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## **PARODY NO AUTOMATIC DEFENSE TO TRADEMARK INFRINGEMENT**

by  
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Several recent cases have dealt with the issue of parody and satire as an effective defense to trademark infringement. These cases are *L.L. Bean Inc. v. Drake Publishers Inc.*, 811 F.2d 26 (1st Cir.), appeal dismissed, 107 S.Ct. 3254 (1987); *Jordache v. Hogg Wyld, Ltd.*, 828 F.2d 1482 (10th Cir. 1987); and *Mutual of Omaha Insurance Co. v. Novak*, 836 F.2d 397 (8th Cir. 1987). Although these three cases reached markedly different results, the conclusion to be drawn from them is that parody is not an automatic defense to trademark infringement or trademark dilution claims. First amendment considerations, although significant in this context, are not absolute and must be examined on an individual basis together with similarity of the marks and the context of their use.

*L.L. Bean* involved a parody of the well-known *L.L. Bean* catalogue of outdoor goods published in *High Society*, an adult magazine devoted to erotic entertainment. The parody was entitled "L.L. Bean's Back-to-School-Sex-Catalog" and displayed a facsimile of Bean's trademark. It featured sexually explicit photographs using "products" that were described in a crudely humorous fashion. The article was labeled on the magazine's contents page as "humor" and "parody."

After *L.L. Bean* sought injunctive relief on trademark infringement and trademark dilution theories, the U.S. District Court for the District of Maine granted summary judgment to Bean on the dilution claim under Maine law.

The First Circuit reversed, citing first amendment considerations. The court stated that the rights of a trademark owner extend only to prevent injurious unauthorized commercial uses of the mark by another, and that such rights do not entitle the owner to quash an unauthorized use of the mark by one who is communicating ideas or expressing points of view. In this framework, the court found that the dilution statute was inapplicable in this non-commercial context. There could be no "tarnishment," as required for one form of dilution, based solely on the presence of an unwholesome context in which a trademark is used without authorization when that context is non-commercial. Here, *Drake Publishers* never did use *L.L. Bean*'s mark to identify or promote actual goods or services.

In contrast, *Jordache* did involve parody in a commercial context with goods in competition. The defendants in *Jordache* had adopted a mark for jeans consisting of a large, brightly colored, pig's head and hooves with the word "Lardashe" in script on the back pocket. *Jordache Enterprises* used the word "Jordache" in block letters or in script, sometimes superimposed over a drawing of a horse's head. *Jordache Enterprises* claimed trademark infringement under the Lanham Act and trademark dilution under state law. The U.S. District Court for the District of New Mexico held for the defendants on all claims. *Jordache Enterprises v. Hogg Wyld, Ltd.*, 625 F. Supp. 48 (D.N.M. 1985).

When *Jordache* appealed to the Tenth Circuit, that court affirmed. It found the marks as a whole not confusingly similar, especially when the designs were considered. Most importantly, it distinguished an intent to parody from an intent to confuse the public as to the source of goods. In parody, the intent is not necessarily to confuse the public but rather to amuse. The court also denied relief under the New Mexico antidilution statute. It stated that parody tends to increase the public identification of the trademark owner's mark with the owner and would not cause the "Jordache" mark to lose its distinctiveness. It also denied any existence of improper tarnishment, since the context in which "Lardashe" was used was not inherently unwholesome and the public would not necessarily associate the sources of the two marks.

The third case, *Mutual of Omaha*, reached a different result in a situation in which the defendant did parody

plaintiff's mark in a commercial context, while the defendant was also seeking to make a political statement. In *Mutual of Omaha*, defendant had created a design incorporating the words "Mutant of Omaha" and "Nuclear Holocaust Insurance," together with a side view of a feather-bonneted, emaciated human head. (*Mutual of Omaha* used a well-known "Indian head" logo.) Defendant then placed his design on shirts, caps, and coffee mugs, which were advertised and sold.

The U.S. District Court for the District of Nebraska found infringement. It held that there was sufficient likelihood of confusion, relying on the overall similarity of the marks and on survey evidence. *Mutual of Omaha Insurance Co. v. Novak*, 231 U.S.P.Q. 963 (D. Neb. 1986).

The Eighth Circuit affirmed, holding that there was sufficient similarity of the marks to result in likelihood of confusion. The court also noted that *Mutual of Omaha* did use its own mark on T-shirts and coffee mugs, selling such items to agents, who used them for promotional purposes. The court denied defendant's claim that his use of the design in question was protected by the first amendment. It cited cases involving real property, such as *Lloyd Corp. v. Tanner*, 407 U.S. 551 (1972), in ruling that *Mutual of Omaha's* property rights need not yield to the exercise of first amendment rights under circumstances where adequate alternative avenues of communication exist. This "adequate alternative avenues of communication" test had been rejected by the First Circuit in *L.L. Bean*, at least in the non-commercial context.

Although these cases are not entirely consistent, some guidelines do emerge in this area:

1. First amendment considerations are much stronger in the non-commercial context, in which the parodist is attempting to express an idea, than in the commercial context, in which the parodist uses the parody of the mark in association with his own goods or services. The fact that the parodist's goods or services are intended to convey a political message does not necessarily insulate him from liability for infringement.
2. Much as in any other area of trademark law, the similarity or lack of similarity of the mark involved and its parody is critical. A parodistic reference to another mark, as in the *Jordache* case, is not likely to result in a finding of infringement when the actual marks involved are clearly different.
3. State antidilution laws appear relatively ineffective weapons with which to attack trademark parodies, although they might be useful if the parodist's use is in a commercial context and is so outrageous or degrading that tarnishment of the original mark could result from it. Such tarnishment will have to be clearly demonstrable before most federal courts will invoke such state antidilution laws.

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