

# The IPC Legal Browser



The Newsletter of the FBA's Intellectual Property and Communications Law Section

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## Message From the Editors

We hope that you've had an opportunity to escape the heat this summer. When we haven't been sweating in courtrooms, we've been looking at some of the hottest new issues in trademark law. Once again, our contributors are offering a wide range of perspectives, writing from Boston, Minneapolis, and San Francisco. And these issues aren't just for trademark attorneys—any general business attorney concerned about clients' marks and reputation will want to know about these developments.

In his article entitled "The Parody Defense in Trademark Dilution Cases: Does it Apply to Parodies Used as Trademarks?," Vijay Toke considers conflicting appellate decisions about the scope of the parody defense. The cases suggest a subtle distinction between a lawful parody and an unlawful dilution of trademark. Does it hinge on whether the judge laughs or not? Given the growth of blogs and social media on the Internet, nearly anyone can take a mark and use it in unexpected ways. Whether interested in free speech or defending trademarks, you'll appreciate this analysis of the parody standard.

Steven Abreu offers us "Generic.com: Should 'Generic' Domain Names Be Registerable as Trademarks?" Websites with simple names like "[cars.com](http://cars.com)" and "[pets.com](http://pets.com)" are com-

mon, yet the businesses that operate those websites are unique. Can those businesses incorporate their web addresses into their trademarks, or does this foster confusion in consumers? This article reviews recent decisions from the Federal Circuit and the Trademark Trial and Appeal Board.

In a difficult economy, Terrance Newby finds that effective advertising is more important than ever. But as he observes in his contribution, "False Advertising ... What Is True, What Is False, and What Is Somewhere in Between," a single word can sometimes be the difference between puffery and substantial liability. After examining the relevant standards, this article recounts an interesting decision from the District of Minnesota.

We welcome your feedback! If you have comments regarding any of the articles in the *IPC Browser*, we'd appreciate hearing from you. Send your insights to Jack at [jschecter@sunsteinlaw.com](mailto:jschecter@sunsteinlaw.com). We're also soliciting contributions for our fall issue, so if you're interested, send a brief description of your article to Scott at [scott\\_moriarty@mnd.uscourts.gov](mailto:scott_moriarty@mnd.uscourts.gov). Thanks for your continued involvement with the Federal Bar Association, and please be sure to share this issue of the *IPC Browser* with your colleagues. □

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## The Parody Defense in Trademark Dilution Cases: Does it Apply to Parodies Used as Trademarks?

By Vijay K. Toke

Where a business or individual parodies a famous trademark in a commercial context, trademark rights are pitted against concepts of fair use, the First Amendment, and freedom of expression. The old saw in such cases is that if the judge laughs, you win. The Ninth Circuit has humorously noted that “the difference between a ‘parody’ and a ‘knock-off’ is the difference between fun and profit.”<sup>1</sup> Parody is certainly a fair use when the defendant is simply commenting on the famous mark—even if in a commercial context. For example, the Ninth Circuit has held that an artist’s use of Barbie dolls placed in artwork the artist sold for profit was a fair use.<sup>2</sup> But should a parody defense apply where the defendant is using the accused name as its own trademark?

Congress responded to that question with the passage of the Trademark Dilution Revision Act (TDRA) in 2006. Apparently, Congress does not believe that parody is a laughing matter, at least where the defendant uses the accused name as a source identifier. In describing the fair use defense allowed in dilution cases, the TDRA states that, “[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.”<sup>3</sup> What is a seemingly straightforward mandate by Congress, however, may be turning into a circuit split.

Only two circuit courts of appeal, the Second and the Fourth Circuits, have directly addressed the parody exception in this context.<sup>4</sup> Based on these two decisions, it may be some time before the application of this exception is clear.

### The Fourth Circuit’s Rule: A Flexible Approach

The Fourth Circuit was the first circuit court to address the parody defense after the passage of the TDRA where the defendant raised the defense for a parody that also served

as the defendant’s trademark.<sup>5</sup> In *Louis Vuitton Malletier S.A. v. Haute Diggity Dog LLC*, 507 F.3d 252 (4th Cir. 2007), the defendant, Haute Diggity Dog (HDD), sold plush dog toys that mocked various well-known brands. For example, HDD sold a car-shaped toy under the name *Furcedes-Benz*, a champagne-bottle shaped toy under the name *Dog Perignonn*, and a toy shaped like a light blue box with a white bow under the name *Sniffany & Co.* HDD also made a toy shaped like a Louis Vuitton purse under the name *Chewie Vuiton*. Among other things, Louis Vuitton sued for trademark dilution, claiming that HDD’s CHEWIE VUITON mark diluted the famous LOUIS VUITTON mark by blurring its distinctiveness as well as tarnishing its strong positive reputation.

Basing its defense on parody, HDD admitted that the marks were similar but asserted that the similarities were necessary to mimic the LOUIS VUITTON mark and create a successful parody.<sup>6</sup> At the same time, HDD argued that the obvious distinctions between its CHEWIE VUITON mark distinguished it from the LOUIS VUITTON mark and cemented the parody.<sup>7</sup> The district court granted summary judgment for HDD, ruling that HDD’s mark did not dilute the Louis Vuitton mark.<sup>8</sup>

The Fourth Circuit affirmed. The *Louis Vuitton* court began its discussion by noting that “parody is not automatically a complete *defense* to a claim of dilution by blurring where the defendant uses the parody as its own designation of source, i.e., *as a trademark*.”<sup>9</sup> The court went so far as to say state that “[a]lthough the TDRA does provide that fair use is a complete defense and allows that a parody can be considered fair use, it does not extend the fair use defense to parodies used as a trademark.”<sup>10</sup> Despite this acknowledgement, the Fourth Circuit went on to hold that the TDRA nonetheless does not preclude a court from considering parody as part of the multi-factor dilution by blurring test under the TDRA.<sup>11</sup> To support this seeming contradiction of the TDRA’s plain language, the Fourth Circuit pointed to the TDRA’s language that in addition to the six enumerated factors under the dilution by blurring test, a court may

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also analyze “all relevant factors.”<sup>12</sup> The *Louis Vuitton* court emphasized that while a parody by necessity creates an association with the famous mark, if it is successful, it also conveys that it is not the famous mark.<sup>13</sup> Thus, the Fourth Circuit concluded that “while a defendant’s use of a parody of a mark does not support a ‘fair use’ defense, it may be considered in determining whether the plaintiff-owner of a famous mark has proved its claim that the defendant’s use of a parody mark is likely to impair the distinctiveness of the famous mark.”<sup>14</sup>

