Consumer Investment in Trademarks

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CONSUMER INVESTMENT IN TRADEMARKS*

DEBORAH R. GERHARDT**

To protect the interests of trademark owners in many new contexts, trademark law has expanded and uprooted the doctrine from its policy of protecting consumers. To facilitate this expansion, consumer interests are often ignored or manipulated to conform to the interests of mark owners. This Article introduces consumer investment in trademarks as a model to bring public interests back into trademark doctrine. The model demonstrates that because consumers invest marks with meaning and value, they deserve a return. Drawing on literature from the social sciences, this Article illuminates the many ways in which consumers contribute to the success or failure of marks and actively use them to express themselves and find information. In view of this research, this Article advocates rejection of the doctrinal assumptions that trademark owners are solely responsible for trademark value and that consumers are mere passive recipients of information about marks. Instead, trademark law should acknowledge that consumers have also invested in marks, and it should therefore weigh the public interest in using marks as information tools when deciding trademark matters. By adopting the model’s broadened view of how consumers use brands and contribute to their meaning, trademark law can take into account actual consumer interests.

Next, the discussion turns to practical applications. Use of the consumer investment model would keep trademark doctrine on a principled path that preserves the public interest in using marks as information tools. The model offers a new way of examining difficult issues involving the unauthorized use of brands on the

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** Assistant Professor of Law at the University of North Carolina School of Law. The author would like to thank Scott Baker, Ann Bartow, Andrew Chin, Kevin Collins, Adam Feibelman, Laura N. Gasaway, Melissa Jacoby, Marshall Leaffer, Mark Lemley, William McGeveran, Mark McKenna, William J. Turnier, Rebecca Tushnet, and the participants in workshops at the 2007 Work in Progress Intellectual Property workshop at American University, the Maurer School of Law at Indiana University, the UC Irvine School of Law, and the University of North Carolina School of Law. The author is most grateful for research and editorial assistance from UNC law students Cassondra Anderson, Win Bassett, Rachel Blunk, Satish Chintapalli, Nora Sullivan, Phong Dinh, and the editors and staff of the North Carolina Law Review.
Internet. Specifically, in keyword advertising disputes, the model would prompt courts or Congress to weigh public informational interests when considering how much control mark owners should exert over their brands on the Internet. However, as technology advances and new uses for marks evolve, the model would not block trademark expansion. It simply would provide a constant reminder to consider public interests. For example, the model generally supports dilution protection for famous marks. However, this Article introduces "cultural dilution" as a type of lost distinctiveness that should be exempted from trademark protection. Cultural dilution occurs when consumers invest a famous mark with new meaning through viral means that brand owners cannot stop. Finally, this Article recommends creation of a safe harbor for reference materials to reflect actual consumer understandings of terms that also serve as brands. Application of the consumer investments model in these contexts and others would assure that actual consumer interests are weighed in trademark disputes that affect public access to information.

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INTRODUCTION

Trademark law has lost its way. In the early twentieth century, trademark law developed to protect both consumers and trademark owners from counterfeit goods. If a pirate used "Coca-Cola" to trick the public into believing that their fake soda was the real thing, the Coca-Cola Company could sue for trademark infringement. In these situations, the interests of trademark owners and consumers aligned perfectly. Trademark laws benefit both mark owners and consumers

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2. In this Article, the term "consumers" includes all persons who may seek to use a trademark that they do not own and therefore shall be broad enough to embrace competitors, information providers, and anyone other than the trademark owner.
3. See, e.g., FRANK I. SCHECHTER, THE HISTORICAL FOUNDATIONS OF THE LAW RELATING TO TRADE-MARKS 20–21 (Lawbook Exch. 1999) (1925). The 1946 Senate Report, written in support of the federal trademark legislation known as the Lanham Act, states that the purpose of the law was to (1) "protect the public so it may be confident that, in purchasing a product bearing a particular trademark which it favorably knows, it will get the product which it asks for and wants to get" and (2) to provide that "where the owner of a trade-mark has spent energy, time, and money in presenting to the public the product, he is protected in his investment from its appropriation by pirates and cheats." S. REP. NO. 79-1333, at 3 (1946), as reprinted in 1946 U.S.C.C.A.N. 1274, 1277.
4. See Coca-Cola v. Koke, 254 U.S. 143, 145 (1920) ("[D]efendant's mixture is made and sold in imitation of the plaintiff's and ... the word Koke was chosen for the purpose of reaping the benefit of the advertising done by the plaintiff and of selling the imitation as and for the plaintiff's goods.").
when they stop sales of counterfeit goods. Mark owners benefit because shutting down pirates protects the goodwill associated with their products and reduces threats to their investments from unfair competition. Consumers are better off because they will not be deceived into purchasing fakes. Trademark law has evolved from these twin policies of protecting the good will of mark owners and shielding consumers from deception. Economists supported such trademark protections because they maximized informational and economic efficiency.

As trademark law expanded, it became a vehicle for mark owners to control an increasing array of unauthorized uses, whether or not consumers were deceived. Courts continue to state that they are honoring the two traditional trademark policies of protecting consumers and mark owners. However, the actual alignment often breaks apart, especially when consumers seek to use marks as

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5. The seminal treatise McCarthy on Trademarks describes modern trademark law as having two goals: "to protect both consumers from deception and confusion over trade symbols and to protect the plaintiff's infringed trademark as property. Both Congress and the Supreme Court in modern times have stressed that trademark has these two goals." J. THOMAS MCCARTHY, MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION § 2:2 (4th ed. 2009). McCarthy then quotes the following language from a Senate report quoted in a Supreme Court concurring opinion:

The purpose underlying any trade-mark statute is twofold. One is to protect the public so it may be confident that, in purchasing a product bearing a particular trade-mark which it favorably knows, it will get the product which it asks for and wants to get. Secondly, where the owner of a trade-mark has spent energy, time, and money in presenting to the public the product, he is protected in his investment from its misappropriation by pirates and cheats. This is the well-established rule of law protecting both the public and the trade-mark owner.

Id. (quoting S. REP. NO. 79-1333, at 3 (1946), as reprinted in 1946 U.S.C.C.A.N. 1274, 1277; Two Pesos, Inc. v. Taco Cabana, Inc., 505 U.S. 763, 782 n.15 (1992) (Stevens, J., concurring)). Cf. Bonito Boats, Inc. v. Thunder Craft Boats, Inc., 489 U.S. 141, 158 (1989) ("The law of unfair competition has its roots in the common-law tort of deceit: its general concern is with protecting consumers from confusion as to source. While that concern may result in the creation of 'quasi-property rights' in communicative symbols, the focus is on the protection of consumers, not the protection of producers as an incentive to product innovation.").

7. Id.
8. Id.
9. See infra note 100 and accompanying text.
10. See infra notes 52–69 and accompanying text.
11. See, e.g., Mary Kay, Inc. v. Weber, No. 3:08-CV-0776-G, 2009 WL 3147888, at *4 (N.D. Tex. Sept. 29, 2009) ("The Supreme Court has held that the Lanham Act exists to insure that the owner of a trademark reaps the benefits of the goodwill of his business, and 'to protect the ability of consumers to distinguish among competing producers.' " (quoting Park 'N Fly, Inc. v. Dollar Park and Fly, Inc., 469 U.S. 189, 198 (1985))).
information tools. The expansion of trademark law is resulting in trends that ignore or harm consumer interests. The harm is especially apparent when trademark law is used to deny consumers the opportunity to use trademarks to find information.

This Article seeks to solve a discrete but significant problem resulting from the expansion of trademark law: the failure to adequately protect consumer interests in using trademarks to find information. For example, a consumer exploring options before buying a fuel-efficient car may type "Prius" into an Internet search engine. Internet technology provides endless possibilities to find responsive information. However, open questions of trademark law threaten this freedom, making it impossible for search engine providers to use marks to trigger competitive advertisements without risking liability. Federal circuit courts are split over whether search engines commit trademark infringement if they display a Honda or GM sponsored link in response to the "Prius" search. Because of this ambiguity in trademark law, search engine providers may block links to truthful comparative advertisements to reduce the risk of liability. When trademark law inhibits keyword advertising, trademark owners gain control over the results consumers see when they use marks as search terms. If trademark owners achieve such plenary control over their marks, consumers will suffer economic and expressive harm. The public will also have access to less information. The consumer's interest in finding information about a Honda Insight or the Chrysler ENVI is too often ignored in favor of policies that permit trademark owners like Toyota to have more control over how their marks are used. Access to a wide array of commercial, political, and artistic expression on the Internet will remain available only if trademark expansion is controlled to protect consumer interests in using marks to find information.

Under current doctrine, no adequate check exists to protect consumer interests. This Article suggests that a consumer investment model will provide a limiting principle to protect

12. See infra notes 264–87 and accompanying text.
13. See Ann Bartow, Likelihood of Confusion, 41 SAN DIEGO L. REV. 721, 730 (2004) (discussing the overall cost increase to consumers when, without source information provided by trademarks, they must expend significant personal resources to make purchase decisions); see also infra Part II.C (discussing the origins and significance of consumers' investments in trademarks).
15. See infra notes 264–82 and accompanying text.
16. See infra Part I.B.
expressive and informational interests in trademarks. Adoption of this model would provide a balancing force in favor of the public as trademark rights expand. It would also return trademark law to a place where it can do a better job of achieving both its traditional purposes of protecting consumers and trademark owners by promoting fair competition and providing consumers with truthful information.\(^{17}\)

The discussion proceeds in three parts. Part I illustrates the inadequate treatment of consumer interests in trademark doctrine and theory. Because consumer confusion must be proven to establish trademark infringement, consumer interests should serve as a meaningful limiting principle. Unauthorized trademark uses should, in theory, be permitted when consumers are not confused. In practice, trademark owners often portray consumers as hopelessly confused to justify expanding the scope of trademark protection.\(^{18}\) Consequently, courts too often substitute alleged consumer reactions for actual public interests.\(^{19}\) After identifying how this malleable consumer construct developed in trademark doctrine, Part I explains why several theoretical approaches do not provide an adequate mechanism for addressing this problem. Due to the absence of a workable limiting principle, trademark protection has expanded—and in the name of consumer protection—has often failed to acknowledge or protect actual consumer interests.

In response, Part II proposes a new model of consumer investment based on the idea that because consumers make substantial cognitive and economic investments in marks, they deserve a return. Part II first explores the nature of the investment. Drawing on literature from psychology, economics, marketing, and cognitive science, this Part provides a broader vision of how consumers participate in creating trademark value. Because consumers invest trademarks with meaning and value, they actively use marks for many purposes, such as self-expression, value affirmation, social connections, and information searches. This research provides the basis for challenging two frequently asserted assumptions about consumers in current trademark legal doctrine: (1) that trademark value is created solely by trademark owners and (2) that the public informational interest in marks is passive. The model

\(^{17}\) See supra notes 2–9 and accompanying text.

\(^{18}\) See infra notes 52–64, 262–71 and accompanying text.

\(^{19}\) See infra notes 46–60 and accompanying text.
of consumer investment offers a framework for adopting a more collaborative understanding of trademark creation.

Part III considers the return that consumers should receive from their investment. Because the public invests marks with meaning that is essential to their success, consumers should be able to use marks freely for many informational purposes. Part III suggests three contexts in which adopting the model of consumer investment could inform the choice to expand trademark protection or create a safe harbor: (1) keyword advertising, (2) cultural dilution, and (3) lexicography. Application of the model to current trademark doctrine in these contexts and others would provide a means for assuring that consumer interests are not ignored in important trademark cases that affect them.

Finally, this Article concludes that courts should recognize consumer investment as a model that can allow for the expansion of trademark law within sensible boundaries that account for protection of actual consumer interests in trademarks. The model provides a needed paradigm for bringing the protection of public interests back into trademark policy and returning trademark law to its traditional twin functions of protecting both trademark owners and consumers.20

I. CONSUMER INTERESTS ARE LOSING GROUND TO EXPANDING INTERESTS OF TRADEMARK OWNERS

Consumers hold an ambiguous place in trademark legal discourse. Many commentators assume that consumer protection is the theoretical heart of trademark law.21 Graeme Dinwoodie observes that the twin purposes of protecting consumers and trademark owners from piracy is "taken as an unquestioned (and almost untouchable) truth."22 Yet recent scholarship has questioned whether this assumption holds true in practice. Mark McKenna claims that modern trademark law "amounts to little more than industrial policy intended to increase brand value."23 If consumer interests were to be eliminated as a fundamental policy supporting trademark protection, the public would lose the ability to use marks for many expressive and informational pursuits. As trademark law expands, courts are often confronted with the choice of favoring the mark owner or the public.

20. See supra notes 3–8 and accompanying text.
21. See, e.g., McKenna, supra note 1, at 1843.
23. McKenna, supra note 1, at 1843.
While the mark owner is likely to have strong counsel at the table, no one may be in the courtroom to advocate for the public. Therefore, when the twin foundational policies conflict, courts often favor the rights of the trademark owner.\textsuperscript{24} They should not do so without recognizing the serious potential for compromising public interests.

Identifying and preserving safe zones for use of intellectual property is necessary so that the public retains some rights to use protected works.\textsuperscript{25} Most legal scholarship on this subject focuses on preservation efforts aimed at limiting copyright and patent protection.\textsuperscript{26} Insufficient attention has been paid to the increasingly powerful rights of trademark owners and how this expansion threatens to erode public interests in trademarks.\textsuperscript{27} Intellectual property law involves a constant balancing between the rights of creators to control the integrity of their work and the income it generates against the rights of the public to use and share works or to create new works and business models based on the work of others.\textsuperscript{28}

\begin{itemize}
\item \textsuperscript{24} See, e.g., infra notes 262–71 and accompanying text.
\item \textsuperscript{25} JAMES BOYLE, THE PUBLIC DOMAIN 38–40 (2008) ("The public domain is material that is not covered by intellectual property rights. Material might be in the public domain because it was never capable of being owned. Examples would be the English language or the formulæ of Newtonian physics. Alternatively, something might be in the public domain because rights have expired. The works of Shakespeare or the patents over powered flight are examples. . . . [T]he public domain is the basis for our art, our science, and our self-understanding. It is the raw material from which we make new inventions and create new cultural works."); LAWRENCE LESSIG, FREE CULTURE 24, 184–99 (2004) ("The public domain is a 'lawyer-free zone' . . . free for anyone—whether connected or not, whether rich or not, whether approved or not—to use and build upon.").
\item \textsuperscript{26} See, e.g., BOYLE, supra note 25, at 1–248 (focusing on copyright and patents throughout the book and mentioning trademarks on only ten pages); STEPHEN FISHMAN, COPYRIGHT AND THE PUBLIC DOMAIN I-6–I-8, I-29, I-45 (2009) (focusing primarily on copyright, and touching on patent law, but barely mentioning trademark protection in the index); THE FUTURE OF THE PUBLIC DOMAIN: IDENTIFYING THE COMMONS IN INFORMATION LAW 7–119 (Lucie Guibault & P. Brent Hugenholtz eds., 2006) (discussing copyright, patent, and trademark in Chapter II, but primarily focusing on copyright in chapters III, IV, V, and VI); THE ROLE OF SCIENTIFIC AND TECHNICAL DATA AND INFORMATION IN THE PUBLIC DOMAIN: PROCEEDINGS OF A SYMPOSIUM 3–199 (Julie M. Esanu & Paul F. Uhlir eds., 2003) (focusing on copyright and patent and only occasionally mentioning trademark law).
\item \textsuperscript{27} See, e.g., Campbell v. Acuff-Rose Music, Inc., 510 U.S. 569, 579 (1994) (holding fair use rights are recognized when the copyrighted work is used as a template for new expression); Perfect 10 v. Amazon, Inc., 487 F.3d 701, 721 (9th Cir. 2007) ("[A] search engine provides social benefit by incorporating an original work into a new work, namely, an electronic reference tool.").
\item \textsuperscript{28} See Jessica Litman, Breakfast with Batman: The Public Interest in the Advertising Age, 108 YALE L.J. 1717, 1728 (1999) ("As Ralph Brown reminded us often, the essence of any intellectual property regime is to divide the valuable stuff subject to private appropriation from the valuable stuff that, precisely because of its importance, is reserved for public use.").
\end{itemize}
To avoid permanent monopolies on information, culture, and knowledge, a quid pro quo in favor of the public must provide a balance so that intellectual property rights are not unlimited—even during the time that the intellectual property protection exists. Some of the same reasons that justify fair use of copyrighted works apply to public use of trademarks as well.\(^2\) Although often less novel than patented and copyrighted works, the ideas embodied in trademarks create substantial “non-rivalrous” public benefits.\(^3\) The common narratives associated with certain marks contribute to public knowledge and cultural identity.\(^3\) Perhaps because this similarity has been deemphasized in the trademark literature, the extent to which the public should possess positive rights has not been adequately developed.

However, the differences between trademarks and other intellectual property provide an even more important justification for protecting the rights of consumers in trademarks. When Article I, Section 8, Clause 8 of the United States Constitution gave Congress the power “[t]o promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries,” it provided constitutional grounds for protecting copyrights and patents.\(^3\) The “limited Times” provision assures that copyrighted and patented works will ultimately enter the public domain for the public to freely use and share.\(^3\) No such time limit exists for trademarks. Unlike copyrights and patents, trademark rights attach from mere use, and if well tended, they can last forever.\(^4\) Therefore, the public interest in some unauthorized uses during the term of protection is stronger because the mark may never enter the public domain. Another difference is that trademarks are not awarded to encourage the creation of new inventions or creative works, and therefore, the policy for granting even a limited monopoly in trademarks carries less

\(^{29}\) See supra notes 26–27 and accompanying text.


\(^{31}\) Id.

\(^{32}\) U.S. CONST. art. I, § 8, cl. 8.

\(^{33}\) Id.

\(^{34}\) See 15 U.S.C. § 1058 (2006) (“Each registration shall remain in force for 10 years . . . .”); 15 U.S.C. § 1059 (2006) (“Each registration may be renewed for periods of 10 years at the end of each successive 10-year period following the date of registration upon payment of the prescribed fee and the filing of a written application, in such form as may be prescribed by the Director.”).
force. Trademarks also hold unique value to consumers as essential tools for finding a wide variety of information. If such uses are to be permitted, the law must articulate a theory to identify and preserve public interests in marks.

Trademark doctrine is evolving in a way that threatens consumer interests. Ironically, this trend is occurring at a time when technology provides consumers with power over marks that is stronger than ever. An entrepreneur may post a competitor's mark on its Web site to make a legitimate product comparison. Consumer safety advocates use marks to provide information about branded goods and services. Consumers use brands to find products and connect to communities with similar interests. Search engines make it possible to use brands as search terms to find information on the Internet. Trademark owners are not the only ones who use marks for commercial and expressive purposes. Even in the small gesture of exchanging business cards, we use marks to define ourselves, express values and tastes, define our niche in life, and connect to a community.

