

TRADEMARK LAW

FALL 2010

Cardozo School of Law Professor Justin Hughes

Take Home Examination

Introduction

This is a twenty-four (24) hour, take-home examination. You have 24 hours from the time you access this examination to submit the answers online.

Conditions and your professional commitments

Once you have received this examination, you may not discuss it with anyone prior to the end of the examination period. Nor may you discuss the examination at ANY time with any student in the class who has not taken it. Nor may you collaborate on the exam.

Professor Hughes permits you to use any and all inanimate resources. **The only limitations on outside resources are those established by the law school for take home examinations.**

By turning in your answers you certify that you did not gain advance knowledge of the contents of the examination, that the answers are entirely your own work, and that you complied with all relevant Cardozo School of Law rules. Violations of any of these requirements will lead to discipline by the Academic Standing Committee.

The Examination consists of two parts. Part I is a set of true/false questions. Part II consists of one essay problem with an 1,750 word limit. With the Part II essay, Professor Hughes takes on no obligation to read beyond this 1,750 word limit. **The illustrations appear at the end of this document AND/OR in a separate document called x-10TM-Exhibits.doc.**

GOOD LUCK

Happy holidays to everyone, thanks for a fun class.

II. TRUE/FALSE QUESTIONS

(35 points)

This part of the exam is worth 35 points. Each answer is worth 1.5 points. There are 26 questions, so in the same spirit as the LSAT and other standardized tests, you can get 2 wrong and still get a maximum score on this section.

Since this exam is being administered online, please provide your answers to this section as a single column series, numbered 1 to 26, with "T" or "F" beside each number. Make sure these T/F answers are on a separate page from the essay.

If you are concerned about a question being unclear, you may write a note at the end, but only do so if you believe that there is a fundamental ambiguity in the question.

SOME GENERAL QUESTIONS

TRUE FALSE

- _____ 01. In interpreting federal dilution law, the court in *Mattel v. Universal Music* concluded that a song (like Aqua's "Barbie Girl") counted as "non-commercial" speech - exempt from any dilution liability -- because the song did not propose a commercial transaction.
- _____ 02. A single color may be protectable as a trademark if the color is inherently distinctive, even without a showing of secondary or acquired meaning.

- _____ 03. If someone tried to register the trademark *EDGE* for musical instruments, Edge, the famous guitarist and vocalist of the band U2 would not be able to oppose the registration under Lanham §2 because his real name is David Howell Evans, not “Edge.”
See http://en.wikipedia.org/wiki/The_Edge
- _____ 04. In the 2010 *Tiffany v. eBay* decision, the Second Circuit concluded that for contributory liability in trademark law, a service provider must have more than a general knowledge or reason to know that there is a substantial problem of trademark infringement in the service or system it offers.
- _____ 05. In the *Wal-Mart v. Samara Bros.* decision Justice Scalia reasoned that product design is not inherently distinctive because consumers understand that “even the most unusual of product designs – such as a cocktail shaker shaped like a penguin – is intended not to identify the source, but to render the product more useful or more appealing.”

THE COLOR GREEN

One of the best-known superheroes of Marvel Comics (now part of Disney) is “The Incredible Hulk,” “The Hulk,” or “Hulk.” In recent decades the Hulk is always portrayed as having vivid green colored skin; he is extremely powerful and emotional, but fights for good. The Hulk first appeared in comic books in 1962; each year over 100,000 copies of HULK comics are sold. Hulk has been the subject of television shows and two feature films. The most recent film grossed over \$200 million and the character is set to appear in film versions of the *Avengers* and *Hulk 2*.

Marvel Comics and its affiliates have registered the trademark HULK for "television programs featured animated cartoon characters or live action adventure," (#2920699); for pre-recorded CDs and DVDs, video games, and bicycle helmets (#3593678); for amusement park rides (#2330094); and for books, magazines, toys, bed linens, beach towels, gym bags, school supplies, trading cards, costumes, swimwear, outerwear, masks, and puppets (various registrations).

Exhibit A shows The Hulk in his usual form as well as a couple HULK products.

