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More Than IP: Trademark Among the Consumer Information Laws

Michael Grynberg

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MORE THAN IP: TRADEMARK AMONG THE CONSUMER
INFORMATION LAWS

MICHAEL GRYNBERG*

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* Associate Professor of Law, DePaul University College of Law. Comments welcome at mgrynber@depaul.edu. My thanks to Kelly Baldrate, Rebecca Eisenberg, Andrew Gold, Stephan Landsman, Jessica Litman, Josh Sarnoff, Rebecca Tushnet, the participants at the University of Michigan Law School's Intellectual Property Workshop, and the participants in a faculty colloquium at DePaul for their comments on earlier drafts.

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INTRODUCTION

A lot of legal scholarship ponders trademark's relationship with other forms of intellectual property (IP).¹ This is no surprise. Trademarks, copyrights, and patents all protect intangible rights. As their respective legal regimes evolve, their policies may come into conflict due to overlapping subject matter. The resulting doctrinal tensions need reconciliation and provide fodder for analysis.

That said, thinking about trademark boundaries in terms of other IP laws is a bit odd. Copyrights and patents exist in order to incentivize invention and expression.² Trademark performs a different role. It is more fundamentally regulation of consumer information.³ As such, it may enjoy a greater kinship with other consumer information regimes, be they based on private rights of action, like federal false advertising law,⁴ or the regulatory activities of agencies like the Federal Trade Commission.⁵

1. See, e.g., Theodore H. Davis, Jr., *Directing Traffix: A Comment on the Construction and Application of Utility Patent Claims in Trade Dress Litigation*, 54 FLA. L. REV. 229 (2002); Graeme B. Dinwoodie, *Concurrence and Convergence of Rights: The Concerns of the U.S. Supreme Court*, in INTELLECTUAL PROPERTY LAW 2004: ARTICLES ON CROSSING BORDERS: BETWEEN TRADITIONAL AND ACTUAL 5 (F. Willem Grosheide & Jan J. Brinkhof eds., 2005), available at http://works.bepress.com/cgi/viewcontent.cgi?article=1029&context=graeme_dinwoodie; Laura A. Heymann, *The Trademark/Copyright Divide*, 60 SMU L. REV. 55 (2007); Mark P. McKenna, *An Alternate Approach to Channeling?*, 51 WM. & MARY L. REV. 873 (2009); Gideon Parchomovsky & Peter Siegelman, *Towards an Integrated Theory of Intellectual Property*, 88 VA. L. REV. 1455 (2002).

2. U.S. CONST. art. I, § 8, cl. 8 (authorizing Congress to "promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries").

3. See *The Trade-Mark Cases*, 100 U.S. 82, 93-94 (1879) (rejecting an effort to base federal trademark law in the incentive-based Intellectual Property Clause, U.S. CONST. art. I, § 8, cl. 8). Future federal efforts, including today's trademark statute, the Lanham Act, invoke Congress's Commerce Clause power. See 15 U.S.C. § 1127 (2006) ("The intent of this chapter is to regulate commerce within the control of Congress by making actionable the deceptive and misleading use of marks in such commerce.").

4. The federal false advertising action is located in the same section of the Lanham Act as the action for infringement of an unregistered mark. 15 U.S.C. § 1125(a) (2006).

5. See Federal Trade Commission Act, 15 U.S.C. § 45(a) (2006) (empowering the FTC to prevent "[u]nfair methods of competition in or affecting commerce and unfair or deceptive acts or practices in or affecting commerce").

This Article explores the consequences for trademark of being just one of many consumer information laws. Some of the issues addressed by trademark recur across regimes, inviting classification⁶ and comparison⁷ of different approaches to similar questions. My focus, however, is elsewhere. Rather than asking whether, for example, the Federal Trade Commission's definition of misleading advertising ought to guide parallel assessments in trademark, or making claims about the nature of misleading conduct,⁸ this Article is interested in the consequences for trademark of the fact that multiple regimes answer these questions.

Part I begins the inquiry by describing trademark's connection with other consumer information laws. In many cases optimal trademark policy—by whatever criteria—depends on the state of play in another regime. This complicates trademark's development in multiple ways. It is not simply a problem of determining how another body of law treats the related issue. Identifying the relevant parallel regime is not always easy. Indeed, sometimes the laws most pertinent to the production of consumer information are more general in nature—think, for example, of the role that simple trespass law plays in determining what we know about how our meat is raised—and therefore easy to overlook.

The problem underscores the complexity of the larger “ecosystem” of generators and users of consumer information and the laws governing them. The various components of this broader structure may interact opaquely. The resulting lack of clarity has consequences for trademark's future development and the question of how responsibility for that development should be divided between judges and legislators. The difficulty of crafting rules with an eye toward interrelated doctrines may be reason to question the wisdom of a judge-driven, “common law” approach to trademark decisions. Alternatively, courts should look for ways to accommodate

6. See, e.g., Gregory Klass, *Meaning, Purpose, and Cause in the Law of Deception*, 100 GEO. L.J. 449, 450 (2012) (drawing a distinction between “interpretive, purpose-based, and causal-predictive” regulatory approaches to preventing deception).

7. See, e.g., Rebecca Tushnet, *Running the Gamut from A to B: Federal Trademark and False Advertising Law*, 159 U. PA. L. REV. 1305, 1308-09 (2011) (discussing, among other things, what trademark and false advertising law can learn from each other).

8. See, e.g., Richard Craswell, *Interpreting Deceptive Advertising*, 65 B.U. L. REV. 657, 660 (1985).

consumer information law's variety by simplifying trademark issues as much as possible in order to minimize the need for cross-doctrinal assessments.

The balance of the Article explores one approach to simplification. Part II develops the idea that trademark law might benefit from "offloading" some of its expanding scope to other consumer information regimes. Claims at trademark's peripheries often address subject matter that is the core concern of other causes of action. Letting such claims into trademark creates several problems. It risks upsetting settled policy tradeoffs in other bodies of law, raising accountability issues when those understandings were the product of political settlement. Importing such claims is also detrimental to trademark law. Although the external body of law will have doctrines designed to limit the reach of particular claims, these limitations may not translate into trademark law. The imported claim may therefore assume an unexpected scope, free of the doctrines that would normally cabin its reach. The resulting instability undermines trademark law's coherence and transparency as courts force new claims into now-ill-fitting doctrinal boxes. Offloading such causes of action from trademark law into more appropriate regimes offers an avenue for improving the quality of trademark doctrine. The remainder of Part II gives several examples while acknowledging some limits to this approach.

I. INTERCONNECTED ISSUE ANALYSIS

Trademark law is just one of many regimes regulating a larger system of consumer information generation and consumption. Optimal trademark policy will often depend on how other consumer information laws operate. This Part provides some examples and explores the consequences for judicial approaches to the Lanham Act.

A. Consumer Information Law

Before proceeding, it is worth providing an overview of trademark law in particular and consumer information law in general. For present purposes, consumer information law is defined simply as

the law regulating the production and dissemination of information relevant to consumers in making purchasing decisions. The category is broad; the following describes just a sample.

1. *Trademark*

a. *Trademark's Purpose*

Trademarks and servicemarks are used to identify and distinguish goods and services while signaling their source.⁹ Justifications for legally protecting trademarks generally fall into one of two camps. The first focuses on the consumer's interest. Trademark rights prevent fraud (for example, passing off a product as that of another) while assisting consumers in finding their preferred product.¹⁰ A consumer reaching for a product may expect it to have the same source—and therefore the same attributes—as other goods bearing the same mark that she tried in the past. Consumers therefore need not expend the same effort—or search costs—to verify product quality or find their preferred product as they would in a world without trademark protection.¹¹ The ability to rely on a trademark has the ancillary benefit of allowing sellers to compete on the basis of quality. Because consumers may rely on trademarks, sellers can invest in quality without fear that competitors will copy their trademarks to undercut them with a similarly labeled product.¹²

Although this latter benefit also promotes consumer welfare, it is often framed as a benefit afforded by trademark law to sellers.¹³ This is the second traditional trademark justification. Trademark law exists to protect the “goodwill” that a seller forms with the

9. 15 U.S.C. § 1127 (2006).

10. This purpose is noted in the legislative history of the Lanham Act. *See* S. REP. NO. 79-1333, at 3 (1946), *as reprinted in* 1946 U.S.C.C.A.N. 1274, 1274 (stating that a purpose of trademark law is to “protect the public so that it may be confident that, in purchasing a product[,] ... it will get the product which it asks for and wants to get”).

11. *See, e.g.*, William M. Landes & Richard A. Posner, *Trademark Law: An Economic Perspective*, 30 J.L. & ECON. 265, 275-76 (1987).

12. S. REP. NO. 79-1333, at 4 (“Trade-marks encourage the maintenance of quality by securing to the producer the benefit of the good reputation which excellence creates.”).

13. *Id.* at 3.

consuming public,¹⁴ and the trademark cause of action defends it from misappropriation by others.¹⁵

b. Trademark's Growth

Trademark law has grown in scope and power in recent decades. A brief description of that expansion follows. More extensive accounts are available elsewhere.¹⁶

Trademark law is traditionally concerned with the deceptive seller who tricks consumers by mislabeling his goods as someone else's.¹⁷ Modern trademark law has a lot more on its plate. First, it polices more than labels. Today's doctrine largely rejects subject matter limitations, creating difficulties as creative plaintiffs claim protection over not only product designs,¹⁸ but a range of nontraditional exotic marks such as buildings,¹⁹ store décors,²⁰ film scenes,²¹ and expressive content generally.²²

Second, trademarks are more powerful. The trademark cause of action now reaches beyond the home market of the plaintiff's product.²³ Courts will assess likelihood of confusion—the trademark

14. *Id.* at 5.

15. *Id.* at 3 (“[W]here the owner of a trade-mark has spent energy, time, and money in presenting to the public the product, he is protected in his investment from its misappropriation by pirates and cheats.”).

16. *See, e.g.*, Robert G. Bone, *Hunting Goodwill: A History of the Concept of Goodwill in Trademark Law*, 86 B.U. L. REV. 547, 592-615 (2006); J. Thomas McCarthy, *Lanham Act § 43(a): The Sleeping Giant Is Now Wide Awake*, 59 LAW & CONTEMP. PROBS. 45, 46-54 (1996).

17. *See, e.g.*, *Hanover Star Milling Co. v. Metcalf*, 240 U.S. 403, 412-13 (1916) (“The essence of the [trademark] wrong consists in the sale of the goods of one manufacturer or vendor for those of another.”).

18. *See, e.g.*, *Christian Louboutin S.A. v. Yves Saint Laurent Am. Holding, Inc.*, 696 F.3d 206, 211-12 (2d Cir. 2012) (concerning protection for the color of high-heel shoes).

19. *See, e.g.*, *Rock & Roll Hall of Fame & Museum, Inc. v. Gentile Prods.*, 134 F.3d 749, 755 (6th Cir. 1998).

20. *See, e.g.*, *Best Cellars, Inc. v. Wine Made Simple, Inc.*, 320 F. Supp. 2d 60, 71 (S.D.N.Y. 2003).

21. *See, e.g.*, *Comedy III Prods., Inc. v. New Line Cinema*, 200 F.3d 593, 594-95 (9th Cir. 2000).

22. *See generally* 1 J. THOMAS MCCARTHY, MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION § 8:4.50 (4th ed. 2013) (giving examples of subject matter held to be trade dress).

23. *See generally id.* § 24:2 (describing the decline of the requirement that trademark plaintiffs be in competition with defendants before filing infringement suits).

liability standard—at times other than the point of sale.²⁴ Pre-sale and post-sale confusion may create liability even if actual purchasers are not confused.²⁵ Trademark claims need not be restricted to confusion about a product's source or origin. They now encompass confusion of sponsorship and affiliation.²⁶ This concept of “approval” reaches beyond the notion of standing behind or otherwise vouching for a product as a franchisor might. Courts entertain claims in which the alleged confusion is simply that consumers think the mark holder permitted a reference by the defendant.²⁷

Finally, Congress has created entirely new categories of trademark claims. The federal trademark dilution statute allows owners of “famous” marks to target activities deemed likely to “blur” or “tarnish” their marks even if there is no likelihood of consumer confusion.²⁸ Anti-“cybersquatting” legislation gives trademark holders the ability to claim domain names that are “confusingly similar” to their marks.²⁹ Here, too, likelihood of consumer confusion is not required.³⁰

Trademark's expansion creates a range of problems. Ambitious plaintiffs threaten competition when they claim trademarks in functional subject matter,³¹ interfere with comparative and other referential advertising by competitors,³² attack innovation in

24. See, e.g., *Ferrari S.P.A. Esercizio v. Roberts*, 944 F.2d 1235, 1244 (6th Cir. 1991).

25. See, e.g., *Hermès Int'l v. Lederer de Paris Fifth Ave., Inc.*, 219 F.3d 104, 108-09 (2d Cir. 2000) (post-sale confusion case); *Grotrian, Helfferich, Schulz, Th. Steinweg Nachf. v. Steinway & Sons*, 523 F.2d 1331, 1342 (2d Cir. 1975) (early initial interest confusion case).

26. 15 U.S.C. § 1125(a) (2006).

27. See, e.g., *Pebble Beach Co. v. Tour 18 I Ltd.*, 155 F.3d 526, 544 (5th Cir. 1998) (“For a party to suggest to the public, through its use of another's mark or a similar mark, that it has received permission to use the mark on its goods or services suggests approval, and even endorsement, of the party's product or service and is a kind of confusion the Lanham Act prohibits.”).

28. 15 U.S.C. § 1125(c).

29. *Id.* § 1125(d); see also Neil L. Martin, *The Anticybersquatting Consumer Protection Act: Empowering Trademark Owners, But Not the Last Word on Domain Name Disputes*, 25 J. CORP. L. 591, 593-94 (2000) (exploring the meaning of “cybersquatting”).

30. See 15 U.S.C. § 1125(d). The provision, passed as the Anticybersquatting Consumer Protection Act (ACPA), gives mark holders the ability to seek in rem relief against domain names alleged to be confusingly similar to their marks.

31. See, e.g., *TraFFix Devices, Inc. v. Mktg. Displays, Inc.*, 532 U.S. 23, 23-24 (2000).

32. See, e.g., *Toyota Motor Sales, U.S.A., Inc. v. Tabari*, 610 F.3d 1171, 1180 (9th Cir. 2010).

information markets,³³ or use immaterial confusion to harass competitors.³⁴ Likewise, the monopolization of merchandising markets through trademark rights raises prices by preventing competition.³⁵ Expansive trademark claims also threaten expressive activities that employ trademarks.³⁶ All of these criticisms and others may be found in the large and growing commentary critiquing trademark's growth.³⁷

2. *Other Private Rights of Action*

Many laws regulating producers and users of consumer information operate, like trademark, through private rights of action. Federal false advertising law, for example, targets advertising that “misrepresents the nature, characteristics, qualities, or geographic origin” of “goods, services, or commercial activities.”³⁸ Liability generally requires:

- (1) a false or misleading statement of fact about a product;
- (2) such statement deceived or had the capacity to deceive a substantial segment of potential consumers;
- (3) the deception is material, in that it is likely to influence the purchasing decision;
- (4) the product is in interstate commerce; and
- (5) the plaintiff has been or is likely to be injured as a result of the statement.³⁹

33. *See, e.g.*, *Tiffany (NJ) Inc. v. eBay Inc.*, 600 F.3d 93, 97-98 (2d Cir. 2010).

34. *See, e.g.*, *Ga.-Pac. Consumer Prods., LP v. Myers Supply, Inc.*, 621 F.3d 771, 775-77 (8th Cir. 2010); *Ga. Pac. Consumer Prods., LP v. Von Drehle Corp.*, 618 F.3d 441, 442 (4th Cir. 2010).

35. *See, e.g.*, *Bd. of Supervisors for La. State Univ. Agric. & Mech. Coll. v. Smack Apparel Co.*, 550 F.3d 465, 479 (5th Cir. 2008) (upholding an infringement finding against apparel that used plaintiff universities' color schemes).

36. *See, e.g.*, *Anheuser-Busch, Inc. v. Balducci Publ'ns*, 28 F.3d 769, 774-75 (8th Cir. 1994) (finding infringement in a mock advertisement depicting altered forms of the plaintiff's marks).

37. *See*, for example, the sources collected and discussed in Michael S. Mireles, Jr., *Towards Recognizing and Reconciling the Multiplicity of Values and Interests in Trademark Law*, 44 *IND. L. REV.* 427, 473-88 (2011).

38. 15 U.S.C. § 1125(a) (2006).

39. *Clock Spring, L.P. v. Wrapmaster, Inc.*, 560 F.3d 1317, 1329 n.10 (Fed. Cir. 2009) (citing *Pizza Hut, Inc. v. Papa John's Int'l, Inc.*, 227 F.3d 489, 495 (5th Cir. 2000)).

Like trademark, the federal false advertising cause of action has state-law counterparts.⁴⁰ Other state private rights of action influencing the production of consumer information are found in consumer protection statutes, which may also provide private remedies for individual consumers for false or misleading representations.⁴¹ They are sometimes referred to as little-FTC statutes to the extent that their ambit coincides with the federal FTC Act.⁴²

Local tort and contract laws also influence consumer information practices. Beyond consumer remedies for fraud or breach of contract,⁴³ defamation, trade libel, publicity, and related doctrines all regulate advertising practices and other communications to consumers.⁴⁴

Last, as discussed in greater detail below, a host of legal regimes that are not focused on consumer information shape its availability just as much, if not more, than those that are. Antitrust law, for example, sets rules for the marketplace that affect the freedom of action for information providers.⁴⁵ But less encompassing regimes also play a significant, if often overlooked, role in determining the types of information that consumers have available to them.⁴⁶

3. Administrative Regulation

Federal and state administrative agencies and other executive officials directly regulate consumer information. Most notably, the Federal Trade Commission has authority under the FTC Act to

40. See, e.g., CAL. BUS. & PROF. CODE § 17500 (West 2013).

41. See, e.g., Henry N. Butler & Joshua D. Wright, *Are State Consumer Protection Acts Really Little-FTC Acts?*, 63 FLA. L. REV. 163, 169-73 (2011) (describing various types of consumer protection acts passed by states, the Uniform Deceptive Trade Practices Act, and the Model Unfair Trade Practices and Consumer Protection Law).

42. *Id.* at 171 (noting that provisions of the Model Unfair Trade Practices and Consumer Protection Law tracked that of the FTC Act, leading them to be referred to as “[l]ittle-FTC Acts” when adopted by the states).

43. And state and federal laws may dictate the kinds of disclosures necessary as part of contract terms or warranties. See, e.g., Magnuson-Moss Warranty Act, 15 U.S.C. §§ 2301-2312 (2006).

44. For an overview of the various regimes at play in consumer information law, see generally REBECCA TUSHNET & ERIC GOLDMAN, *ADVERTISING AND MARKETING LAW: CASES AND MATERIALS* (2012).

45. See, e.g., *Am. Needle, Inc. v. Nat’l Football League*, 130 S. Ct. 2201, 2216-17 (2010) (allowing an antitrust claim against the NFL’s trademark licensing activities to proceed).

46. See *infra* Part I.C.

proceed against those committing “unfair and deceptive” practices in the marketplace.⁴⁷ Other federal agencies may initiate similar enforcement proceedings for subject matter within their purview.⁴⁸ State attorneys general and administrative regimes exercise parallel authority.⁴⁹

Agencies also issue prospective rules.⁵⁰ Some of them control what may be brought to market,⁵¹ but of interest here are rules concerning information practices.⁵² Some such rules control how those products may be described. For example, the United States Department of Agriculture (USDA) regulates when a food may be labeled “organic,”⁵³ and the Food and Drug Administration (FDA) regulates the naming of food ingredients.⁵⁴ Not all of these interventions are in the form of binding rules. They may exist instead as agency guidance or recommended best practices.⁵⁵

4. *Interacting Regimes*

A lot may be said about the variety of consumer information laws and their interactions. Some articles focus on cross-cutting issues—for example, the need to determine what kinds of state-

47. 15 U.S.C. § 45 (2006).

48. *See, e.g.*, Press Release, FCC, FCC Proposes \$5 Million Forfeiture Regarding Prepaid Calling Cards (Oct. 2, 2012), *available at* <http://www.fcc.gov/document/fcc-proposes-5-million-forfeiture-regarding-calling-cards>.

