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## Intellectual Property

### Boundaries of Fair-Use Defense in Trademark Infringement

BY RANDY FRIEDBERG  
AND BRITTNEY EDWARDS

*Special to the Legal*

Parody and nominative fair use are probably the most amorphous and least clearly defined affirmative defenses to a claim of trademark infringement. Both were raised and briefed in detail in a recent infringement action concerning the Vicodin trademark instituted in the U.S. District Court for the Central District of California, alleging that the defendants infringed the mark by using it on a “designer drug apparel” line. This case is particularly informative because it illustrates the limitations that must be placed on First Amendment-related defenses in the context of trademark infringement disputes.

Defendant Brian Lichtenberg is known for creating apparel lines parodying famous brands. For example, he previously marketed clothing in which “Hermes Paris became Homies South Central, The North Face became Da Kute Face, and Gucci became Bucci,” according to *AbbVie v. A-List*, No. CV13-08554, dismissed, (C.D. Cal. Jan. 28, 2014). The designer drug apparel at issue in this case featured Vicodin, Adderall and Xanax as “players” on sports jerseys, though only AbbVie, the owner of the Vicodin mark, commenced suit. The apparel line appeared in stores next to the slogan “just what the doctor ordered.”



FRIEDBERG

**RANDY FRIEDBERG** is a partner in the intellectual property group of *White and Williams*. His practice encompasses trademark and copyright law, unfair competition, trade secrets, advertising law, Internet law and entertainment matters. Contact him at [friedberg@whiteandwilliams.com](mailto:friedberg@whiteandwilliams.com).



EDWARDS

**BRITTNEY EDWARDS** is an associate in the commercial litigation group at the firm. Contact her at [edwardsb@whiteandwilliams.com](mailto:edwardsb@whiteandwilliams.com).

The defendants argued, among other things, that their use of AbbVie’s Vicodin mark on the designer drug apparel was a parody expressing the idea “that the omnipresence of prescription drugs is taking American society to a ridiculous extreme in which, instead of showing their affinity for, say, a sports team, musical group or political cause, people might actually wear a shirt pledging allegiance to a prescription drug,” and is therefore expression protected by the First Amendment. The defendants also claimed their use of the Vicodin mark

was a nominative fair use because: (1) no word other than “Vicodin” could evoke the drug in the minds of consumers (the pharmaceutical name hydrocodone would not, defendants alleged, have had the same impact); (2) the defendants did not use AbbVie or Vicodin logos; and (3) the defendants’ apparel did not suggest endorsement by or affiliation with AbbVie. The plaintiff countered that the clothing itself was not an expression and that the only expression derived solely from the use of the Vicodin mark.

The case settled shortly after the court issued a tentative ruling on AbbVie’s motion for a preliminary injunction that it would likely enjoin the sale of the apparel line, but is informative nonetheless.

It is well settled in the U.S. Court of Appeals for the Ninth Circuit that a party seeking a preliminary injunction must show: (1) a likelihood of success on the merits; (2) that it is likely to suffer irreparable harm if preliminary injunctive relief is not granted; (3) that the balance of equities tips in its favor; and (4) that preliminary injunctive relief advances the public’s interest. To show a likelihood of success on its trademark infringement claim, AbbVie would have had to demonstrate ownership of a valid trademark—here, Vicodin—and that the defendants’ use of the trademark created a likelihood of confusion as to source or affiliation of the goods bearing that mark.

However, under the parody defense, the defendants’ use of AbbVie’s mark would not have been an infringing use if

the mark was incorporated into an underlying expressive work and such incorporation was artistically relevant to the work's content. Thus, had the defendants' fair-use defenses been successful, AbbVie's motion would have failed on the likelihood-of-success prong.

Here, the apparel consisted of shirts and sweatshirts resembling sports jerseys. Other than the Vicodin mark, the only arguably expressive component of the clothing was a number on the garment that represented the year in which the relevant drug was first marketed. Indeed, the only content on the back of the shirts at issue is this number and the Vicodin mark. Unlike Lichtenberg's previous designs, the designer drug apparel makes no play on words and fails to transform the Vicodin mark in any way.

