

# TRADEMARK LAW

---

SPRING 2012

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 1,800 word limit (total). Professor Hughes takes on no obligation to read beyond 1,800 words. **The illustrations appear at the end of this document AND/OR in a separate document called x-11TM-Exhibits.doc.**

GOOD LUCK

*Happy summer to all -- thanks for a fun class.*

## II. TRUE/FALSE QUESTIONS

(30 points)

This part of the exam is worth 30 points. Each answer is worth 1.5 points. There are 22 questions, so in the same spirit as the LSAT and other standardized tests, you can get two 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 22, 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

01. According to *In re Quadrillion Publishing*, when the USPTO reviews an application to determine whether a claimed trademark is a surname, it is irrelevant whether the claimed trademark has the structure or “look and sound” of a surname.
02. If it is shown that a particular design is the most cost-effective way to manufacture a product, that design will not be eligible to trademark protection.
03. As a general rule, only the price of the plaintiff’s product or service is relevant to the likelihood of confusion analysis.
04. In *Eastman Kodak v. Bell & Howell* the T.T.A.B concluded that where the mere descriptiveness of a claimed trademark in an ITU application could not be resolved until use had begun, the trademark examiner should not complete the initial examination of the application, effectively meaning that ITU

applications can only be filed for trademarks which are arbitrary or fanciful.

### GRANNIE IS GONE

**Exhibit A** shows a popular brand of gourmet coffee in Alaska called WICKED WOLF. The Wicked Wolf Coffee Company has filed three trademark registrations at USPTO: one application for the name WICKED WOLF; one application for the slogan “Grannie’s Gone But the Coffee’s On” and one application for the entire design shown on Exhibit A including the slogan, the learing wolf, and the frightened young woman. All applications are for “coffee products.” The coffee company has been using this name, package design, and slogan since July 1995. WICKED WOLF is already a registered trademark at USPTO; it is registered to a Maryland company, Frisco’s, for “a tomato-based hot sauce.”

- 05                      Frisco’s will have a reasonable basis to oppose at least the WICKED WOLF application
- 06                      An incorporated non-profit dedicated to combating violence against women will probably have standing to oppose at least one of these applications before the T.T.A.B.
- 07.                      If the T.T.A.B. determines that Wicked Wolf Coffee Company’s use of WICKED WOLF is not likely to confuse consumers with Frisco’s WICKED WOLF hot sauce, then when the Alaska company starts selling its coffee in Maryland, Frisco will be estopped from suing for likelihood of confusion under Lanham § 32.
- 08.                      A group of senior citizens could have a reasonable basis for believing that they would be damaged by registration of the trademark GRANNIE’S GONE BUT THE COFFEE’S ON because they possess a trait or characteristic “clearly and directly implicated by the proposed trademark” as required in *McDermott v. San Francisco Women’s Motorcycle*.

09. If Frisco applied for their registration in 1997, received their registration in 1998, and their WICKED WOLF mark became incontestable in 2003, Frisco will be able to force Wicked Wolf Coffee Company to stop use of the WICKED WOLF mark as soon as Frisco starts selling their WICKED WOLF hot sauce in Alaska.

**NO SE VAYA DE LA CASS SIN LA TARJETA  
(Don't leave home without the card)**

AMERICAN EXPRESS ("Amex") is a well-known provider of credit cards and travelers cheques. When it approves a new merchant to accept Amex credit card charges, it puts the merchant on an inspection list – from which occasional site visits are done. In 2010, Amex approved a merchant in Washington Height called "AE retail shops" which sells general household goods with a special emphasis on small appliances, decorations, and children's toys – all usually sold at a discount. In addition to being the home of much of Yeshiva University, Washington Heights has a large Latino/Hispanic population and Spanish is frequently spoke in the neighborhood.

Since 2010, AE retail shops has had respectable amounts of Amex charges and timely payment rates, with no problems (no unususal fraud, return rates, etc.) Recently, Amex inspectors visited the AE retail shop in Washington Heights and concluded that it a regular sort of retail store found in New York City. But the inspectors also found something alarming: that AE retail shops is "DBA" (doing business as) "*Americanas Express*." See the photos in **Exhibit B**.

Other lawyers are assessing whether Amex can stop the use of this name by AE retails shops on grounds of likelihood of confusion, but they do not think that the prospects are very good. So answer these questions about possible claims for dilution.

10. The fact that Amex approved doing business with AE retail shops/*Americanas Express* and has been doing business without incident for two years will weaken any claim for dilution by tarnishment.

