the defendant was engaged in arranging safaris to Africa, had published books about safaris, and purchased safari clothing in Africa for resale in America. These facts sufficed to establish that the defendant’s application of “Safari” in connection with the boots it sold was for descriptive purposes and not for purposes of garnering the plaintiff’s business good will.

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219  537 F.2d 4 (2d Cir. 1976).

220  *Id.* at 12-13.
Likewise, in *Soweco, Inc. v. Shell Oil Co.*, the plaintiff had incontestable rights in the word “larvicide” for grain fumigants. The defendant marketed its products as “Shell Poultry Spray & Larvicide” (an insecticide to be sprayed on chickens to control mites and lice, or on chicken droppings to inhibit the growth of larvae and maggots) and “Rabon Oral Larvicide” (a substance to be added to cattle feed to control fly larvae in manure). Again, this use of “larvicide” in the products’ commercial names easily satisfies the ‘affix or otherwise closely associate” prerequisite, and might be understood by consumers to indicate source. Nonetheless the Fifth Circuit found that the defendant’s use of “Larvicide” was for descriptive purposes only, and a fair use.

In *International Stamp Art, Inc. v. United States Postal Service*, the plaintiff produced note cards, greeting cards, posters and prints featuring a perforated border design that evoked the functional perforated edges of older postage stamps. It registered the perforated border design as a mark for printed note cards and greeting cards, and the registration ultimately became incontestable. The defendant Postal Service began offering a line of cards depicting postage stamps, most of which included the perforated border of the original stamp as part of the stamp’s image. Again, the defendant clearly “affixed” and “associated” the claimed trade dress perforations with its product, and consumers might perceive the prominent appearance of a perforated border on the defendant’s greeting cards as indicating source. Nonetheless, the Eleventh Circuit found that the defendant’s actions constituted a fair use, reasoning that the

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222 *Id.* at 1186-89.

223 456 F.3d 1270 (11th Cir. 2006).
defendant’s use was descriptive, and a “non-trademark use” for purposes of section 1115(b)(4).\textsuperscript{224} Indeed, in *Cosmetically Sealed Industries, Inc. v. Chesebrough-Pond’s USA Co.*,\textsuperscript{225} the Second Circuit found that the defendant’s use of the phrase “Sealed With A Kiss” in promoting its lip gloss was a fair, non-trademark use for purposes of Lanham Act § 1115(b)(4), even though the promotion closely associated the phrase with the defendant’s product, and led consumers specifically to associate the phrase with the defendant’s products.\textsuperscript{226}

One can find numerous additional examples of uses that might be perceived by consumers as source indicating (prominent affixation on the product or its label, prominent display in advertising) but which the court nonetheless finds a good-faith use “otherwise than as a mark,” or fair use.\textsuperscript{227}

\begin{itemize}
\item \textsuperscript{224} *Id.* at 1274-77.
\item \textsuperscript{225} 125 F.3d 28 (2d Cir. 1997).
\item \textsuperscript{226} *Id.* at 31.
\item \textsuperscript{227} See, e.g., Leathersmith of London, Ltd. v. Alleyn, 675 F.2d 27 (7\textsuperscript{th} Cir., 1982)(Plaintiff owns mark “Leathersmith” for leather goods, defendant applies the words “Tantalus Custom Leathersmiths and Bookbinders” to its leather products. Seventh Circuit finds that defendant’s use is for descriptive purposes, and constitutes a fair use); Car Freshner Corp. v. S.C. Johnson & Son, Inc., 70 F.3d 267 (2d Cir. 1995)(Plaintiff owns trademark rights in pine tree shape of its scented cardboard air fresheners for cars, defendant markets plastic plug-in pine-scented air fresheners in the shape of a pine tree. Second Circuit finds that the defendant’s use of the pine shape is a descriptive, “non-trademark” use); Sunmark, Inc. v. Ocean Spray Cranberries, Inc., 64 F.3d 1055 (7\textsuperscript{th} Cir. 1995)(Plaintiff owns rights in “Sweetarts” as a mark for candy, defendant makes “sweet-tart” the centerpiece of its advertising for cranberry juice. Seventh Circuit finds defendant’s use to be a “non-trademark,” fair use); Jean Patou, Inc. v. Jacqueline Cochran, Inc., 201 F.Supp. 861 (S.D.N.Y. 1962)(Plaintiff owns rights in “Joy” as a mark for perfumes and toilet waters, defendant affixes the words “Joy of Bathing” prominently on both sides of its packaging. Court finds that the use is primarily descriptive and a “non-trademark,” fair use); Patterson v. TNA Entertainment, 2006 W.L. 3091136 (E.D. Wis. 2006)(Plaintiff owns rights in “Superstars of Wrestling” and defendant competitor advertises its wrestling broadcasts with the words
\end{itemize}
V. CONCLUSION

In developing the law of trademarks and unfair competition, courts sought to accommodate a range of potentially conflicting interests: to provide consumers with an efficient way to identify product source and make informed purchasing decisions; to ensure that competitors’ marketing practices do not improperly interfere with consumers’ ability to rely on established source-indicators for that information; to police fraudulent marketing practices; to promote business investment in quality; to ensure that all businesses have the means to inform consumers about the qualities and characteristics of their products, and to communicate this information in an efficient manner; to ensure that the law itself does not enable businesses to harass their competitors and chill robust competition through threats of expensive, protracted litigation, when the risk of genuine injury to consumer reliance interests is minor or nonexistent.