49. *See, e.g.*, Press Release, FTC, Skechers Will Pay \$40 Million to Settle FTC Charges That It Deceived Consumers with Ads for “Toning Shoes” (May 16, 2012), *available at* <http://www.ftc.gov/opa/2012/05/consumerrefund.shtm> (describing a settlement joined by state attorneys general who had pursued actions against the company).

50. *See, e.g.*, 15 U.S.C. § 57a (2006).

51. *See, e.g.*, *infra* note 75 (citing the FDA’s generic drug rules).

52. *See, e.g.*, 47 C.F.R. § 64.1200 (2012) (delineating FCC rules on telemarketing).

53. 7 C.F.R. § 205.800 (2013).

54. *See, e.g.*, Letter from Michael M. Landa, Dir., Ctr. for Food Safety & Applied Nutrition, Food & Drug Admin., to Audra Erickson, President, Corn Refiners Assoc. (May 30, 2012), *available at* <http://www.fda.gov/aboutFDA/CentersOffices/OfficeofFoods/CFSAN/CFSANFOIAElectronicReadingRoom/ucm305226.htm>. *See generally* Federal Food, Drug, and Cosmetic Act, ch. 675, 52 Stat. 1040 (1938) (codified as amended at 21 U.S.C. §§ 301-399d).

55. *See, e.g.*, Press Release, FTC, FTC Issues Revised “Green Guides” (Oct. 1, 2012), *available at* <http://www.ftc.gov/opa/2012/10/greenguides.shtm>. Here, too, states may act in a similar manner, subject to the limitation that any state regime may be preempted by its federal counterpart if they conflict. *See, e.g.*, *In re Aurora Dairy Corp. Organic Milk Mktg. & Sales Practices Litig.*, 621 F.3d 781, 796 (8th Cir. 2010).

ments are misleading.⁵⁶ Others address the differences between regimes. This comparative view may produce critiques of a body of law's approach to a particular problem or assess the various regulatory tools that may be calibrated for particular kinds of deception.⁵⁷ This Article is less interested in the outcome of such analyses than the fact that trademark is just one of several consumer information regimes that must engage them. To that end, the remainder of this Part examines the interaction of consumer information regimes—with a focus on trademark law—and what this interaction suggests about resolving unsettled questions of trademark doctrine.

B. Simultaneous Analysis

Trademark law has an undeniable policy component. The trademark cause of action is written in broad text,⁵⁸ giving parties to litigation broad leeway to make naked policy appeals to judges. The development of new advertising tools and marketplaces online has only increased this temptation.⁵⁹ Whatever one thinks of this state of affairs,⁶⁰ if policy is a relevant battleground in a trademark case, then preferred outcomes are hard to achieve without assessing the role of other regimes and institutional actors. Some examples follow.

1. Keyword Advertising

Sometimes the full policy picture in a debate over trademark's proper scope requires the evaluation of a regime that is not before the court. Many contentious questions of trademark doctrine turn on the extent to which third parties may use trademarks, which identify the product's source, to identify the product's category. "PEPSI is better than COKE," is what trademark law defines as a

56. See, e.g., Craswell, *supra* note 8, at 678 (proposing that advertising be treated as deceptive "only if it leaves some consumers holding a false belief about a product, and the ad could be cost-effectively changed to reduce the resulting injury") (emphasis omitted).

57. See, e.g., Klass, *supra* note 6, at 450.

58. See *infra* notes 207-08 and accompanying text.

59. See *infra* Part I.B.1.

60. This subsection is agnostic on that point, but it is taken up in Part I.D.2, *infra*.

nominative use.⁶¹ The mark is used to refer to the mark holder in making a relative claim about COKE. This kind of use is well-established as permissible comparative advertising.⁶² But it also communicates other nominative messages—for example, that PEPSI is in the same product category as Coca-Cola. The legality of nominative trademark uses outside the comparative advertising context is unsettled.

Battles over keyword advertising are an example. Keyword advertising is the practice of purchasing the ability to display advertising in response to search engine queries.⁶³ So, an airline might bid on the right to have its advertisements displayed next to a search for “airplane tickets.” Trademark law gets involved when the keyword is a mark—for example, “AMERICAN AIRLINES.”⁶⁴

Plaintiffs objecting to the use of trademarks as keywords and similar practices sometimes focus on the trademark doctrine of pre-sale or “initial interest confusion.”⁶⁵ They contend that any diversion of potential customers should be actionable, even absent bait-and-switch or similar tactics.⁶⁶ Another theory attacks intermediaries like Google when advertising turns out to be for counterfeit products, claiming that such practices contribute to infringement or constitute direct infringement in and of itself.⁶⁷

These efforts have drawn cascades of criticism.⁶⁸ One attack focuses on the ability of keyword advertising to expand the range of consumer choice.⁶⁹ A trademark is an information-rich term.⁷⁰ The advertisement delivered in response to a search for the mark may efficiently inform consumers of alternative options in the same

61. See *New Kids on the Block v. News Am. Publ'g, Inc.*, 971 F.2d 302, 307-08 (9th Cir. 1992) (explaining nominative uses of marks).

62. See *infra* Part II.C.1.

63. See, e.g., *Rosetta Stone Ltd. v. Google, Inc.*, 676 F.3d 144, 150-51 (4th Cir. 2012) (explaining the practice of keyword advertising and how it relates to trademark law).

64. See *id.* at 152.

65. See *supra* note 25 and accompanying text.

66. See, e.g., *Brookfield Commc'ns Inc. v. W. Coast Entm't Corp.*, 174 F.3d 1036, 1062-63 (9th Cir. 1999).

67. *Rosetta Stone*, 676 F.3d at 152.

68. See generally Michael Grynberg, *The Road Not Taken: Initial Interest Confusion, Consumer Search Costs, and the Challenge of the Internet*, 28 SEATTLE U. L. REV. 97, 130 nn.156-57 (2004) (collecting examples).

69. *Id.* at 126-27.

70. *Id.* at 126 n.144.

product category.⁷¹ So TYLENOL as a keyword may inform consumers of alternative, cheaper sources of acetaminophen.⁷² Similar claims pop up in the brick-and-mortar world—for example, when drug packaging mimics the trade dress of the senior user, while retaining a distinct word mark.⁷³ Consumers may be able to search more effectively for competing products by looking for the trade dress color of the senior user to find chemically identical alternatives.⁷⁴

In this example, we might want to know what is going on outside of trademark law. The FDA regulates sellers of generic drugs to ensure that generic compounds are what they say they are.⁷⁵ The argument that competitors should be able to use TYLENOL marks in a class-identifying manner rests in part on the assumption that these laws are effective.⁷⁶ They are, in effect, consumer information laws, but not laws that courts take time to assess in determining the state of their trademark complement.⁷⁷

The fact that not all products have the stakes of pharmaceuticals further complicates matters. Trademark doctrine generally is not

71. *Id.* at 126.

72. It is hard for trademark law to accommodate this point without some judicial innovation, as it has no clear doctrinal fit. Keyword advertising is not clearly a nominative fair use because there is no explicit reference to the trademark holder. *See, e.g.*, *Playboy Enters., Inc. v. Welles*, 279 F.3d 796, 803-05 (9th Cir. 2002) (treating certain website uses as nominative and others as not). The practice is not a generic use in that the mark itself continues to identify a particular source rather than a category, though it is used in a category-defining manner. The same can be said of the functionality defense; although the mark is being used in a functional way, the use does not fit the terms of the functionality doctrine. *See, e.g.*, *Rosetta Stone*, 676 F.3d at 161-63; Michael Grynberg, *Things Are Worse Than We Think: Trademark Defenses in a "Formalist" Age*, 24 BERKELEY TECH. L.J. 897, 921-23 (2009) (discussing the Ninth Circuit's treatment of the functionality doctrine problem in *Au-Tomotive Gold, Inc. v. Volkswagen of Am., Inc.*, 457 F.3d 1062 (9th Cir. 2006)).

73. *See, e.g.*, *Bristol-Myers Squibb Co. v. McNeil-P.P.C., Inc.*, 973 F.2d 1033, 1037 (2d Cir. 1992); Nicholas Bakalar, *The Confusion of Pill Coloring*, N.Y. TIMES (Dec. 31, 2012), <http://well.blogs.nytimes.com/2012/12/31/the-confusion-of-pill-coloring/>.

74. *See Bristol-Myers Squibb*, 973 F.2d at 1042.

75. *See Drug Price Competition and Patent Term Restoration Act of 1984*, Pub. L. No. 98-417, 98 Stat. 1585; *see also* ORANGE BOOK: APPROVED DRUG PRODUCTS WITH THERAPEUTIC EQUIVALENCE EVALUATIONS, U.S. FOOD & DRUG ADMIN., <http://www.fda.gov/Drugs/DevelopmentApprovalProcess/ucm079068.htm> (last updated Feb. 3, 2012) (explaining statistical criteria for generic drug equivalence).

76. *Cf. Landes & Posner, supra* note 11, at 275 ("The fact that two goods have the same chemical formula does not make them of equal quality to even the most coolly rational consumer.").

77. *See id.*

granular by product category. What does it mean that there is no similar regulatory backstop warranting the quality for other everyday products that also engage in keyword advertising? Suppose that the product in question is a shampoo with package coloring resembling HEAD & SHOULDERS, but containing a different formula. Is that false advertising? Do we want judges to answer the question before deciding on the trademark status? Or are the stakes too low?⁷⁸

To be sure, judges need not delve into these questions. They could focus solely on the Lanham Act's text in conjunction with the traditional scope of trademark doctrine. But to the extent consequences matter, a full picture depends in some part on the state of external doctrine.⁷⁹ These are not the sort of arguments that litigants can be expected to raise reliably nor the generalist courts to address *sua sponte*.

2. Merchandising

The so-called “merchandising right” is another contentious trademark innovation. In a merchandising case, the mark holder attacks a defendant's use of the mark as the centerpiece of the product—for example, a baseball cap with a New York Yankees or Boston Red Sox logo. On one level, these claims seem a perversion of trademark law. Purchasers of branded merchandise are unlikely to use the trademark as a source identifier. Instead, the mark is in large part the product. Its consumption is largely expressive. Consumers may be declaring fandom, identification with a geographic region, participation in a fashion trend, or the like.⁸⁰ They are not, however, using the mark to find their preferred source for

78. Cf. Jeremy N. Sheff, *Biasing Brands*, 32 CARDOZO L. REV. 1245, 1311 (2011) (describing ways brands may bias consumer decisions, possibly justifying government interventions in the market, but observing that “[m]aking these determinations requires empirical study that is sensitive to the nature of consumer cognition and the idiosyncrasies of particular markets”).

79. And in the case of drugs, they certainly do. It is hard to imagine judges taking such a hard line in favor of trademark's conceptual purity if misformulated drugs were routinely reaching the marketplace.

80. Michael Grynberg, *Trademark Litigation as Consumer Conflict*, 83 N.Y.U. L. REV. 60, 101 (2008).

the branded merchandise—for example, the physical manufacturer of the cap, sweatshirt, or jersey.

That said, a species of trademark harm is possible. If one consumer motivation is to support the brand's proprietor, as opposed to a third party, then a merchandising right may offer some protection to these consumers, albeit at the expense of monopoly rents extracted from others.⁸¹ But we might wonder if the trademark game is worth the candle in light of how much trademark-irrelevant conduct these claims would sweep up.⁸²

Assessing that harm requires considering other remedies. We might see the issue as one of false advertising—whether the seller of branded merchandise has claimed to be officially authorized by the brand's originator (or whether the merchandise is presented in a manner that suggests official authorization) and whether that claim is material.⁸³ Misrepresentations of this sort could be targeted by competitors in a false advertising suit, consumers acting under state law, or regulatory agencies. Before deciding that false claims of this nature should be handled by trademark law and its disclaimer precedents, courts could first ask whether the tools available in these alternative regimes are lacking.

3. Counterfeits and What to Do About Them

One could say the same about the development of trademark remedies for post-sale confusion, which bases liability on the prospect that third parties may be mistaken after the sale about the relationship between a trademark holder and a product.⁸⁴

81. *Id.* On this view, one might see team hats with differing logos as “competing” for the fan's support dollars. Of course, this competition may not in fact exist. *See* *Am. Needle, Inc. v. Nat'l Football League*, 130 S. Ct. 2201, 2214 (2010) (“[T]he record indicates that most of the revenues generated by NFLP [National Football League Properties, which licenses marks of the league's teams] are shared by the teams on an equal basis.”).

82. Much would depend on our assumption of the respective base rates of consumers in either category. *Cf.* *Tushnet*, *supra* note 7, at 1334-36 (discussing trademark rules as explicable as a form of Bayesian analysis).

83. This is not to deny that sponsorship claims are within the core modern trademark cause of action. *See* 15 U.S.C. § 1125(a) (2006). Rather, it is to argue that trademark encompasses a particular meaning of sponsorship—that of standing behind or vouching for a product's quality and not as simply giving permission to be referred to by a third party. *See* *Grynberg*, *supra* note 72, at 964-65.

84. *See, e.g., Ferrari S.P.A. Esercizio v. Roberts*, 944 F.2d 1235, 1244-45 (6th Cir. 1991).

The theory of harm underlying these actions is unsettled. One approach warns that third parties may view a shoddy knockoff and blame the trademark holder for its low quality, resulting in unearned harm to the mark holder's goodwill.⁸⁵ This argument seems inconsistent with everyday experience. Branded merchandise gets old, too, and trademark holders sometimes sell goods to consumers who mistreat them. Yet we somehow carry on.

Other cases hone in on the "wrong" of consumers who purchase apparent prestige goods on the cheap to misrepresent their wealth, status, or the like.⁸⁶ The confused parties are would-be snobs who might make the mistake of being impressed by the poseurs.⁸⁷ Trademark law is not, however, a rulebook for status competition among consumers. Several commentators make the move from here to an incentive theory leavened with a concern for the snobs, reasoning that a post-sale confusion action is necessary to maintain the market in prestige goods.⁸⁸ This still begs the question of whether creating artificial scarcity to promote specific markets is an appropriate trademark goal.⁸⁹

A final theory, closer to the core trademark cause of action, is more along the lines of a contributory trademark infringement claim. We worry not that the seller of a counterfeit or knockoff will deceive the buyer, but rather that the buyer will confuse future downstream purchasers. Waiting for those sales may be impracticable. There may be too many secondary sellers to chase; they may be hard to find; or they may be acting innocently, making the trademark holder reluctant to pursue them even if pursuit were possible. It is far easier to target the defendant who knew of and facilitated these problems.⁹⁰

85. *Id.* at 1275.

86. *See, e.g.,* *Hermès Int'l v. Lederer de Paris Fifth Avenue, Inc.*, 219 F.3d 104, 108-09 (2d Cir. 2000).

87. *Id.* at 108.

88. *E.g.,* Alex Kozinski, *Trademarks Unplugged*, 68 N.Y.U. L. REV. 960, 970 (1993) ("Whatever pleasure people get from wearing an image-enhancing product is diminished if everyone else can get the same thing at a discount store.").

89. On this line of thinking, the post-sale remedy is not a market-neutral move because it is an expansion of trademark law designed to protect and promote a specific class of market.

90. *See Inwood Labs., Inc. v. Ives Labs., Inc.*, 456 U.S. 844, 854 (1982) (recognizing liability for one who "intentionally induces another to infringe a trademark" or "continues to supply its product to one whom it knows or has reason to know is engaging in trademark

Any one of these rationales carries costs. Post-sale confusion lends itself to abusive litigation by market incumbents against rivals. Stopping counterfeit drugs is all well and good. If one is not careful, however, the post-sale theory could be used for more questionable purposes, like creating barriers to entry in the paper towel market.⁹¹ Evaluating the tradeoff requires assessing not only alternative doctrines within trademark law—such as contributory infringement and the statutory counterfeiting cause of action—but also the role of external enforcers like the FTC or, in the case of drugs, the FDA.⁹² If the meaningful harms of counterfeiting are addressed elsewhere, then we might tolerate the pain, such as it is, of sometimes being mistaken when we think we see a Ferrari.⁹³ And even if these harms are inadequately addressed elsewhere, we might ask whether external doctrines are capable of handling the potential fallout of an expanded trademark cause of action.⁹⁴

4. Policy Priorities

The post-sale confusion example illustrates that assessing other consumer information regimes may illuminate whether certain problems should be addressed by trademark law. By the same

infringement”). See generally Jeremy N. Sheff, *Veblen Brands*, 96 MINN. L. REV. 769, 785 (2012) (discussing “downstream confusion”).

91. No, really. See Ga.-Pac. Consumer Prods., LP v. Myers Supply, Inc., 621 F.3d 771 (8th Cir. 2010); Ga. Pac. Consumer Prods., LP v. Von Drehle Corp., 618 F.3d 441 (4th Cir. 2010).

92. See *supra* note 75 and accompanying text; *infra* note 238 and accompanying text.

93. See *Ferrari S.P.A. Esercizio v. Roberts*, 944 F.2d 1235, 1237-38 (6th Cir. 1991). To be sure, there are other grounds on which to argue against this and other developments. One could reject the premise that discussion of post-sale confusion has anything to do with trademark law (for example, that the post-sale remedy stretches trademark so far beyond its historical baseline as to be unrecognizable). In the cases in which policy discussions like those in the text are relevant, that argument has already been lost.

94. The degree to which applications of trademark law interfere with the marketplace is a frequent topic of scholarly attention. See, e.g., Glynn S. Lunney, Jr., *Trademark Monopolies*, 48 EMORY L.J. 367 (1999). Antitrust law is not the only potential external check to trademark. In *Von Drehle*, a maker of paper towels successfully pursued a post-sale confusion theory against a competitor who made towels that could be stuffed in Georgia Pacific’s dispensers. 618 F.3d at 454-55. The dispensers were leased, and the lessees agreed to not use non-Georgia Pacific toweling in the dispensers. *Id.* at 444-45. The court nonetheless held that this contractual violation could amount to trademark infringement as well. *Id.* at 455. In doing so, the Fourth Circuit also rejected the defendant’s effort to claim that the lease agreements violated North Carolina’s Unfair and Deceptive Trade Practices Act. *Id.* at 457-58.

token, looking at how particular issues play out across doctrines may help identify policy priorities for trademark law's future development.

a. Geographical Indications

The Federal Circuit's treatment of geographic marks is a blunt example of courts refusing to acknowledge extra-trademark resolutions of trademark-related issues.⁹⁵ Geographical Indications (GIs) identify a good as coming from a particular area "where a given quality, reputation or other characteristic of the good is essentially attributable to its geographical origin."⁹⁶ In the United States, their protection is mostly tied to the normal operation of trademark law. The Lanham Act provides for certification and collective marks, which may be used to meet some of the demand for GIs.⁹⁷ Trademark law bolsters the strength of these signals by otherwise limiting the use of place names as trademarks. Because of the perceived danger of consumer deception in marks that falsely suggest a goods/place association, both the common law and the Lanham Act impose barriers to using geographically descriptive terms as marks.⁹⁸

The extent to which U.S. law should go further than it does in protecting GIs is controversial,⁹⁹ implicating traditional consumer protection concerns, but also reaching issues of fair trade, local autonomy, and barriers to market entry.¹⁰⁰ To give a popular example, some believe that the Parmigiano-Reggiano label should be exclusive to a particular style of cheese, made in a particular way, in a particular part of Italy.¹⁰¹ Every one of those attributes—style, process, and region—may be important to consumers,

95. See, e.g., *In re Cal. Innovations, Inc.*, 329 F.3d 1334, 1343 (Fed. Cir. 2003).

96. Agreement on Trade-Related Aspects of Intellectual Property Rights art. 22(1), Apr. 15, 1994, Marrakesh Agreement Establishing the World Trade Organization, Annex 1C, 1869 U.N.T.S. 299.

97. 15 U.S.C. § 1127 (2006) (defining certification and collective marks).

98. See, e.g., *id.* § 1052(e)(2),(3); *Canal Co. v. Clark*, 80 U.S. (13 Wall.) 311 (1871).

99. The United States has an appellations system for wine administered by the Alcohol and Tobacco Tax and Trade Bureau. See generally 27 C.F.R. § 4.25 (2013) (setting rules for appellations of origin); *id.* § 9.21-.218 (listing approved American Viticultural Areas).