The defendants' attempt to link the use of the Vicodin mark to an obscure message about America's addiction to prescription drugs was itself creative, but clearly pushed the parody defense beyond its outer limits. The court might have found this argument more convincing if the shirts contained additional content explaining or connecting the use of the Vicodin mark to the numbers on the back of the shirts or any other commentary or transformation of Vicodin, for example, by incorporating the slogan "just what the doctor ordered" into the shirts themselves as opposed to the signage advertising the apparel line. Notably, the defendants utterly failed to offer any explanation as to how the underlying work (the shirts themselves), absent the Vicodin mark, constituted protected expression.

A strong argument can be made that the designer drug apparel does little more than place another's mark on an item of merchandise (without any transformative content) to characterize a shirt as expressive. Such use is not protected expression.

Even if the court would have found the underlying work expressive, the defendants are not likely to have succeeded under the second prong of the test in showing their use of the Vicodin mark was artistically relevant to the

underlying expressive work. This should not have been a difficult task; artistic relevance must simply be "more than zero," according to the opposition brief for the defendant. The defendants claim artistic relevance because the apparel expresses a message about prescription drug use in American society. Certainly there is relevance between the name of a prescription drug and a number representing the year in which the drug was first marketed. Notably absent, however, is any scintilla of originality or inventiveness in such use. Thus, the defendants' position is weak even in light of the minimal level of creativity required to show artistic relevance.

Nor was the defendants' nominative fair-use defense compelling. To establish this defense, a party must show that it was necessary to use another's trademark and it has done nothing to suggest endorsement by or affiliation with the mark owner. The defendants failed on both prongs of this test.

With regard to the first prong, as AbbVie pointed out, instead of using the Vicodin mark, the defendants could arguably have communicated their message by using the word "painkillers" or 'hydrocodone' (the generic name for Vicodin)," according to the plaintiff's reply brief. The parties agree that Vicodin is the most widely prescribed drug in the United States, but the defendants' only explanation as to the necessity of their use of the Vicodin mark is merely that the "brand name has become synonymous with the drug it identifies." The extent to which consumers equate Vicodin with hydrocodone or painkillers would have been an important fact for the parties to develop.

More problematic, however, is the second prong, which requires that there be no suggestion of endorsement or affiliation. Courts recognize that "it is often virtually impossible to refer to a particular product for purposes of comparison, criticism, point of reference or any other such purpose without using the mark," as the court held in *New Kids on the Block v. News America Publishing*, 971 F.2d 302, 306 (9th Cir. 1992). For

example, defensible uses of the Vicodin mark include the phrases "Got Vicodin?" and "Wake up and smell the Vicodin." The designer drug apparel, however, does not use the Vicodin mark in a referential context; it does not even attempt to associate or connect it to any other word, expression or concept. Indeed, the Vicodin mark is the only word on the garments. The notion that the Vicodin mark is a point of reference for expressing a "team affinity" is attenuated at best. Moreover, AbbVie argued that the clothing line contains no "material that differentiates the shirts from typical promotional vehicles used with brands."

However, although "companies often place brands on collateral merchandise and promotional items, such as t-shirts [and] sweatshirts," AbbVie admits that it "purposefully avoid[s] all direct ... consumer advertising for its Vicodin product." Absent any referential or transformative use of the mark, the court is likely to have viewed the Vicodin apparel as suggesting endorsement by or affiliation with AbbVie.

The defendants' parody and nominative fair-use defenses were not likely to have been successful and the court would have had to engage in a likelihood of confusion analysis. When viewed collectively, the apparel line and marketing materials clearly express a message. Thus, the defendants' pitfall was in failing to connect the dots to make their purported expression more apparent.

This case illustrates that, like yelling fire in a crowded theater, limitations on the First Amendment are sometimes necessary, as they protect a mark owner's intellectual property rights. In order to adequately protect those rights, some transformative use of a mark will be required before expression will be deemed worthy of protection. •