Applying its interpretation of the TDRA to the case, the Fourth Circuit acknowledged that Louis Vuitton had made out the essential elements of a claim of dilution by blurring. However, because HDD’s parody was highly successful—even though used as a trademark—the parody was still relevant and controverted Louis Vuitton’s showing on the other dilution factors. The court limited its holding, however, indicating that if the accused mark were too similar to the famous mark, then there might be a likelihood of dilution, even if it were a successful parody.<sup>15</sup> Because HDD’s mark clearly alluded, but was not identical, to the famous Louis Vuitton mark, the parody was still relevant to the dilution analysis. Thus, the court required Louis Vuitton to go one step further and “demonstrate that the distinctiveness of its famous marks is likely to be impaired” by the successful parody, which the court concluded Louis Vuitton failed to do.<sup>16</sup>

### The Second Circuit’s Rule: A Strict Constructionist View

Under the Fourth Circuit’s holding in *Louis Vuitton*, the owner of a famous mark could find itself in the difficult position of being able to establish the elements of a dilution claim, only to lose the case based solely on the cleverness of the parodist. More recently, however, the Second Circuit in *Starbucks Corp. v. Wolfe’s Borough Coffee Inc.*, 588 F.3d 97 (2d Cir. 2009), took a different approach, strictly construing Section 1125(c)(3)(A) to prohibit the parody exception where the defendant uses the accused parody as a trademark.<sup>17</sup> However, though it implicitly disagreed with the Fourth Circuit’s skirting of the plain language of the TDRA, the Second Circuit explicitly avoided adopting or rejecting the Fourth Circuit’s rule by distinguishing the facts of the case. By sidestepping the issue, the Second Circuit’s holding leaves the door open on how courts should apply the parody exception in the TDRA.

In *Starbucks*, the defendant, a coffee company in New Hampshire doing business under the name Black Bear, sold a line of dark-roasted coffees under the mark CHARBUCKS.<sup>18</sup> Starbucks sued Black Bear for trademark infringement and dilution, among other federal and state claims.<sup>19</sup> The district court granted summary judgment in favor of Black Bear on all of Starbucks’s claims, which Starbucks appealed.<sup>20</sup>

On appeal, Black Bear also argued that the rule in *Louis Vuitton* should apply. The Second Circuit disagreed. The *Starbucks* court first held that because Black Bear was using the CHARBUCKS name as a trademark, the parody

defense was not available under the parody exception in the TDRA.<sup>21</sup> The Second Circuit then distinguished the Fourth Circuit’s holding in *Louis Vuitton*, concluding that the CHARBUCKS mark, though humorous, was too subtle to fall within the Fourth Circuit’s rule that if the parody is highly successful, it may nonetheless be considered in the dilution analysis, even though it is used as a trademark.<sup>22</sup> The Second Circuit concluded that the CHARBUCKS mark was not a successful parody because while it created an association with the famous STARBUCKS mark, it did not simultaneously clearly convey that it was not *actually* the STARBUCKS mark. As a result, Black Bear’s “incantation of parody [did] nothing to shield it from Starbucks’ dilution claim....”<sup>23</sup>

### Conclusion

Taking the *Louis Vuitton* and *Starbucks* cases together, the application of the parody exception under the TDRA remains unclear. While both the Second and Fourth Circuits seem to agree that the fair use exception for parody is not available if the defendant uses the parody as its trademark, at least in the Fourth Circuit, the parody can still be considered in the dilution analysis. If the parody is really good—i.e., if it’s really funny—then there may still not be dilution, especially if the defendant’s mark is not identical to the famous mark. In the Second Circuit, however, it is doubtful (though possible) that the parody defense would be allowed, even if the parody were extremely funny. As this area of the law develops and more circuit courts address the applicability of this exception to the TDRA, the boundaries of its application may become clearer. For now at least, if you use a parody of a famous mark as a trademark, if the judge laughs, you likely still win. □

### Endnotes

<sup>1</sup>*White v. Samsung Elecs. Am. Inc.*, 971 F.2d 1395, 1401 (9th Cir. 1992).

<sup>2</sup>*See Mattel Inc. v. Walking Mountain Productions*, 353 F.3d 792, 812 (9th Cir. 2003).

<sup>3</sup>15 U.S.C. § 1125(c)(3)(A) (emphasis added).

<sup>4</sup>*See Starbucks Corp. v. Wolfe’s Borough Coffee Inc.*, 588 F.3d 97, 112 (2d Cir. 2009); *Louis Vuitton Malletier S.A. v. Haute Diggity Dog LLC*, 507 F.3d 252 (4th Cir. 2007).

<sup>5</sup>*Louis Vuitton Malletier S.A. v. Haute Diggity Dog LLC*, 507 F.3d 252 (4th Cir. 2007).

<sup>6</sup>*Id.* at 259.

<sup>7</sup>*Id.*

<sup>8</sup>*Id.* at 265. Louis Vuitton also claimed the Chewie Vuiton mark infringed the Louis Vuitton mark. The district court granted HDD summary judgment on that claim as well, and the Fourth Circuit affirmed.

<sup>9</sup>*Id.* at 266 (emphasis in original).

<sup>10</sup>*Id.*

<sup>11</sup>*Id.* at 266-67.

<sup>12</sup>*Id.* at 267.

<sup>13</sup>*Id.*

## Generic.com: Should “Generic” Domain Names Be Registerable as Trademarks?

By Steven Abreu

In the dot com boom of the late 1990s and early 2000s, the most lucrative domain names were the most easily identifiable. [Business.com](#), [wine.com](#), [creditcards.com](#) and [autos.com](#) all sold for over 2 million dollars.<sup>1</sup> Among these simple domains was [pets.com](#), which housed a business enterprise born in 1999 and closed in 2000 that specialized in the online sale of pet toys and supplies. Domain names like [pets.com](#) were registered in the hope that shoppers would be drawn to a website with a domain name so simple and to the point. Ultimately, [pets.com](#) was a casualty of the bursting bubble of the dot com era. To this day, however, there is no lack of businesses on the web using “simple” domain names that are also meant to double as a trademark. Unfortunately for these business owners, the perfect domain name might not be the perfect business name.

The Trademark Trial and Appeal Board (TTAB) and Court of Appeals for the Federal Circuit have generally been consistent in holding that a domain name which consists solely of a direct reference to the products or services sold therein, may lack trademark significance. Thus, even if an owner of a domain name advertises across the country, the name may never rise to the level of a registerable trademark or be entitled to the protections of federal trademark law.

