

TRADEMARK AND FREEDOM OF SPEECH: A COMPARISON BETWEEN THE U.S. AND THE EU SYSTEM IN THE AWAKENING OF *JOHAN DECKMYN V. HELENA VANDERSTEEN*

LEONARDO MACHADO PONTES

The Court of Justice of the European Union (CJEU) recently delivered its first decision on the subject of copyright parody. This warrants further analysis, especially of its possible relation with the lurking jurisprudence on commercial expression from the European Court of Human Rights (ECtHR). This has a great potential to impact the IP system. Both the jurisprudence of the ECtHR and CJEU are also objects of comparison with the US system, especially as the CJEU's decision sets the European system along a new path by accepting a broader concept of parody, which is generally treated in the US as unprotected satire. The potential impact of ECtHR's jurisprudence is assessed by its hypothetical application to French cases and to the CJEU's decision.

I. INTRODUCTION

Parody originated in ancient Greece. The word means literally to “sing along side”—a combination of the Greek roots *para* (alongside) and *oidia* (from *aeidein* to sing).¹ The founder of this literary style was Hipponax of Ephesus, while Aristophanes and Lucien were considered to be the most famous parodists of their classical time.² Trimalchio, a rich ex-slave in Petronius's *The Sytiricon*, described as a juxtaposition of extravagance, violence and vulgarity is a parodic version of Emperor

*PhD candidate at Centre d'Études Internationales de la Propriété Intellectuelle (CEIPI), Strasbourg University; LL.M *European and International Intellectual Property Law*, CEIPI (2014); researcher affiliated to CAPES foundation, Ministry of Education, Brazil, Brasília, DF 70040-020; CopyrightX Program, Harvard Law School (2014); Transnational Intellectual Property, Center for Advanced Study and Research on Intellectual Property (CASRIP)(2014); European Communities Trade Mark Association Award (ECTA)(2014); international representative of the Brazilian Copyright Association (ABDA); authored the books “Direito de Autor: a teoria da dicotomia entre a ideia e a expressão” and “Creative Commons: problemas jurídicos e estruturais.”

1. Judith B. Prowada, *Parody and fair use in copyright law: Setting a Fairer Standard in Campbell v. Acuff-Rose Music, Inc*, 17 COMMUNICATIONS & THE LAW, 54 (1995).

2. *Id.* at 54.

Nero.³ Petronius, who was falsely accused of conspiring against Nero, was ordered by the Emperor to take his own life. Many great western authors, such as Shakespeare, Pope, Swift, Austen, Joyce, Keats, Shelly, Byron, Hemingway, Faulkner, Voltaire and Cervantes either wrote or were victims of parodies.⁴ Parody is simultaneously humor, a form of commentary, a social critic and an ancient art, with the potential to shock or offend its readers.⁵ While copyright and trademark protection seek to promote one or two primary interpretations of a work, parody seeks to do the opposite by creating a multifaceted view.⁶

Trademarks and copyrighted works are the common targets of parody today. For example, the *Screw Magazine* printed the images of the trademarked characters Poppin Fresh and Poppie Fresh as performing sexual acts.⁷ The most popular manufacturer of jeans in the US, Jordache, had its trademark parodied by other manufacturer of jeans for fat ladies, Lardache, portraying it as a little pig.⁸ Michelob bear's slogan "One taste and you'll drink it drie" was parodied as "One taste and you'll drink it oily", alongside a picture of a black and viscous liquid coming out of the can.⁹ Players in the video game "BattleTanxs: Global Assault" chased, burned and shouted at the trademark Snuggle the Bear.¹⁰ Barbie dolls were depicted as being attacked by kitchen objects to criticize sexist treatment.¹¹ Coca-cola's slogan "Enjoy Coca-cola" was parodied as "Enjoy Cocaine".¹² The Mickey Mouse March was played in the

3. PETRONIUS ARBITER., J. P. SULLIVAN & HELEN. MORALES, THE SATYRICON xxiv (2011).

4. Moana Weir, *Making sense of copyright law relating to parody: a moral rights perspective*, 19 MONASH UNIVERSITY LAW REVIEW 194 (1984); Richard A. Bernstein, *Parody and fair use in copyright*, 31 COPYRIGHT LAW SYMPOSIUM - HARVARD LAW SCHOOL, 12 (1984).

5. Frank Mead, *Cocaine, coffee mugs, sex, and bug killing floor wax: welcome to the realm of parody and the likelihood of confusion*, 21 T. JEFFERSON L. REV 305 (1999).

6. WOLFGANG SAKULIN, TRADEMARK PROTECTION AND FREEDOM OF EXPRESSION: AN INQUIRY INTO THE CONFLICT BETWEEN TRADEMARK RIGHTS AND FREEDOM OF EXPRESSION UNDER EUROPEAN LAW 6-7 (2011).

7. *Pillsbury v. Gemini Rising, Inc.*, 346 F. Supp. 1183 (E.D.N.Y. 1972).

8. *Jordache Enters, v. Hogg Wyld, Ltd.*, 828 F.2d.1482, 1483-84 (10th Cir. 1987).

9. *Anheuser-Bush, Inc. v. Balducci Publ'ns*, 28 F. 3d 769 (8th Cir. 1994).

10. *Conopco Inc. 3DO Co.*, 53 U.S.P.Q 3d 146 (S.D.N.Y. 1999).

11. *Mattel, Inc. v. Walking Mountain Products.*, 356 F. 3d 792 (9th Cir. 2003).

12. *Coca-Cola Co. v. Gemini Rising, Inc.* 346 F. Supp. 1183 (E.D.N.Y. 1972).

background of a pornographic movie.¹³The initials of General Electric (GE) became “Genital Electric”.¹⁴Star Wars was parodied by *Starballz*.¹⁵

Parody affects the way a trademark or copyright owner can preserve its audience, as there are some forms of exposure that can decrease the demand for a copyrighted work or trademark.¹⁶

The Court of Justice of the European Union (CJEU) delivered its first decision on the subject of copyright parody.¹⁷This warrants further analysis, especially of its possible relation to the lurking jurisprudence on commercial expression from the European Court of Human Rights (ECtHR). This has a great potential to impact the IP system. Both the jurisprudence of the ECtHR and CJEU are also objects of comparison with the US system, especially as the CJEU’s decision sets the European system along a new path in accepting a broader concept of parody, which is generally treated in the US as unprotected satire. Since there is no case law on trademark parody at the European level, but rather national decisions, the potential impact of ECtHR’s jurisprudence is assessed below.

To properly analyze the role of constitutional scrutiny to trademark law, part II explains the differences between full and intermediate scrutiny in the Supreme Court’s jurisprudence. Part III analyzes those two concepts in US trademark parody, false endorsement and publicity rights cases, considering the dichotomy of commercial and noncommercial speech. Part IV explains the CJEU copyright parody decision and assesses its impact. Part V explains the differences between margin of appreciation doctrine regarding political, artistic and commercial expression from the ECtHR. Part VI applies hypothetically the jurisprudence of the ECtHR to show how it could potentially influence European national law by also comparing it with the US system. Part VII concludes.

II. THE SUPREME COURT’S FULL AND INTERMEDIATE SCRUTINY CASE LAW

The text of the First Amendment does not distinguish between commercial and noncommercial speech, but rather states firmly that

13. *Walt Disney Prods v. Mature Pictures Corp.*, 389 F. Supp. 1397 (S.D.N.Y. 1975).

14. *General Eletric Co. v. Milky Way Prods.*, 215 U.S.P.Q (BNA)124, 125-126 (N.D. Ga. 1981).

15. *LucasFilm Ltd. v. Media Mkt. Group, Ltd.*, 182 F. Supp. 2d 897, 899 (N.D. Cal. 2002).

16. See Laura R. Bradford, *Emotion, Dilution, and the Trademark Consumer*, 23 BERKELEY TECH LJ 1227 (2008); Laura R. Bradford, *Parody and Perception: Using Cognitive Research to Expand Fair Use in Copyright*, 46 BCL REV 705 (2004).

17. Case C-201/13, *Johan Deckmyn v. Helena Vandersteen* [2014] OJ 2015 C16/3.

“[C]ongress shall make no law ... abridging the freedom of speech.”¹⁸ However, the Supreme Court made indeed a distinction in *Valentine v. Chrestensen*,¹⁹ its first case addressing the constitutional validity of commercial speech. Justice Roberts wrote that the streets were the proper place to exercise freedom of speech in a noncommercial speech context, but that the Constitution would not impose any restraints on the government to restrict purely commercial advertisements which would aim at profit-making activities.²⁰ Commercial speech was thus created as an unprotected category, just like obscenity and defamation.²¹ However, as Kozinski and Banner explain, a historical analysis of the *Valentine* decision reveals that judges in 1940s did not understand advertisements as information vehicles but rather as “business”, which could not be protected under the due process clause. They show that contrary to what a First Amendment scholar might suppose, the distinction between the two forms of discourse was not self-evident.²²

In fact, twenty-two years later, in *Sullivan v. New York Times*,²³ the Court found that an advertising asking for donations to support the civil rights movement would not be commercial speech if created toward a public end, notwithstanding the fact that it was sold in connection with newspapers and books.²⁴ Furthermore, the Court found that Hustler’s use of the words ‘bullshit’ and ‘come’ in an advertising criticizing reverend Falwell – depicted as having practiced “incest” with his mother – were protected by the First Amendment,²⁵ even though the advertising was untimely intended to create commercial gains for the magazine.²⁶ However, it was only with the case of *Pittsburgh Press*,²⁷ followed by *Bigelow*²⁸ and *Virginia Pharmacy*,²⁹ that commercial speech was expressly recognized as protected by the first amendment, and the *Valentine* holding was finally overruled.³⁰ In *Virginia*, the court

18. US Const. amend. I.
 19. *Valentine v. Chrestensen*, 316 U.S. 52 (1942).
 20. See also Troy L. Booher, *Scrutinizing Commercial Speech*, 15 GEO MASON UCRLJ 69, 69 (2004).
 21. STEVEN G. BRODY & BRUCE E. H. JOHNSON, *ADVERTISING AND COMMERCIAL SPEECH: A FIRST AMENDMENT GUIDE* 1:2 (2004).
 22. Alex Kozinski & Stuart Banner, *Anti-History and Pre-History of Commercial Speech*, 71 TEX. L. REV., 747 (1992).
 23. *New York Times Company v. Sullivan* 376 U.S. 255 (1964).
 24. BRODY AND JOHNSON, *supra* note 21.
 25. *Hustler Magazine v. Falwell*, 485 U.S. 46 (1988).
 26. Sarah Mayhew Schlosser, *High Price of (Criticizing) Coffee: The Chilling Effect of the Federal Trademark Dilution Act on Corporate Parody*, 43 ARIZ. L. REV., 931(2001).
 27. *Pittsburgh Press Co. v. Pittsburgh Comm’n on Human Relations*, 413 U.S. 376,385 (1973).
 28. *Bigelow v. Virginia*, 421 U.S. 809 (1975).
 29. *Va. State Bd. of Pharmacy v. Va. Citizens Consumer Council, Inc.*, 425 U.S. 748, 764 (1976).
 30. *Talsky v. Department of Registration and Ed.*, 68 Ill.2d 579, 586 (Ill. 1977)(“[T]he viability of the “commercial speech” exception to first amendment

concluded that “[i] commercial speech cannot deserve less protection because its content is a commercial subject, (ii) consumer interest in receiving commercial speech is as great as hearing political debates, and (iii) the free flow of commercial ideas is indispensable.”³¹ Although the distinction between commercial and noncommercial speech was maintained, the intrinsic difficulties of deciding where to draw such a line became apparent, as almost everything would have some economic result.

The Supreme Court first defined commercial speech as “[n]othing more than proposing an economic transaction”³² and “[e]xpression related solely to the economic interests of the speaker and its audience.”³³ The court also tried to separate the line by two standards – *objectivity* and *durability* – which would be “common sense differences”.³⁴ Commercial speech would be more objective, since it

protection as enunciated in *Valentine* was seriously questioned by the court in *Pittsburgh Press Co. v. Pittsburgh Commission on Human Relations* [...] and was subsequently terminated in *Bigelow v. Virginia*...”; *H & L Messengers, Inc. v. City of Brentwood*, 577 S.W.2d 444,449 (Tenn., 1979)(“[B]igelow virtually obliterated the notion of unprotected commercial speech [...] To the extent that the commercial activity is subject to regulation, the relationship of speech to that activity may be one factor, among others, to be considered in weighing the First Amendment interest against the governmental interest alleged. Advertising is not thereby stripped of all First Amendment protection.”); *Curtis v. Thompson*, 840 F.2d 1291, 1297 (7th Cir.1988)(“In modern times the Supreme Court, beginning in 1975 with *Bigelow v. Virginia* [...] has extended the protection of the First Amendment to commercial speech.”).

31. Boohar, *supra* note 20 at 72. See also *Beeman v. Anthem Prescription Management, LLC*, 58 Cal.4th 329, 353 315 P.3d 71 (Cal. 2013)(“[I]n stating the rationale for heightened scrutiny of laws restricting commercial speech, the high court [in *Virginia Pharmacy Board*] has emphasized the importance of the ‘free flow of commercial information’”; *IMS Health Inc. v. Ayotte*, 550 F.3d 42 (1st Cir. 2008) (“[a] particular consumer’s interest in the free flow of information ... may be as keen, if not keener by far, than his interest in day’s most urgent political debate”, quoting *Va. State Bd. of Pharmacy v. Va. Citizens Consumer Council, Inc.* 425 U.S. 748, 763 (1976)); *Public Citizen Inc. v. Louisiana Attorney Disciplinary Bd.*, 632 F.3d 212 (5th Cir. 2011) (“[T]he United States Supreme Court recognized that the First Amendment’s protections apply to commercial speech in *Virginia State Board of Pharmacy* [...] It later elaborated that this type of speech merits only “a limited measure of protection, commensurate with its subordinate position in the scale of First Amendment values, ... allowing modes of regulation that might be impermissible in the realm of noncommercial expression,” quoting *Ohralik v. Ohio State Bar Assoc.*, 436 U.S. 447, 456, 98 S.Ct. 1912, 56 L.Ed.2d 444 (1978)).

32. *United States v. United Foods, Inc.*, 533 U.S. 405, 409 (2001) (citing *Va. State Bd. of Pharmacy v. Va. Citizens Consumer Council, Inc.*, 425 U.S. 748, 762 (1976)).

33. *Central Hudson Gas & Electric Corp. v. Public Service Commission*, 447 U.S. 557, 561 (1980).

34. See *Procter & Gamble Co. v. Amway Corp.* 242 F.3d 539 (5th Cir. 2001) (“[I]t also is more easily verifiable and less likely to be deterred by proper regulation”, quoting *Virginia State Bd. of Pharmacy v. Virginia Citizens Consumer Council, Inc.*, 425 U.S. 748, 771-772, 96 S.Ct. 1817, 48 L.Ed.2d 346 (1976)); *U.S. Postal Service v. Athena Products, Ltd.*, 654 F.2d 362, 366 (5th Cir. 1981)(“[t]here are common sense difference between speech that does ‘no more than propose a commercial

could be more easily perceived due to its fanciful nature. Commercial speech would be more durable, since even its prohibition by the government would not prevent commercialization altogether, as business would seek to prolong its existence.³⁵ The question became even more ambiguous when the Supreme Court denied the speaker's intention the ability to determine whether the speech was commercial. In *Virginia*,³⁶ the intention of profit was held to be irrelevant, otherwise all speech would be commercial as to some degree the speaker always seeks profit.³⁷ However, in *Bolger*,³⁸ the Court indicated that linkage to products and economic drive could together count as factors separating commercial from noncommercial in borderline cases; this created difficulties for the message of the *Virginia* decision.

After *Bolger*, the *Thomas v. Anchorage Equal Rights Com'n*³⁹ Court notes that the Supreme Court created "core" and "peripheral" categories of speech. Inside the core was expression that did "no more than propose a commercial transaction", as defined in *Virginia Pharmacy*. Core commercial speech included "advertising pure and simple." Speech outside the core – "peripheral" – would present a closer First Amendment question, which would need to be examined carefully to avoid suppression. In hard cases, the Supreme Court presented in *Bolger* three indicia of non-core commercial speech: (1) an advertising format; (2) a reference to a specific product; and (3) an underlying economic motive of the speaker.

transaction' ... and other varieties. Even if the differences do not justify the conclusion that commercial speech is valueless, and thus subject to complete suppression by the State, they nonetheless suggest that a different degree of protection is necessary to insure that the flow of truthful and legitimate commercial information is unimpaired", quoting *Virginia State Bd. of Pharmacy v. Virginia Citizens Consumer Council, Inc.*, 425 U.S. 748, 771, n.24)

35. Alex Kozinski & Stuart Banner, *Who's Afraid of Commercial Speech?* 76(4) VIRGINIA LAW REVIEW, 627 (1990).

36. *Virginia*, 425 U.S. at 761–65 (1976).

37. Alex Kozinski and Stuart Banner, *supra* note 35 at 640. See also *Ficker v. Curran* 119 F.3d 1150, 1153 (4th Cir. 1997) ("[w]e may assume that advertiser's interest is a purely economic one. That hardly disqualifies him from protection under First Amendment", quoting *Virginia Pharmacy*, 425 U.S. at 762).

38. *Bolger v. Youngs Drugs Products Corp.*, 463 U.S. 60, 103 S.Ct. 2875, 2888 (1983) ("[T]he mere fact that these pamphlets are conceded to be advertisements clearly does not compel the conclusion that they are commercial speech. See *New York Times v. Sullivan*, 376 U.S. 254, 265-266, 84 S.Ct. 710, 718-719, 11 L.Ed.2d 686 (1964). Similarly, the reference to a specific product does not by itself render the pamphlets commercial speech. See *Associated Students v. Attorney General*, 368 F.Supp. 11, 24 (CD Cal.1973). Finally, the fact that Youngs has an economic motivation for mailing the pamphlets would clearly be insufficient by itself to turn the materials into commercial speech.").

39. *Thomas v. Anchorage Equal Rights Com'n.*, 165 F.3d 692, 709-10 (9th Cir. 1999).

However, in *Harris v. Queen*,⁴⁰ the concurring Justices majority opinion seems to indicate a departure from the core/peripheral dichotomy on commercial speech to embrace the classical concept defined in *Virginia Pharmacy* as the true and narrowest test to define commercial speech. This would potentially accord further protection to commercial speech, making even harder to qualify speech as “commercial” by rendering the *Bolger* three-part factors less important.

Furthermore, even if the speech is deemed commercial under *Virginia*’s “core” or *Bolger*’s “peripheral” tests, it must be also considered whether commercial speech is inextricably intertwined with noncommercial speech,⁴¹ since this may shed its commercial character and fully protect speech under First Amendment, where “the nature of the speech taken as a whole is noncommercial.”⁴² In other words, the *inextricably intertwined test* operates as a narrow exception to the general principle that speech meeting the *Bolger* factors will be treated as commercial speech.⁴³ Commercial speech that is inextricably intertwined “with informative and perhaps persuasive speech seeking support for particular causes or for particular views on economic, political, or social issues,”⁴⁴ by contrast, is treated as political speech and is fully protected under First Amendment. Therefore, the political aspect of the speech must not be “merely tangential to a predominant commercial purpose,”⁴⁵ but “mere presence of noncommercial speech in commercial materials

40. *Harris v. Quinn*, 134 S.Ct. 2618, 2639 U.S (2014) (“[O]ur precedents define commercial speech as ‘speech that does no more than propose a commercial transaction,’ *United Foods*, *supra*, at 409, 121 S.Ct. 2334 (citing *Virginia Bd. of Pharmacy v. Virginia Citizens Consumer Council, Inc.*, 425 U.S. 748, 761–762, 96 S.Ct. 1817, 48 L.Ed.2d 346 (1976)), and the union speech in question in this case *does much more than that*. As a consequence, it is arguable that the *United Foods* standard is *too permissive*.”)(emphasis added).

41. *See Riley v. National Federation of the Blind of North Carolina*, 487 U.S. 781, 108 S.Ct. 2667 (1988) and *Board of Trustees of State University of New York v. Fox*, 492 U.S. 469, 109 S.Ct. 3028 (1989).

42. *Bulldog Investors General Partnership v. Secretary of Com.*, 460 Mass. 647, 659, 953 N.E.2d 691, Blue Sky L. Rep. (CCH) P 74945 (2011), cert. denied, 132 S. Ct. 2377 (2012), citing *Riley v. National Federation of the Blind of North Carolina, Inc.*, 487 U.S. 781, 796, 108 S. Ct. 2667 (1988).

43. *See Dex Media West, Inc. v. City of Seattle*, 696 F.3d 952, 958 (9th Cir. 2012) (considering that the *Riley* factors must be applied after the *Bolger* factors). However, see *Lacoff v. Buena Vista Pub., Inc.*, N.Y.S.2d 183, 190 (N.Y.Sup. 2000) (considering that the *Bolger* factors should be applied together with the *Riley* factors to distinguish intertwined speeches).

44. *Village of Schaumburg v. Citizens for a Better Env’t*, 444 U.S. 620, 632 (1980)

45. *Frazier v. Boomsma*, No. CV 07–08040–PHX–NVW, Not Reported 2007 WL 2808559 (D.Ariz.2007), at *13 (holding that a commercialized T-shirt bearing political messages against the Iraq war was noncommercial speech, since both commercial and noncommercial categories were intertwined).

does not alter [automatically] the commercial character of the surrounding communications”.⁴⁶

[M]uch, if not the bulk of, commercial speech, however, is “enriched,” in that it does more than simply articulate the terms of the proposed transaction or describe the identified products or services. It contains additional expression, such as portrayals of the benefits and joys (personal or social) of owning or using the offered product or the pleasures of the attractive lifestyle it offers... In short, it may contain expression that might be, or would be, covered by the First Amendment if it were freestanding.⁴⁷

Though separating the two categories is inherently difficult, the outcome is crucially important since the classification determines the level of protection under First Amendment. Whereas political speech is fully protected and restricting it must survive a full constitutional scrutiny,⁴⁸ restriction of commercial speech is subjected to a less rigorous constitutional test called *intermediate scrutiny*.⁴⁹ However, the differences are becoming less obvious and there are those who say that the Supreme Court has already abandoned “[l]esser scrutiny for commercial speech restrictions, but ... without formal announcement.”⁵⁰ Nevertheless, the intermediate scrutiny test was conceptualized in *Central Hudson* in a four-part analysis:

[I]n commercial speech cases, then, a four-part analysis has developed. At the outset, we must determine whether the expression is protected by the First Amendment. For commercial speech to come within that provision, it at least must concern lawful activity and not be misleading. Next, we ask whether the asserted governmental interest is substantial. If both inquiries yield positive answers, we must determine whether the regulation directly advances the governmental

46. See RODNEY A. SMOLLA, SMOLLA AND NIMMER ON FREEDOM OF SPEECH §20:4 (2014).

47. Victor Brudney, *First Amendment and Commercial Speech*, *The*, 53 BCL REV 1153, 1157 (2012).

48. *Kasky v. Nike, Inc.* 27 Cal.4th 939, 952 45 P.3d 243 (Cal. 2002) (“[F]or noncommercial speech entitled to full First Amendment protection, a content-based regulation is valid under the First Amendment only if it can withstand strict scrutiny, which requires that the regulation be narrowly tailored (that is, the least restrictive means) to promote a compelling government interest,” quoting *United States v. Playboy Entertainment Group, Inc.* (2000) 529 U.S. 803, 813, 120 S.Ct. 1878, 146 L.Ed.2d 865 and *Consolidated Edison Co. v. Public Serv. Comm’n*, 447 U.S. 530, 540, 100 S.Ct. 2326, 65 L.Ed.2d 319.).

49. BRODY AND JOHNSON, *supra* note 21; Ashutosh Bhagwat, *Brief History of the Commercial Speech Doctrine (With Some Implications to Tobacco Regulation)*, *A*, 2 HASTINGS SCI. TECH LJ 103, 104 (2010).

