

Supreme Court Signals Support for Artists' and Creators' Freedom to Use Third-Party Trademarks in their Expressive Works

By Stephanie S. Abrutyn

Stephanie S. Abrutyn is counsel at Dentons US LLP (<https://www.dentons.com/en/stephanie-abrutyn>). Any opinions expressed in this article are solely of the author and do not constitute legal advice of Dentons.

In its most recent term, the U.S. Supreme Court managed to indirectly communicate strong support for the legal principle holding that consent is not required to use a third-party trademark in a creative or artistic work, through two cases that have nothing to do with media and entertainment content.

For more than 30 years, since the Second Circuit decided *Rogers*,¹ producers of films and television programs have relied on the First Amendment right recognized in that case to use third-party trademarks in expressive works without obtaining consent from the trademark owner. More recently, musicians and video game producers have relied on the same protection.² Despite a regular drumbeat of decisions reinforcing the principal holding of *Rogers*,³ the proliferation of marks in expressive works nonetheless seems to have spawned a never-ending series of claims from trademark owners who continue to believe their consent is necessary before their trademarks (or trade dress) can appear in creative works.

In addition, *Rogers* and its progeny were the subject of a direct and powerful attack by the petitioner in *Jack Daniel's Properties, Inc. v. VIP Products LLC (Jack Daniel's)*,⁴ although (as the Court ultimately ruled), wholesale rejection of the doctrine was not necessary for Jack Daniel's to prevail. Moreover, no case to date has specifically addressed the impact of product placement—which in some cases, for some producers, has led to a culture of consent—on the legal analysis. Although content producers rely every day on the principles of *Rogers* and its progeny, the potential for uncertainty remained.⁵

In the most recent term, the Supreme Court turned down an invitation to overrule *Rogers*, and although it also declined to directly endorse it, a strong argument can be made that any lingering questions about *Rogers* in the context of a creative or artistic work effectively were put to rest by that opinion and the Court's subsequent opinion in *Abitron Austria GMBH v. Hetronic International, Inc.*⁶ Taken together, those two decisions provide a strong defense based on statutory interpretation, in addition to the First Amendment, that should effectively end the era of trademark owners seeking to control use of their marks in artistic and creative content via an infringement claim under the Lanham Act.

In *Rogers*, the Second Circuit established a framework for evaluating trademark infringement claims in expressive works, designed to protect the rights of content producers who might otherwise be liable for trademark infringement occurring within works protected by the First Amendment. The Second Circuit held that an infringement claim based on use of a trademark in an artistic work must be dismissed unless the plaintiff can prove that the use “has no artistic relevance to the underlying work” or that it “explicitly misleads as to the source or the content of the work.”⁷

Published in Communications Lawyer: Volume 39, Number 1, ©2024 by the American Bar Association. Reproduced with permission. All rights reserved. This information or any portion thereof may not be copied or disseminated in any form or by any means or stored in an electronic database or retrieval system without the express written consent of the American Bar Association.

Other courts, in particular the Ninth Circuit, subsequently reinforced and clarified that the standard for overcoming a motion to dismiss in a trademark infringement case involving use in an artistic work is quite high and materially different from the traditional “likelihood of confusion” test generally applied when the alleged infringement is serving as a source designator of a product being sold in commerce.⁸ *Jack Daniel’s* called on the courts to consider the intersection of these two scenarios: a trademark being used as a designator of a product being sold in commerce that also contains expressive elements.

In the words of the Supreme Court, *Jack Daniel’s* is a case “about dog toys and whiskey.”⁹ It also is a case dealing with traditional trademark infringement claims, based on the use of the plaintiff’s famous marks on a consumer product—a dog toy—produced and sold by the defendant that also happens to be a parody of the plaintiff’s famous trademarks. The defendant argued, and the Ninth Circuit held, that the allegedly infringing toy is an expressive work and therefore protected by the First Amendment.