### To Operate as a Trademark, a Word or Phrase Must Be Distinctive

Trademark law in the United States only protects distinctive marks. In order to be entitled to the benefits of trademark protection under the Lanham Act, a trademark must either be inherently distinctive (whether fanciful, arbitrary, or suggestive) or it must have acquired distinctiveness through continuous and exclusive use. (Before they have acquired distinctiveness these words or phrases are called “descriptive”.) Words, phrases, or designs that are not distinctive are not entitled to trademark protection because they cannot perform their essential function: to differentiate one company’s goods or services from another company’s goods or services. Words or phrases that are generic are, in addition to not being inherently distinctive, forever inca-

pable of acquiring distinctiveness. Classifying a mark as arbitrary, suggestive, descriptive, or generic is a difficult fact-based question that the Trademark Office, the TTAB, and federal courts wrestle with frequently. No bright line separates these categories.<sup>2</sup>

Given the difficulty trademark tribunals often have in drawing the lines between generic words and non-generic marks, it is a bit cruel that the stakes are so high. No matter how long a company uses its generic word or phrase as its company name, and no matter how many dollars it spends on advertising its products or services, the company cannot get trademark protection for a generic term.<sup>3</sup> This is why courts have cautioned that “to determine that a trademark is generic and thus pitch it into the public domain is a fateful step.”<sup>4</sup>

### Determining Whether a Word or Phrase is Generic

A word or phrase is considered generic if members of the relevant purchasing public primarily use or understand the term to refer to the genus of goods or services in question.<sup>5</sup> There is a two-step inquiry: First, a fact finder must determine the genus of goods and services at issue. Second, a fact finder must ask whether the term is understood by the relevant public primarily to refer to that genus of goods or services.<sup>6</sup> In the minds of the relevant public, if the term is a generic stand-in for the goods or services themselves, then the term is generic and does not function as a mark. In refusing to register a term based on genericness, the Trademark Office has the burden of proof and must make its case by submitting clear evidence that the mark is in fact generic.<sup>7</sup>

A classic example of a generic term is the use of MILK to refer to milk (or milk-based dairy products). The Trademark Office is loath to grant to one entity trademark protection over generic terms because of the need all parties have to identify their goods to potential purchasers.<sup>8</sup> MILK refers not just to a particular dairy but potentially to all milk products and for this reason it must be kept available for use by all without fear of trademark infringement suits by those owners first on the scene.

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### Use of Domain Names as Trademarks

A domain name can function as a mark if it is used as a trademark, i.e., if it functions as an identifier of the source of the goods or services and not just as a web address, and if the domain name is distinctive.<sup>9</sup> A domain name includes any words or numbers preceding the period as well as the “top level domain” indicator, usually .com, .org or .net. The domain name is a shortcut to an Internet protocol address somewhere in cyberspace. Thus, typically only one party owns a domain name at one time, and therefore, use of that domain name is by necessity tied to one party’s website. Unlike the term MILK, which can refer to a whole industry of milk providers, a particular domain name only refers to one specific website.

Consider HOTELS.COM, an online provider of travel services that assists customers in locating and making reservations in hotels or other travel accommodations. Typing in [hotels.com](http://hotels.com) into your web browser leads you to a single company’s website. Even novice users of the Internet understand that there is typically one and only one owner per web address and that the phrase “HOTELS.COM” refers not only to the address, but also to the company that lives there. In a sense, this is traditionally also how a consumer’s connection to a trademark operates. Marks can be used as shortcuts by consumers when referring to product and service providers, and those marks come to symbolize the feelings that consumers have about those providers.

The same “one owner/one location” logic applies to telephone numbers. In 2001, Dial-A-Mattress Corporation successfully overcame a refusal to register 1-888-M-A-T-R-E-S-S because it persuaded the Federal Circuit that only one entity could own the corresponding phone number, and as such, the mark operated as a source identifier.<sup>10</sup> Furthermore, there was no need for competitors to also use the term 1-888-M-A-T-R-E-S-S.<sup>11</sup> HOTELS.COM argued that this logic should apply seamlessly to registration of its domain name as a trademark, but both the TTAB and the Federal Circuit had other ideas.

### HOTELS.COM Searches For a Place to Stay on the Trademark Register

HOTELS.COM sought registration of its HOTELS.COM phrase and its composite HOTELS.COM plus bellhop design mark on the principal trademark register. Being able to register their trademark would allow HOTELS.COM to police its mark against junior users of similar marks. For instance, if [hotels.com](http://hotels.com) was a registered mark the company would be able to use the provisions of the Lanham Act to go after its competitors using domain names confusingly similar to [hotels.com](http://hotels.com).

However, as laid out in separate opinions by the TTAB, both the phrase HOTELS.COM and the composite mark were refused registration based on genericness.<sup>12</sup> As stated above, terms are generic if they signify to consumers the genus of goods or services which they denote. HOTELS.COM argued that consumers understand its domain name as a mark and a brand name and not as the generic name for the genus of services. The examining attorney disagreed,

and argued that consumers would understand the term hotels.com to refer to a generic destination to get information about lodging.<sup>13</sup> Ultimately, the TTAB found HOTELS.COM to be generic based on two key facts: the term “hotel” was a central focus of the applicant’s services, and competitors were already using hotels.com in their domain names when conducting their services.

First, the TTAB was influenced by the central role of hotels in the services offered by HOTELS.COM. If the generic term is a stand-in for the central focus of an applicant’s services, the term is generic even if it is an exact synonym for the services.<sup>14</sup> HOTELS.COM argued that [hotels.com](http://hotels.com) was not generic because they were not selling hotel rooms, they were merely facilitating reservations, which was akin to a travel agency service. The TTAB was not persuaded. It found that because the central focus was hotels, as shown by the applicant’s widespread use of the term “hotels” on its website, the word hotels was generic even though hotels were not the exact goods and services at issue.

Second, the TTAB seized on the fact that many other companies were currently using domain names that incorporated [hotels.com](http://hotels.com), such as, [choicehotels.com](http://choicehotels.com), [a1-discount-hotels.com](http://a1-discount-hotels.com), [discount-hotels.cc](http://discount-hotels.cc), [thediscount-hotel.com](http://thediscount-hotel.com), and [hotellocators.com](http://hotellocators.com). This persuaded the board to write, “[i]n short, this case does not involve a perceived need for others to use a term, but involves a demonstrated use of the term by others. The relevant public will, therefore, perceive use of [hotels.com](http://hotels.com) as indicating a website focused on hotels.”<sup>15</sup>

Similarly the board was not persuaded by the “one owner/one location theory.” Even though [hotels.com](http://hotels.com) goes only to one website, others were using domain names that incorporated the mark, and thus a competitive need existed—unlike with 1-888-M-A-T-R-E-S-S. “[A]lthough telephone numbers are unique, domain names may be up to 63 numbers or characters, so that many domain names could contain the same root terms combining them with different numbers or letters as prefixes or suffixes.”<sup>16</sup>

The Court of Appeals for the Federal Circuit upheld the board’s decision to refuse to register HOTELS.COM for genericness.<sup>17</sup> Even though HOTELS.COM had spent upwards of thirty million dollars on advertising in 2002 alone, and had a high degree of consumer awareness, the domain name was not entitled to trademark protection.