The wrestler and television personality Hulk Hogan has registered trademarks in HULK HOGAN, HOLLYWOOD HULK HOGAN, and HuLKAMANIA. A California company has a registered trademark in HULC for "human exoskeletons and body armor, namely, bullet-proof vests." A Pennsylvania company has registered HULK for door locks

More recently, a small company, Real Tool Corporation, has started marketing power equipment under the name "Hulk". The equipment is all painted vivid green and bears the name "Hulk" with the slogan "Unleash the Power." [Exhibit B] Real Tool Co. has also applied for trademark registration of HULK for "power tools" including "power sandblasters, power jacks, winches, air compressors, concrete mixers . . . jack hammers . . . and earth levelers." The application -- #77757650 -- was published for opposition on December 1, 2009, but assume that any opposition discussed in these questions will be timely. For any likelihood of confusion analysis, assume the court will apply the *Polaroid/Sleekcraft* factors as we studied them.

_____ 06. In a trademark infringement case between Marvel Comics and Real Tool, the fact that both companies market their products over the Internet will establish a complete overlap in the "channels of commerce."

- _____ 07. In a trademark infringement case between Marvel Comics and Real Tool, the strength of Marvel's HULK trademarks will weigh in favor of a likelihood of confusion.
- _____ 08. In a trademark infringement case between Marvel Comics and Real Tool, the expensive nature of Real Tool's industrial equipment will weigh in favor of a likelihood of confusion.
- _____ 09. Marvel Comics will have a stronger basis to oppose Real Tool's USPTO registration application on grounds of Lanham §2(a) than Lanham §2(d).
- _____ 10. Assuming that Real Tool has been marketing "Hulk" industrial equipment for a few years and only recently adopted the color green and the "Unleash the Power" slogan, in an opposition proceeding Marvel Comics can make an argument similar to one made by Marshall Fields against the MRS. FIELDS trademark.
- _____ 11. Under the contributory liability doctrine established in *Inwood Labs* (1982), if Real Tool Company is found liable for infringement of the HULK trademark, then the company that sells the green paint used on Real Tool equipment automatically will be contributorily liable.
- _____ 12. If Marvel brings suit for dilution of its HULK trademarks, it is more likely to claim blurring than tarnishment.
- _____ 13. The other commercial uses of HULK and HULC may be considered by a court as rele-

vant to the strength of Marvel Comics' HULK trademarks.

- _____ 14. A court is likely to say that Real Tool's trade dress and marketing decisions reduced the likelihood of confusion between its use of "Hulk" and Marvel Comics' HULK trademarks.

THE COLOR BLACK

A new biscuit company, Sweet+Plus, is preparing to market a new dark chocolate-covered biscuit with a Caribbean motif. Sweet+Plus plans to use the trademark NEGRITA and, accordingly, has filed an ITU application. The packaging for their new biscuits is shown in EXHIBIT C

A typical meaning given to "negrita" in English dictionaries is "a blackish fish (*Hypoplectrus nigricans*), of the Sea-bass family. It is a native of the West Indies and Florida."

But, of course, "negrita" is a word from Spanish. In Spanish, "negrita" literally means "little black girl" or "little dark one" referring to something feminine. "Hey, Negrita" is the name of a 1976 Rolling Stones song that clearly refers to a woman in sexual terms. Among Latin Americans, "Negrita" is unquestionably used as a term of endearment and, at the time the Rolling Stones recorded their album, Mick Jagger used "Negrita" as a nickname for his Nicaraguan-born wife Bianca.

In technical Spanish, "en negrita" also means boldface type.

Finally, there is a brand of rum, RHUM NEGRITA, from the Caribbean islands of Martinique and Guadeloupe. The RHUM NEGRITA label unambiguously refers to a black woman (see EXHIBIT D). RHUM NEGRITA is not marketed - and has never been marketed -- in the United States.