100. See, e.g., Justin Hughes, *Champagne, Feta, and Bourbon: The Spirited Debate About Geographical Indications*, 58 HASTINGS L.J. 299 (2006).

101. See, e.g., PARMIGIANO-REGGIANO, Registration No. 3,445,305 (certification mark).

be it for reasons of experience or ideology, creating the potential for deception if the label is used loosely. For others, “parmesan” cheese is just the generic name of a cheese style and lacks geographic significance. Trademark law denies protection to generic marks lest sellers be unable to truthfully describe their products in a manner accessible to consumers.¹⁰²

Looking to the consumer perspective does not offer any simple resolutions to the conflict. Many consumers do care about designations of regional origin and/or whether their product is an “authentic” one made in the traditional way. Others are happy to know that they receive the same kind of product and will happily trade the perception of authenticity, itself a contestable and loaded term, for the more robust price competition made possible by opening the market to competitors in multiple regions.¹⁰³

Politics may resolve these battles. As part of the implementation of the North American Free Trade Agreement (NAFTA), Congress altered the rules surrounding registration of geographic marks.¹⁰⁴ The Lanham Act excludes certain mark categories from trademark registration.¹⁰⁵ Some exclusions may be overcome. Descriptive marks—for example, RELIABLE cars—cannot be registered unless the applicant demonstrates that consumers have come to see the term as performing a source-identifying function—in other words, that the mark has “secondary meaning.”¹⁰⁶ Other exclusions, like the bar against deceptive marks—for example, a plastic knife that

102. See, e.g., *Blau Plumbing, Inc. v. S.O.S. Fix-It, Inc.* 781 F.2d 604, 609 (7th Cir. 1986) (“[Allowing trademarks in generic words] would make it difficult for competitors to market their own brands of the same product. Imagine being forbidden to describe a Chevrolet as a ‘car’ or an ‘automobile’ because Ford or Chrysler or Volvo had trademarked these generic words.”).

103. And as Professor Tushnet points out, any decisions to favor one side or the other will inevitably help shape consumer perceptions. Rebecca Tushnet, *It Depends on What the Meaning of “False” Is: Falsity and Misleadingness in Commercial Speech Doctrine*, 41 LOY. L.A. L. REV. 227, 250 (2007).

104. North American Free Trade Agreement Implementation Act, Pub. L. No. 103-182, 107 Stat. 2057 (1993) (codified as amended at 19 U.S.C. §§ 3301-3473 (2006)).

105. Although not required for trademark protection, registration confers certain benefits, including nationwide priority to the trademark and a presumption of ownership and validity. 15 U.S.C. § 1057 (2006).

106. *Id.* § 1052(f).

looks metallic and is branded STEEL—cannot be surmounted regardless of consumer perception.¹⁰⁷

The NAFTA amendments sought to expand the class of perpetual preclusion. Prior to the amendment, one could register marks that were “primarily geographically descriptive” or “deceptively misdescriptive” upon showing secondary meaning.¹⁰⁸ The amendment shifted marks that are “primarily geographically deceptively misdescriptive” into the category of wholly impossible to register marks.¹⁰⁹ Rather than acknowledge the resolution of the consumer information issue at the treaty and treaty-implementation levels, the Federal Circuit maintained a studied obliviousness to the purpose of the amendment and the question that it sought to resolve.¹¹⁰ The court instead gave the amendment a strained reading in an effort to maintain the status quo.¹¹¹

b. Thinking Small

A variety of consumer information regimes all collectively regulate and shape what might be termed an “ecosystem” of

107. *Id.* § 1052(a).

108. North American Free Trade Agreement Implementation Act § 333(a).

109. 15 U.S.C. § 1052(e)(3).

110. *See In re Cal. Innovations, Inc.*, 329 F.3d 1334, 1340 (Fed. Cir. 2003).

111. *See id.* at 1340, 1343. Specifically, Congress changed the statute such that deceptively misdescriptive geographic marks, unlike deceptively misdescriptive marks in general, could never be registered. *Id.* at 1339. Deceptively misdescriptive marks, by contrast, may be registered with secondary meaning. 15 U.S.C. § 1052. Deceptively misdescriptive marks are distinguished from deceptive marks based on the materiality of the term. *See In re Budge Mfg. Co.*, 857 F.2d 773, 775 (Fed. Cir. 1988). If consumers care about whether a product has the attribute falsely claimed by the mark, then the registration is deceptive and barred by § 1052(a). Reading these terms together, therefore, suggests that Congress sought to distinguish between two kinds of deceptively misdescriptive marks. Deceptively misdescriptive marks generally can be registered with secondary meaning unless they are geographic marks.

The Federal Circuit decided instead that Congress’s silent purpose was to change the meaning of “deceptively misdescriptive” with respect to geographic marks. *Cal. Innovations*, 329 F.3d at 1339. Because such marks may not be registered, the court read a materiality component into the statutory definition of geographically deceptively misdescriptive marks. *Id.* at 1340. In other words, Congress wrote a statute that changed the treatment of a defined class of potential marks. The Federal Circuit took the change in treatment to infer that Congress had actually wanted to redefine the class—to change the existing meaning of deceptively misdescriptive when applied to geographic marks but not when applied to nongeographic marks. *See id.* at 1341. Strained indeed.

information in which producers and consumers of information interact. Examining this larger whole may suggest policy considerations applicable to particular trademark disputes. The following outlines one possible example that ties a trademark licensing issue to the challenges faced by small sellers across markets and the consumer information doctrines that regulate them.

Trademark law has an uneasy relationship with licensing. By its nature, licensing weakens a trademark's signal. Instead of a single source, now others use the licensed mark to communicate messages. At the same time, many industries such as fast food are dominated by locally owned franchises in a relationship with a national corporate licensor. Trademark law has made its peace with franchising,¹¹² but careless licensing may still result in the loss of a mark. Because a mark is supposed to identify and distinguish goods and services from one another, courts expect licensors to exercise quality control over their licensees, protecting some kind of steady signal from the mark.¹¹³ Failure to do so may lead to a court finding that the mark has been abandoned.¹¹⁴

With this backdrop, the Ninth Circuit's decision in *FreecycleSunnyvale v. Freecycle Network* appears unsurprising.¹¹⁵ "Freecycling" is the practice of giving usable goods to strangers who continue to use them as before; the items are both free and (re)cycled, thus the term.¹¹⁶ "The Freecycle Network" (TFN) is a nonprofit organization that promotes freecycling in part by encouraging a network of like-minded groups. It licensed its marks to another freecycling group with the caveat "just don't use it for

112. See *Dastar Corp. v. Twentieth Century Fox Film Corp.*, 539 U.S. 23, 32 n.5 (2003) (discussing pre-amendment judicial treatment of franchising arrangements and the amendment's clarification that trademarks could be used in franchising relationships).

113. See, e.g., *Draeger Oil Co. v. Uno-Ven Co.*, 314 F.3d 299, 301 (7th Cir. 2002) ("The economic function of a trademark is to provide the consuming public with a concise and unequivocal signal of the trademarked product's source and character, and that function is thwarted if the quality and uniformity of the trademarked product are allowed to vary significantly without notice to the consumer.") (citation omitted); *Dawn Donut Co. v. Hart's Food Stores, Inc.*, 267 F.2d 358, 367 (2d Cir. 1959) ("[U]nless the licensor exercises supervision and control over the operations of its licensees the risk that the public will be unwittingly deceived will be increased and this is precisely what the [Lanham] Act is in part designed to prevent.").

114. *Dawn Donut Co.*, 267 F.2d at 367.

115. 626 F.3d 509 (9th Cir. 2010).

116. *Id.* at 512.

commercial purposes.”¹¹⁷ The permission did not provide for quality control or other supervision.¹¹⁸ When the relationship fell apart,¹¹⁹ the court held this loose affiliation was in the wheelhouse of the trademark abandonment doctrine.¹²⁰ TFN’s lack of supervision terminated its rights to control the Freecycle name.¹²¹

As a matter of traditional doctrine, this all makes sense. That said, the court’s refusal to provide any leeway reflecting the nature of the parties involved is interesting. The TFNs of the world may lack the know-how or resources of trademark law’s traditional licensor. Their actions may be commercial, but they often exist on the outskirts of commerce and maintain relationships governed by the norms of informal affiliations rather than the requirements of arms-length business transactions. But many consumers seek precisely this kind of market—think of volunteer-driven food cooperatives or small organic farms.

It is arguable that trademark law should accommodate these informal relationships. Competition exists not only between marketplace actors but also between markets themselves. A consumer needing a product may elect to participate in the cash economy or may choose instead the informal relationships offered by freecycling. To the extent that trademark law exists to facilitate commerce, denying its full benefits to one form of market over another might be seen as a form of picking winners rather than letting consumers decide.¹²²

117. *Id.* at 513.

118. *Id.* at 517.

119. The licensee brought a declaratory judgment action of noninfringement and moved for summary judgment based on naked licensing. *Id.* at 514.

120. *Id.* at 517.

121. The court rejected the licensor’s contention that its “Keep it Free, Legal, and Appropriate for all Ages” standard sufficed as control, and found that requirement was not in any case a control (actual or otherwise) over the quality of the licensee’s service. *Id.*

122. This point should not be oversold—at least not without a more rigorous analysis of the tradeoffs than the brief consideration above provides. In many contexts there may be sound policy reasons for favoring traditional commercial markets over their informal counterparts. The costs to the broader stability of trademark law also may not justify tailoring general rules to narrow contexts. Finally, the claim that trademark law should accommodate a type of market by adjusting its doctrine could also be seen as seeking a special benefit for a particular market class rather than promoting efficient market operation generally. Compare *supra* note 89 and accompanying text for the possibility that I am being inconsistent about this issue in even raising the possibility of accommodating informal markets.

The Ninth Circuit's implicit answer in *Freecycle* is that these concerns do not belong in trademark law. Maybe not.¹²³ Two responsive points are nonetheless worth considering. First, the licensee's use of the mark creates the potential for confusion as to the source of services, which is the harm traditionally at trademark's core.¹²⁴ Second, other consumer information regimes may be unable to fill the gap revealed by *Freecycle*. One can make the case that small producers or competitors in niche or informal markets are systematically disadvantaged across multiple bodies of law with respect to their ability to generate consumer information.

c. Thinking Large

To illustrate, let us shift from used household items to the problem of the "artisanal" food producer who competes with "big agriculture." These are both contested, loaded terms, but for present purposes let us say that the former relies on consumers interested in supporting food production contextually defined as small-scale, "local," and "sustainable" and generally avoiding industrial farming practices. Demand for food that can be so characterized now sustains a multi-billion dollar market that larger, corporate sellers naturally (and legitimately) want to reach.¹²⁵ Because the terms have no fixed meaning, however, they are a natural subject of promotional efforts at definition. Economically marginal players will be at an obvious disadvantage at influencing public meaning through advertising campaigns.

Existing consumer information regimes regulating efforts to create and mold public meaning may not correct the imbalance. The USDA regulations controlling the word "organic,"¹²⁶ for example, have been criticized on multiple fronts. Some accuse them of being

123. See *infra* Part II.

124. Note, however, that other trademark doctrines may well have cut against the senior mark holder in this case. The term "freecycling" is arguably generic and should be generally available.

125. According to the Organic Trade Association, "U.S. sales of organic food and beverages have grown from \$1 billion in 1990 to \$26.7 billion in 2010." *Industry Statistics and Projected Growth*, ORGANIC TRADE ASS'N, <http://www.ota.com/organic/mt/business.html> (last updated June 8, 2011).

126. Organic Foods Production Act, 7 U.S.C. §§ 6501-6523 (2012).

too lenient to industrial practices.¹²⁷ Others say they impose stringent record-keeping requirements, complicating compliance for smaller actors.¹²⁸

Whatever the accuracy of either criticism, neither is surprising. When dealing with regulators, smaller actors may be at a disadvantage when compared to better-funded competitors who can afford lobbying expertise and benefit from regulatory capture. An extensive literature predicts that smaller actors will be less able to secure advantageous definitions of terms like “organic” or otherwise lobby for relative advantages in proceedings shaping the market for meaning.¹²⁹

Things may not be easier when regulating by private rights of action. Here, too, being small may present disadvantages. Free rider problems interfere with the initiation of suits.¹³⁰ Any misrepresentation by the larger advertiser may only inflict a small amount of harm on any particular smaller competitor. Each single plaintiff may therefore lack the incentive to mount a costly litigation, especially when the benefits of such litigation would be spread

127. See, e.g., Arielle Lessing, *A Supplemental Labeling Regime for Organic Products: How the Food, Drug, and Cosmetic Act Hampers a Market Solution to an Organic Transparency Problem*, 18 MO. ENVTL. L. & POL'Y REV. 415, 441-50 (2011); Chenglin Liu, *Is “USDA ORGANIC” A Seal of Deceit?: The Pitfalls of USDA Certified Organics Produced in the United States, China, and Beyond*, 47 STAN. J. INT'L L. 333 (2011); Sheila Rodriguez, *The Morally Informed Consumer: Examining Animal Welfare Claims on Egg Labels*, 30 TEMP. J. SCI. TECH. & ENVTL. L. 51, 73 (2011) (“Temporary confinement [of poultry] is permitted. Some certifying agents have used this loophole to keep birds confined indoors most or all of the time, sometimes in barns holding thousands of birds.”) (footnote omitted).

128. See, e.g., Jason J. Czarnecki, *Food, Law & the Environment: Informational and Structural Changes for a Sustainable Food System*, 31 UTAH ENVTL. L. REV. 263, 278 (2011) (“While the costs of organic certification are expensive, they are not prohibitive, but the costs of monitoring and record-keeping may be the real barriers to entry. For example, applicants for certification must keep accurate post-certification records for five years concerning the production, harvesting, and handling of agricultural products that are to be sold as organic.”).

129. See generally, e.g., PHILIP P. FRICKEY & DANIEL A. FARBER, *LAW AND PUBLIC CHOICE: A CRITICAL INTRODUCTION* 12-37 (1991) (discussing the role of powerful interest groups in American law making). And in practice, the power of industry groups to outsize smaller actors in public discussions of food policy is hard to miss. See, e.g., Amy Harmon, *Retracting a Plug for Meatless Mondays*, N.Y. TIMES (July 25, 2012), http://www.nytimes.com/2012/07/26/us/usda-newsletter-retracts-a-meatless-mondays-plug.html?_r=0.

130. See Sergio J. Campos, *Mass Torts and Due Process*, 65 VAND. L. REV. 1059, 1080 (2012) (“A plaintiff may ... defect to free rides on investments made by others, such as through nonmutual offensive issue preclusion or through reliance on the precedent or findings established in other cases.”).

among participating and nonparticipating sellers alike, creating a disincentive to move first.¹³¹

Large producers, by contrast, have ample incentive to initiate suits to shape the information market. Monsanto, for example, markets hormone treatments for cows to stimulate milk production. Having secured from the FDA a favorable statement on labeling requirements for milk from treated cows, the company brought false advertising suits against producers who sought to advertise their milk as being the product of untreated cows.¹³²

Doctrine may reflect the advantages of size. Courts interpret the standing provision of the Lanham Act's false advertising cause of action narrowly and impose prudential standing requirements that threaten to screen smaller competitors.¹³³ Some courts have gone quite far, with opinions suggesting that only market leaders have clear standing to sue for false advertising.¹³⁴ State consumer protection and unfair trade practice laws, assuming they are open to competitor suits, may duplicate this effect.¹³⁵

All of this is to say that small producers may face challenges across the consumer information landscape. If so, there may be a case for considering these challenges with respect to open questions in trademark law. Affiliation arrangements could provide a way to counteract the disadvantages of size in disseminating consumer

131. *Cf. id.*; David Rosenberg, *Mandatory-Litigation Class Action: The Only Option for Mass Tort Cases*, 115 HARV. L. REV. 831, 852-53 (2002) (discussing differing incentives of individual plaintiffs and class defendants in mass tort litigation).

132. Douglas A. Kysar, *Preferences for Processes: The Process/Product Distinction and the Regulation of Consumer Choice*, 118 HARV. L. REV. 525, 569-74 (2004).

133. Several circuits now use multifactor prudential standing tests that threaten to exclude smaller competitors and those who cannot trace a precise, quantifiable harm from the defendant's conduct. *See, e.g.*, *Phoenix of Broward, Inc. v. McDonald's Corp.*, 489 F.3d 1156, 1163-64 (11th Cir. 2007) (assessing standing based on "(1) The nature of the plaintiff's alleged injury: Is the injury of a type that Congress sought to redress in providing a private remedy for violations of the [Lanham Act]?[;] (2) The directness or indirectness of the asserted injury[;] (3) The proximity or remoteness of the party to the alleged injurious conduct[;] (4) The speculativeness of the damages claim[;] (5) The risk of duplicative damages or complexity in apportioning damages") (first alteration in original). *See generally* Tushnet, *supra* note 7, at 1378.

134. *See* sources cited *supra* note 133. The issue of standing under the Lanham Act for false advertising claims is now pending before the Supreme Court. *Static Control Components, Inc. v. Lexmark Int'l, Inc.*, 697 F.3d 387, *cert. granted*, 133 S. Ct. 2766 (2013).

135. *See generally* TUSHNET & GOLDMAN, *supra* note 44, at 384-85 (discussing standing under state unfair and deceptive acts statutes).

information. The policy merits of relaxing an oversight requirement developed for more traditional, larger business actors may seem stronger when taking account of asymmetries in the information landscape in total.¹³⁶

d. Certifying

Just as categories of producers may present particular challenges, so too might types of information. Douglas Kysar argues that the process/product distinction generates problems by creating difficulties for regulators who want to mandate disclosure of the process by which a product is made rather than its contents.¹³⁷ The experience with disclosures for milk coming from rBST-treated cows illustrates the problem. The Second Circuit found that mandating disclosure of treatment violated the First Amendment due to the absence of an immediate health case (for human consumers) against milk from treated cows.¹³⁸ But *voluntary* advertising by milk distributors who promise to offer only milk from untreated cows has faced false advertising challenges for making an implicit claim that such milk is safer than its treated alternative.¹³⁹

Leaving aside the prospect that there may actually be health differences between the milk varieties,¹⁴⁰ it is an error to assume that process information is not material to consumers, even if the final product is unaffected. Purchasers may want their milk cows untreated because of views on industrial farming, small farmers, or bovine welfare. Organic food may be appealing for reasons other than the nutritional or taste differences, if any, between organic

136. This is not a “small equals good, big equals bad” argument. Rather it is an observation that asymmetries between large and small players may play out across multiple doctrines. To the extent these asymmetries matter, the inability to act in one regime may counsel action in the trademark realm.

137. Kysar, *supra* note 132, at 569-79.

138. *Int’l Dairy Foods Ass’n v. Amestoy*, 92 F.3d 67, 74 (2d Cir. 1996).

139. Kysar, *supra* note 132, at 573-74 (discussing Monsanto’s efforts to prevent advertising of untreated dairy cows); *see also* *Int’l Dairy Foods Ass’n v. Boggs*, 622 F.3d 628 (6th Cir. 2010) (reviewing a state regulation to control advertising stating that dairy cows were untreated).

140. Judge Leval, dissenting in *Amestoy*, argued that the fact that current science reveals no health dangers does not make caution per se irrational, noting that cigarettes were once believed safe and that drugs are often discovered to have previously unknown risks after pre-approval study and testing. *Amestoy*, 92 F.3d at 77 (Leval, J., dissenting).

and conventional agriculture.¹⁴¹ Prevailing labor conditions in one nation may convince consumers to pay a premium for products sourced from another. Many will not buy tuna without a dolphin-safe label. And so on.

Difficulties with the process/product divide under other consumer information regimes place pressure on the trademark alternative—the use of certification and collective marks.¹⁴² These marks have the potential to address both of the problems of the last two subparts. They provide a way for smaller actors to affiliate, and they allow certification that their goods are produced by a particular process.

