

Blog Post

Does Anyone Here Have A Sense Of Humor, Redux: Jack Daniel's v. VIP Oral Argument

March 28, 2023

On March 22, 2023, the Supreme Court heard oral argument in the trademark parody case captioned *Jack Daniel's Properties, Inc. v. VIP Products LLC*. As we [previously blogged](#), the issues presented in the case are:

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 (TDRA).

Putting aside the weighty legal issues and the record below in this matter, one must pause to ask, "Does anyone who buys a Bad Spaniel or StarBark dog toy think it comes from or is sponsored by Jack Daniel's or Starbucks?" If so, you should not have a dog.

Jack Daniel's counsel, Lisa Blatt of Williams & Connolly, opened with an strong attack on the Second Circuit's *Rogers v. Grimaldi*, 875 F.2d 994 (2d Cir. 1989) case. *Rogers* is the case relied upon by the

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Ninth Circuit to vacate the District Court's judgment on Jack Daniel's infringement claims, because it concluded the "Bad Spaniels" dog toy triggered heightened First Amendment scrutiny:

"Under *Rogers*, an expressive work is allowed to confuse as long as the use of a mark is artistically relevant and not explicitly misleading. But the Lanham Act has no exceptions for expressive works. It bars using marks for any goods when likely to cause confusion as to origin, sponsorship, or approval. Artistic relevance has nothing to do with confusion, and both implicit and explicit uses can confuse."

She continued:

"Parodies can be confusing. Now, as a practical matter, parodies won't confuse when differences in marks, markets, or message, typically ridicule, signal that the brand company didn't make the joke. But absent these features, pervasive copying and trading off a brand's goodwill tends to confuse. And survey results showing consumer confusion indicate that the parodist did too much copying and not enough distinguishing."

The argument got spirited quickly. Justice Thomas asked the first questions, querying whether a work could be "misleading yet not be confusing under the Lanham Act." Petitioner's counsel responded in the affirmative: "You're right, misleading in the abstract is irrelevant under the Lanham Act. It's confusion as to origin, source, or sponsorship." Counsel added, "[But] there's no way to keep *Rogers* and be faithful to the text [of the Lanham Act]."

Justice Kagan then commented, "Ms. Blatt, I'm just wondering why you are making such a broad argument when there are pretty obvious narrower arguments available to you. So, for example, one

could say that whether the *Rogers* test should exist, whatever its scope should be, this is an ordinary commercial product using a mark as a source identifier. In that case, whatever we might think about the *Rogers* test, that's far from the heartland of the *Rogers* test. The Ninth Circuit just made a mistake as to this. Why wouldn't that be sort of the obvious or appropriate way to resolve this case if we were coming out your way?" Ms. Blatt responded: "It's a totally obvious and appropriate way, but..." and again argued for the overruling of *Rogers*.

Justice Sotomayor expressed "hesitation doing away with the Rogers test because—without knowing that the likelihood-of-confusion test is sufficiently flexible itself."

Justice Alito sounded the most dubious of Jack Daniel's unrelenting claim of consumer confusion between Jack Daniel's and Bad Spaniels, echoing our observation above:

JUSTICE ALITO: Could any reasonable person think that Jack Daniel's had approved this use of the mark?

MS. BLATT: Absolutely. That's—that's why we won below.

JUSTICE ALITO: Really?

MS. BLATT: Yes....

Jack Daniel's counsel then argued that high-level lawyers like Supreme Court Justices are not like regular consumers, who are likely to be confused:

MS. BLATT: Justice Alito, I don't know how old you are, but you went to law school, you're very smart, you're analytical, you have hindsight bias, and maybe you know something—

JUSTICE ALITO: Well, I went to a law school where I didn't learn any law—

MS. BLATT: Okay. But—

JUSTICE ALITO: —so don't—

(Laughter.)

MS. BLATT: —it's just a little rich for people who are at your level to—to say that you know what the average purchasing public thinks about all kinds of female products that you don't know anything about or dog toys that you might not know anything about. And so I just think—

JUSTICE ALITO: I don't know. I had a dog. I know something about dogs.

MS. BLATT: Okay.

Indeed, Ms. Blatt herself conceded “the more [a parody] says something ridiculous or condescending about the brand, [the more] it's likely to not be confusing.”

As a reminder, the product at issue states:

BAD SPANIELS

THE OLD NO. 2 ON YOUR TENNESSEE CARPET

43% POO BY VOLUME 100% SMELLY.



Not exactly flattering of Jack Daniel's whiskey. But as set forth in Petitioner's brief, Jack Daniel's is not amused:

“Jack Daniel's loves dogs and appreciates a good joke as much as anyone. But Jack Daniel's likes its customers even more, and doesn't want them confused or associating its fine whiskey with dog poop. Jack Daniel's also welcomes jokes at its expense. But VIP does not just make jokes about Jack Daniel's. VIP sells products mimicking Jack Daniel's iconic marks and trade dress that mislead consumers, profit from Jack Daniel's hard-earned goodwill, and associate Jack Daniel's whiskey with excrement.”

Finally, Justice Alito highlighted his First Amendment/free speech concerns when it comes to parody:

JUSTICE ALITO: “Well, I’m concerned about the First Amendment implications of your position, and you began by saying—by stressing that *Rogers* is atextual, it was made up. You know, there is a text that says that Congress shall make no law infringing the freedom of speech. That’s a text that takes precedence over the Lanham Act. And you said there are no constitutional issues. But your answer to Justice Sotomayor’s hypothetical [regarding a political parody] tells me there are important constitutional issues.”