TRUE FALSE

- _____ 15. If a group of African-American women oppose the NEGRITA application under section 2(a) on the grounds that the trademark is disparaging and will bring them into contempt or disrepute, this group will likely have standing under the test described in *McDermott v. San Francisco Women's Motorcycle* (2006) and other cases we discussed in class.
- _____ 16. In considering the opposition filed by the group of African-American women (#15 above), the USPTO will first have to determine the meaning of "negrita" in the context of how Sweet+Plus will use the mark in connection with its product.
- _____ 17. On the question whether NEGRITA disparages women, African-American women, or Latin American women, if Sweet+Plus produces a convincing survey that shows that 55% of women do NOT consider the term disparaging, Sweet+Plus will win.
- _____ 18. According to the majority in *International Bancorp v. Societe Des Bains De Mer* (2003), if tens of thousands of Americans vacation in Martinique, Guadeloupe, and other Caribbean islands where RHUM NEGRITA is sold in tourist bars, this will be irrelevant to whether the makers of RHUM NEGRITA will be able to sue Sweet+Plus for the use of NEGRITA in relation to cookies.
- _____ 19. If it is shown that the Spanish word for cookie is "la galleta" - a feminine word - and that there are over 35 million Americans who speak Spanish at home, this may create a Lanham

§2(e)(1) problem for Sweet+Plus' ITU application to register NEGRITA.

THE COLOR BING

Microsoft's new search engine "Bing" is gaining more and more market share against Google. Microsoft has decided to launch an aggressive ad campaign to promote Bing with four slogans

'BING IS BETTER THAN GOOGLE'

"NEVER HEARD OF US? JUST GOOGLE 'BING'"

"TIRED OF GOOGLING? PUT SOME BING IN YOUR SEARCHES."

"GOOGLE BETTER WITH BING"

"

- _____ 20. All of these are clearly subject to a descriptive fair use defense.
- _____ 21. At least the first two of these are reasonably subject to a nominative fair use defense.
- _____ 22. The nominative fair use defense will allow Microsoft to use Google's distinctive font and coloring of its letters [blue-red-yellow-blue-green-red] in at least some of these slogans.
- _____ 23. If Google sues Microsoft for dilution, under the new federal dilution statute, GOOGLE will not be a "famous" mark.
- _____ 24. In the last slogan Microsoft's use of "google" as a verb for internet searching generally will probably not be accepted by courts as evidence of genericity.

A COUPLE MORE GENERAL QUESTIONS . . .

- _____ 25. ITU applications can only be filed for trademarks which are arbitrary or fanciful.
- _____ 26. One common factual element in the *Inwood Laboratories v. Ives Laboratories*, *Bayer Co. v. United Drug*, and *Nabisco v. Kellogg's* decisions is that each involved a product that was often or normally distributed to end users without the manufacturer's packaging.

COMMENTS on FUNDAMENTAL AMBIGUITIES? Note them with your T-F answers!

II. Essay Question
(65 points)

Please write an essay answer of no more than 1,750 words. This essay is worth 65 points of the 100 point exam.

Please make sure that you use 1.5 line or double line spacing and include a header or footer that has the page number **and the exam number** on each page. **At the end of the essay, please provide the essay's word count.**

* * *

In 1874, Martin Wilkes "M.W" Heron, a New Orleans bartender, developed a new whiskey which he eventually called "Southern Comfort." Over time, SOUTHERN COMFORT became one of America's best known liquors. SOUTHERN COMFORT is known as a sweet, smooth whiskey; one historian described Mr. Heron's (still secret) recipe as including vanilla, lemon, cinnamon, clove, cherries, orange peel, and (most important) honey.

SOUTHERN COMFORT has been a registered trademark for the liquor since September 17, 1946. SOUTHERN COMFORT liquor is now produced by the Brown-Forman Corporation, which owns all SOUTHERN COMFORT trademarks. Brown-Forman markets the liquor in sixty (60) countries. Domestically, Brown-Forman produces several different proofs of SOUTHERN COMFORT liquor, and sells "ready-to-pour" canned cocktails, such as "Southern Comfort Sweet Tea," "Southern Comfort Hurricane" and "Southern Comfort Lemonade." Brown-Forman also holds trademark registrations for SOUTHERN COMFORT for ice cream (#3165225), teas (#3389677), candy (#2663939), and some promotional goods categories. It generally licenses the use of its trademarks in such categories.

The "classic" SOUTHERN COMFORT bottle and label is shown in EXHIBIT E with another variation of the classic label in EXHIBIT F. The classic label was last used on liquor bottles shipped by Brown-Forman in May 2007, although the classic label continued to appear in magazine ads for the liquor through March 2008. Since May 2007, Brown-Forman has used a revised label for the liquor (EXHIBIT G), although the classic label [and variations] continue to be used by licensees (see EXHIBIT H).