But the trademark solution may not work. Collective action problems may prevent formation of a certifying body, but such a body is necessary because trademark law objects to entities that wear the hats of both certifier and certified.¹⁴³ Any certifying entity, moreover, must compete with everyday advertising and other certification marks. A mark may only convey so much information, moreover, and consumers may not educate themselves on the precise meaning of a certifier's mark.¹⁴⁴

Here again the role of other consumer information actors matters. The noise of other marks may dilute the strength of the

141. This is a point of controversy, see, for example, Crystal Smith-Spangler et al., *Are Organic Foods Safer or Healthier Than Conventional Alternatives?: A Systematic Review*, 157 ANNALS INTERNAL MED. 348 (2012), though health is not the whole of the case for organics. See, e.g., Brian Fung, *Organic Food Isn't More Nutritious, But That Isn't the Point*, THE ATLANTIC (Sept. 4, 2012, 2:19 PM), <http://www.theatlantic.com/health/archive/2012/09/organic-food-isnt-more-nutritious-but-that-isnt-the-point/261929/> (“For all the attention devoted to the ways organic is better for you, we should remember that *organic* began chiefly as an argument about the environment.”).

142. A certification mark is a mark used “to certify regional or other origin, material, mode of manufacture, quality, accuracy, or other characteristics of such person's goods or services or that the work or labor on the goods or services was performed by members of a union or other organization.” 15 U.S.C. § 1127 (2006). A collective mark is one “used by the members of a cooperative, an association, or other collective group or organization.” *Id.*

143. *Id.* § 1064 (allowing for cancellation in such cases). The FTC takes a dim view of the practice as well. See 16 C.F.R. § 260.6 (2013). See generally Press Release, FTC, *supra* note 55.

144. Michael V. Laric & Dan Sarel, *Consumer (Mis)Perceptions and Usage of Third Party Certification Marks, 1972 and 1980: Did Public Policy Have an Impact?*, 45 J. MARKETING 135 (1981) (arguing that changes in FTC regulation that altered the meaning of certifications did not cure consumer misperceptions of what marks meant); *id.* at 141 (“This study reaffirms previous findings indicating an absence of efforts, on the part of consumers, to determine the actual (correct) meaning of information content.”).

certification signal.¹⁴⁵ Even if these competing marks break the rules of trademark certification, the medicine—loss of mark rights—does not treat the symptom of added marketplace noise. Losing mark exclusivity does not surrender the right of use. Indeed, for sellers seeking to pass themselves off as certified by third parties, the lack of meaning in a certification mark may be a feature, not a bug.

Other actors and regimes must come into play. Antitrust law may affect the number of certifiers in the market or their ability to standardize certification signals.¹⁴⁶ To the extent that a certifier certifies carelessly, it may be difficult to secure any remedy with bite. Private causes of action face many of the challenges described above along with spillovers from other consumer information regimes.¹⁴⁷

That may leave government regulators to fill the role of ensuring that a certification signal means something. The effectiveness of such efforts on consumer perception is debatable,¹⁴⁸ as is their effect on the information market generally.¹⁴⁹

145. One certifying body published a report surveying “greenwashing” activities and found increasing use of deceptive environmental labeling. TERRACHOICE, THE SINS OF GREENWASHING: HOME AND FAMILY EDITION 20 (2010), available at <http://sinsofgreenwashing.org/findings/greenwashing-report-2010/> (“More than 32% of ‘greener’ products found in this study carried such a fake label.”). Moreover, false labels are easy to find and purchase online. *Id.*; see also Jonathan M. Barnett, *Intermediaries Revisited: Is Efficient Certification Consistent with Profit Maximization?*, 37 J. CORP. L. 475, 491 (2012) (“A recurrent complaint in immature certification markets is an excessive number of certification standards or entities, resulting in consumer confusion, certifier laxity, or compliance burdens for certified entities.”); Margaret Chon, *Marks of Rectitude*, 77 FORDHAM L. REV. 2311, 2332, 2343-44 (2009) (noting problems of unclear standards and information clutter).

146. See, e.g., Chon, *supra* note 145, at 2333 (“Outside of intergovernmental cooperation, standards may coalesce when a single standard-setting firm becomes dominant or if firms are encouraged to cooperate toward umbrella standards in the public interest (with or without the cooperation of a public agency) without fear of being accused of anticompetitive conduct.”) (citing 15 U.S.C. § 4302 (2006), which dictates that the activities of standards setters are to be evaluated under antitrust’s rule of reason, and not judged per se illegal).

147. For example, federal regimes may raise preemption issues for state claims. See, e.g., *In re Aurora Dairy Corp. Organic Milk Mktg. & Sales Practices Litig.*, 621 F.3d 781, 796 (8th Cir. 2010) (dismissing claim against certifier of organic status in light of its participation in federal organic program).

148. See Laric & Sarel, *supra* note 144, at 141.

149. Professor Barnett proposes a model explaining why certifiers may fail, offering a “certification paradox”: “the entry-protected conditions that induce dominant certifiers to incur the costs of accumulating and maintaining reputational capital are the *same* conditions that invite intermediary shirking that places that capital at risk.” Barnett, *supra* note 145,

A simple trademark issue—should licensing standards for nonprofit affiliation groups be relaxed—actually implicates issues that cut across consumer information regimes. It is unrealistic to expect the Ninth Circuit to have pursued the questions raised in this subsection or to assume that doing so would have produced another result. Every step of the discussion above is debatable. Someone who thinks that we should not worry about the problems of the small scale or the local would be more likely to focus on other points of doctrine (for example, the question whether the FTC presents too onerous a burden for the larger players that are more likely to attract its attention). The point is to note that a full policy analysis is an inherently complex enterprise.

5. *Who Is the Reasonable Consumer?*

Developments in other consumer information regimes may directly bear on the analysis of a trademark case. Much of trademark law depends on what consumers know. As noted above, some marks need secondary meaning for protection.¹⁵⁰ Others lose protection if they become generic, that is, if consumers come to see them as performing a category-identifying, rather than a source-identifying, function.¹⁵¹ Both inquiries are going to be shaped in part by the advertising that consumers see.¹⁵²

Trademark's multifactor likelihood-of-confusion test provides a stage for the results. In evaluating likelihood of confusion, courts

at 522. But that in and of itself does not necessarily justify regulatory intervention. "Regulatory action to influence certifier conduct or expand competitive threats may overestimate users' demand for informational accuracy or unduly erode the 'rent cushion' that enables certifiers to recoup investments in accruing reputational capital, in each case discouraging rather than encouraging certification efforts." *Id.*

150. See *supra* notes 106, 111 and accompanying text.

151. See, e.g., 15 U.S.C. § 1127(2) (2006) (providing that marks are abandoned when "any course of conduct of the owner ... causes the mark to become the generic name for the goods or services").

152. Courts generally consider advertising to be circumstantial evidence that the mark has secondary meaning. See, e.g., *Herman Miller, Inc. v. Palazzetti Imp. & Exps., Inc.*, 270 F.3d 298, 311-12 (6th Cir. 2001) (finding secondary meaning shown by: "1. direct consumer testimony; 2. consumer surveys; 3. exclusivity, length, and manner of use; 4. amount and manner of advertising; 5. amount of sales and number of customers; 6. established place in the market; and 7. proof of intentional copying").

assess a range of factors believed to bear on the question.¹⁵³ One factor considers whether consumers within the relevant market are sophisticated and careful.¹⁵⁴ This factor can be manipulated,¹⁵⁵ in part because it is highly contextual, depending on the information environment in which consumers move.

Other consumer information regimes shape that environment. Defining how careful a consumer *is* is hard to separate from a policy or normative choice about how careful a consumer *should be*. Confusion is inevitable. The question is how much of it we need to target or tolerate in service of our conflicting normative and policy goals. Courts have a variety of devices to do so. They can dismiss confusion as being the product of unreasonable consumers.¹⁵⁶ Or they may consider it de minimis.¹⁵⁷ Perhaps the observed confusion on a survey does not rise enough above background noise, or the survey is somehow flawed.¹⁵⁸ Perhaps the wrong people are confused, or they are insufficiently careful.¹⁵⁹ Maybe consumers in a particular market “know” what to expect from certain kinds of advertising behavior because judges say they do.¹⁶⁰ Or maybe confusion is just impossible because courts think that to hold otherwise would allow a trademark to reach too far.¹⁶¹

153. Factors common to every judicial circuit include the existence of actual confusion and mark similarity. There is a fair amount of convergence in the factors used from circuit to circuit. 4 MCCARTHY, *supra* note 22, §§ 24:30-43.

154. All circuits contain a variant on this factor. *Id.*

155. *See, e.g., id.* § 23:92 (“[W]hen the court wants to find no infringement, it says that the average buyer is cautious and careful and would never be confused. But if the judge thinks there is infringement, ... the average buyer is gullible and ... easily confused by the similar marks.”). Consider bubblegum, a cheap item purchased by children. Does that mean that consumers are unsophisticated? Or do we assume the opposite—that children know their gum and are careful with their purchases given their often limited disposable income?

156. *Cf. August Storck K.G. v. Nabisco, Inc.*, 59 F.3d 616, 618 (7th Cir. 1995) (“Many consumers are ignorant or inattentive, so some are bound to misunderstand no matter how careful a producer is.”).

157. *See, e.g., King of the Mountain Sports, Inc. v. Chrysler Corp.*, 185 F.3d 1084, 1092 (10th Cir. 1999).

158. 6 MCCARTHY, *supra* note 22, § 32:87.

159. *See, e.g., 4 MCCARTHY, supra* note 22, § 23:13 (listing examples of actual confusion being dismissed as carelessness by confused party).

160. *See, e.g., Toyota Motor Sales, U.S.A., Inc. v. Tabari*, 610 F.3d 1171, 1178 (9th Cir. 2010).

161. *See, e.g., Christian Louboutin S.A. v. Yves Saint Laurent Am. Holding, Inc.*, 696 F.3d 206, 228 (2d Cir. 2012).

Decisions on when to use these kinds of devices reflect judgments of what consumers should believe or evaluations of the value of a defendant's conduct.¹⁶² Those views, in turn, will be affected by the ease with which consumers are able to inform themselves of the "truth" of any given situation. That inquiry cannot be made from a perspective that is solely internal to trademark law. We need to know how available consumer information is generally.

For example, several cases considering trademarks as domain names take the view that Internet consumers are aware that many trademark-related domain names are not necessarily affiliated with the trademark holder.¹⁶³ At the same time, they maintain that consumers still expect TRADEMARK.com to take one to the website of the trademark holder.¹⁶⁴ Both beliefs are in part artifacts of law (both private and public) that has permitted some use of trademarks in domain names while reserving to the trademark holder control of TRADEMARK.com in most cases.¹⁶⁵

But these beliefs also reflect the actions of third-party actors—in this case, search engines that diminished the perceived risk that consumers would use trademarks to guess a domain name to find a trademark holder and be taken to the wrong site. Quick and accurate answers are now more readily available by other means.

This reflects an important point. The consumer information system is also shaped in large part by actors who are not traditional consumer information providers, and their actions may be guided by laws that are not consumer information regimes as traditionally conceived. As discussed in the following section, any assessment of trademark's relationship to consumer information law should consider these regimes as well.

162. Grynberg, *supra* note 80, at 69, 94-95.

163. *See, e.g., Toyota*, 610 F.3d at 1178. Courts were not always so comfortable. *See infra* note 275 and accompanying text.

164. *See Toyota*, 610 F.3d at 1178-79.

165. Specifically the effect of the ACPA and UDRP regimes. *See infra* Part II.C.3. To some extent, too, this may reflect the *inability* of courts and other legal actors to stamp out the practice of using trademarks in domain names, which may be a byproduct of limitations to ACPA or international jurisdiction issues.

C. Hidden Consumer Information Laws?

The government, the news media, and fellow consumers—either individually or aggregated in websites like yelp.com—among others, also produce consumer information. These third parties may fill gaps left in the regulation of sellers by the various consumer information regimes.

This means that many more laws directly affect the generation and dissemination of consumer information than those specifically directed to sellers. For example, as discussed above, certain kinds of food information may be hard to come by.¹⁶⁶ Claims concerning production conditions and health benefits are quintessential “credence” goods.¹⁶⁷ “Search” attributes (for example, price) may be verified before purchase, and “experience” attributes (for example, taste) may be assessed after purchase.¹⁶⁸ By contrast, consumers may never know whether sellers’ credence claims were true.¹⁶⁹ Take animal welfare in food production. Many blanch at the practices of “factory farms,” but those practices may afford a price advantage in a market free of animal welfare information. Consumers who would pay a premium for humane treatment cannot effectively evaluate whether they have gotten what they paid for based on their experience of the final product. Representations about animal welfare are therefore obvious regulatory fodder.¹⁷⁰

To the extent that small market actors are better able to employ the practices consumers care about, accurate information about them may be underprovided.¹⁷¹ Attempts to force disclosure, assuming regulator interest or an effective rule that survives the

166. *See supra* Part I.B.4.c.

167. *See, e.g.*, Lillian R. BeVier, *Competitor Suits for False Advertising Under Section 43(a) of the Lanham Act: A Puzzle in the Law of Deception*, 78 VA. L. REV. 1, 9-13 (1992) (discussing types of goods).

168. *Id.*

169. *Id.*

170. *See, e.g.*, *Meat and Poultry Labeling Terms*, U.S. DEP’T OF AGRIC., <http://www.fsis.usda.gov/wps/portal/fsis/topics/food-safety-education/get-answers/food-safety-fact-sheets/food-labeling/meat-and-poultry-labeling-terms> (last updated Aug. 9, 2013) (listing official meaning of “free range” and “free roaming” only by reference to poultry and stating that “[p]roducers must demonstrate to the Agency that the poultry has been allowed access to the outside”).

171. This is a contested point, as privately generated mechanisms may promote information flow—for example, the role of an aggregating retailer like Whole Foods.

lobbying process, may fall prey to the process/product distinction,¹⁷² and competitor lawsuits face obstacles when not brought by market leaders.¹⁷³ Additionally, problems of scale and coordination may frustrate attempts to resort to a trademark solution of creating a certifying body to guarantee humane animal treatment.¹⁷⁴

Third parties can help. Most of what we know about factory farming comes from journalists and activists, not competitors.¹⁷⁵ In response, owners of food production facilities may seek legal recourse by filing trade libel actions¹⁷⁶ or lobbying for “ag-gag” legislation that would increase the costs and risks of investigating food production conditions by subjecting information-gathering activities to civil or criminal liability.¹⁷⁷

These extensions and innovations are arguably a hybrid form of consumer information law, targeted as they are at specific communications. But the biggest obstacle to knowing what goes on at factory farms is much more basic. The owners do not need special legislation to keep reporters off their land; the law of trespass—perhaps coupled with attention to employee screening—usually does just fine.¹⁷⁸

That may be a simple point, but it highlights a fundamental difficulty with assessing consumer information laws. They may be

172. See *supra* notes 137-42 and accompanying text.

173. See *supra* notes 133-35 and accompanying text. The free rider issues that prevent coordinated litigation efforts in this regard might also be an obstacle to an effective advertising campaign designed to raise awareness about food rearing practices.

174. See *supra* Part I.B.4.d.

175. See, e.g., Press Release, Animal Legal Defense Fund, Animal Legal Defense Fund Files Historic “Ag Gag” Lawsuit (July 22, 2013), available at <http://aldf.org/press-room/press-releases/animal-legal-defense-fund-files-historic-ag-gag-lawsuit/>.

176. See, e.g., *Tex. Beef Grp. v. Winfrey*, 201 F.3d 680 (5th Cir. 2000) (per curiam). After all, one person’s “pink slime” is another’s “lean[,] finely textured beef” and source of livelihood. See Tiffany Hsu, *Beef Worker Sues Diane Sawyer, Jamie Oliver Over “Pink Slime,”* L.A. TIMES (Dec. 12, 2012), <http://articles.latimes.com/2012/dec/12/business/la-fi-mo-bpi-pink-slime-suit-20121212>.

177. See, e.g., Cody Carlson, *The Ag Gag Laws: Hiding Factory Farm Abuses from Public Scrutiny*, THE ATLANTIC (Mar. 12, 2012, 9:06 AM), <http://www.theatlantic.com/health/archive/2012/03/the-ag-gag-laws-hiding-factory-farm-abuses-from-public-scrutiny/254674/>.

178. Cf. *Food Lion, Inc. v. Capital Cities/ABC, Inc.*, 194 F.3d 505, 510 (4th Cir. 1999). And basic property rights do limit what we know. See, e.g., Sabrina Tavernise, *Farm Use of Antibiotics Defies Scrutiny*, N.Y. TIMES (Sept. 4, 2012), http://www.nytimes.com/2012/09/04/health/use-of-antibiotics-in-animals-raised-for-food-defies-scrutiny.html?_r=1&pagewanted=all (explaining that a lack of direct access to farms prevents regulators from checking on compliance with existing rules).

relatively unimportant, taking a back seat to other parts of the larger system of consumer information generation and consumptions. Communities may have their own norms or institutions whose regulatory role outweighs that played by formal legal regimes.¹⁷⁹ That laws and regulatory norms are often small parts of larger, more complex systems is an insight well known in copyright literature focusing on the generation of creative works.¹⁸⁰ It applies as well to consumer information, particularly that generated by consumers.

This is especially clear with respect to the effect of Internet intermediaries on consumer-generated information. Information about the local hole in the wall that serves the best burgers is no longer the province of a select few, but accessible to anyone with Internet access and knowledge of yelp.com or any of a number of food review sites. The roofer who left a flier on your door can be checked out on Angie's List. This information was always available, but never in so convenient a form. Nothing in consumer information law needed to change to bring this about.¹⁸¹

179. See generally, e.g., ROBERT C. ELLICKSON, ORDER WITHOUT LAW: HOW NEIGHBORS SETTLE DISPUTES (1991) (explaining how rural farmers apply informal norms rather than formal legal rules to resolve disputes).

180. See, e.g., LAWRENCE LESSIG, FREE CULTURE 121-26 (2004). "The point is that some of the ways in which we might protect authors will have unintended consequences for the cultural environment, much like DDT had for the natural environment." *Id.* at 129. A number of works discuss the creation of expressive works notwithstanding the absence or limitations of copyright regimes in the area. See, e.g., Dotan Oliar & Christopher Sprigman, *There's No Free Laugh (Anymore): The Emergence of Intellectual Property Norms and the Transformation of Stand-Up Comedy*, 94 VA. L. REV. 1787 (2008) (exploring how stand-up comedians rely on social norms in the absence of applicable intellectual property solutions). There are fewer studies of the role of norms and peer production in trademark subject matter, but for one example, see David Fagundes, *Talk Derby to Me: Intellectual Property Norms Governing Roller Derby Pseudonyms*, 90 TEX. L. REV. 1093 (2012).

181. To be sure, the aggregator model of consumer information may be vulnerable as sellers learn how to game the Internet. See, e.g., Bing Liu, *Opinion Spam Detection: Detecting Fake Reviews and Reviewers*, <http://www.cs.uic.edu/~liub/FBS/fake-reviews.html> (last visited Mar. 16, 2014) (discussing the frequency and possible detection of opinion spam). David Streitfeld, *The Best Book Reviews Money Can Buy*, N.Y. TIMES (Aug. 26, 2012), <http://www.nytimes.com/2012/08/26/business/book-reviewers-for-hire-meet-a-demand-for-online-raves.html?pagewanted=all>. For a recent take that aggregator sites now tell us little:

But the larger context remains in part a legal construct. The rise of information aggregators on the Internet means that the laws governing them are at least as important to the consumer information problem as more traditional consumer information laws like trademark or false advertising.¹⁸² In particular, § 230 of the Communications Decency Act precludes treating providers of “interactive computer services” as speakers of third-party content.¹⁸³ This immunity has been essential to the Internet’s development as a consumer information resource.¹⁸⁴ The strength of websites like yelp.com or Wikipedia is their openness to direct experience and opinions, which creates the risk of hosting defamatory material.



Randall Munroe, *Star Ratings*, <http://xkcd.com/1098> (last visited Feb. 26, 2014).

Here, too, interactions between institutions matter. The FTC has attempted to regulate misleading online endorsements. See 16 C.F.R. § 255 (2013); Press Release, FTC, FTC Publishes Final Guides Governing Endorsements, Testimonials (Oct. 5, 2009), available at <http://www.ftc.gov/opa/2009/10/endortest.shtm>.

182. Which is not to say that information aggregators do not implicate trademark issues. See generally Eric Goldman, *Online Word of Mouth and Its Implications for Trademark Law*, in *TRADEMARK LAW & THEORY: A HANDBOOK OF CONTEMPORARY RESEARCH* 404 (Graeme B. Dinwoodie & Mark D. Janis eds., 2008) (discussing trademark law’s effect on online word of mouth exchange regarding brand information).