50. Booher, *supra* note 20 at 79.

interest asserted, and whether it is not more extensive than is necessary to serve that interest.⁵¹

According to this cumulative test: (1) if an act of speech is *lawful* and not *misleading* it receives first amendment protection;⁵² (2) the government, then, can only regulate it if the regulation serves a *substantial interest* of the governed, (3) if the regulation *directly promotes this substantial interest* and (4) only if the regulation is not *more extensive than necessary* to serve this particular interest. Regarding the second step, it seems that the Court gives latitude to the government, focusing instead on steps 3 and 4. Regarding step 3, in *Eldenfield*,⁵³ now the leading case to interpret it, the Court ruled that the government must prove “[d]irect and *material* advancement of its substantial interest” to survive it. This reasoning was further expanded in *Rubin*,⁵⁴ giving the

51. *Central Hudson*, 447 U.S. at 566.

52. See *Public Citizen, Inc. v. Louisiana Attorney Disciplinary Bd.*, 642 F.Supp.2d 539, 552 (E.D. La.2009)(“[T]his Court must decide first if the advertising that the rules target is either inherently misleading or has been proven to be misleading; if so, the state may “freely regulate” it ... If the advertising is not misleading, or is only potentially misleading, this Court must then apply the *Central Hudson* test to determine if the restrictions are narrowly tailored to further a substantial government interest, making regulation still permissible.”).

53. *Eldenfield v. Fane*, 507 U.S. 761, 770-71 (1993); See also *Alexander v. Cahill*, 598 F.3d 79, 91 (2d Cir.2010)(“[t]he penultimate prong of the *Central Hudson* test requires that a regulation impinging upon commercial expression ‘directly advance the state interest involved; the regulation may not be sustained if it provides only ineffective or remote support for the government’s purpose”, quoting *Edenfield*, 507 U.S. 761, 770); *Carroll v. City of Detroit*, 410 F.Supp.2d 615, 622 (E.D. Mich. 2006)(“[T]he City’s mere articulation of its interest in regulating street traffic and congestion, as well as its unspecified concerns about “security,” is insufficient to carry its burden of demonstrating that ‘the harms it recites are real,’” quoting *Edenfield*, 507 U.S. 761, 770); *Bulldog Investors General Partnership v. Secretary of Com.*, 953 N.E.2d 691, 710 (Mass. 2011) (“[S]upreme Court’s commercial speech jurisprudence ... has emphasized the reliability and effectiveness with which a regulatory mechanism advances the State’s goal, rather than the presence or absence of intermediate steps.”).

54. *Rubin v. Coors Brewing Co.* 514 U.S. 476, 487 (1995); *Clear Channel Outdoor, Inc. v. City of New York*, 594 F.3d 94, 106 (2d Cir. 2010)(“[A] regulation may also be deemed constitutionally problematic if it contains exceptions that ‘undermine and counteract’ the government’s asserted interest”, quoting *Rubin*, 514 U.S. 476, 489); *Metro Lights, L.L.C. v. City of Los Angeles*, 551 F.3d 898, 906 (9th Cir. 2009)(“[T]hus, under Supreme Court precedent, regulations are unconstitutionally underinclusive when they contain exceptions that bar one source of a given harm while specifically exempting another in at least two situations. First, if the exception ‘ensures that the [regulation] will fail to achieve [its] end,’ it does not ‘materially advance its aim,’” citing *Rubin*, 514 U.S. 476, 489); *Mainstream Marketing Services, Inc. v. F.T.C.*, 358 F.3d 1228, 1238 (10th Cir. 2004)(“[T]he underinclusiveness of a commercial speech regulation is relevant only if it renders the regulatory framework so irrational that it fails materially to advance the aims that it was purportedly designed to further.”); *Utah Licensed Beverage Ass’n v. Leavitt*, 256 F.3d 1061, 1075 (10th Cir. 2001)(“[I]n addition, both *Coors* and *44 Liquormart* suggest that where the state’s legitimate interests may be promoted through methods that do not restrict speech, those methods must be preferred over speech restrictions.”)

government the burden of showing that the harm is “real” and that government’s restriction will “alleviate the harm to a material degree.” The government has also the *burden of justifying* its substantial interest and the *obligation to prove the evil or prejudice* that the regulation seeks to prohibit, as well as the duty to demonstrate in what way the regulation is *effective* at promoting the government’s goal.⁵⁵ Collectively, these exclude speculative or conjectural prescriptions on speech. However, in *Lorillard*,⁵⁶ the Court further clarified step 3 by finding that the Government does not need to show empirical data to support the regulation, nor a record of information. General studies would suffice if supported by history, consensus and common sense.⁵⁷ Regarding step 4, in *City of Cincinnati*,⁵⁸ now the leading case to interpret it, the Court ruled that before banning it altogether, the government is required to consider numerous and obvious less burdensome alternatives to the restrictions on commercial speech in order to achieve the “reasonable fit”⁵⁹ between the government’s end and its means. The court also ruled if the measures provided “[o]nly a marginal degree of protection” they would not pass the test.⁶⁰

The enhanced Hudson test would appear as follows:(1) if an act of speech is *lawful* and not *misleading* it receives first amendment protection; (2) the Government can then regulate it only if the regulation serves a *substantial interest* of the governed; (3) if the regulation *directly promotes this substantial interest*, either through *direct* and *material* advancement, the burden to show that the harm is “real” and that

55. *Greater New Orleans Broad. Ass'n v. United States*, 527 U.S. 173, 188 (1999) (citing *Eldenfield v. Fane*, 507 U.S. 761, 770-71 (1993)).

56. *Lorillard Tobacco Co. v. Reilly*, 533 U.S. 525 (2001).

57. *See Mason v. Florida Bar*, 208 F.3d 952, 957-58 (11th Cir. 2000) (“[w]hile empirical data supporting the existence of an identifiable harm is not a *sine qua non* for a finding of constitutionality, the Supreme Court has not accepted ‘common sense’ alone to prove the existence of a concrete, nonspeculative harm.”).

58. *City of Cincinnati v. Discovery Network, Inc.* 507 U.S. 410, 418, n. 13 (1993).

59. *See Bd. of Trustees of the State Univ. of N.Y. v. Fox*, 492 U.S. 469, 480 (1989) (redefining the Central Hudson 4th step to “reasonable fit” standard, eliminating the “least restrictive means” requirement.). *See also Kasky v. Nike, Inc.* 27 Cal.4th 939, 952 45 P.3d 243 (Cal. 2002) (“[T]he court has clarified that the last part of the test – determining whether the regulation is not more extensive than “necessary” – does not require the government to adopt the least restrictive means, but instead requires only a “reasonable fit” between the government’s purpose and the means chosen to achieve it”, quoting *Board of Trustees, State Univ. of N.Y. v. Fox* (1989) 492 U.S. 469, 480, 109 S.Ct. 3028, 106 L.Ed.2d 388.); *North Olmsted Chamber of Commerce v. City of North Olmsted*, 86 F.Supp.2d 755, 770 (N.D. Ohio 2000). (“[W]hile the City is correct that it is not required to employ the ‘least restrictive means’ conceivable, the fit between means and ends must be ‘narrowly tailored’ and the ‘regulation must indicate a ‘careful calculation of the costs and benefits associated with the burden on speech imposed by its prohibition’, citing *44 Liquormart*, 517 U.S. at 529, 116 S.Ct. 1495 (O’Connor, J., concurring)(who quotes *City of Cincinnati*, 507 U.S. 410, 417).

60. *City of Cincinnati*, 507 U.S. 410 at 430.

restriction will alleviate the harm to a “material degree”; and (4) only if the regulation is not *more extensive than necessary* to serve this particular interest, the Government is required to take numerous and obvious less-burdensome alternatives to the restriction, in order to achieve the “reasonable fit” between the government’s end and its means. Although the formulation of the test would appear simple, in fact its application has been extremely complicated. In *Metromedia*⁶¹, for instance, after *Central Hudson*, there were five very different opinions from the Justices regarding the proper application of the test.⁶²

It seems, however, that the court is rendering the distinction between commercial and noncommercial speech less and less important. In *Sorrell*,⁶³ “[b]y declaring that content-based restrictions trigger heightened review in an area of law that is distinguished by the content of speech, the Court appears to have elevated the First Amendment protection accorded to commercial speech.”⁶⁴ Thus, when the government makes a prohibition based on the content of the speech, this content-based restriction also triggers First Amendment protection to commercial speech, which is subject to a *more demanding* form of intermediate scrutiny analysis. Some courts, reading *Sorrell*, have reached the conclusion that the first question to be asked is if the prohibition is “content-based”⁶⁵ or “neutral-based.”⁶⁶ If the court finds that the state

61. *Metromedia, Inc. v. San Diego*, 453 U.S. 490 (1981).

62. BRODY AND JOHNSON, *supra* note 21.

63. *Sorrell v. IMS Health Inc.*, 131 S. Ct. 2653, 2666 (2011).

64. Hunter B. Thomson, *Whither Central Hudson? Commercial Speech in the Wake of Sorrell v. IMS Health*, 47 COLUM. J.L. SOC. PROBS. 171–209, 173 (2013).

65. *See Galena v. Leone*, 638 F.3d 186, 199 (3d Cir.2011) (“‘[c]ontent-based speech restriction’ is one that regulates speech when the specific motivating ideology or the opinion or perspective of the speaker is the rationale for the restriction.”); *U.S. v. Alvarez*, 132 S.Ct. 2537, 2544 U.S. (2012) (“[A]s a general matter, the First Amendment means that government has no power to restrict expression because of its message, its ideas, its subject matter, or its content,” quoting *Ashcroft v. American Civil Liberties Union*, 535 U.S. 564, 573 (2002)(internal quotation marks omitted). The Court further concluded: “as a result, the Constitution “demands that content-based restrictions on speech be *presumed invalid* ... and that the Government bear the burden of showing their constitutionality,” (emphasis added) also quoting *Ashcroft v. American Civil Liberties Union*, 542 U.S. 656, 660 (2004)); *Rosenberger v. Rector and Visitors of University of Virginia*, 515 U.S. 819, 828-29 (1995) (“... [t]he government offends the First Amendment when it imposes financial burdens on certain speakers based on the content of their expression. *Simon & Schuster, Inc. v. Members of N.Y. State Crime Victims Bd.*, 502 U.S. 105, 115, 112 S.Ct. 501, 507–508, 116 L.Ed.2d 476 (1991). When the government targets not subject matter, but particular views taken by speakers on a subject, the violation of the First Amendment is all the more blatant. See *R.A.V. v. St. Paul*, 505 U.S. 377, 391, 112 S.Ct. 2538, 2547, 120 L.Ed.2d 305 (1992). Viewpoint discrimination is thus an egregious form of content discrimination.”).

66. *See McCullen v. Coakley*, 134 S.Ct. 2518, 2529 U.S. (2014) (“[E]ven in a public forum the government may impose reasonable restrictions on the time, place, or manner of protected speech, provided the restrictions ‘are justified without reference to the content of the regulated speech, that they are narrowly tailored to serve a significant governmental interest, and that they leave open ample alternative channels for

restricted speech because of its content, the court will proceed with the rest of the *Hudson* test, but, crucially, under the *prima facie* assumption that the prohibition is invalid, thus treating the other factors on a more demanding fashion.⁶⁷ Other courts, however, have maintained the *Hudson* test without formal alteration.⁶⁸

Before the outburst in the 20th century of misappropriation rationalities,⁶⁹ conflict between trademark law and freedom of speech were in-existent as the Supreme Court previously considered it necessary to regulate deceiving speech; this, essentially, is also the fundamental roll of trademark law. For example, in *San Francisco*,⁷⁰ the court ruled

communication of the information”, quoting *Ward*, 491 U.S., S.Ct. 2746 and *Clark v. Community for Creative Non-Violence*, 468 U.S. 288, 293 (1984); *Doe v. Harris*, 772 F.3d 563, 574 (9th Cir. 2014)(“[C]ontent-based regulations are subject to the most exacting scrutiny because the ‘government has no power to restrict expression because of its message, its ideas, its subject matter, or its content.’ By contrast, ‘regulations that are unrelated to the content of speech are subject to an intermediate level of scrutiny.’”).

67. Thomson, *supra* note 64 at 193 *et seq.* See also *Valle Del Sol Inc. v. Whiting*, 709 F.3d 808, 816 (9th Cir. 2013)(“[T]he district court held that *Sorrell* [...] required it to apply a more demanding version of the “not more extensive than necessary” test to content-based restrictions on commercial speech. Finding the day labor provisions to be content-based, the district court applied *Sorrell* and analyzed whether they were “drawn to achieve” a substantial government interest... The district court concluded that the plaintiffs are likely to succeed on the merits because the day labor provisions are insufficiently tailored under *Central Hudson’s* fourth prong as modified by *Sorrell*); *Minority Television Project, Inc. v. F.C.C.*, 676 F.3d 869, 881(9thCir. 2012)(noting that “[t]he [the Supreme Court] did not formally overrule any cases holding that commercial speech is subject to less protection than core public issue or political speech. Thus, after *Sorrell*, it is clear that commercial speech is subject to a demanding form of intermediate scrutiny analysis.”); *Wag More Dogs, Ltd. Liability Corp. v. Cozart*, 680 F.3d 359, 370 (4th Cir. 2012)(applying *Sorrell* to find that to “[s]ustain its content-based regulation of commercial speech, Arlington must ‘show at least that the [Sign Ordinance] directly advances a substantial governmental interest and that the measure is draw to achieve that interest.’”).

68. See *McCullen v. Coakley*, 708 F.3d 1, 7(1st Cir.2013)(“[t]he plaintiffs base their claim on recent decisions of the Supreme Court standing for the wholly unremarkable proposition that content-based and speaker-based speech restrictions are disfavored. In their view, these neoteric decisions have so reconfigured the First Amendment landscape as to justify a departure from the law of the case. *This impressionistic argument, though ingenious, elevates hope over reason*”) (emphasis added); *Hart v. Electronic Arts, Inc.* 808 F.Supp.2d 757, 770 (D.N.J. 2011) (finding that “[e]ven after *Sorrell*, [content-based] commercial speech may still be entitled to less First Amendment protection than that afforded non-commercial speech, in certain contexts.”).

69. See Robert Bone, *Hunting Goodwill: A History of the Concept of Goodwill in Trademark Law*, 86 B.U. L. REV. 547(2006); Robert G. Bone, *Schechter’s Ideas in Historical Context and Dilution’s Rocky Road*, 24 ST. CLARA COMPUT. HIGH TECH LJ 469 (2007); BARTON BEEBE, THE SUPPRESSED MISAPPROPRIATION ORIGINS OF TRADEMARK ANTIDILUTION LAW: THE LANDGERICHT ELBERFELD’S *ODOL* OPINION AND FRANK SCHECHTER’S *THE RATIONAL BASIS OF TRADEMARK PROTECTION* (2013), <http://papers.ssrn.com/abstract=2283391> (last visited Jul 9, 2014); GRAEME B. DINWOODIE, *DILUTION AS UNFAIR COMPETITION: EUROPEAN ECHOES* (2014), <http://papers.ssrn.com/abstract=2249044> (last visited Jul 7, 2014).

70. *San Francisco Arts & Athletics, Inc. v. United States Olympic Committee*, 483 U.S. 522 (1987).

that because trademark law aimed at preventing the conflicting use of information, it would be constitutional, provided it satisfied the limited nature of government regulation. Also, in *44 Liquormart*,⁷¹ the court judged that protecting consumers is a substantial interest. However, recent expansion of trademark law has destroyed this well delineated line, increasing constitutional scrutiny over trademark law. Several decisions of courts in the US interpreting freedom of speech in trademark law have restricted its application as unconstitutional. These cases will be analyzed in the next section.

III. THE APPLICATION OF COMMERCIAL AND NONCOMMERCIAL SPEECH DICHOTOMY TO TRADEMARK CASE LAW

To date, there has been no Supreme Court case dealing with freedom of speech and trademarks so far. However, other courts in the US have considered it essential to apply first amendment scrutiny to balance trademark law. The only provision in the US Code, dealing with potential First Amendment questions, is section 1125, which provides:

[A]ny fair use, including a nominative or descriptive fair use, or facilitation of such fair use, of a famous mark by another person other than as a designation of source for the person's own goods or services, including use in connection with – (i) advertising or promotion that permits consumers to compare goods or services; or (ii) identifying and parodying, criticizing, or commenting upon the famous mark owner or the goods or services of the famous mark owner. (B) All forms of news reporting and news commentary. (C) Any noncommercial use of a mark.⁷²

The potential conflict is quite obvious. “[F]ederal trademark protection statutes grant trademark owners the exclusive right to use specific words; thus, trademark protection laws have the inherent potential to infringe on First Amendment free speech rights. This is especially true when trademark laws are broadly interpreted, limiting more speech...”⁷³ Should speech, which is both commercial and expressive be allowed in trademark law? How can trademark law be balanced with other important constitutional interests, especially freedom of speech? Should a well-recognized trademark receive the same status as ‘public persons’ in the marketplace of ideas, being subject to broader

71. *44 Liquormart Inc. v. Rhode Island*, 517 U.S. 484 (1996).

72. *Lanham Act* (Pub.L. 79-489, 60 Stat. 427, enacted July 5, 1946, codified at 15 U.S.C. § 1051 et seq. (15 U.S.C. ch. 22), section 1125.

73. R. Kent Warren, *Interpreting Commercial Speech Under the Lanham Act's Commercial Use Requirement: Tension Between Online Trademark and First Amendment Free Speech Rights*, 4 FIRST AMEND REV 342, 342 (2005).

latitude of criticism? Can trademark law act as censorship by controlling speech in the corporate arena? Does trademark become a content-based restriction when courts prohibit parodies or criticism based on the nature of the parody or criticism itself, and trademark law ceases to be a content-neutral regulation dealing with deceiving practices? These questions are inherent in the debate and have been answered in several different ways, including by the courts.

Intellectual property related cases have been curiously isolated from the intermediate and full scrutiny dichotomy language. Courts feel uncomfortable applying this dichotomy to intellectual property and have rather prefer to apply different balancing tests:

[...] courts apply one of several tests, referred to in the legal discourse as “balancing tests,” that are unique to intellectual property-related cases, to determine whether the First Amendment limits a right of publicity claim in that context. Courts do not tend to apply strict or intermediate scrutiny tests when addressing a First Amendment defense to intellectual property-related claims, such as the right of publicity.⁷⁴

In *Hart*, the Court recognized the different balancing tests to intellectual property-related cases and refused to engage in *Sorrell’s* content-based standard.⁷⁵ Even if the Court did analyze *Sorrell’s* decision, it preferred not to agree with defendant’s argument that publicity rights are forms of content-base restrictions. In fact, the Court reached the conclusion that even content-base restrictions to intellectual property-related commercial speech cases may still be entitled to less First Amendment protection than that afforded noncommercial speech.⁷⁶ Having found that *Sorrell* does not overrule the *Hudson test*, the Court considered still permissible to draw “commonsense distinction between speech proposing a commercial transaction, which occurs in an area traditionally subject to government regulation and other varieties of speech.”⁷⁷ Applying *Facenda*⁷⁸ and ultimately *Bolger*, the Court ruled that the proper test to determine commercial speech under intellectual property related cases must consider three factors: (1) is the speech an advertisement; (2) does the speech refer to a specific product or service; and (3) does the speaker have an economic motivation for the speech. An affirmative answer to all three questions provides “strong support” for the conclusion that the speech is commercial.⁷⁹

74. *Hart v. Electronic Arts, Inc.*, 808 F.Supp.2d 757, 769 (D.N.J. 2011).

75. *Hart*, 808 F.Supp.2d at 769.

76. *Id.* at 770.

77. *Id.*

78. *Facenda v. N.F.L. Films, Inc.*, 542 F.3d 1007 (3d Cir. 2008).

79. Other Courts that have considered this test are: *Valley Forge Military Academy Foundation v. Valley Forge Old Guard, Inc.*, CIV. No. 09-2373, 2014 WL 2476115, at *3 (E.D. Pa. 2014)(finding that the Lanhan Act can only regulate commercial speech by applying *Facenda*, but ultimately emphasizing that the Lanhan

Furthermore, if the speech is considered commercial, it might receive less First Amendment protection under neutral intellectual property standards, such as traditional likelihood of confusion factors. However, if the speech is noncommercial, First Amendment scrutiny must be fully applied. The Court concluded that the use of plaintiff's likeness in the video game at issue was purely a form of noncommercial speech entitled to full First Amendment protection as plaintiff's likeness was used "in" the game and not disconnected from it as an "advertisement". The Court also favored the transformative fair use test applied in copyright cases to balance First Amendment and publicity rights.⁸⁰

The Court creates for intellectual property related goods a privileged neutral category isolated from traditional First Amendment rules, since even content-based commercial speech restrictions to intellectual property related subjects may receive less First Amendment protection – an exception to *Sorrell*. However, the Court does not offer any compelling reasons to draw this line. The three-part test formulated under *Facenda* also seems to qualify more broadly a form of speech as "commercial" by making easier for intellectual property to "escape" First Amendment control.⁸¹ Once that the First Amendment analysis stops at

Act regulates *deceiving commercial speech* to avoid consumer confusion); *Board of Directors of Sapphire Bay Condominiums West v. Simpson Slip Copy*, CIV. No. 04–62, 2014 WL 4067175, at *3 (D.Virgin Islands 2014)(applying, on one hand, the *Facenda* factors to consider defendants' speech as noncommercial and, on the other hand, *Foundation v. Valley Forge Old Guard, Inc.* to determine that the Lanhan Act can only regulate commercial speech); *Michael Jordan v. Jewel Food Stores, Inc.* 851 F.Supp.2d 1102, 1110 (N.D.Ill. 2012) (drawing heavily on *Facenda's* judgment to consider whether speech is commercial or noncommercial); *Greater Baltimore Center for Pregnancy Concerns, Inc. v. Mayor and City Council of Baltimore*, 683 F.3d 539, 568 (4th Cir. 2012)(considering the *Facenda* factors as a correct reading of the Supreme Court's *Bolger* factors in determining commercial or noncommercial speech).

80. The Court of Appeal disagreed with the District Court on its transformative test analysis, noting that "[h]aving thus cabined our inquiry to the appropriate form of Appellant's identity, we note that—based on the combination of both the digital avatar's appearance and the biographical and identifying information—the digital avatar does closely resemble the genuine article. Not only does the digital avatar match Appellant in terms of hair color, hair style and skin tone, but the avatar's accessories mimic those worn by Appellant during his time as a Rutgers player. The information, as has already been noted, also accurately tracks Appellant's vital and biographical details. And while the inexorable march of technological progress may make some of the graphics in earlier editions of *NCAA Football* look dated or overly-computerized, we do not believe that video game graphics must reach (let alone cross) the uncanny valley to support a right of publicity claim. If we are to find some transformative element, we must look somewhere other than just the in-game digital recreation of Appellant." See *Hart v. Electronic Arts, Inc.*, 717 F.3d 141, 166 (3d Cir. 2013).

81. In fact, other Courts have considered the *Bolger* three-part test as applied by the *Facenda* Court in different perspectives and even as unimportant. See *Thomas v. Anchorage Equal Rights Com'n.*, 165 F.3d 692, 709-10 (9th Cir. 1999) (casting doubts whether the three-part *Bolger* test to peripheral speech outside core

the questionable *Bolger* factors and largely ignores the classical *Virginia* factors to qualify speech as commercial; since the Court does not even apply the *Riley* factors to distinguish inextricably intertwined commercial and noncommercial speeches and because even if the speech is considered “commercial”, the Court does not proceed with the enhanced *Hudson* four-prong test, but with neutral intellectual property balancing tests, the Court is allowed “marginal” treatment of First Amendment doctrine. Everything that goes beyond avoiding consumer confusion and deception in trademark law may be at odds with First Amendment doctrine and the fact the Courts refuse to engage in full commercial speech prongs proves this point.