Yet trademark discourse too often ignores both the extent to which consumers shape trademark value and how public interests in the informational value of marks should be reflected in trademark doctrine. Consumers have been cast in strange and conflicting roles, described by Barton Beebe as the "sovereign" and the "fool." Although the "sovereign" may be invoked to explain the theoretical basis for trademark law, the "fool" appears much more often in trademark decisions because the gullible consumer is often used as a

36. See infra note 101 and accompanying text.
37. For two of the many informational uses threatened by expanding trademark rights, see Eric Goldman, Deregulating Relevancy in Internet Trademark Law, 54 EMORY L.J. 507, 509 (2005) (describing how the research agendas of a tenth grader trying to learn about Nike's role in Greek mythology and a rock climbing enthusiast seeking comparative product reviews between Nike and Reebok shoes may be threatened by expanding trademark rights).
38. See infra notes 173–82, 212–18, and accompanying text.
39. Goldman, supra note 37, at 527.
40. See Barton Beebe, Search and Persuasion in Trademark Law, 103 MICH. L. REV. 2020, 2023–25 (2004) ("[T]he 'sovereign consumer' is a utility-maximizing agent of unbounded rational choice. . . . [T]he fool is the 'Pavlovian' stooge of the advertising industry. . . . The sovereign consumer. . . serves the trademark apologist, in theoretical disputes over the basis of trademark protection and another, the restrictionist, in disputes over the scope of that protection. . . The consumer as fool is a similarly double-edged construct. His susceptibility to the persuasive content of trademarks undermines the basis of trademark protection, but his lack of discernment also recommends a wide scope of protection when protection is given.").
vehicle to justify greater trademark protection. Neither construct provides a workable foundation on which to shape trademark law for a future that will respect public interests in using marks for expressive and informational purposes.

A. How the Likelihood of Confusion Standard Created a Template for Undervaluing Consumers

Although pro-consumer policies are thought to provide a foundation for trademark law, in trademark infringement practice, consumer interests are not sufficiently valued. Trademark infringement claims require proof that consumers are likely to be confused about the source of a product or service because it appears similar to a symbol used by another. The trier of fact may find a

41. *Id.*

42. See *McCarthy*, supra note 5, § 2.1; see also *McKenna*, supra note 1, at 1843 (“Courts traditionally saw a trademark as little more than a vehicle through which consumers could match products with their producers. Marks were important to producers because customers who were satisfied with a producer’s products could use that producer’s mark to find its products again in the market.”).

43. See *McKenna*, supra note 1, at 1866.

44. Federally registered marks may be protected from confusing uses through 15 U.S.C. § 1114 (2006), which provides:

Any person who shall, without the consent of the registrant—

(a) use in commerce any reproduction, counterfeit, copy, or colorable imitation of a registered mark in connection with the sale, offering for sale, distribution, or advertising of any goods or services on or in connection with which such use is likely to cause confusion, or to cause mistake, or to deceive; or

(b) reproduce, counterfeit, copy or colorably imitate a registered mark and apply such reproduction, counterfeit, copy or colorable imitation to labels, signs, prints, packages, wrappers, receptacles or advertisements intended to be used in commerce upon or in connection with the sale, offering for sale, distribution, or advertising of goods or services on or in connection with which such use is likely to cause confusion, or to cause mistake, or to deceive,

shall be liable in a civil action by the registrant for the remedies hereinafter provided.

*Id.* Marks that are not federally registered and other designations may be protected from confusing uses through the remedy in 15 U.S.C. § 1125(a)(1) (2006), which provides:

Any person who, on or in connection with any goods or services, or any container for goods, uses in commerce any word, term, name, symbol, or device, or any combination thereof, or any false designation of origin, false or misleading description of fact, or false or misleading representation of fact, which—

(A) is likely to cause confusion, or to cause mistake, or to deceive as to the affiliation, connection, or association of such person with another person, or
likelihood of confusion even if no evidence of actual confusion is presented. Therefore, no matter what the evidence shows, a court that is inclined to protect trademark rights will find it easy to do so by stating that consumers are likely to be confused.

For example, if an entrepreneur were to offer a fancy Web site with "Wharton" distance education business courses, the site would likely cause confusion over whether it is affiliated with the famous Wharton Business School. If the site were not a Wharton affiliate, Wharton would have a viable trademark infringement claim because consumers may be confused about whether it is connected with the new on-line courses. If the site does not offer business classes, but instead promotes art instruction for children, likely consumer confusion may be harder to prove. A court that wanted to protect Wharton's control over its mark may portray potential visitors as very easily confused, even if Wharton presented no evidence of confusion.

This impulse to define consumer confusion in a way that protects trademark owners has resulted in years of trademark discourse that demeans consumers and devalues their interests. Prominent scholars describe how often courts depict consumers as "fools" or "idiots," easily manipulated and confused by choices. In trademark opinions,

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45. See Bartow, supra note 13, at 747 ("[Trademark owners] do not have to prove much of anything to prevail; they simply have to persuade a judge that it is likely that some consumers could be confused some of the time. Given the low opinions of consumers that some judges hold, this can be fairly easy to accomplish.").

46. See id. at 747–48.

47. See infra notes 57–59 and accompanying text.

48. Bartow, supra note 13, at 782 ("The theory of consumer-as-idiot prevails in many trademark infringement cases, often seeming glaringly pretextual, invoked only to comport with the doctrinal requirements necessary to reach the outcome that the trademark holder desires and the court apparently endorses."). See generally Beebe, supra note 40, at 2021–26 ("[R]estrictionist trademark commentary has charged, often quite comically, that the consumer is not so much the sovereign as the fool, the 'Pavlovian' stooge of the advertising industry."). Some commentators outside the legal literature also cast consumers in passive roles. Giovanni B. Ramello and Francesco Silva weave a compelling tale of trademark economics, but in doing so, they say that "today's market also exhibits a second dimension of trademark, connected with the impact on consumers of the meaning conveyed by the commercial sign." Giovanni B. Ramello & Francesco Silva, Appropriating Signs and Meaning: The Elusive Economics of Trademark, 15 INDUS.

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Id. Many state unfair competition laws and state statutes provide similar protections. See MCCARTHY, supra note 5, § 23.1 (providing examples of state unfair competition laws and state statutes that may protect marks from confusing uses).
the language used to describe consumers is often strikingly paternalistic. In *Mishawaka Rubber & Woolen Manufacturing Co. v. S.S. Kresge Co.*, Justice Frankfurter wrote that “[a] trade-mark is a merchandising short-cut which induces a purchaser to select what he wants, or what he has been led to believe he wants.”

Justice Sandra Day O’Connor explained that the roots of trademark and unfair competition law lie in “protecting consumers from confusion as to source. While that concern may result in the creation of ‘quasi-property rights’ in communicative symbols, the focus is on the protection of consumers.”

According to this logic, robust protection of trademark owners and their marks will protect consumers as well. If one assumes that the public interest always aligns perfectly with those of the trademark owner, as it does in cases involving counterfeits, there is no reason to consider consumer interests separately. The problem with this assumption is that is does not account for situations in which such “quasi-property rights” conflict with consumer interests.

Yet based on the assumption of parallel interests, courts frequently protect mark owners even if no consumer confusion had occurred. In *Florence Manufacturing Co. v. Dowd*, the defendant prevailed at trial and was permitted to continue selling its “Sta-Kleen” toothbrushes notwithstanding the similarity with plaintiff’s “Keepclean” mark for toilet brushes. The district court held that neither party had a protectable mark and found no evidence of consumer confusion. Yet, the Second Circuit reversed, holding that unfair competition had occurred because the defendant had a “dishonest motive” in selling its toothbrushes in similar packaging.

Notwithstanding this primary reason for reversing the trial court’s decision, the Second Circuit took the following swipe at consumers: “The law is not made for the protection of experts, but for the

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& CORP. CHANGE 937, 940 (2006). Later, they add that “trademark provides a virtual identity that reconstructs useful meaning for guiding consumer choice.” *Id.*


50. *Id.* at 205.


52. 171 F. 122 (C.C.S.D.N.Y. 1909), rev’d, 178 F. 73, 76 (2d Cir. 1910).

53. *Id.* at 125.

54. *Id.* Descriptive marks were not then protected by federal law. MCCARTHY, supra note 5, § 11:25.

55. *Florence*, 171 F. at 125.

public—that vast multitude which includes the ignorant, the unthinking and the credulous, who, in making purchases, do not stop to analyze, but are governed by appearances and general impressions.  

The Second Circuit’s opinion in *Florence* has been cited over four hundred times, and at the time of this writing, 162 federal and state cases specifically quoted the language disparaging the public.  

Federal and state trademark decisions are littered with similar references to consumers as ignorant and easily fooled.  

In retrospect, it seems clear that the confused consumer was a necessary construct for justifying the expansion of trademark rights. In order to find infringement when the products or services did not compete, courts would portray the public as less discerning and more easily confused.  

In *Stork Restaurant, Inc. v. Sahati,* owners of the “Stork Club,” a high society New York night club, sued an “unpretentious” San Francisco bar that used the same name.  

The district court found that confusion was not likely, and denied injunctive relief.  

The Ninth Circuit reversed, explaining that the law “protects not only the intelligent, the experienced, and the astute. It safeguards from deception also the ignorant, the inexperienced, and the gullible.”  

Before federal dilution protection was available, consumers were portrayed as easily confused in order to justify protecting famous

57.  *Id.* at 75.

58.  A Westlaw KeyCite search conducted on January 4, 2010, cites this case 442 times. Searching for “the ignorant, the unthinking and the credulous” returned 162 federal and state cases that cite that exact language.

59.  See, e.g., August Storck K.G. v. Nabisco, Inc., 59 F.3d 616, 618 (7th Cir. 1995) (“Many consumers are ignorant or inattentive, so some are bound to misunderstand no matter how careful a producer is.”); Pillsbury v. Pillsbury-Washburn Flour Mills Co., 64 F. 841, 847 (7th Cir. 1894) (“[T]he purchaser of goods, with respect to brands by which the goods are designated, is not bound to exercise a high degree of care.”); E. & J. Gallo Winery v. Consorzio Del Gallo Nero, 782 F. Supp. 457, 465 (N.D. Cal. 1991) (“[T]he lack of consumer sophistication significantly enhances the likelihood of confusion between the two products.”); Williams v. Brooks, 50 Conn. 278, 283 (1882) (“It is a matter of common knowledge that many persons are in a greater or less degree careless and unwary in the matter of purchasing articles for their own use . . . .”).

60.  *Bartow,* supra note 13, at 724 (“Trademark rights should not be strengthened and expanded by reliance on unproven and demonstrably incorrect allegations about the ignorance, poor reasoning, and deficient observational powers of the public . . . .”).

61.  166 F.2d 348 (9th Cir. 1948).

62.  *Id.* at 358.

63.  *Id.* at 350.

64.  *Id.* at 359.
marks. The Sahati decision is an apt example, as the court made it clear that it was compelled to reverse the district court in order to stop "an unfair trade practice that threaten[ed] to 'nibble away,' 'whittle away,' or 'dilute' the value of its dearly-bought prestige." To justify expanding trademark rights, courts often portrayed consumers as more and more easily confused. By 1999, Jessica Litman remarked, "[r]ecently, we have seen a great deal of the extraordinarily gullible consumer."

The oblivious consumer construct in infringement analysis differs from the treatment of consumers in other areas of the law—and even in other areas of trademark law. As Michael Pettit noted,

\[\text{[t]his emphasis on carelessness was in stark contrast with the}\]
\[\text{dominant vision of the liberal subject in the nineteenth century.}\]
\[\text{In most legal and political contexts, the autonomy,}\]
\[\text{independence, and self-reliance of the white, male subject}-\]
\[\text{citizen were highlighted. The liberal self was an individual who}\]
\[\text{possessed self-mastery and control. Private citizens were}\]
\[\text{expected to act prudently and embrace personal responsibility}\]
\[\text{for life's risks as an emblem of their freedom.}\]

One reason consumers have been relegated to the sidelines of trademark analysis is that in trademark litigation, generally, two private corporate actors engage in a tug of war to control the meaning and proceeds generated by a specific symbol. Often, neither side has

66. Sahati, 166 F.2d at 364.
67. Litman, supra note 28, at 1722 ("Courts have been generous in interpreting the scope of confusion from which today's credulous purchasers must be protected: Not only must they be shielded from confusion about the source of a product at the point of sale, they must also be protected from after-market confusion, reverse confusion, subliminal confusion, confusion about the possibility of sponsorship or acquiescence, and even confusion about what confusion the law makes actionable."); see also Rochelle Cooper Dreyfuss, We Are Symbols and Inhabit Symbols, So Should We Be Paying Rent? Deconstructing the Lanham Act and Rights of Publicity, 20 COLUM. J.L. & ARTS 123, 129 (1996) ("The assumption of consumer naïveté is, in fact, so strong that even accurate usages of a person's name and image, even when accompanied by labels that specify the person's involvement with the product, have been thought likely to give rise to confusion." (footnote omitted)).
68. See Beebe, supra note 40, at 2025 ("The rational consumer may justify the protection of trademarks for their informational content, but, in his perspicacity, he also justifies a narrow scope of protection as against other similar marks.").
an incentive to protect the investments and rights of consumers because acknowledging those rights would diminish their control. Even if the incentive exists, as in the case of corporate search engine owners, consumer interests are not given adequate protection within the current doctrinal framework, notwithstanding the traditional policies that form the common law foundation.

B. Current Theoretical Approaches Do Not Adequately Protect Consumer Interests

1. Misrepresentation Theory Is No Longer a Viable Model for Protecting Public Interests

Trademark protection is traditionally justified by the theory that consumers should be protected from deceptions and misrepresentations in the use of trade symbols. Some theorists emphasize the importance of honoring this view and advocate returning to it. If some sort of misrepresentation is required, trademark rights may be asserted only to the extent that they protect the public from false and confusing statements about quality, origin, and ownership. If this theory guided legal limits on trademark rights, third party uses would be lawful if they do not lead to consumer confusion. Misrepresentation theorists support interpretations of

70. See McKenna, supra note 1, at 1857.
71. See, e.g., Bartow, supra note 13, at 817 ("Both free speech rights and efficient commerce would best be served if courts entertained trademark infringement claims only where either identical or exceedingly similar marks are used commercially in a trademark sense, on directly competing or closely related goods and services."); see also Litman, supra note 28, at 1719 ("The law should protect the integrity of trade symbols in order to prevent consumer confusion or deception. The law should not, however, extend additional protection to trade symbols' persuasive function as well.") (footnote omitted).
72. Ralph S. Brown, Jr., Advertising and the Public Interest: Legal Protection of Trade Symbols, 57 Yale L.J. 1165, 1205 (1948) ("As we have seen, it may at once represent: (1) the source of goods (2) the reputation of that source (3) satisfaction with the goods themselves (4) persuasive advertising value (5) intrinsic symbol value. We have agreed that the first three are desirable private interests, entitled to protection. The last two are not."); Litman, supra note 28, at 1719.
73. See Rochelle Cooper Dreyfuss, Expressive Genericity: Trademarks as Language in the Pepsi Generation, 65 Notre Dame L. Rev. 397, 399 (1990) ("I do not believe that there is a tenable theory for plenary control over trademarks. ... [T]he rationale underlying trademark law is fully effectuated by protecting the significance of marks in the principal markets of their proprietors."); see also Litman, supra note 28, at 1729–30 ("Protecting consumers from deception is the justification most familiar to trademark law, but it does not support assigning broad rights to prevent competitive or diluting use when no confusion seems likely.") (footnote omitted)).
The use of misrepresentation as a general limiting principle for trademark protection is an anachronism in view of current trends in trademark law. Since its enactment, trademark protection has steadily expanded to include protection against unauthorized uses that are often not confusing at all, such as dilution, 75 cybersquatting, 76 and the loss of exclusive merchandising rights. 77 Therefore, misrepresentation theory can no longer serve as a workable check on expanding trademark protections.

2. The Misappropriation Theorists Provide No Protection for Consumer Interests

On the opposite end of the trademark theoretical spectrum from the misrepresentation theorists are those who oppose all sorts of unauthorized uses or misappropriations of marks based on the claim that trademarks should be protected as exclusive "property" 74.


75. 15 U.S.C. § 1125(c) (2006). The Federal Trademark Dilution Act of 1995 and its amendments in the Trademark Dilution Revision Act of 2006 made it possible to protect marks from uses that are likely to diminish a mark's distinctiveness, even if no one is confused. 15 U.S.C. § 1125(c). In the hearings preceding the 2006 revision to the federal dilution statute, not one witness argued that it should be scrapped. Trademark Dilution Revision Act of 2005: Hearing Before the Subcomm. on Courts, the Internet, and Intellectual Property of the H. Comm. on the Judiciary, 109th Cong. 6–31 (2005).

76. § 1125(d) ("A person shall be liable in a civil action by the owner of a mark, including a personal name which is protected as a mark under this section, if, without regard to the goods or services of the parties, that person—(i) has a bad faith intent to profit from that mark, including a personal name which is protected as a mark under this section; and (ii) registers, traffics in, or uses a domain name that—(I) in the case of a mark that is distinctive at the time of registration of the domain name, is identical or confusingly similar to that mark; (II) in the case of a famous mark that is famous at the time of registration of the domain name, is identical or confusingly similar to or dilutive of that mark; or (III) is a trademark, word, or name protected by reason of section 706 of title 18, United States Code, or section 220506 of title 36.").

77. See, e.g., Stacey L. Dogan & Mark A. Lemley, The Merchandising Right: Fragile Theory or Fait Accompli?, 54 EMORY L.J. 461, 471–72 (2005) ("[T]he so-called 'merchandising right' is something of an anomaly.... When fans buy t-shirts with the name of their school, team, or rock band, they are almost always buying a product bearing an established mark.... But the mark in these cases is rarely serving the traditional function of a trademark.... [T]he mark is the product—or at least is a critical part of what makes the product attractive." (footnote omitted)); Dreyfuss, supra note 73, at 398 ("[A]s trademark owners have begun to capitalize on the salience of these symbols in the culture, the justifications that formerly delineated the scope of the law have lost significance. The Mets' right to prevent others from selling banners, caps, and tee shirts marked with its logo could not initially be explained on quality-promotion grounds so long as it was clear that fans are not confused, and that they did not regard the franchise as insuring the quality of anything but a baseball team." (footnote omitted)).
belonging solely to the trademark owner.  The misappropriation view assumes that trademark value results solely from efforts made by the trademark owner.  From this assumption flows the conclusion that no one but the trademark owner should be able to make money from a mark belonging to someone else.  To make the unauthorized uses distasteful to courts, the misappropriation theorists brand them with the stigma of "free-riding."  

Trademark owners frequently assert anti-free-riding rhetoric to justify a broad interpretation of trademark rights.  Some who advocate for greater protection of marks assert ownership over consumer consciousness as if it were real estate.  Mark Lemley exposes the true agenda of the anti-free rider: "absolute protection" against any sort of copying or use "is the goal."  As Lemley observes, Trademark law, which was once limited to protecting against consumer confusion, has increasingly taken on the character of a property right, with the result that trademark "owners" now have the power to prevent various kinds of uses of their marks, regardless of whether consumers will be confused or search costs increased.