### Many Recent Rulings Follow This Pattern

Similar refusals have befallen the following domain names, all of which were found not entitled to trademark protection due to genericness: LAWYERS.COM,<sup>18</sup> BONDS.COM,<sup>19</sup> BLINDSANDDRAPERY.COM,<sup>20</sup> MATTRESS.COM,<sup>21</sup> and SPORTSBETTING.COM.<sup>22</sup> The refusals should come as a warning to business owners, that if trademark protection is a goal, then some distinctive character should be added to a business or domain name.

AMAZON.COM is a federally registered trademark in connection with its online store services because the term “amazon” is arbitrarily applied to online store services

*GENERIC DOMAINS continued from page 5*

and does not directly reference the goods sold or services offered. Even though hotels.com may be “simple” and memorable, the failure of the owner to gain trademark protection leaves HOTELS.COM and others in similar situations without some of the recourse distinctive mark owners may take against imitators, imposters and typo-squatters.

### **Have the TTAB and Federal Circuit Miscalculated How Consumers Perceive Domain Names?**

Does the public really believe that use of hotels.com in a domain name refers not to the company providing the services but generally to the type of services provided? There seems to be a disconnect between what the court has decided and how Internet users actually perceive a domain name. Arguably, most Internet users, especially the ones comfortable enough to make travel bookings on the Internet, know that hotels.com is a particular source of services. If consumers believe that HOTELS.COM refers not to a genus of services but to a specific provider, it should be entitled to protection under the genericness test itself. Unfortunately, HOTELS.COM’s survey evidence, which purported to show that consumers would recognize HOTELS.COM as a brand name, was seriously flawed and discounted by both the TTAB and the Federal Circuit. If reliable survey evidence could show that internet users associate a domain name like hotels.com with a specific provider of services, one could certainly argue it should be entitled to trademark protection such that it could enforce its rights against similar mark users in the interest of protecting against consumer confusion.

The flip side to this argument is that a whole sub-industry of online booking services for travel registration exists and exists with many forms of hotels.com, including suffixes and prefixes, in the domain names. Allowing HOTELS.COM a federal registration of its domain name could chill competition from other similarly-named sites, effectively granting a monopoly to one party over a term in a domain name that is the central focus of that site, an outcome the federal courts have assiduously tried to avoid. Still, if trademark law exists to guard against consumer confusion and consumers truly associate hotels.com or sportsbetting.com or even bonds.com with one source each, it seems that as more and more business is conducted on the Internet, the risk of confusion in allowing confusingly similar enterprises to operate alongside one another would be something that trademark law should protect against.<sup>23</sup>

It remains to be seen how practitioners will attempt to overcome the challenges these cases pose to domain owners with arguably generic domain names, but for now the best advice would be to think twice before registering and operating under a simple domain name. □

### **Endnotes**

<sup>1</sup>See Bob Sullivan, *Domain name sells for \$2.75 million*, [www.msnbc.msn.com/id/5467584](http://www.msnbc.msn.com/id/5467584).

<sup>24</sup>In the generic-descriptive-suggestive-arbitrary-fanciful

continuum of words and their usage as marks of trade, there is no fixed boundary separating the categories; each word must be considered according to its circumstances.” *In re Hotels.com LP*, 91 USPQ 2d 1532 (Fed. Cir. 2009), citing *In re K-T Zoe Furniture Inc.* 16 F.3d 390, 393 (Fed. Cir. 1994).

<sup>34</sup>Evidence of even significant promotion, use and sales cannot transform a generic terms into a trademark.” *Roux Laboratories Inc. v. Clairol Inc.*, 427 F.2d 823 (CCPA 1970).

<sup>4</sup>*Ty Inc. v. Softbelly’s Inc.*, 353 F.3d 528, 531 (7th Cir. 2003) (Posner, J.).

<sup>5</sup>See *H. Marvin Ginn Corp. v. Int’l Ass’n of Fire Chiefs Inc.*, 782 F.2d 987, 989-90 (Fed. Cir. 1986).

<sup>6</sup>*Id.*

<sup>7</sup>See, *In re American Fertility Society*, 188 F.3d 1341, 1346 (Fed. Cir. 1999).

<sup>8</sup>See, *In re Merrill Lynch, Pierce, Fenner & Smith, Inc.*, 828 F.2d 1567, 1570 (Fed. Cir. 1987)

<sup>9</sup>See, Trademark Manual of Examining Procedure (TMPE) 1209.03 (m).

<sup>10</sup>See, *In re Dial-A-Mattress Operating Corporation*, 241 F.3d 1341 (Fed. Cir. 2001)

<sup>114</sup>Finally, given that telephone numbers consist of only seven numbers and typically can be used by only one entity at a time, a competitor of a business that has obtained a telephone number corresponding to a “mattress” mnemonic for all practical purposes is already precluded from using and promoting the number.” *Id.*

<sup>12</sup>Both applications were filed based on intent-to-use the mark, rather than on current use in commerce. The marks were preliminarily refused registration on the basis of descriptiveness. Once an allegation of use was filed the Applicant alleged that the mark had acquired distinctiveness and was entitled to registration. The Trademark Office then issued an office action refusing registration based on genericness. Furthermore, HOTELS.COM did eventually achieve registration for services in Class 39 relating to transportation. Only the services in Class 43 relating to lodging were refused.

<sup>13</sup>In addition to this disagreement, the parties disagreed as to how the genus of services Hotels.com provided should be defined. In the end, the T.T.A.B. and Federal Circuit decided that the services listed in the application were a fair stand-in for the genus of services. *In re Hotels.com LP*, Serial No. 76414272 (TTAB September 11, 2006) (Hotels I). (Hotels.com tried to amend the recitation of services to delete a reference to “hotel reservations” but this was not a successful tactic.); see also, *In re Reed Elsevier Properties Inc.*, 77 USPQ2d 1649 (TTAB 2005).

<sup>14</sup>*In re Hotels.com LP*, 87 USPQ2d 1100, (TTAB 2008) (Hotels II).