When confronted with different balancing tests, Thomas McCarthy, one of the most respected trademark scholars in the US, has identified at least five of them: 1) unstructured *ad hoc* balancing; 2) structured balancing; 3) strict and rigorous interpretation of trademark infringement; 4) the Ginger Rogers’ ‘two step’ test; and 4) nominative fair use.⁸² Regarding the first method, courts can explicitly or implicitly balance trademark law with First Amendment without using the words “freedom of speech”, but rather its *ratio*. The second method is an explicit form of balancing, where courts make reference to constitutional principles in a multi-factor analysis. The third method applies traditional intellectual proper factors, but in a more sensitive and demanding

advertisement should prevail, since Supreme’s Court later case law would have elected the “no more than propose a commercial transaction” test as the true and unique test to separate commercial from noncommercial); See also SMOLLA, *supra* note 46 at §20:4 (“[T]he five-Justice majority opinion in *Harris v. Quinn*, 134 S. Ct. 2618, 199 L.R.R.M. (BNA) 3741 (2014) suggested that the Court may indeed be settling on the narrower definition of commercial speech, as speech that ‘does no more than propose a commercial transaction’ [...] First, the majority in *Harris* defined commercial speech in its classic and narrowest sense, quoting *Virginia Pharmacy* for the proposition, ‘Our precedents define commercial speech as ‘speech that does no more than propose a commercial transaction.’ Secondly, the majority in *Harris* plainly suggested that when speech ‘does more’ than simply propose a commercial transaction, it ought not be treated as ‘commercial speech,’ given that the court pointedly observed that the speech in the case before it ‘does much more than that.’” This new path of the Supreme Court would break down the relevance of the *Bolger* factors); *Mil-Spec Monkey, Inc. v. Activision Blizzard, Inc.*, 2014 WL 6655844 (N.D.Cal., 2014)(applying *Virginia Pharmacy* classical core definition of commercial speech together with *Rogers v. Grimaldi* and ignoring the *Bolger* factors); *CPC Intern., Inc. v. Skippy Inc.*, 214 F.3d 456, 462 (4th Cir. 2000) (distinguishing *Bolger* as commercial speech supplemented by comments *related to the marketed product*, but not to other sorts of comments on the trademarked character ‘Skippy’ or plaintiff’s actions as a corporation); *Kasky v. Nike, Inc.* 93 Cal.Rptr.2d 854, 860-61 (Cal. App. 1 Dist. 2000)(distinguishing *Bolger* as applying to *product and advertisement’s comments*, but not to Nike’s image as a corporation, which would be different and not trigger the test); *Lacoff v. Buena Vista Pub., Inc.*, N.Y.S.2d 183, 190 (N.Y.Sup. 2000)(interpreting further *Bolger* from the perspective of *Rogers v. Grimaldi*, since intertwined speeches which are not advertisement but actually artistic titles should qualify as protected speech);

82. J. THOMAS MCCARTHY, MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION § 31:139 (2014).

fashion. The nominative fair use defense was crafted by the 9th Circuit in *New Kids*:

[W]here the defendant uses a trademark to describe *the plaintiffs product, rather than its own*, we hold that a commercial user is entitled to a nominative fair use defense provided he meets the following three requirements: *First, the product or service in question must be one not readily identifiable without use of the trademark; second, only so much of the mark or marks may be used as is reasonably necessary to identify the product or service; and third, the user must do nothing that would, in conjunction with the mark, suggest sponsorship or endorsement by the trademark holder.*⁸³

The court stated that this kind of defense would be compatible with the Lanhan Act because cases of nominative fair use would be *non-trademark use cases*. Consequently, absence of trademark use cannot account for infringement at all.⁸⁴

Under *Rogers v. Grimaldi test*,⁸⁵ an expressive work will be prohibited as an infringement or a false designation under trademark law only if it has no artistic relevance to the underlying work or, if there is artistic relevance, the title explicitly misleads as to the source or the content of the work. This test, which is different from neutral likelihood of confusion factors,⁸⁶ replaces these traditional factors to adapt and harmonize them with First Amendment. The use must present “minimal” or “some artistic relevance”⁸⁷ to the defendant’s work and has to

83. *New Kids on the Block v. News America Publishing, Inc.*, 971 F.2d 302, 308 23 U.S.P.Q.2d 1534, 20 Media L. Rep. 1468 (emphasis added).

84. *New Kids on the Block*, 971 F.2d at 307-308.

85. *Rogers v. Grimaldi*, 875 F.2d 994 (2d Cir. 1989).

86. *Burnett v. Twentieth Century Fox Film Corp.* 491 F.Supp.2d 962, 972 (C.D.Cal.,2007) (the Court quotes Thomas McCarthy’s adagio: “[t]he cry of ‘parody!’ does not magically fend off otherwise legitimate claims of trademark infringement or dilution. There are confusing parodies and non-confusing parodies. All they have in common is an attempt at humor through the use of someone else’s trademark.” Finding no such confusion under false endorsement traditional neutral factors the Court allowed the use of plaintiff’s likeness in the *Family Guy*’s episode).

87. *See Fortres Grand Corp. v. Warner Bros. Entertainment Inc.*, 947 F.Supp.2d 922, 932 (N.D.Ind.,2013)(“[T]he first prong—artistic relevance—establishes a purposely low threshold which is satisfied unless the use “has no artistic relevance to the underlying work whatsoever”, citing *Rogers*, 875 F.2d at 999);*Rebellion Developments Ltd. v. Stardock Entertainment, Inc.*,Not Reported in F.Supp.2d, 2013 WL 1944888, at*3(E.D.Mich.,2013)(considering that the *Rogers* test does not require any referential use to plaintiff’s mark);*Dillinger, LLC v. Electronic Arts Inc.* Not Reported in F.Supp.2d, 2011 WL 2457678, at*6 (S.D.Ind.,2011)(considering plaintiff’s characterization of a “superficial and attenuated” link between defendant’s use of the name of “John Dillinger” and plaintiff’s *Godfather* video game sufficient to satisfy *Rogers* first prong, further adding that the original intent of the adopter of the name is irrelevant where there is an objective link, no matter how minimal it might be);*E.S.S. Entertainment 2000, Inc.*

“explicitly”⁸⁸ mislead consumers as to avoid First Amendment’s control. The court’s implied reasoning is that the title at question was a

v. Rock Star Videos, Inc., 547 F.3d 1095, 1100 (9th Cir. 2008); (“...[t]he level of relevance merely must be above zero.”); *Mil-Spec Monkey, Inc. v. Activision Blizzard, Inc.*, No. 14-cv-02361-RS, 2014 WL 6655844, at *6 (N.D.Cal., 2014) (“[b]ears ‘some artistic relevance’ to the creators’ goal of offering players a feeling of personal identity and authenticity during game play.”); *Roxbury Entertainment v. Penthouse Media Group, Inc.*, 669 F.Supp.2d 1170, 1176 (C.D.Cal., 2009) (finding that “[a]t least some relationship between the mental imagery associated with the term ‘Route 66,’ e.g., road trips, cross-country travel, and the content of Defendants’ movie” was sufficient to satisfy the first prong); *Cliffs Notes, Inc. v. Bantam Doubleday Dell Publ’g Group*, 886 F.2d 490, 495 (2d Cir. 1989) (holding that the rule in *Rogers* is generally applicable to all Lanham Act cases involving artistic works where the defendant “[h]as articulated a colorable claim” that the work is protected by the First Amendment); *Brown v. Electronic Arts, Inc.*, 724 F.3d 1235, 1243 (9th Cir. 2013) (“...[s]ome artistic relevance...”); *Winchester Mystery House, LLC v. Global Asylum, Inc.*, 210 Cal.App.4th 579, 148 Cal.Rptr.3d 412, 420 (Cal.App. 6 Dist., 2012) (“[T]he first prong of the *Rogers* requires only that the title pass ‘the appropriately low threshold of minimal artistic relevance’ to the content of the film.”). But see *Masters Software, Inc. v. Discovery Communications, Inc.*, 725 F.Supp.2d 1294, 1306 (W.D.Wash., 2010) (limiting *Rogers* to cases where defendant’s use of the trademark *must allude* to the context of the trademark itself, rejecting the minimal artistic relevance or connection approach and judging that defendant’s use of the title *Cake Boss* mimicking the TV show would be merely a form of branding not protected by First Amendment interests.); *Rebelution, LLC v. Perez*, 732 F.Supp.2d 883, 888-89 (N.D.Cal., 2010) (requiring, for the application of *Rogers*’ first prong, that plaintiff’s mark be of such “cultural significance”, iconic, as to transcend its source of origin meaning, and also requiring that defendant’s work must have a meaning associated with plaintiff’s mark, thus rejecting the minimal relevance approach, otherwise it “[w]ould allow any person to ascribe their own meaning to a mark and thereafter argue that their artistic work bears relevance to this opportunistically-defined meaning. Indeed, it would allow defendants to co-opt the most fanciful marks—marks afforded great protection under trademark law—as those marks are the most susceptible to differing interpretations.”).

88. *Fortres Grand Corp. v. Warner Bros. Entertainment Inc.*, 947 F.Supp.2d 922, 932 (N.D.Ind., 2013) (“[t]o be ‘explicitly misleading,’ the defendant’s work must make some *affirmative statement* of the plaintiff’s sponsorship or endorsement, *beyond the mere use* of plaintiff’s name or other characteristic,” citing *Dillinger, LLC v. Electronic Arts, Inc.*, 2011 WL 2457678, at *6 (S.D. Ind. Jun. 16, 2011) (emphasis added); *Rebellion Developments Ltd. v. Stardock Entertainment, Inc.*, Not Reported in F.Supp.2d, 2013 WL 1944888, at*4-6 (E.D.Mich., 2013) (finding that the original *Rogers* test applies and not the traditional likelihood of confusion factors, thus concluding that the later is an affirmative defense in the early stages of litigation. The court further found that to explicitly mislead the work must amount to an “overt misrepresentation”); *Protectmarriage.com v. Courage Campaign*, 680 F.Supp.2d 1225 (E.D.Cal., 2010) (finding that the “[m]ark does not explicitly mislead as to the source of the work” and that “any potential for confusion or misdirection is obviated by the images and text that uniformly accompany defendant’s use of the mark...”); *Volkswagen AG v. Dorling Kindersley Pub., Inc.*, 614 F.Supp.2d 793, 810 (E.D.Mich., 2009) (finding that under *Rogers* “[a] slight risk of customer confusion will not necessarily defeat a First Amendment defense,” and disregarding the traditional likelihood of confusion factors); *Roxbury Entertainment v. Penthouse Media Group, Inc.*, 669 F.Supp.2d 1170, 1176 (C.D.Cal., 2009) (finding the mere use by defendant of plaintiff’s trademark insufficient to defeat the second prong of *Rogers* and that it would be necessary some proof of sponsorship or affiliation); *Capcom Co., Ltd. v. MKR Group, Inc.*, Not Reported

intertwined form of commercial and artistic expression, presumably noncommercial speech.

In this case, the dancer and actress Ginger Rogers sued the producers and distributors of “Ginger and Fred,” a film about a pair of Italian dancers nicknamed for Rogers and Fred Astaire. The court rejected Rogers’s false-endorsement claim. Under the *Rogers* test, the proper balance between trademark law and free expression will normally not support application of the Lanham Act unless the title (1) has no artistic relevance to the underlying work whatsoever, or (2) the title explicitly misleads as to the source or the content of the work. Because the film’s title (1) had an “ironic” and “ambiguous” meaning related to its subject and (2) did not directly state that it depicted Rogers, free-speech concerns outweighed survey evidence that some members of the public would draw the incorrect inference that Rogers had some involvement with the film.⁸⁹

in F.Supp.2d, 2008 WL 4661479, at*13(N.D.Cal.,2008)(finding that the use of the title “Dead Rising” by defendant does not explicitly mislead as to the source of the work, considering the use of the word and the idea of zombies awakening to be commonly shared.).But see *Electronic Arts, Inc. v. Textron Inc.*, No. C 12–00118 WHA, Not Reported in F.Supp.2d, 2012 WL 3042668, at*4 (N.D.Cal.,2012)(merging *Rogers* second prong with traditional likelihood of confusion factors);*Rebelution, LLC v. Perez*, 732 F.Supp.2d 883, 890 (N.D.Cal.,2010)(considering *Rogers* second prong under traditional likelihood of confusion factors);*Dita, Inc. v. Mendez*, Not Reported in F.Supp.2d, 2010 WL 5140855, at*3 (C.D.Cal.,2010)(considering *Rogers* second prong under traditional likelihood of confusion factors and not under the explicitly misleading approach);*Lemme v. National Broadcasting Co., Inc.*, 472 F.Supp.2d 433(E.D.N.Y.,2007)(considering *Rogers* second prong under traditional likelihood of confusion factors, which must be, nonetheless, particularly compelling to outweigh the First Amendment);*V&S Vin & Spirit Aktiebolag (Publ) v. Absolute Pub. USA Inc.*Not Reported in F.Supp.2d, 2005 WL 3272828, at*11(S.D.N.Y.,2005)(equating explicitly non-misleading with compelling circumstances of confusion, and that its absence “[t]ip[ed] the balance of the hardship decidedly toward the defendant, precluding the grant of a preliminary injunction.”);*Westchester Media Co. L.P. v. PRL USA Holdings, Inc.*103 F.Supp.2d 935,991(S.D.Tex.,1999)(considering that Second Circuit courts analyzing the second prong of *Rogers* “[h]ave stressed, however, that, in making this determination, the first point of reference is the familiar digits of confusion,” granting injunctive relief and expressing some doubts whether the need of compelling circumstances was necessary to such grant);*Films of Distinction, Inc. v. Allegro Film Productions, Inc.* 12 F.Supp.2d 1068,1077(C.D.Cal.,1998)(rejecting *Rogers*’ explicitly misleading prong); *No Fear, Inc. v. Imagine Films, Inc.*, 930 F.Supp. 1381, 1383(C.D.Cal.,1995)(considering *Rogers* second prong under traditional likelihood of confusion factors, which must be, nonetheless, particularly compelling to outweigh the First Amendment);*Twin Peaks Productions, Inc. v. Publications Intern., Ltd.*,996 F.2d 1366,1379(2 Cir.1993)(considering *Rogers* second prong under traditional likelihood of confusion factors, which must be, nonetheless, particularly compelling to outweigh the First Amendment);*Cliff’s Notes, Inc. v. Bantam Doubleday Dell Pub. Group, Inc.*, 718 F.Supp. 1159,1163(S.D.N.Y.,1989)(articulating that even if the *Rogers* test was to be applied, the second prong would need to be integrated into the framework of traditional likelihood of confusion factors).

89. See *Facenda v. N.F.L. Films, Inc.*, 542 F.3d 1007 (3d Cir. 2008)(citing and explaining *Rogers v. Grimaldi*).

Under this test, for instance, a defendant is liable under the Lanham Act if he uses a celebrity name or trademark in a book title when they bear no relation at all to the content of the book, thereby confusing the public into thinking otherwise—a situation in which the use of the name or trademark has no artistic relevance to the work. And even if they *do* bear some relevance to the content of the book (that is, they have some artistic relevance to the work), the title cannot explicitly deceive the public as to its source or content, such as by claiming that it is an “authorized biography” of the celebrity or a licensed version authorized by the trademarked owner when they are not (an explicit misrepresentation as to the source or content).⁹⁰

While one can claim that Rogers’ two prongs might be reconciled with the Supreme’s Court commercial speech case law *sequence* and *ratio*, it is much harder for Courts applying neutral likelihood of confusing factors to claim they respect the commercial speech doctrine. Considering that commercial speech case law has minimal influence in these Courts decisions (for example, (1) *Virginia Pharmacy’s* and *Quinn’s* classical, reinstated and stricter core definition of commercial speech to most easily qualify speech as noncommercial; (2) *Riley’s* inextricable intertwined doctrine to render even partially advertisement characteristics of a work noncommercial; (3) *Sorrell’s* heightened scrutiny over content-based restrictions to make a content-based driven restriction carefully and strictly “drawn to achieve” a measure less extensive than necessary to satisfy the “reasonable fit” of the Lanham Act’s substantial interest in avoiding trademark dilution, for example, with the substantial interest of the governed on free speech, (4) or even the enhanced *Hudson’s* prongs to burden Courts even further on their restriction of speech on dilution claims), one can successfully argue that this line of cases are at odds with First Amendment. This is even more relevant when traditional likelihood of confusion neutral factors can be manipulated to boost a finding of confusion,⁹¹ thus dispelling the traditional burdens that must be overcome to survive a First Amendment challenge, considering commercial speech own structured prongs which cover since the definition of “commercial” to its proper regulation.

The way courts discuss commercial and noncommercial uses regarding trademark cases can determine the proliferation or lack thereof of expressive trademark uses, most notably parody and advertisements. For example, in the *Michael Jordan* case, the court stated:

90. See *No Doubt v. Activision Publishing, Inc.*, 192 Cal.App.4th 1018, 1037-38, 122 Cal.Rptr.3d 397 (Cal.App. 2 Dist.2011) (citing and explaining the *Rogers’* test).

91. See generally Mark A. Lemley & Mark McKenna, *Irrelevant Confusion*, 62 STAN REV 413 (2009); Robert G. Bone, *Taking Confusion out of “Likelihood of Confusion”*: *Toward a More Sensible Approach to Trademark Infringement*, 106 NORTHWESTERN UNIVERSITY LAW REVIEW, 1307 (2012); Mark P. McKenna, *Testing modern trademark law’s theory of harm*, 95 IOWA L. REV., 63 (2009).

[C]ommercial/noncommercial distinction is potentially dispositive. If the ad is properly classified as commercial speech, then it may be regulated, normal liability rules apply (statutory and common law), and the battle moves to the merits of Jordan's claims. If, on the other hand, the ad is fully protected expression, then Jordan agrees with Jewel that the First Amendment provides a complete defense and his claims cannot proceed.⁹²

Several decisions have clearly stated that if a trademark parody is commercial, it should not be protected regardless of commercial speech considerations and of its freestanding intrinsic speech.⁹³ Most notably, in *Michael Jordan*, the court stated "[n]o law of man or nature compelled Jewel to combine commercial and noncommercial messages as it did here,"⁹⁴ finding that an ad congratulating Jordan would be commercial, because it transferred Jordan's goodwill to defendant, even if it did not directly advertise products. However, compare *Michael Jordan's* false endorsement claim with *Busch*,⁹⁵ where the court ruled that financial-gain intensions of defendants who commercialized plaintiff's trademark parody on T-shirts were irrelevant. According to the court, the relevant intention is not the intention of profit, which would condemn all trademark parodies, but the intention of confusing the relevant public. The purpose of trademark law, it affirmed, is not to protect consumers against humor or mockeries, but only against disinformation.

Partridge explains,⁹⁶ before the 1980s, courts were reluctant to apply freedom of speech to trademark conflicts. Basing their reasoning in *Lloyd's*,⁹⁷ they would apply the *adequate alternative avenues of communication test*, created to deal with traditional property. According to this test, trademark parody could not be permitted because there would be always available alternative forms of criticizing subjects which were not related to the trademark context. To qualify as *parody*, then, the parody needed to attack the business related to the trademark. However,

92. *Michael Jordan v. Jewel Food Stores, Inc.* 743 F.3d 509, 511 (7th Cir. 2014) (the Court untimely applied the *Bolger* factors to find the speech commercial).

93. See *White v. Samsung Elecs. Am., Inc.*, 971 F.2d 1395, 1401 (9th Cir. 1992) *cert. denied*, 113 S. Ct. 2443 (1993); *Nike, Inc. v. "Just Did It" Enters.*, 799 F. Supp. 894, 898 (N.D. Ill. 1992); *Hard Rock Cafe Licensing Corp. v. Pacific Graphics, Inc.*, 776 F. Supp. 1454, 1463 (W.D. Wash. 1991); *Grey v. Campbell Soup Co.*, 650 F. Supp. 1166, 1175 (C.D. Cal. 1986), *aff'd*, 830 F.2d 197 (9th Cir. 1987). See Tammi A. Gauthier, *Fun and Profit: When Commercial Parodies Constitute Copyright or Trademark Infringement*, 21 PEPP REV 165 (1993).

94. *Michael Jordan*, 743 F.3d 509 at 522.

95. *Busch, Inc. v. L & L Wings, Inc.*, 962 F.2d 316, 321 (4th Cir. 1992).

96. Mark VB Partridge, *Trademark parody and the first amendment: humor in the eye of the beholder*, 29 J MARSHALL REV 877 (1995).

97. *Lloyd's Corp. v. Tanner*, 407 U.S. 551 (1972).

using the trademark for other purposes of criticism would qualify it as a *satire* and satires would not be protected.⁹⁸

Since the 1980s, some courts have been applying the commercial/noncommercial dichotomy to deal with trademark parodies, granting significant protection to noncommercial parodies even if there has been some evidence of confusion, but only tolerating commercial

98. The following cases, expressly or indirectly, applied the test: *Coca-Cola Co. v. Gemini Rising, Inc.*, 346 F. Supp. 1183 (E.D.N.Y. 1972); *Dallas Cowboys Cheerleaders v. Pussycat Cinema* 604 F. 2d 200 (2d Cir. 1979); *General Elec. Co. v. Alumpa Coal Co.*, 205 U.S.P.Q. 1036 (D. Mass. 1979); *Edgar Rice Burroughs, Inc. v. High Society Magazine, Inc.*, 7 Media L. Rep. 1862 (S.D.N.Y. 1981); *DC Comics, Inc. v. Unlimited Monkey Business, Inc.*, 598 F. Supp. 110 (N.D. Ga. 1984); *Original Appalachian Artworks Inc. v. Topps Chewing Gum, Inc* 642 F. Supp. 1031 (N.D. Ga. 1986); *Mutual of Omaha Insurance v. Novak* 836 F. 2d 397 (8th Cir. 1985), *cert. denied*, 488 U.S. 933 (1988); *MGM-Pathe Communications Co. v. Pink Panther Patrol* 774 F. Supp. 869 (S.D.N.Y.1991); *Anheuser-Buch, Inc. v. Balducci Publ'ns*, 28 F. 3d 769 (8th Cir. 1994); *Dr. Seuss Ent. v. Penguin Books USA, Inc.* 109 F. 3d 1394 (9th Cir.), *cert. dismissed*, 118 S. Ct. 27 (1997); *Elvis Presley Enters. v. Capece*, 141 F. 3d 188 (5th Cir. 1998); *Mattel, Inc. v. MCA Records* 296 F. 3d 894 (9th Cir. 2002), *cert. denied*, 123 S. Ct. 993 (2003); *Starbucks Corporation v. Wolfe's Borough Coffee, Inc.* 588 F.3d 97, 113 (2d Cir. 2009)(concluding that because the Charbucks marks were, “at most, a subtle satire” of Starbucks, they did not qualify as a parody or “effect an ‘increase [in] public identification [of the Starbucks Marks with Starbucks]”); *Harley Davidson, Inc. v. Grottanelli*, 164 F.3d 806, 813 (2d Cir.1999)(“...the parody exception does not apply when the purported parody “makes no comment” on the original mark, and “simply uses it somewhat humorously to promote [its] own products and services”); *Louis Vuitton Malletier, S.A v. Hyundai Motor America*, No. 10 Civ. 1611(PKC), Not Reported in F.Supp.2d, 2012 WL 1022247, at *17 (S.D.N.Y. 2012)(“[Hyundai] contends that the basketball design in the “Luxury” ad reflects a broader social comment, one that embodies ‘an effort to challenge consumers to rethink what it means for a product to be luxurious’... Because Hyundai has disclaimed any comment, criticism or parody of Louis Vuitton, the ‘Luxury’ ad does not, as a matter of law, qualify for fair use”). However, compare these decisions with *Reddy Communications, Inc. v. Environmental Action Foundation, Inc.*, 477 F. Supp. 946 (D.D.C 1979) (which allowed defendant’s use of plaintiff’s mark, even in the context of satire, unrelated to plaintiff’s); *Stop the Olympic Prison v. United States Olympic Committee* 489 F. Supp. 1112 (S.D.N.Y. 1980) (ruling as protected the use of the Olympics’ rings logo to criticize a prison building which would be constructed after the games); *Pillsbury Co. v. Milky Way Productions, Inc.* 215 U.S.P.Q (BNA) 124 (N.D. Ga. 1981) (considering the use of plaintiff’s trademarked character in a sexual context allowed); *Lucasfilm Ltd. V. High Frontier*, 622 F. Supp. 931 (D.D.C.1985) (ruling permissible the use of the *Star Wars* trademark to protest against the government’s military space defense program); *American Express Co. v. Vibra Approved Lab. Corp.*, No 87-Civ.-8840, 1989 WL 39679 (S.D.N.Y. Apr. 19 1989) (ruling that the use of plaintiff’s credit card trademark to create defendant’s ‘condom card’ was allowed even as satire); *Hormel Foods Corp. v. Jim Henson Production, Inc.*, 73 F. 3d 497 (2d Cir. 1996) (allowing the use of the trademark ‘SPAM’ to parody the character ‘Spa’am’ in the context of a satire); *Fortres Grand Corp. v. Warner Bros. Entertainment Inc.*, 947 F.Supp.2d 922, 933 (N.D.Ind.,2013)(applying *Rogers* beyond the context of parodies and to artistic works, which do not need even to criticize the original trademark, such as to allow defendant’s use of plaintiff’s trademark in Batman’s last trilogy movie “The Dark Night Arises” to name the mysterious software capable of deleting criminal records. The Court even expanded the test to cover reverse confusion scenarios).