In many situations, marks should be free for public use. Trademarks are not and should not become monopolies.  Although "courts and commentators have worried that without protection, imitation and free riding by others will undermine the incentive necessary to ensure sufficient investment in desirable trademarks," as Professor Glynn S. Lunney, Jr. observes, free-riding is not always

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78. See Lemley, supra note 35, at 1694.
79. See id.
80. See infra note 84 and accompanying text.
82. See infra notes 93–99 and accompanying text.
85. Id. at 1042.
86. See MCCARTHY, supra note 5, §§ 2:10–2:11; Stacey L. Dogan & Mark A. Lemley, Trademarks and Consumer Search Costs on the Internet, 41 HOUS. L. REV. 777, 791 (2004) ("[T]rademark law rewards—and provides incentives for—investment in goodwill, but does not provide rights to all of the economic value that derives from that goodwill.").
inefficient or undesirable. In fact, trademark law creates a safe zone for the unauthorized use of generic terms, functional features, and to a lesser extent, descriptive terms, and colors.

The assumption that only trademark owners may financially benefit from their marks is also contrary to many necessary fair uses built into trademark law. Numerous trademark exclusions permit the use of another's mark for expressive and commercial purposes, such as the right to use the mark “Honda” when selling a used Honda car or offering to service them. If the public is still to have access to truthful information about branded goods and services, the commercial use of marks is essential in news reporting, comparative advertising, and consumer testing services. Although Congress enacted the Lanham Act and its recent amendments to protect corporate interests, it retained exceptions for such commercial conduct, and therefore is not and was not intended to be “a general anti-copying statute.”

The tendency to protect against free-riding may have a longer history in trademark doctrine than many theorists have acknowledged. Mark McKenna describes how trademark protection developed out of unfair competition doctrine primarily to protect corporations. Much twentieth-century United States case law supports the idea that a trademark is property owned by its corporate creator. Generally, courts do not identify any positive rights belonging to the public other than the right not to be confused. Courts defined trademarks as extending only to corporate interests. For example, in American Steel Foundries v. Robertson, the Supreme Court declared, “[t]here is no property in a trademark apart

87. Lunney, supra note 81, at 440–41.
88. Id.
89. Lemley, supra note 84, at 1031; see also infra notes 371–76 and accompanying text.
91. § 1125(c)(3); see also Alex Kozinski, Trademarks Unplugged, 68 N.Y.U. L. REV. 960, 960 (1993) (discussing how trademarks today serve as more than just source identifiers; they often become part of the product). See generally New Kids on the Block v. News Am. Publ’g., Inc., 971 F.2d 302 (9th Cir. 1992) (discussing the qualifications required in order for a commercial user to be entitled to a nominative fair use defense).
92. Lemley, supra note 35, at 1714.
93. McKenna, supra note 1, at 1840–41 (“[T]rademark law was not traditionally intended to protect consumers. . . . Instead, trademark law, like all unfair competition law, sought to protect producers from illegitimate diversions of their trade by competitors.”).
94. See, e.g., id.
95. See, e.g., id.
97. Id.
from the business or trade in connection with which it is employed."98 The Lanham Act of 1946 was touted as a way to protect consumers, but its primary beneficiaries were corporate mark owners.99

While anti-free-riding theorists may reflect the current reality of expanding trademark rights, their approach is fundamentally flawed because it does not articulate any limits to the mark owner's power to control unauthorized uses. Therefore, this theory is inconsistent with current doctrine that does recognize the public's right to use marks without the owner's permission in many contexts. Modern trademark rights may warrant broader protection than strict misrepresentation theorists would allow. However, the misappropriation theory is also fundamentally flawed because it holds no limits. Where the free-riding rhetoric is adopted, trademark law outgrows its foundation at the expense of public interests.

3. Economic Theories Do Not Adequately Reflect the Many Ways that Consumers Use Marks

Economic theories of trademark protection fare better in balancing consumer interests, but would still benefit from a consumer investment paradigm. Economists assert that trademarks embody "information capital" in reducing consumer search costs and providing a short hand for valuable information about the source and quality of a good or service.100 A trademark helps consumers locate a product or service so they can duplicate a prior satisfactory experience.101 For example, if I put my twins to bed for the night in

98. Id. (citing United Drug Co. v. Rectanus Co., 248 U.S. 90, 87 (1918); Hanover Milling Co. v. Metcalf, 240 U.S. 403, 413-14 (1916)).
99. In 1946, the Lanham Trademark Act became law, widely expanding the scope of federal protection for trademarks. See Bartow, supra note 13, at 721, 724, 727 ("[T]he true intended and actual beneficiaries of the Lanham Act are trademark holders, rather than consumers..."). The Senate Committee reported "when it is considered that the protection of trade-marks is merely protection to goodwill, to prevent diversion of trade through misrepresentation, and the protection of the public against deception, a sound public policy requires that trademarks should receive nationally the greatest protection that can be given them." S. REP. NO. 1333-79, at 6 (1946), as reprinted in 1946 U.S.C.C.A.N. 1274, 1277. The Senate report appears premised on the assumption that consumer and corporate interests in trademarks run parallel. See supra note 3 and accompanying text. However, the Act was so favorable to corporate interests that one commentator wrote, "American business owes to Mr. Lanham a debt of gratitude it can never pay." MCCARTHY, supra note 5, § 5:4 (quoting DAPHNE ROBERT, THE NEW TRADE-MARK MANUAL 237 (1947)).
101. WILLIAM M. Landes & RICHARD A. POSNER, THE ECONOMIC STRUCTURE OF INTELLECTUAL PROPERTY LAW 166-67 (2003). In theory, trademarks will facilitate the
diapers that leak, and I end up bathing boys and changing linens on two beds in the middle of the night, I am likely to remember that experience next time I go to the store to buy diapers. If using "Huggies" diapers results in no leaks, you can bet that I will buy them again. In this way, consumers use trademarks to locate quality products and repeat past satisfactions.

Because of the consumer impulse to gather and use this information, trademark owners have an incentive to make high quality products. For example, Proctor & Gamble and Kimberly Clark know well that excellent diaper performance will result in positive associations with their mark. Leaks will not. Poor or inconsistent diaper quality will cause consumers to avoid their brand. Excellent quality will generate sales. In this way, both producer and consumers benefit from the use of marks on consistently high quality products. If the trademark is used on a product that has consistent quality, the consumer can rely on specific expectations and will not need to spend time reading fine print, asking questions, or seeking the advice of others before making a purchase. According to economic theorists, the signaling function of the trademark at the point of purchase is worthy of legal protection because of the informational efficiencies that result.

Economic theorists contributed much to trademark doctrine by emphasizing the importance of trademarks as information tools. The economic model is premised on the goals of promoting economic efficiency and consumer welfare. The limitation of this model is that it focuses on consumer perceptions at the moment a purchase is made. Therefore, it does not adequately embrace consumer interests in trademarks for other purposes. As the next Part illustrates, consumers use trademarks for many reasons at other times. Returning to the "Prius" example, a consumer may type the mark into a search engine, not to effectuate a purchase, but simply to

102. See, e.g., LANDES & POSNER, supra note 101, at 168.
103. Id.
104. See, e.g., id. at 166–67. “The implicit economic model that guides that law is our model, in which trademarks lower consumers' search costs by providing them with valuable information about brands... rather than create social waste and consumer deception.” Id. at 173.
105. See, e.g., id.
106. Id. at 166–67.
107. See id.
108. Id.
find information about hybrid cars, locate a repair shop, or connect to a community of Prius enthusiasts.\textsuperscript{109}

Another limitation to the economic theory is that it fails to account for the expressive use of marks. An economist might theorize that those seeking to purchase a hybrid car would make their selection based primarily on price and fuel economy. Sometimes, however, the economist is wrong. In a survey conducted in the spring of 2007, fifty-seven percent of Toyota Prius owners indicated that their primary motivation was that the Prius "makes a statement about me" while only thirty-six percent said their primary motivation was "higher fuel economy."\textsuperscript{110} A big reason for Toyota's competitive edge is that it only sells the Prius as a hybrid, and therefore sends a clear and powerful message about its owner's commitment to living an environmentally responsible life.\textsuperscript{111} Mary Gatch of Charleston, South Carolina explains that she bought the Prius because "I felt like the Camry Hybrid was too subtle for the message I wanted to put out there . . . I wanted to have the biggest impact that I could, and the Prius puts out a clearer message."\textsuperscript{112} Interestingly, three years earlier, only thirty-four percent of Prius owners cited expressive value as their primary purchasing motivation.\textsuperscript{113} The Prius example is strong evidence that in making purchasing decisions, consumers may choose a mark for purposes that are not explainable by economic theories alone.

C. The Need for a Theoretical Return to Public Interests

Some scholars in the legal academy eloquently acknowledge consumer power in building trademark value. Most memorably, Jessica Litman wrote:

The argument that trade symbols acquire intrinsic value—apart from their usefulness in designating the source—derives from consumers' investing those symbols with value for which they are willing to pay real money. . . . It may well increase the total utils in our society if every time a guy drinks a Budweiser or smokes a Camel, he believes he's a stud. We may all be better off if, each time a woman colors her hair with a L'Oreal product, she murmurs to herself "and

\textsuperscript{109} See infra notes 212–22 and accompanying text.
\textsuperscript{111} Id.
\textsuperscript{112} Id.
\textsuperscript{113} Id.
"I'm worth it." If that's so, however, Warner Brothers, Anheuser-Busch, R.J. Reynolds, and L'Oreal can hardly take all the credit. They built up all that mystique with their customers' money and active collaboration.114

Some recent commentary has acknowledged the expressive value of marks and an expanded view of consumers as co-authors in the creation of strong brands.115 Yet current theoretical approaches do not adequately apply these observations to protect consumer interests. Therefore, they would be substantially improved with recognition of the consumer investment model set forth in the Part that follows.

II. CONSUMER INVESTMENT IN TRADEMARKS

Social science literature provides a wealth of insights into the nature of consumer investments in marks. Trademark law would address actual consumer interests if these insights prompt a reexamination of doctrinal assumptions about how consumers use and respond to trademarks. To begin, this Part will focus on two broad themes that support the consumer investment model. First, social science literature indicates that many variables contribute to trademark value.116 This collaborative notion refutes the increasingly common assertion in trademark disputes that trademark value is created and controlled solely by mark owners.117 Second, studies

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114. Litman, supra note 28, at 1730.
115. See, e.g., Kozinski, supra note 91, at 975 ("The originator must understand that the mark or symbol or image is no longer entirely its own, and that in some sense it also belongs to all those other minds who have received and integrated it. This does not imply a total loss of control, however, only that the public's right to make use of the word or image must be considered in the balance as we decide what rights the owners is entitled to assert." (footnote omitted)); see also Dreyfuss, supra note 67, at 142 ("At the least, the purveyor and the audience should be considered co-creators of the value. If rights are determined by the existence of value, then purveyors and audience should be treated as joint authors or co-inventors.").
117. See, e.g., San Francisco Arts & Athletics, Inc. v. U.S. Olympic Comm., 483 U.S. 522, 532 (1987) ("[W]hen a word acquires value 'as the result of organization and the expenditure of labor, skill, and money' by an entity, that entity constitutionally may obtain a limited property right in the word." (quoting Int'l News Serv. v. Associated Press, 248 U.S. 215, 239 (1918))); 1-800 Contacts, Inc. v. WhenU.com, 309 F. Supp. 2d 467, 509 (S.D.N.Y. 2003), rev'd and remanded, 414 F.3d 400 (2d Cir. 2005) ("Plaintiff has spent considerable sums to establish and maintain its marks' notoriety with online consumers, and is entitled to protect this investment from conduct that infringes those marks.... Enjoining the Defendants from triggering pop-up advertisements... will prevent Defendants from capitalizing on the goodwill and reputation that Plaintiff has earned through its own investment.").
indicate that consumers do not merely receive information from marks but actively use them as informational tools. This evidence should prompt a close look at the tendency in trademark doctrine to cast consumers as mere passive recipients of information embodied in trademarks as though we are all mute dummies merely able to absorb the mark owner's mass media messages. In place of that notion, trademark discourse should acknowledge that consumers actively use marks to express themselves, connect to others, and find information. This Part will explore these themes and then demonstrate how they support the model of consumer investment in trademarks. The many precise ways in which consumers shape trademark meaning and value will be rich terrain for future work. However, at a minimum, trademark issues should be decided in an environment that is open to consider how consumers actually use and think about trademarks.

A. Challenging the Assumption that Trademark Meaning Is Authored Solely by Trademark Owners

Some claim that the success of a trademark is wholly dependent on the resources and advertising message transmitted by the trademark owner. If that were so, all brands with a strong economic engine behind them would succeed. But, in fact, eight out of ten brands fail. Some of the most notorious brand failures had the support of wealthy corporate coffers behind them. A brand can fail because consumers decline to invest in it from the beginning or because consumers withdraw an investment made previously. If a brand succeeds, its meaning will not remain constant. Consumer perceptions about trademarks are dynamic and can change over time and in response to experience and other stimuli.

In this way, consumers have the power to fuel brand strength or invest a mark with negative meaning, withdraw their loyalty, and

118. See infra Part II.B.
119. See supra notes 48–64 and accompanying text.
120. See generally MATT HAIG, BRAND FAILURES 6–7 (2003) (discussing the view that the success or failure of a brand rests solely on the actions of the company using the brand).
121. Id. at 7; MARTIN LINDSTROM, BUYOLOGY: TRUTH AND LIES ABOUT WHY WE BUY 20, 24 (2008).
122. See infra notes 128–49 and accompanying text.
123. Id.
devastate brand value. Trademarks give consumers a “means of retaliation if the quality does not meet expectations.”

Empirical studies have documented that corporate fraud, faulty design resulting in recalls, and false advertising erode consumer trust and lead to falling stock prices that exceed the magnitude of actually incurred damages.

Even the most famous brands are vulnerable to public pressure. In the 1980s, Coca-Cola was losing market share to Pepsi as a youth alternative for the “Pepsi Generation.” Pepsi ran blind taste tests—“the Pepsi challenge”—in which consumers sampled both drinks. Most preferred the sweeter taste of Pepsi. Coca-Cola had to fight back to keep its market share from eroding. It decided to change its secret formula. After conducting 200,000 blind taste tests, Coca-Cola’s data showed that consumers overwhelmingly preferred the new formula to the original Coca-Cola and to Pepsi. Coca-Cola, with “New!” marked on the can, was reborn in 1985, and stands out in marketing history as a notorious disaster. Despite the superior taste, the public rejected it. They felt betrayed. The company had

125. Robert E. Smith & Christine A. Vogt, The Effects of Integrating Advertising and Negative Word-of-Mouth Communications on Message Processing and Response, 4 J. CONSUMER PSYCHOL. 133, 147 (1995) (describing a study that “demonstrates how vulnerable advertising can be” to negative word of mouth information about a mark); see also Russell N. Laczniak, Thomas E. DeCarlo & Sridhar N. Ramaswami, Consumers’ Responses to Negative Word-of-Mouth Communication: An Attribution Theory Perspective, 11 J. CONSUMER PSYCHOL. 57, 69 (2001) (“Well organized and compelling negative [word of mouth communication] can have a direct effect on brand evaluations.”); Richard W. Mizerski, An Attribution Explanation of the Disproportionate Influence of Unfavorable Information, 9 J. CONSUMER RES. 301, 301 (1982) (negative word of mouth exerts more consumer influence than positive word of mouth communications about brands); Rebecca Tushnet, Gone in Sixty Milliseconds: Trademark Law and Cognitive Science, 86 TEX. L. REV. 507, 551-52 (2008) (“Word of mouth is more powerful than advertising in selling—or killing—products. Reviews affect perceptions of quality. It is possible to convince people that they liked a product that they specifically said they disliked by showing them positive reviews (or vice versa, turning positive opinions negative).”)


128. HAIG, supra note 120, at 14.
129. Id.
130. Id.
131. Id.
132. Id at 15.
133. Id.
134. Id.
told them that “Coke is it,” and now, suddenly, the “real thing” was not available. United States consumers refused to transfer their positive associations with Coca-Cola onto the new formula, and many even refused to acknowledge that the mark itself had not changed. Consumers remember the reformulated brand as “New Coke” even though the actual mark did not change. Perhaps, the public needed to classify the new product under a different label to keep the negative perception of the new product distinct from the memory of the iconic brand. Donald Keough, Coca-Cola’s chief operating officer conceded, “The simple fact is that all the time and money and skill poured into consumer research on the new Coca-Cola could not measure or reveal the deep and abiding emotional attachment to original Coca-Cola felt by so many people.” Before that investment could be irrevocably withdrawn, Coca-Cola brought back its original formula and wrote off as a loss the millions of dollars poured into the new formulation.

Unlike Coca-Cola, not every brand survives the withdrawal of consumer goodwill. Pan Am was once famous for providing international air travel with exceptional service. After a series of high profile disasters, especially the explosion of Pan Am flight 103 over Lockerbie, Scotland, the public withdrew its positive associations with the brand. Soon after, the airline failed.

Similarly, Proctor and Gamble’s Rely tampon brand failed after consumers began to view it as unsafe. Rely was originally touted as a technologically superior brand. Its advertising slogan proclaimed, “It even absorbs the worry!” When the brand was linked with deaths of young women from toxic shock syndrome, Proctor and Gamble was unable to disassociate the tragic narrative from the

135. Id.
136. Id. at 16.
137. See, e.g., LINDSTROM, supra note 121, at 167 (describing how New Coke failed as a product once it reached consumers, even though product taste tests of many consumers gave significant evidence that the new formula was preferred).
138. HAIG, supra note 120, at 15.
139. Id.
140. Id. at 132–133.
141. Id.
142. Id.
143. Id. at 137–39.
145. Id.
Instead of getting out of the tampon business, Proctor and Gamble changed both the brand and the technology. The public had invested Rely with negative meaning that the company could not change. Proctor and Gamble selected alternative brands to avoid having to battle the negative consumer perceptions associated with Rely.

From a marketing perspective, consumer participation in the creation of trademark value is a well-accepted notion. In *How Brands Become Icons*, Douglas Holt explains that a strong brand is born when a mark is infused with significance through a collaborative process involving four primary authors:

[1.] companies [the mark owners], [2.] the culture industries, [3.] intermediaries (such as critics and retail salespeople), and [4.] customers (particularly when they form communities) . . . . Marketers often like to think of brands as a psychological phenomenon which stems from the perceptions of individual consumers. But what makes a brand powerful is the collective nature of these perceptions; the stories have become conventional and so are continually reinforced because they are treated as truths in everyday interactions.

A brand becomes an icon when it serves as a "representative symbol, especially of a culture or a movement." The public must take the brand and invest it with meaning before it can reflect pervasive cultural salience.