The Ninth Circuit never reached the question that is the gravamen of a traditional trademark infringement claim involving the mark being used as a source designator on a consumer product, namely, whether there is a likelihood of confusion, because that Court determined that the toy at issue constituted an expressive work. Attacking that decision in the Supreme Court, *Jack Daniel’s* argued, among other things, that *Rogers* has “no textual basis,” is “neither settled nor workable,” is “arbitrary at best,” is not supported by the First Amendment, and “[c]onflicts with the Lanham Act.”¹⁰

Although the Supreme Court reversed the Ninth Circuit, it specifically declined *Jack Daniel’s*’ invitation to fully reject *Rogers*. In so doing, the Court focused on the fact that the alleged infringement involved using a trademark to designate the source of goods—as the Court put it, using “a trademark as a trademark.”¹¹ The Court’s opinion referred to using a mark as a product designator as “the heartland of trademark law,” which it held is not entitled to special protection under the First Amendment.¹²

The Court’s approach to resolving the case focused nearly entirely on the way in which the trademark was being used—as a product designator to identify the source of defendant’s own goods. The opinion went to great lengths to distinguish the case from those involving creative and artistic works, and the nature of the use was the key factor the Court cited as distinguishing *Jack Daniel’s* from other situations involving other types of use.¹³

Using a trademark to identify the source of a product being sold is quite different from a trademark appearing in a film, television program, podcast, or song. The Supreme Court recognized the distinction when it observed that other courts applying *Rogers* had done so in cases “in which a trademark is used not to designate a work’s source, but solely to perform some other expressive function.”¹⁴ The *Jack Daniel’s* opinion specifically stated that the Court would not determine whether a threshold inquiry under the First Amendment, as *Rogers* and its progeny held is necessary when the alleged infringement is contained in a creative work, is “ever warranted.”¹⁵

Aside from recounting relevant facts, the bulk of the Supreme Court’s opinion in *Jack Daniel’s* was spent discussing legislative history and cases so as to draw a clear distinction between using a trademark to identify the source of a party’s product in commerce and using a trademark in some other way.¹⁶ Then, the Court articulated its holding as follows: “Without deciding whether *Rogers* has merit in other contexts, we hold that it does not when an alleged infringer uses a trademark in the way the Lanham Act most cares about: as a designation of source for the infringer’s own goods.”¹⁷

The Supreme Court’s focus on the way a trademark is used, and in particular distinguishing its use as a

designation of source at the point of purchase by a consumer from other uses, was a crucial factor in *Jack Daniel's*, and reappeared in an entirely different context in *Abitron*.¹⁸ In *Abitron*, the Court's opinion identified the location of the alleged infringement by honing in on the point of sale, where a consumer would rely on the mark as a source identifier, rather than other places or ways in which consumer confusion might occur. This emphasis on the use of a mark as a product designator in commerce under the Lanham Act, if consistently applied as the Supreme Court did in *Jack Daniel's* and *Abitron*, should make it impossible for a trademark owner to establish infringement based on the use of a mark in an artistic or creative work.

On its face, *Abitron* addressed the foreign reach of certain provisions of the Lanham Act and the ability of a trademark owner to recover damages in U.S. courts for infringing acts where the point of sale is outside the United States. In that case, the Supreme Court's conclusion that the infringing use in commerce at issue did not take place in the United States rested on an interpretation of the "use in commerce" requirement that, similar to *Jack Daniel's*, relied on the distinction between using a trademark to identify the source of a party's product in commerce and using a trademark in some other way.

The defendant in *Abitron* manufactured and sold radio remote controls for construction equipment, primarily in Europe, branded with the plaintiff's trademark. After determining that the sections of the Lanham Act at issue were not extraterritorial, the Court identified the first key question as whether "the conduct relevant to the statute's focus occurred in the United States."¹⁹ The Court then found the statute's focus to be the "infringing use in commerce" prohibited by the Lanham Act and further refined the outcome determinative issue to whether the "use in commerce" of the infringing products was in the United States.²⁰

As part of its analysis of the Lanham Act's "focus" and the potential implications of extraterritorial application of the Lanham Act, the opinion of the Court once again was centered around the use of the mark to identify and indicate the source of goods at the point of purchase.²¹ That is, similar to *Jack Daniel's*, the *Abitron* Court cabins the act of infringement under the Lanham Act at issue in that case to the use of a mark as a designator of the source or origin of goods at the point of sale.