<sup>15</sup>*In re Hotels.com LP*, Serial No. 76414272 (TTAB September 11, 2006), (TTAB 2006) (Hotels I).

<sup>16</sup>*In re Hotels.com LP*, 87 USPQ2d 1000, (TTAB 2008) (Hotels II).

<sup>17</sup>*In re Hotels.com LP*, 91 USPQ2d 1532, (Fed. Cir. 2009).

## False Advertising Under the Lanham Act: What is True, What is False, and What is Somewhere in Between

By Terrance Newby

For most American companies, the ability to compare their products to those offered by their competitors is crucial to survival. We are all familiar with advertisements stating that a particular product is “preferred by consumers,” or “beats the competition.” And in today’s economic climate, advertising is more important than ever.

But the wrong kind of advertising could have significant consequences. The Lanham Act provides civil liability for any company that uses “false or misleading” statements to promote its products. And courts have developed a variety of tests to determine whether advertising statements really are “false or misleading.”

This article explores three topics in this area: (1) the methods used by courts when determining whether commercial advertisements are “false and misleading,” or simply “puffery” that no reasonable consumer would believe; (2) the different standards for relief concerning statements that are “literally false” versus those that are merely false by implication, and how those standards are used in injunction and damages cases; and (3) a summary of a recent District of Minnesota decision where the difference between “false” and “not false” statements turned on just one or two words.<sup>1</sup>

### What Statements Are Considered False Under the Lanham Act?

Section 43(a) of the Lanham Act provides in pertinent part as follows:

(1) Any person who, on or in connection with any goods or services, or any container for goods, uses in commerce any ... false designation of origin, false or misleading description of fact, or false or misleading representation of fact, which—

\* \* \*

(B) in commercial advertising or promotion, misrepresents the nature, characteristics, qualities, or geo-

graphic origin of his or her or another person’s goods, services, or commercial activities,

shall be liable in a civil action by any person who believes that he or she is or is likely to be damaged by such act.

15 U.S.C. § 1125(a). To prevail on a false advertising claim under this section of the Lanham Act, a plaintiff must generally prove that the defendant made a false statement of fact, regarding its own or another’s product, that was likely to influence purchasing decisions.

Falsity can be proven in two ways: (1) claims that are literally false as a factual matter; and (2) claims that are literally true or ambiguous but which implicitly convey a false impression, are misleading in context, or are likely to deceive consumers.<sup>2</sup>

For a claim to be literally false, it must do two things: (1) it must convey an explicit factual message; and (2) that explicit factual message must be false.<sup>3</sup> The court can determine whether a statement is literally false by viewing the advertisement in its full context, which can include visual imagery, printed words, spoken words, or some combination of the three. Literal falsity can be decided at the summary judgment stage, without resorting to consumer testimony.<sup>4</sup>

Examples of statements that have been found to be literally false include a statement that clothing “eliminates all types of odor” when it only reduced odor; and a statement that certain wine and liquor products were “immediately available” when those products were routinely out of stock, or stocked only in small quantities.<sup>5</sup> Examples of statements found to be literally true include a claim that an insecticide product “killed roaches in 24 hours” when the parties’ testing confirmed that the insecticide did in fact kill a roach in that time.<sup>6</sup>

The key factor when determining whether a statement

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is literally false (as opposed to false by implication) is the degree to which the viewer or consumer must integrate the components of the ad and draw conclusions. If a consumer or viewer must integrate all the individual components of an ad and then draw a conclusion based on those components, it is less likely that the ad is literally false.<sup>7</sup>

In contrast, an advertisement that is literally true but implicitly conveys a false impression contains some element of truth. A plaintiff asserting that an advertisement is implicitly false must prove that the advertisement actually conveyed the implied false message, and therefore deceived a significant portion of its audience.<sup>8</sup> Generally, this can only be done by consumer or market research surveys that determine the audience's understanding or impression of the messages. Without consumer or market research showing that the advertisement deceived a significant portion of the audience, a claim based on implicit falsity will usually fail.<sup>9</sup>

### **Why Does It Matter Whether a Statement is Literally False, or Merely False By Implication?**

A plaintiff who establishes that an advertising claim is literally false, instead of false by implication, eliminates a key hurdle. A court can enjoin a literally false statement without any evidence that the public was misled—if the ad is literally false, the court can enjoin it without considering actual consumer impact.<sup>10</sup> Put another way, when a statement is literally false there is a *presumption* of deception, and the plaintiff need not offer consumer surveys or market research to prove the second element of a Lanham Act claim.

The presumption of deception is critical: a plaintiff who successfully proves literal falsity usually only needs to prove two other elements, materiality and injury.<sup>11</sup> And a plaintiff seeking only injunctive relief does not even have to prove specific damages.<sup>12</sup> Thus, whether a statement is literally false or merely false by implication has significant ramifications for the plaintiff in a false advertising case.

### **What Is Puffery, and Why Is It Not Actionable?**

Puffery, or puffing, is “exaggerated advertising, blustering, and boasting upon which no reasonable buyer would rely.”<sup>13</sup> Puffery is not actionable under the Lanham Act because it is generally vague and highly subjective, and does not contain specific or measurable statements about a product. Product superiority claims that are vague or highly subjective are often considered puffery, while misdescriptions of specific or absolute characteristics of a product are generally actionable.

For example, a company's advertisement touting the features of its turfgrass seed product, claiming “Less is More,” was held to be nonactionable puffery, “precisely the type of generalized boasting upon which no reasonable buyer would rely.” But an ad claiming that the same product will allow “50 Percent Less Mowing” was not puffery, because that claim was “a specific and measurable advertisement

claim of product superiority based on product testing.”<sup>14</sup> If the advertisement touts specific features or product benefits, directly compares the performance of one product over another, or describes specific or absolute characteristics of a product, it is very unlikely that the ad will be considered puffery.<sup>15</sup>

### **The “Scent-Lok” Decision**

A recent decision from the District of Minnesota demonstrates some of these principles. The plaintiffs in *Buetow v. A.L.S. Enterprises Inc.* sued several sporting goods companies, alleging that advertisements concerning the defendants' hunting clothing were false.<sup>16</sup> Under the brand name “Scent-Lok,” the defendants produced several advertisements claiming that their clothing would eliminate human odor, thus enabling hunters to get closer to their prey.