parodies in the absence of confusion and dilution.⁹⁹ In the case of commercial parodies, the “parody effect” becomes only one of the elements in the likelihood of confusion and dilution analysis. However, in noncommercial parody cases, freedom of speech must ultimately permit some trademark confusion. Furthermore, beginning in the 1980s, some case-law has considered the likelihood of confusion differently in parody cases, leading to an inversion of the traditional analysis. If consumers perceive the use as a parody, than no confusion or dilution would be found. The more famous the trademark, the more likely consumers would perceive the use as parody, and the less likely the mark would be diluted, as the parody would accentuate the differences between both works, sending different messages.¹⁰⁰ For instance, in *Vuitton*, the court ruled:

[W]hile a parody intentionally creates an association with the famous mark in order to be a parody, it also intentionally communicates, if it is successful, *that it is not the famous mark, but rather a satire of the famous mark*. That the defendant is using its mark as a parody is therefore relevant in the consideration of these statutory factors. Similarly [...] the degree of similarity between the two marks, the degree of distinctiveness of the famous mark, and its recognizability – are directly implicated by consideration of the fact that the defendant's mark is a successful parody. Indeed, *by making the famous mark an object of the parody, a successful parody might actually enhance the famous mark's distinctiveness by making it an icon. The brunt of the joke becomes yet more famous.*¹⁰¹

99. Partridge, *supra* note 96 at 880–881.

100. See *Jordache Enters, v. Hogg Wylde, Ltd.*, 828 F.2d 1482, 1483–84 (10th Cir. 1987)(finding that if consumers perceive the mark as a parody of another mark, even on commercial and identical products, such as jeans, there would be no perception as source of origin and no confusion nor dilution); *Anheuser-Busch, Inc. v. L & L Wings, Inc.*, 962 F.2d 316, 321 (4th Cir. 1992)(concluding that parody changes the perception of likelihood of confusion); *Dr. Seuss Ent. v. Penguin Books USA, Inc.* 109 F.3d 1394 (9th Cir.), *cert. dismissed*, 118 S. Ct. 27 (1997)(concluding that parody affects the factors of confusion); *Tommy Hilfiger Licensing Inc. v. Nature Labs, llc*, 221 F. Supp. 2d 410, 416 (S.D.N.Y. 2002)(finding that defendant's dog perfume, although not strictly a parody of plaintiff's trademark, nonetheless would be protected regardless of commerciality, since there was neither confusion nor dilution); *Vuitton Malletier v. Haute Diggity Dog* 507 F.3d 252 (4th Cir. 2007)(ruling that to conjure a famous trademark in the minds of the consumer, when the distinction between the parody and the famous trademark is perceptible, would communicate satire, thus distinguishing the products, neither triggering trademark confusion nor dilution.); *Smith v. Wal-Mart Stores, Inc.* 537 F. Supp. 2d 1302 (Georgia Northern District Court, 2008)(ruling that defendant's parody 'Walocaust' of Wal-Mart' trademark, associating it with Nazism, was a protected parody, even if commercialized on products, such as T-shirts, and that the 'parody effect', when subsumed to the likelihood of confusion and dilution factors, would support neither a finding of confusion nor dilution.).

101. *Vuitton v. Haute Diggity Dog, id at. 266 et seq.*

The court considered the defendant could thus sell dog bags with the plaintiff's trademark parody, rendering commerciality or source of origin to protect speech irrelevant. Timber and Husten explain,¹⁰² during the 1990s the Second Circuit amplified the *Rogers v. Grimaldi* test in *Twin Peaks*¹⁰³ to increase the protection afforded to parodies and satires. In *Twin Peaks*, the court ruled that “[l]ikelihood of consumer confusion must be particularly compelling to outweigh First Amendment interest...”¹⁰⁴ The presence of some confusion was to be accepted even in commercial contexts. The authors also explain that the *Twin Peaks* finding was progressively adopted by other Circuits in *Cardtoon*,¹⁰⁵ *Sugar Busters*,¹⁰⁶ *Westchester Media*,¹⁰⁷ *Mattel*,¹⁰⁸ *Parks*¹⁰⁹ and *ETW Corp.*¹¹⁰ However, the *Facenda*¹¹¹ Court was correct to point out, only *ETW Corp.* other than *Cliff Notes*¹¹² at that time had applied the *Rogers v. Grimaldi* test beyond the context of titles.¹¹³ The *Facenda* Court rejected the application of this test to commercial speech and beyond the particular context of titles by finding that *ETW Corp.* and *Cliff Notes* misread *Rogers v. Grimaldi*.¹¹⁴ Nonetheless, the test has been

102. Kerry L. Timbers & Julia Huston, *Artistic Relevance Test Just Became Relevant: The Increasing Strength of the First Amendment as a Defense to Trademark Infringement and Dilution*, 93 TRADEMARK REP 1278, 1288 (2003).

103. *Twin Peaks Productions, Inc. v. Publications Int'l, Ltd.*, 996 F. 2d 1366 (2d Cir. 1993).

104. *Twin Peaks Productions*, 996 F. 2d at 1379.

105. *Cardtoons, L.C. v. Major League Baseball Players Association*, 95 F. 3d 959 (10th Cir. 1996).

106. *Sugar Busters LLC v. Brennan*, 177 F. 3d 258 (5th Cir. 1999).

107. *Westchester Media v. PRL Holdings, Inc.*, 214 F. 3d 658 (5th Cir. 2000).

108. *Mattel, Inc. v. MCA Records*, 296 F. 3d 894 (9th Cir. 2002), cert. denied, 123 S. Ct. 993 (2003).

109. *Parks v. LaFace Records*, 329 F. 3d 437 (6th Cir. 2003).

110. *ETW Corp. v. Jireh Publishing, Inc.*, 332 F. 3d 915 (6th Cir. 2003).

111. *Facenda v. N.F.L. Films, Inc.* 542 F.3d 1007, 1015-16 (3d Cir. 2008).

112. *Cliffs Notes, Inc. v. Bantam Doubleday Dell Publ'g Group*, 886 F.2d 490, 495 (2d Cir.1989) (applying the test to the cover of a book and holding that the rule in *Rogers* is generally applicable to all Lanham Act cases involving artistic works where the defendant “has articulated a colorable claim” that the work is protected by the First Amendment).

113. The *ETW Corp.* Court applied *Rogers v. Gimaldi* test to an artistic print of Tiger Woods, expanding its original scope.

114. *Facenda v. N.F.L. Films, Inc.* 542 F.3d 1007, 1018 (3d Cir. 2008). Other decisions that have refused to apply *Rogers* include: *Car-Freshner Corp. v. Getty Images, Inc.*, 822 F.Supp.2d 167, 176 (n.14) (N.D.N.Y. 2011) (“[A]t this stage of the proceeding, the Court declines to apply the *Rogers* balancing test, set forth in *Rogers v. Grimaldi* ... which requires courts to construe the Lanham Act ‘to apply to artistic works only where the public interest in avoiding consumer confusion outweighs the public interest in free expression.’ See *World Championship Wrestling v. Titan Sports, Inc.*, 46 F.Supp.2d 118, 123 (D.Conn.1999) (declining to apply the *Rogers* balancing test, noting that the test ‘involves factual and legal issues which cannot be disposed of at [the pleading] stage [of] the case’);cf. *Pirone v. MacMillan, Inc.*, 894 F.2d 579, 584 (2d

further expanded beyond *Facenda's* conclusions, respectably, in *New York Racing, Hart, SSS Entertainment, Brown, University of Alabama, Mil-Spec Monkey, Electronic Arts, Novalogic, Cummings* and *Burck* to allow the use of publicity rights or trademarks to *all types of artistic works*, which have *some artistic* relevance to defendant's work and are not *explicitly misleading*.¹¹⁵ Presumably, the distinction that titles merit

Cir.1990)(noting that "[n]ormally, the likelihood of confusion is a factual question", citing *Am. Int'l Group, Inc. v. London Am. Int'l Corp.*, 664 F.2d 348, 351 (2d Cir.1981)); *No Doubt v. Activision Publishing, Inc.*, 192 Cal.App.4th 1018, 1039-40, 122 Cal.Rptr.3d 397 (Cal.App. 2 Dist.2011)(distinguishing *Rogers*, since this test should only be applied after a showing that the infringing work is a work of artistic expression entitled to heightened First Amendment protection, finding that a non-transformative use of a celebrity's likeness does not qualify under the *Rogers* test as *artistic expression*. If the work has no *artistic expression*, plaintiff should not have the burden to prove that the title "*explicitly misleads*", but only the burden to prove that "members of the public are *likely* to be deceived."); *Morgan Creek Productions, Inc. v. Capital Cities/ABC, Inc.*, No. CV-89-5463-RSWL(JRX), Not Reported in F. Supp., 1991 WL 352619, at *5 (C.D.Cal.,1991)(applying *Rogers* to find that this test does not hold in the case of misleading *competing titles*, as opposed to celebrities names or trademarks when used in the titles. Even if defendant's argument of combining *Rogers* with the *Riley's* intertwined speech doctrine could merit attention, the Court found that the second prong of *Rogers* should not be constructed so broadly as to allow deceptive uses of competing titles); *Dryer v. National Football League*, NO. CIV. 09-2182 PAM/FL, 2014 WL 5106738 at 20*(n.8) (D.Minn.,2014)(distinguishing *Rogers* as only applying to artistic works, but not to commercial speech: "[t]he Court does not agree with the NFL that the Eighth Circuit is likely to adopt the holding in *Rogers v. Grimaldi*, 875 F.2d 994, 999-1000 (2d Cir. 1989), which applied the Lanham Act to expressive works."); *In re NCAA Student-Athlete Name & Likeness Licensing Litigation*, 724 F.3d 1268, 1280-81 (9th Cir.2013)(noting the overlap of the transformative test and the *Rogers* test, but untimely rejecting to import *Rogers* wholesale for right-of-publicity claims, since *Rogers* was crafted to protect consumers from confusion and publicity rights to protect a form of intellectual property); *Anheuser-Busch, Inc. v. Balducci Publications*, 814 F.Supp. 791, 795-96 (E.D.Mo.,1993)("[t]his court sees no reason to abandon the traditional likelihood of confusion test set forth in *SquirtCo*, provided that it is applied with special sensitivity to the purposes of trademark law and the First Amendment rights of the Defendants."); *Warner Bros. Entertainment v. Global Asylum, Inc.*, Not Reported in F.Supp.2d, No. CV 12-9547 PSG (CWx), 2012 WL 6951315, at 2 (n.2)* (C.D.Cal.,2012)(rejecting to apply *Rogers* to trademark dilution claims); *Dita, Inc. v. Mendez*, Not Reported in F.Supp.2d, No. CV 10-6277 PSG (FMOx), 2010 WL 5140855, at *3 (C.D.Cal.,2010)(confining *Rogers* to cases of "such cultural significance that [the trademark] has become an integral part of the public's vocabulary" and concluding that *Rogers's* second prong, even if applied, would disfavor defendant); *Masters Software, Inc. v. Discovery Communications, Inc.*, 725 F.Supp.2d 1294, 1306 (W.D.Wash.,2010) (limiting *Rogers* to cases where defendant's use of the trademark *alludes* to the context of the trademark itself, rejecting the minimal artistic relevance or connection approach, and judging that defendant's use of the title "Cake Boss" would be merely a form of branding not protected by First Amendment interests.); *Mattel, Inc. v. Walking Mountain Productions*, 353 F.3d 792, 808 (n.14) (9th Cir.2003)(noting that "[t]here may be something unique about the use of a trademark in the title of a work that makes non-titular uses of trademarks or trade dress incompatible with the *Rogers* test").

115. *New York Racing Ass'n, Inc. v. Perlmutter Pub., Inc.*, 959 F.Supp. 578, 82 (N.D.N.Y.,1997)("[A]s a result, the Court found that the need to avoid consumer confusion in this case was negligible, as compared to the need to protect an artist's right

more protection than other forms of ordinary commercial products has lost some of its persuasive force: “[I]t is clear that the commercial nature of artistic works does not diminish their protections under the

to utilize a trademark in the title of an artistic work, regardless of whether the artwork is reproduced on canvas or cotton t-shirts.”); *Hart v. Electronic Arts, Inc.*, 808 F.Supp.2d 757, 793 (D.N.J. 2011) (applying Rogers to plaintiff’s likeness “in” video game. However, the Court of Appeal rejected the transformative test analysis of the district Court); *E.S.S. Entertainment 2000, Inc. v. Rock Star Videos, Inc.*, 547 F.3d 1095, 88 U.S.P.Q.2d 1691 (9th Cir. 2008) (applying Rogers to plaintiff’s trademark satirical use “in the body” of the video game); *Brown v. Electronic Arts, Inc.*, 724 F.3d 1235 (9th Cir. 2013) (applying Rogers to plaintiff’s likeness “in the body” of the video game, refusing to apply the traditional likelihood of confusion factors and the alternative avenues of communication test, basically stating that the Rogers test should apply to all artistic works and eliminating the “title” restriction as supported by the *E.S.S. Entertainment* holding. The court also mentioned that it could draw the line on later cases between expressive and non-expressive video games, this having the potential to limit Rogers. *Id.* at 1241. However, the same Court in *In re NCAA Student-Athlete Name & Likeness Licensing Litigation*, 724 F.3d 1268, 1280-81 (9th Cir.2013), a later case, similarly limited the reach of *Brown* by concluding that the Rogers test should not be imported wholesale to publicity rights, since its true provenance is trademark and false endorsement claims); *University of Alabama Bd. of Trustees v. New Life Art, Inc.*, 683 F.3d 1266, 1278-79 (11th Cir. 2012) (applying Rogers to defendant’s paintings, prints and calendars with plaintiff’s trademarked colors and logos, since relevant to portray Alabama’s football, expanding the scope of Rogers to all kinds of artistic works and not only to parodies, but reversing summary judgment on the question of mugs and ordinary products, since they raised material fact issues); *Mil-Spec Monkey, Inc. v. Activision Blizzard, Inc.*, 2014 WL 6655844 (N.D.Cal., 2014) (applying Rogers to allow defendant’s use in video game of plaintiff’s “angry monkey” design logo to assembly critical mass and realism to war game’s artistic purpose); *Electronic Arts, Inc. v. Textron Inc.*, No. C 12-00118 WHA, Not Reported in F.Supp.2d, 2012 WL 3042668, at *4 (N.D.Cal.,2012) (applying a “soft” version of Rogers to find that the second prong of the test was not respected by defendant’s use [the second prong was merged with neutral confusion factors treated in a more traditional manner]. The Court found that “Textron Trade Dress and Trademarks in the Battlefield 3 Products has created and is likely to continue to create consumer confusion as to the source, affiliation, or sponsorship of the trademarked products in the video games”); *Novalogic, Inc. v. Activision Blizzard*, No. CV 12-4011-JFW (SHx), 2013 WL 8845232, at *11 (C.D.Cal.,2013) (applying Rogers to allow defendant’s use of plaintiff’s “Delta Force” trademark, as well as its logo in video game because it “give users of MW3 a sense of a particularized reality of being part of an actual elite special forces operation and serve as a means to increase specific realism of the game.”); *Cummings v. Soul Train Holdings LLC*, No. 14 Civ. 36(LGS), 2014 WL 7008952, at *6 (S.D.N.Y.,2014) (applying Rogers to allow defendant’s use of plaintiff’s likeness “in” and “on” DVD sets and even on promotional materials); *Burck v. Mars, Inc.*, 571 F.Supp.2d 446, 457 (S.D.N.Y.,2008) (applying Rogers to allow the use of plaintiff’s trademark and logo on defendant’s artistic mural, considered to be noncommercial expression in its totality, even if the mural partially functioned as an advertisement). See also *Tellado v. Time-Life*, 643 F. Supp. 904, 914 (D.N.J. 1986) (the district Court in *Hart* cites this case to support its argument that plaintiff’s photograph on a book’s advertisement would not be protected, whereas use of the photograph “in” the book itself would qualify under First Amendment, regardless of commercial intentions of the book’s publisher).

First Amendment, and the fact that a title attempts to attract public attention with stylized components is irrelevant.”¹¹⁶

Other relevant case is *Starbucks*.¹¹⁷ In this case, regarding the defendant’s argument that his trademark “Charbucks” on coffees was a parody of the trademark “Starbucks”, the Second Circuit, citing the 4th Circuit’s decision in *Vuitton*, wrote:

[Defendant’s] argument may be construed as advocating for consideration of parody in determining the likelihood of dilution by blurring—such as is recognized by the Fourth Circuit—we need not adopt or reject Louis Vuitton’s parody holding. We conclude that Black Bear’s use of the Charbucks Marks is not a parody of the kind which would favor Black Bear in the dilution analysis even if we were to adopt the Fourth Circuit’s rule...

Here, unlike in Louis Vuitton, Black Bear’s use of the Charbucks Marks is, at most, *a subtle satire of the Starbucks Marks*. Although we recognize some humor in “Char”bucks as a reference to the dark roast of the Starbucks coffees, Black Bear’s claim of humor *fails to demonstrate such a clear parody as to qualify under the Fourth Circuit’s rule...* Charbucks parody is *promoted not as a satire or irreverent commentary of Starbucks* but, rather, as *a beacon to identify Charbucks as a coffee that competes at the same level and quality as Starbucks in producing dark-roasted coffees*.

Therefore, because the Charbucks Marks do not effect an “increase [in] public identification [of the Starbucks Marks with Starbucks],” the purported Charbucks parody plays no part in undermining a finding of dilution under the Fourth Circuit’s rule.¹¹⁸

The court’s decision implies that it concurs implicitly with the *Vuitton* holding, but interprets it as to require a *sufficient distance* between the products or consumers so that the parody can properly enhance the *distinctiveness of plaintiff’s mark*: “[M]ore importantly, Charbucks is not a “clear parody” as Black Bear urges because the purported parody designates a product that is in *direct competition* with the products identified with the Starbucks Marks.”¹¹⁹ This decision limits

116. *Rebellion Developments Ltd. v. Stardock Entertainment, Inc.*, Not Reported in F.Supp.2d, 2013 WL 1944888, at*3(E.D.Mich.,2013)(emphasis added)(considering irrelevant under the Rogers test whether defendant’s artistic use functions as a source of origin).

117. *Starbucks Corporation v. Wolfe’s Borough Coffee, Inc.* 588 F.3d 97 (2d Cir. 2009).

118. *Starbucks Corporation*, 588 F.3d at 113.

119. *Id.* at 116. Cf. *Volkswagen AG v. Dorling Kindersley Pub., Inc.*, 614 F.Supp.2d 793,810(E.D.Mich.,2009)(apparently unimpressed with plaintiff’s claim that

direct competitors' ability to market trademark parodies, but seems to indicate that commercial trademark parodies of unrelated products or consumers would be protected by the First Amendment or at least receive a different likelihood of dilution/confusion analysis, facilitating such practices. Even if one questions this reading of the case, it seems that commerciality as such is not more important than freedom of speech.

We can see that even if the courts' approach is very different, it is undeniable that First Amendment plays a very important role in US trademark law. Although one may attempt to justify the direct commercial competitor approach, it becomes very hard to justify trademark rights against T-shirt and coffee mugs related merchandises, as well as commercial-artistic goods, such as books, paintings and music. It also becomes very hard to justify trademark law against non-confusing uses, even commercially motivated, especially for parodies that enhance the distinctiveness of the trademarks they criticize. Furthermore, the expansion of the case law shows that First Amendment applies even to satires or to uses unrelated to the trademark, requiring a heightened likelihood of confusion or a more sensitive likelihood of confusion analysis.

Ultimately, a Court's task is to verify if defendant's use is deceptive. When Courts give too much importance to commerciality over and above confusion, when they manipulate the likelihood of confusion factors to most easily fit the test's positive outcome by having in mind their distasteful regards for defendant's merchandizing, they are in fact acting under misappropriation rationalities. One should recall that to trade-off on plaintiff's goodwill is not itself prohibited, especially when speech interests are at stake. What is prohibited is to trade-off on goodwill by creating deception.

IV. THE EUROPEAN COURT OF HUMAN RIGHTS' MARGIN OF APPRECIATION SCRUTINY TO POLITICAL, ARTISTIC AND COMMERCIAL EXPRESSION

The European Union of today has its roots in the European Communities originally created by the Treaty of Rome¹²⁰ and then later modified by several others. Most notable among these is the Treaty of Maastricht,¹²¹ which created the European Union on the foundation of the European Communities and incorporated, by reference, the European

the *Rogers* test should not apply to a direct competition product – “[...] VW has not identified any case law which precludes the use of the *Rogers* test where the First Amendment use of the mark is in direct competition with the use of the trademark holder.”).

120. EC Treaty (Treaty of Rome, as amended) art 3b.

121. Treaty on European Union (Maastricht Treaty) art G5.

Convention on Human Rights (ECHR).¹²²In 2007 the Treaty of Lisbon amended the Treaty on the European Union and the Treaty establishing the European Community,¹²³ giving the Charter of Fundamental Rights of the European Union¹²⁴ binding force as the primary source of legislation in the EU.¹²⁵ It also permitted the access to ECHR.¹²⁶ Although the application of the Universal Declaration of Human Rights (UDHR)¹²⁷ can be questioned (it does not have binding force in the US, for example, but has in France), regarding ECHR, as Christophe Geiger explain, “[i]n theory and in practice it has been progressively admitted that the provisions of the Convention [on Human Rights] have not only a vertical effect, but also a horizontal effect, and therefore also apply to relationships between individuals.”¹²⁸ The European Court of Human Rights (ECtHR) stated:

... [i]n addition to the primarily negative undertaking of a State to abstain from interference in Convention guarantees, ‘there may be positive obligations inherent’ in such guarantees. The responsibility of a State may then be engaged as a result of not observing its obligation to enact domestic legislation. The Court does not consider it desirable, let alone necessary, to elaborate a general theory concerning the extent to which the Convention guarantees should be extended to relations between private individuals *inter se*.¹²⁹

122. See Convention for the Protection of Human Rights and Fundamental Freedoms as amended by Protocols Nos. 11 and 14 (European Convention on Human Rights, as amended) (ECHR), ETC 5,4.11.1950, p.1.

123. See Treaty of Lisbon amending the Treaty on European Union and the Treaty establishing the European Community, OJ C 306/01, 13.12.2007, p.1.

124. See Charter of Fundamental Rights of the European Union, O.J. C 326/02, 18.12.2000, p.1.

125. See Article 6 (1) of the Consolidated versions of the Treaty on European Union and the Treaty on the Functioning of the European Union: “[T]he Union recognises the rights, freedoms and principles set out in the Charter of Fundamental Rights of the European Union of 7 December 2000, as adapted at Strasbourg, on 12 December 2007, which shall have the same legal value as the Treaties.”

126. See Article 6 (2) of the Consolidated versions of the Treaty on European Union and the Treaty on the Functioning of the European Union: “[T]he Union shall accede to the European Convention for the Protection of Human Rights and Fundamental Freedoms. Such accession shall not affect the Union's competences as defined in the Treaties.”

127. Universal Declaration of Human Rights (10 Dec. 1948), U.N.G.A.Res. 217 A (III) (1948).

128. Christophe Geiger, *Fundamental Rights as Common Principles of European (and International) Intellectual Property Law*, in A. OHLY (ED.), COMMON PRINCIPLES OF EUROPEAN INTELLECTUAL PROPERTY LAW 223–240, 225 (2011); CHRISTOPHE GEIGER, DROIT D’AUTEUR ET DROIT DU PUBLIC À L’INFORMATION (2004).