The Court's narrow emphasis on using the mark as a product identifier at the point of sale in *Abitron* was not accidental. Justice Ketanji Brown Jackson, who joined the majority opinion, wrote a separate concurrence to clarify under what circumstances she believes that an infringing product originally purchased overseas could result in a use in commerce in the United States, and once again, the focal point of her analysis was on the point of (re)sale, when the potential buyer was relying on the trademark to identify the origin of goods being acquired.²²

In contrast, Respondent Hetronic argued that although the initial point of sale of the goods was overseas, consumer confusion had occurred in the United States in other ways, such as harming the goodwill and reputation of the company and costing the company sales. That impact in the United States, Hetronic claimed, was sufficient to meet the "use in commerce" requirement of the statute.²³

Similarly, the opinion concurring in the judgment, written by Justice Sonia Sotomayor and joined by three others, specifically took issue with the majority's emphasis on the conduct occurring at the point of sale as the gravamen of an infringement claim. For purposes of determining if the relevant conduct took place in the United States, the concurrence argued that consumer confusion sufficient to constitute an infringement can occur at other times, even when trademark is not being used to indicate source or origin at the moment when someone is purchasing the product.²⁴

The concurrence’s criticism in *Abitron* that “the majority transform[ed] the Court’s extraterritoriality framework into a myopic conduct-only test” highlights the precise reason the decision, stacked on top of *Jack Daniel’s*, presents a silver lining for storytellers and content producers who may face new challenges in collecting damages in U.S. courts from third-party infringers located overseas.²⁵ Use of a third-party trademark in an artistic work, such as a television show or podcast, is not a trademark use. Whatever the creative reasons for its inclusion, the trademark is not being used to identify a product at the point of sale, even if it appears in marketing or advertising for the work, and even if brand owners sometimes paid to put it there.

As a result, not only did the Supreme Court in *Jack Daniel’s* choose not to reject the First Amendment right first articulated in *Rogers*, but its holding in *Abitron* leads to the conclusion that the use of a third-party trademark in an expressive work cannot be an infringing “use in commerce,”²⁶ as required under the Lanham Act for there to be a valid claim.²⁷ Whether through application of the *Rogers* test or not, or whether based on the First Amendment, textual analysis, or statutory interpretation, the Supreme Court’s trademark infringement decisions in the October 2022 term collectively reinforced the rights of artists and storytellers to use trademarks in their creative works for expressive purposes.

Endnotes

1. *Rogers v. Grimaldi*, 875 F.2d 994 (2d Cir. 1989).
2. *See, e.g., E.S.S. Ent. 2000, Inc. v. Rock Star Videos, Inc.*, 547 F.3d 1095 (9th Cir. 2008); *Mattel, Inc. v. MCA Records, Inc.*, 296 F.3d 894 (9th Cir. 2002).
3. Courts have been a bit inconsistent in their approach, with some relying on the First Amendment right and two-part analysis as articulated in *Rogers*, others applying a more traditional trademark infringement analysis, and some blending both. Nevertheless, in the vast majority of cases, the outcome of disputes that actually have been litigated has generally been the same: Infringement claims based on unauthorized use of trademarks in creative or artistic works have failed. *See, e.g., MGF B Props., Inc. v. Viacom Inc.*, 54 F.4th 670, 679–81 (11th Cir. 2022) (applying *Rogers* and holding unscripted television program *Floribama Shore*’s use of mark in title is protected by First Amendment); *Twentieth Century Fox Television v. Empire Distrib., Inc.*, 875 F.3d 1192 (9th Cir. 2017) (applying *Rogers* test and holding television program’s use of mark in title and marketing protected by First Amendment); *Fortres Grand Corp. v. Warner Bros. Ent. Inc.*, 763 F.3d 696 (7th Cir. 2014) (upholding dismissal of claims arising from appearance of the plaintiff’s mark in the film *Dark Knight Rises* after analysis of the relevant factors confirms there is no plausible likelihood of confusion as to source); *Eastland Music Grp., LLC v. Lionsgate Ent., Inc.*, 707 F.3d 869, 872 (7th Cir. 2013) (upholding dismissal of claim arising from use of mark in film title because the complaint “does not (and could not plausibly) allege that consumers treat it as the producer or source of the film”); *Jackson v. Netflix, Inc.*, 506 F. Supp. 3d 1007, 1016 (C.D. Cal. 2020) (applying *Rogers* and dismissing claims based on use of the plaintiff’s trademark in documentary); *Novalogic, Inc. v. Activision Blizzard*, 41 F. Supp. 3d 885 (C.D. Cal. 2013) (applying *Rogers* and granting motion for summary judgment and dismissing federal and state trademark claims arising from use of marks in video game); *Louis Vuitton Malletier S.A. v. Warner Bros. Ent. Inc.*, 868 F. Supp. 2d 172 (S.D.N.Y. 2012) (applying *Rogers* and dismissing Lanham Act and pendant state law claims arising from use of a “knock-off” monogram design); *Stewart Surfboards, Inc. v. Disney Book Grp., LLC*, No. CV 10-2982 GAF, 2011 U.S. Dist. LEXIS 155444 (C.D. Cal. May 11, 2011) (applying *Rogers* and dismissing claim based on use of mark on book cover); *Gottlieb Dev. LLC v. Paramount Pictures Corp.*, 590 F. Supp. 2d 625, 634 (S.D.N.Y. 2008) (dismissing trademark infringement claims because there is “no plausible claim of a likelihood of confusion” based on use of trademarked pinball machine in film); *Davis v. Walt Disney Co.*, 393 F. Supp. 2d 839 (D. Minn. 2005) (granting summary judgment for the defendants after applying traditional trademark analysis to use of the plaintiff’s mark in a television movie); *Caterpillar Inc. v. Walt Disney Co.*, 287 F. Supp. 2d 913 (C.D. Ill. 2003) (denying motion for TRO seeking to enjoin release of film that contains the plaintiff’s trademarked tractors, noting that the plaintiff will have difficulty prevailing under traditional trademark doctrine); *Wham-O, Inc. v. Paramount Pictures Corp.*, 286 F. Supp. 2d 1254 (N.D. Cal. 2003) (denying motion for TRO because traditional trademark analysis and the nominative fair use defense