183. 47 U.S.C. § 230 (2006).

184. See generally Eric Goldman, *The Regulation of Reputational Information*, in *THE NEXT DIGITAL DECADE: ESSAYS ON THE FUTURE OF THE INTERNET* 293, 298-99 (Berin Szoka & Adam Marcus eds., 2010) (noting problems in the production of reputational information and postulating § 230 immunity as a key factor in the relative success of consumer review websites).

The CDA was not conceived with these sites in mind, but its existence is crucial to theirs.¹⁸⁵

The information made available by aggregator-driven websites and the Internet more generally raises the question whether consumer information law should change in response. In trademark law, the issue manifests itself in the question of how sophisticated we think consumers are and should be. As it becomes easier for a rational consumer to become informed, do we think that it is irrational to not do so? This question masks a distributional issue in that neither Internet access nor sophistication is universal. The developments driving these issues are largely external to trademark law, but trademark doctrine must evolve to respond to them.

D. Upshots

This subpart draws some lessons from considering trademark issues in light of the broader consumer information system.

185. See, e.g., *Nemet Chevrolet, Ltd. v. Consumeraffairs.com, Inc.*, 591 F.3d 250 (4th Cir. 2009) (applying CDA immunity to an aggregator of consumer-provided information); *Global Royalties, Ltd. v. Xcentric Ventures, LLC*, 544 F. Supp. 2d 929 (D. Ariz. 2008) (same). Although IP laws, like trademark, are not within the CDA's immunity ambit, 47 U.S.C. § 230(e)(2), consumer reviews of products and services are usually safe nominative uses. As discussed previously, see *supra* notes 63-67 and accompanying text, other mechanisms of using trademarks to provide consumer information are more vulnerable to challenge.

The same can be said about the notice-and-takedown provisions of the Digital Millennium Copyright Act (DMCA), 17 U.S.C. § 512(c) (2006), whose principles have been applied in the trademark realm. The Second Circuit's approach to secondary trademark liability in *Tiffany (NJ) Inc. v. eBay Inc.* resembles the DMCA regime in that the court focused on eBay's prompt removal of infringing listings when notified by Tiffany. 600 F.3d 93, 109 (2d Cir. 2010).

Here, too, assessing the legal health of such sites may involve legal rules that may not immediately come to mind. For example, some courts have applied anti-SLAPP (Strategic Lawsuit Against Public Participation) legislation to disputes concerning online reviews. Eric Goldman, *CA Anti-SLAPP Cases Involving Consumer Reviews as Matters of Public Concern*, TECH. & MKTG. L. BLOG (Feb. 3, 2011), http://blog.ericgoldman.org/archives/2011/02/ca_anti_slapp_ca.htm (surveying cases). See generally CAL. CIV. PRO. CODE § 425.16(a) (West 2011) ("The Legislature finds and declares that there has been a disturbing increase in lawsuits brought primarily to chill the valid exercise of the constitutional rights of freedom of speech and petition for the redress of grievances.").

Antitrust law and the FTC Act also loom large in the aggregator context, particularly because of Google's market dominance. See, e.g., Press Release, FTC, Google Agrees to Change Its Business Practices to Resolve FTC Competition Concerns in the Markets for Devices Like Smart Phones, Games and Tablets, and in Online Search (Jan. 3, 2013), available at <http://ftc.gov/opa/2013/01/google.shtm> (announcing the closure of an FTC investigation into Google for search engine bias).

1. *Consumer Information Law as a Complex System*

The consumer information “ecosystem” is complex. Its many players and regulatory regimes overlap and interact in a variety of ways, some not immediately obvious. Evaluating any particular doctrine or answering any question that implicates multiple bodies of law is therefore complicated.

Some judicial ramifications are discussed below, but it is worth considering the challenges for those looking to improve the operation of consumer information law as a policy matter.¹⁸⁶ Suppose a food advocacy organization wishes to stabilize the meaning of the term “local.” Any effort requires looking to multiple doctrines while considering the activities of multiple institutional actors. For example, the term “local” raises issues of the line between express and implied falsehoods. The claim that a food is local encompasses a range of meanings—for example, it was grown locally, it was packaged locally, local workers grew the food, the inputs used were local, the proceeds of the sale will be directed to or spent within the area, and so on. Additionally, the term may encompass a geographic range, from within the county to within the state to within the country. Some of these claims may be true; others, false. A false advertising suit¹⁸⁷ faces the difficulty of determining which meanings are perceived by the intended

186. It also presents interesting questions about points of emphasis. Suppose a small-farmer advocacy organization decides that the existence of review aggregator sites is more important to informed consumers than any plausible direct consumer information reform—for example, altering the USDA definition of “organic.” Does that mean its agenda becomes synonymous with open Internet protection? Notably, the broad coalition opposing the Stop Online Piracy Act and the Protect IP Act on the grounds of their threat to Internet freedom included consumer advocacy organizations like USPIRG, the Consumer Federation of America, and Consumers Union. See Letter from the Consumer Fed’n of Am. Consumers Union and U.S. PIRG to Members of Congress (Nov. 15, 2011), available at <https://www.cdt.org/files/file/consumer%20letter%20on%20SOPA%20final-1.pdf> (“Consumers benefit greatly from being able to use the Internet to connect with a wide variety of buyers, sellers, and with each other. Online forums and marketplaces allow consumers to exchange information about products and exchange products themselves in thriving secondary markets. However, the broad language of the bill threatens these activities.”).

187. Or private recourse to the National Advertising Division (NAD). See *NAD Challenges, Complaints*, ADVERT. INDUS. SELF-REGULATORY COUNCIL, <http://www.asrcreviews.org/category/nad/challenges-and-complaints> (last visited Feb. 26, 2013) (providing information to help consumers and businesses file complaints).

audience, but that analysis assumes that the use of local may encompass a range of meanings.

Our advocacy group moves up the line and attempts to secure an official definition of local. Here, it will have to account for a government regulator. Now the goal is to fix meaning broadly, rather than to deem a particular message as being within or without a range of permissible meanings. The desired official, fixed definition may become a double-edged sword, potentially excluding members of the enacting coalition. Where once a range of meanings could satisfy a sense of what it means to be local,¹⁸⁸ the term's meaning will likely become more circumscribed, presenting issues of under- and overinclusion and a differing calibration of the rules/standards divide (not to mention the risk that once the battle at the regulatory level begins, interests with a contrary definition of local might prevail). That change will, in turn, filter back down to other consumer information regimes, as consumers who attach one meaning to the term as part of everyday language may adopt another in response to an official interpretation.

Or we can move down the line to the trademark solution, forming a certifying body to promote a specific vision of the meaning of local. These efforts would face the collective action problem of establishing a certifying entity with (1) the requisite independence from the sellers it would benefit, and (2) the resources to produce a signal strong enough to be heard above the noise generated by those promoting differing definitions. Because not all competing labels are legitimate,¹⁸⁹ the amount of competing noise would also depend on other regimes and actors. That is, does the FTC crack down on loose certification practices? Does state law allow a remedy when consumers are deceived by lax certifiers?¹⁹⁰

Though not intractable, these issues underscore the fact that the complexity of the task reaches beyond choosing the optimal

188. For example, not grown locally but processed locally by a local company; grown locally but processed elsewhere; grown and processed elsewhere but by a local company using local inputs; or grown and processed locally by a nonlocal multinational.

189. *See supra* note 145.

190. *See, e.g., In re Aurora Dairy Corp. Organic Milk Mktg. & Sales Practices Litig.*, 621 F.3d 781 (8th Cir. 2010) (dismissing a state law claim against a certifier of organic status in light of its participation in federal organic program).

definition of local. They also create challenges for administering trademark law.

2. *How Should Trademark Cases Be Decided?*

The Lanham Act's text is open-ended in many respects, inviting some judicial creativity,¹⁹¹ and much of trademark law has been made in the common law style. The question of how much that method should persist and guide future trademark developments is contestable both normatively and descriptively.¹⁹²

The debate over whether case-by-case adjudication or broad legislation produces optimal policy is familiar. Advocates of the common law approach argue that its narrow focus on particular parties and their specific issues allows the law to develop in a careful, incremental manner.¹⁹³ Skeptics view the primacy of the particular as a weakness. The artificial narrowing performed by the legal process may leave courts unable to appreciate the full ramifications of their decisions. A legislature has the ability, at least in theory, to take a more holistic approach to issues and consider all relevant actors and arguments.¹⁹⁴

In the trademark realm, this latter dynamic may be exacerbated by the ability of repeat plaintiff players to choose unsympathetic targets. By picking defendants that judges are likely to paint as bad faith actors,¹⁹⁵ plaintiffs are able to shape the law to their advantage

191. See *infra* notes 207-08 and accompanying text.

192. Compare Grynberg, *supra* note 72, at 901-02, with Graeme B. Dinwoodie, *Developing Defenses in Trademark Law*, 13 LEWIS & CLARK L. REV. 99, 137 (2009) (“[T]he basic theory of the Lanham Act allows greater common law development of defenses by courts.”).

193. See, e.g., Oliver Wendell Holmes, *Codes, and the Arrangement of the Law*, 5 AM. L. REV. 1, 1 (1870) (“It is the merit of the common law that it decides the case first and determines the principle afterwards.”).

194. See Frederick Schauer, *Do Cases Make Bad Law?*, 73 U. CHI. L. REV. 883, 894 (2006) (“But if the immediate case is not representative, it may still be mistakenly thought to be representative, a mistake generated precisely by the fact that this case is before the decisionmaker while other cases within the class are not.”).

195. Most multifactor tests consider whether the defendant is acting in bad faith, but this factor is malleable in practice. It is easy for judges to fudge the difference between an intent to confuse consumers and an intent to make use of a plaintiff's mark or benefit from its goodwill. The latter does not necessarily harm consumers, but it may nonetheless be treated as a species of bad faith. See *Au-Tomotive Gold, Inc. v. Volkswagen of Am., Inc.*, 457 F.3d 1062, 1076 (9th Cir. 2006). The problem is important, for the bad faith factor has been found to play an outsized role in trademark adjudication. Barton Beebe, *An Empirical Study of the*

in a manner detrimental to future defendants with more plausible claims of acting in the overall public interest.¹⁹⁶

A common law approach to trademark is also open to the critique that trademark's policy issues are too complex for optimal resolution by judges as opposed to legislators.¹⁹⁷ This is both a function of courts' relative ability to obtain information but also a byproduct of their being able to deal only with the parties before them. Trademark litigation compounds the problem by having a difficult fundamental inquiry. Attempts to prove that consumers are likely to be confused generally proceed in the absence of any actually confused consumers. The fact-finder faces the difficult task of projecting what a consumer would likely experience (after defining that consumer) and filtering that analysis through the sometimes competing (and contested) interests served by trademark law. And the court must do so with due regard to buyers, sellers, and competitors not before it.

The overlapping regimes governing the generation and consumption of consumer information suggest that legal complexity—knowing what is going on in other regimes—is another problem to add to the mix. The interplay of multiple doctrines may not be fully appreciated insofar as the parties may not know to call the issue to the court's attention. This threatens the promise of

Multifactor Tests for Trademark Infringement, 94 CALIF. L. REV. 1581, 1628 (2006) (“[The data] suggest that a finding of bad faith intent creates, if not in doctrine, then at least in practice, a nearly un-rebuttable presumption of a likelihood of confusion.”).

196. Google's status as a repeat (and deep-pocketed) defendant may ameliorate this effect.

197. *Cf. Int'l News Serv. v. Associated Press*, 248 U.S. 215, 262-63 (1918) (Brandeis, J., dissenting):

The unwritten law possesses capacity for growth; and has often satisfied new demands for justice by invoking analogies or by expanding a rule or principle. This process has been in the main wisely applied and should not be discontinued. Where the problem is relatively simple, as it is apt to be when private interests only are involved, it generally proves adequate. But with the increasing complexity of society, the public interest tends to become omnipresent; and the problems presented by new demands for justice cease to be simple. Then the creation or recognition by courts of a new private right may work serious injury to the general public, unless the boundaries of the right are definitely established and wisely guarded. In order to reconcile the new private right with the public interest, it may be necessary to prescribe limitations and rules for its enjoyment; and also to provide administrative machinery for enforcing the rules. It is largely for this reason that, in the effort to meet the many new demands for justice incident to a rapidly changing civilization, resort to legislation has latterly been had with increasing frequency.

case-by-case adjudication, the notion that we might have narrow rulings precisely calibrated to particular facts.

In my view, the complexity of the interaction between trademark and other consumer information laws suggests caution regarding common law making in trademark law. Creating policy is hard enough without delving into other, intertwined doctrines. But this skepticism exists to the extent that trademark law cannot be simplified. If trademark law shortens its reach, the benefits purportedly offered by common law making will be easier to realize.

Trimming the overlap between trademark and other consumer information regimes may simplify its policy questions. As described in the next Part, one way to do this is for trademark law to look for ways to offload issues that are, or may be better, dealt with elsewhere.

II. OFFLOADING

As discussed above, trademark law is not what it used to be. For good or ill, it reaches far beyond its traditional role of preventing the passing off of goods. But trademark is not the only game in town; other consumer information regimes address many of the policy concerns driving trademark's expansion. This Part argues that trademark law would often benefit by "offloading" some of its acquired baggage elsewhere.

Offloading is not a new concept in trademark litigation. Courts have often pruned trademark's overgrowth to limit conflict with other IP laws.¹⁹⁸ The famous examples concern overlaps with patent and copyright. For example, judges have gotten over their reticence with extending trademark protection to nonword marks. Colors, product packaging, and, to a lesser extent, product designs are

198. The boundary issue with other IP regimes is raised not only by federal law, but by state efforts to control perceived forms of unfair competition and misappropriation. *See, e.g.*, *Bonito Boats, Inc. v. Thunder Craft Boats, Inc.*, 489 U.S. 141, 144 (1989) (invalidating a state statute protecting unpatented boat hulls); *Compcorp. v. Day-Brite Lighting, Inc.*, 376 U.S. 234, 237 (1964) ("[W]hen an article is unprotected by a patent or a copyright, state law may not forbid others to copy that article. To forbid copying would interfere with the federal policy, found in Art. I, § 8, cl. 8, of the Constitution and in the implementing federal statutes, of allowing free access to copy whatever the federal patent and copyright laws leave in the public domain."); *Sears, Roebuck & Co. v. Stiffel Co.*, 376 U.S. 225, 232-33 (1964) (rejecting the use of state unfair competition law to prevent copying of unpatented product design).

eligible for trademark status.¹⁹⁹ It is a small step from protecting such designs as source-identifying trademarks to using trademark law to stifle competition in product markets. A useful design that might be protected by a time-limited patent might instead become an immortal trademark.²⁰⁰ This would threaten the policies of patent law, which is the designated federal venue for the protection of inventions qua inventions.²⁰¹

Several rules therefore patrol the boundary between trademark and patent law. Most notably, the functionality doctrine denies trademark protection to utilitarian subject matter.²⁰² Courts and

199. See *Two Pesos, Inc. v. Taco Cabana, Inc.*, 505 U.S. 763, 765, 767 (1992). Although product design may be trademarked, it must not be functional and the design must have secondary meaning, which is to say that consumers must see the design as performing a source-identifying function. *Wal-Mart Stores, Inc. v. Samara Bros., Inc.*, 529 U.S. 205, 214 (2000).

For earlier views on trade dress protection, see, for example, *Two Pesos*, 505 U.S. at 776 (Stevens, J., concurring in the judgment) (contending that the original Lanham Act did not permit a cause of action for infringement of unregistered trade dress, and that judicial interpretation had outpaced statutory text, but nonetheless noting, “I agree with this transformation, even though it marks a departure from the original text, because it is consistent with the purposes of the statute and has recently been endorsed by Congress”); 1 MCCARTHY, *supra* note 22, § 8:1 (explaining that trade dress was once protected not by trademark law, but “[a]s with archaic ‘trade names,’ trade dress protected under the law of ‘unfair competition’ always required proof of secondary meaning”); 1 WILLIAM D. SHOEMAKER, *TRADE-MARKS: A TREATISE ON THE SUBJECT OF TRADE-MARKS WITH PARTICULAR REFERENCE TO THE LAWS RELATING TO REGISTRATION THEREOF* 236 (1931) (“Physical characteristics of an article, its appearance, style or dress-up or features of containers or wrappers cannot be subject of exclusive appropriation.”).

200. *TrafFix Devices, Inc. v. Mktg. Displays, Inc.*, 532 U.S. 23, 29 (2000) (“Trade dress protection must subsist with the recognition that in many instances there is no prohibition against copying goods and products. In general, unless an intellectual property right such as a patent or copyright protects an item, it will be subject to copying. As the Court has explained, copying is not always discouraged or disfavored by the laws which preserve our competitive economy.”). Although characterizations of what trademark is “about” are contested, the competition-promoting goal is well-pedigreed. S. REP. NO. 79-1333, at 4 (1946), *as reprinted in* 1946 U.S.C.C.A.N. 1274, 1275 (“Trade-marks, indeed, are the essence of competition, because they make possible a choice between competing articles by enabling the buyer to distinguish one from the other.”).

201. *TrafFix Devices, Inc.*, 532 U.S. at 34 (“The Lanham Act does not exist to reward manufacturers for their innovation in creating a particular device; that is the purpose of the patent law and its period of exclusivity.”). To be sure, this concern could also be characterized as endogenous to trademark law—that is that trademark law should promote, rather than stifle, competition.

202. See *id.* at 32-33 (describing tests for functionality). The requirement, noted above, that product design have secondary meaning before trademark protection is possible also limits tensions with patent law. See, e.g., *Wal-Mart Stores, Inc.*, 529 U.S. at 214.

commentators, in turn, consider the doctrine with an eye to patent law, which is the normal venue for the protection of inventive design.²⁰³

The conflicts reach beyond patent law. Cases concerning aesthetic functionality implicate copyright and design patent policy.²⁰⁴ Trademark may be claimed over expressive content, raising copyright policy issues.²⁰⁵ State IP regimes create similar problems.²⁰⁶

Courts pay less attention to the role of other consumer information regimes in considering trademark's proper scope. This Part argues that these laws offer an underdeveloped basis for limiting trademark law's reach. The policies driving claims at trademark's periphery would often be better off offloaded to and addressed by one of these alternative regimes.

A. Trademark's Expansion and Its Challenge for Reformers

The argument developed here is proffered as a mechanism for simplifying trademark's administration as part of a larger system of consumer information law. It is also an approach to reforming some of trademark's excesses. The rationales may be independent—that is, one may be concerned with simplifying consumer information law but not with trademark overreach and vice versa—but it is worth situating the second perspective before proceeding.

Critiques of trademark's expansion have a problem. Congress rewrote the Lanham Act in part to keep up with expansive judicial interpretations of its original terms.²⁰⁷ The resulting open-ended

203. *TrafFix Devices, Inc.*, 532 U.S. at 30 (“Where the expired patent claimed the features in question, one who seeks to establish trade dress protection must carry the heavy burden of showing that the feature is not functional, for instance by showing that it is merely an ornamental, incidental, or arbitrary aspect of the device.”); *see, e.g.*, Davis, *supra* note 1, at 233-34.

204. *Eco Mfg. LLC v. Honeywell Int'l Inc.*, 357 F.3d 649, 654 (7th Cir. 2003) (suggesting rationales for treating a circular thermostat as functional without regard to consumer views of aesthetics); 1 MCCARTHY, *supra* note 22, § 7:80 (noting skepticism of aesthetic functionality in circuits).

205. *See, e.g.*, *Dastar Corp. v. Twentieth Century Fox Film Corp.*, 539 U.S. 23, 37 (2003).

206. *See, e.g.*, 17 U.S.C. § 301 (2006) (Copyright Act's preemption clause); cases cited *supra* note 198. States do have the ability to create parallel trademark regimes. *See, e.g.*, MD. CODE ANN. BUS. REG. § 1-414 (West 2013); TEX. BUS. & COM. CODE ANN. § 16.102 (West 2013).