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146. HAIG, *supra* note 120, at 137–39.
147. *Id.*
148. *Id.*
149. See, e.g., Proctor & Gamble, Product Information—Feminine Care, http://www.pg.com/product_card/prod_card_fem_protection.shtml (last visited Dec. 28, 2009) (indicating that Proctor & Gamble markets these products through the brand names Always and Tampax). The Tampax brand was manufactured and marketed by an independent dealer until it was purchased by Proctor & Gamble in 1997. This example demonstrates a theme explored in greater depth by Ann Bartow—that modern trademarks actually convey information about quality and source. *See* Bartow, *supra* note 13, at 732–38 ("[E]ven if the same trademark appears on a product over time does not even remotely guarantee [the same quality or] that the same source was producing it during that interval."); *see also id.* at 734 ("[A] consumer who contracts food poisoning from a commercially purchased prepared food . . . cannot . . . avoid goods from the same source that bear different, unrelated trademarks, such as those that might be adopted in the wake of bad publicity, at least not by relying on the 'information' provided by trademarks alone.")
151. *Id.* at 1.
152. *Id.* at 9.
According to this more collaborative model, brands succeed when multiple variables inspire consumer investments. We see many more trademarks and advertisements than we remember. Brands become famous if they prompt consumers to associate them with an identity myth or the resolution of an acute contradiction in society. In 1971, Coca-Cola ran an unforgettable television advertisement featuring a hillside of multi-racial young people singing together “I’d like to teach the world to sing in perfect harmony.” The campaign evoked associations between drinking the beverage and hope that our collective better selves would work together for peace and harmony. Coca-Cola’s 1979 Mean Joe Green advertisement was also extraordinary. It showed that if we have the courage to focus on the good that connects us, we will find the ability and power to overcome irrational fears of racism. Coca-Cola created the connection, and sowed in the public consciousness seeds of encouragement that similar sharing of our common experiences—our brands—can build powerful bridges. Without the many positive associations invested in the Coca-Cola mark by generations of consumers, the brand owner would not enjoy the immense economic power it has today.

Consumer investments of time, attention, and money can have a strong impact on the economic value of a brand. Consumers are especially influential when they organize into communities that critique or celebrate a brand. Advertising from the trademark owner is often less effective

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153. See id. at 3.
154. See LINDSTROM, supra note 121, at 1–2.
155. See generally HOLT, supra note 116, at 8–9 (stating that once a customer buys into the myth of a brand, they feel like they are part of the myth when they use a product from that brand); Douglas B. Holt & Craig J. Thompson, Man-of-Action Heroes: The Pursuit of Heroic Masculinity in Everyday Consumption, 31 J. CONSUMER RES. 425, 425 (2004) (describing how men attempt to use consumption of certain products to “pursue masculine identities” and “prove their manhood”).
157. HOLT, supra note 116, at 23–24.
159. See generally infra note 180 and accompanying text (discussing the vastness of information on the Internet using Wikipedia and YouTube as examples).
160. HOLT, supra note 116, at 3.
than information from other trusted sources. Empirical studies indicate that peer perceptions determine teen preferences for clothing brands. Studies also show that intergenerational influence has a strong impact on purchases of private necessities.

Consumers invest their favorite brands with personal loyalty, developing bonds that mimic the dynamics of personal relationships. For a favorite brand, a consumer will act in ways that contribute to brand value in the same way that they would help themselves or a close friend to succeed:

[W]hen attachment is high, consumers perceive the brand to be an extension of themselves. They are defensive of attacks or criticisms against their brand and interpret such criticisms as personally threatening. Thus they are willing to engage in behaviors on behalf of the brand, despite the potential self-image-related risks such behaviors may carry. Moreover, since strong brand attachment involves automatic retrieval of brand-self connections, these individuals have less control over brand related defensive behaviors. These consumers are also less cost-benefit oriented in their reactions to their brands.

Such strong brand attachments lead to “personal sacrifices of time, money and/or energy.” Fans of particular marks will “go to great personal and financial lengths to support a brand, such as by joining and actively participating in brand communities or fan cultures.” In addition to providing free advertising, dedicated fans create a sense of brand history, recruit new devotees and participate in protective behavior such as pressuring others not to buy counterfeit copies.

161. See Pierre Beaudoin & Marie J. Lachance, Determinants of Adolescents’ Brand Sensitivity to Clothing, 34 FAM. & CONSUMER SCI. RES. J. 312, 321 (2006). Interestingly, in this study, family type or socioeconomic status was found “not [to be] a significant predictor of brand sensitivity to clothing.” Id. at 323. However, gender was a significant finding, as the results surprised the investigators by demonstrating the boys had higher brand sensitivity to clothing than girls. Id. at 324.


164. Park, MacInnis & Priester, supra note 124, at 3, 18.

165. Id.

166. Emily Chung et al., Consumer Fanaticism: Extraordinary Devotion in the Consumption Context, 35 ADVANCES IN CONSUMER RES. 333, 333 (2008).

167. Id.
Knowledgeable consumers with strong brand perceptions may be especially resistant to persuasive advertising.\textsuperscript{168}

Brand preferences emerge at a very young age. Anyone who shops for groceries with a preschooler can report an incident in which the child showed no interest in purchasing a product until it depicted a favorite character. In a recent study, preschoolers demonstrated that when they sampled pairs of identical foods, they preferred the taste of the item presented in a package with a McDonald's logo.\textsuperscript{169} Children who visited McDonald's restaurants more often were more likely to prefer the labeled food.\textsuperscript{170}

Significant "network effects"\textsuperscript{171} protected trademark value in the brick and mortar environment. As Glynn Lunney observes,

Only the most popular brand of cola may be available at a restaurant; only the most popular game may have a ready supply of players; only the most popular sports leagues may have a ready audience around the water-cooler with which to share joys and sorrows following the weekend's games.\textsuperscript{172}

Choosing a relatively unpopular product may have resulted in less significant network effects.

The Internet, however, facilitates connections for enthusiasts of any brand.\textsuperscript{173} The power of communities to affect brand value is

\textsuperscript{168} Gita Venkataramani Jothar, Durairaj Maheswaran & Laura A. Peracchio, MAPping the Frontiers: Theoretical Advances in Consumer Research on Memory, Affect, and Persuasion, 33 J. CONSUMER RES. 139, 141 (2006) ("[H]ighly (vs. less) committed consumers showed more resistance to change in response to negative information about the target brand.").


\textsuperscript{170} Id. at 795.


‘Network effects’ refers to a group of theories clustered around the question whether and to what extent standard economic theory must be altered in cases in which ‘the utility that a user derives from consumption of a good increases with the number of other agents consuming the good.’ In other words, a network effect exists where purchasers find a good more valuable as additional purchasers buy the same good.

\textsuperscript{172} Lunney, supra note 81, at 367, 429.

\textsuperscript{173} See Keith Schneider, Brands for the Chattering Masses, N.Y. TIMES, Dec. 17, 2006, at B1 ("[P]ositive word of mouth magnified by the Internet can be a boon, as Toyota
especially potent in cyberspace. The social connections that influence brand perceptions are easier to maintain on the Internet. Even network scholars who try to avoid hyperbole concede that “the Internet has indeed changed everything.” With the Internet, the public has more power to contribute to the meaning of cultural symbols and to affect brand meaning. In *The Wealth of Networks*, Yochai Benkler explains how Internet technology is “loosening” the dominant corporate powers of cultural meaning:

My claim is that the emergence of a substantial nonmarket alternative path for cultural conversation increases the degrees of freedom available to individuals and groups to engage in cultural production and exchange, and that doing so increases the transparency of culture to its inhabitants. It is a claim tied to the particular technological moment and its particular locus of occurrence—our networked communications environment. It is based on the fact that it is displacing the particular industrial form of information and cultural production of the twentieth century, with its heavy emphasis on consumption in mass markets. In this context, the emergence of a substantial sector of nonmarket production, and of peer production, or the emergence of individuals acting cooperatively as a major new source of defining widely transmissible statements and conversations about the meaning of the culture we share, makes culture substantially more transparent and available for reflection, and therefore for revision.

Television and print “enacted culture on viewers.” In sharp contrast, the Internet enables an “emerging culture of conversation about culture.”

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176. See LESSIG, supra note 25, at 7–9; Schneider, *supra* note 173 ("An influential blogger can undermine a brand faster than any grapevine ever before encountered in the marketplace . . .”); Brady et al., *supra* note 174, at 65 (“Instead of arms-length customers, they’re [consumers] beginning to act like and feel like owners or members of a community. They no longer passively consume. Through the Internet, they can talk back and talk to one another. They can ignite a groundswell of positive buzz or spawn a revolt.”).


178. *Id.*
The Internet and digital communication technologies have created vast and unprecedented potential for consumer investment. In this new environment, individuals have a new freedom to actively engage in exchanging information about trademarks. As the Internet provides a larger field for trademark rights to expand in economic, cultural, and legal dimensions, it has also provided fertile ground for a steady growth in consumer power to shape and use trademarks. When trademark owners controlled all mass communication about brands, it may have seemed reasonable to argue that trademarks were purely corporate creations. The argument that the mark owner alone controls brand meaning is now an anachronism. In our networked world, many voices contribute to the narrative power of trademarks. It is time to reject the assumption that the trademark owner is the sole author of brand meaning.

B. Broadening Our Understanding of How Consumers Use Marks as Information Tools

Contrary to the way they are cast in much trademark discourse, consumers are not mere passive recipients of information about trademarks. As demonstrated in Part I, trademark doctrine often casts consumers as "unthinking," passive recipients of information, focusing only on the information the brand sends from the mark.

179. Id.
180. Lev Grossman, Time Person of the Year: YOU, TIME MAG., Dec. 25, 2006-Jan. 1, 2007, at 38, 40 ("It's about the cosmic compendium of knowledge Wikipedia and the million-channel people's network YouTube and the online metropolis MySpace. It's about the many wrestling power from the few and helping one another for nothing and how that will not only change the world, but also change the way the world changes."); Schneider, supra note 173 ("[B]logs and their attendant message boards and forums are tuning forks for consumer sentiment that threaten to upend traditional branding efforts.").
181. BENKLER, supra note 177, at 2 ("A series of changes in the technologies, economic organization, and social practice of production in this environment has created new opportunities for how we make and exchange information, knowledge, and culture. These changes have increased the role of nonmarket and nonproprietary production, both by individuals alone and by cooperative efforts in a wide range of loosely or tightly woven collaborations.... Together, they hint at the emergence of a new information environment, one in which individuals are free to take a more active role than was possible in the industrial information economy of the twentieth century.").
182. HOLT, supra note 116, at 28. Holt notes that marketing literature sometimes refers to this phenomenon as "viral branding," "grass roots," or "buzz." Id. He also explains that "[v]iral branding assumes that consumers, and not firms, have the most influence in the creation of brands." Id. This approach embraces "a compendium of ideas rooted in the classic ideas about public influence—diffusion of innovation, word of mouth, and public relations—that responded to two major shifts in the 1990s: the increased cynicism toward mass marketing and the emergence of the Internet." Id.
183. See supra notes 48–64 and accompanying text.
owner to the consumer. Social science literature provides fascinating insights that contradict this passive consumer construct and should provoke legal analysts to broaden their view of how the public engages with trademarks. The consumer investment model incorporates this broader conception and is based on the observation that consumers routinely and proactively use brands to express themselves, affirm values, experience pleasure, connect to communities, and find information.

Consumers appear to attach great importance to the expressive message the brand will enable them to communicate after purchasing a branded product. Some scholars assert that expressing personal identity through trademark choice is a modern phenomenon.

Well into the 20th century, to be a farmhand or craftsman or shop-girl or teacher or clerk—or simply to be a person in your 40s or 50s—implied the acceptance of distinct codes of behaviour, dress and speech, deviation from which would be considered eccentric, at charitable best. For most of history, to know yourself was, in large part, simply to know your place.

As historical social boundaries broke apart, a person’s place evolved from a fixed definition into a quest to construct an identity out of “the available symbolic resources in order to weave a coherent account of who she or he is.” Now, more than ever, these symbolic resources include trademarks.

In the twenty-first century, brands are potent vehicles for self-expression and personal affirmation of beliefs and values. Many studies demonstrate the importance of trademark meaning to the

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184. See supra notes 121–52 and accompanying text.
186. Id.
187. Id. (citing J.B. THOMPSON, IDEOLOGY AND MODERN CULTURE 16 (1990)).
188. Id.
190. See Fournier, supra note 163, at 359 (“[T]he projects, concerns, and themes that people use to define themselves can be played out in the cultivation of brand relationships and how those relationships, in turn, can affect the cultivation of one’s concept of self. For each woman interviewed, the author was able to identify an interconnected web of brands that contributed to the enactment, exploration, or resolution of centrally held identity issues.”).
expression of personal identity. Consumers develop attachments to branded products in response to cognitive and emotional experiences:

[A] consumer perceives a brand as being personally significant and connects the brand to the self when it offers hedonic resources—when it *gratifies* the self by providing sensory, hedonic or aesthetic pleasure . . . . Brands are also linked to the self when they offer symbolic resources, *enriching* the self by representing, defining or expressing the actual or desired self . . . . And they become linked to the self when they offer functional resources, *enabling* a sense of self-efficacy and allowing the pursuit and achievement of mastery goals.

The choice of a brand that a person will repeatedly display sends strong signals about his or her identity. If I drive a Toyota Prius, I send the world a different message about who I am and what I value than if I drive a Hummer. In this way, public consumption reinforces brand narratives through the life story of each person who selects the brand. Recent deprivation studies demonstrate that it is not just the brands used publicly—our cars, shoes, handbags, and laptops—that construct a sense of self. A consumer will select, even in private choices of food, household cleaners, and toiletries, brands to affirm values and to express themselves.

Experiencing the story associated with a brand has become a "modern secular example of the rituals that anthropologists have documented in every human society. But rather than religious myth, in modern societies the most influential myths address people's identities." Brands have become "powerful repositories of meaning" that modern consumers use to construct and affirm personal identity. Studies using functional magnetic resonance

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191. *See, e.g.,* Beaudoin & Lachance, *supra* note 161, at 322 ("Brands can be tools used by adolescents to interact with others and to facilitate acceptance or appreciation by groups or individuals."); Childers & Rao, *supra* note 162, at 198 (citing William O. Bearden & Michael J. Etzel, *Reference Group Influence on Product and Brand Purchase Decisions*, 9 J. CONSUMER RES. 183, 183–94 (1982)) ("From a consumer-behavior perspective, it appears that products and brands that individuals select can be influenced by their reference groups."); Holt & Thompson, *supra* note 155, at 425; Samuel M. McClure et al., *Neural Correlates of Behavioral Preference for Culturally Familiar Drinks*, 44 NEURON 379, 385 (2004), *available at* http://www-psych.stanford.edu/~knutson/bad/mcclure04_2.pdf (describing the results of a study on the effect of the cultural meaning of Pepsi and Coca-Cola on taste preferences).


194. *Id.*


imaging (FMRI) brain scans have shown that people react to strong brands in the same way that they react to religious images.\textsuperscript{197} In marketing literature, these meanings translate into the value reflected by consumer judgments.\textsuperscript{198} Brand "equity" is measured by public perception, specifically a brand's perceived "strength, favorability, and/or uniqueness."\textsuperscript{199}

The desire to experience a brand can be stronger than the need for a superior product.\textsuperscript{200} A 2004 study demonstrated that consumer loyalty to self-affirming brands is so strong that consumers will stick with their chosen brands—even after experiencing alternatives that work better.\textsuperscript{201} The choice of a mark has "as much to do with fit as it is with function; the brand has to feel right as 'a part of me.' "\textsuperscript{202}

One prominent theory explaining why brand meaning is so powerful to consumers is that brands serve as props or supporting characters that permit consumers to experience narratives reflecting archetypal myths.\textsuperscript{203} When blogs feature trademarks, they often do so in a narrative format through which the writer experiences and shares

\textsuperscript{197} LINDSTROM, supra note 121, at 124–25.

\textsuperscript{198} HOLT, supra note 116, at 95, 150 ("The success of a brand's prior myths establishes a reputation. The brand becomes renowned for telling certain kinds of stories that are useful in addressing certain social desires and anxieties. In formal terms, from the brand's prior myths grow two kinds of assets—cultural authority and political authority. . . . Customers of iconic brands are loyal because they're locked into a social network. Much of the value of the brand is imparted by other constituents, not just the one-to-one relationship with the brand.").


\textsuperscript{200} See supra notes 128–39 and accompanying text.

\textsuperscript{201} EDWARDS & DAY, supra note 185, at 52–54 ("Bauman (2000) and Featherstone (1992), among others, showed how the dismantling of the barriers of social class since the 1970s created a new freedom: the freedom of individuals to express who they really were, and to vary that expression over time, rather than accept the stable social roles society had hitherto mandated. . . . [T]he project of self. . . . has been the subject of intense scrutiny ever since. It is summarized by Thompson (1990) as the process by which a person actively constructs an identity out of 'the available symbolic resources in order to weave a coherent account of who she or he is.' The 'available symbolic resources' include brands. They include, of course, famously symbolic brands like Harley, Apple and Saab, with their redolent power to assert and project the inner spirits of their owners. But they also include, at least potentially, and much more surprisingly, everyday brands in everyday categories, the kinds of brands that get tucked away inside cupboards in bathrooms and kitchens and garages." (citing ZYGMUNT BAUMAN, LIQUID MODERNITY 94–129 (2000); MIKE FEATHERSTONE, CULTURAL THEORY AND CULTURAL CHANGE 73 (1992); JOHN B. THOMPSON, IDEOLOGY AND MODERN CULTURE 64 (1990))).

\textsuperscript{202} Id. at 53.

\textsuperscript{203} See Holt & Thompson, supra note 155, at 425; Arch G. Woodside, Suresh Sood & Kenneth E. Miller, When Consumers and Brands Talk: Storytelling and Research in Psychology and Marketing, 25 PSYCHOL. & MARKETING 97, 98 (2008).
archetypal fulfillment. These brands are especially powerful “because they deliver myths to us in a tangible form, thereby making them more accessible.” Using a symbol packed with such intense cultural currency “revises and deepens sense making of the meaning of events in the story and what the complete story implies about oneself and others.”

In addition to affirming personal identity and enhancing individual expression, trademark choice also gives an individual a means for connecting to a larger community. Trademarks are often selected so that the consumer can participate in the brand’s mythology. Concerns of product quality or source are often secondary. The economists Giovanni B. Ramello and Francesco Silva remark that the “consumer no longer buys a branded product only to consume the good but also for an emotive experience connected with the symbolic realm embodied in the brand.” In this “experience economy,” the desire to participate in the story surrounding the brand drives many purchasing decisions. The products or services linked with a brand have receded in importance so much that one can often observe their complete absence.