129. *VgT Verein gegen Tierfabriken v Switzerland* [2002] 34 E.H.R.R. 4, at paras. 46–46.

However, the CJEU applies even the UDHR and the International Covenant on Economic, Social and Cultural Rights (ICESCR)¹³⁰ as guideless integrating the European framework of fundamental rights.¹³¹ Although not expressly cited in the ECHR, the protection of intellectual property can be based on the “property clause” of article 1 of the First Protocol to ECHR¹³² - “[e]very natural or legal person is entitled to the peaceful enjoyment of his possession.” Similarly, article 10(2) of ECHR limits freedom of expression and communication; this could also be seen as a validation of intellectual property as a human right.¹³³ Under article 17(2) of the Charter of Fundamental Rights of the European Union, intellectual property is however explicitly protected as a fundamental right - “[i]ntellectual property shall be protected.” Since the charter is legally binding, it enshrines IP rights in law but subjects them to the rule of proportionality under article 52(1).¹³⁴ Article 52(3) of the Charter describes its relationship to the ECHR - “[t]he meaning and scope of those rights shall *be the same as those* laid down by the said Convention [on Human Rights].” Freedom of expression and its limits are established under Articles 10(1) and (2) ECHR:

1. [E]veryone has the right to freedom of expression. This right shall include freedom to hold opinions and to receive and impart information and ideas without interference by public authority and regardless of frontiers. This Article shall not prevent States from requiring the licensing of broadcasting, television or cinema enterprises.

2. The exercise of these freedoms, since it carries with it duties and responsibilities, may be subject to such formalities, conditions, restrictions or penalties as are prescribed by law and are necessary in a democratic society, in the interests of national security, territorial integrity or public safety, for the prevention of disorder or crime, for the protection of health or morals, for the protection of the reputation or rights of others, for preventing the disclosure of information received in confidence, or for maintaining the authority and impartiality of the judiciary.

130. International Covenant on Economic, Social and Cultural Rights (New York, 16 Dec. 1966) 993 U.N.T.S. 3, entered into force 3 Jan. 1976.

131. Geiger, *supra* note 127 at 227.

132. PAUL GOLDSTEIN & P. B. HUGENHOLTZ, INTERNATIONAL COPYRIGHT: PRINCIPLES, LAW AND PRACTICE 24 (2nd ed. 2010).

133. GEIGER, *supra* note 127 at 48.

134. “[A]ny limitation on the exercise of the rights and freedoms recognised by this Charter must be *provided for by law* and *respect the essence of those rights and freedoms*. Subject to the principle of proportionality, limitations may be made only if they are *necessary and genuinely meet objectives of general interest* recognised by the Union or the need to protect the rights and freedoms of others.”

“[A]rticle 10 applies not only to the content of the information but also to the means of transmission or reception since any restriction imposed on the means necessarily interferes with the right to receive and impart information.”¹³⁵ Drawing from this Article, the ECtHR has established a three-part test to address freedom of expression in general. Any limitation must 1) be proscribed by law; 2) pursue a legitimate end 3) be necessary in a democratic society.

First, the Court examines whether the restriction is *proscribed by law*. The legislator is allowed some *vagueness* where the issues in question are complex and can be subsidized by jurisprudence or public regulations to help interpret the provision.¹³⁶ Secondly, it considers whether the aim of the restriction was *legitimate* under Article 10(2). The Court finds legitimate any interference which protects natural or legal persons, the reputation or rights of others, or even public morals. Merely raising unjustified *suspicions* concerning the *commercial policy* of a company can qualify under the second step. The protection of trademarks is also considered broadly.¹³⁷ Thirdly, the Court considers whether the law is *necessary in a democratic society*.¹³⁸

135. *Neij & Sunde v. Switzerland* [2013] 56 E.H.R.R. SE19 at para. 28.

136. *Markt intern Verlag GmbH and Klaus Beermann v. Germany*, (A/165) (1990) 12 E.H.R.R.161 (upholding the vagueness of the German unfair competition text); *Casado Coca v. Spain* [1994] 18 E.H.R.R. 1 (upholding the Spanish decree of the lawyer’s bar association); *Barthold v. Germany* [1985] 7 E.H.R.R. 383 (upholding veterinary Surgeons’ Council independent rule-making power regarding the veterinary profession); *Nijs, Jansen and the Onderlinge Waarborgmaatschappij Algemeen Ziekenfonds Delft-Schiedam-Westland U.A. v. the Netherlands* (no. 15497/89), 9 September 1992 (upholding the vagueness of Article 13 sub A of the Benelux Trade Mark Act – “[t]he mere fact that a legislative provision may give rise to problems of interpretation does not mean, however, that it is so vague and imprecise as to lack the quality of “law” in this sense”); *Österreichische Schutzgemeinschaft für Nichtraucher and Robert Rockenbauer v. Austria* (17200/90), 2 December 1991 (considering the elastic unfair competition provision of the Austrian Civil Code as applied to a trademark parody to satisfy the first prong). The court formulates this step as follows: “[t]he Court reiterates that a norm cannot be regarded as a ‘law’ within the meaning of Article 10 § 2 unless it is formulated *with sufficient precision to enable any individual – if need be with appropriate advice – to foresee, to a degree that is reasonable in the circumstances, the consequences which a given action may entail*. Those consequences need not be foreseeable with absolute certainty. Again, whilst certainty is desirable, it may bring in its train excessive rigidity and the law must be able to keep pace with changing circumstances. *Accordingly, many laws are inevitably couched in terms which, to a greater or lesser extent, are vague and whose interpretation and application are questions of practice.*’ See *Vtg Verein gegen Tierfabriken*, 34 E.H.R.R. 4 at para. 55 (emphasis added).

137. *Markt intern Verlag GmbH and Klaus Beermann*, (A/165) (1990) 12 E.H.R.R.161 at para. 31 (finding that a news’ article which created from isolated incidents the false appearance that a British company would generally neither deliver products nor reimburse customers enough to qualify as “legitimate end”); *Nijs, Jansen and the Onderlinge Waarborgmaatschappij Algemeen Ziekenfonds Delft-Schiedam-Westland U.A. v. the Netherlands* (15497/89), 9 September 1992 (“[t]he Commission considers that the interference was designed to protect the “rights of others” within the meaning of Article 10 para. 2 (Art. 10-2), namely the rights of Ciba-Geigy as owner of

The tests for political/artistic expression and commercial expression are so far structurally identical, following this three-part analysis. Nonetheless, whether the expression in question is commercial or noncommercial has dramatic implications for the third step.¹³⁹ Step 3 considers the *necessity* of the intervention, which must amount to a *pressing social need* to qualify as legitimate restriction to freedom of expression.¹⁴⁰ In assessing this *pressing social need*, the Court scrutinizes if the measure is *proportionate* regarding the *legitimate aim purpose* of step 2 and if the justifications given by the national courts of the European Union were *relevant* and *sufficient*.¹⁴¹ It is thus a question of *proportionality, legitimacy, relevance* and *sufficiency*. When addressing step 3, however, absent textual indication, the Court has chosen to discriminate between the two categories of commercial and noncommercial expression.

Without explicitly defining the concept of commercial expression, the Court noted in *Vgt Verein* that a particular TV commercial “[i]ndubitably fell outside the regular commercial context *inciting the public to purchase a particular product*.”¹⁴² It follows that if the expression incites others to buy a service or product, it is probably a commercial expression, even though some profit-seeking is allowed to mixed expressions, regardless of inherent profit-seeking nature of the messenger or the message.¹⁴³

the trade mark,” to satisfy the second prong); *Österreichische Schutzgemeinschaft für Nichtraucher and Robert Rockenbauer v. Austria* (17200/90), 2 December 1991 (considering the protection of trademark reputation enough to pass the second prong).

138. J. Steven Rich, *Commercial speech in the law of the European Union: Lessons for the United States*, 51 FED COMM LJ 263, 269 (1998).

139. Maya Hertig Randall, *Commercial Speech Under the European Convention on Human Rights: Subordinate or Equal?*, 6 HUM. RIGHTS LAW REV. 53–86, 55–56 (2006).

140. “[I]t has been pointed out in the Court’s case-law that, whilst the adjective ‘necessary’, within the meaning of Article 10 para. 2 (art. 10-2) of the Convention, is not synonymous with “indispensable”, neither does it have the flexibility of such expressions as ‘admissible’, ‘ordinary’, ‘useful’, ‘reasonable’ or ‘desirable’; rather, it implies a ‘pressing social need’. The Contracting States enjoy a power of appreciation in this respect, but that power of appreciation goes hand in hand with a European supervision which is more or less extensive depending upon the circumstances; it is for the Court to make the final determination as to whether the interference in issue corresponds to such a need, whether it is ‘proportionate to the legitimate aim pursued’ and whether the reasons given by the national authorities to justify it are ‘relevant and sufficient’.” *Barthold*, 7 E.H.R.R. 383 at para. 55.

141. Randall, *supra* note 138 at 56.

142. *Vtg Verein gegen Tierfabriken*, 34 E.H.R.R. 4 at para. 57.

143. The Court has formulated this understanding as follows in *Autronic AG v. Suisse* [1990] 12 E.H.R.R. 485 at para. 47: “[i]n the Court’s view, neither [applicant’s] legal status as a limited company nor the fact that its *activities were commercial nor the intrinsic nature of freedom of expression can deprive [it] of the protection of Article 10 (art. 10)*. The Article (art. 10) applies to ‘everyone’, whether natural or legal persons. The Court has, moreover, already held on three occasions *that it*

Whether commercial expression is misleading also plays an important role, though this could be even further expanded. Restrictions needed to prohibit political and artistic¹⁴⁴ expressions must be “[n]arrowly interpreted and the necessity for any restrictions must be convincingly established,”¹⁴⁵ “[p]articularly where the nature of the speech is political rather than commercial,”¹⁴⁶ “[p]roportionate to the legitimate aim pursued”, “relevant and sufficient”.¹⁴⁷ Nevertheless, restrictions on freedom of *misleading* commercial expression “[o]ught to be afforded a lesser degree of protection than the expression of ‘political’ ideas...”¹⁴⁸ However, even *non-misleading* commercial expression and truthful advertising might be restricted, provided that “[a]ny such restrictions [...] be closed scrutinised by the court...”¹⁴⁹ The category of expression which receives the least protection is thus *misleading* or *deceptive* commercial expression, such as false advertisement or unfair competition.

The *necessity in a democratic society* standard forms also the basis for the Court’s doctrine of *margin of appreciation*. To strike a fair balance between the supervisory powers of the Court and those of the national legislator and national courts, the ECtHR gives the former some discretion when specific law requirements “[vary] from time to time and from place to place, especially in our era which is characterized by a rapid and far-reaching evolution of opinions on the subject [of morals]”¹⁵⁰ or when the “[b]alancing of eventually contradictory interests [under ECHR]... is difficult to do.”¹⁵¹ National courts receive broader

is applicable to profit-making corporate bodies (see the *Sunday Times* judgment of 26 April 1979, Series A no. 30, the *Markt Intern Verlag GmbH and Klaus Beermann* judgment of 20 November 1989, Series A no. 165, and the *Groppera Radio AG and Others* judgment of 28 March 1990, Series A no. 173) (emphasis added). In *Ashby Donald v France* (36769/08), 10 January 2013, not yet final, at para. 34, the court put it clearly “[e]ven when the objective sought is of profitable nature.”

144. *Müller and Others v. Switzerland*, (A/133), 24 May 1988: (1991) 13 E.H.R.R. 212 at para. 27: “Admittedly, Article 10 does not specify that freedom of artistic expression, in issue here, comes within its ambit; but neither, on the other hand, does it distinguish between the various forms of expression. As those appearing before the Court all acknowledged, it includes freedom of artistic expression - notably within freedom to receive and impart information and ideas - which affords the opportunity to take part in the public exchange of cultural, political and social information and ideas of all kinds.”

145. *Thorgeirson v. Iceland* [1992] 14 E.H.R.R. 843, para. 63.

146. *Vtg Verein gegen Tierfabriken*, 34 E.H.R.R. 4 at para. 66.

147. *Vtg Verein gegen Tierfabriken*, 34 E.H.R.R. 4 at para. 32.

148. *X and Church of Scientology* [1979] 16 DR 68 at para.79 (finding that the commercialization of the device *E-meter* by the Church of Scientology coupled with an advertisement could be restricted as its nature was commercial and misleading).

149. *Casado Coca* 18 E.H.R.R. 1 at para. 51.

150. *Handyside v. United Kingdom* (A/24)(1979-80) 1 E.H.R.R. 737. See also Brudney, *supra* note 47 at 180–181.

151. *Ashby Donald v France* (36769/08), 10 January 2013, not yet final, at para. 40 (free translation from French).

margin of appreciation for commercial than for political expression. Consequently, “[m]argin of appreciation is reduced, since what is at stake is not a given individual’s purely ‘commercial’ interests, but his participation in a debate affecting the general interest.”¹⁵²In particular, national courts and legislators have higher margin on commercial expression cases which deal with regulations covering misleading, damaging advertisings and unfair competition, since they embody largely divergent practices between states: “[s]uch a margin of appreciation appears essential in commercial matters, in particular in an area as complex and fluctuating as that of unfair competition”¹⁵³ or “[e]specially in an area as complex and fluctuating as that of advertising.”¹⁵⁴Thus, *diverseness* and *deceptiveness* are elements that boost not only margin of appreciation of national courts but also *commerciality*. Because commercial expression can be misleading or damaging and is not treated uniformly within the EU, the Court assess only whether the measure is “[j]ustificable at principle and proportionate,”¹⁵⁵ not applying its *narrowness*, *convincingness*, *relevance* and *sufficiency* standards, which are normally considered in political expression cases. This essentially means that the Court will not generally exercise its power over national courts in commercial cases. Nevertheless, even for such cases, “[p]ower of appreciation goes hand in hand with a European supervision which is more or less extensive *depending upon the circumstances*; it is for the Court to *make the final determination as to whether the interference in issue corresponds to such a need*.”¹⁵⁶For this final determination to occur

152. *Vtg Verein gegen Tierfabriken*, 34 E.H.R.R. 4 at para. 71.

153. *Jacobowski v. Germany* [1995] 19 E.H.R.R. 64 at para 26.

154. *Vtg Verein gegen Tierfabriken*, 34 E.H.R.R. 4 at para. 69.

155. *Casado Coca* 18 E.H.R.R. 1 at para. 50; *Jacobowski*, 19 E.H.R.R. 64 at para. 26; *Markt intern Verlag GmbH and Klaus Beermann*, (A/165) (1990) 12 E.H.R.R.161 at para. 33. See also *Nijs, Jansen and the Onderlinge Waarborgmaatschappij Algemeen Ziekenfonds Delft-Schiedam-Westland U.A. v. the Netherlands* (15497/89), 9 September 1992 (allowing a maximalist protective approach to trademarks, since it narrowly tailored the standard of "proportionate to the legitimate aim pursued" to conform strictly to trademark exceptions under national law. In this particular case, the Commission found no violation of freedom of expression to impose on the medical profession the obligation of prescribing drugs with the original name of the trademarked drug, as opposed to the desire of the medical profession to prescribe drugs only with the name of the generic correlative drug. The Commission found that the Trademark Act imposing such duty was to be protected, since only exceptional cases would require the application of freedom of expression in the area of trademark law, notwithstanding the positive externalists of such expression reducing medical costs of patients and its impact on the health care system. “[T]he Commission notes that the Supreme Court, referring to the Benelux Court's case-law concerning Article 13 sub A of the Uniform Benelux Trade Mark Act, considered that *only under exceptional circumstances a trade mark owner should have to accept certain damage resulting from an unauthorised use of his trade mark*, and that in the present case there *were no such exceptional circumstances*... The Commission agrees with the Government's reasoning.”)(emphasis added).

156. *Barthold*, 7 E.H.R.R. 383 at para. 55 (emphasis added).

“[t]he prohibited declarations must be placed in their *proper context* and *examined in the light of the particular circumstances of the case.*”¹⁵⁷

In their dissent to *Jacobowski*,¹⁵⁸ Justices Walsh, MacDonald and Wildhaber argue that relying too much on the preponderancy of the competitive element to frame the margin of appreciation doctrine would permanently shield unfair competition cases from the Court’s scrutiny.¹⁵⁹ This concern should be taken seriously, since unfair competition, particularly in France, extends even to non-misleading and non-competitive cases. This view is based on the doctrine of “parasitism”, which holds that the non-misleading and non-harmful financial transfer of the image of prestige – if not of something even more abstract – can trigger civil liability for unfair competition.¹⁶⁰

Jacobowski sent mass-mailings to his former clients attacking his ex-employer and inviting them to hire his own business in the same

157. Id at para. 56.

158. Id.

159. Id at para. 78.

160. See YVES SAINT-GAL, PROTECTION ET DÉFENSE DES MARQUES DE FABRIQUE ET CONCURRENCE DÉLOYALE: DROIT FRANÇAIS ET DROITS ÉTRANGERS (1982) w19; Yves Saint-Gal, *Concurrence déloyale et concurrence parasitaire (ou agissements parasitaires)*, 25 RIPIA (1963) (a free French version of this article is available online at <http://www.persee.fr/web/revues/home/prescript/article/ride_00353337_1961_num_13_1_13054> last visited 2 January 2014); Yves Saint-Gal, *Concurrence et agissements parasitaires en droit français et belge*, in LA CONCURRENCE PARASITAIRE EN DROIT COMPARÉ: ACTES DU COLLOQUE DE LUSANNE 133–153 (1982) (Saint-Gal is the author who first proposed and idealized parasitism in his influential article “Concurrence et Agissements Parasitaires”. He has the same importance in France as Frank Schechter has in the US, though he is from Belgium. He states that parasitism applies even in the absence of risk of consumer confusion, in the absence of competitor’s denigration, in the absence of deceptiveness, even to isolated incidents, when a non-competitor seeks to take advantage or to trade-off on the prestige of another’s.). For a critical perspective, see Jacques Huillier, *Le parasitisme parasite-il la propriété intellectuelle?*, 312 GAZETTE DU PALAIS, 2001, at 6 (exploring parasitism’s overreaching capacity as a form of unfair competition which fills all the loopholes of trademark law); JÉRÔME PASSA, TRAITÉ DE DROIT DE LA PROPRIÉTÉ INDUSTRIELLE 958–960 (2009) (criticizing parasitism as fostering anticompetitive practices). For a more balanced and traditional perspective, see Henri Desbois, *CA Paris, 8 déc. 1962, Soc. General Motors Corp. c. Royal Corp.*, RECUEIL DALLOZ, 1963, at 406–411 (nothing that trademark law is not like patent or copyright and has a limited purpose of avoiding consumer confusion. He also refuses to expand unfair competition beyond the classical definition, even to well-know trademarks, against the initial expansion of parasitism); PAUL ROUBIER, LE DROIT DE LA PROPRIÉTÉ INDUSTRIELLE 494–505 (1952) (Roubier is the influential classical trademark and unfair competition scholar in France. He is the responsible for the classification of unfair competition practices and also the idealizer of the *clientele theory*. He notes that unfair competition has a limited purpose and should not be a private right, such as the one covered by property rights); RUDOLF KRASSER, IV LA REPRESSION DE LA CONCURRENCE DÉLOYALE DANS LES ÉTATS MEMBRES DE LA COMMUNAUTÉ ÉCONOMIQUE EUROPÉENNE 198 et seq. (1972) (explaining the beginning of the “bonne renommée” jurisprudence, which expanded trademark protection to well-known marks beyond direct and indirect competition and served as inspiration to Saint-Gal’s parasitism doctrine). However, defending parasitism, see PHILIPPE LE TOURNEAU, LE PARASITISME: NOTION, PREVENTION, PROTECTIONS (2nd ed. 1998).

line of work. The unfairness in this case consisted of Jacobowski's violation of the duty of loyalty, but there are other forms of commercial expression that do not cause material harm to their targets or seek to capture their clients but nonetheless contribute to the perpetrator's business – for instance, T-shirts displaying trademark parodies. If the court only relies on *commerciality* and diverseness to judge unfair competition between states, it risks assigning too much importance to margin of appreciation and not properly scrutinizing mixed expressions.

To avoid this, courts could follow *Casado Coca* in placing more weight on the *deceptiveness* or *falseness* standards to ensure that only misleading commercial expression, or that which is able to harm business, falls under the margin of appreciation doctrine and looser scrutiny. Margin of appreciation should not be dictated by *competitiveness*; rather, it should be guided by *deceptiveness* or *falseness*, such as the dishonest nature of the circular to capture clients for Jacobowski, which was disguised as a defense of his reputation against his ex-employer actions. However, what the court considers to be *commercial competitiveness* blurs the concept of freedom of expression, rendering it incoherent. This can also be seen in *Markt intern*, where the applicant's publication, by falsely generalizing from an isolated incident that an English company would necessarily fail to deliver products or to reimburse customers qualified as unfair competition that served the German industry local interests.¹⁶¹ In the applicant's publication there was an element of *falseness* regarding the generalization of the services of the English company. Though the applicant's publication was indeed false speech, the ECtHR and the German government did not believe that this should be the standard required for margin of appreciation and addressed the question through *commerciality*, as in *Jacobowski*; this made the general protection of commercial expression even more unclear and difficult.

In the end, the ECtHR decided that “[s]tatements made ‘for purposes of competition’ fell outside the basic nucleus protected by the freedom of expression and received a lower level of protection than other ‘ideas’ or ‘information,’”¹⁶² although it agreed that the false generalization was responsible for the unfairness.¹⁶³ Once again the dissenting opinion, this time from Justices Gölcüklü, Pettiti, Russo,

161. *Markt intern Verlag GmbH and Klaus Beermann*, (A/165) (1990) 12 E.H.R.R.161 at para. 18.

162. *Markt intern Verlag GmbH and Klaus Beermann*, (A/165) (1990) 12 E.H.R.R.161 at para. 32.

163. *Markt intern Verlag GmbH and Klaus Beermann*, (A/165) (1990) 12 E.H.R.R.161 at para. 35: “[I]t must also be recognised that an *isolated incident may deserve closer scrutiny before being made public*; otherwise an accurate description of one such incident can give the false impression that the incident is evidence of a general practice.”

Spielmann, De Meyer, Carrillo Salcedo and Valticos warned that the Court was dangerously overemphasizing commerciality:

[W]e find the reasoning set out therein with regard to the “margin of appreciation” of States a cause for serious concern. As is shown by the result to which it leads in this case, it has the effect in practice of considerably restricting the freedom of expression in commercial matters.¹⁶⁴

In *Barthod*, similarly, the lower courts disapproved of the self-praise and disparaging remarks towards competitors included in a journal article written about applicant, a veterinarian who criticized his colleagues for not providing services after 8 p.m. In the journal, his photo, professional address and statements were perceived by the lower courts as violating the ethics of the veterinarians practice and as unfair competition, as he was attempting to attract clients using advertising, which was prohibited to that profession. Again, the lower courts focused on the commercial nature of the article and not on the article’s falseness, leading to a lack of clarity in that which should be considered as the proper standard of margin of appreciation.

However, the ECtHR perceived it as *mixed expression*, deserving *convincing scrutiny*, since “[i]n the particular circumstances this [advertising] effect proved to be altogether secondary having regard to the principal content of the article and to the nature of the issue being put to the public at large.”¹⁶⁵ According to this perspective, if the commerciality of speech is only its secondary purpose then it is “mixed expression”, and, as such, deserves the same scrutiny as political expression. The ECtHR noted that the national court erred as even the “[s]lightest likelihood of their utterances being treated as entailing, to some degree, an advertising effect”¹⁶⁶ and, as such, this framing was not proportional. This means that some profit-seeking situations involving commercial expression, even in the context of competition, may very well be protected. Even if this decision ameliorates the problems of the straightforward commerciality standard of *Jacobowisk* and *markt intern*, still it remains that assessing secondary commercial effect is very difficult, resulting in inconsistency and unpredictability. It would be preferable that the Court focus on the absence of *falseness* in the article,

164. *Markt intern Verlag GmbH and Klaus Beermann*, (A/165) (1990) 12 E.H.R.R.161 (dissenting opinion).

