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The Parody Defense Post-Louis Vuitton

Law360, New York (June 23, 2011) -- In 2007, the Fourth Circuit seemed to breathe new life into parody as a defense to trademark infringement in the case of Louis Vuitton Malletier SA v. Haute Diggity Dog LLC.[1] Since then, parody has been raised as a defense in a variety of trademark infringement cases to varying success.

A parody, for trademark purposes, is "a simple form of entertainment conveyed by juxtaposing the irreverent representation of the trademark with the idealized image created by the mark's owner."[2] This article considers decisions involving the parody defense since Louis Vuitton, and evaluates the circumstances under which such a defense is most and least likely to succeed.

Louis Vuitton Revisited

In Louis Vuitton, a small manufacturer of chew toys for dogs created a CHEWY VUITON toy, which imitated the well-known trademark and trade dress of Louis Vuitton, one of the world's leading international fashion houses. The Louis Vuitton court held that the defendant was not liable for trademark infringement because its use of the CHEWY VUITON mark for dog toys was an effective parody of LOUIS VUITTON.

In its detailed decision, the court found that the CHEWY VUITON products were a successful parody because they brought to mind the original mark and associated brand-image while at the same time juxtaposing that brand with an irreverent image inconsistent with the Louis Vuitton brand. The court specifically found that the parody was able to "convey two simultaneous — and contradictory — messages: that it is the original, but also that is not the original and is instead a parody."[3]

Putting its analysis in the context of the traditional likelihood of confusion factors, the court held that there was no infringement because there was no likelihood of confusion among consumers as to the source or sponsorship of the defendant's goods. In doing so, it acknowledged that while "an effective parody will actually diminish the likelihood of confusion, … an ineffective parody does not."[4]

Since Louis Vuitton injected life into the parody defense four years ago, an increasing number of trademark defendants have raised it as a defense. While some commentators have questioned whether Louis Vuitton has changed the law on parody[5], a review of recent cases addressing the parody defense indicates that the success of the defense is highly dependent on the nature of the infringement allegations at issue.

Parody Targeted at Political and Religious Figures and Organizations

The unauthorized use of a trademark for purposes of comedy, parody, allusion, criticism, news reporting and commentary may be protected as expressive speech under the First Amendment.[6] For example, in GTFM LLC v. Universal Studios Inc., the court held that there was no likelihood of confusion when Universal Studios used an alteration of the FUBU mark for clothing in a motion picture comedy because its use reflected parody.[7]

Parody is most likely to prevail as a defense to trademark infringement when the allegedly offending conduct involves speech targeted at political and religious figures and organizations. For example, in Utah Lighthouse Ministry v. Foundation for Apologetic Information and Research (FAIR)[8], the Tenth Circuit held that there was no likelihood of confusion between the UTAH LIGHTHOUSE mark of an anti-Mormon religious group and the use of that mark by a pro-Mormon group which published a look-a-like website to criticize the mark owner. The fact that the defendant's use of the mark was not commercial also weighed against a finding of noninfringement.

For similar reasons, Protectmarriage.com v. Courage Campaign in the Eastern District of California, resulted in a similar holding in which the parody defense was credited.[9] That case involved two nonprofit groups with opposing views on gay marriage. The plaintiff, a nonprofit organized to oppose gay marriage in California, used a logo comprised of a silhouette of a man, woman and children.

The defendant, another nonprofit supporting gay marriage, adopted a version of the plaintiff's logo, altered to depict a family with parents of the same sex. The plaintiff sued seeking a temporary restraining order. Considering the content of the defendant's website, the court found that the defendant's use of the mark on its website was not likely to cause confusion as to whether the plaintiff was affiliated with the website.

Most recently, a decision was issued by a federal court in Utah that may represent (or exceed) the limits of what might be categorized as parody. In Koch Industries Inc. v. John Does 1-25,[10] the defendants set up a phony website and press release purporting to be from Koch Industries, ascribing invented positions to it that the company does not hold. While there was little indication that the fake site did not come from Koch, a federal court in Utah upheld on First Amendment grounds the conduct of the defendants, which the court characterized as fair comment on Koch's political positions.