Jack Daniel’s argument ended with Justice Alito commenting on why the *Rogers* case may be important:

JUSTICE ALITO: “Well, the question isn’t whether [the Lanham Act] is constitutional. The question is whether it should be interpreted—and this is where *Rogers* may come from—in a way that does not bring it into conflict with the First Amendment.”

MS. BLATT: “Well, then you should strike the statute as either facially invalid or as applied to a dog toy. It just seems that you’re overturning centuries and billions of dollars of brand investment as to confusing. ... [C]ourts have [in] case after case that rejected parodies.”

The U.S. Solicitor General’s office (by Matthew Guarnieri) appeared as *Amicus Curiae* in support of Petitioner by, in part, arguing that “*Rogers* is substantively inconsistent with the Lanham Act. *Rogers* requires a showing either of a complete lack of artistic relevance or that the use of the trademark is explicitly misleading. But, of course, as Ms. Blatt explained, you can have confusing uses of marks that are implicitly misleading. So, you know, *Rogers* currently is operating to protect a lot of behavior that could cause—it’s actually likely to

cause confusion to consumers, and the Lanham Act makes that kind of trademark use actionable as infringement. ... We just think the *Rogers* test is the wrong way to approach these cases. It has no sound basis in trademark law or, indeed, in the First Amendment. ... [I]f the Court gets rid of *Rogers* and tells the lower courts that *Rogers* is not the correct way to do this, the correct way is to apply the likelihood-of-confusion standard, that doesn't foreclose an as-applied First Amendment challenge in an appropriate case. ... [I]n our view, the way that parody enters into the picture in most of these cases is that ... the more similar two marks are, the more likely consumers are to be confused. And a fact-finder could conclude that that's not the case in a parody case because the parody, by its nature, is going to be drawing some humorous contrast with the original, and that contrast will itself serve to distinguish the two in the minds of consumers."

VIP's counsel, Bennett E. Cooper, presented a less combative argument that emphasized the Lanham Act's chilling effect on free speech, and suggested a new test for courts weighing parody against likelihood of confusion:

"In our popular culture, iconic brands are another kind of celebrity. People are constitutionally entitled to talk about celebrities and, yes, even make fun of them. Jack Daniel's advertised in its self-serious way that Jack is everyone's friend, and Bad Spaniels is a parody playful in comparing Jack to man's other best friend."

"It's clear in this case that what Jack Daniel's is complaining about is not Bad Spaniels as a designation of source. They're complaining about the speech, the parody, the comparison to dog poop and a Bad Spaniel, not the mark. Parodies on noncompetitive goods like Bad Spaniels aren't likely to cause confusion as to source or approval. As this Court recognized quite

properly in *Campbell*, companies simply do not license lampoons of their own products. The circuits developed the *Rogers* test to protect expressive works generally. And it keeps the thread of extended litigation from silencing speech. That's particularly true when well-heeled celebrities go after parodists. A test that requires significant resources to vindicate obvious parodies like Wal-Qaeda or Walocaust or Chewy Vuiton is simply the wrong tool for the job."

VIP's counsel continued: "If the Court is inclined toward the Solicitor General's position, the Court should provide more guidance to lower courts than simply, hey, keep that it's a parody in mind, because the burden of litigating the irrelevant or inverted factors itself chills speech. Stripping out those factors, a more focused version of the general test would ask three questions: One, can the Court reasonably perceive the product's parodic character? That's taken from *Campbell*. Two, what is the proximity and competitiveness of the party's goods? That's taken from the standard test. And third, does the parody otherwise fail to differentiate itself from the parodied mark? This test protects speech while denying a free pass to knock off the counterfeits. But, fundamentally, the First Amendment is not a game show where the result is: survey says 'I'm confused, stop talking.'"

Finally, VIP's counsel noted that the parody here "is not putting Jack Daniel's on a dog toy. There's far more to it."

JUSTICE KAGAN: Well, what is there to it? What is the parody here?

MR. COOPER: The parody?

JUSTICE KAGAN: Yeah. Because maybe I just have no sense of humor, but—

(Laughter.)

JUSTICE KAGAN: —what's the parody?

MR. COOPER: The parody is multifold. The testimony indicates, and it's not been disputed, that the parody is to make fun of marks that take themselves seriously.

* * *

Respondent VIP is a serial parodist of famous trademarks in furtherance of its sale of dog toys. VIP owns a trademark registration for its house mark SILLY SQUEAKERS, and uses numerous secondary marks that it purports to be parodies of well-known alcoholic beverage brands, including Cataroma Extra (Corona Extra), Kennel-Relaxn Chardonnay (Kendall Jackson Chardonnay), Jose Perro (Jose Cuervo), ToSit AndStay (Tanqueray), Smella Arpaw (Stella Artois), Dos Perros (Dos Equis), and Pawsifico Perro (Pacifico Clara), as well as famous soda brands, including Enjoy Canine Cola (Coca-Cola), L Pup (7 Up), and Panta (Fanta):



That said, it would also be fair to say that the Lanham Act has squelched many a parody over the years based on purported likelihood of confusion. It would be nice—from a robust First Amendment perspective and recognizing that federal courts are not a substitute for a sense of humor—if there was a less rigged-in-favor-of-brand-owners, less expensive test that allowed for more making fun of brands while protecting brand owners.

We will be closely following the outcome of this important trademark case.

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