165. *Barthod*, 7 E.H.R.R. 383 at para. 58. However, in *Autronic* 12 E.H.R.R. 485 at para. 61, without engaging with the secondary effects doctrine, the Court went on to stress that the “[s]upervision must be strict, because of the importance of the rights in question; the importance of these rights has been stressed by the Court many times. The necessity for restricting them must be convincingly established.” The court reached this understanding notwithstanding the commercial nature of the message and the commercial nature of the corporation behind the message.

166. *Barthod*, 7 E.H.R.R. 383 at para. 58.

since given the particular circumstances of the case, Dr. Barthold's statements were true and he was not trying to disparage his colleagues, but trying to deliver crucial information. His photo and address as such are not 'false'. Focusing on deceptiveness or falseness, as *Casado Coca* indicates, would solve much of the controversy over mixed and commercial expression, creating a well-defined rule rather than decisions being made *ad hoc*.

In *Stambuck*,¹⁶⁷ the facts were very similar to those of *Barthold*. The German lower court found that Dr. Stambuck infringed the ethical rules of his profession claiming that he had a 100% success rate in treating more than 400 patients with laser eye surgery. According to the German court, since the intent was to attract clients, this qualified as unprotected advertising.¹⁶⁸ However, following very similar logic to *Casado Coca*, the ECtHR emphasized the role of deceptiveness: "[t]he Court recalls that, for the citizen, advertising is a means of discovering the characteristics of services and goods offered to him. Nevertheless, it may sometimes be restricted, *especially to prevent unfair competition and untruthful or misleading advertising*."¹⁶⁹ According to the Court, deceptiveness is especially compelling. Truthful and non-misleading commercial expression must be *convincingly scrutinized*.¹⁷⁰ Instead of engaging primarily with the secondary commercial effect doctrine laid down in *Barthod*, the Court focused on the *absence of deceptiveness*: "[t]he German courts did not find that the applicant's statements in this respect, as reproduced in the article, were incorrect or genuinely misleading the reader as to the necessity or advisability of such intervention."¹⁷¹ Nonetheless, the Court's cites *Barthod*'s secondary effect doctrine, it being impossible to separate commerciality from other information, the expression in question was mixed.¹⁷² Even though the Court cited the secondary effect doctrine, the importance of falseness and deceptiveness took precedence in assessing the protection of commercial expression, as the decision indicates. The *Barthod* decision is quoted to support this argument rather than an argument in its own right.

In *Hertel*,¹⁷³ the German court based its decision on the publication of a scientific article written by Dr. Hertel in collaboration with Mr. Blanc in the Journal Franz Weber, which had potentially discouraging economic consequences for the makers and suppliers of microwave ovens. According to the conclusions – coupled with the disturbing illustration of the Reaper in the journal and Hertel's declaration that microwave ovens were "worse than the Dachau gas

167. *Stambuck v. Germany* [2003] 37 E.H.R.R. 42.

168. *Stambuck*, 37 E.H.R.R. 42 at paras. 12 and 13.

169. *Id* at para. 39 (emphasis added).

170. *Id* (quoting *Casado Coca*).

171. *Id* at para. 47 (emphasis added).

172. *Id* at para. 49.

173. *Hertel v. Switzerland* [1999] 28 E.H.R.R. 534.

chambers” – the ovens would lead to altered blood and symptoms similar to those presented at the early stages of cancer. Because the German court found the conclusions questionable scientifically and because they could objectively affect the market of microwaves and denigrate microwave makers and suppliers, it untimely found unfair competition, even though there was no competition and proof of damages.¹⁷⁴The ECtHR, however, disagreed with the German court, finding that margin of appreciation did not apply, as it is “[n]ecessary to reduce the extent of the margin of appreciation when what is at stake is not a given individual’s purely ‘commercial’ statements, but his participation in a debate affecting the general interest, for example, over public health.”¹⁷⁵

The court next distinguishes *Hertel* from *markt interim* and *Jacobowisk*, basing its reasoning on the subject matter of the speech, which it considers, unlike the latter two, purely commercial.¹⁷⁶This conclusion is unconvincing. In *market interim*, if the applicant had solid research substantiating his claim on the English company’s lack thereof of quality services, why would his expression be less deserving of protection than others? If the ECtHR recognized in *Stambuk* the importance of “[a]dvertising as a means of discovering the characteristics of services and goods offered”,¹⁷⁷ would it not also be important to protect the accuracy of information of general interest to consumers? Would denouncing companies on questions of services and products then be prohibited?

Focusing on the subject matter of the expression is not a good approach and will lead to inconsistent judgments. Instead, as already argue above, the Court should focus on the *deceptiveness* or *falseness* of the expression to strike a correct ruling on margin of appreciation. Furthermore, in *Hertel*, the Court seems to insinuate that the *particular way the circulation of the expression takes place*, the *particular kind of reader* of the expression, and the *absence of clear damages* might be factors to support the commercial expression’s validity.¹⁷⁸

In *Ashby*, the court summarizes its commercial expression doctrine as follows:

174. *Hertel*, 28 E.H.R.R. 534 at para. 21.

175. *Id* at para. 47.

176. *Id*.

177. *Stambuk*, 37 E.H.R.R. 42 at para. 39.

178. *Hertel*, 28 E.H.R.R. 534 at para. 49: “[i]t must nevertheless be noted that the periodical is not general in content since it deals in particular with environmental and public-health issues and is distributed almost entirely by subscription; it therefore has, in all likelihood, a specific readership such that the impact of the ideas it contains should be limited. Indeed, that was the view of the President of the Vevey District Court (see paragraph 17 above). The Court also notes that in the present case it was not alleged that the publication in issue had a measurable effect on the sale of microwave ovens or caused actual damage to the members of the MHEA.”

[T]he margin of appreciation of contracting states varies in function of several elements, considering that the type of ‘discourse’ or the information in cause has a particular importance... the contracting states dispose of a large margin of appreciation to regulate freedom of expression in the commercial domain... this must be considered in perspective when it is not at stake a *strict* ‘commercial’ expression of a given individual, but his participation in a debate of general interest.¹⁷⁹

The Court continues to focus on commerciality, broadly constructed as ‘subject matter’ and ‘type’ of discourse, as evidenced by the above quotation from *Hertel*. Should the adjective “strict” in the above passage, however, be understood as meaning simply commercial subject matter, the secondary effect doctrine or should it mean something else? In *Ashby*, applicants took photographs of a fashion show organized by prestigious labels, violating both the copyright and the agreement of exclusivity of both the French Federation of Fashion and fashion labels to publish the photographs without financial gain. According to the ECtHR, because the only way of accessing the photos in defendant’s website was by previous remuneration, limiting the reach of such a commercial discourse would not amount to a *debate of general interest*.¹⁸⁰ The adjective ‘strict’ was therefore constructed regarding the way the message was delivered, not the secondary effect doctrine or the subject matter of the discourse, which must also warrant due consideration. Next, the Court states that when two rights are protected by ECHR (copyright v. freedom of expression) and it is difficult to balance them, the national courts should have a broad margin of appreciation.¹⁸¹ However, Geiger and Izyumenko write that the rulings in *Ashby* and *Neij* “[h]eld that use of copyrighted work can be considered as an exercise of the right to freedom of expression, even if the use qualifies as infringement and its profit-motivated” and that “any copyright enforcement measure with Article 10... needs to be evaluated on a case-by-case basis and that freedom of expression might be used in the future by courts to redefine the boundaries of exclusivity.”¹⁸² In fact, the ruling is quite revolutionary, since as it relates to copyright and not trademark in particular, it has been immune in the US from First Amendment

179. *Ashby Donald v France* (36769/08), 10 January 2013, not yet final, at para. 39 (free translation from French).

180. *Ashby* (36769/08), 10 January 2013, not yet final, at para. 39.

181. *Ashby* (36769/08), 10 January 2013, not yet final, at para. 39. See also *Neij* 56 E.H.R.R. SE19 at para 11 (distribution of materials protected by IP through torrent file sharing platform deserves broader margin of appreciation).

182. Christophe Geiger & Elena Izyumenko, *Copyright on the Human Right’s Trial: Redefining the Boundaries of Exclusivity Through Freedom of Expression*, 316, 316 45 IIC (2014).

scrutiny.¹⁸³ ECtHR reshapes this reality by saying that even an illegal and profit-motivated use of a copyrighted work can qualify under freedom of expression in some cases, though overcoming the hardships of margin of appreciation will be very difficult, challenging at least.

Even in non-misleading cases of commercial expression, such as *Casado Coca*, where he advertised his practice as a lawyer, the Court placed general emphasis on *diverseness* to uphold margin of appreciation, simply because advertising differed between states.¹⁸⁴ In *Stambuck*, however, the Court found *diverseness* not sufficient enough to sustain margin of appreciation.¹⁸⁵ The decisions of the Court seem rather *ad hoc* and arbitrary. Unlike in the US, the reach of freedom of expression to commercial expression is shorter in ECtHR's jurisprudence.

The European Commission on Human rights tackled trademark parody in an old 1990s case, giving an extremely restrictive interpretation of article 10 of the ECHR, which is clearly inconsistent with *Hertel*, *Stambuck* and *Barthod*. In *Österreichische Schutzgemeinschaft für Nichtraucher and Robert Rockenbauer v. Austria*, the Commission considered that a political caricature of the 'Camel' trademark to protest and alert the public against the evil implications of cigarettes to health would not be protected, since the caricature disparaged the product and the 'Camel' trademark, giving an extensive margin of appreciation to national courts. Applicants sold posters, pamphlets and stickers with the slogan "ONLY A CAMEL WALKS MILES FOR A CIGARETTE" ("NUR EIN KAMEL GEHT MEILENWEIT FÜR EINE ZIGARETTE"), depicting a skeleton riding a camel, countering Camel's overly branded slogan "I'd walk a mile for a Camel." In German, the word "Kamel" also denotes a person acting in a foolish or stupid manner.

The Commission agreed with the Austrian Supreme Court that the selection of the particular "Camel" brand to protest against tobacco was unlawful, since it was chosen in detriment of other marks, thus making it suffer all the hurdles of representing the entire category. This would "disparage" the mark, unduly discriminating it. The Commission also reasoned that the purpose of the caricature was not only to inform, but that it distorted Camel's trademark. Such vague justifications were considered sufficient to uphold the margin of appreciation. There was no commercial/noncommercial distinction or discussion.

However, if one contrasts this case with *Hertel*, which deemed lawful the use of the Reaper and of the wording "worse than the Dachau

183. For comments, see Melville B. Nimmer, *Does copyright abridge the first amendment guarantees of free speech and press*, 17 UCLA REV 1180 (1969); David McGowan, *Why the First Amendment Cannot Dictate Copyright Policy*, 65 U PITT REV 281 (2003).

184. *Casado Coca*, 18 E.H.R.R. 1 at para. 55.

185. *Stambuck*, 37 E.H.R.R. 42 at paras. 40 and 41.

gas chambers” to criticize micro-ovens suppliers, and with *Barthold’s* secondary effect doctrine, it is clear that the political element of the parody went far beyond the mere economic motivations of the speaker. It should be considered a mixed and predominantly political expression, meriting careful scrutiny, particularly because it was not misleading.

Furthermore, there was a substantive correlation between the use of the trademark and the criticism envisioned. If one takes the reasoning of the court seriously, satires as well as clear parodies would be forever prohibited. No one would be able to choose between the most representative marks of a particular market to criticize the business practices in that segment, since this would always constitute “disparaging.” It is precisely the attractive and representative strength of a mark in a given market that makes even logical its use. Additionally, the choice of using the German word “Kamel” had a particular relation to the connotation of the word – a foolish person who would walk miles to buy that which would kill him slowly.

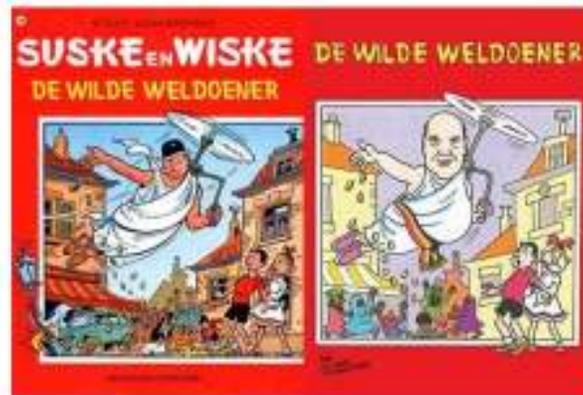
It is not the roll of trademark to control political expression; the roll of trademark is to prevent consumer confusion. Trademark is not a property right in gross; it does not create incremental incentives or innovation directly, as patent and copyright supposedly do. Trademark protection last forever and there is no “public domain,” which blocks free expression uses and affects negatively such balance. Trademark is a tool to reduce search costs of information, allowing for the consistence of products’ quality, not a monopoly to shield companies from criticism in the corporate arena, particularly in sensitive areas of health care. If the owner of the trademark has the right to mislead the public through advertisements that his product is good for the public’s health, why would a particular individual be prohibit from using such symbol to show the opposite true?

Finally, this case would be incompatible with *Johan Deckmyn’s* decision.

V. THE DECISION OF THE CJEU IN *JOHAN DECKMYN V. HELENA VANDERSTEEN*

In *Johan Deckmyn*,¹⁸⁶ Mr. Deckmyn, the defendant, handed out calendars in which he created a parody of the Mayor of Ghent, in Belgium, using as inspiration the cover of the comic book *Suske en Wiske* “De Wilde Weldoener” (which may roughly be translated as “The Compulsive Benefactor”). On the cover page of those calendars appeared the drawing at issue:

¹⁸⁶ Case C-201/13, *Johan Deckmyn v. Helena Vandersteen* [2014] OJ 2015 C16/3.



The main figure in the picture was replaced by the Mayor of the City of Ghent and the people picking up the coins were replaced by people wearing veils and “people of color”. The heirs of Vandersteen, the original author of the comic book’s cover, filed suit against defendant claiming copyright infringement. The CJEU first decided that the concept of parody is autonomous at the European Union level and it is not affected by national law provisions, even though the adoption of the parody exception, as codified in the *Directive on Certain Aspects of Copyright and Related Rights in the Information Society*, was only optional for member states legislators.¹⁸⁷ The Court went on to force further harmonization, making the defense mandatory at European level, even for member states that do not adopt the exception.¹⁸⁸

The Court ruled that the legal concept of parody must take into account the words “[u]sual meaning in everyday language, while also taking into account the context in which it occurs and the purposes of the rules of which it is part.”¹⁸⁹ Into these different guidelines one can read, especially concerning the word “context”, an already existent differentiation of categories of expression, such as the EctHR’s political/artistic/commercial classification. For instance, if the context of the parody is political, as in the present case, it should receive the greatest protection, but if it is commercial, another form of protection should apply, as we shall see bellow.

Next, the Court pointed out that to qualify as a parody exception, the work must satisfy two standards: 1) to evoke an existing work while being noticeably different from it; and 2) to constitute an expression of humor or mockery.¹⁹⁰ A traditional interpretation of the first standard

187. See Directive 2001/29/EC of the European Parliament and of Council of 22 May 2001 on the harmonization of certain aspects of copyright and related rights in the information society, OJEC L 167/10, 22.06.2001, Article 5(3)k.

188. *Johan Deckmyn*, OJ 2015 C16/3 at paras. 15-16.

189. *Id* at para. 19.

190. *Id* at para. 20.

would seem to signalize the need of satisfactorily communicating the parody. This has traditionally meant that there must be no question on whether the parody is from a different source than the original author – if there is the likelihood of confusion or not. Interestingly enough, that is not the interpretation the Court takes on the first standard. It disagreed with the plaintiff, the Belgium Government and the Commission that to be valid a parody must “[r]easonably be attributed to a person other than the author of the original work itself.”¹⁹¹ This holding suggests that even a parody from an unclear source might be protected. As we shall see ahead, this standard is potentially protectable by fundamental rights, since some level of confusion can be tolerated to protect those guarantees. This interpretation might bear some resemblance to *Rogers v. Grimaldi* “explicitly misleading” prong, discussed above. However, in the case of overwhelming confusion, ECtHR’s jurisprudence can override this interpretation, as exemplified by misleading unfair competition cases. Thus, when the CJEU says that a parody must be noticeably different from the original, it may be referring to the differences between the original and the parody *inter se*, in particular exaggeration or stylization. The more the details of the works differ, the greater the likelihood of the parody being protected, which can be similar to the transformative prong in the US *fair use* defense.

The second standard is somewhat clumsier as it implies the need for a joke or mockery, excluding non-humorous criticism from the concept of parody. Here, of course, fundamental rights and the jurisprudence of the ECtHR can be applied to fully correct this limitation, as demonstrated below. Even if the Court restricts the concept, on one hand, requiring mockery, it broadens it on the other hand. The court, disagreeing with the plaintiff, also ruled that a parody, to be valid, does not require the creation of a completely different character or to criticize the original work itself.¹⁹²

This is crucial, since it clearly sets the EU on the opposed course of the United States’. Since the US Supreme Court rendered the “Pretty Woman” decision,¹⁹³ ruling that a valid parody must at some point

191. Id. at para. 21 and 24.

192. Id.

193. *Campbell v. Acuff-Rose*, 510 U.S. 569, 580 (1994) (“[T]he heart of any parodist’s claim to quote from existing material... is the use of some elements of a prior author’s composition to create a new one that, at least in part, *comments on that author’s works*” and the comment must have some “critical bearing on the substance or style of the original composition.” Justice Kennedy explained in his concurring opinion that “the parody must target the original, and not just his general style, the genre of the art to which it belongs, or society as a whole (although it targets the original, it may target those features as well” (emphasis added). Id. at. 597. While parodies can more easily qualify under *fair use*, satires present a greater challenge. Untimely, the question is whether the claimed parody or satire *is perceived* as commenting, to some point, on the original or something related to the original work. Courts disagree, however, if this standard should be more strictly or loosely constructed. See *infra*, note 194.

criticize the original work, a trend of cases had already exclude parodies based on this specific requirement and have continued to do so.¹⁹⁴The Supreme Court created the different concepts of parody and satire. A parody must direct itself to some extent to the original work, while satire uses the original work in other context to criticize different subjects unrelated to the original work. A parody may be protected, while satire will fail protection.¹⁹⁵The CJEU's decision means that even satire will be protected by the parody exception, expanding this type of protection.

194. *Elvis Presley Enters. v. Capece*, 141 F. 3d 188, 199-200 (5th Cir. 1998) (“[T]his court has yet to consider parody in relation to trademark law. However, recently in *Campbell v. Acuff Rose Music, Inc.*, 510 U.S 569 (1994), the Supreme Court considered parody in the copyright context, *which is relevant to the treatment of parody in the trademark context...* Therefore, a parody of a mark needs to mimic the original mark and from this necessity arises the justification for the mimicry, but this necessity wanes when the original mark is not the target of the parody... The Defendants' parody of the faddish bars of the sixties does not require the use of EPE's marks because it does not target Elvis Presley; therefore, the necessity to use the marks *significantly decreases and does not justify the use.*”(emphasis added); *Starbucks Corporation v. Wolfe's Borough Coffee, Inc.* 588 F.3d 97, 113 (2d Cir. 2009)(concluding that because the Charbucks marks were, “at most, a subtle satire” of Starbucks, they did not qualify as a parody or “effect an ‘increase [in] public identification [of the Starbucks Marks with Starbucks]”); *Harley Davidson, Inc. v. Grottanelli*, 164 F.3d 806, 813 (2d Cir.1999)(“...[t]he parody exception does not apply when the purported parody ‘makes no comment’ on the original mark, and ‘simply uses it somewhat humorously to promote [its] own products and services”); *Louis Vuitton Malletier, S.A v. Hyundai Motor America*, No. 10 Civ. 1611(PKC), Not Reported in F.Supp.2d, 2012 WL 1022247, at *17 (S.D.N.Y. 2012) (“[Hyundai] [c]ontends that the basketball design in the ‘Luxury’ ad reflects a broader social comment, one that embodies ‘an effort to challenge consumers to rethink what it means for a product to be luxurious’... Because Hyundai has disclaimed any comment, criticism or parody of Louis Vuitton, the ‘Luxury’ ad does not, as a matter of law, qualify for fair use”). But see *Fortres Grand Corp. v. Warner Bros. Entertainment Inc.*, 947 F.Supp.2d 922, 933 (N.D.Ind.,2013) (applying *Rogers* beyond the context of parodies and to artistic works, which do not need even to criticize the original trademark, such as to allow defendant’s use of plaintiff’s trademark in Batman’s last trilogy movie *The Dark Night Arises* to name the mysterious software capable of deleting criminal records. The Court even expanded the test to cover reverse confusion scenarios)

195. *Walt Disney Productions v. Mature Pictures Corp.*, 389 F. Supp. 1397 (S.D.N.Y. 1975); *MCA, Inc. v. Wilson*, 425 F. Supp. 443 (S.D.N.Y. 1976), aff’d, 677 F. 2d. 180 (2d Cir.1981); *Fisher v. Dees*, 794 F. 2d 432, 436 (9th Cir. 1986); *Dr. Seuss Ent. v. Penguin Books USA, Inc.*, 109 F. 3d 1394 (9th Cir.), cert. dismissed, 118 S. Ct. 27 (1997); *New Line Cinema Corp. v. Bertlesman Music Group*, 639 F. Supp. 1517 (S.D.N.Y. 1988) (ruling that a parody must, to some extent, criticize the original work. In the first case, the court judged that the Disney characters were used by defendant regarding subjects not related to the original work or to Disney. In the last case, the court was not convinced that defendant’s rap criticized the character Freddy Krueger from the movie *Nightmare on Elm Street*). See also *Dr. Seuss Enterprises, L.P. v. Penguin Books USA, Inc.*, 109 F.3d 1394 (9th Cir.1997) (“[A]lthough *The Cat NOT in the Hat!* does broadly mimic Dr. Seuss' characteristic style, it does not hold *his style* up to ridicule. The stanzas have ‘no critical bearing on the substance or style of *The Cat in the Hat*. Katz and Wrinn merely use the Cat's stove-pipe hat, the narrator (‘Dr.Juice’), and the title (*The Cat NOT in the Hat!*) ‘to get attention’ or maybe even ‘to avoid the drudgery in working up something fresh.’”); *Rogers v. Koons*, 960 F.2d 301, 310 (2d Cir.1992)(considering in

The CJEU also held that the exception must be effective to safeguard its purpose,¹⁹⁶ but can be defeated if the parody uses the original work in a discriminatory manner, exemplified by the Mayor's xenophobic parody, sending money only to "people of color".¹⁹⁷ Since political parody should be permitted to push the limits of our sensibilities – in the present case by criticizing the mayor's approach to politics – this is a downside to the decision as well. As we shall see below, a better approach would be to create a content/neutral expression dichotomy, like the one adopted in the US, restricting the reach of trademark to neutral-based limitations, such as confusion, thus disfavoring any view-point

its discussion of parody and satire that defendant must at least in part target plaintiff's work); *Salinger v. Colting*, 641 F.Supp.2d 250, 257 (S.D.N.Y.2009), *rev'd on other grounds*, 607 F.3d 68, (2d Cir.2010) (rejecting the argument that the use of a work to criticize its author constitutes parody under *Campbell*); *Henley v. DeVore*, 733 F.Supp.2d 1144, 1154 (C.D.Cal.,2010) ("[U]nder this analysis, parody of the author would not be achieved merely by the ironic use of the author's works to criticize the author's views (unless, of course, those views are reflected in the work parodied). The would-be parodist that merely criticizes the author's views (and not the author directly) simply lacks adequate justification for using the author's work."); *Metro-Goldwyn-Mayer, Inc. v. American Honda Motor Co., Inc.*, 900 F. Supp. 1287, 1300 (C.D.Cal.,1995)("[H]ere, Plaintiffs contend that the Honda ad is completely commercial in its nature and does not comment on the earlier Bond films. Defendants claim that their commercial is a parody on the action film genre, and further, is more than simply a commercial because of its artistic merit. On balance, Plaintiffs should prevail on this issue...")See, however, *Leibovitz v. Paramount Pictures Corp.*, 137 F. 3d 109, 113 (2d Cir. 1998) (considering a minimalistic threshold: "[W]hether it 'comments' on the original is a somewhat closer question. Because the smirking face of Nielsen contrasts so strikingly with the serious expression on the face of Moore, the ad may reasonably be perceived as commenting on the seriousness, even the pretentiousness, of the original... would serve as a sufficient 'comment' to tip the first factor in a parodist's favor.); *Mattel, Inc. v. Walking Mountain Productions*, 353 F.3d 792, 801 (9th Cir. 2003) ("[T]he original work need not be the sole subject of the parody; the parody 'may loosely target an original' as long as the parody 'reasonably could be perceived as commenting on the original or criticizing it, to some degree.'"); *Bourne Co. v. Twentieth Century Fox Film Corp.*, 602 F.Supp.2d 499, 507 (S.D.N.Y.2009) (accepting the "parody-of-the-author" argument when analyzing defendant's work); *Burnett v. Twentieth Century Fox Film Corp.*, 491 F.Supp.2d 962, 968–69 (C.D.Cal.2007)("[i]t is immaterial whether the target of [the defendants'] 'crude joke' was Burnett, the Carol Burnett show, the Charwoman, Carol's Theme Music or all four.").