207. *See, e.g.*, S. REP. NO. 100-515, at 40 (1988), *as reprinted in* 1988 U.S.C.C.A.N. 5577, 5603 (“[The bill] revises Section 43(a) of the Act (15 U.S.C. 1125(a)) to codify the

text leaves room for courts to expand the trademark cause of action further still. Key words like “likelihood,” “confusion,” and “approval” are undefined, opening the door to judicial creativity and applications of the trademark cause of action to situations alien to its common law roots.²⁰⁸ Reformers have suggested a variety of ways to control trademark’s scope despite the Lanham Act’s open text. The approaches overlap, and many (myself included) promote multiple arguments.

One approach is to embrace the common law method and focus on policy. Judges would reject harmful expansions of trademark law, but their method would track the judicial approach that expanded trademark law. Reformers suggest a variety of policy metrics as guides, including minimizing search costs or otherwise improving market efficiency,²⁰⁹ promoting consumer autonomy,²¹⁰ protecting free expression,²¹¹ enhancing overall consumer welfare,²¹² and paying closer attention to empirical research.²¹³

Other arguments are less directly focused on trademark policy. Some focus on the litigation process, looking for ways for courts to minimize enforcement costs and otherwise promote the efficient disposition of claims.²¹⁴ Another nonpolicy approach is legalistic in

interpretation it has been given by the courts.”); *cf.* *Two Pesos, Inc. v. Taco Cabana, Inc.*, 505 U.S. 763, 776 (1992) (Stevens, J., concurring in the judgment) (“I think it is important to recognize that the meaning of the text [of section 43(a)] has been transformed by the federal courts over the past few decades. I agree with this transformation, even though it marks a departure from the original text, because it is consistent with the purposes of the statute and has recently been endorsed by Congress.”).

208. *See* 15 U.S.C. § 1125(a) (2006) (providing for liability for conduct that “is likely to cause confusion ... as to the origin, sponsorship, or approval of his or her goods, services, or commercial activities by another person”). This is in marked contrast to the statute’s limited provisions for trademark defenses. *See generally* Grynberg, *supra* note 72, at 967-69 (arguing that courts are unlikely to be able to devise reliably effective trademark defenses).

209. *See, e.g.*, Stacey L. Dogan & Mark A. Lemley, *Trademarks and Consumer Search Costs on the Internet*, 41 HOUS. L. REV. 777, 778 (2004).

210. *See, e.g.*, Laura A. Heymann, *The Public’s Domain in Trademark Law: A First Amendment Theory of the Consumer*, 43 GA. L. REV. 651, 656 (2009).

211. *See, e.g.*, Lisa P. Ramsey, *Descriptive Trademarks and the First Amendment*, 70 TENN. L. REV. 1095, 1146 (2003).

212. *See, e.g.*, Grynberg, *supra* note 80, at 78.

213. *See, e.g.*, Rebecca Tushnet, *Gone in Sixty Milliseconds: Trademark Law and Cognitive Science*, 86 TEX. L. REV. 507, 568 (2008) (questioning data proffered to support trademark’s expansion).

214. *See, e.g.*, Robert G. Bone, *Enforcement Costs and Trademark Puzzles*, 90 VA. L. REV. 2099 (2004).

orientation, making a textual case that the Lanham Act is more limited than it appears, particularly when interpreted with an eye to the larger legal context in which trademark law operates.²¹⁵ Looking to the broader legal context introduces another set of limiting arguments based on the role of judges in construing trademark law. In an earlier article, I argued that judges should interpret trademark law with an eye to promoting its coherence as a body of rules that is accessible and transparent to those regulated or protected by it while remaining sensitive to the accountability concerns of taking the law in directions unforeseen by Congress in enacting the Lanham Act.²¹⁶

Trademark's history is another potential source of limits. The traditional scope of trademark law could provide a basis for demanding that Congress be explicit about undermining common law understandings.²¹⁷ Examining history may also buttress policy arguments that trademark is really "about" something other than its most expansive modern claims.²¹⁸ Or it may uncover checks to the cause of action that deserve to be revived or restored to prominence.²¹⁹

B. Why and When to Offload

Thinking about trademark's place among consumer information laws offers another argument for trademark reform that is not directly about policy. If another consumer information regime does the work of an expanded trademark claim, courts should look for ways to channel that claim out of trademark law.²²⁰

215. Grynberg, *supra* note 72, at 963-65.

216. Michael Grynberg, *The Judicial Role in Trademark Law*, 52 B.C.L. REV. 1283 (2011).

217. *See, e.g.*, *Wilhelm Pudenz, GmbH v. Littlefuse, Inc.*, 177 F.3d 1204, 1210-12 (11th Cir. 1999) (preserving common law defense to infringement despite then-statute's failure to mention it).

218. Alternatively it might suggest a tension between appeals to history and what that history really shows. Mark P. McKenna, *The Normative Foundations of Trademark Law*, 82 NOTRE DAME L. REV. 1839, 1843 (2007) ("The real shift in modern trademark law then was not one from consumer focus to producer focus, or from consumer protection to property. Instead, modern trademark law differs fundamentally from its traditional counterpart in its understanding of what a trademark does and how it adds value.").

219. *See, e.g.*, Stacey Dogan & Mark Lemley, *Grounding Trademark Law Through Trademark Use*, 92 IOWA L. REV. 1669, 1675-82 (2007).

220. This claim has strong and weak variants. The strong approach is to say that the claim

Multiple causes of action might capture a claimed harm, but some are better fits than others. A type of claim that is at the core of one body of law may be peripheral to another. This creates the risk that adjudication under the peripheral regime might upset well-established policy tradeoffs elsewhere. The “core” body of law will have evolved various doctrines and sub-doctrines to mediate the policy tradeoffs implicated by the claim. In contrast, the peripheral regime will be less able to rely on accumulated precedents or legislative fine-tuning to capture the particularized nuances of the case at hand.²²¹

This dynamic is well understood when other IP regimes are at issue. Copyrights cannot be used to claim rights over ideas and methods of operation in part because a copyright claim would not have to clear the hurdle of administrative review demanded by patent law.²²² Trademarks cannot be used to establish property rights over utilitarian design or expression qua expression in part

should be precluded altogether. The existence of regimes that are a better fit supports the argument that federal unfair competition law should avoid “cumulation” of claims and treat the existence of a tailored regime as implicitly excluding the use of another for the same task.

The weaker claim is simply that courts should consider questions of fit and channeling in determining whether to recognize a tenuous trademark claim when its subject matter is better covered by another regime. Alternatively, courts should interpret the scope of the trademark claim, when such interpretation is possible, to be consistent with the policies embodied by the disposition of the alternative claim. This would mean construing the claim such that its trademark form would not reach beyond its parallel outside trademark law.

Which approach to follow depends largely on context (for example, the openness of the Lanham Act provision in question), as some broad trademark claims are easier than others to categorically exclude from the Lanham Act’s provisions. Given that the law generally does not proscribe overlapping claims arising from the same transaction, the latter formulation will generally be the applicable one. *See generally* Graeme B. Dinwoodie, *The Death of Ontology: A Teleological Approach to Trademark Law*, 84 IOWA L. REV. 611, 625-32 (1999) (discussing cumulative claims in intellectual property law).

221. Judges are sensitive to this danger in other contexts. For example, several precedents avoid construing general litigation-authorizing statutes as applying to statutory schemes with defined remedial policies. *See, e.g.*, *Block v. Cmty. Nutrition Inst.*, 467 U.S. 340, 352-53 (1984) (precluding review under the Administrative Procedure Act of milk market orders by end consumers in light of an administrative regime designed to oversee program); *Middlesex Cnty. Sewerage Auth. v. Nat’l Sea Clammers Ass’n*, 453 U.S. 1, 20 (1981) (“When the remedial devices provided in a particular Act are sufficiently comprehensive, they may suffice to demonstrate congressional intent to preclude the remedy of suits under § 1983.”).

222. *See Baker v. Selden*, 101 U.S. 99, 102 (1879).

because trademark rights are not time limited as are their patent and copyright counterparts.²²³

The same problem exists among consumer information laws, but courts are less attuned to it. For example, false endorsement by a celebrity could plausibly be described as a problem of publicity law (a state claim),²²⁴ false advertising,²²⁵ or (less plausibly) trademark.²²⁶ To the extent it “belongs” in false advertising, that doctrine will have tools to prevent overreaching claims. If courts let plaintiffs evade these strictures by allowing the claim in trademark, things may get out of hand. Trademark may not have evolved rules to control the endorsement cause of action. Alternatively, courts might fail to adapt traditional trademark defenses to the expanded cause of action.²²⁷ In either case, the expanded cause of action could proliferate like an invasive species free of the predators that would normally keep its numbers down.²²⁸ Even if courts push back, there

223. See *Dastar Corp. v. Twentieth Century Fox Film Corp.*, 539 U.S. 23, 33-34 (2003) (warning against construing trademark law to limit public access to works for which copyright has expired); *Traffix Devices, Inc. v. Mktg. Displays, Inc.*, 532 U.S. 23, 34 (2001) (“The Lanham Act does not exist to reward manufacturers for their innovation in creating a particular device; that is the purpose of the patent law and its period of exclusivity.”).

224. See, e.g., 765 ILL. COMP. STAT. 1075/10 (2013) (“The right to control and to choose whether and how to use an individual’s identity for commercial purposes is recognized as each individual’s right of publicity.”).

225. Assuming prudential standing hurdles can be cleared. See *supra* notes 133-34 and accompanying text.

226. I say less plausibly because the statement “Celebrity X uses Y” moves us further from trademark’s traditional core in which a mark X designates a source of Y. Here, X is used to describe an attribute of Y. X is not a traditional mark, and it is not performing the traditional mark function. Given § 43(a)’s reference to “sponsorship” and “approval” and judicial interpretations thereof, such a claim may now be a part of trademark law, but it is an example of what I mean by a peripheral, non-core claim. In contrast, we are much closer to the respective cores of false advertising and publicity doctrine. See, e.g., CAL. CIV. CODE § 3344 (West 2013) (providing liability for the knowing use of “another’s name, voice, signature, photograph, or likeness, in any manner, on or in products, merchandise, or goods, or for purposes of advertising or selling ... without such person’s prior consent”).

227. See Grynberg, *supra* note 72, at 916-17 (discussing failure of trademark’s expansion in the false endorsement context to bring along potentially relevant limiting doctrines like abandonment).

228. Professor Tushnet’s description of the treatment of false endorsement claims in the Third Circuit illustrates this point. Because false advertising law requires plaintiffs to show that consumers perceive a misleading message in cases in which there is no explicit message of endorsement, plaintiffs were drawn to trying to shoehorn the claims into trademark law. See Tushnet, *supra* note 7, at 1330. Trademark, lacking a similar requirement, had no similar check. This smoothed the way for a trademarked-based claim that the use of deceased John Facenda’s voice (known from NFL films) in a television show about the making of an

will be uncertainty. A cause of action with an undefined scope and undefined defenses leaves attorneys unable to give clear answers to simple questions. An overreaching claim is likely to have a greater *in terrorem* effect if one cannot precisely articulate why it might fail.²²⁹

Maintaining good fences between doctrinal neighbors thus promotes multiple values. It improves transparency, enabling regulated entities to know better what is demanded of them and conform their conduct accordingly.²³⁰ Offloading peripheral claims also promotes the related goal of coherence, making doctrine more readily comprehensible as a set of interrelated and consistent commands.²³¹ Last, offloading enhances political accountability.²³² Reintroducing a policy issue that is settled in a “core” body of law into a peripheral doctrine risks destabilizing settled understandings. Judges should not do so lightly, especially if those understandings are the product of political settlements.²³³

NFL-themed video game somehow constituted false endorsement. *Id.* at 1330, 1355-56 (discussing *Facenda v. N.F.L. Films, Inc.*, 542 F.3d 1007 (3d Cir. 2008)). Because the claim fell under § 43(a)(1)(A), not the false advertising provision of (a)(1)(B), the Third Circuit concluded that the plaintiff did not have to show that consumers perceived an endorsement message or that the message was material. *Id.*

229. *See supra* notes 156-61 and accompanying text (listing devices used by courts to avoid finding liability in a trademark case).

230. *See Grynberg, supra* note 216, at 1295-96.

231. *See id.* at 1296.

232. *See id.* at 1294.

233. *See, e.g., id.* at 1294-95. Here, too, judges are aware of the danger in other doctrines. For example, § 230 of the Communications Decency Act precludes treating users and providers of interactive computer services as speakers or publishers of third-party content. 47 U.S.C. § 230 (2006). The immediate impact of § 230 was to rule out claims against Internet intermediaries that sounded in defamation, even if plaintiffs tried to style them in a manner to avoid that characterization. *See, e.g., Zeran v. Am. Online, Inc.*, 129 F.3d 327, 328 (4th Cir. 1997). This led plaintiffs to resort to peripheral doctrines in an effort to recharacterize their claims. Whatever can be said about the merits of the resulting claims, they place pressure on the immunity created by Congress. Courts are therefore sensitive to the risk that artful pleading will upset Congress’s policy choice. *See, e.g., Barnes v. Yahoo!, Inc.*, 570 F.3d 1096, 1102-03 (9th Cir. 2009) (“[A] plaintiff cannot sue someone for publishing third-party content simply by changing the name of the theory from defamation to negligence. Nor can he or she escape section 230(c) by labeling as a ‘negligent undertaking’ an action that is quintessentially that of a publisher.”).

C. Reclassifying Harms

Plaintiff appeals to read the Lanham Act expansively often find willing ears in that judges see something in need of policing—nevermind whether the claim is part of trademark law’s traditional subject matter. Pushing back is easier if there is another regime to which the judge who feels that “something must be done” may be directed. So, for example, judges sometimes fall prey to appeals to treat trademark law as an incentive regime.²³⁴ But not always. One reason is that parallel IP regimes of copyright and patent are the traditional avenues for incentivizing creative and inventive production.²³⁵

Sometimes the appeal to judicial conscience concerns false information *about* a product, even though said information is not (or is only debatably) relevant to trademark law. Trademark’s struggles with nominative uses are a good example, and they illustrate how offloading has insulated trademark in the past and might do so in the future.

1. Nominative Use Then

A nominative use refers to the trademark holder or her product. It does not directly misbrand goods.²³⁶ This is not to say that nominative uses cannot harm consumers. A drug maker’s false claim to be selling the chemical equivalent of, say, *TYLENOL* is a problem, but not one of trademark law. Such a reference might “misrepresent[] the nature, characteristics, [or] qualities” of the product, but that is the traditional province of false advertising law.²³⁷ Or, in the case of falsely labeled generic acetaminophen, the Food and Drug Administration would also be expected to intervene.²³⁸

234. See, e.g., *Bos. Prof’l Hockey Ass’n, Inc. v. Dall. Cap & Emblem Mfg., Inc.*, 510 F.2d 1004, 1011 (5th Cir. 1975) (allowing a merchandising claim in part because “the major commercial value of the emblems is derived from the efforts of plaintiffs”).

235. *TrafFix Devices, Inc. v. Mktg. Displays, Inc.*, 532 U.S. 23, 34 (2000).

236. To be sure, one could effectively counterfeit a mark and surround it with hard-to-see text that says “We’re not TRADEMARK,” but that is a nominative use in name only, which traditional trademark analysis would be able to accommodate.

237. 15 U.S.C. § 1125(a) (2006).

238. See Drug Price Competition and Patent Term Restoration Act of 1984, Pub. L. No.

In the past, trademark law directed claims revolving around nominative uses to such alternative venues.²³⁹ The textbook staple *Smith v. Chanel, Inc.* is a classic example.²⁴⁰ The case is remembered for the Ninth Circuit's refusal to let trademark law stop Chanel's competitor from advertising that its perfume smelled like Chanel.²⁴¹ "To prohibit use of a competitor's trademark for the sole purpose of identifying the competitor's product would bar effective communication of claims of equivalence."²⁴²

Less well remembered is that Chanel ultimately prevailed. The Ninth Circuit's blessing of comparative advertising contained a caveat. Although it was in the public interest to allow the seller of "Second Chance" to tell consumers that it offered an indistinguishable product for one third the price, this "[a]ssum[ed] the equivalence of 'Second Chance' and 'Chanel No. 5.'"²⁴³ Absent such equivalence, Chanel could proceed under false advertising law, which has tools for evaluating the range of meanings that could be encompassed by a claim of equivalence or the distinction between a false statement and a literally true, but nonetheless misleading,

98-417, 98 Stat. 1585; *FDA Ensures Equivalence of Generic Drugs*, U.S. FOOD & DRUG ADMIN. (Aug. 2002), <http://www.fda.gov/Drugs/EmergencyPreparedness/BioterrorismAndDrugPreparedness/ucm134444.htm> (describing how the FDA ensures equivalence between generic and brand name drugs); *supra* note 75 and accompanying text.

239. Tushnet, *supra* note 7, at 1363.

240. 402 F.2d 562 (9th Cir. 1968).

241. The ad in question read in part, "We dare you to try to detect any difference between Chanel #5 (25.00) and Ta'Ron's 2nd Chance. \$7.00." *Id.* at 563.

242. *Id.* at 567-68.

243. *Id.* at 568.

claim.²⁴⁴ Here, at the end of the day, the defendant's advertisement was deemed false and enjoined.²⁴⁵

2. *Nominative Use Now*

Smith never suggests that comparative advertising is a trademark harm,²⁴⁶ drawing on a long tradition of excluding such referential uses from trademark liability.²⁴⁷ Today trademark law is less sure of itself when it comes to categorical exclusions of nominative uses as the basis of liability.

Courts handle nominative use in a variety of ways. Some apply a distinct framework to evaluate whether the use in question qualifies as a "nominative fair use."²⁴⁸ In the Ninth Circuit, the test is "whether (1) the product was readily identifiable without use of the mark; (2) defendant used more of the mark than necessary; or (3) defendant falsely suggested he was sponsored or endorsed by the trademark holder."²⁴⁹ The last question is the fighting ground of many cases and has been criticized for reintroducing the traditional likelihood-of-confusion inquiry by another name.²⁵⁰

244. False advertising law distinguishes between explicit and implied falsehoods while making a distinction between actionable representations and mere "puffing." *See, e.g.*, *Time Warner Cable, Inc. v. DIRECTV, Inc.*, 497 F.3d 144, 153 (2d Cir. 2007) (explaining the distinction between literally false and not literally false, but misleading, advertisements); *id.* at 158 (adopting the "false by necessary implication" doctrine); *Pizza Hut, Inc. v. Papa John's Int'l, Inc.*, 227 F.3d 489, 504 (5th Cir. 2000) (concluding that "Better Ingredients, Better Pizza" slogan was nonactionable puffery). *See generally* TUSHNET & GOLDMAN, *supra* note 44, at 160-244 (describing the interplay between various doctrines). This mix of doctrines has been criticized for being insufficiently tough on false advertising defendants by requiring plaintiffs to bear the expense of consumer-reaction surveys in situations in which judges ought to be able to assess the misleading nature of an advertisement. *See* Tushnet, *supra* note 7, at 1337-44. But the question whether false advertisement doctrines are optimally calibrated is independent of the claim that they address the question of how to interpret a representation.

245. *Chanel, Inc. v. Smith*, 528 F.2d 284, 285 (9th Cir. 1976) (per curiam).

246. The opinion allows the possibility of a claim not only if the defendant misrepresents its product, but also if it "create[s] a reasonable likelihood that purchasers will be confused as to the source, identity, or sponsorship of the advertiser's product." *Smith*, 402 F.2d at 563. This is the traditional trademark harm, of course, and the court did not try to fit the defendant's nominative use into it. *See id.*

247. *Id.* at 563-64.

248. *See, e.g.*, *Toyota Motor Sales, U.S.A., Inc. v. Tabari*, 610 F.3d 1171, 1175 (9th Cir. 2010).

249. *Id.* at 1175-76 (internal quotation marks omitted).

250. *See, e.g.*, William McGeeveran, *Rethinking Trademark Fair Use*, 94 IOWA L. REV. 49,

Other courts shoehorn nominative use situations into the multifactor likelihood-of-confusion test normally applied to trademark infringement claims.²⁵¹ The problem here is that the test was developed to evaluate potential confusion between similar but nevertheless distinct marks.²⁵² It is ill-suited for comparing a mark to itself.²⁵³

In many cases, a better answer would be to recall that nominative use may cause harm without being a trademark harm. Litigation over keyword advertising is one example.²⁵⁴ These claims have always been an uneasy fit for trademark law, especially when directed against search engine intermediaries. Keyword advertising cannot be evaluated in isolation from the speech it enables. Using a trademarked term to return a sponsored link has no meaning independent of what is returned except in the most general way. Some returned links might be designed to deceive consumers. For example, a website may promise Tiffany products, but actually traffic in counterfeits. Others might offer authentic, albeit second-hand, goods.²⁵⁵ Others might be using keywords to communicate category similarity—that the returned link offers a product or service in the same category as that of the mark holder.²⁵⁶ Each use carries a different meaning and raises distinct policy implications.