In addition to using brands to connect to ephemeral stories, the public also uses them as tools to make social connections and find practical information to inform purchasing decisions. A trademark typed by a consumer into a search box often serves as the vehicle for

204. Woodside, Sood & Miller, supra note 203, at 100.
206. Woodside, Sood & Miller, supra note 203, at 100.
207. See HOLT, supra note 116, at 3 (“Brand stories have plots and characters, and they rely heavily on metaphor to communicate and to spur our imaginations. . . . A brand emerges when these collective understandings become firmly established.”).
208. See LINDSTROM, supra note 121, at 115 (“[E]very successful brand has stories connected to it. . . . [C]onsider Whole Foods’ recent decision to sell a limited number of bags inscribed with the oversized words I’m Not a Plastic Bag. If they’re not plastic bags, what are they? It didn’t matter. Sensing a story they could complete with their own meaning, consumers lined up in droves and the bags sold out almost immediately.”).
209. Ramello & Silva, supra note 48, at 952.
210. See B. JOSEPH PINE II & JAMES H. GILMORE, THE EXPERIENCE ECONOMY: WORK IS A THEATRE & EVERY BUSINESS A STAGE 1 (1999) (describing how the ambience of a high-end store affects the consumer’s willingness to pay between two to five dollars for a cup of coffee that costs between five and twenty-five cents a cup to produce).
212. See Goldman, supra note 37, at 509.
social connection and community building experiences.\textsuperscript{213} It reduces an average of six degrees of separation between two individuals to a number as small as 4.22 between Web sites.\textsuperscript{214} For popular brands, the Internet gives consumers new opportunities to shop, chat, connect, critique, and swap stories about favorite products and services. These virtual communications are unrestricted by pre-Internet constraints on time or geography. Viral advertising or word of mouth communication directly between consumers\textsuperscript{215} can build brand equity more potently than traditional advertising directed from a mark owner to a consumer.\textsuperscript{216}

By using trademarks on the Internet as search terms, consumers can connect to those who share their interests, irrespective of the terrestrial limitations of geography and time zone. For example, on the social networking site Facebook, members can type in a brand and join a group that facilitates online discussions about the iPhone or the Prius.\textsuperscript{217} Those with interests in less well known brands can also find like-minded communities, such as the group of approximately two hundred people on Facebook who share information about Weaver Street Market, a local grocery cooperative in North Carolina.\textsuperscript{218}

The public relies on trademarks to serve as tools to find a vast array of information on the Internet.\textsuperscript{219} When a consumer uses a trademark as an Internet search term, she can tap into a world of information including product reviews, product ingredients, nutrition and safety information, geographical locations, comparative

\begin{itemize}
  \item \textsuperscript{213} See HOLT, supra note 116, at 3 ("Brand stories have plots and characters, and they rely heavily on metaphor to communicate and to spur our imaginations. . . . A brand emerges when these collective understandings become firmly established.").
  \item \textsuperscript{214} González, supra note 175, at 1303–04.
  \item \textsuperscript{215} See Eric Goldman, Online Word of Mouth and Its Implications for Trademark Law, \textit{in} TRADEMARK LAW AND THEORY: A HANDBOOK OF CONTEMPORARY RESEARCH 404, 404 (Graeme B. Dinwoodie & Mark D. Janis eds., 2008); see also HOLT, supra note 116, at 28–29 (discussing how consumers discover brands on their own without the influence of traditional mass marketing strategies).
  \item \textsuperscript{216} Andrew McCormick, Viral Ads Best at Engaging Users as Opinion of Advertising Sours, NEW MEDIA AGE, June 15, 2006, at 11 ("Viral advertising is a more effective way of engaging customers than other forms of advertising, according to a survey by Forrester Research.").
  \item \textsuperscript{217} See Facebook, http://www.facebook.com (last visited Dec. 28, 2009) (allowing Facebook users to search for and join different groups related to hobbies, professions, locations, and more).
  \item \textsuperscript{218} See Weaver Street Market, http://www.facebook.com/search/?q=weaver+street+market&init=quick#/pages/Carrboro-NC/Weaver-Street-Market-Carrboro/45233646460?ref=search&sid=2700910.86375852..1 (last visited Dec. 28, 2009).
  \item \textsuperscript{219} See Goldman, supra note 37, at 509; Goldman, supra note 215, at 404–05.
\end{itemize}
advertisements, price comparisons, and competitive products.\textsuperscript{220} Many consumer sites such as the non-profit Consumer Reports and the for-profit CBS affiliate site, CNET, aggregate a wide array of such information.\textsuperscript{221} Trademarks are the primary tools that enable consumers to use these sources to obtain information about specific products and services.\textsuperscript{222}

\section{C. The Nature of Consumer Investments in Trademarks}

After broadening one’s view of how consumers affect brand value and use marks, the nature of consumer investments may be brought into sharper focus. Trademarks are much more than labels reflecting a product’s source. They are not mere bull horns amplifying only the brand owner’s story. They are more like libraries filled with many stories. They are repositories that collectively amount to tremendous value and cultural significance filled with contributions from many voices. Consumer investments are the resources that everyone, except trademark owners, contributes to this repository. These public investments appear in many forms. Consumers invest marks with shared and personal significance. We invest financially in marks every time we make a purchase. Sometimes, consumers invest time and energy into brands, helping the mark owners to sell the benefits of a particular product or service.\textsuperscript{223}

The most basic way that a consumer can invest a mark with meaning is to recognize the symbol as a mark.\textsuperscript{224} A large red word painted on a white truck may be perceived from its context as a mark. If a person sees a product or service advertisement for the first time and perceives the symbol as a brand, the consumer has invested that symbol with brand meaning. The symbol may be perceived as the name of a service provider or the source of a product, but the consumer may not remember it. The investment may not be volitional, and it may be forgotten as soon as it passes.\textsuperscript{225} We all have seen advertising for many more brands than we can recall. Yet this

\textsuperscript{220} Goldman, \textit{supra} note 37, at 522.
\textsuperscript{222} Goldman, \textit{supra} note 37, at 522.
\textsuperscript{223} See \textit{GLADWELL, supra} note 171, at 32-33 (providing an example of how consumers use word-of-mouth to spread information about business they prefer to frequent).
\textsuperscript{225} \textit{LINDSTROM, supra} note 121, at 2.
recognition is the first meaningful investment a consumer makes in a mark.

Remembering a symbol as a brand and assigning meaning to it is an additional level of consumer investment. According to "the activation theory" developed by cognitive scientists, brands have meaning to an individual after the symbol is stored in dynamic cognitive units called "nodes" connected by "links of varying strengths." Nodes with broader networks are triggered by more stimuli and are therefore more readily accessible. The more thought and associations a consumer invests in a brand, the more easily the brand and its associated narrative will be triggered by the person's memory. Although cognitive capital may not cost more than a bit of attention, it is a limited resource. After a symbol exists in a potentially stable frame of reference, it may become linked with a meaningful and distinctive brand identity in the consumer's mind. We are all exposed to hundreds of brands and protected package designs every time we enter a grocery store. But we do not remember the vast majority of them. Those we do remember are often linked to other memories such as an experience, an iconic advertisement, or a social connection. Only after this higher level of cognitive investment has occurred can the symbol be retrieved from memory.

Importantly, even before the point of purchase, and even if no purchase is made, consumers act as co-authors of brand meaning. Buying a child a Barbie doll sends a message about the values of the buyer. The choice not to buy the doll is also a decision that is invested with meaning. Like-minded people use trademarks as connective forces and invest the marks with additional meaning among communities of shared values. Yet recognition of a brand as a mark and participation in the brand narrative may occur without any volitional decision. Its absorption into a consumer's understanding may occur as organically as the adoption of a new word into

227. Id.
228. Swann, supra note 83, at 608.
229. Id.
230. Tushnet, supra note 125, at 516 (observing that "the mind is not infinitely capacious").
individual discourse. Even preferences for a certain mark can be wholly unconscious.232

After initial recognition and the investment of some meaning occur, additional investments may follow. Many of these next investments involve conscious choices. Once brand identity is established in a consumer’s mind, the cognitive investment may lead to an economic investment. A consumer may choose to experience the narrative of a brand by purchasing a product or service. After the purchase, additional value will be invested or withdrawn based on the experience. In this way, the choice to continue purchasing may lead to investments in brand loyalty, repeat purchases, and additional personal investments, as the brands to which we give our greatest investments become vehicles for affirming values, self-expression, and social connections.

With repeated exposure and use, brands gain new attributes and narrative meaning. Each consumer knits these symbols into a sense of self, and sometimes they become deeply embedded in personal habits. If your stomach hurts, you may find yourself looking for the pink bottle because it has your Pepto-Bismol remedy in it. A brand may evoke thoughts of a friend, a relative, or a particular experience. The messages communicated by modern trademarks are not limited to simple indications of source and quality. Strong marks can convey detailed, enduring narratives. The power of brands is much deeper, more personal and lasting than what Ralph Brown described as a brief “pause that refreshes.”233

Collective experiences add layers of meaning so that the mark itself becomes a kind of public source of interpersonal connections. Brands can work as bridges between strangers. If you walk down the street and see someone wearing a T-shirt from your school, you may feel a genuine personal connection that otherwise would not exist. Each person’s investment may affect brand value, but this effect is magnified when the investments are shared. It may not affect brand value much if one person’s BlackBerry locks up repeatedly. But if that person tells a friend or writes a negative review on the Internet,

232. A persistent theme in the published consumer research over the last two decades is that brand “preferences and choices can emerge without conscious awareness of the preference formation process.” Johar, Maheswaran & Peracchio, supra note 168, at 144. See generally LINDSTROM, supra note 121, at 2–3 (discussing the use of functional magnetic resonance imaging (FMRI) to uncover unconscious reactions to brands).

then others may listen and reflect on this concern when considering which phone to purchase. If that person is Howard Stern, and he mentions his frustration on satellite radio while millions of his fans are listening, it may have a substantial impact, especially if someone else on the show mentions that their iPhone never locks up.\(^{234}\)

Recognition of consumer investments in trademark law would bring legal doctrine in closer alignment with the social sciences by broadening notions of how trademarks function in modern business and culture. It may also prompt a reexamination of the inclination toward the anti-free-riding view of marks.\(^{235}\) As trademark disputes arise in new contexts, this model provides a reminder that trademark owners are not the only ones who invested the brand with meaning and made it famous. Consumer recognition, media reports, reviews, and, often, consumer time and effort contribute to the value of a brand.\(^{236}\)

The dynamic of consumer investment should inform trademark jurisprudence with the idea that consumers have many expressive and informational interests in marks that exist before and after the point of purchase. Consumers invest marks with meaning and economic value. As a result of that investment, consumers seize marks as communication devices and use them to express themselves, bond with friends and family, connect with new communities, and find information on the Internet.\(^{237}\) The model of consumer investment creates an opportunity to bring consumer interests back into trademark discourse and offers a helpful tool for resolving trademark issues in challenging new contexts. The discussion now turns to practical applications.

III. PROTECTING CONSUMER INVESTMENTS IN TRADEMARKS THROUGH THREE DEFENSES

The consumer investment model should be applied to permit the evolution of trademark law in directions that do not unjustifiably compromise public interests. As trademark protection expands, consumer investments and informational interests should be considered in trademark analysis. Traditionally, trademark law


\(^{235}\) See supra notes 78–98 and accompanying text.

\(^{236}\) See supra notes 159–82 and accompanying text.

\(^{237}\) See supra Part II.B.
protected both consumers and trademark owners. Both are served by laws that protect against counterfeit goods and other contexts in which consumers are deceived or confused about the source of a product or service. Even in contexts when consumer confusion is not likely, consumer interests may still match those of trademark owners. For example, the model generally supports dilution and anticybersquatting protection.

However, consumer interests do not always align with those of trademark owners. When this traditional alignment breaks apart, the consumer investment model should be applied to assure that mark owner interests do not trample over the public interest in using marks as information tools. This Part will focus on three contexts in which consumer interests conflict with those of trademark owners. They are: (1) keyword advertising, (2) cultural dilution, and (3) lexicographic references. Application of the consumer investment model in each situation would assure that consumer interests are not lost in contemporary trademark analysis. It will serve as a reminder that public interests should be weighed as part of the balance when trademark cases are adjudicated. In this way, the model ultimately will facilitate a return to the traditional twin principles of protecting both mark owners and the public. In 1948, Ralph Brown wrote that "what appear to be private disputes among hucksters almost invariably touch the public welfare. We shall therefore be concerned to ask, when courts protect trade symbols, whether their decisions further public as well as private goals." The consumer investment model acknowledges this concern and responds to it by bringing contemporary public interests back into trademark doctrine.

\[238. \text{See supra notes 3–4 and accompanying text.}\]
\[239. \text{Id.}\]
\[240. \text{See supra notes 75–76 and accompanying text.}\]
\[241. \text{Efforts to protect political expression, referential applications, social networking, and artistic speech may also benefit from this model, as the expansion of trademark doctrine encroaches on them as well. See, e.g., Lemley, supra note 35, at 1710–11 ("The expansive power that is increasingly being granted to trademark owners has frequently come at the expense of freedom of expression. As trademarks are transformed from rights against unfair competition to rights to control language, our ability to discuss, portray, comment, criticize, and make fun of companies and their products is diminishing."). See generally Dreyfuss, supra note 73, at 397 (including significant insights into why First Amendment doctrine has not been a successful tool in protecting expressive uses of trademarks as speech).}\]
\[242. \text{Brown, supra note 72, at 1167.}\]
A. Protecting Non-Deceptive Use of Marks in Keyword Advertising Would Preserve Consumer Rights to Use Marks as Informational Tools

When considering how the Internet protects public interests, trademark law may not be the first thing that comes to mind. Important copyright, patent, and privacy issues tend to get more attention. Because of the vast informational relevance of brands, trademark issues should not be ignored. The resolution of many trademark questions in cyberspace applications will also significantly affect how well the Internet continues to function as a research tool and a platform for social connections.

1. Keyword Advertising Raises Important Trademark Questions for Consumers

Cyberspace empowers consumers to use marks in many new ways that are outside the control of trademark owners. These unauthorized uses create unprecedented challenges for trademark owners seeking to maintain control over their marks on the Internet. An important battle in this war is keyword advertising. It works as follows: A consumer loads a search engine onto a digital screen—perhaps a computer or cell phone—and types a term into a dialog box in order to find relevant Web sites. The search engine may find thousands of results. Two types of responses will appear on the consumer's screen: (1) relevant links and (2) paid advertisements. For the relevant links, the order in which the sites appear is a dynamic function of the search engine software. The art and science of a good search engine is complex. Searching technologies are crafted to take the consumer's query and divine what that person seeks. Search engines use combinations of factors that are often proprietary to rank relevant links. The factors generally include the content that appears on a site, information hidden to consumers but

243. The Electronic Frontier Foundation ("EFF") is dedicated "to the public interest in every critical battle affecting digital rights." Electronic Frontier Foundation, About EFF, http://www.eff.org/about (last visited Dec. 28, 2009). Although the EFF does take action in trademark matters involving consumer rights, including keyword advertising issues, its Web site distinctly highlights copyrights, patent, and free speech cases, but at the time of this writing, had not yet created a separate category for trademark matters. See id.
244. See supra notes 212-22 and accompanying text.
245. See Goldman, supra note 37, at 534.
246. See id. at 510.
appearing in the site’s metadata, and the extent to which the site is linked to other sites. The order in which the relevant links appear is important. If a link to a Web site appears near the top of the first page, a consumer is more likely to see it, click, and visit. Web sites that do not appear on the first page are less likely to be viewed. Consumers generally do not go far down a list of relevant Web sites, and therefore thousands of responsive results are often ignored. The prime real estate is the first page.

Paid advertisements or “sponsored links” form the second category of search engine responses. They appear on the coveted first page of search results, not because they are the most relevant, but because someone paid for the spot through a keyword advertising

248. Goldman, supra note 37, at 529 (noting that “[m]etadata” refers to content about the Web page that describes or summarizes the page, such as the page title, the page URL or domain name, and “metatags”).
249. Id.
250. See Jacqui Jones, Strategies for the Toolbox, NZ MARKETING MAG., Nov. 2007, at 15 (“Of people who search for a product or service online, 85 percent will visit and trust websites that top natural search results ahead of those in paid search results. Studies by Enquiro show the first three natural search rankings receive 100 percent visibility whereas 10 to 50 percent of people will see the side sponsored ads.”).
251. See Stoney deGeyter, Why I Think SERPs Should Go Beyond 10 Results, SEARCH ENGINE GUIDE, Aug. 19, 2008, http://www.searchengineguide.com/stoney-degeyter/why-i-think-serps-should-go-beyond-10-re.php (“In the typical search, searchers hit the ‘next page’ link less than 20% of the time. This means that less than 20% of searches actually get to the second page of search results.”). According to a 2008 study conducted by iProspect,

68% of search engine users click a search result within the first page of results, and a full 92% of search engine users click a result within the first three pages of search results. The importance of appearing high in the search results has steadily increased over time. We see a clear trend between 2002, 2004, 2006 and 2008 data as it relates to this finding. The data indicates that more search engine users click the first page in 2008 (68%) as compared to than in 2006 (62%), 2004 (60%) and 2002 (48%). Inversely, fewer search engine users are willing to click results past the third page in 2008 (8%) as compared to 2006 (10%), 2004 (13%) and 2002 (19%). So more than ever, it is vital for search marketers to ensure that their digital assets appear within the first three pages of search results, and especially on page one. When examining the data from 2002, 2004, 2006 and 2008, we see that more users are abandoning their query after reviewing the first page in 2008 (49%) as compared to 2006 (40%), 2004 (42%) and 2002 (28%). Inversely, fewer users are willing to continue their review of results past the third page in 2008 (9%) as compared to 2006 (12%), 2004 (17%) and 2002 (22%). Again, the need to obtain top placements on search results pages has progressively increased in importance for search engine marketers.

252. iPROSPECT, supra note 251, at 6.
253. Id.
program. To illustrate, a distributor of mobile phones could pay for a prominent spot on the first page that will appear when a consumer types "cell phone" into a search engine.

Keyword advertisements provide many benefits. They facilitate a broad spectrum of social connections and commercial sales. They help consumers buy things, find information, such as product reviews, and connect to communities with similar interests. They help retailers and distributors sell their goods, advertise their services, and connect with potential customers. For search engine operators, they are the source of lucrative advertising revenues.

Before concluding that keyword advertising benefits everyone, we must consider what happens when a keyword is a trademark. Conflicting interests emerge if we imagine that instead of "cell phone," the consumer types "iPhone," an Apple trademark, into the Google search engine. The results may look like this:

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254. See Google.com, Updates to AdWords Trademark Policy, *supra* note 14; Microsoft Advertising: Editorial Guidelines, http://advertising.microsoft.com/Home/Article.aspx?pageid=708&Adv_Articleid=3216 (last visited Dec. 28, 2009); Yahoo.com, Raising Trademark Concern about Sponsored Search Listings, http://searchmarketing.yahoo.com/legal/trademarks.php (last visited Dec. 28, 2009) (“For bids on search terms in Yahoo! Search Marketing’s Sponsored Search service, Yahoo! Search Marketing (formerly Overture Services, Inc.) requires advertisers to agree that their search terms, their listing titles and descriptions, and the content of their Web sites do not violate the trademark rights of others. In cases in which an advertiser has bid on a term that may be the trademark of another, Yahoo! Search Marketing allows the bids only if the advertiser presents content on its Web site that (a) refers to the trademark or its owner or related product in a permissible nominative manner without creating a likelihood of consumer confusion (for example, sale of a product bearing the trademark, or commentary, criticism or other permissible information about the trademark owner or its product) or (b) uses the term in a generic or merely descriptive manner. In addition, the advertiser’s listing should disclose the nature of the relevant content.”).