The court considered several statements and phrases found in various advertisements, including “odor-free,” “scent-free,” “odor eliminating,” and “works on 100 percent of your scent.” The court found all of these statements to be literally false, because experts for both sides agreed that the clothing did not *eliminate* human odor, but only *reduced* human odor: “The word ‘eliminate’ is subject to only one reasonable interpretation—complete elimination.”<sup>17</sup> Because all parties agreed that the “Scent-Lok” clothing did not completely “eliminate” odor, these statements were literally false.

But statements with other modifiers were not found to be literally false. These included statements that Scent-Lok will “virtually eliminate” odor, or that it will “substantially reduce the chance” that a game animal will detect a hunter's scent. The court reasoned, “[T]he qualifying language may lead reasonable consumers to understand that the clothing can only *reduce* odor.”<sup>18</sup> Thus, the difference between literally false and not literally false will sometimes come down to one word.

Finally, the court held that the statements that were not literally false were not actionable, because the plaintiffs offered no survey evidence, or other proof that the statements confused a significant portion of consumers. Without this evidence, the statements were not actionable.<sup>19</sup>

### **Conclusion**

There are several things that lawyers and clients should consider before filing a false advertising claim against a competitor. These include the following:

1. Are the statements in the ads literally false, or merely false by implication?
2. If the statements are not literally false, is there survey evidence, market research evidence, or other evidence showing that a significant proportion of consumers were deceived?
3. Are the claims in the ads vague and highly subjective, or specific and measurable?

*FALSE ADVERTISING continued on page 11*



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## FEDERAL BAR ASSOCIATION APPLICATION FOR MEMBERSHIP (CONTINUES ON REVERSE)

### Applicant Information

First Name \_\_\_\_\_ M.I. \_\_\_\_\_ Last Name \_\_\_\_\_ Suffix (e.g. Jr.) \_\_\_\_\_ Title (e.g. Attorney At Law, Partner, Assistant U.S. Attorney) \_\_\_\_\_  
 Male  Female Have you been an FBA member in the past?  yes  no Which do you prefer as your primary address?  business  home

Firm/Company/Agency		Number of Attorneys	
Address		Suite/Floor	
City	State	Zip	Country
( )	( )		
Phone	Fax	E-mail	

Address			Apt. #
City	State	Zip	Country
( )	( )		
Phone	Fax		
/ /			
Date of Birth	E-mail		

### Bar Admission and Law School Information (required)

U.S.	Court of Record: _____
	State/District: _____ Original Admission: / /

Tribal	Court of Record: _____
	State: _____ Original Admission: / /

Foreign	Court/Tribunal of Record: _____
	Country: _____ Original Admission: / /

Students	Law School: _____
	State/District: _____ Expected Graduation: / /

### Practice Information

#### PRACTICE TYPE

- Private Sector:  Private Practice  Corporate/In-House  
 Public Sector:  Government  Association Counsel  
 Nonprofit  University/College  
 Military  Judiciary

#### PRIMARY PRACTICE AREAS

- |  |  |
|--|--|
| <input type="radio"/> Administrative         | <input type="radio"/> Health                 |
| <input type="radio"/> Admiralty/Maritime     | <input type="radio"/> Immigration            |
| <input type="radio"/> ADR/Arbitration        | <input type="radio"/> Indian                 |
| <input type="radio"/> Antitrust/Trade        | <input type="radio"/> Intellectual Property  |
| <input type="radio"/> Bankruptcy             | <input type="radio"/> International          |
| <input type="radio"/> Communications         | <input type="radio"/> Labor/Employment       |
| <input type="radio"/> Criminal               | <input type="radio"/> Military               |
| <input type="radio"/> Environment/Energy     | <input type="radio"/> Social Security        |
| <input type="radio"/> Federal Litigation     | <input type="radio"/> State/Local Government |
| <input type="radio"/> Financial Institutions | <input type="radio"/> Taxation               |
| <input type="radio"/> General Counsel        | <input type="radio"/> Transportation         |
| <input type="radio"/> Government Contracts   | <input type="radio"/> Veterans               |

Other: \_\_\_\_\_

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Member Admitted to Practice 6-10 Years .....	\$190	\$165
Member Admitted to Practice 11+ Years .....	\$215	\$180
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Dues Total: \$ \_\_\_\_\_

### Practice Area Sections

- |   |   |
|---|---|
| <input type="checkbox"/> Alternative Dispute Resolution .. \$15               | <input type="checkbox"/> Intellectual Property & Communications Law..... \$10   |
| <input type="checkbox"/> Antitrust and Trade Regulation \$15                  | <input type="checkbox"/> International Law..... \$10                            |
| <input type="checkbox"/> Bankruptcy Law..... \$10                             | <input type="checkbox"/> Labor and Employment Law..... \$15                     |
| <input type="checkbox"/> Criminal Law..... \$10                               | <input type="checkbox"/> Social Security..... \$10                              |
| <input type="checkbox"/> Environment, Energy, and Natural Resources..... \$15 | <input type="checkbox"/> State and Local Government Relations..... \$5          |
| <input type="checkbox"/> Federal Litigation..... \$10                         | <input type="checkbox"/> Taxation..... \$15                                     |
| <input type="checkbox"/> Government Contracts..... \$20                       | <input type="checkbox"/> Transportation & Transportation Security Law..... \$20 |
| <input type="checkbox"/> Health Law..... \$10                                 | <input type="checkbox"/> Veterans Law..... \$10                                 |
| <input type="checkbox"/> Immigration Law..... \$10                            |   |
| <input type="checkbox"/> Indian Law..... \$15                                 |   |