That meaning cannot be ascertained merely by reference to the practice of purchasing trademarks as keywords. We need to look at

91 (2008).

251. See, e.g., *Rosetta Stone Ltd. v. Google, Inc.*, 676 F.3d 144, 155 (4th Cir. 2012) (“[T]he district court did not commit reversible error in failing to address every factor. In the future, however, a district court opting not to address a given factor or group of factors should provide at least a brief explanation of its reasons.”).

252. In a traditional trademark infringement case, however much of the senior user’s mark the defendant uses, the defendant is still identifying a distinct source of goods. This is quite different than the referential purpose of the nominative use situation.

253. See, e.g., *Century 21 Real Estate Corp. v. Lendingtree, Inc.*, 425 F.3d 211, 232 (3d Cir. 2005) (Fisher, J., concurring in part and dissenting in part) (arguing the court’s modified multifactor test “is so watered-down that plaintiffs might prove likely confusion on one *Lapp* factor alone”).

254. For an overview of keyword advertising, see *supra* Part I.B.1.

255. As permitted by trademark’s first-sale or exhaustion doctrine. See, e.g., *Brilliance Audio, Inc. v. Hights Cross Communications, Inc.*, 474 F.3d 365, 369 (6th Cir. 2007) (“Under the exception, resale by the first purchaser of the original trademarked item is generally neither trademark infringement nor unfair competition.”); see also *Prestonettes, Inc. v. Coty*, 264 U.S. 359, 369 (1924).

256. See Grynberg, *supra* note 80, at 86.

what the returned links and surrounding advertising actually say.²⁵⁷ The interpretive task will often be one of evaluating representations about the mark holder—in other words, a nominative use situation.²⁵⁸ That analysis will generally be accomplished best under the false advertising framework.

The Second Circuit took steps in this direction in *Tiffany (NJ) Inc. v. eBay, Inc.*²⁵⁹ eBay used the TIFFANY mark in advertising and sponsored links to advertise the availability of branded jewelry on eBay.²⁶⁰ Because some eBay sellers actually offered counterfeits, Tiffany sued, claiming direct and contributory infringement, dilution, and false advertising. eBay prevailed after a bench trial, and the Second Circuit upheld its trademark win.²⁶¹

The court held that eBay could not be on the hook for direct trademark infringement because it “used the mark to describe accurately the genuine Tiffany goods offered for sale on its website” without suggesting that the companies were affiliated.²⁶² In other words, eBay made a lawful nominative use.²⁶³ Tiffany’s complained-

257. Judge Waddoups recognized this point in recent keyword litigation:

Because a consumer cannot see a keyword, nor tell what keyword generated an advertisement, the court concludes that the mere purchase of a trademark as a keyword cannot *alone* result in consumer confusion. Accordingly, the relevant inquiry here regarding consumer confusion is not just what keyword was purchased, but what was the language of the advertisement generated by that keyword.

1-800 Contacts, Inc. v. Lens.com, Inc., 755 F. Supp. 2d 1151, 1174 (D. Utah 2010); *see also* TrafficSchool.com, Inc. v. Edriver Inc., 653 F.3d 820, 827 (9th Cir. 2011) (observing that although “there’s nothing inherently misleading about sponsored search results, they *can* mislead if they are named so as to give a false impression as to the likely sponsorship of the website to which they refer” and analyzing a false advertising claim by looking to the content of the linked cite itself). Litigation concerning the alternate enforcement avenue of FTC action has made the same point. *FTC v. Cantkier*, 767 F. Supp. 2d 147, 156 n.11 (D.D.C. 2011) (“[T]he allegation of bidding on particular keywords *per se* would not be a deceptive act or practice.... The gravamen of [the FTC’s claim] is that the advertisements purchased in connection with the keywords contained deceptive titles and hyperlinks that were likely to mislead consumers.”).

258. Insofar as there may be trademark infringement on the linked page (to whatever extent it, too, is not better covered by false advertising law), we are beyond the practice of keyword advertising that prompted the user to click on the link in the first instance.

259. 600 F.3d 93 (2d Cir. 2010).

260. *Id.* at 101.

261. *Id.* at 96.

262. *Id.* at 103.

263. The court did not get into the need for a precise analysis akin to the nominative fair use doctrines, concluding that circuit precedent simply recognized that such uses are legal

of harm, that eBay was abetting counterfeit sellers and that eBay's ads misled consumers, needed to be addressed elsewhere, in this case by the contributory infringement and false advertising doctrines, respectively.²⁶⁴ Doing so allowed direct confrontation with questions of eBay's intent, in the case of contributory infringement,²⁶⁵ or advertising meaning, in the case of the false advertising claim.²⁶⁶

In contrast, the Fourth Circuit allowed a similar claim against Google to proceed in an opinion that underscores the conceptual weakness of using trademark law to evaluate keyword advertising. Rosetta Stone sued Google for keyword advertising based on its mark because some keyword purchasers sold counterfeit Rosetta Stone products.²⁶⁷ The litigation was therefore partly about Google's potential liability for contributory infringement, but the court also ruled that a claim for direct infringement could proceed against Google.²⁶⁸

without more. *Id.* at 102-03. This “without more” is the fighting ground in cases that have recognized nominative fair use as an official doctrine. *See, e.g.*, Tushnet, *supra* note 7, at 1315-16 (asserting that arguments that nominative uses are simply nonconfusing are incomplete because they ignore the role of implicature). It is therefore perhaps more accurate to describe the court's interpretation of existing precedent as simply presuming the legality of nominative use.

264. *Tiffany (NJ) Inc.*, 600 F.3d at 103 (“eBay's knowledge *vel non* that counterfeit Tiffany wares were offered through its website is relevant to the issue of whether eBay contributed to the direct infringement of Tiffany's mark by the counterfeiting vendors themselves, or whether eBay bears liability for false advertising.”).

265. Offloading the issue to contributory infringement is important because direct trademark infringement lacks an intent requirement, exacerbating the risk that the litigation could be used to “unduly inhibit the lawful resale of genuine Tiffany goods.” *Id.*

266. The court remanded for consideration of the false advertising claim because the district court, in its view, conflated the legality of nominative use with the position that the advertising was not misleading (in that consumers might be led to believe that eBay did not host counterfeit goods). *Id.* at 114. On remand, the district court had little trouble ruling in eBay's favor on the false advertising claim. *Tiffany (NJ) Inc. v. eBay, Inc.*, No. 04 Civ. 4607(RJS), 2010 WL 3733894 (S.D.N.Y. Sept. 13, 2010). Professor Tushnet criticizes the circuit court's remand for needlessly adding litigation costs. Tushnet, *supra* note 7, at 1363 n.238. Leaving aside whether it should have been obvious to the circuit that no remand was necessary on eBay's facts, the court's point—that whether eBay misled consumers with its advertising is inherently a question of false advertising, not trademark law—is correct unless one takes the view that the doctrines should be less autonomous. *See id.* at 1313. On this point, see *infra* Part II.F.3.

267. *Rosetta Stone Ltd. v. Google, Inc.*, 676 F.3d 144, 152 (4th Cir. 2012).

268. *Id.* at 173. The case ultimately settled. Joe Mullin, *Google Settles Rosetta Stone Lawsuit, Its Last Major Dispute Over AdWords*, ARS TECHNICA (Nov. 1, 2012 1:35 PM),

As with *eBay*, the mark was put to largely nominative uses.²⁶⁹ Much of the multifactor test, therefore, had nothing to do with whether Google caused any confusion among consumers, but the remaining factors say little about the advertising returned by the keyword purchase.

The district court appreciated this distinction, noting that Rosetta Stone's evidence of actual confusion concerned consumers who *knew* Rosetta Stone was not behind the ads they saw, but were misled *by the advertisers* about Rosetta Stone's relationship with them.²⁷⁰ The Fourth Circuit ruled that this was still evidence of Google's direct trademark infringement because trademark encompasses sponsorship confusion in and of itself.²⁷¹ But in context, this makes no sense, for it suggests that the mere act of reselling branded merchandise creates likelihood-of-sponsorship confusion. That logic would invalidate trademark's first-sale doctrine, which holds that reselling branded goods is not in and of itself trademark infringement.²⁷²

If there is a harm here, then, it is in misrepresentations *about* Rosetta Stone, and for that the ad copy needs to be considered, taking us into the realm of false advertising. But because the calipers used by the court are those of the trademark multifactor test, the evidence of "actual confusion" generated by an advertisement keeps trademark infringement litigation alive even though the nominative use of the mark is not what is causing consumer confusion.²⁷³

<http://arstechnica.com/tech-policy/2012/11/google-settles-rosetta-stone-lawsuit-its-last-major-dispute-over-adwords/>.

269. Using trademarks in this manner may also have a generic function insofar as they may be taken to mean "this product is like" the trademark rather than claiming a closer relationship. See Grynberg, *supra* note 68, at 127-28.

270. *Rosetta Stone Ltd. v. Google, Inc.*, 730 F. Supp. 2d 531, 544 (E.D. Va. 2010), *aff'd in part, vacated in part, Rosetta Stone*, 676 F.3d 144.

271. *Rosetta Stone*, 676 F.3d at 157.

272. See *supra* note 255.

273. To be sure, a trademark qua trademark could be used to create confusion about sponsorship. The point here is that where claims of direct confusion are already attenuated (in that we are discussing Google as a direct rather than contributory infringer) and the confusion stems not from mere branding but rather advertising copy, trademark law's tools for assessing confusion are not calibrated to assessing the alleged wrong in this case.

3. *Developing Safety Valves*

The history of domain-name disputes demonstrates the potential for developing alternative venues for claims that might otherwise be treated as trademark infringement. As the Internet developed into a commercial medium, trademark owners turned to infringement and dilution actions to target so-called cybersquatters and others who won the race to register marks as domain names.²⁷⁴ Commentary on such claims criticized the courts for loosening trademark doctrine in a judicial effort to capture perceived bad conduct.²⁷⁵ The zeal to stop cybersquatting swept broadly, and included cases of nominative use (for example, TRADEMARKsucks.com).²⁷⁶

New avenues soon opened to which the impulse could be channeled. Congress enacted the ACPA, which allowed mark holders to demand the transfer of domain names without resorting to a traditional trademark infringement action,²⁷⁷ and ICANN adopted private procedures—the Uniform Domain-Name Dispute-Resolution Policy (UDRP)—for the resolution of trademarks-as-domain-names disputes.²⁷⁸

To be sure, the ACPA and the UDRP may be criticized for expanding the powers available to a trademark holder. Until these alternative remedies became available, however, it was harder for judges to resist the urge to “do something” in response to cybersquatting. The availability of remedies outside traditional trademark law makes disruptions to standard doctrine less likely. Courts have more leeway to recognize nominative use interests when they arise without needing to challenge the premise that cybersquatting and activities like it are an issue.²⁷⁹ And statutes

274. See, e.g., *Panavision Int'l, L.P. v. Toeppen*, 141 F.3d 1316, 1319 (9th Cir. 1998).

275. See generally Hannibal Travis, *The Battle for Mindshare: The Emerging Consensus that the First Amendment Protects Corporate Criticism and Parody on the Internet*, 10 VA. J.L. & TECH. 3 (2005) (collecting examples).

276. See *id.* at 17-38.

277. See Anticybersquatting Consumer Protection Act, 15 U.S.C. § 1125(d) (2006).

278. *Uniform Domain Name Dispute Resolution Policy*, INTERNET CORP. FOR ASSIGNED NAMES & NOS., <http://www.icann.org/en/help/dndr/udrp/policy> (last visited Feb. 26, 2014).

279. See, e.g., *Toyota Motor Sales, U.S.A., Inc. v. Tabari*, 610 F.3d 1171, 1178 (9th Cir. 2010) (distinguishing between trademark domain uses to which trademark holders have presumptive rights and those to which they do not); see also *supra* notes 163-65 and

like the ACPA at least mitigate the accountability issues of courts taking it upon themselves to adjust trademark law to handle cybersquatting.

D. Trademark Quality

Thinking about where to place claims is not just about controlling trademark's scope or ensuring that novel causes of action have appropriate safeguards. This inquiry may also promote the smooth functioning of basic trademark law, as the nominative use example illustrates.

The inability of courts to offload nominative use claims from trademark law generates needless doctrinal complications. As discussed above, courts deal with nominative uses in a variety of ways.²⁸⁰ Each effort muddies trademark doctrine. In the Ninth Circuit, development of a separate nominative fair use test for a time appeared to shift the burden of proof from the plaintiff to the defendant—creating the paradoxical possibility that a defendant engaged in a use of a trademark once thought categorically privileged might face an added burden in seeking to dispose of litigation in early stages.²⁸¹ Other cases found it necessary to apply both the nominative fair use test as well as traditional likelihood-of-confusion analysis.²⁸²

Things are not better in those jurisdictions that attempt to shoehorn nominative use situations into the multifactor likelihood-of-confusion test. Here, the problem is that the test did not evolve in contemplation of nominative use. Some courts respond by

accompanying text.

For all its problems, the creation of a federal dilution cause of action has at least some potential in this vein. Courts have from time to time treated negative portrayals of brands as infringement even though the plaintiff's complaint sounded more like what we now call dilution by tarnishment. *See, e.g., Dallas Cowboys Cheerleaders, Inc. v. Pussycat Cinema, Ltd.*, 604 F.2d 200, 204 (2d Cir. 1979). Enacting a distinct statute allows courts to develop this body of law in a manner that is less destabilizing to the rules governing infringement claims. That said, the early returns are not promising. *See V Secret Catalogue, Inc. v. Moseley*, 605 F.3d 382, 395 (6th Cir. 2010) (Moore, J., dissenting) (“[T]he majority sanctions an almost non-existent evidentiary standard and, in the process, essentially eliminates the requirement that a plaintiff provide some semblance of proof.”).

280. *See supra* Part II.C.2.

281. The court has tried to correct the impression. *Toyota Motor Sales*, 610 F.3d at 1183.

282. *See, e.g., Brother Records, Inc. v. Jardine*, 318 F.3d 900, 905 (9th Cir. 2003).

applying the factors while keeping the nominative context in mind.²⁸³ Others declare specific factors as particularly germane to nominative cases, creating the risk that otherwise unimportant factors might play an outsized role in confusion analysis.²⁸⁴ Another option is to allow trial courts to adapt the test according to a case's particular facts.²⁸⁵ Finally, a court may simply declare certain nominative uses nonconfusing without explaining when the move is appropriate or precisely why particular nominative uses are not confusing. The Second Circuit effectively took this approach in *Tiffany*.²⁸⁶

Similarly, courts might address situations that are really about false advertising but evaluate them using an amended multifactor test. The Ninth Circuit took this tack in *Network Automation, Inc. v. Advanced Systems Concepts, Inc.*, in which the court not only selected factors to emphasize, but added a new one.²⁸⁷ In addition to the three factors deemed particularly relevant to the keyword advertising before it,²⁸⁸ the panel directed the district court to consider on remand “the labeling and appearance of the advertisements and the surrounding context on the screen displaying the results page.”²⁸⁹ The opinion illustrates Professor Tushnet's acid observation that “trademark doctrine never gets less complex.”²⁹⁰

283. See, e.g., *Pebble Beach Co. v. Tour 18 I Ltd.*, 155 F.3d 526, 547 (5th Cir. 1998) (“[T]he traditional likelihood-of-confusion analysis is applicable in a comparative-advertising situation, but the court should usually consider the nominative-use claim in conjunction with its likelihood-of-confusion analysis to avoid lowering the standard of confusion.”).

284. See, e.g., *Century 21 Real Estate Corp. v. Lendingtree, Inc.*, 425 F.3d 211, 225-26 (3d Cir. 2005) (selecting the factors deemed most relevant to a nominative use situation to be considered before nominative fair use might be applied as a defense).

285. *Rosetta Stone Ltd. v. Google, Inc.*, 676 F.3d 144, 155 (4th Cir. 2012) (acknowledging the “problems inherent in the robotic application of each and every factor in a case involving a referential, nontrademark use” and concluding that “the district court did not commit reversible error in failing to address every factor,” but that future courts “opting not to address a given factor or group of factors should provide at least a brief explanation of [their] reasons”).

286. See *supra* notes 259-66 and accompanying text.

287. 638 F.3d 1137, 1154 (9th Cir. 2011).

288. These factors were mark strength (which is curious given the nominative characteristics of keyword ads), evidence of actual confusion, and the type of goods and degree of consumer care. *Id.*

289. *Id.*

290. Rebecca Tushnet, *Keyword Advertising Injunction Reversed*, REBECCA TUSHNET'S 43(B)LOG (Mar. 10, 2011), <http://tushnet.blogspot.com/2011/03/network-automation-inc.html>.

The court left intact an earlier effort at simplifying Internet trademark cases, deciding that it remained applicable to domain name disputes.²⁹¹ The panel never considered the option of simply exiling the class of cases at issue to false advertising, even though the new “trademark” factor asks about the message conveyed by advertising.²⁹²

We are left with a mess. Trademark’s proliferation of standards undermines the reliance interests of litigants and increases the cost of simply knowing the law.²⁹³ Putting what are in essence false advertising claims where they belong might relieve some of the pressure.

E. Limiting the Subject Matter of Consumer Information Law

Thus far the analysis considers not whether courts should consider particular consumer-information claims, but rather how they should classify them. Thinking about offloading also provides a basis for questioning whether some claims deserve a home under any doctrine.

291. Earlier circuit precedent indicated that a “troika” of factors, “(1) the similarity of the marks, (2) the relatedness of the goods or services, and (3) the simultaneous use of the Web as a marketing channel,” *Advanced Sys.*, 638 F.3d at 1148, deserved special weight in cases involving trademark infringement on the Internet. The court limited the precedent, but still indicated the three were of special relevance to domain name disputes. *See id.* at 1148-49. To its credit, the case also scaled back the Ninth Circuit’s earlier overly loose definition of initial interest confusion. *See id.* at 1149 (“[T]he owner of the mark must demonstrate likely confusion, not mere diversion.”).

292. *See id.* at 1154.

293. Thus far there has not been convergence in application of parts of the multifactor test to the nominative use situations described above, except for agreement that evidence of actual confusion is always relevant. *Compare* *Century 21 Real Estate Corp. v. Lendingtree, Inc.*, 425 F.3d 211, 225-26 (3d Cir. 2005) (stating that most relevant factors in nominative case are “(1) the price of the goods and other factors indicative of the care and attention expected of consumers when making a purchase; (2) the length of time the defendant has used the mark without evidence of actual confusion; (3) the intent of the defendant in adopting the mark; and (4) the evidence of actual confusion”; if those show likelihood of confusion, then proceed to nominative fair use defense), *with* *Rosetta Stone Ltd. v. Google, Inc.*, 676 F.3d 144, 155-60 (4th Cir. 2012) (reviewing district court findings on disputed factors of intent, actual confusion, and consumer sophistication), *and* *Advanced Sys.*, 638 F.3d at 1154 (listing as relevant “(1) the strength of the mark; (2) the evidence of actual confusion; (3) the type of goods and degree of care likely to be exercised by the purchaser; and (4) the labeling and appearance of the advertisements and the surrounding context on the screen displaying the results page”).