The suggestion in Koch that the Lanham Act can never be invoked to enjoin speech that is not commercial speech seems quite controversial as applied beyond disputes between purely political or religious groups. This is particularly so when that speech is intentionally misattributed to a fundamentally commercial entity with the apparent intent to disrupt the target's business and harm its reputation.

Insufficiently Successful Parody

As acknowledged by the Louis Vuitton court, parody requires that the unauthorized use of the trademark "communicate some articulable element of satire, ridicule, joking or amusement" in reference to the plaintiff's trademark.[11] In many cases, the parody defense does not protect against trademark infringement because the unauthorized use of mark is not a successful parody.

For example, where there is no clear disconnect between the mark owner's image and the defendant's use of the mark, the parody defense does not succeed. In fact, the parody defense in many cases seems little more than a pretext invented after the fact by defendants searching for a way to justify infringing activities. In recent years, courts have rejected the parody defense in which defendants have offered:

- couches using the famous product packaging trade dress of a HERSHEY'S chocolate bar[12];
- t-shirts targeted toward football fans using the mark HEI5MAN[13], imitating the HEISMAN mark;
- a dark roasted coffee sold under the name CHARBUCKS[14]; and
- an energy drink with trade dress to similar to that of the RED BULL energy drink and sold under the trademark MATADOR[15].

In each of these cases, there either was no satire, ridicule, joke or amusement to be found, or it was so tenuous that consumers were confused or were likely to be confused as to the origin, sponsorship, or approval of the defendant's products.

A Split of Authority?

In Louis Vuitton, the court perceived a clear discrepancy between the Louis Vuitton brand image and defendant's chew toy product. In finding that no likelihood of confusion existed, the court stated that "no one can doubt also that the 'Chewy Vuiton' dog toy is not the 'idealized image' of the mark created by LVM." The court made this finding notwithstanding Louis Vuitton having also sold dog accessories in the past, albeit very expensive dog accessories which were priced between $200 and $600.[16]

The Eastern District of Missouri seems to have taken a very narrow view of Louis Vuitton. In Anheuser-Busch Inc. v. VIP Products[17], Anheuser-Busch sued VIP, a manufacturer of dog toys, for trademark infringement. VIP used a replica of the famous Budweiser label as the trade dress for its dog toy, replacing the name "Budweiser" with the trademark BUTTWIPER. Like Louis Vuitton, Anheuser-Busch had sold dog accessories such as bowls, leashes, collars and pet mats under its asserted trademark. After analyzing the likelihood of confusion factors and considering the defendant's parody argument, the district court granted a preliminary injunction against the defendant.

Louis Vuitton and Anheuser-Busch could be distinguished on the basis that one involves a luxury brand and the other does not. In other words, a greater distance could be seen between the "idealized image" of Louis Vuitton and dog toys than between Budweiser and dog toys. However, this distinction neglects the fact that both Louis Vuitton and Anheuser-Busch had in fact offered dog toys or accessories in the past. The difference between the decisions could reflect a greater acceptance of the parody defense in certain jurisdictions rather than others.

Conclusion

In recent years, the parody defense has been raised with regularity in response to trademark infringement claims. In addition to the decisions discussed above, parody has also been raised as an issue in other litigation involving The North Face Apparel Corporation (the "South Butt" litigation)[18], Mars Inc. (use of a cartoon character similar to "The Naked Cowboy" in an ad displayed in Times Square)[19], and Facebook Inc. (use of "Lamebook" for an online site depicting humorous material culled from the Facebook website).[20]

While parody has been an issue of increased visibility, Louis Vuitton has not resulted in a sea change in the way courts consider the defense. In fact, the contours of the defense seem to have changed little in response. Instead, the courts remain sensitive to the fact that a parody is not a conventional affirmative defense per se, and that characterizing a use as a "parody" is ultimately to describe it as one that does not cause a likelihood of confusion for a very particular reason: consumers understand that mark owners are disinclined from making fun of their own brand identities or their goods and services.

Thus, when a mark is used in a successful parody, it is clear that the source of the parody is distinct from the source of the target brand or product. However, the parody defense will fail if the parody is inadequate and consumers do not understand that there is no connection, affiliation, or sponsorship between the parties.

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[1] 507 F.3d 252, 263 (4th Cir. 2007).