### Career Divisions

- Federal Career Service (past/present employee of federal government).....N/C  
 Judiciary (past/present member or staff of a judiciary).....N/C  
 Corporate & Association Counsels (past/present member of corporate/association counsel's staff)..... \$10  
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| <p><b>Alabama</b><br/> <input type="checkbox"/> Birmingham<br/> <input type="checkbox"/> Mobile<br/> <input type="checkbox"/> Montgomery<br/> <input type="checkbox"/> North Alabama</p> <p><b>Alaska</b><br/> <input type="checkbox"/> Alaska</p> <p><b>Arizona</b><br/> <input type="checkbox"/> Phoenix<br/> <input type="checkbox"/> William D. Browning/<br/>                     Tucson-\$10</p> <p><b>Arkansas*</b><br/> <input type="checkbox"/> At Large</p> <p><b>California</b><br/> <input type="checkbox"/> Central Coast<br/> <input type="checkbox"/> Inland Empire<br/> <input type="checkbox"/> Los Angeles<br/> <input type="checkbox"/> Northern District of California<br/> <input type="checkbox"/> Orange County<br/> <input type="checkbox"/> Sacramento<br/> <input type="checkbox"/> San Diego<br/> <input type="checkbox"/> San Joaquin Valley</p> <p><b>Colorado</b><br/> <input type="checkbox"/> Colorado</p> <p><b>Connecticut</b><br/> <input type="checkbox"/> District of Connecticut</p> <p><b>Delaware</b><br/> <input type="checkbox"/> Delaware</p> <p><b>District of Columbia</b><br/> <input type="checkbox"/> Capitol Hill<br/> <input type="checkbox"/> D.C.<br/> <input type="checkbox"/> Pentagon</p> <p><b>Florida</b><br/> <input type="checkbox"/> Broward County<br/> <input type="checkbox"/> Jacksonville<br/> <input type="checkbox"/> North Central Florida<br/> <input type="checkbox"/> Orlando<br/> <input type="checkbox"/> Palm Beach County<br/> <input type="checkbox"/> South Florida<br/> <input type="checkbox"/> Southwest Florida<br/> <input type="checkbox"/> Tallahassee-\$25<br/> <input type="checkbox"/> Tampa Bay</p> | <p><b>Georgia</b><br/> <input type="checkbox"/> Atlanta-\$10</p> <p><b>Hawaii</b><br/> <input type="checkbox"/> Hawaii</p> <p><b>Idaho</b><br/> <input type="checkbox"/> Idaho</p> <p><b>Illinois</b><br/> <input type="checkbox"/> Chicago</p> <p><b>Indiana</b><br/> <input type="checkbox"/> Indianapolis</p> <p><b>Iowa</b><br/> <input type="checkbox"/> Iowa-\$10</p> <p><b>Kansas*</b><br/> <input type="checkbox"/> At Large</p> <p><b>Kentucky</b><br/> <input type="checkbox"/> Kentucky</p> <p><b>Louisiana</b><br/> <input type="checkbox"/> Baton Rouge<br/> <input type="checkbox"/> Lafayette/Acadiana<br/> <input type="checkbox"/> New Orleans<br/> <input type="checkbox"/> North Louisiana</p> <p><b>Maine*</b><br/> <input type="checkbox"/> At Large</p> <p><b>Maryland</b><br/> <input type="checkbox"/> Maryland</p> <p><b>Massachusetts</b><br/> <input type="checkbox"/> Massachusetts-\$10</p> <p><b>Michigan</b><br/> <input type="checkbox"/> Eastern District of Michigan<br/> <input type="checkbox"/> Western District of Michigan<br/> <input type="checkbox"/> D.C.<br/> <input type="checkbox"/> Minnesota</p> <p><b>Minnesota</b><br/> <input type="checkbox"/> Minnesota</p> <p><b>Mississippi</b><br/> <input type="checkbox"/> Mississippi</p> <p><b>Missouri*</b><br/> <input type="checkbox"/> At Large</p> <p><b>Montana</b><br/> <input type="checkbox"/> Montana</p> <p><b>Nebraska*</b><br/> <input type="checkbox"/> At Large</p> <p><b>Nevada</b><br/> <input type="checkbox"/> Nevada</p> <p><b>New Hampshire*</b><br/> <input type="checkbox"/> At Large</p> | <p><b>New Jersey</b><br/> <input type="checkbox"/> Central Jersey Shore<br/> <input type="checkbox"/> New Jersey</p> <p><b>New Mexico*</b><br/> <input type="checkbox"/> At Large</p> <p><b>New York</b><br/> <input type="checkbox"/> Eastern District of New York<br/> <input type="checkbox"/> Southern District of New York</p> <p><b>North Carolina</b><br/> <input type="checkbox"/> Middle District of North Carolina<br/> <input type="checkbox"/> Western District of North Carolina</p> <p><b>North Dakota*</b><br/> <input type="checkbox"/> At Large</p> <p><b>Ohio</b><br/> <input type="checkbox"/> John W. Peck/Cincinnati/<br/>                     Northern Kentucky<br/> <input type="checkbox"/> Columbus<br/> <input type="checkbox"/> Dayton<br/> <input type="checkbox"/> Northern District of Ohio-\$10</p> <p><b>Oklahoma</b><br/> <input type="checkbox"/> Oklahoma City<br/> <input type="checkbox"/> Northern/Eastern Oklahoma</p> <p><b>Oregon</b><br/> <input type="checkbox"/> Oregon</p> <p><b>Pennsylvania</b><br/> <input type="checkbox"/> Eastern District of Pennsylvania<br/> <input type="checkbox"/> Middle District of Pennsylvania<br/> <input type="checkbox"/> Western District of Pennsylvania</p> <p><b>Puerto Rico</b><br/> <input type="checkbox"/> Hon. Raymond L. Acosta/<br/>                     Puerto Rico-\$10</p> | <p><b>Rhode Island</b><br/> <input type="checkbox"/> Rhode Island</p> <p><b>South Carolina</b><br/> <input type="checkbox"/> South Carolina</p> <p><b>South Dakota*</b><br/> <input type="checkbox"/> At Large</p> <p><b>Tennessee</b><br/> <input type="checkbox"/> Chattanooga<br/> <input type="checkbox"/> Memphis<br/> <input type="checkbox"/> Mid-South<br/> <input type="checkbox"/> Nashville<br/> <input type="checkbox"/> Northeast Tennessee</p> <p><b>Texas</b><br/> <input type="checkbox"/> Austin<br/> <input type="checkbox"/> Dallas-\$10<br/> <input type="checkbox"/> Del Rio-\$25<br/> <input type="checkbox"/> El Paso<br/> <input type="checkbox"/> Fort Worth<br/> <input type="checkbox"/> San Antonio<br/> <input type="checkbox"/> Southern District of Texas-\$25<br/> <input type="checkbox"/> Waco</p> <p><b>Utah</b><br/> <input type="checkbox"/> Utah</p> <p><b>Vermont*</b><br/> <input type="checkbox"/> At Large</p> <p><b>Virgin Islands</b><br/> <input type="checkbox"/> Virgin Islands</p> <p><b>Virginia</b><br/> <input type="checkbox"/> Northern Virginia<br/> <input type="checkbox"/> Richmond<br/> <input type="checkbox"/> Tidewater</p> <p><b>Washington*</b><br/> <input type="checkbox"/> At Large</p> <p><b>West Virginia*</b><br/> <input type="checkbox"/> At Large</p> <p><b>Wisconsin*</b><br/> <input type="checkbox"/> At Large</p> <p><b>Wyoming</b><br/> <input type="checkbox"/> Wyoming</p> |
|---|--|--|---|

Chapter Total: \$ \_\_\_\_\_

## Payment Information and Authorization Statement

### TOTAL DUES TO BE CHARGED

(membership, section/division, and chapter dues): \$ \_\_\_\_\_

Check enclosed, payable to Federal Bar Association  
 Credit:  American Express  MasterCard  Visa

\_\_\_\_\_  
 Name on card (please print)

\_\_\_\_\_  
 Card No. Exp. Date

\_\_\_\_\_  
 Signature Date

By signing this application, I hereby apply for membership in the Federal Bar Association and agree to conform to its Constitution and Bylaws and to the rules and regulations prescribed by its Board of Directors. I declare that the information contained herein is true and complete. I understand that any false statements made on this application will lead to rejection of my application and/or the immediate termination of my membership. I also understand that by providing my fax number and e-mail address, I hereby consent to receive faxes and e-mail messages sent by or on behalf of the Federal Bar Association, the Foundation of the Federal Bar Association, and the Federal Bar Building Corporation.

