

Is the Art of Parody Dead?—Implications of SCOTUS Jack Daniel’s Opinion A Year Later

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It has been a year since the Supreme Court issued its decision in the multiple-year legal battle between VIP Products LLC and Jack Daniel’s. We covered this dispute when it was back at the 9th Circuit. As a recap, VIP produced a squeaky dog toy in the shape of a Jack Daniel’s whiskey bottle called “Bad Spaniels” and claimed that its use of the recognizable marks was parody—free speech falling into the fair use exception. Jack Daniel’s contended that VIP infringed on a variety of trademarks, including the shape of the bottle, the decoration on the label and the shape of the name, and that by using these marks, VIP diluted the marks’ validity by associating them with something other than Jack Daniel’s whiskey.

This type of free speech defense had usually been evaluated using the *Rogers* and fair use tests. The *Rogers* test requires dismissal unless the complainant can show one of two things: that the challenged use of a mark “has no artistic relevance to the underlying work” or that it “explicitly misleads as to the source or the content of the work”. Rather than apply the *Rogers* test, the Supreme Court came to a conclusion it characterized as “narrow” that the *Rogers* test does not apply when an alleged infringer uses a trademark as a designation of source for the infringer’s own goods. In the Court’s words, when the alleged infringer is “using the trademark as a trademark”. *Jack Daniel’s Props. v. VIP Prods. LLC*, 599 U.S. 140, 145 (2023). Once the *Rogers* test is off the table, trademark defendants are subject to the traditional likelihood of confusion analysis. Since VIP was using “Bad Spaniels” as a trademark—they had even applied for protection—they could not use the *Rogers* test.

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As is often the case, the supposedly narrow holding from the Court has been applied more widely than expected due to the subjective nature of what constitutes a trademark, the broad range of infringers that are accused of using marks, and the lack of existing guidelines for lower courts to follow regarding whether an infringer has used a mark as a “trademark” or in another way. Historically, the *Rogers* defense was a helpful tool to trademark defendants. Now that the Court has introduced a new condition limiting use of the *Rogers* defense, its application has been narrowed significantly.

Lower courts have applied the *Jack Daniel’s* ruling to a variety of fact patterns and have painted an inconsistent picture of when it should apply. For example, in *Hermès International v. Rothschild*, the District Court for the Southern District of New York upheld the jury’s finding that the creator of non-fungible tokens (“NFTs”) that he called “MetaBirkins” was an explicit attempt to use the Hermès name to confuse customers into

assuming an association between these NFTs and the major fashion house. The court in *Hermès International* applied the *Rogers* test to determine whether the infringement was protected and thus whether the complaint should be dismissed. The defendant, Rothschild, argued that the use was protected by *Rogers* because it was being used in noncommercial speech, that the use had some artistic relevance and that the use did not explicitly mislead as to the source or content of the work.

The *Rogers* test has two prongs: artistic relevance and explicit misleadingness. In *Hermès International*, the court noted that the artistic relevance prong is a threshold and will be satisfied unless the use has no artistic relevance to the underlying work whatsoever. However, the Court declined to resolve whether Rothschild's use meets this low bar because of its clear violation of prong two. The amended complaint contained sufficient factual allegations that Rothschild intended to explicitly mislead consumers, and thus, prong two fails and the use is not clearly protected by *Rogers*. Based on this analysis, the Court declined to dismiss the complaint.

Jack Daniel's has also caused several cases originally decided under the *Rogers* test to be remanded for review in consideration of whether a trademark defendant "used the trademark as a trademark". In *Belin v. Starz Entertainment, LLC*, Belin registered and used the trademark "BMF" (Building Money First) to market a variety of entertainment products. When Starz announced a new show using the name BMF (Black Mafia Family), Belin sent multiple cease-and-desist letters and eventually brought suit for infringement. The District Court for the Central District of California originally applied the *Rogers* test and held that the defendant's use of the trademark name "BMF" was protected under the First Amendment. On appeal, the 9th Circuit remanded for the lower court to reconsider the case under the new *Jack Daniel's* decision.

The original *Rogers* decision dealt with the use of a title, but the application of *Jack Daniels's* has even created confusion when it comes to that specific application. In *Warner Bros. Discovery, Inc.*, the District Court for the District of Delaware declined to apply *Rogers* where the use of a title was directly at dispute. In *Warner Bros.*, the defendant had a television show called "Ugliest House in America", and the plaintiff had a family of trademarks related to ugly houses - such as "Ugliest House of the Year". In an opinion by the Magistrate Judge, the Court focused on the "source-identifying" aspect of *Jack Daniel's*, explaining that the opinion makes it clear that the *Rogers* application is not appropriate if the mark is source-identifying. The Court further held that the complaint contained plausible allegations that the mark is in fact source-identifying, thus precluding a *Rogers* application. The District Court Judge upheld the Magistrate's decision and denied the Defendant's motion to dismiss on *Rogers* grounds.

Moving forward post-*Jack Daniel's*, individuals and companies must assess their own use of potentially distinctive marks in a market where parody and "dupe" products are the norm. Something as simple as the shape of packaging or the orientation of words on a product could be considered using a mark "as a trademark". The lower court decisions following *Jack Daniel's* have shown that without the previously widespread *Rogers* defense, trademark defendants producing parody products are much less protected. For

companies seeking to protect their trademarked marks, it will likely be much easier to attack use distinctive marks on parody products than it was before *Jack Daniel's*.