This example raises many critical questions for trademark law and policy. In response to the “iPhone” query, the first sponsored link promotes a competitor’s “BlackBerry” phone. Does Apple’s competitor, Research in Motion, Ltd.,256 have the right to use “iPhone” to divert sales to its site? Should Apple be able to stop this use of “iPhone” so that only authorized Apple advertisements appear in response to the query? Does an independent iPhone distributor have the right to purchase “iPhone” as a keyword to give it a competitive advantage over other iPhone stores? Should these stores also have the right to purchase “BlackBerry” and “Nokia” as keywords? If not, should the prohibition apply to descriptive marks as well as the fanciful, arbitrary, and suggestive marks that are inherently distinctive?257 No clear answer exists to any of these


257. See Abercrombie & Fitch Co. v. Hunting World, Inc., 537 F.2d 4, 9 (2d Cir. 1976) (“The cases, and in some instances the Lanham Act, identify four different categories of terms with respect to trademark protection. Arrayed in an ascending order which roughly reflects their eligibility to trademark status and the degree of protection accorded, these classes are (1) generic, (2) descriptive, (3) suggestive, and (4) arbitrary or fanciful. The lines of demarcation, however, are not always bright. Moreover, the difficulties are compounded because a term that is in one category for a particular product may be in
questions. The federal trademark laws do not provide definitive
guidance, and federal courts have not arrived at consistent results
when applying them in this context.258

These unanswered questions create great uncertainty in
trademark practice and inefficiency for businesses and other
communities trying to communicate using the cultural and
commercial discourse of trademarks on the Internet. The answers
that evolve through trademark litigation will have profound
consequences for Internet functionality. Due to the unsettled state of
the law, consumer access to information and comparative advertising
is already being compromised.259 The legal framework under which
the keyword advertising cases have been decided does not give
consumer interests sufficient deference. As private litigants and the
academy take sides in this debate, the issues are being framed in ways
that too often cast consumers to the sideline.260

It is critically important to remember that in keyword advertising
cases, it is the consumer who types the mark into the search box. In
doing so, the consumer is using a term she has invested with meaning.
He is attempting to use that investment as a trigger to find additional
information. If even a minimal return is due on the consumer’s
investment, it should be received here. If trademarks are still to
promote access to information and fair competition, the consumer
should be able to use the mark to find additional information,
including sources of competitive products and prices. Yet, when
keyword advertising cases are decided, consumer interests are too
often ignored.261

quite a different one for another, because a term may shift from one category to another
in light of differences in usage through time, because a term may have one meaning to one
group of users and a different one to others, and because the same term may be put to
different uses with respect to a single product.”).

258. See infra notes 281–85 and accompanying text.

259. See Stacey L. Dogan & Mark A. Lemley, Grounding Trademark Law Through
Trademark Use, 92 IOWA L. REV. 1669, 1696 (2007) (“Despite inconclusive legal results so
far, keyword suits have already caused Yahoo! to pull all comparative, critical, and
independent-vendor ads keyed to trademarks; Google has adopted a policy forbidding
even such legitimate ads from using the trademark in the ad text.”); see also supra note 255
(noting that Google earns a large percentage of its income from advertisements).

260. See, e.g., Graeme B. Dinwoodie & Mark D. Janis, Confusion Over Use:
Contextualism in Trademark Law, 92 IOWA L. REV. 1597, 1695 (2007); Dogan & Lemley,
supra note 259, at 1672–73; infra notes 263–72 and accompanying text.

2006).
2. Consumer Interests Are Too Often Cast Aside in the Legal Debate Over Keyword Advertising

Keyword advertising is too often framed in ways that fuel the anti-free-riding view of marks and that ignore consumer interests in truthful comparative advertising that is expressly permitted by the Lanham Act. The interests of consumers, distributors, and search engine providers generally remain aligned with offering the right and ability to use trademarks as keywords to find information. However, many trademark owners believe that these profitable advertising programs result in unjust enrichment to their competitors and the search engines. Anti-free-riding discourse is often used to assert that only the trademark owner should derive any economic benefit from use of the mark in keyword advertising. In *Rescuecom Corp. v. Google Inc.*, the plaintiff argued that Google was “sell[ing]” Rescuecom’s trademark “to plaintiff’s competitors as a keyword that triggers the competitors’ sponsored links” and that Google was taking a “free-ride” on its goodwill. The Second Circuit echoed the assertion that Google “sells Rescuecom’s mark to Google’s advertising customers.” This description is not accurate. Google does not own the mark and cannot sell it. What the search engines sell is an advertisement—often for a competitor—that appears when a consumer enters a trademark as a search term. The court’s characterization is also misleading because it ignores the consumer’s role and interest in the use.

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262. See 1-800 Contacts, Inc. v. WhenU.com, 414 F.3d 400, 405 (2d Cir. 2005) (“In its complaint, 1-800 alleges that WhenU’s conduct infringes 1-800’s trademarks in violation of Sections 32(1) and 43(a) of the Lanham Act, 15 U.S.C. §§ 1114(1), 1125(a) . . . .”); Rescuecom Corp. v. Google Inc., 456 F. Supp. 2d 393, 400 (N.D.N.Y. 2006) (“[D]efendant’s actions constitute trademark use because: (1) defendant is attempting to ‘free-ride’ on the good will [sic] associated with Rescuecom and its activities cause confusion . . . .”) (emphasis added), vacated and remanded, 562 F.3d 123 (2d Cir. 2009); Wells Fargo & Co., v. WhenU.com, Inc., 293 F. Supp. 2d 734, 761 (E.D. Mich. 2003) (“In accusing WhenU of ‘free riding’ on their trademarks, plaintiffs ignores the fact that trademark laws are concerned with source identification. They are not meant to protect “consumer good will [sic] created through extensive, skillful, and costly advertising.”) (quoting Smith v. Chanel, Inc., 402 F.2d 562, 566 (9th Cir. 1968)) (emphasis added); McCARTHY, supra note 5, § 25.70.26 (“The policy question is whether this activity is fair competition presenting web users with useful information or whether it is a form of unfair free riding on the fame of well-known marks.”).

263. See supra notes 82–85 and accompanying text.

264. 456 F. Supp. 2d 393 (N.D.N.Y. 2006), vacated and remanded, 562 F.3d 123 (2d Cir. 2009).

265. Id. at 400.

266. Rescuecom Corp. v. Google Inc., 562 F.3d 123, 129 (2d Cir. 2009).

267. See supra note 254–55 and accompanying text.
In Government Employees Insurance Co. v. Google, Inc., the court indicated that "the portals and search engines are taking advantage of the drawing power and goodwill of these famous marks. The question is whether this activity is fair competition or whether it is a form of unfair free riding on the fame of well-known marks." The public interest is left out of the discussion. Similarly, in 800-JR Cigar, Inc. v. GoTo.com, Inc., the court held that offering the mark "JR" as a keyword to a JR competitor was an unlawful trademark use because it "trades on the value of the marks." Applying the anti-free-riding view in this way ignores consumer interests in access to competitive information on the Internet.

Rather than examining the broader public policy questions that would keep trademark law in line with both of its foundational purposes, keyword advertising disputes often focus on the legal technicality of whether it is a "use in commerce" that can support liability under the Lanham Act. Courts and scholars disagree on whether trademark law should permit use of another's mark in keyword advertising. Some believe that keyword advertising does not raise cognizable trademark claims because brands are not used as marks. Others assert that questionable ads keyed to trademarks should be run through likelihood of confusion or dilution analysis like any other trademark claim. Some advocates have vilified the practice as "infringement by search engine," and the State of Utah simply declared it unlawful.

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269. Id. at 704 (quoting MCCARTHY, supra note 5, § 25:70.1).
271. Id. at 285.
272. See infra notes 278–89 and accompanying text.
273. See infra notes 274–85 and accompanying text.
274. See supra note 262 and accompanying text.
Mark Lemley and Stacey Dogan advocate the first view: keyword advertising is not a trademark use and therefore does not raise a true Lanham Act claim. They assert that "trademark infringement should require not only that a defendant be using the mark to promote its own products or services but also that it be using it 'as a mark'—i.e. to indicate the source or sponsorship of those products or services." Such a doctrine would stop the momentum of new trademark claims against parties that do not promote products or services in connection with marks. They argue that without this gatekeeping device, trademark owners could severely limit "legitimate but unauthorized uses of their marks." Some courts have adopted this view.

Many others have adopted the second approach, unable to find an answer to the keyword advertising question in a "use in commerce" doctrine, and preferring instead to let trademark litigation proceed as usual. Graeme Dinwoodie and Mark Janis argue that trademark "use" cannot serve as a gate-keeping device. Because trademark law does not clearly provide that "use in commerce" is a jurisdictional limitation, Dinwoodie and Janis assert that courts should not read it as one. Neither "use in commerce" theory has resolved the keyword advertising issue. Mark McKenna observes the answer may not lie within current trademark law.

278. Dogan & Lemley, supra note 259, at 1685.
279. Id. at 1682.
280. Id.
281. See, e.g., Rescuecom Corp. v. Google Inc., 456 F. Supp. 2d 393 (N.D.N.Y. 2006) (excluding plaintiff's Lanham Act claims under Rule 12(b)(6) because use of plaintiff's mark in keyword advertising is not a trademark "use"), vacated and remanded, 562 F.3d 123 (2d Cir. 2009).
283. Dinwoodie & Janis, supra note 260, at 1658.
284. Id. at 1641–50. Because consumer confusion is the "touchstone for trademark liability," they assert that courts should let trademark claims based on keyword advertising proceed through the likelihood of confusion analysis. Id. at 1599, 1608.
285. Mark P. McKenna, Trademark Use and the Problem of Source in Trademark Law, 2009 U. ILL. L. REV. 773, 797. McKenna further points out that although the idea of applying "use in commerce" as a threshold test is attractive in its efficiency, the theory is not as helpful as its proponents claim because it depends on consumers' views of source. Id. If "use in commerce" or "confusion" remain the standards for the legitimacy of keyword advertising programs, no one will have certainty as to whether the programs create trademark liability. "Use in commerce," "confusion," and "dilution" are all fact-based conclusions based on dynamic and inconsistent views of trademark law. Id.
Another impediment to a one-size-fits-all “use in commerce” theory is that the term is not used consistently in federal trademark law.\(^{286}\) It appears repeatedly, but is defined differently for different purposes.\(^{287}\) Therefore, one set of facts may spawn different “use in commerce” legal conclusions or various trademark claims. For example, in \(Tiffany v. eBay, Inc.\),\(^{288}\) the court found that the mark was “used in commerce” for the trademark infringement claim, but not for the dilution claim.\(^{289}\)

Too much focus on the “use in commerce” issue has eclipsed important consumer interests in keyword advertising disputes. In cases such as \(800-JR Cigar\), losing the “use in commerce” issue does not threaten consumers as much as the tendency to ignore their interests altogether. Many of these cases may later be won if no confusion is found or on nominative fair use grounds. Along the way, significant collateral damage occurs to the consumer construct as courts identify a new range of evidence thought to be probative of confusion. For example, in \(800-JR Cigar\), the plaintiff offered no evidence of actual confusion.\(^{290}\) The court found that even if no confusion occurred, the “temporary diversion of potential customers” to a competitor’s site is “arguably indicative of a likelihood of confusion.”\(^{291}\) The court’s use of the term “diversion” suggests

\(^{286}\) The term is omnipresent in the Lanham Act, and serves both jurisdictional and substantive purposes. \(Rescuecom, 562 F. 3d\) at 132. It is repeated as a means to ground the federal trademark law in congressional authority. Trade-Mark Cases, 100 U.S. 82, 96 (1879). For trademark owners, rights sufficient to qualify for a federal mark may be recognized only if a word or symbol is “used by a person,” or one “which a person has a bona fide intention to use in commerce.” 15 U.S.C. § 1127 (2006). The same section clarifies that “use in commerce” means the “bona fide use of a mark in the ordinary course of trade, and not made merely to reserve a right in a mark.” \(Id.\) For infringement purposes, the Lanham Act defines trademark infringement as a “use in commerce” of a mark “in connection with the sale, offering for sale, distribution, or advertising of any goods or services on or in connection with which such use is likely to cause confusion, or to cause mistake, or to deceive . . . .” 15 U.S.C. § 1114 (2006). Similarly, claims under section 15 U.S.C. § 1125(a) require the “use” of the defendant’s marks “in commerce.” 15 U.S.C. § 1125(a) (2006). But in this broad federal unfair competition and false advertising statute, the use provision is not limited to uses on a good or advertising for a service. \(See id.\) Rather, it could be any use “on or in connection with any goods or services, or any container for goods.” \(Id.\) To prove a dilution claim, the owner of a famous mark may seek an injunction against a person who “commences use of a mark or trade name in commerce that is likely to cause dilution by blurring or dilution by tarnishment.” § 1125(c)(1).

\(^{287}\) §§ 1114, 1125.


\(^{289}\) \(Id.\) at 469.


\(^{291}\) \(Id.\) at 288, 292.
trickery. But there was no evidence of that either.\textsuperscript{292} Here, a typical opportunity for comparative shopping through a sponsored link was twisted into a device to establish likelihood of confusion.

Application of the consumer investment model would have provoked the court to examine relevant facts and reflect on the issue from a public interest perspective. When no evidence of confusion is presented, the model should prompt courts to consider the potential public benefits of the ad, such as greater competition, lower prices, and the availability of easily accessible comparative information on the Internet. In this way, trademark law may still continue to evolve with new technology, but along a principled path that preserves consumer rights to use marks as information tools.

An even more stunning example of ignoring actual consumer perceptions can be seen in \textit{Edina Realty, Inc. v. TheMLSOnline.com}.\textsuperscript{293} Edina Realty had given TheMLSOnline.com permission to post Edina real estate listings on its Web site.\textsuperscript{294} Despite this fact, when Edina learned that TheMLSOnline.com used “Edina Realty” as a keyword to generate more visits to its Web site, it sued the site owner.\textsuperscript{295} The court reported no evidence of consumer confusion.\textsuperscript{296} Nonetheless, the court accepted the mark owner’s claim that confusion was likely and found that consumer inquiries about Edina Realty listings on TheMLSOnline.com site created “a genuine issue of material fact” about whether these consumers were confused.\textsuperscript{297} If potential for “confusion” can be found here—where the term was authorized for use on the advertiser’s Web site—it is hard to imagine any scenario where a court could not find confusion. The “likelihood of confusion” bar has fallen so low it has virtually no meaning. A court can find a likelihood of trademark liability based on little or no evidence.

The consumer investment model would account for consumer perceptions so that consumer understandings of a term in context would be evaluated. In a case like \textit{Edina Realty}, had the court taken another look at the matter from the perspective of the consumer, it might have weighed the same facts to acknowledge a complete absence of confusion based on the evidence before it. Edina Realty listings were on the MLS site because Edina had given its permission

\textsuperscript{292} See id. at 288–89.
\textsuperscript{294} See id. at *6.
\textsuperscript{295} See id.
\textsuperscript{296} Id.
\textsuperscript{297} Id.
for them to appear. Therefore, any source of confusion was created by Edina itself when it failed to clarify in its terms with MLS that it may use its mark on the Web site but not in other advertising media. If the court had analyzed Edina’s conduct in light of the public interest, it may not have been so quick to remove a valuable tool for finding information about real estate sales on the Internet.

Consumer interests should be present in the analysis of these questions because the answers will have a direct impact on the ability to use the Internet to find information. Imagine a family planning a vacation to Walt Disney World in Orlando, Florida. If they type "Disney Orlando resort" into a search engine, should they have the ability—even the right—to retrieve results for hotels and resorts owned by Disney’s competitors? If only Disney properties can appear as sponsored links on the coveted first page of search results, the consumers will be presented with fewer choices, a corporate monopoly on the top sponsored links, and consequently, higher prices for their family vacation. If Disney can block such use, the trademark, in this context, would create a monopoly on Internet search results, a function that cannot be justified in a system that purports to value competition and the availability of truthful information.

In the interest of promoting fair competition, robust Internet commerce, and access to informative speech, consumers are better off with search results that display competitive products and services, critical reviews, and links to sites where they can connect to others and swap experiences. In exchange for their investment in the brand, consumers should have the right to see critical reviews of the iPhone as well as advertisements for competitive products before making a purchasing decision. Trademark law should not interfere when a consumer seeks to view hotels not owned by Disney when they plan a trip to visit a Disney park. A consumer interested in information about hybrid cars should be able to type "Prius" into a search engine and find information about fuel-efficient cars made by Toyota and its competitors. To encourage open discourse and free competition, search engines should have a clear right to provide these informational services. Preserving the Internet as an environment in which consumers can gain access to comparative information is worth the possibility that some confusion might occur.

If we trust consumers to be able to differentiate brands in physical proximity to each other, we should trust them to do so on the Internet. The physical presence of a Honda dealership next to a
Toyota dealership is not thought to create consumer confusion.\textsuperscript{298} It may, however, increase competition, and draw more traffic to the new Honda dealership and away from its neighbor.\textsuperscript{299} If the older dealership loses sales to its new neighbor, this harm is not one that trademark law was designed to remedy.\textsuperscript{300} In deciding the keyword advertising cases, it is important to consider the policy implications of trademark owners controlling analogous side-by-side comparisons of competitors in cyberspace. If trademark law is to continue promoting truthful and informative commercial speech, it should not prevent consumers from seeing Honda advertisements or information about the Chrysler ENVI prototype in response to a query about a Prius, a BlackBerry ad when seeking information about iPhones, or a relatively inexpensive hotel near the Magic Kingdom that does not happen to be a Disney property. Permitting the availability of proximate competitive marks on the Internet is especially compelling because consumers often use marks to locate reviews and to connect with communities that have similar interests or superior knowledge.\textsuperscript{301} Therefore, in cyberspace, regulating the proximity of competitive links may prevent consumers from learning that competition exists.

The resolution of keyword advertising questions will directly affect who controls responses to Internet search queries. Because consumer interests are so directly implicated, they should be considered when these issues are decided. Yet, in practice, consumer interests have been too often ignored, as the interests of trademark owners are pitted against search engines, their competitors, and sometimes even distributors of their products and services.\textsuperscript{302} The traditional trademark values of promoting fair competition and providing truthful information to consumers would be substantially thwarted if trademark law is used to limit the ability to use marks as Internet search terms.

Current trademark exclusions do not adequately protect consumer interests in keyword advertising. Some precedent indicates that keyword advertising may be considered fair use.\textsuperscript{303} However,

\textsuperscript{298} See MCCARTHY, supra note 5, § 1:1.
\textsuperscript{299} See id.
\textsuperscript{300} See id., § 2:7 (discussing the distinction between trademark law and unfair competition).
\textsuperscript{301} See supra notes 212–22 and accompanying text.
\textsuperscript{302} See supra notes 263–72 and accompanying text.
\textsuperscript{303} See, e.g., Tiffany v. eBay, Inc., 576 F. Supp 2d 463, 521 (S.D.N.Y. 2008) ("Tiffany has failed to prove that eBay is liable for trademark dilution and that even assuming \textit{arguendo} that eBay could be liable for dilution, eBay's use of the TIFFANY Marks is a protected, nominative fair use.").
other courts have found that it is not. Unfortunately, the trademark fair use analysis would leave keyword advertising subject to another malleable consumer construct that could easily be applied in a way that ignores consumer interests.

The nominative fair use exception permits unauthorized references to brands in many contexts. Judge Alex Kozinski identified three elements that must be proven to succeed in a nominative fair use claim:

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.