11. AMERICAN EXPRESS lacks the “niche fame” or “local fame” required to sue under the federal dilution statute, 15 U.S.C. § 1125(c) [Lanham Act §43(c)].
12. *Americanas Express* will be able to raise successful defenses under several of the exclusions in 15 U.S.C. § 1125(c) [Lanham Act §43(c)], despite the lack of any apparent parody or commentary on Amex.
13. In a dilution by blurring analysis under 15 U.S.C. § 1125(c)(2)(B), the first four factors will very likely be decided in Amex’s favor.

#### EUROPE’S BEST, SORT OF

EUROPE’S BEST is a food brand sold in the United States focused on frozen fruits and vegetables. The company is headquartered in Canada (<http://www.europesbest.ca/>), although the company is itself a subsidiary of Smucker’s, an Ohio food company.

None or almost none of the EUROPE’S BEST products use fruits and vegetables from European countries. Everything or almost everything that EUROPE’S BEST sells is grown and processed in Canada, the United States, Mexico, Chile, and Central American countries. **Exhibit C** shows EUROPE’S BEST frozen raspberries – from Chile. EUROPE’S BEST has a number of USPTO trademark registrations, but trademark examiners (like everyone) can make mistakes.

14. According to *In re California Innovations*, the proper test to apply in any effort to cancel the USPTO registrations on the basis of geographic inaccuracy is the three part test from *In re Budge*, 857 F.2d 773 (Fed. Cir. 1988).
15. If surveys show that most Americans consider that Europe is renowned for having higher quality fruits and vegetables than other regions of the world, this fact will probably be important for the third prong of the *In re Budge* test.

16. If surveys show that most Americans identify Europe as an agricultural rich region of the world that produces significant amounts of fruits and vegetables, this will increase the probability that a court will find EUROPE'S BEST to be an arbitrary or fanciful trademark under the test in *In re Budge*.
17. According to the analysis in *In re California Innovations*, the presence of the word "BEST" in the trademark EUROPE'S BEST means that the trademark is not capable of being primarily geographically deceptively misdescriptive.

#### MORE GENERAL QUESTIONS . . .

18. According to the majority in *International Bancorp v. Societe Des Bains De Mer* (2003), if tens of thousands of Americans vacation in Costa Rica each year, then any company with a well-established trademark in Costa Rica can sue for infringement under the Lanham Act.
19. In the 2010 *Tiffany v. eBay* decision, the Second Circuit concluded that for contributory liability in trademark law, a service provider need only have general knowledge or reason to know that there is a substantial problem of trademark infringement in the service or system it offers.
20. *Wal-Mart Stores v. Samara Bros.* (Supreme Court, 2000) and *Two Pesos v. Taco Cabana* (Supreme Court, 1992) establish that all forms of trade dress can be inherently distinctive.
21. In "reverse confusion" circumstances, consumers doing business with the senior mark holder might mistakenly believe that they are dealing with the junior mark holder or that the senior mark holder is sponsored, endorsed, or affiliated with the junior mark holder.

22. In *Inwood Laboratories v. Ives Laboratories*, the Supreme Court concluded that a party could be secondarily liable for trademark infringement where [a] the party “intentionally induced” the infringement or [b] it continues to supply the means for infringement to a party it knows is infringing the trademark.

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

## II. Essay Question (70 points)

**There is one essay questions and you have up to 1800 words to answer it.** 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.**

### IS THAT A PISTOL IN YOUR POCKET OR ARE YOU HAPPY TO SEE MY TRADEMARK?

Mae West was an American actress and writer, famous for her image as a sex symbol. The American Film Institute has named West as the 15<sup>th</sup> most important female actress of all time. She was a controversial figure who fought against censorship and unquestionably cultivated the image of the empowered woman-in-charge. In addition to films, she was known for her stage shows on Broadway and Vegas, where she usually surrounded herself with muscular men.

West was the master of the sexualized double entendre. Some her more famous lines were “Any time you got nothing to do - and lots of time to do it - come see me,” “A dame that knows the ropes isn't likely to get tied up,” and “Between two evils, I always pick the one I never tried before.” In short, Mae West was definitely not Barbie. West died in Los Angeles in 1980 at the age of 87. **Exhibit D** shows some iconic photographs of West.