Assume that Brown-Forman has separate trademark registrations for the words "Southern Comfort" and for the classic trade dress in each of the categories described above.

Recently, Mary Noel, the marketing director of Brown-Forman, was shopping at the Chelsea Market and found a maple syrup product called "Northern Comfort". Her subsequent investigation found that "Northern Comfort" maple syrup is being marketed with two different trade dress, both shown in EXHIBIT I.

Ms. Noel is quite angry about this and has come to get the advice of your boss, Mona Jaconde, one of the country's top wines and spirits lawyers. Ms. Nowell wants to know what would happen in a lawsuit if Brown-Forman decided to sue "Northern

Comfort". She wants to know the claims, the defenses, and the court's likely analysis of the issues.

Ms. Nowell points out that "Northern Comfort" is marketed in a "flask" bottle, typically associated with liquor, *see* <http://www.sha.org/bottle/liquor.htm#Eagle%20Flasks>, although she admits that Brown-Forman does not market SOUTHERN COMFORT in such flasks.

Your boss is leaving on a art museum and wine-tasting tour of France. To keep Noel happy, Jaconde has asked you to write a memo for the client in the next 24 hours. As always, Mona Jaconde insists you keep it short and sweet.

END OF WRITTEN EXAMINATION - EXHIBITS FOLLOW

EXHIBITS

EXHIBIT A



EXHIBIT B



EXHIBIT C



EXHIBIT D



EXHIBIT E



EXHIBIT F

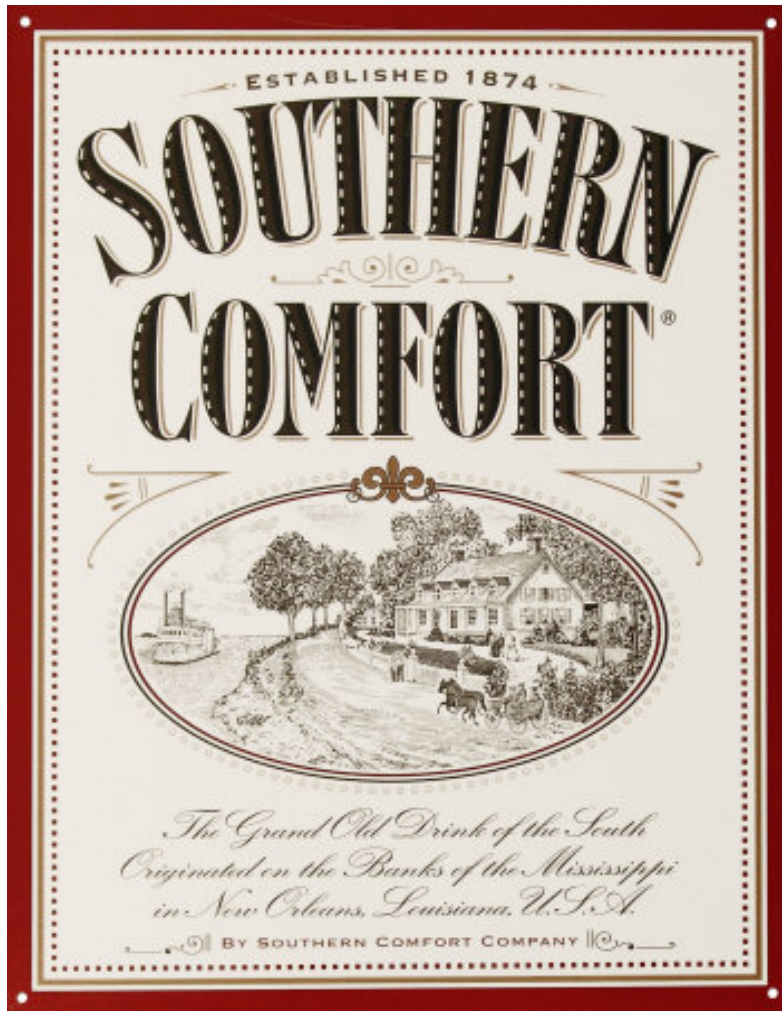


EXHIBIT G



EXHIBIT H



EXHIBIT I



EXHIBIT I (continued)



EXHIBIT I (continued)



END OF EXHIBITS