

# IP Update: The Latest on Famous and Scandalous Trademarks

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## TIVO Ruled Famous Mark

The Trademark Trial and Appeal Board (TTAB) of the U.S. Patent and Trademark Office (USPTO) issued a precedential decision in *TiVo Brands LLC v. Tivoli, LLC*[1] on December 31, 2018, ruling that TIVO qualifies for broad protection as a "famous" mark under the anti-dilution provisions of the Trademark Act. Accordingly, the Board rejected Tivoli LLC's applications to register TIVOBAR and TIVOTAPE as trademarks for use with products that are unrelated to those of TiVo, i.e., lighting fixtures, on the grounds that such marks would dilute the distinctiveness of the TIVO mark.

This decision is notable for several reasons. The TTAB found that the TIVO mark had achieved the level of fame required to support a dilution claim without TiVo submitting a traditional consumer survey. TiVo submitted "sizzle reels" containing "media clips identifying major news and entertainment outlets as well as major politicians and celebrities . . . all of whom have referenced TiVo as a famous household name." TiVo also submitted numerous references to the TIVO brand in news articles, to similar effect. Finally, TiVo submitted a media analysis report by a third party analytics vendor claiming over 30,000 "mentions" of TIVO in news outlets from 2000 to 2009, along with illustrative examples. The TTAB found this evidence of fame sufficiently persuasive, without even noting the absence of a consumer survey.

This case teaches that brand owners should be proactive in gathering and preserving evidence of their brand's media exposure from an early date and consider how this could help prove fame—both in the context of a likelihood of confusion (infringement) claim and a dilution claim.

The *TiVo* decision is also notable because the Board utilized it to explicitly establish as precedent the timing requirements for a dilution plaintiff's proof of fame. Confirming what it stated was an implicit holding in an earlier case involving the BLACKBERRY trademark, *Research in Motion Ltd. v. Defining Presence Marketing Group Inc.*,[2] this decision states: "We now explicitly hold...that, in addition to proving that its mark became famous prior to the date when the defendant first used the challenged mark, a plaintiff asserting dilution must also prove that its mark remains famous at the time of trial."



Accordingly, TiVo was required to demonstrate that its mark was famous: 1) at the time Tivoli's TIVOBAR and TIVOTAPE marks entered the market; and 2) at the time of the TTAB trial in this case. The first prong of this analysis can pose an evidentiary challenge for trademark owners: How does one prove that a mark was famous at the time the junior mark first entered the market if a consumer survey was not taken at that time? In this case, as noted above, TiVo's nonsurvey evidence of fame as of the critical date 2010 was sufficient. For brands not currently facing trademark litigation, taking periodic consumer surveys or working with analytics vendors should help establish this time-specific fame element for trademark litigation that may occur at a later date (as well as having other potential benefits, e.g., when seeking to assess brand value).

The second prong of the analysis—demonstrating that a mark is *currently* famous—can be satisfied by a probative contemporaneous consumer survey and/or the type of evidence that TiVo submitted in this case. Trademark owners should keep this requirement in mind and stay attuned to their brand's renown.

Finally, the TTAB confirmed that the mark being opposed need not be identical or nearly identical to the famous mark in order to be likely to dilute the famous mark. It is enough for the marks at issue to be a "lookalike," and the Board will focus on the primary and distinctive portions of the marks.

### **Is Ban on Registration of "Immoral" Trademarks Unconstitutional?**

On January 4, the Supreme Court agreed to decide whether Section 2(a) of the Lanham Act's prohibition on the federal registration of "immoral" or "scandalous" marks is facially invalid under the free speech clause of the First Amendment, the question presented in *Iancu v. Brunetti*.<sup>[3]</sup> In this case, the applicant, Erik Brunetti, was denied a trademark registration for FUCT for his clothing line. A year ago, the U.S. Court of Appeals for the Federal Circuit struck down the ban on registration of immoral or scandalous marks as violating the First Amendment. The federal government appealed in an effort to uphold the ban.

In *Matal v. Tam*<sup>[4]</sup>, the Supreme Court unanimously struck down a provision of the Lanham Act banning registration of disparaging trademarks. It is expected that the Court will do the same for the immoral or scandalous portion of the same section of the Lanham Act, although the presence of two new justices on the Court adds some element of suspense. If the Court affirms the Federal Circuit's decision, brand owners whose trademarks are considered vulgar will then be able to obtain federal registration protection for their marks.

For more information, contact Sheldon Klein, Amanda McAllister, or any other member of the Gray Plant Mooty IP, Technology and Privacy Practice Group.

[1] *TiVo Brands, LLC v. Tivoli, LLC*, 129 USPQ2d 1097 (TTAB 2018) [precedential].

[2] *Research in Motion Ltd. v. Defining Presence Marketing Group Inc.*, 102 USPQ2d 187 (TTAB 2012).

[3] *Iancu v. Brunetti*, No. 18-302, cert. granted, 2019 WL 98541 (U.S. Jan. 4, 2019); *In re Brunetti*, 877 F.3d 1330 (Fed. Cir. 2017).

[4] *Matal v. Tam*, 582 U.S. \_\_\_\_ (2017); 137 S. Ct. 1744.