All intellectual property rights that Mae West had – including rights of publicity -- are now owned by an entity called Mae West, Inc., controlled by her heirs and incorporated in 1984. Mae West, Inc. has not exploited her image and name in the same way that the Elvis Presley, Marilyn Monroe, and James Dean estates have commercialized their dead celebrity properties. The Mae West Inc. licensing of “Mae West” has been occasional and sporadic – and mainly only for use in documentaries about the actress’ life. One exception is that Mae West Inc. licensed a stage show called “Mae West Presents . . .” for the Atlantis Hotel and Casino in the Bahamas. But on April 4, 2012 Mae West Inc. filed an ITU application at the U.S. Patent and Trademark Office for MAE WEST in several categories of goods and services. The application specifies live entertainment services, films, television shows, clothing, make-up, adult toys, liquors, wine, beer, coffees, chocolates, diet foods, travel services, rehabilitation services, and exercise programs. They are rolling out a major licensing program this summer. In a press release, Mae West Inc. said “we intend to celebrate all the good things in life that Mae believed in.”

Unfortunately, it appears that on April 15, 2012, a Canadian bakery company called “Vachon” filed an ITU application for MAY WEST in relation to prepared foods and baked goods. Furthermore, it appears that Vachon has been marketing such MAE WEST baked goods in Canada since 1979. **Exhibit E** shows samples of Vachon’s MAY WEST products. Vachon advertised MAE WEST products in Ontario and Quebec newspapers as well as Ontario and Quebec radio stations in the 1980s and 1990s, but has not done any radio advertising for the MAY WEST products since 1999.

There are rumors in the baking industry that Vachon is prepared to start a major push to export MAY WEST brand cupcakes and packaged baked goods to the United States. There is a confirmed report that Vachon set a box of MAY WEST sample products to 10 potential wholesale distributors in New York and New England on March 30, 2012, asking for meeting to discuss whether the distributors would represent Vachon in the northeastern US.

Although Mae West Inc. has competent counsel for the ITU application, Charles (“Chaz”) Celebre, the president of Mae West Inc., has come to your law firm for advice about what to do in this complex situation. Your senior partner, Mona L. Jaconde, is well-known as a

trademark litigator and business strategist. Mona needs a memo from you detailing the options and best strategy for Mae West Inc. in dealing with Vachon, both in the applications before the USPTO and in the market generally, including questions of timing – what actions to take and when to take them. Her meeting with Chaz Celebre is just 26 hours from the time you receive this assignment.

It's a demanding assignment, but Mona thinks you're the best young lawyer for the project. And remember the advice Mae herself would give you in a situation like this: "*An ounce of performance is worth pounds of promises.*"

Good luck.

END OF WRITTEN EXAMINATION – EXHIBITS FOLLOW

## EXHIBITS

## EXHIBIT A

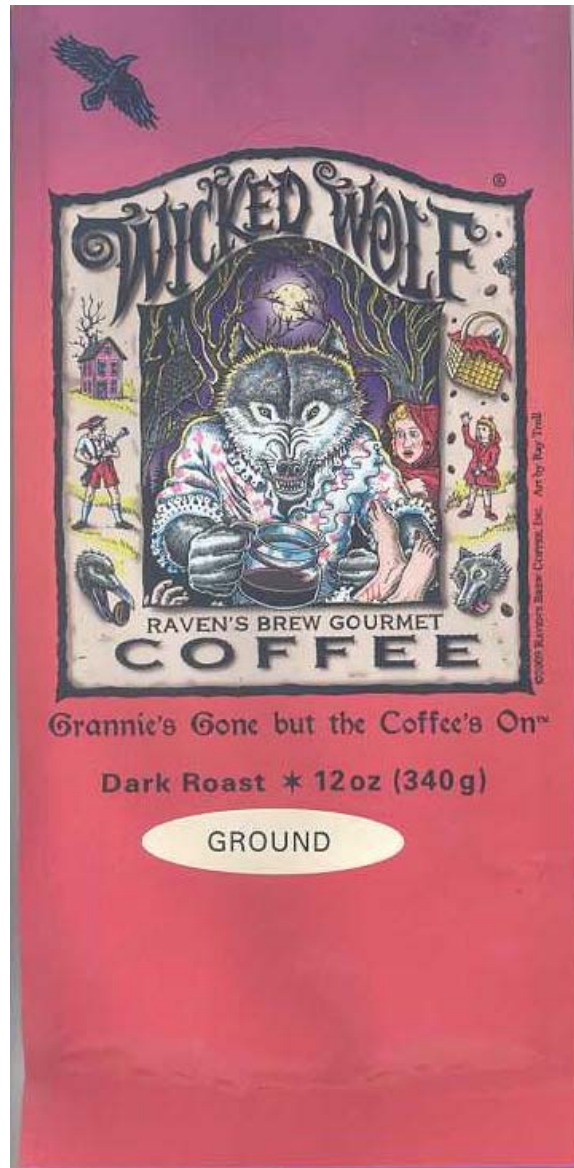


EXHIBIT B



## EXHIBIT C



EXHIBIT D



## EXHIBIT E



### END OF EXHIBITS ###