A much-criticized shoot of trademark doctrine concerns approval claims outside of the sponsorship context. Several precedents enjoin expressive uses of trademarks for fear that consumers will mistakenly believe that the mark holder “goes along” with or otherwise permits the use.²⁹⁴ Such cases are far afield from traditional trademark concerns of product source or origin. Any mistake about the relationship between the trademark holder and the defendant, moreover, appears to be irrelevant under older conceptions of trademark policy, as it does not concern the question whether the trademark holder stands behind the quality of the defendant’s goods.²⁹⁵

Because an implied statement about the trademark holder (in other words, the nature of its relationship with the defendant) is at issue, the false advertising cause of action seems better calibrated to address any harm. False advertising has doctrines designed to isolate the message in question and assess whether consumers perceive it.²⁹⁶ To take one notorious approval case as an example, what does pouring oil over a representation of the MICHELOB trademark mean?²⁹⁷ That MICHELOB beer is made from oil? That it tastes like oil? That MICHELOB approved the rendition of its marks? That the artist dislikes MICHELOB? That the artist has something to say about oil pollution? To the extent trademark law has precise tools, they generally focus on uses of the mark qua mark

294. See, e.g., *Mut. of Omaha Ins. Co. v. Novak*, 836 F.2d 397, 400, 403 (8th Cir. 1987).

295. To be clear, trademark law *does* address affiliation relationships, but the argument here is that those are best understood in the context of sponsorship or otherwise standing behind the quality of the branded product. The discussion here involves broader conceptions of affiliation that have been argued by myself and others to be either immaterial to a consumer purchasing decision or addressable by a disclaimer. See, e.g., Bone, *supra* note 214, at 2182-83; Stacey L. Dogan & Mark A. Lemley, *The Merchandising Right: Fragile Theory or Fait Accompli?*, 54 *EMORY L.J.* 461, 488-89 (2005). Disclaimers are also an appropriate way to address what some see as a potential justification of using trademark law to provide for a merchandising right—for example the Boston Red Sox’s ability to control use of their logo on merchandise. While the logo does not serve a source-identifying function, in that consumers are unlikely to believe that the team is the physical source of a baseball cap, as opposed to being the licensor of the logo, it is conceivable that some purchasers believe that their funds are going to support the team, which may be relevant for fans who want the organization to pursue expensive free agents. Disclaimers, or branding as “official” merchandise, should allow both consumer markets—the market for the lowest price hat and the market for official teamwear—to coexist. Grynberg, *supra* note 80, at 103.

296. See *supra* note 244.

297. See *Anheuser-Busch, Inc. v. Balducci Publ’ns*, 28 F.3d 769, 772 (8th Cir. 1994).

in comparison to similar marks. That is the purpose of the multifactor test. Once we move beyond mark-to-mark comparisons and their immediate context, trademark law's tools for evaluating meaning are not particular, allowing essentially any meaning to be policed if the plaintiff can tell a story of harm.²⁹⁸ The ones told in the approval context, unlike tales of source confusion, often seem irrelevant to the purchasing decision.

We could say that this means that trademark law should learn from false advertising law, that trademark could import false advertising doctrines, like materiality, that would exclude certain claims under trademark law.²⁹⁹ True enough. Another option, however, is to look for ways to move such cases out of trademark law altogether as a matter of statutory interpretation.³⁰⁰ In other words, leave trademark doctrine out of it because there is no trademark claim in the first instance.

This is the offloading argument, but it is problematic here. In contrast to the nominative use situations described above,³⁰¹ false advertising doctrine may not be applicable to these cases. First, an expressive use might not plausibly be described as being "in commercial advertising or promotion."³⁰² Second, courts have developed standing doctrines that provide threshold barriers to noncompetitors (and even some competitors).³⁰³ Unlike comparative advertising, therefore, it is not really the case that there is a place to offload expressive approval claims from trademark law. Once evicted, many will have nowhere else to go.

298. See *id.* at 773-75; *supra* note 244 (discussing differential treatment of implied falsehoods in false advertising and trademark cases).

299. Mark A. Lemley & Mark McKenna, *Irrelevant Confusion*, 62 STAN. L. REV. 413, 444 (2010) ("We believe that the best way to achieve balance in cases that do not involve confusion about responsibility for quality is not to try to fit them within the traditional trademark framework at all, but instead to think of them as akin to cases of false advertising."); Tushnet, *supra* note 7, at 1353 (arguing that *Balducci* was wrongly decided because the claimed confusion was not material).

300. This could be done by using tools of construction or historical context to discipline broad readings of the Lanham Act's text. See Grynberg, *supra* note 72, at 933-45, 963-67.

301. See *supra* Part II.C.

302. 15 U.S.C. § 1125(a) (2006).

303. See, e.g., *Static Control Components, Inc. v. Lexmark Int'l, Inc.*, 697 F.3d 387, 409-11 (6th Cir. 2012) (discussing differing circuits' approaches). See generally *supra* notes 133-34 (discussing prudential standing).

Good riddance. If a claim best fits a particular regime, but that regime has rules designed to exclude it, that is an argument that *there should be no claim*. The Supreme Court embraced this approach when harmonizing trademark law with other IP laws. *Dastar Corp. v. Twentieth Century Fox Film Corp.* turned aside a reverse passing off claim grounded in the defendant's repackaging of public domain material.³⁰⁴ Offloading concerns drove the opinion. The Court recognized that copyright regulated the subject matter of the claim, specifically the ability to use documentary film footage. Allowing trademark to step in would create the risk of upsetting settled policy tradeoffs in copyright's realm.³⁰⁵

The fact that copyright law permitted the use of the public domain footage at issue did not scare the Court into breathing life into the reverse passing off claim.³⁰⁶ Rather, the existence of a more appropriate regime for the plaintiffs' claim helped kill its trademark incarnation.³⁰⁷ The Court's conclusion that the claim belonged in another "box" was unaffected by the prospect that that box might offer no remedy.

Similar analysis should be available with respect to trademark's overlap with other consumer information laws. If a regime reflects the policy choice to exclude claims within the ambit of its subject matter, peripheral laws should not be rewritten to undermine the decision. To the extent the initial exclusion is a problem, clean lines between regimes would make that clear. Thinking about what trademark law should or should not do is complicated if one does not know where it ends and other regimes begin.

In a similar vein, proper classification promotes democratic accountability, allowing legislative and constitutional policy choices to take effect. As it did with trademark, Congress revised the Lanham Act's false advertising provisions to reflect judicial interpretation.³⁰⁸ The revision was largely designed to provide for

304. 539 U.S. 23, 37-38 (2003).

305. *Id.* at 33-34.

306. Other copyright claims may have been available in the litigation, however. *See id.* at 38.

307. *See id.* at 33-34.

308. Jean Wegman Burns, *Confused Jurisprudence: False Advertising Under the Lanham Act*, 79 B.U. L. REV. 807, 820-22 (1999). It should also be telling that the judges who developed the federal false advertising cause of action felt little need to expand its parameters beyond commercial speech or address the problems implicated by expansive

an expansive federal law of false advertising. The drafters were nonetheless aware of a possible First Amendment collision due to the Supreme Court's growing skepticism of commercial speech regulation.³⁰⁹ Congress therefore restricted the revision to "commercial advertising or promotion," and by extension the commercial speech doctrine of the First Amendment, and limited the cause of action to "false" statements and misrepresentations, which takes the speech outside the balancing analysis of the *Central Hudson* test.³¹⁰

Trademark law, by contrast, does not have similarly well-established First Amendment screens.³¹¹ The traditional cause of action's similarity to fraud seemed to insulate it from First Amendment scrutiny.³¹² But trademark's expansion reaches speech beyond what may be classified as fraud, rendering trademark's "built-in first amendment compass" unreliable.³¹³ One response has been to try to generate new trademark doctrines to mediate the potential conflicts.³¹⁴ A better approach may be to shunt more cases out of trademark and into false advertising, relying on false advertising's built-in checks against claims that reach noncommercial speech. Doing so would also give effect to Congress's determination that courts not hear falsehood-focused causes of action based on noncommercial speech.³¹⁵

approval-as-permission claims even though false advertising law seems to provide a better fit for such claims than trademark. This history should give pause to judges who are asked to consider similar claims at trademark's periphery.

309. *Id.* at 830-33.

310. *Cent. Hudson Gas & Elec. Corp. v. Pub. Serv. Comm'n*, 447 U.S. 557 (1980). If commercial speech is likely to deceive the public or relates to illegal activity, it may be banned without the balancing analysis. *Id.* at 563-64. Otherwise, *Central Hudson* analysis asks if the state has asserted a substantial interest, whether the regulation is proportional to the importance of the interest, and if the restriction is a narrowly tailored one that directly advances the interest. *Id.* at 564.

311. 6 MCCARTHY, *supra* note 22, § 31:139 (noting the "buffet of various legal approaches").

312. Kozinski, *supra* note 88, at 973 ("Whatever first amendment rights you may have in calling the brew you make in your bathtub 'Pepsi' are easily outweighed by the buyer's interest in not being fooled into buying it.").

313. *Id.* ("But once you get past the confusion rationale—as I think we should—trademark law loses this built-in first amendment compass.").

314. *See, e.g., Rogers v. Grimaldi*, 875 F.2d 994, 999 (2d Cir. 1989) (determining that the Lanham Act should not apply to book or movie titles unless the title has no artistic relevance or if "the title explicitly misleads as to the source or the content of the work").

315. This is not to say that the screen is without difficulties in application. *See, e.g., Kasky*

This argument could be taken to an extreme. The claim here is not that there is effective preclusion whenever the subject matter of a consumer information suit is covered by a more narrow statute.³¹⁶ Rather, it is that courts should consider the overlaps between parallel consumer information regimes to prevent claims at the periphery of one doctrine from undermining policy choices made at the heart of another.³¹⁷

F. The Risks of Offloading

Offloading has some potential shortcomings. First, offloading claims out of trademark law may be used to justify ignoring the targeted harm altogether. Second, offloading may be done poorly. Assuming that other doctrines are indeed capable of handling the offloaded claim may be a mistake. Third, the offloading argument may assume an autonomy between doctrines that does not exist. Fourth, classification concerns may be a distraction from achieving larger policy goals.

1. False Connections

Developments in one doctrine may be carelessly translated elsewhere, as the *Dastar* experience demonstrates. The case holds that the term “origin” in section 43(a) of the Lanham Act merely identifies the physical source of the product.³¹⁸ In other words, the

v. Nike, Inc., 45 P.3d 243, 247 (Cal. 2002) (concerning whether Nike’s statements about labor practices were commercial speech for First Amendment purposes).

To some extent, the commercial speech requirement of false advertising law would be doing much of the work that a “trademark use” requirement would have done if courts had embraced efforts to revive (or, depending on one’s point of view, create) the requirement. See, e.g., Margreth Barrett, *Internet Trademark Suits and the Demise of “Trademark Use,”* 39 U.C. DAVIS L. REV. 371, 378-79 (2006).

316. Cf. *Ramchandani v. Sani*, 844 F. Supp. 2d 365, 366 (S.D.N.Y. 2012) (rejecting effort to dismiss a Lanham Act claim where claims regarding fabric quality were purportedly covered by a narrower statute).

317. See *supra* Part II.B.

318. *Dastar Corp. v. Twentieth Century Fox Film Corp.*, 539 U.S. 23, 31 (2003) (“We think the most natural understanding of ‘origin’ of ‘goods’ ... is the producer of the tangible product sold in the marketplace.”).

purchaser of a can of Coca-Cola associates the mark with the maker of the soda and not the inventor of its formula.³¹⁹

Dastar involved a potential exception to the Supreme Court's observation. The plaintiffs accused the defendant of engaging in "reverse passing off" of documentary footage.³²⁰ Because the film had fallen out of copyright, the plaintiff attempted to use the Lanham Act's cause of action for unregistered marks to claim that the defendant's repackaging of its footage would confuse consumers by making them think that the defendant was the authorial, as opposed to the physical, source of the content when it was not.³²¹

Although consumers may have been unlikely to care about authorship with respect to the footage at issue in *Dastar*, the opinion acknowledges that the "purchaser of a novel is interested not merely, if at all, in the identity of the producer of the physical tome (the publisher), but also, and indeed primarily, in the identity of the creator of the story it conveys (the author)."³²² Nonetheless, the practical difficulties of ascertaining authorship of complex works like films and the danger of transforming trademark claims into a form of "mutant copyright" counseled against an expansive reading of "origin."³²³ To hold otherwise would create the risk of locking up public domain material that was freely copyable as a matter of copyright policy.

The fact that section 43(a) of the Lanham Act houses both the false advertising and trademark causes of action creates the possibility of applying *Dastar* to foreclose false advertising claims based on misleading representations of authorship.³²⁴ Some courts have done so. They reason that authorship is not a product

319. *Id.* at 32 ("[T]he brand-loyal consumer who prefers the drink that the Coca-Cola Company or PepsiCo sells ... surely does not necessarily believe that that company was the 'origin' of the drink in the sense that it was the very first to devise the formula.").

320. *Id.* at 27 n.1 ("Passing off (or palming off, as it is sometimes called) occurs when a producer misrepresents his own goods or services as someone else's. 'Reverse passing off,' as its name implies, is the opposite: The producer misrepresents someone else's goods or services as his own.") (citations omitted).

321. *Id.* at 27.

322. *Id.* at 33.

323. *Id.* at 34.

324. *Dastar* explicitly contemplated the availability of a false advertising cause of action for misrepresentation. *Id.* at 38 (noting that an action is available where there is a "misrepresentation under the 'misrepresents the nature, characteristics [or] qualities' provision of § 43(a)(1)(B)").

attribute, subjecting representations regarding authorship to *Dastar*'s preclusive effect.³²⁵ This view fails to account for false advertising's safeguards against overreach. Courts could navigate the tension created by *Dastar* by policing only those claims that rise to the level of direct misrepresentation, or sharpen the evidence necessary to establish an indirect misrepresentation of authorship (which, in any case, could only be actionable if it were also material).³²⁶

To be sure, allowing a false advertising cause of action for a false authorship claim without reopening the door to interference with copyright law requires some subtlety. Small wonder, then, that generalist judges have allowed *Dastar*'s trademark holding to leak into false advertising law. The implication, however, is that offloading may sometimes be taken too far.

2. False Coverage

Another spillover problem concerns what might be called false coverage. Judges facing a questionable claim may be more comfortable rejecting it if they believe that another doctrine addresses the relevant policy. That belief may be mistaken. *Dastar*'s spillover into false advertising law illustrates the point. As noted above, the case recognized that consumers may be concerned over false claims of authorship and other misrepresentations.³²⁷ The opinion expressed confidence that false advertising law can do the work of addressing these issues:

The creative talent of the sort that lay behind the Campaigns videos is not left without protection.... If ... the producer of a

325. See, e.g., *Romero v. Buhimschi*, 396 F. App'x 224, 232 (6th Cir. 2010) (concluding that a statement about authorship is not a statement about a product's "nature, characteristics, qualities, or geographic origin" under the false advertising provision of the Lanham Act); *Baden Sports, Inc. v. Molten USA, Inc.*, 556 F.3d 1300, 1307 (Fed. Cir. 2009) ("[W]e conclude that authorship, like licensing status, is not a nature, characteristic, or quality, as those terms are used in Section 43(a)(1)(B) of the Lanham Act."). From there, courts assume that *Dastar* should preclude any claim based on false claims of authorship based on the concern that the Lanham Act not interfere with the patent or copyright statutes. See, e.g., *id.*

326. That is that the misrepresentation "is likely to influence the purchasing decision." See, e.g., *Skydive Ariz., Inc. v. Quattrocchi*, 673 F.3d 1105, 1110 (9th Cir. 2012).

327. See *supra* note 322 and accompanying text.

video that substantially copied the Crusade series were, in advertising or promotion, to give purchasers the impression that the video was quite different from that series, then one or more of the respondents might have a cause of action—not for reverse passing off under the “confusion ... as to the origin” provision of § 43(a)(1)(A), but for misrepresentation under the “misrepresents the nature, characteristics [or] qualities” provision of § 43(a)(1)(B). For merely saying it is the producer of the video, however, no Lanham Act liability attaches to *Dastar*.³²⁸

While the passage does not specifically address the prospect of pursuing a false authorship claim under false advertising law, it makes clear that the opinion viewed § 43(a)(1)(A) and § 43(a)(1)(B) as distinct. The Court’s trust in false advertising’s scope allowed it to minimize the importance of false authorship claims. They could be addressed in another venue. That logic has been at least partially undermined by the lower courts’ treatment of *Dastar*.

3. *The Illusion of Doctrinal Autonomy*

Another objection is that offloading presupposes a doctrinal autonomy that is impossible for consumer information law. In particular, trademark may be seen as just a subset of false advertising law,³²⁹ for using a trademark is also a kind of statement about a product’s attributes. Efforts to isolate trademark from false advertising law are therefore ill-advised.

However difficult that task is, the game is still worth the candle. Part of the reason is that the natural countermove, unifying doctrine, is probably more difficult. Trademark may conceptually be a subset of false advertising, but too much doctrine has accreted in their now separate spheres for easy unification in anything other than name.³³⁰ Moreover, the overlap between trademark and false

328. *Dastar*, 539 U.S. at 37-38 (alterations in original).

329. Tushnet, *supra* note 7, at 1309 (“[T]rademark infringement is a type of false advertising—a false claim of origin, or perhaps a false claim about a product’s characteristics.”).

330. *Cf.* Lemley & McKenna, *supra* note 299, at 445 (“We think that logically trademark law can be conceived as a specialized subset of false advertising law. False advertising law covers a broad range of misrepresentations, not all of which are actionable. Trademark law focuses on a subset of these misrepresentations—those that involve use of the plaintiff’s

advertising should not obscure that they are concerned with different kinds of communication. It is not surprising that different doctrines regulate them.³³¹

4. Something Else to Be Wrong About?

A final objection is that thinking about offloading is a diversion from what matters. If one thinks, for example, that false advertising law handles implied falsity better than trademark, or vice versa, then the proper response is to harmonize doctrine in the preferred direction. Complicating matters with classification efforts just introduces another potential source of error into the analysis.

Three responses. The first is that this objection ignores accountability concerns. For many, respecting existing political settlements is a value independent of particular policy disagreements. Second, it is hard to converge on the “right” policy if existing policy is hard to discern. Proper classification of claims ultimately facilitates the policy choices that the objection would promote (in addition to clarifying the law for those subject to trademark law). Third, the objection begs the question of why we think judges will be effective at trademark policy. It is at least arguable that efforts at doctrinal cleanup—while perhaps less important than forays into policy—will have a higher chance of success. We do not know *ex ante*, moreover, whether judges share our policy views. The question therefore is not if pursuit of nonsubstantive policy goals should trump policy. It is whether the effort has independent value.

trademark or a simulacrum thereof to brand the defendant’s goods.”).

331. It is true of course that trademarks reach beyond discrete words and symbols. They also encompass phrases and more detailed communications. Trademark law still tries to deflect efforts to broaden its subject matter boundaries, limited though they are, in this direction. *See, e.g.*, *Comedy III Prods., Inc. v. New Line Cinema*, 200 F.3d 593 (9th Cir. 2000) (declining to apply trademark protection to a film clip). Similarly, advertisement narratives also make use of discrete symbols and word marks. But notwithstanding the subject matter overlap at the peripheries of these doctrines, differing rules evolved at their respective cores.

CONCLUSION

Trademark's future development depends in part on how judges approach it. Two competing visions of the judicial role may guide them. The first expects judges to actively develop trademark law. Courts should "continue to interpret" the Lanham Act and the openly worded section 43(a) in light of its role as plugging "an important gap in federal unfair competition law."³³² The second warns that "[b]ecause of its inherently limited wording, § 43(a) can never be a federal codification of the overall law of unfair competition, but can apply only to certain unfair trade practices prohibited by its text."³³³ These contrasting views reflect many familiar debates and tradeoffs regarding the extent to which judges should make law in the common law style.

Thinking about trademark's place among other consumer information laws offers some guidance in navigating between the two perspectives. To the extent we want judges to pace the law's development, contemplating the situation in other regimes helps maximize the benefits of judicial law making in trademark. At the least, it reminds us that we need to appreciate the state of play across doctrines if we are to have a full picture of the policy consequences of any given rule within trademark. We might go further to suggest that this kind of doctrinal spillover is reason for courts to find ways to simplify doctrine so that the interactions between regimes will be easier to apprehend and calibrate. In this way the structure of consumer information law suggests that courts should seek to offload questionable trademark claims as much as possible.

The offloading argument is therefore simultaneously a structural argument for trademark reform that would seek to keep certain expansive claims out of trademark law altogether. Doing so is not only good for trademark, but offers a benefit to external regimes. Even if the boundaries separating trademark from alternative consumer information regimes are porous, paying attention to

332. S. REP. NO. 100-515 (1988), as reprinted in 1988 U.S.C.A.N. 5577, 5603.

333. *Dastar*, 539 U.S. at 29 (internal citations and quotations omitted).

questions of fit allows the choices and policies of parallel regimes to take effect without interference from trademark law's growth.