The common law of technical trademark infringement limited an infringement defendant’s liability to situations in which it affixed an allegedly infringing word or symbol to its own products, or otherwise closely associated the word or symbol with those products in the course of marketing them. Statutory language, legislative history and case law all clearly indicate that Congress codified this common-law limitation when it enacted the Lanham Act in 1946. At a minimum, this “trademark use” limitation requires that the defendant’s use closely, directly associate the contested word or symbol with its product, that consumers be able to perceive the application, and that the application be such as to make a commercial impression on consumers, separate from other marketing material. If these minimum requirements are met, then it is

“Superstars of TNA Wrestling” and “Superstars of Wrestling.” Court finds a “non-trademark,” fair use).
reasonably likely that consumers may look to the defendant’s word or symbol for information about product source, and possibly be misled. In such case, the interest in avoiding consumer confusion is sufficiently implicated to proceed with litigation. If those threshold requirements are not met, it is unlikely that consumers will rely on the word or symbol for information about source, and interests in preventing consumer confusion are eclipsed by the countervailing interests in robust competition, expressive interests, and judicial efficiency.

The “trademark use” requirement permits courts to evaluate likely consumer perceptions by focusing on indicative factors that are relatively straightforward and objective. It thus enables courts efficiently to identify and weed out bad claims (claims whose anti-competitive effects are likely to outweigh any threat to consumer reliance interests) early in the litigation process. However, it only provides a rough, first cut at identifying and weeding out bad infringement claims. Many suits to prevent socially beneficial uses of marks may proceed through litigation—including claims to prevent uses of words in their purely descriptive or surname capacity and claims to prevent purely “nominative” uses of the plaintiff’s mark to identify the plaintiff’s product in comparative advertising.

The law of unfair competition recognized that consumers might rely on descriptive, geographically descriptive or surname words and symbols to indicate product source, under some circumstances. But it simultaneously recognized that all businesses legitimately need to use such words and symbols in marketing their own products—indeed, marketplace competition requires that they be able to do so. Accordingly, the law struck a balance between these competing trademark and competition interests that afforded limited rights to businesses that could demonstrate secondary (trademark) meaning in descriptive or surname words or symbols: The
law enabled them to prohibit a defendant’s use that caused a likelihood of consumer confusion, but only if the defendant used the word or symbol for its secondary (trademark) meaning, rather than for its original descriptive or surname (non-trademark) meaning. Congress clearly codified this limitation as the fair use defense, in Lanham Act section 1115(b)(4). Thus, pursuant to the fair use doctrine, even when a trademark claimant can demonstrate that the defendant affixed or closely associated a confusingly similar word or symbol to its product, and can demonstrate that this “trademark use” caused a likelihood of consumer confusion about the product’s source, the defendant can avoid liability by demonstrating that its use was merely to describe its product or its geographic origin or to identify itself as the product’s producer.

Both logic and the historical development of the “use for secondary meaning” limitation indicate that the status of a defendant’s use as descriptive (non-trademark) or source-indicating (trademark) should turn on the defendant’s purpose, as evidenced by a range of circumstantial evidence. Looking to consumer perceptions to categorize the defendant’s use for purposes of the fair use defense would replicate the issue of “trademark use” previously addressed in the plaintiff’s case in chief, and make it virtually impossible to find fair use when the use has caused a likelihood of consumer confusion. Such a result would be contrary to Congress’ clear intention, and to the Supreme Court’s holding, in *KP Permanent Make-Up*, that fair use can be found even in the presence of consumer confusion. Clearly some other means of evaluating fair use is indicated. The historical evolution of the fair use defense provides that standard. Long association of the “use for secondary meaning” requirement with the issue of fraudulent intent
directs us to the defendant’s *purpose* in applying the allegedly infringing word or symbol. Looking to the defendant’s purpose serves the interest in preventing fraudulent marketing practices while simultaneously giving businesses the leeway they need to communicate the qualities and characteristics of their products to consumers, minimizing the chilling effect of infringement claims.

228 It would not entirely replicate the “trademark use” evaluation, since the court might make a more fact-intensive inquiry, beyond consideration of the objective factors implicit in the “affixation or other close association” concept.