

So, Nine Justices Walk into a Bar... SCOTUS to Consider Role of Humor in Infringement and Dilution Claims

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Justices of the Supreme Court will soon put on their whiskey glasses to decide the proper tests for infringement and dilution claims involving humorous use of another's trademark. The Court granted certiorari in November to consider a dispute between VIP Products, LLC ("VIP") and Jack Daniel's Properties, Inc. ("Jack Daniel's") over VIP's "Bad Spaniels" dog toy, which Jack Daniels contends infringes and dilutes its famous trademarks and which VIP asserts is permissible under the First Amendment.

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As discussed in a prior [TMCA post](#), the dispute arose in 2014, after Jack Daniel's sent a

letter demanding that VIP cease all sales of its “Bad Spaniels” dog toy, which VIP had been selling since July 2013. A week later, VIP sought declaratory judgment in the U.S. District Court for the District of Arizona, arguing that it had designed the “Bad Spaniels” label to incorporate a few elements of the Jack Daniel’s label design, but had added a number of additional elements to make it clear that the product was a parody and entitled to First Amendment protection (for example, changing the Jack Daniel’s “Old No. 7 Brand Tennessee Sour Mash Whiskey” to “The Old No. 2, on Your Tennessee Carpet”). Jack Daniel’s counterclaimed, alleging trademark infringement, dilution, and unfair competition. The District Court ultimately granted Jack Daniel’s motion for partial summary judgment, finding VIP was not entitled to the defenses of nominative and First Amendment fair use, because it did not use Jack Daniel’s’ identical marks or trade dress. After a four-day bench trial, the District Court ruled in favor of Jack Daniel’s and permanently enjoined VIP from selling the “Bad Spaniels” dog toy.

VIP appealed to the Ninth Circuit, which reversed the District Court on the grounds that: (1) the “Bad Spaniels” dog toy is an expressive work entitled to First Amendment protection, and (2) the District Court failed to require that Jack Daniel’s satisfy at least one of the two prongs of the *Rogers* test. *VIP Prods. LLC. V. Jack Daniel’s Props.*, 953 F.3d 1170 (9th Cir. 2020); *see also Rogers v. Grimaldi*, 875 F.2d 994 (2d Cir. 1989) (holding that the Lanham Act only applies to expressive works if the plaintiff establishes that the defendant’s use of the mark either: (1) is not artistically relevant to the underlying work, or (2) explicitly misleads consumers as to the source or content of the work). On the dilution claim, the Ninth Circuit also reversed the District Court, because, although VIP used the Jack Daniel’s trade dress and bottle design to sell the dog toy, these elements were also used to convey a humorous message which was protected by the First Amendment, and thus “noncommercial.” Although Jack Daniel’s petitioned for a writ of certiorari in 2020 seeking review of the Ninth Circuit’s decision, the Court denied the petition. On remand, the District Court found that, based on the Ninth Circuit’s decision, the “Bad Spaniels” toy was entitled to First Amendment protection because Jack Daniel’s could not satisfy either prong of the *Rogers* test. The Ninth Circuit summarily affirmed.

In August 2022, Jack Daniel’s again petitioned for a writ of certiorari asking the Court to consider the following questions:

1. Whether humorous use of another’s trademark as one’s own on a commercial product is subject to the Lanham Act’s traditional likelihood-of-confusion analysis, or instead receives heightened First Amendment protection from trademark infringement claims.
2. Whether humorous use of another’s mark as one’s own on a commercial product is “noncommercial” under 15 U.S.C. § 1125(c)(3)(C), thus barring as a matter of law a claim of dilution by tarnishment under the Trademark Dilution Revision Act.

Apparently persuaded the second time around, the Court granted Jack Daniel’s’ petition and agreed to hear the case.

In its writ, Jack Daniel’s contends that that the Ninth Circuit’s ruling “departs from the decisions of every other circuit to decide this question” and claims it “paves the way for companies like respondent to unleash mass confusion in the marketplace.” It appears

that the International Trademark Association agrees and filed an amicus brief arguing:

Since the Second Circuit's decision in *Rogers*, all other circuits but the Ninth have faithfully limited *Rogers* to traditionally expressive or artistic works like movies, art, books, and the like. The Ninth Circuit's decision below continues that circuit's inappropriate (and concerning) steady expansion of *Rogers* to any product or service that merely contains discernible expression. This unwarranted expansion beyond the roots of *Rogers* creates a sharp circuit split on how to balance competing claims of trademark protection and free speech in the context of ordinary commercial products. The Ninth Circuit's decision threatens a trademark infringement framework that has been intact and applied for nearly a century.

Ultimately, if the Court sides with VIP, it would seem to represent a fairly significant expansion of how the *Rogers* test has typically been applied since it was first articulated in 1989. Notably, an expansion of the types of works covered under the *Rogers* test would likely leave brands with a narrower scope of protection when dealing with potential infringers claiming "parody" and "artistic expression."

Further, given that the Court is currently considering the *Andy Warhol Foundation for the Visual Arts, Inc. v. Goldsmith* case (which involves fair use in the copyright context and which the TMCA has covered [here](#)), the Court appears eager to define the role of the First Amendment in intellectual property cases. And the opinion in the *Warhol* case will almost certainly provide insight into the Court's likely treatment of the issues in this case.

We will be following this case closely, so keep an eye out for our eventual breakdown of the Court's opinion.