[2] Louis Vuitton, 507 F.3d at 260 (quoting People for the Ethical Treatment of Animals v. Doughney ("PETA"), 263 F.3d 359, 366 (4th Cir. 2001)). In addition, the parody should "communicate some articulable element of satire, ridicule, joking or amusement" in reference to the original mark. Id.

[3] Id.

[4] Id. at 261. To determine if the parody is confusing, the court determined likelihood of confusion using Pizzeria Uno factors in light of the parody. Id.

[5] The Legal Satyricon, http://randazza.wordpress.com/2007/11/29/does-louis-vuitton-get-the-joke-now/ ("It appears that the Fourth Circuit has finally decided to fully atone for its unprincipled decision in People for the Ethical Treatment of Animals v. Doughney, 263 F.3d 359 (4th Cir. 2001). In that case, the Fourth held that a website, peta.org, which was devoted to a humorous site called "People Eating Tasty Animals," was somehow not an effective parody of "People for the Ethical Treatment of Animals." Some of my students were asking me if this meant that parody was non-existent in the Fourth Circuit. I predicted that one day the Fourth would find a way to squirm out of its 2001 stupidity. I am impressed that it did so in this manner. No better way to cure a mistake than to turn the mistake into a "test" and then simply make it seem like the earlier case was limited to its facts! Nice work Fourth!").

[6] See e.g,. E.S.S. Entm't 2000 Inc. v. Rock Star Videos, Inc., 444 F. Supp. 2d 1012, 1042 (C.D. Cal. 2006) (citing Yankee Publ'g Inc. v. News Am. Publ'g Inc., 809 F. Supp. 267, 276 (S.D.N.Y. 1992).

[7] No. 02 CV 0506, 2006 U.S. Dist. LEXIS 30192, at *10 (S.D.N.Y. May 16, 2006).

[8] Utah Lighthouse Ministry v. Found. for Apologetic Info. and Research (FAIR), 527 F.3d 1045, 1057 (10th Cir. 2008) ("The fact that the Wyatt website is a successful parody weighs heavily against a finding of likelihood of confusion.").

[9] Protectmarriage.com v. Courage Campaign, 680 F. Supp. 2d 1225 (E.D. Cal. 2010).

[10] Koch Ind. v. John Does 1-25, No. 2:10-cv-01275, 2011 WL 1775765, at *5 (D. Utah May 9, 2011).

[11] Louis Vuitton, 507 F.3d at 260.

[12] Hershey Co. v. Art Van Furniture, Inc., No. 08-14463, 2008 U.S. Dist. LEXIS 87509 (E.D. Mich. Oct. 24, 2008).

[13] Heisman Trophy Trust v. Smack Apparel Co., 637 F. Supp. 2d 146 (S.D.N.Y. July 17, 2009).

[14] Starbucks Corp. v. Wolfe's Borough Coffee, Inc., 588 F.3d 97 (2d Cir. 2009).

[15] Red Bull v. Matador Concepts, Inc., No. CV 04-9006-JFW, 2006 U.S. Dist. LEXIS 96764 (C.D. Cal. Jan. 13, 2006).

[16] Louis Vuitton, 507 F.3d at 260.

[17] 666 F. Supp. 2d 974 (E.D. Mo. 2008).

[18] North Face Apparel Corp. v. Williams Pharmacy, Inc., No. 4:09-cv-2029-RWS (E.D. Mo. filed Jan. 4, 2010) In this case, The North Face, a clothing company sued a teen owner of the South Butt for trademark infringement and other allegations. South Butt asserted that its use of THE SOUTH BUTT was as a parody of THE NORTH FACE trademark. The case settled before a decision on the merits.

[19] Burck v. Mars Inc., 571 F. Supp. 2d 446, 450 (S.D.N.Y. 2008). In this case, the Naked Cowboy, a street performer in New York City who performs in Time Square in his underwear sued Mars for using a blue M&M dressed up like The Naked Cowboy for a billboard video. After Mars raised the parody defense, the court held that it could not decide the parody issue on summary judgment. The case settled before a decision on the merits.

[20] On Nov. 4, 2010, Lamebook LLC filed declaratory judgment of non-infringement and non-dilution against Facebook, Inc. in the Western District of Texas (1:10-CV-00833). Four days later, Facebook sued Lamebook for trademark infringement and other allegations in the Northern District of California (3:10-cv-05048-RS).