recognized in the Ninth Circuit make it unlikely the plaintiff can succeed on the merits of a claim based on use of the plaintiff's trademarked product in film and advertising). *But see* Elec. Arts, Inc. v. Textron Inc., No. C 12-00118 WHA, 2012 U.S. Dist. LEXIS 103914 (N.D. Cal. July 25, 2012) (demonstrating that a messy factual history combined with a video game can create contradictory results in trademark cases, not just right of publicity claims).

4. 599 U.S. 140, 143 S. Ct. 1578 (2023).

5. The Ninth Circuit's expansive interpretation of an expressive work subject to the First Amendment right, which was at issue in *Jack Daniel's*, may have contributed to the uncertainty by leaving open the universe of situations where *Rogers* might apply. In *Jack Daniel's*, the Supreme Court reigned in the scope, holding that the so-called *Rogers* defense does not apply to typical trademark uses of marks as a source identifier at the point of sale that also happen to contain some expressive elements. *Jack Daniel's*, 143 S. Ct. at 1587–89. *See also id.* at 1584 (“Confusion as to source is the *bête noire* of trademark law . . .”).

6. 143 S. Ct. 2522, 216 L. Ed. 2d 1013 (2023).

7. *Rogers*, 875 F.2d 994, 999 (2d Cir. 1989).

8. *See Jack Daniel's*, 143 S. Ct. at 1587–88.

9. *Id.* at 1582.

10. Reply Brief for Petitioner at 3, 5, 9, *Jack Daniel's*, 143 S. Ct. 1578 (No. 22-148), 2023 U.S. S. Ct. Briefs LEXIS 861 (Mar. 10, 2023).

11. *Jack Daniel's*, 143 S. Ct. at 1583.

12. *Id.*

13. *Id.* at 1587–91.

14. *Id.* at 1587.

15. *Id.* at 1582–83.

16. *Id. passim.*

17. *Id.* at 1587.

18. *Abitron Austria GmbH v. Hetronic Int'l, Inc.*, 143 S. Ct. 2522, 216 L. Ed. 2d 1013 (2023).

19. *Id.* at 1022 (quoting *Nestle USA, Inc. v. Doe*, 141 S. Ct. 1931, 1936 (2021)).

20. *Id.* at 1025.

21. *Id.* at 1025–29 (pts. III & IV).

22. *Id.* at 1029–31 (Jackson, J., concurring) (use in commerce “can occur wherever the mark serves its source-identifying function”).

23. Brief of Respondent at 4–5, 28–31, *Abitron*, 143 S. Ct. 2522 (Mar. 28, 2022) (No. 21-1043).

24. *Abitron*, 216 L. Ed. 2d at 1034–36 (Sotomayor, J., concurring in judgment).

25. *See id.* at 1035.

26. *Id.* at 1029 (majority op.).

27. *See* 15 U.S.C. § 1114.