In determining whether keyword advertising would qualify as nominative fair use, the first prong would generally be met because a search engine needs to use the mark to trigger responsive information. The second may also be proven with relative ease, especially if the search engine displays the mark as simple text (omitting design elements) in responsive results. The third prong, however, requires proof that would raise questions of fact and consumer interpretation. As in the likelihood of confusion context, the consumer as idiot will be trotted out to show that the use would be viewed as sponsorship or endorsement. The third prong fits awkwardly, at best, in disputes that arise between a trademark owner and a distributor who has permission to use the mark on its Web site. In such situations, authorized sponsorship or endorsement should not be deemed grounds for confusion. The consumer's interest in using marks as information tools should not be threatened by such situations in which a trademark owner and authorized vendor failed to address the issue of keyword advertising in their trademark license.

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304. See, e.g., Edina Realty, Inc. v. TheMLSOnline.com, No. Civ. 04-4371JRTFLN, 2006 WL 737064, at *7 (D. Minn. Mar. 20, 2006) (noting that defendant real estate brokerage firm purchased “Edina Realty” as a search term from Google, Inc., and this acquisition was held to be a “use in commerce” and not a nominative fair use even though the defendant had permission to provide information about Edina Realty property listings on its site).

305. New Kids on the Block v. News Am. Publ'g., Inc., 971 F.2d 302, 308 (9th Cir. 1992).

306. See, e.g., Edina Realty, 2006 WL 737064, at *6 (finding a genuine issue of fact on the issue of likelihood of confusion even though mark owner authorized use of the mark on the defendant’s Web site).
For these reasons, the nominative fair use exception is not ideally tailored to protect consumer interests in keyword advertising. It contributes to the current state of uncertainty. If resolution of this issue depends upon whether the context "impl[ies] sponsorship or endorsement by the trademark holder," many more conflicting decisions will make it difficult to know what kind of trademark use exposes keyword advertisers to potential liability. While well conceived for the news poll in which it was developed, the third nominative fair use factor will prove too unpredictable and malleable to protect public interests in preserving Internet functionality so that consumers can use words they invested with meaning to find what they seek on the Internet.

Neither "use in commerce" as a threshold requirement nor the nominative fair use defense provides a mechanism for balancing the consumer investment in the mark. Rather, they provide built-in opportunities to ignore consumer concerns and traditional trademark foundations. None of these paradigms adequately accounts for consumer interests in keyword advertising.

Trademark law should support consumer rights to use trademarks in this way. Search engine companies should not be penalized for providing these research tools. At a minimum, consumers should be able to use trademarks on the Internet to find information and connect with communities with similar interests. To the extent that competitors or search engines facilitate such uses of trademarks by consumers, they are promoting the foundational trademark policies of fair competition and access to truthful product information.

3. Two Possible Solutions: Congressional Action or Judicial Application of the Consumer Investment Model

In considering proscriptive solutions, it is important to remember that trademark law is deeply rooted in the purpose of promoting fair competition—both for the sake of consumers and the business community. As the economic value of a trademarks increases and the law recognizes new causes of action to protect the rights of trademark owners, fair use rights must also expand so that public

307. Id. at *4.
308. See New Kids, 971 F.2d at 308.
309. See supra notes 263–72, 303–07 and accompanying text.
310. MCCARTHY, supra note 5, § 2.7.
311. See supra notes 77–99 and accompanying text.
interests are not lost in an economic vortex of new exclusive trademark rights.

Keyword advertising raises fundamental issues about the reach of trademark law and the amount of power a trademark owner has to control informational uses of its mark. The answers should not turn solely on the deciding court's view of trademarks as a means to protect consumers from confusion and misrepresentation or as an inherently valuable asset worthy of protection in itself that should be protected against any unauthorized free-riding or commercial use.

Neither view provides an appropriate paradigm for analyzing this issue. Both fail to attach sufficient weight to the harm consumers will experience if they are prevented from using terms they have invested with meaning to find information. Both fail to protect the public interest in open commercial discourse on the Internet. The ability to use marks to find information on the Internet is of such importance to consumers that this public interest should be weighed in deciding these issues.

A per se rule permitting all keyword advertising might also adversely affect consumer interests. The public interest is not one-dimensional. The fact that consumers have an informational interest in marks does not negate the traditional consumer values of protecting against fraudulent and deceptive uses. If keyword advertising were deemed to be per se lawful, it could create a shield for conduct that would otherwise violate the Lanham Act. For example, if a company used a competitor's mark as a keyword and then paid for it to appear at the top of the relevant search results (instead of the sponsored results block), consumers would be tricked into believing that the site was the most relevant, when in fact it was not. Such deception should be the basis of a Lanham Act claim.

However, both courts and Congress could make adjustments to trademark law that would enable consumer interests to be taken into account. Congress could enact a fair use provision to clarify that using a mark to give or receive truthful information is fair use. Even within the current legal framework, courts should assure that real consumer interests are not defeated by manipulation of the consumer construct in keyword cases.

312. See Litman, supra note 28, at 1729-30 ("Protecting consumers from deception is the justification most familiar to trademark law, but it does not support assigning broad rights to prevent competitive or diluting use when no confusion seems likely.").
313. See MCCARTHY, supra note 5, § 2:9.
314. Rescuecom Corp. v. Google, Inc., 562 F.3d 123, 139 (2nd Cir. 2009).
Informational interests could be treated like expressive interests under the test articulated in Rogers v. Grimaldi.\(^\text{316}\) In Rogers, the Second Circuit had to determine whether the title of the movie “Ginger and Fred” amounted to a false advertising or sponsorship under the Lanham Act.\(^\text{317}\) In a refreshing departure from the norm, the Second Circuit resisted “overextension of Lanham Act restrictions” in deference to public interests.\(^\text{318}\) The court recognized that consumers have interests both in “not being misled and... in enjoying the results of the author’s freedom of expression.”\(^\text{319}\) The Second Circuit emphasized the importance of balancing these interests, but ultimately concluded that the expressive interests were more compelling:

\[\text{[I]n general the Act should be construed to apply to artistic works only where the public interest in avoiding consumer confusion outweighs the public interest in free expression... that balance will normally not support application of the Act unless the title has no artistic relevance to the underlying work whatsoever, or, if it has some artistic relevance, unless the title explicitly misleads as to the source or the content of the work.}\(^\text{320}\)

Like artistic expression in film titles, consumer informational interests in keyword advertising should generally shield defendants from trademark liability in keyword advertising cases except when the defendants are engaging in false advertising or other deception.

Consumers invest substantial economic and intellectual capital in trademarks, and therefore, they have earned the following return: consumers should be able to use marks they have invested with meaning as informational tools. Trademark owners should not be able to inhibit such use even if the information tool produces a financial benefit to the operator of a search engine. If sales are lost because a mark was used to find a lower price or a better product, the harm from the lost sale would be outweighed by the benefits to consumers in obtaining competitive product information and a lower price for their purchases. Just as trademark law does not recognize a cause of action for using a competitor's mark in a truthful comparative ad, it should not prohibit the use of search engines to find comparative information. In both instances, consumers need to

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\(^{316}\) 875 F.2d 994 (2d Cir. 1989).
\(^{317}\) § 1125(a).
\(^{318}\) Rogers, 875 F.2d at 998.
\(^{319}\) Id.
\(^{320}\) Id. at 999.
use the mark to find what they seek. Precedent for this type of safe harbor can be found in the comparative advertising and referential use exclusions that already protect many non-deceptive commercial communications about branded goods and services. Without the extension to keyword advertising, both comparative and referential uses are not sufficiently protected.

Ideally, Congress should add “truthful informational tools” to the list of trademark fair uses that are exempt from liability under the Lanham Act. In the absence of Congressional action, courts should extend the balancing test of Rogers v. Grimaldi and acknowledge that like expressive interests, when public informational interests are present, they should be weighed in the balance and may be significant enough to justify tolerating some level of confusion.

B. The Defense of Cultural Dilution Is Needed to Preserve the Right to Use New Meanings of Terms that Began as Famous Marks

The practical utility of the consumer investment model is evident when applied to federal dilution protection. It will generally support such protection, except when the interests of consumers and trademark owners conflict. Dilution occurs when a mark is used on something new in a way that will not cause confusion, but diminishes the distinctiveness of a known mark. The Lanham Act provides a federal remedy for some acts that are likely to cause dilution of a famous mark. The Trademark Dilution Revision Act (“TDRA”), enacted in 2006, specifies two types of dilution that may be the subject of a cause of action: (1) dilution by blurring and (2) dilution by tarnishment. When the public has invested a mark with meaning, that investment may be protected by the mark owner through a dilution claim. If a strip club, a store selling used athletic equipment, and a sports camp were to all use the International Olympic Committee’s marks, the public may not be confused about whether these uses were sponsored by the International Olympic Committee, but the unique narrative associated with these symbols may lose its iconic power. Protecting the distinctiveness of famous marks like the Olympic rings from such blurring or tarnishment may be consistent

321. § 1125(c)(3).
322. See id.
323. Id.
324. “Dilution by blurring” occurs if a mark is used so that it creates an association with a famous mark in a way “that impairs the distinctiveness of the famous mark.” § 1125(c)(2)(B). “Dilution by tarnishment” occurs when such use “harms the reputation of the famous mark.” § 1125(c)(2)(C).
with the proposed model if it preserves consumer investments in these symbols.\textsuperscript{325}

Once again, a certain degree of trademark protection advances public interests, but if taken too far, they may be compromised. Sometimes consumers seize a famous mark, like "SPAM" or "911," and invest it with new meaning. No current trademark terminology isolates this type of dilution. Therefore, this section introduces the term "cultural dilution" to identify situations in which the general public invests a mark with a new cultural significance. Cultural dilution shares some features with dilution by blurring. In both scenarios, the mark loses distinctiveness. However, there are critical differences. Dilution by blurring can be stopped with an injunction against a particular defendant. Cultural dilution is unstoppable. The change in meaning happens through such broad communication networks that no one culprit can be held responsible and stopped through a federal or state claim.\textsuperscript{326} Another distinguishing feature of cultural dilution is that even after the public invests a mark with a new meaning, the mark may still remain distinctive in its original context.\textsuperscript{327} In the new culturally diluted sense, the trademark owner has lost control.

Examples of marks that were culturally diluted include "911," "Star Wars," "Tabloid," and "Spam." In the United States, the number "911" evokes an unspeakably sad narrative.\textsuperscript{328} Not long ago,

\textsuperscript{325} Application of the consumer investment model in San Francisco Arts & Athletics, Inc. v. U.S. Olympic Comm., 483 U.S. 522 (1987), may have altered the result in this case, especially in view of the many unauthorized uses that the U.S. Olympic Committee had permitted. International Olympic Comm. v. San Francisco Arts & Athletics, 789 F.2d 1319, 1323 n.4 (9th Cir. 1986) (Kozinski, J., dissenting from denial of rehearing en banc) (denying San Francisco Arts & Athletics the right to use of "Gay Olympics"). Even if the result had not been different, application of the model would have resulted in an opinion that would have genuinely reflected consumer interests in the term, as well as the mark, and may not have generated so much criticism. See, e.g., Wendy Gordon, A Property Right in Self-Expression: Equality and the Individualism in the Natural Law of Intellectual Property, 102 Yale L.J. 1533, 1591 (1993) ("[S]temmed originally from a public domain source (the original games at Olympia), [the term 'Olympic'] is part of the common to which earlier peoples, and thus the SFAA [San Francisco Arts & Athletics] as well, should have access.").

\textsuperscript{326} See infra notes 328–36 and accompanying text.

\textsuperscript{327} However, no trademark ever maintains the meaning over time. Cultural symbols are "multidimensional," and their meanings for each individual listener may be a function of the context in which they are used. Dreyfuss, supra note 67, at 139.

\textsuperscript{328} See Liza Mundy, A Date to Remember; Americans Don't Talk About 7/4 or 12/7. Why 9/11?, WASH. POST MAG., July 14, 2002, at 8 ("[I]t needs no explanation. The numbers are there. Nine. Eleven. We know instantly what they signify.... [I]t is especially weird that 911 is what people punched on their cell phones, often in vain, to seek help that day.... Nine-eleven was a disaster born of an old evil, an old hatred, but
these numbers had much different primary meanings in the nation’s culture. The number “911” evoked luxury sports cars from the Porsche AG Corporation of Germany.\textsuperscript{329} In 1968, the numbers were selected to serve as a national emergency hotline.\textsuperscript{330} The tragic events of September 11, 2001, created a new meaning of “911” that Porsche admits will “forever . . . haunt[]” its brand.\textsuperscript{331} Similarly, Hormel could not stop its “SPAM” mark from becoming a synonym for junk email.\textsuperscript{332} Cultural dilution also occurred when the famous “Star Wars” mark was used to describe President Ronald Reagan’s strategic defense initiative.\textsuperscript{333} The evolution of the term “tabloid” reflects another example of cultural dilution. It was first used as a distinctive medical trademark (1884), and then was changed into a generic term for a compressed tablet (1913), then a small high performance biplane (1923), and later into a “popular newspaper which presents its news and features in a concentrated, easily assimilable, and often sensational form.”\textsuperscript{334} All of these culturally diluting uses watered down the original marks’ distinctiveness, yet three of the four marks still serve as strong brands.\textsuperscript{335} A fair use exclusion for cultural dilution would assure that as trademark rights expand, the new meaning of the term would be available for consumers and commercial uses.
An exclusion is necessary because cultural dilution may fall within the scope of actionable dilution under the TDRA. Certainly, the owners of the trademarks "Spam," "Star Wars," and "911" could offer evidence that common usage has impaired the distinctiveness of each mark. However, even though a technical claim may be provable, no single defendant could be held responsible for the change in meaning.336

In some ways, the phenomenon of cultural dilution is similar to a mark becoming generic.337 In both contexts, the interests of the consumer and the trademark owner diverge. Trademark owners want to maintain control over their symbol. Consumers have wrested that control away by assigning new meaning to the mark. Yet, there is a critical difference. A mark becomes generic when it loses all source-identifying meaning for the product it came to represent.338 A generic term cannot function as a trademark because as competitors enter the field, the term becomes known, not as a brand, but as a category of new products.339 For example, when all yo-yo toys became known as yo-yos, the term could no longer distinguish those sold by Duncan.340 For this reason, all trademark rights are lost. However, when a mark falls victim to cultural dilution, the mark owner has not lost everything.341 The mark still retains its ability to serve as a distinguishing source identifier for the goods with which it was originally associated.342

Despite these differences, the traditional trademark policies that supported recognition of the generic doctrine also support creation of the proposed cultural dilution fair use exclusion. Refusing to give trademark status to generic terms is justified by the policy of minimizing consumer search costs and providing a fair playing field for competitors.343 "Consumers will be misled if what they believe to be a generic term is in fact a product sold by only one company. And if competitors cannot use the generic term to describe their own

339. Id.; see also Abercrombie & Fitch, 537 F.2d at 9 (holding that generic terms cannot function as trademarks, even with proof of secondary meaning).
340. See Donald F. Duncan, Inc. v. Royal Tops Mfg. Co., 343 F.2d 655, 668 (7th Cir. 1965).
341. See supra note 75 and accompanying text.
342. See supra note 75 and accompanying text.
products, consumers will incur unnecessary expense in trying to locate the competitors' versions.\textsuperscript{344} Similarly, recognizing cultural dilution would advance consumer interests in minimizing search costs and facilitating their natural inclinations to search for products and services using the terms they have chosen to describe them. Once a famous mark has been culturally diluted, trademark doctrine should recognize it as a dilution exclusion so that a business may use it to express the new descriptive meaning the public has assigned to it.

The need for this safe harbor becomes clear after examination of the resources wasted in a futile attempt to stop the cultural dilution of "Spam."\textsuperscript{345} In the 1930s, Hormel Corporation ran a contest and offered a one hundred dollar reward to the person who thought of the best trademark for its spiced ham products.\textsuperscript{346} Kenneth Daigneau coined "Spam" and won the reward.\textsuperscript{347} Fanciful made-up words like "Spam" are the platinum standard in trademarks.\textsuperscript{348} They are generally the easiest marks to protect because they have an inherently distinctive meaning as source identifiers.\textsuperscript{349} In 1963, Hormel registered "Spam" as a trademark for canned meat products and through aggressive advertising, groomed it into a strong distinctive brand.\textsuperscript{350}

The meaning of "Spam" began to change in 1970 after Monty Python broadcast a television comedy sketch in which a woman tried to order breakfast at an inn that featured Spam in every dish.\textsuperscript{351} She tried to ask for a non-spam meal, but her voice was lost in a loud chorus of "Spam, lovely spam, wonderful spam" repeated by the waiter and other guests.\textsuperscript{352} Early Internet users were alluding to this sketch when they began using "spam" to describe unwanted e-mail that got in the way of more substantive messages.\textsuperscript{353} Dictionaries in

\begin{itemize}
\item \textsuperscript{344} Dinwoodie & Janis, supra note 260, at 1695; see also Dogan & Lemley, supra note 86, at 793 ("Competitors . . . have the right to explain what they are selling, even when their use of the generic term clearly piggybacks on the efforts of the party that first introduced the product.").
\item \textsuperscript{345} In this discussion, "Spam" shall be used to refer to Hormel's trademarks, and "spam" shall be used to refer to unwanted e-mail.
\item \textsuperscript{347} Id.
\item \textsuperscript{348} See Abercrombie & Fitch, 537 F.2d at 9 (listing the order of classes of marks, which reflects the degree of protection accorded, as (1) generic, (2) descriptive, (3) suggestive, and (4) arbitrary or fanciful).
\item \textsuperscript{349} Id.
\item \textsuperscript{350} Martin, supra note 332.
\item \textsuperscript{351} Id.
\item \textsuperscript{352} Id.
\item \textsuperscript{353} Id.
\end{itemize}
2009 generally list Hormel’s mark as the primary meaning of the term but often include a secondary definition of unsolicited e-mail.\textsuperscript{354} Hormel’s mark has remained strong for canned meat,\textsuperscript{355} and it has fought hard to preserve its exclusive rights outside the food industry. It opposed every one of the dozens of federal applications for marks that incorporated “spam” for use in connection with software that filters unwanted e-mail messages.\textsuperscript{356} For example, in 1998, Earthlink tried to register a trademark for an e-mail filter called the “Spaminator,” but abandoned its mark when it was not able to convince the Patent and Trademark Office (PTO) that its use was protected by the “genericness” doctrine or that the term was descriptive.\textsuperscript{357} A cultural dilution exclusion could have plugged this gap in trademark law, relieving Hormel of the duty to fight a losing battle\textsuperscript{358} and allowing Earthlink and others to register marks for junk e-mail filters that incorporate “spam.” Instead, for years, Hormel was able to stop software providers from registering marks that used “spam” in this new descriptive sense.\textsuperscript{359} Yet its litigation strategy was not able to quash—or even dent—the cultural dilution of its mark. Dozens of software products continued to incorporate “spam” in their product trademarks or descriptions.\textsuperscript{360} Eight of the top ten junk e-mail filters for 2008 and 2009 incorporate “spam” in their marks.\textsuperscript{361}

Finally, the PTO adjusted its policy to permit the Principal Register to reflect the cultural dilution of “Spam.” In 2003, it permitted registration of “Spam Arrest” for software that blocks unsolicited commercial e-mail, and Hormel promptly filed a


\textsuperscript{355} Martin, supra note 332.