196. *Johan Deckmyn*, OJ 2015 C16/3 at para. 22. See also *Opinion of Mr Advocate General Jääskinen delivered on 9 December 2010. L'Oréal SA and Others v eBay International AG and Others* [2011] ECR0 at para 48 and n.23 ("[t]he abovementioned limitations and restrictions are necessary to uphold freedom of commerce and competition which requires that distinctive signs and linguistic expressions are available for businesses for labeling goods and services, that the trade mark proprietors cannot prevent legitimate commercial and non-commercial use of the protected signs and that freedom of expression is not unduly restricted... In so far as the legal protection of trade marks with a reputation as brands is enhanced it becomes more and more important to ensure that freedom of expression relating to parody, artistic expression and critique of consumerism and mockery of life styles related to it is not unduly hampered. The same applies to debate over the quality of goods and services.") (emphasis added).

197. *Johan Deckmyn*, OJ 2015 C16/3 at paras. 29-31.

approaches. As the French *Cour de cassation* has suggest, content-based restrictions should be judged under tort liability or other remedies outside trademark law.

Next, we apply the ECtHR and CJEU decisions to French cases to determine the possible outcomes. This analysis will be necessarily speculative and abstract, considering both cases that proceeded and followed the Lisbon Treaty, imagining that the direct application of fundamental rights between private parties was required all along. The reasoning is hypothetical and only conveys one possible, though tenable interpretation of the case law. Although much has been written on the subject of trademarks and freedom of expression,¹⁹⁸ to our knowledge, only a few authors have attempted to link commercial expression doctrine and trademark infringement in the EU.¹⁹⁹

VI. THE APPLICATION OF THE COMMERCIAL AND NONCOMMERCIAL EXPRESSION DICHOTOMY TO TRADEMARK CASE LAW

To date, as there is no case law from the ECtHR, General Court or OHIM covering freedom of expression and trademark parody infringement,²⁰⁰ this section will analyze the French case law on the subject and consider whether the decisions so far are compatible with the

198. See Christophe Geiger, *Trade Marks and Freedom of Expression - The Proportionality of Criticism*, 317 38(3) IIC (2007); Christophe Geiger, *Marques et droits fondamentaux*, in GEIGER AND SCHMIDT-SZALEWSK (EDS.) LES DÉFIS DU DROIT DES MARQUES AU XXI^E SIÈCLE: ACTES DU COLLOQUE EN L'HONNEUR DU PROFESSEUR YVES REBOUL 163–176 (2011); Joanne K. Box, *Trade mark law and the threat to free speech*, 4 I.P.Q., 289 (2012); Mohammad Amin Naser, *Trademarks and Freedom of Expression*, 40(2) IIC 188 (2009); Robert Burrell & Dev Gangjee, *Trade marks and freedom of expression - a call for caution*, 41(5) IIC 544 (2010); Wojciech Sadurski, *Allegro without Vivaldi: trademark protection, freedom of speech, and constitutional balancing*, 8(3) E.C.L. REVIEW 456 (2012); Emmanuel Baud and Stéphane Colombet, 'La Parodie de Marque: Vers une Érosion du Caractère Absolu des Signes Distinctifs?' 23 RECUEIL DALLOZ, 227 (1998); Bernard Edelman, *Vers une reconnaissance de la parodie de marque*, 3 RECUEIL DALLOZ, 259 (2001); Vincent Ruzek, *La parodie en droit des marques*, 4 PROPRIÉTÉ INDUSTRIELLE, étude 11 (2005); Julien Canlorbe, *Contrefaçon de Marque – Usage Illicite de Marque*, FASC. 7513 JURISCLASSEUR MARQUES, DESSINS ET MODELES, A,1,c (2010).

199. For example, Ilanah Simon Fhima, *Trade marks and free speech*, 44(3) IIC 293 (2013).

200. “[T]he CJEU has not used free speech instruments to interpret the scope of infringement. This is perhaps surprising considering the huge expansion of the scope of trade mark protection introduced by the Trade Mark Directive and CTM Regulation, to include infringement where the parties' goods or services are not similar, and where the junior use does not confuse consumers. It can be contrasted with the position in the US, where the introduction of protection against dilution caused the courts to reconsider the balance between trade mark law and free speech.” *See Id.* at 303.

main standards laid down by the commercial expression doctrine of the ECtHR and its comparison to American case law.

Central to French trademark cases is the notion that a defendant's use of a trademark must not risk confusing consumers, regardless of the nature of the use.²⁰¹ We already see a difference

201. See *Sté. Factofrance Heller v. B*, Tribunal de grande instance (hereafter TGI) de Paris, 3rd Chamber, 3rd Section, 12 of July 2002, JurisData & cours suprêmes 2002.228359 (reproduction of the trademark *FACTO* in the domain name *FACOCIC* found to create a risk of consumer confusion and defense of parody rejected); *Sté. Prisma Presse v. Walter Jond*, TGI Paris, 3rd Chamber, 2nd Section, 5 July 2002, JurisData & cours suprêmes 2002.183109 (reproduction of the trademark *GALA* in the defendant's website found to trigger risk of confusion and parody defense rejected); *Sté. Automobiles Citroën v. Canal Plus*, Cour de cassation (hereafter Cass.), Plenary Assembly (*Assemblée Plénière*), 12 July 2000, n° 99-19.004, JCP G 12-13, n° 7.10 (satiric broadcast of a TV Chanel using plaintiff's trademark found not to create any risk of confusion and parody defense accepted); *Sté. Gado Sri and Sté. Dolce & Gabbana Sri v. Sté. Pathe Distribution and Sté. Pulsar Productions*, TGI Paris, 3rd Chamber, 3rd Section, 11 Jun 2010, available at <darts-ip.com> (use of *DOLCE & GABBANA DISCOUNT* trademark on the T-shirt of a character in the movie *Camping 2* found not to infringe in the absence of trademark confusion); *Pagotto v. Gallopin*, TGI Paris, 3rd Chamber, 2nd Section, 24 March 2000, JurisData & cours suprêmes 2000.114372 (reproduction of the character *Calimero* and of the trademark *Calimero* in a sadomasochist website found to trigger risk of consumer confusion and parody defense not accepted regarding both claims of *droit d'auteur* and trademark infringements); *Sté. International Herald Tribune v. Sté. Fortant de France*, Cour d'appel (hereafter CA) de Paris, 4th Chamber, 11 March 1991, JurisData & cours suprêmes 1991.020821 (use of plaintiff's trademark in defendant's newspaper found to trigger risk of confusion and defense of parody not accepted); *Belfond*, CA Paris, 13th Competition Chamber, Section A, 2 May 1989, JurisData & cours suprêmes 1989.023327 (use of plaintiff's trademark to create a lottery game in defendant's website found to trigger risk of confusion and parody defense not accepted); *Sté. Burroughs Picha v. Sté. Valiza Films*, TGI Paris, 3 January 1978, JurisData & cours suprêmes 1978.761362 (defendant's use of plaintiff's Tarzan trademark in the movie *tarzoon la honte de la jungle* found to be a valid parody given the absence of risk of confusion); *SA Sté. de Conception de Presse et d'Édition (SCPE) v. SARL Jalons Editions and SARL Cogenor*, CA Paris, 5th Pôle, 2nd Chamber, 21 September 2012, n° 10/11630, JurisData & cours suprêmes 2012.021857 (defendant's parody 'FIENTREVUE' of the trademark 'ENTREVUE' found to be a protected parody in the absence of trademark confusion); *S.A.S. Management Europe Meeting (MEM) v. S.A.S. Sony BMG Music Entertainment France and Christophe Durier*, TGI Nanterre, 1st Chamber, 6 September 2007, n° 07/03985, confirmed by CA Versailles, 12th Chamber, 2nd Section, 5 March 2009, n° 07/07569, available at <<http://www.darts-ip.com>> (finding the use of the sentence "Le produit de l'année", alluding to plaintiff's trademark "Elu produit de l'année Grand Prix Marketing Innovation" on CDs and to name one of the songs of the album to be protected by freedom of expression, given the absence of risk of confusion and parasitism); *Louvre Hotels v. Sté 1633*, CA Versailles, 1st Chamber, 1st Section, 28 September 2006, n° 05/04741, available at <<http://bu.dalloz.fr>> (mention of plaintiff's trademark *CAMPANILI* in the magazine *Newlook* parodying Paris Hilton found to be protected in the absence of risk of consumer confusion); *Sté. Ferrari Spa v. Sté. Take Two Interactive Software, Inc. and others*, CA Paris, 5th Pôle, 2nd Chamber, 21 September 2012, n° 11/00654, available at <bu.dalloz.fr> (use of Ferrari's logo on one of the cars in the video game *GRAND THEFT AUTO (GTA)* found to be permitted on the grounds of freedom of expression and absence of trademark risk of consumer confusion); *Fédération Française de Tennis (FFT) v. Sté. Schweppes France and others*, CA Paris, 4th Chamber, Section A, 10 October 1989, n° 88-016619, available at <bu.dalloz.fr> (use

between this and the expansion of the *Rogers v. Grimaldi* to titles and other artistic works, where US courts accept some risk of trademark confusion to sustain First Amendment interests.

The most notable case which could contradict this notion in France is *Moulinsart*,²⁰² where the court found that defendant's expressive use of the famous trademarked character "Tintin" on his books titles *Tintin à Baker Street* and *Tintin au pays des polares* would be prohibit as they risked trademark confusion. Under the US *Riley* factors, however, intertwined commercial and noncommercial speech should receive full First Amendment protection if the totality of the work is noncommercial. Under *Virginia Pharmacy's* classical definition of commercial speech, a book's title would propose more than a commercial transaction. However, the application of the *Rogers* test to competing misleading titles was not accepted even in *Rogers v. Grimaldi*,²⁰³ and as pointedly notes the *Morgen Creeks Production* Court,²⁰⁴ even if the *Riley* factors could expand *Rogers* further to competing misleading titles, it preferred to limit *Rogers* where a trademark is used to compete with plaintiff's trademarked title. Nevertheless, other courts have crossed this line.²⁰⁵ Thus, the question if Tintin's title could have been protected under a combination of *Virginia*

of *Roland Garros'* trademark on an advertising of *Schweppes* prohibited, considering it risked likelihood of consumer confusion even if one could notice parody); *Sté. Moulinsart and Mme. Fanny v. Sté F. Direct and others*, CA Versailles, 12th Chamber, 17 September 2009, n. 8/04297, available at <bu.dalloz.fr> (use of the titles *Tintin à Baker Street* and *Tintin au pays des polares* on parody books depicting the famous character found to be prohibit since they risked consumer confusion with originals').

202. *Moulinsart v. Sté. F. Direct*, *id. supra* at note 200.

203. *Rogers v. Grimaldi*, 875 F.2d at 997-98 (n.5).

204. *Morgan Creek Productions, Inc. v. Capital Cities/ABC, Inc.*, No. CV-89-5463-RSWL(JRX), Not Reported in F.Supp.,1991 WL 352619, at *5 (C.D.Cal.,1991); *Rebellion, LLC v. Perez* (N.D.Cal.2010) 732 F.Supp.2d 883 (finding out that the *Rogers* test demands that defendant's use of the plaintiff's band trademark on title cover of CDs must be of such cultural significance that it has become an integral part of the public's vocabulary. It concluded that defendant could not pass the second part of *Rogers*, as the title was misleading).

205. *See Rebellion Developments Ltd. v. Stardock Entertainment, Inc.*, No. 12-12805, Not Reported in F.Supp.2d, 2013 WL 1944888, at *3 (E.D.Mich., 2013) (refusing plaintiff's argument that defendants' use of plaintiff's trademark as a brand and competing title on a video game package, which defendant also sought to register as a trademark, neither would dispel *Rogers* dual prong application nor would it cut down the reach of the second prong); *Winchester Mystery House, LLC v. Global Asylum, Inc.*, 210 Cal.App.4th 579, 592, 148 Cal.Rptr.3d 412 (Cal.App. 6 Dist.,2012)(rejecting plaintiff's argument that defendant's use of plaintiff's word trademark, as well as plaintiff's Winchester Mystery house trademarked image on defendant's cover movie would defeat the *Rogers* test. The Court reached this conclusion despite the fact that plaintiff had licensed its trademark rights to other filmmaker. The Court found that *Rogers* does not only apply to transcendent and iconic cultural trademarks, but also that competing titles must be *explicitly* misleading to escape *Rogers*. Therefore, since the use of the trademark and image had some artistic relevance to defendant's movie and plaintiff could not show that the title was explicitly misleading, *Rogers* controlled the case)

Pharmacy, Rogers and Riley's intertwined speech doctrine is an open and difficult question to answer. If one considers CJEU's statement that a parody does not need to "reasonably be attributed to a person other than the author of the original work itself" – a statement that does seem to tolerate some level of likelihood of confusion – this reasoning could be reconciled even with a combination of *Rogers* as expanded by the *Riley* factors, provided that confusion is not particularly compelling.

Furthermore, there are two ways this case could be interpreted under ECtHR jurisprudence, which is still ambiguous regarding the proper separation of the categories of commercial and noncommercial expressions. If one applies *VgT* and *Hertel* findings, even an expression in a commercial context can be treated as noncommercial if the commercial element "[r]eflect[s] controversial opinions pertaining to modern society in general and also lying at the hearth of various political debates"²⁰⁶ or a "debate affecting the public general interest."²⁰⁷ The nature of a book's cover can be seen as transcending mere commercialization and engaging in public debate and therefore as falling under the category of political expression, which would receive closer judicial restraint. One way of interpreting this case is considering the titles as mixed expression, thereby upholding the freedom of artistic expression argument by requiring the demonstration of particularly compelling deceptiveness that outweighed freedom of expression, or alternatively, some proof of trademark harm. This first interpretation would place the ECtHR near *Rogers* as expanded by *Riley's* intertwined doctrine, while the second would be closer to *Hertel*.

On the other hand, if we apply *markt intern* and *Casado Coca* findings, one could consider the expression to be commercial, since *deceiving* and *untruthful commercial expression* would limit the restraint of the court. This loosened scrutiny would be limited to determining whether the restriction of the national court was "[j]ustifiable in principle and proportionate,"²⁰⁸ since the expression on the book cover could be seen as "[l]imited [to] a circle of traders conveying information of a commercial nature."²⁰⁹ The national court's latitude of appreciation, including the interpretation of facts, would be broad, especially since the balancing of two conflicting rights protected under the ECHR gives the national court broad margin of appreciation.²¹⁰ One can consider that the ECtHR's jurisprudence on unfair competition, giving a broad interpretation to the meaning of margin of appreciation would apply *mutandi mutandis* to confusingly commercial trademark parody cases.

206. *Vtg Verein gegen Tierfabriken*, 34 E.H.R.R. 4 at para. 57.
207. *Hertel*, 28 E.H.R.R. 534 at para. 47.
208. *Casado Coca* 18 E.H.R.R. 1 at para. 50.
209. *Markt intern Verlag GmbH and Klaus Beermann*, (A/165) (1990) 12 E.H.R.R. 161 at para. 26.
210. *Ashby Donald v France* (36769/08), 10 January 2013, not yet final, at para. 40.

The only way of avoiding this correlation would be to show that the expression is political, artistic or mixed, since the Court would usually otherwise find that the national court's holding will most often be *proportionate* and *justifiable*.

However, there is a line of French cases that could still not survive the ECtHR's proportionate and justifiable test even considering commercial and untruthful expressions. Those cases, stretching back at least to 2007, can be classified as the "absolutist protection of trademarks," and created a complete immunity from freedom of expression based on the argument that statutory dispositions of the French Code of Intellectual Property do not provide for such an exception concerning trademarks, but only concerning copyright (*droit d'auteur*).²¹¹ On its face, this line of cases seems not only disproportionate and unjustifiable for commercial expression but also

211. *RATP v. Laurent M. et Valentin Lacambre*, TGI Paris, 3rd Chamber, 3rd Section, 21 March 2000, *CCE*, n° 9, September 2000, Comm. 88 (unpleased with the public system of transportation administered by the RATP, defendant registered a domain name to criticize the organization, advertising the dysfunctional nature of the service. According to the decision, a trademark is a sign which possesses intrinsic economic value, capable of covering even this set of facts); *Sté. Facto France Heller v. B.*, TGI Paris, 3rd Chamber, 3rd section, 12 July 2002, *JurisData & cours suprêmes* 2002.228359 (inexistence of the exception of parody to trademarks); *Compagnie Gervais Danone v. ELG Multimedia (Danone case)* TGI Paris, 3rd Chamber, Section 1, 4 July 2001, *JurisData & cours suprêmes* 2001.217923 (inexistence of trademark parody exception to defendant's use of the logo DANONE in a website); *Sté. Pernod Ricard v. Verfaillie*, TGI Paris, 3rd Civil Chamber, 8 January 2002 *JurisData & cours suprêmes* 2002.202542 (defendant's reproduction of the trademarks 'PASTIS 51' and 'RICARD 45 FRANCE LE VRAI PASTIS DE MARSEILLE' found to infringe in the absence of trademark parody exception); *S.A Pernod Ricard and S.A Ricard v. Sarl Transfert Creations*, CA Chambéry, Commercial Chamber, 23 January 2007, n° 06/00449, available at <<http://bu.dalloz.fr>> (denying the possibility of a trademark parody on T-shirts in the absence of statutory exception); *Sté. RJ Reynolds Tobacco and others v. Comité national contre le tabagisme*, CA Paris, 1st Chamber, Section A, 28 January 1992, *Recueil Dalloz* 1992.127, confirmed by Cass, Commercial Chamber, 21 February 1995, n° 92-13.688, *JurisData & cours suprêmes* 1995.000327 (considering unlawful the claim of freedom of expression to lay critics within an anti-tobacco campaign using plaintiff's trademark); *Sté. International Herald Tribune v. Sté. Fortant de France*, CA Paris, 4th Chamber, 11 March 1991, *JurisData & cours suprêmes* 1991.020821 (using plaintiff's trademark in a newspaper to criticize the inauguration of a power plant found to infringe, since there was no parody exception to trademarks); *Gallimard v. Flammarion*, TGI Paris, *Formation des référés* 21 May 1990 *JurisData & cours suprêmes* 1990.041877 (parody of the trademark 'NRF' found to infringe plaintiff's rights in the absence of trademark exception by substituting the 'NRF' anachronism for 'BDF' and 'BIBLIOTHEQUE DE LA SECURITATE' for 'BIBLIOTHEQUE DE LA PLEIADE' to satirize Eléna Ceausescu's work); *Everzard*, CA Paris, 13th Chamber, Section A, 20 September 1989, *JurisData & cours suprêmes* 1989.027315 (possibility to claim trademark parody on defendant's garments prohibited, given the inexistence of statutory exception); *Sté. Hasbro v. L'Association U.N.E.F.C.*, CA Paris, 4th Chamber, Section A, 31 October 2001, *Gazette du Palais*, 16 May 2002, n° 136.28 (impossibility to claim trademark parody, even through a campaign to defend the health of teenagers, since no statutory exception available).

clearly violating the principle of judicial restraint on noncommercial expression. For example, in *Sté International Herald Tribune v. Sté Fortant de France*,²¹² the Paris Court of Appeal ruled that using the plaintiff's trademark in a newspaper to criticize the inauguration of a power plant infringed on said trademark, as parody exceptions applied only to copyright. This straightforward and simplistic analysis, which did not even consider the possibility of constitutional restraint concerning trademark law, even though a newspaper cover might very well qualify as noncommercial, could potentially violate Article 10(2) of the ECHR. The 'absolutist' line of cases becomes even more severe in *Sté Hasbro v. L'Association U.N.E.F.C.*,²¹³ where the Paris Court of Appeal ruled against a campaign defending the health of teenagers, notwithstanding the absence of denigration or confusion, as parody was not a valid defense for trademark infringement. This is a clear case of political expression incompatible with the ECtHR jurisprudence. Likewise, in *SA Pernod Ricard and SA Ricard v. Sarl Transfert Creations*,²¹⁴ the pre-emptive prohibition of a trademark parody on a T-shirt, even if it might qualify as commercial expression, could very well violate article 10(2), since in the case of truthful commercial expression, constitutional restraint is stronger than in misleading cases and the necessity of a careful and convincing analysis is required. Bluntly prohibiting parody without further justification infringes the ECtHR's commercial expression jurisprudence, moreover when misleading commercial expression deserves *proportionate and justifiable scrutiny*. *Ab initio* full exclusion of freedom of expression directly contravenes this principle.

Another sample of cases which can potentially violate Article 10(2) ECHR is the "commercial prohibition" ban on trademark parodies. Under this line, if a defendant profits financially from parody it would be unquestionable illegal. This prohibition, of course, is never explicitly mentioned by the courts, but can be seen between the lines, supporting in some cases a boost in the confusion standards.²¹⁵ Some courts have

212. Id. *supra* at note 200.

213. Id. *supra* at note 210.

214. Id. *supra* at note 210.

215. See *Sté. des Participations du Cea v. Greenpeace France*, TGI Paris, *formation des référés*, 2 August, 2002, JurisData & cours suprêmes 2002.192779 (reproduction of a trademark to be criticized in a website accepted, since no profit-seeking intention); *Caisse Regionale de Credit Agricole v. PONS*, CA Aix en Provence, 2nd Chamber, 3 October 2005, JurisData & cours suprêmes 2005.285206 (finding defendant's domain name <www.sos.victimescréditagricole.org> not to infringe plaintiff's trademark CREDIT AGRICOLE in the absence of any commercialization of products); *Compagnie Gervais Danone v. ELG Multimedia*, CA Paris, 4th Chamber, Section A, 30 April 2003, RG n° 2001/14371 and 2001/17502 (finding the reproduction of Danone's trademark in a domain name permissible under freedom of expression since there was no commercialization of products); *Sté. Esso v. Association Greenpeace France*, CA Paris, 4th Chamber, Section A, 16 November 2005, JurisData & cours suprêmes 2005.288792 (finding Esso's parody trademark 'STOP ESSO', 'STOP E\$\$O' and 'E££O' to protest on behalf of environment and to criticize the company permitted,

regardless permitted it in the absence of confusion, even when the parody was used for commercial gain.²¹⁶ The ban on commercial parodies, in the absence of risk of confusion, could potentially contradict *Casado Coca* and *Hertel*'s findings, since non-misleading commercial expression deserves closer and more thorough scrutiny. It would neither trigger *Ashby's conflicting rights doctrine*, as it is not conflicting to balance freedom of expression with trademark under the Charter when there is no element of confusion or denigration, paramount to trademark law.²¹⁷ Therefore, no broader margin of appreciation should be given to national courts if only "commerciality" is considered. Banning trademark parodies on commercial grounds may not survive ECtHR jurisprudence in the absence of traditional trademark violation. Since the use is not misleading, other requirements, such as harm, should be required to convincingly argue against a commercial parody.

as the website does not commercialize any products competing with plaintiff's); *Sté. des Participations du Commissariat à L'Energie Atomique (SPCEA) v. Association Greenpeace France and Association Greenpeace New-Zealand*, CA Paris, 4th Chamber, Section B, 17 November 2006, available at <darts-ip.com>(finding the use of the trademarks 'A' and 'A Areva' in defendant's website not to constitute trademark infringement, since there was no inducement to buy defendant's products which could amount to "use in the course of trade"); *Sté. Seri Brode v. Sté Procter and Gamble France*, CA Paris, 4th Chamber, Section A, 9 September 1998, n° 96/16711, JurisData & cours suprêmes 1998.024519 (parody of the trademark *Mr. Propre* on commercialized T-shirts with the words *MR QUEEN* and *AXEL IS A REAL BITCH* prohibited, even in the absence of risk of confusion and denigration); *Sté. International Herald Tribune v. Sté. Fortant de France*, *id. supra* at note 210 (trademark use in a newspaper found to infringe for implicit profit-seeking goal); *Fédération Française de Tennis (FFT) v. Société Schweppes France*, *id. supra* at note 200 (prohibition on the commercial use of Rolland Garros' image by boosting risk of confusion factors).