\_\_\_\_\_  
 Signature of Applicant

\_\_\_\_\_  
 Date

(Signature must be included for membership to be activated)

\*Contributions and dues to the FBA may be deductible by members under provisions of the IRS Code, such as an ordinary and necessary business expense, except 4.5% which is used for congressional lobbying and is not deductible. Your FBA dues include \$14 for a yearly subscription to the FBA's professional magazine.

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Thorough consideration of these factors will provide guidance to clients and counsel when navigating the murky waters of false advertising claims. □

**Endnotes**

<sup>1</sup>*Buetow v. A.L.S. Enters. Inc.*, \_\_\_ F. Supp. 2d \_\_\_, 2010 WL 1957489 (D. Minn. 2010).

<sup>2</sup>*United Indus. Corp. v. Clorox Co.*, 140 F.3d 1175, 1180 (8th Cir. 1998); *Southland Sod Farms v. Stover Seed Co.*, 108 F.3d 1134, 1139-40 (9th Cir. 1997).

<sup>3</sup>*See, e.g., Surdyk's Liquor Inc. v. MGM Liquor Stores Inc.*, 83 F. Supp. 2d 1016, 1022 (D. Minn. 2000).

<sup>4</sup>*See, e.g., Buetow*, 2010 WL 1957489 at \*4-5 (finding that certain ads were “literally false as a matter of law” and granting partial summary judgment).

<sup>5</sup>*Id.*; *Surdyk's Liquor, Inc.*, 83 F. Supp. 2d at 1024-25.

<sup>6</sup>*United Indus. Corp.*, 140 F.3d at 1181.

<sup>7</sup>*Surdyk's Liquor, Inc.*, 83 F. Supp. 2d at 1022-23.

<sup>8</sup>*See, e.g., 3M Innovative Properties Co. v. DuPont Dow Elastomers LLC*, 361 F. Supp. 2d 958, 969 (D. Minn. 2005).

<sup>9</sup>*See id.*; *see also United Indus. Corp.*, 140 F.3d at 1183.

<sup>10</sup>*See, e.g., United Indus. Corp.*, 140 F.3d at 1180; *Surdyk's Liquor, Inc.*, 83 F. Supp. 2d at 1027.

<sup>11</sup>*See 3M Innovative Properties Co.*, 361 F. Supp. 2d at 971 (holding that, notwithstanding a finding of literal falsity, “the separate element of materiality is not presumed”).

<sup>12</sup>*See, e.g., Porous Media Corp. v. Pall Corp.*, 110 F.3d 1329, 1335 (8th Cir. 1997).

<sup>13</sup>*See, e.g., Southland Sod Farms*, 108 F.3d at 1145.

<sup>14</sup>*Id.*

<sup>15</sup>*See, e.g., United Indus. Corp.*, 140 F.3d at 1180.

<sup>16</sup>\_\_\_ F. Supp. 2d \_\_\_, 2010 WL 1957489 (D. Minn. 2010).

<sup>17</sup>*Id.* at \*4-5.

<sup>18</sup>*Id.* at \*6.

<sup>19</sup>*Id.*

*PARODY DEFENSE continued from page 3*

<sup>14</sup>*Id.*

<sup>15</sup>*Id.* at 268.

<sup>16</sup>*Id.*

<sup>17</sup>*Starbucks Corp. v. Wolfe's Borough Coffee Inc.*, 588 F.3d 97, 112 (2d Cir. 2009).

<sup>18</sup>*Id.* at 103.

<sup>19</sup>*Id.* at 103-04.

<sup>20</sup>*Id.* at 104. While Starbucks's initial appeal was pending, the TDRA was passed, and the Second Circuit remanded the case to the district court for analysis under the new statute. On remand, the district court again ruled in favor of Black Bear on substantially the same grounds. Starbucks again appealed. The opinion discussed in this article is the Second Circuit's decision on this second appeal by Starbucks.

<sup>21</sup>*Id.* at 112 (in reference to 15 U.S.C. Section 1125(c)(3) (A), stating “As evident from the statutory language, Black Bear's use of the Charbucks Marks cannot qualify under the parody exception because the Charbucks Marks are used ‘as a designation of source for [Black Bear's own goods [i.e., the Charbucks line of coffee]”).

<sup>22</sup>*Id.* at 113.

<sup>23</sup>*Id.*

*GENERIC DOMAINS continued from page 6*

<sup>18</sup>*In re Reed Elsevier Properties, Inc.*, 77 USPQ2d 1649 (TTAB 2005).

<sup>19</sup>*In re CyberFinancial.Net, Inc.*, 65 USPQ2d 1789 (TTAB 2002).

<sup>20</sup>*In re Eddie Z's Blinds and Drapery, Inc.*, 74 USPQ2d 1037 (TTAB 2005).

<sup>21</sup>*In re 1800Mattress.com IP, LLC*, 92 USPQ2d 1682 (Fed. Cir. 2009).

<sup>22</sup>*In re DNI Holdings Ltd.*, 77 USPQ2d 1435 (TTAB 2005).

<sup>23</sup>There is one notable exception in the genericness jurisprudence of domain names. In 2005, the Court of Appeals for the Federal Circuit reversed a genericness refusal in connection with an application to register STEELBUILDING.

COM. *In re Steelbuilding.com*, 75 USPQ2d 1420 (Fed. Cir. 2005). Although the Federal Circuit acknowledged that STEELBUILDING.COM may be descriptive for an online seller of steel buildings, there were ambiguities and multiple meanings of the mark because the Applicant's online platform allowed users to build buildings online out of virtual steel. The Court concluded that the addition of the top level domain .com to the mark “expanded the mark to include internet services that include ‘building’ or designing steel structures.”