\textsuperscript{358} See infra notes 366–70 and accompanying text.

\textsuperscript{359} See supra note 356 and accompanying text.

\textsuperscript{360} Google search conducted on Aug. 28, 2009 for “Spam Filter software” yielded 69,300,000 results.

cancellation proceeding.\textsuperscript{362} By 2008, at least ten marks for e-mail filters incorporating the culturally diluted sense of “spam” had been registered.\textsuperscript{363} One of these marks was “Spaminator,” the same mark Earthlink had fought to protect a decade earlier.\textsuperscript{364} NetWave Technologies was granted a federal registration on the mark in March, 2008.\textsuperscript{365}

The example of cultural dilution demonstrates how consumer investment can permit trademark rights to evolve on a principled path that safeguards consumer interests. Owners of famous trademarks would resist creation of a cultural dilution exclusion, arguing that no one but the trademark owners should profit from an asset it coined and made famous. However, sellers of Internet filters are not profiting from anything created by Hormel. They are enriched by the consumer’s investment in new meaning for a known term. Before the Internet, Hormel had much more control over its famous mark and could generally assure that the narrative surrounding it was carefully managed. Today, such control is impossible. Through viral communications, the Internet community seized “Spam” and invested it with new meaning. Businesses should be free to use this new descriptive meaning created by viral public use. If trademark law fails to support this use, it will inhibit the flow of truthful commercial discourse.

Recognition of cultural dilution as a trademark exclusion will protect public informational interests when consumers invest old marks with new meanings. Some benefits would accrue to mark owners as well. They will be relieved of the obligation to fight such losing battles.\textsuperscript{366} Under current law, trademark owners have a duty to

\begin{itemize}
\item \textsuperscript{364} Spaminator, U.S. Trademark Registration No. 3394797 (filed May 29, 2004).
\item \textsuperscript{365} Id.
\item \textsuperscript{366} Proctor & Gamble Co. v. Johnson & Johnson, Inc., 485 F. Supp. 1185, 1207 (S.D.N.Y. 1980) (“[T]rademark law not only encourages but requires one to be vigilant on pain of losing exclusive rights.”).  
\end{itemize}
adopt a litigation strategy like that of Hormel. Failure to police a mark may result in its loss. For any single known use, laches may protect an infringing use if a trademark owner sits on its rights for too long. If many uses are permitted, the mark owner risks cancellation of its mark by abandonment. The legal duty to protect a mark often forces the hands of trademark owners if they hope to maintain a mark's value. Therefore, it is understandable that counsel for Hormel believed it was necessary to stop every registration of a software service mark that incorporated "spam." Recognition of cultural dilution as an exclusion would relieve trademark owners like Hormel from expending resources on the impossible task of policing viral uses of a mark for a new meaning that has spun well outside the trademark owner's ability to control. Without it, trademark owners must continue to wage this fight in order to fulfill the duty to police their marks. Therefore, interests of judicial economy would also be advanced by recognition of a cultural dilution exemption.

Cultural dilution should be recognized as a dilution exclusion so that, when appropriate, trademark law can yield to the reality of consumer power over language. The TDRA codified numerous exclusions, but none embraces the idea of cultural dilution. Descriptive fair use can be used as a shield when a trademark is used only to "describe the goods or services of such party, or their geographic origin." The defense "forbids a trademark registrant to appropriate a descriptive term for his exclusive use and so prevent

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367. McCARTHY, supra note 5, § 17:17 ("The law imposes on trademark owners the duty to be pro-active and to police the relevant market for infringers. If the trademark owner is quiescent and tolerates the encroachment of infringers, it will find that its trademark asset has 'eroded' and 'shrunken' . . . .").

368. Id. ([A] long delay in instituting suit against this defendant, which causes prejudice, may constitute laches or acquiescence.).

369. Id. ([M]any defendants, and some courts, talk about such a failure to sue in terms of 'abandonment.' ).

370. Use of marks in this safe zone will not result in liability:

(A) Any 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.

(C) Any noncommercial use of a mark.


others from accurately describing a characteristic of their goods. Descriptive fair use would not protect cultural dilution because it applies when a term is used in descriptive text, and is not available when the term at issue is incorporated into another mark. Adopting this new exclusion would promote the same interest of providing a safe harbor for commercial speech that accurately describes a characteristic of the goods using a term with which the public is familiar.

The nominative fair use defense would provide no protection for uses that result from cultural dilution. As discussed in Part III.A, nominative fair use occurs if “the defendant uses a trademark to describe the plaintiff’s product, rather than its own.” This defense only applies if the famous trademark is used to refer to the products or services of the trademark owner. In situations involving cultural dilution, the mark is not used to refer to the mark owner’s product or service. Instead, the mark is invested with new meaning and is used for an unrelated, often descriptive, commercial purpose.

Like nominative and descriptive fair use, cultural dilution should be recognized as an exclusion to trademark liability. If the public invests a mark with new meaning completely different from its use as a trademark, the mark owner has lost its ability to control the mark. As Judge Kozinski observed in a case involving a reference to Mattel’s Barbie doll:

[W]hen marks “transcend their identifying purpose” and “enter public discourse and become an integral part of our vocabulary,” they “assume a role outside the bounds of trademark law.”... In these situations, “the trademark owner does not have the right to control public discourse whenever the public imbues his mark with a meaning beyond its source-identifying function.”

372. Soweco, Inc. v. Shell Oil Co., 617 F.2d 1178, 1185 (5th Cir. 1980).
373. MCCARTHY, supra note 5, § 11:45.
375. Id.
376. Mattel, Inc. v. Walking Mountain Prods., 353 F.3d 792, 807 (9th Cir. 2003) (alteration and citations omitted); see also Mattel, Inc. v. MCA Records, Inc., 296 F.3d 894, 900 (9th Cir. 2002) (“Some trademarks enter our public discourse and become an integral part of our vocabulary. ... Trademarks often fill in gaps in our vocabulary and add a contemporary flavor to our expressions. Once imbued with such expressive value, the trademark becomes a word in our language and assumes a role outside the bounds of trademark law.”).
A cultural dilution exclusion would provide a vehicle for protecting the use of marks in new contexts. Because cultural dilution happens only when the public has invested a symbol with new meaning, it is appropriate to restrict trademark rights in order to recognize the significant consumer investment of new meaning for an old term.

C. A Safe Harbor for Reference Tools

Reference tools such as dictionaries and encyclopedias are another context in which words, that may also be marks, are used to find information. Expanding trademark rights are creating the perception that trademark owners have legal grounds to demand changes to dictionary definitions of their marks. This perception threatens lexicographic practices, the resulting quality of reference tools, and the extent to which these tools can serve as unbiased evidence of public meaning especially in trademark matters. To avoid such harms, trademark law should expressly provide a safe harbor for reference tools so that they may identify when the public has changed the meaning of a term without fear of reprisal from trademark owners.

Standard lexicographic practices require consultation with many sources, and they are not designed to permit any individual’s view of a term to prevail over the broader public meaning.\(^3\) Dictionaries are designed to set forth “the meanings of words, [and] often illustrate[] how they are used in context.”\(^4\) Most one-volume commercial dictionaries are “synchronic” in that they focus on a “narrow band of time” in order to reflect current usage.\(^5\) In crafting a dictionary, a word is “first . . . defined according to the class of things to which it belongs, and then distinguished from all other things within that class.”\(^6\) To define a word, a lexicographer must distill its meaning from many contexts of “actual usage.”\(^7\) A fundamental principle in crafting dictionary definitions is the “priority of essence” which means that “[t]he most essential elements of meaning come first, the more incidental elements later.”\(^8\) The crafting of definitions is nearly always constrained by the need for brevity.\(^9\) According to these

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378. Id. at 6.
379. Id. at 27.
380. Id. at 153. (“[A child is] a person (genus) who is young or whose relation to another person is that of a son or daughter (differentia).”).
381. Id. at 190.
382. Id. at 163.
383. Id. at 170.
principles, if a trademark has become known in actual usage as an object or service (as opposed to a brand of object or service), "[t]o the lexicographer, the word has become generic and should be included in the dictionary and defined."\textsuperscript{384} Once a trademark becomes generic, best lexicographic practices require that the trademark meaning be mentioned only in the term's etymology.\textsuperscript{385}

The risk of a judicial determination that a mark has become generic poses a significant threat to trademark owners who have invested substantial resources in a mark.\textsuperscript{386} A dictionary definition is thought to reflect the public understanding of a term.\textsuperscript{387} Therefore, a competitor may offer a dictionary definition as evidence that the mark has become generic and can no longer be protected under trademark law. Dictionary definitions were instrumental in stripping "cellophane" and "yo-yo" of their status as protectable marks.\textsuperscript{388} Consequently, trademark owners have strong motivation to demand changes to a dictionary definition that lists their trademark as a generic term. Trademark owners who learn of such definitions sometimes object in a letter requesting a change so that the terms will be omitted or "entered in capitalized form and identified as trademarks."\textsuperscript{389}

Such threats of litigation may compromise lexicographic standards. As Sidney I. Landau, editor of the \textit{Cambridge Dictionary of American English}, explains,

\begin{quote}
[in the past, dictionaries took a distinctly more standoffish approach to trademark owners. But now that many dictionaries are published by subsidiaries of large corporations, the influence of corporate legal counsels is more apparent. Large companies have their own trademarks to protect and are naturally more solicitous of those of others. Often the corporate vice-president overseeing a dictionary publisher cannot understand why the dictionary, which in comparison to the entire corporation is a tiny part, should take any unnecessary
\end{quote}

\textsuperscript{384} \textit{Id.} at 406.
\textsuperscript{385} \textit{Id.} at 406–07.
\textsuperscript{386} \textit{See supra} notes 338–40 and accompanying text.
\textsuperscript{387} L\textsc{andau}, \textit{supra} note 377, at 421.
\textsuperscript{388} \textit{See} Donald F. Duncan, Inc. v. Royal Tops Mfg. Co., 343 F.2d 655, 665 (7th Cir. 1965) ("It is true that some of the dictionary publishers, at plaintiff's insistence, listed the term 'Yo-Yo' as a trademark; however, all dictionaries, so far as we are aware, continued to treat the term as a noun, descriptive of a toy."); Dupont Cellophane Co. v. Waxed Prods. Co., 85 F.2d 75, 79 (2d Cir. 1936) (noting that "cellophane" was used in the Dictionary of Tariff Information of the United States Tariff Commission in 1924 in a generic sense).
\textsuperscript{389} L\textsc{andau}, \textit{supra} note 377, at 406.
risk of legal action. The dictionary editor must do battle to include any trademarks, and he is under great pressure to distort the facts of usage by entering all such terms only in capitalized form, even though the record may clearly show they are often written in lower-case letters.  

Linguists criticize trademark law for failing to recognize the prevalence of public power over the meaning of symbols. More recognition of consumer power in shaping trademark law and its defenses may provide a framework for refuting this contention.  

Roger Shuy expresses strong concern that corporate interests in avoiding litigation over dictionary definitions may be trumping linguistic practices:

If power is defined as authority with greater muscle than is given to others, then law is the obvious winner. Behind the authority of law is the government. It has enough muscle to impose physical penalties on those who don’t comply. It can be the bully on the block if it wants to. But is legal power so strong that it doesn’t need to pay attention to the power of language and society? At present, trademark law seems to have the power to ignore the power of other fields, but we are led to wonder if law even knows that other forms of power exist, including those that can help them meet the goals of law.

Shuy is correct in pointing out that recognizing the importance of meanings invested by the public would serve both lexicographic practice and legal doctrine.

However, his analysis overestimates the actual power of trademark law. Like many a bully, the harm lies in the illusion of power. Contrary to what current practice may suggest, United States trademark law does not provide a vehicle for stopping a dictionary from printing a generic meaning that a trademark may have acquired through public use. Opinions of a term’s meaning cannot be deemed false representations of fact under 15 U.S.C. § 1125(a), and dilution has already been rejected as a cause of action against dictionaries. Even if a court were to find a valid claim, First

390.  Id. at 408.
392.  Id. at 190–91.
393.  See supra notes 389–92 and accompanying text.
394.  MCCARTHY, supra note 5, § 12:28.
395.  Id. at §§ 27:96, 27:109. Although dilution may appear as a potential source for such a claim, the Seventh Circuit Court of Appeals specifically rejected this application of
Amendment principles and the nominative fair use defense could provide sufficient shields to those using marks for these expressive purposes.\(^{396}\)

Yet, given current trends, Shuy's fears may be actualized if a limiting principle is not put in place. In Europe, a statute has been enacted providing trademark owners with a remedy against publishers who list strong marks as generic terms.\(^{397}\) However, some have suggested such a cause of action should exist in the United States.\(^{398}\) This type of statute would provide an unnecessary and unjustifiable vehicle for trademark owners to exert pressure on those who create reference tools. Already such pressure may be affecting the quality of dictionaries and encyclopedias.

The perception that current law does permit such claims or the desire to avoid time-consuming conflicts may lead creators of reference tools to give in to the requests of trademark owners. Yochai Benkler notes that the democratically produced Wikipedia entry on Barbie contains critical discussion of the doll's meaning in our culture and permits the reader to view prior versions of the entry as well as commentary from readers.\(^{399}\) "Barbie" entries in traditional encyclopedia entries do not contain such rich cultural critiques.\(^{400}\) As Ron Butters points out, in the context of dictionaries, "[c]learly, lexicographers understand the legal concept of genericness, but they avoid explicitly labeling listed terms as 'generic' so as to exempt

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\(^{396}\) See Ty, Inc. v. Perryman, 306 F.3d 509, 514 (7th Cir. 2002). The result would likely be the same under the TDRA, as it expressly exempts non-commercial and nominative uses from liability. See 15 U.S.C. § 1125(c) (2006).

\(^{397}\) See, e.g., Ill. High Sch. Ass'n v. GTE Vantage, Inc., 99 F.3d 244, 246 (7th Cir. 1996) ("[A] court could not, without violating the free speech clause of the First Amendment, have enjoined... the media from calling the NCAA tournament 'March Madness'... ").

\(^{398}\) Council Regulation 40/94, art. 10, 1994 O.J. (L 011) 1 (EC), available at http://oami.europa.eu/en/mark/aspects/reg/reg4094.htm ("If the reproduction of a Community trade mark in a dictionary, encyclopedia or similar reference work gives the impression that it constitutes the generic name of the goods or services for which the trade mark is registered, the publisher of the work shall, at the request of the proprietor of the Community trade mark, ensure that the reproduction of the trade mark at the latest in the next edition of the publication is accompanied by an indication that it is a registered trade mark.").


\(^{400}\) Id.
themselves from what might be construed as the drawing of legal conclusions (thus avoiding the threat of legal action from the trademark owners)."401

The consumer investment model should be applied again in the context of reference materials to reinforce the notion that the reach of United States trademark law does not extend to dictionary definitions, encyclopedia entries, and similar reference tools. Generally, no two dictionary definitions or encyclopedia entries are identical.402 First Amendment values will be better served if the bad and inaccurate definitions are left to be rejected in the marketplace rather than regulated by trademark law. In view of the current pressure trademark owners exert over commercial publishers, courts should exercise caution when deciding how much weight they attach to dictionary definitions. Unless an express exemption removes this pressure, dictionary definitions should not be considered true proxies for public understanding of a term.

Public investment in the meaning of a word should be safe to express in a dictionary, the information tool that is designed to hold a mirror up to our language. Broader recognition that trademark law should protect the free flow of information and honor consumer investments would give the public the power to define primary meaning in cultural discourse. A specific fair use exclusion for lexicographers may not eliminate all private pressure to include trademarked terms in dictionary definitions. If the lexicographers


402. Compare the following definitions for "band-aid." The first reflects only the trademark meaning, "Band-Aid trademark—used for a small adhesive strip with a gauze pad for covering minor wounds." WEBSTER'S THIRD NEW INTERNATIONAL DICTIONARY 170 (1993). But the following example provides multiple meanings:

Band-Aid, 1. Trademark. An adhesive bandage with a gauze pad in the center, used to cover minor abrasions and cuts. 2. a makeshift, limited, or temporary aid or solution that does not satisfy the basic or long-range need. 3. serving as a makeshift, limited, or temporary aid or solution.

RANDOM HOUSE WEBSTER'S UNABRIDGED DICTIONARY 162 (2d ed. 1998). The publicly created Wikipedia has the following definition on August 31, 2009:

Band-Aid is brand name for Johnson & Johnson's line of adhesive bandages and related products. It has also become something of a genericized trademark for any adhesive bandage in Australia, Brazil, Canada, India and United States. "Band-aid" has also entered usage as a term for any temporary fix. (e.g., "Band-aid solutions were used to fix the leak.").

have mischaracterized a strong mark, trademark owners will continue
to call such mistakes to their attention. But where trademark
references are inappropriate by lexicographic standards, a fair use
safe harbor would enable publishers to preserve the integrity of their
lexicographic process free from fear of litigation. This freedom will
result in the creation of information tools that more accurately reflect
meanings created through public use. For all of these reasons, the
Lanham Act should be amended to provide a safe harbor for anyone
who publishes a dictionary, encyclopedia, or thesaurus.

CONCLUSION

Trademark law should not be permitted to expand in ways that
compromise the ability of consumers to use marks to find
information. Getting the power equation right is important. Works
protected by copyrights and patents eventually fall into the public
domain. Trademarks, if carefully tended, can last forever. The
stronger and more famous they become, the greater protection the
law provides. Therefore, as trademark rights expand for all marks,
it is especially important to reflect upon the appropriate
counterbalance necessary to preserve consumer interests.

Recent trends in trademark law threaten one of the two
traditional policies underlying trademark protection: providing
consumers with truthful information. In order to preserve this
policy, courts should reject the patronizing view of the public that has
been used as a mechanism for harming actual consumer interests.
Courts should take into account the fact that consumers invest marks
with meaning and value. Trademarks are created by corporations and
introduced to the public through advertising campaigns. But not all
marks succeed. Trademarks do not become economically valuable
unless consumers invest them with meaning. Only after consumer
investments of attention, time, and money, do trademarks become
vast dynamic narrative repositories.

403. This defense should also protect definitions that appear in an encyclopedia,
thesaurus, or similar reference tool.
405. See id.
406. See supra notes 5–13 and accompanying text; see also supra notes 43–48 and
accompanying text (explaining the likelihood of confusion element of a trademark
infringement claim).
407. See HOLT, supra note 116, at 3.
408. See HAIG, supra note 120, at 7; LINDSTROM, supra note 121, at 20, 24.
Courts should exercise caution when trademark owners attempt to use the Lanham Act in keyword advertising cases to thwart the consumer's use of marks to find information. Trademark law should not provide a vehicle for ignoring public informational interests or pretending they do not exist. New meanings invested by the public should be honored. When a mark is culturally diluted, it should be available for use in connection with new commercial products just like any other descriptive word. If a mark becomes generic, lexicographers should know that they are free to indicate the change in meaning. The return on consumer investment should, at a minimum, include trademark exemptions for use of marks as information tools.