216. *Sté. Gado Sri and Sté Dolce & Gabbana Sri v. Sté. Pathe Distribution and Sté. Pulsar Productions id. supra* at note 200 (use of *DOLCE & GABBANA DISCOUNT*'s mark on the T-shirt of a character in the movie *Camping 2* found not to infringe, since irrelevant to sell the said movie); *Sté. Burroughs Picha v. Sté Valiza Films*, *id. supra* at note 200 (use of Tarzan's trademark in the movie *tarzoon la honte de la jungle* found protected as parody notwithstanding its commercial nature); *SA Société de Conception de Presse et d'Édition (SCPE) v. SARL Jalons Editions and SARL Cogenor*, *id. supra* at note 200 (*FIENTREVUE*'s parody of the trademark *ENTREVUE* found not to infringe notwithstanding its commercial nature); *Sté. Messagerie Lyonnaise de Presse v. Sté. Sonora Media*, CA Paris, 5th Pôle, 1st Chamber, 25 January 2012, JurisData & cours suprêmes 2012.001122 (a newspaper called *Le Monte* parodying the newspaper *Le Monde* found to be protected notwithstanding newspaper's commercial nature); *S.A.S. Management Europe Meeting (MEM) v. S.A.S. Sony BMG Music Entertainment France and Christophe Durier*, *id. supra* at note 200 (trademark's use protected by freedom of expression notwithstanding commercialization of CDs); *Louvre Hotels v. Sté 1633*, *id. supra* at note 200 (mention of plaintiff's trademark in a magazine found to be a protected parody notwithstanding its commercial nature); *Sté Ferrari Spa v. Société Take Two Interactive Software, Inc. and others*, *id. supra* at note 200 (use of Ferrari's logo on one of the cars in the game "Grand Theft Auto" (GTA) found not to infringe notwithstanding commercialization of video game).

217. *Ashby Donald v France* (36769/08), 10 January 2013, not yet final, at para. 40.

For example, in *Sté Seri Brode v. Sté Procter and Gamble France*,²¹⁸ a parody of the trademark ‘Mr. Propre’ on commercialized T-shirts with the slogans ‘MR QUEEN’ and ‘AXEL IS A REAL BITCH’ was prohibited, even in the absence of risk of confusion or denigration. This could be challenged under article 10(2), since this is a content-based restriction and not a neutral-based one which goes beyond the scope of trademark law and state’s intervention to prevent confusion. Demonstrating unfair advantage or parasitism, in the absence of some sort of more concrete damage to goodwill, should not defeat freedom of expression. As the CJEU in *L’Oreal* gave a broad reading to “unfair advantage”, the ECtHR should act to counter this expansion to reach cases of expressive and non-misleading uses, even if they are commercial. Parasitism conflicts with commercial non-misleading parodies. An example of this reasoning is *Sté Messagerie Lyonnaise de Presse v. Sté Sonora Media*,²¹⁹ where a newspaper called *Le Monte* parodying the newspaper *Le Monde* was found to be protected by freedom of expression. The court restricted itself to identifying risk of consumer confusion or denigration, which it found not to exist, despite the fact that products belonged to the same class. The court did not even engage in the discussion of commerciality, which should be beyond trademark law’s scope. The newspaper’s title, under the ECtHR jurisprudence, could very well be qualified as noncommercial. However, compare this decision with *Sté International Herald Tribune v. Sté Fortant de France*,²²⁰ where a trademark used in a newspaper was found to infringe because it was implicitly intended for commercial gain. The latter decision should not survive constitutional scrutiny.²²¹

In *Caisse Regionale de Credit Agricole v. Association SOS Victimes du Credit Agricole* and in *Compagnie Gervais Danone v. ELG Multimedia*,²²² the courts found, respectively, the use of the plaintiffs’ trademarks in the domain names <www.sos.victimescréditagricole.org> and <www.jeboycottedanone.fr> or <www.jeboycottedanone.com> legal only because the websites were non-commercial. The same was true for *Esso* and *Areva*. This type of interpretation can be dangerous, as it can incorrectly define something as commercial when it may in fact fall into the category of noncommercial expression under ECtHR’s jurisprudence. Compare these cases with *Lamparello v. Falwell*²²³ in the United States, where the court judged that the mere fact that the defendant had

218. Id. *supra* at note 200.
 219. Id. *supra* at note 200.
 220. Id. *supra* at note 200.
 221. Professor Geiger states, commenting two other cases of newspaper trademark ban: “[I]t is difficult not to believe that the trade marks in these cases were used for purposes that strongly resemble a type of private censorship”. See Christophe Geiger, *supra* note 197 at 319.
 222. Id. *supra* at note 200.
 223. *Lamparello v. Falwell*, 420 F.3d 309, 320 (4th Cir. 2005).

commercial links in his website, for example, to Amazon.com, would not infringe the plaintiff's trademark since its communicative function would nevertheless be preserved. In *Ahmanson Land Company v. Save Open Space*²²⁴, the WIPO's Panel of arbitration to gTLDs (*top level domain names*), such as .com, .org and .net, applying UDRP (*Uniform Domain Name Dispute Resolution Policy*), found that the defendant's use of the plaintiff's trademark *ahmanson* in the domain name of a site criticizing the plaintiff was permitted, even though the site in question solicited financing to oppose the plaintiff. In *Nintendo of America Inc v Alex Jones*,²²⁵ Nintendo sought to restrain the use of the domain name <thelegendofzelda.com> due to its use of the popular video game trademark "The Legend of Zelda". The court ruled against Nintendo as the site was found to be a non-commercial fansite, even though it linked to outlet pages. One must be very careful to define commerciality and even if commerciality is present the proportionality rule must be applied. Straightforward exclusion does not work.

Another series of cases in France tends to refute freedom of expression to uses that cause denigration of plaintiff's trademark.²²⁶ Such denigration can satisfy the *convincingness* and *closeness* standards of the

224. WIPO case No D2000-0858.
 225. WIPO Case No D2000-0998.
 226. *Sté. Escota v. Sté. Lycos*, TGI Marseille, 1st Civil Chamber, 11 June 2003, JurisData & cours suprêmes 2003.231616 (imitation of plaintiff's trademark in a pornographic context found to denigrate its trademark and parody defense not accepted); *Sté. Gado Sri and Sté. Dolce & Gabbana Sri. v. Sté. Pathe Distribution and Sté. Pulsar Productions*, *id. supra* at note 200 (use of the trademark 'DOLCE & GABBANA Discount' on the T-shirt of a character in the movie 'Camping 2' found not to denigrate the famous trademark, since it would not devalue it due to the public's recognition of the humoristic nature of the movie); *Pagotto v. Gallopin*, *id. supra* at note 200 (reproduction of plaintiff's trademarked character 'Calimero' in a sadomasochist context found to denigrate his trademark and parody defense not accepted); *Sté. des Participations du Cea v. Greenpeace France*, *id. supra* at note 200 (reproduction of the figurative trademark on a website found not to denigrate for the purposes of criticism); *Cie Générale des ETS Michelin v. Syndicat Departemental CFDT des Industries Chimiques du Puy de Dome*, CA Riom, Civil Chamber, Section 1, 15 September 1994, JurisData & cours suprêmes 1994.049661 (use of MICHELAN's trademark in a worker's union protest on posters found protected by freedom of expression); *Sté. Philip Morris Products Incorporation v. Agent Judiciaire du Trésor Public*, CA Versailles, 1st Chamber, Section 1, 17 March 1994, JurisData & cours suprêmes 1994.043682 (anti-tobacco campaign imitation of plaintiff's cowboy trademark found not to infringe given absence of denigration); *V v. Sté V*, TGI Paris, 1st Chamber, Section 1, 12 January 1994, JurisData & cours suprêmes 1994.041434 (association of a garbage bag trademark with the name of a child who died found to be an excessive denigration not protected by parody); *Sté. Ferrero France v. Sté. Ediradio and Laurent Gerra*, CA Paris 4th Chamber, Section B, 7 May 2004, *Gazette du Palais*, 10 Mai 2007 n° 130.12 (freedom of expression denied to a trademark associated with child pornography and incest); *S.A.R.L. One Tel v. Nicolas*, TGI Paris, 3erd Chamber, 3erd Section, 29 May 2001, *Gazette du Palais*, 24 January 2002 n° 24.43 (parody defense denied to the word 'fuck' in conjunction with plaintiff's trademark in defendant's domain name); *Sté. Messagerie Lyonnaise de Presse v. Sté. Sonora Media*, *id. supra* at note 200 (a newspaper called *Le Monte* parodying the newspaper *Le Monde* found to be protected in the absence of denigration).

ECtHR and prevent constitutional restraint, since “[p]rotecting the reputation and or rights of others” are legitimate ends proscribed by law.²²⁷ The parody criticism can show some degree of “[h]yperbole and exaggeration... to be tolerated, even expected,”²²⁸ as well as “[e]xaggeration, or even provocation,”²²⁹ particularly for trademarks of “[l]arge public companies,” since the “[l]imits of acceptable criticism are wider”²³⁰ in these cases. In fact, it would seem that against large corporations, parodies would be more protected,

[n]amely to protect public opinion from the pressures of powerful financial groups and from undue commercial influence; to provide for a certain equality of opportunity among the different forces of society...

It is true that powerful financial groups can obtain competitive advantages in the area of commercial advertising and may thereby exercise pressure on, and eventually curtail the freedom of, the radio and television stations broadcasting the commercials. Such situations undermine the fundamental role of freedom of expression in a democratic society as enshrined in Article 10 of the Convention, in particular where it serves to impart information and ideas of general interest, which the public is moreover entitled to receive.²³¹

Next, one must assess whether the parody is presented as a *fact* or as a *value judgment*. Often, because a parody nature reflects *value judgment* and is not intended to pass as indisputable fact, it receives greater protection under Article 10 of the ECHR.²³² Even if the Court grants some defense to freedom of expression regarding large corporations, it nonetheless also grants latitude to national courts to protect the “[c]ommercial success and viability of companies, for the benefit of shareholders and employees, but also for the wider economic good,”²³³ even though “[t]he more general interest in promoting the free circulation of information and ideas about the activities of powerful commercial entities, and the possible ‘chilling’ effect on others *are also important factors to be considered...*”²³⁴ The *particular way the circulation of the expression, the particular kind of reader of the*

227. See, *mutatis mutandis*, *Barthold* 7 E.H.R.R. 383 at paras. 44-51 and *Markt intern Verlag GmbH and Klaus Beermann*, (A/165) (1990) 12 E.H.R.R.161 at paras. 27-31.

228. Applying by analogy ECtHR, *Steel and Morris v. the United Kingdom* (68416/01) (2005) 41 E.H.R.R. 22 at para. 90.

229. *Prager and Oberschlick v. Austria* [1996] 21 E.H.R.R. 1 para. 38.

230. *Steel and Morris*, 41 E.H.R.R. 22. at para. 93.

231. *Vig Verein gegen Tierfabriken*, 34 E.H.R.R. 4 at paras. 72-73.

232. Applying by analogy *Steel and Morris*, 41 E.H.R.R. 22. at para. 90.

233. *Markt intern Verlag GmbH and Klaus Beermann*, (A/165) (1990) 12 E.H.R.R.161 at paras. 33-38; *Steel and Morris*, 41 E.H.R.R. 22. at para. 94.

234. *Steel and Morris*, 41 E.H.R.R. 22. at para 95.

expression, and the *absence of clear damages* might be factors to support commercial parodies.²³⁵ Even though a trademark parody may be highly exaggerated or hyperbolic, it may nonetheless damage the reputation of the trademark holders.²³⁶ However, the threshold of denigration should be particularly serious to override freedom of expression.

For example, in *Sté Gado Sri and Sté Dolce & Gabbana Sri v. Sté Pathe Distribution and Sté Pulsar Productions*,²³⁷ the court found the use of the trademark ‘DOLCE & GABBANA Discount’ on the T-shirt of a character in the movie *Camping 2* not to denigrate the famous trademark, since it would not devalue it due to the public’s recognition of the humoristic nature of the movie. The court rejected the application of the advertising function of trademarks or the overprotection of well-known trademarks in this case, as they were less important than freedom of expression. *Denigration*, in our opinion, should be close to depravation, to something that can cause disgust and shock. This case is similar to American jurisprudence in the sense that whereas the parodic nature of the trademark is very different from the original trademark, accentuating the differences between the two would not cause detriment to the repute or distinction of the original. However, unlike US Courts, French case law will only apply the “use in the course of trade” defense – a correlative of American *fair use* and *nominative fair use* – insofar as the parody is used, even commercially, on prevalent artistic channels, such as websites, newspapers, movies, magazines and the like. Regarding source of origin uses – like noncompeting products such as T-shirts, coffee mugs or other classes – courts are not willing to go any further in applying the commercial expression scrutiny of the ECtHR.

The ECtHR should try to counter the CJEU’s decision in *L’Oréal*²³⁸ by demanding proof of harm or of a change in the economic activities of consumers to support accusations of trademark parody unfair advantage claims. Change in the economic activities of consumers is already a standard that the CJEU considers in trademark dilution cases,²³⁹

235. *Hertel*, 28 E.H.R.R. 534 at para. 49.’

236. *Steel and Morris*, 41 E.H.R.R. 22. at para. 94.

237. See *supra* at note 200.

238. Criticizing this dangerous decision, see Joanne K. Box, *supra* note 197 at 292. “[F]irst, parodies which are critical of a brand may well harm its image, and thus might constitute tarnishment. Secondly, it would seem that parodies—if used in the course of trade—will always constitute infringement on the basis of unfair advantage. A parody must necessarily take advantage of the reputation of the targeted brand: it can only achieve its aim if consumers recognise that it is the parody of a well-known brand.”

239. In *Intel* and *Adidas*, the CJEU established that the trademark owner must ascertain the existence of a “link” between the sign and the trademark, even if there is no need to ascertain confusion, in order to demonstrate detriment to the distinctive character of a trademark. To establish this “link”, the court set forward five standards in *Intel*: 1) the degree of similarity between the conflicting marks; 2) the nature of the goods and services, including the degree of closeness or dissimilarity and the relevant sector of the public; 3) the senior owner’s trademark strength; 4) the degree of distinctiveness of the trademark, whether acquired or inherent; 5) the existence of the likelihood of

but should be untimely expanded to cover cases of unfair advantage considering parody.²⁴⁰ Other remedy would be the ECtHR's restraint to reduce the damages awarded when the plaintiff is not capable of proving that he "[i]n fact suffered any financial loss as a result of the publication",²⁴¹ which could be imported from ECtHR's defamation cases to parody unfair advantage cases.

However, in *S.A.R.L. One Tel v. Nicolas*,²⁴² a parody defense was denied to the word "fuck" in conjunction with the trademark in the domain name. Compare this case with *Bally Total Fitness Holding Corp. v. Faber*²⁴³ in the US, where the court upheld freedom of speech of defendant's website <www.ballysucks.com> to lay critics to the trademark. The same logic was applied in *Lucent Technologies, Inc. v. LucentSucks.com*,²⁴⁴ where "fuck" was also protected. The word "fuck" is a way of calling attention to a protest. The analysis of the word *per se*, in the absence of other denigration elements, may very well not survive ECtHR's jurisprudence, since these sites will most often fall under the category of political expression and deserve stringent constitutional restraint. Considering only the word 'fuck' in the domain name would not convincingly satisfy the prohibition of the expression, since it is not serious enough nor is it presented as fact but as a value judgment. For example, in *Lamparello v. Falwell*,²⁴⁵ the defendant used the domain name <fallwell.com> to criticize one Reverend Falwell, the court ruled that even if the names were nearly identical, where a website is parodic or expressive it is not sufficient to analyze solely the domain name to determine the likelihood of confusion but also the site itself.

consumer confusion. The *Intel* decision burdened even further plaintiffs to show a change in the economical behavior of the consumer to prove detriment to the distinctive character of the trademark, a serious risk of injury that can occur in the present or in the future. This decision further evolved in *Environmental*, where the CJEU established that such change in the consumer's behavior cannot be inferred solely from speculative elements. Deductions, if any, must not be the result of mere suppositions. See Case 252/07, *Intel Corporation v. CPM*, [2008] ECR I-8823; Case 408/01, *Adidas v. Fitnessworld*, [2003] ECR I-12537; Case C-383/12, *Environmental Manufacturing LLP v. OHIM* [2013] OJ 2012/C 331/21.

240. "[S]etting a high benchmark for antidilution actions would do much to reduce the tension between trade marks and free speech. It would diminish the risk of successful trade mark actions being used to prevent the inclusion of trade marked words and images in artistic creations, and it would make it more difficult to use trade mark law to prevent the flow of information to consumers." See Robert Burrell and Dev Gangjee, *supra* note 197 at 554.

241. Applying by analogy *Steel and Morris*, 41 E.H.R.R. 22. at para 96 and *Hertel*, 28 E.H.R.R. 534 at para. 49.

242. See *supra* at note 225.

243. *Bally Total Fitness Holding Corp. v. Faber*, 29 F.Supp.2d 1161 (C.D. Cal. 1998).

244. *Lucent Technologies, Inc. v. LucentSucks.com* 95 F. Supp. 2d 528 (ED Va. 2000).

245. *Lamparello*, 420 F.3d 309, *supra* at note 222.

Finally, one can also identify in France a line of cases which similarly apply the American correlative of the *alternative avenues of communication test*, which requires that the criticism be directed at the trademark or at the company itself, prohibiting its use to criticize other aspects of society. Further complicating matters are decisions holding that while the use of the words of a mark may be permitted, use of the logo may not as it would be more than what was necessary to portray the criticism.²⁴⁶The illegality of using a trademark to criticize something other than the owner could potentially be in violation of Article 10(2) of the ECHR's exceptions to freedom of expression, since those uses may be non-misleading, political in nature, even with commercial elements, attracting closer constitutional scrutiny.

It is clear that trademark isolationism from freedom of expression and commercial expression interests does not work. National courts should pay more attention to ECtHR and CJEU jurisprudence and

246. *Compagnie Gervais Danone v. ELG Multimedia*, TGI, *Id. supra* at note 200 (holding that the use of 'DANONE's trademark in the domain name <www.jeboycottedanone.fr> and <www.jeboycottedanone.com> would be permitted given the absence of confusion, but not using Danone's logo, as "[t]he imitation is not necessary to develop the expression." However, the Paris Court of Appeal overruled this holding by stating that the use of the logo was necessary to express the political nature of the criticism, since neither denigration nor confusion were present and it was a *strict exercise* of freedom of expression); *JT International GmbH v. Comité National Contre les Maladies Respiratoires et la Tuberculose (CNMRT)*, CA Paris, 4th Chamber, Section B, 14 January 2005, JurisData & cours suprêmes 2005.260197 (holding that the use of *Camel's* trademark on an anti-tobacco campaign, considering even its parodic nature, would not be permitted as the mark was chosen in the place of other cigarette marks, thus creating a specific discredit to the brand. According to this logic, the criticism should have been directed to the trademark itself; using the mark to talk about cigarettes in a general manner would be illegal. However, the Court of Cassation overruled this decision applying Article 10 of the ECHR, finding the criticism to be *proportional*); *Sté. des Participations du Commissariat à L'Energie Atomique (SPCEA) v. Association Greenpeace France and Association Greenpeace New-Zealand*, *id supra* at note 200 (finding the use of plaintiff's mark 'A' and 'A Areva' associated with death in defendant's website to criticize nuclear energy an abuse of freedom of expression, considering plaintiff's reputation as a legal entity under general tort liability of the French Civil Code. The Court reasoned that defendant should have limited itself to criticizing plaintiff's reputation for nuclear activity, but not its corporate image as a whole. The Court of Cassation partially upheld the Court of Appeal's findings of abuse of freedom of expression. According to the Court of Cassation, since the remedies of the Intellectual Property Code are foreclosed when the defense of "absence of use in the course of trade" prevails, plaintiff is only entitled to claim the general tort liability under the French Civil Code; this being largely fulfilled where defendant's expression is disproportional to achieve its criticism goal. However, considering the claim that defendant infringed upon plaintiff's reputation as a legal entity – the part where the Court of Cassation partially overrules the Court of Appeal's decision – civil remedies are foreclosed in this case, preempted by the press law and press rights. Untimely, the decision confines civil remedies to preserve the trademark's reputation, forecloses this claim to legal entities corporate reputation, as well as the remedies of the Intellectual Property Code). See also Laurent Neyret, 'La Responsabilité Civile Arbitre du Conflit Entre Droit des Marques et Liberté d'Expression' 34 D. 2402 (2008) (explaining this complicated decision).

be particularly aware of former trademark law crystallized understandings.

VII. CONCLUSION

The ECtHR's jurisprudence could in the future play a very important role in trademark law, especially regarding the ban on commercial parodies. Its full potential has not yet been tested. It could, potentially, affect the entirety of French trademark case law. It also may supplant the CJEU's inefficient decision, which demands the need of humor to constitute a valid parody. However, the scope of the margin of appreciation doctrine is still ambiguous and depending on the Court's future interpretation, it may have a very broad influence on trademark cases or a very narrow one. The parody cases in the EU differ from those in the US in three very important regards. On one hand, EU jurisprudence is broad regarding satires; on the other, it is straightforward and very limited when it deals with the meaning associated by the parody with the original work. The CJEU was reluctant to accept the racist association of the original work on the cover of the comic book to the mayor of Ghent, even by a political parody. The political nature of the debate and even the need to talk about racism did not persuade the Court of the particular importance of the parody. Compare this decision with the *Smith* ruling in the United States, which ruled that associating the "Wal-Mart" trademark with Nazism by use of the parody "Walocaust" was a protected use, even if commercialized on products, since it would not be likely to confuse customers or dilute the trademark. It is clear from the wording of the CJEU that such a parody in the EU would not be allowed, and is likely the ECtHR would find similar.²⁴⁷ The CJEU's decision, when dealing with trademark denigration, also differs much from the decision of the French Court of Cassation in the *Areva* case, since it found that in the absence of trademark "use in the course of trade", plaintiffs cannot invoke any of the remedies available in the trademark statute. Plaintiffs would be limited to asserting tort liability of the Civil Code in denigration cases. The CJEU's decision states the opposite of the French Court of Cassation, creating a view-point approach to parodies. It allows a trademark owner to use the trademark statute to ban parodies capable of denigration. Whether this is good is questionable, since it blurs trademark's purpose, which should be neutral-based. Finally, the

²⁴⁷ See ECtHR, *Leroy v. France*, no. 36109/03, 2 October 2008 (finding applicant's drawing, representing the attack on the twin towers of the World Trade Centre, with a caption which parodied the advertising slogan of a famous brand: "We have all dreamt of it... Hamas did it," published in a newspaper to protest against "American Imperialism," not to be "necessary in a democratic society," since it encouraged violence and intolerance, as well as it was supportive of terrorism practices, despite the alleged different intentions of its author).

decision of the CJEU seems to indicate that even parodies with a confusing source of origin are allowed, which except for the line of cases following *Rogers v. Grimaldi*, is not the case in American jurisprudence. Some confusion could be tolerated by the ECtHR, concurring with the CJEU, even if the deceptive commercial expression is less likely protected. The fact that a similar version of Rogers could be potentially lurking in the EU landscape is already revolutionary, since this would have the potential to change completely former national case law in member states and create convergence between the European and the American systems.