

Supreme Court Sharply Limits Applicability of *Rogers v. Grimaldi* Test for Trademark Infringement

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On June 8, 2023, the U.S. Supreme Court ruled unanimously in favor of the petitioner in *Jack Daniel's Properties, Inc. v. VIP Products LLC*. The Court held that a heightened standard for trademark infringement applied by many courts where trademark uses serve artistic or expressive purposes — the so-called “*Rogers* test” — does not apply where an alleged infringer uses a trademark as a designation of source for the infringer’s own goods.

Background

Tension Between Trademark Protection and the First Amendment

At its core, U.S. trademark law protects the consuming public by creating liability for using words, terms, images or symbols that are confusingly similar to those used by organizations to identify the source of their goods or services. Because this protection inevitably involves some restriction on expression, there is a natural tension between the First Amendment and trademark law. That tension is particularly pronounced when addressing the use of trademarks in expressive or artistic works.

The prevailing test long applied by courts when weighing First Amendment concerns against trademark rights in that context was set forth in the Second Circuit’s seminal 1989 decision in *Rogers v. Grimaldi*.¹ In that case, Ginger Rogers sued the producer and studio of the film “Ginger and Fred” — depicting two fictional Italian cabaret performers whose routine emulated Fred Astaire and Rogers — alleging, *inter alia*, that the film violated her trademark rights. The Second Circuit ruled for the defendant, holding that “section 43(a) of the Lanham Act does not bar a minimally relevant use of a celebrity’s name in the title of an artistic work where the title does not explicitly denote authorship, sponsorship, or endorsement by the celebrity or explicitly mislead as to content.”

In so holding, the Second Circuit established a test — frequently referred to as the “*Rogers* test” — for determining whether the use of a trademark in an artistic work violates the Lanham Act. The *Rogers* test differs from the standard “likelihood of confusion” multi-factor analyses and ratchets up the burden of proof for putative trademark infringement plaintiffs:

- First, the Court must determine whether the work at issue is “expressive” — that is, does the work “communicat[e] ideas or express[] points of view.”
- Second, if the work is expressive, then the plaintiff must show that the defendant’s use of the trademark either (i) is not *artistically relevant* to the work, or (ii) is *explicitly misleading* to consumers as to the source or content of the work.

The *Rogers* test has been construed and applied differently by various circuits, including with respect to what works are “expressive” and what renders a use “explicitly misleading.” For example, while the Second Circuit has found “particularly compelling” levels of confusion to potentially satisfy the explicitly misleading test,² other circuits, including the Ninth Circuit, have suggested that the defendant’s work must affirmatively (but falsely) convey that the plaintiff is affiliated with or has endorsed the accused work.³

Background on *Jack Daniel's v. VIP Products*

In 2014, VIP Products (VIP) sued Jack Daniel’s for a declaratory judgment of non-infringement in response to receiving a cease-and-desist letter concerning VIP’s

¹ *Rogers v. Grimaldi*, 875 F.2d 994 (2d Cir. 1989).

² See *Twin Peaks Prods., Inc. v. Publications Int'l, Ltd.*, 996 F.2d 1366 (2d Cir. 1993).

³ See *Brown v. Elec. Arts, Inc.*, 724 F.3d 1235 (9th Cir. 2013).

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“Bad Spaniels” dog toy. The toy imitates the shape of the Jack Daniel’s bottle and alters the black-and-white label with an allusion to a dog having an “accident” on the carpet.

In 2018, following a four-day bench trial, the U.S. District Court for the District of Arizona ruled that the toy infringed Jack Daniel’s trademark and trade dress rights and diluted the company’s marks through tarnishment. The district court permanently enjoined VIP from further making or selling the toy.

In 2020, however, the Ninth Circuit reversed, holding that the district court committed clear error in finding infringement without first requiring Jack Daniel’s to satisfy the *Rogers* test. The Ninth Circuit found the dog toy at issue “expressive” and thus subject to the *Rogers* test because, despite being a utilitarian commercial product, it “communicates a ‘humorous message.’” The court’s extension of the *Rogers* test to VIP’s commercial product reflected a departure from courts that had historically applied the *Rogers* test solely to traditionally expressive works such as books and movies more aligned with the content at issue in *Rogers v. Grimaldi*.

The court further held that there can be no dilution by tarnishment when the use of the mark is “noncommercial.” Thus, because the Ninth Circuit considered VIP’s use of the marks expressive and noncommercial, the court held that VIP was entitled to judgement in its favor on the dilution claims as well.

In its brief to the Supreme Court, Jack Daniel’s argued that the *Rogers* test should be discarded because the Lanham Act establishes a single likelihood of confusion standard for trademark infringement that already adequately accounts for constitutionally protected speech, with no heightened requirements for infringement in the context of expressive works. Jack Daniel’s further opined that the *Rogers* test creates too large of an exception for trademark infringement that would immunize “any humorous knock off (apart from a true counterfeit)” from liability. In response, VIP argued that the *Rogers* test reflects an appropriate balance and provides “necessary breathing space for constitutionally protected creative expression,” whereas traditional likelihood of confusion factors “tend to point in the wrong direction for parodies.”

The solicitor general also weighed in on the dispute, arguing that the *Rogers* test should be discarded, and the traditional likelihood of confusion standard is sufficient even in the context of parodic uses of trademarks.

With respect to trademark dilution, Jack Daniel’s argued that the noncommercial use exception of the Trademark Dilution Revision Act does not apply where a defendant uses a mark to sell goods or services, and as such was improperly applied to

the Bad Spaniels toy. In turn, VIP argued that the court could avoid the constitutional issue of viewpoint discrimination by applying either the noncommercial-use exclusion or the fair-use exclusion for parodies.

Given the potential wide-reaching implications for trademark law and the Ninth Circuit’s broad conception of the *Rogers* test’s applicability, the case generated massive attention — and *amicus* briefs — from companies, intellectual property organizations and industry groups on all sides of the issue.

The Supreme Court’s Ruling

Writing for a unanimous Court, Justice Elena Kagan vacated the Ninth Circuit’s decision and remanded for further proceedings. Justice Kagan explained that the Court was not taking a position on whether the *Rogers* test has merit as a general matter, but acknowledged the test “has always been a cabined doctrine” — far more “cabined” than the Ninth Circuit suggested. Indeed, Justice Kagan explained that the Supreme Court “most dramatically part[s] ways with the Ninth Circuit” by rejecting the lower court’s position that the mere communication of a “humorous message” or parodic purpose automatically entitles an alleged infringer to *Rogers*’ protection.

The Court thus concluded that, whatever merit the *Rogers* test ultimately has, it does not apply where an alleged infringer uses a trademark “as a mark” — that is, “as a designation of source for the infringer’s own goods.” Favorably quoting from a decision from the U.S. District Court for the Southern District of New York (SDNY), Justice Kagan concluded that the *Rogers* test only “kicks in when a suit involves *solely* ‘nontrademark uses of [a] mark—that is, where the trademark is not being used to indicate the source or origin’ of a product, but only to convey a different kind of message.”⁴ By contrast, “*Rogers* has no proper role” where a trademark use is “at least in part” for “source identification,” which the Court identifies (again, quoting the same SDNY opinion) as where a defendant “may be ‘trading on the good will of the trademark owner to market its own goods.’”⁵

Moreover, in line with some of the arguments made by the petitioner, the solicitor general and certain *amici*, the Court expressed concern that — because most trademark usage involves at least some expressive component — applying the *Rogers* test as expansively as the Ninth Circuit would result in few cases “even get[ting] to the likelihood-of-confusion inquiry” at the heart of trademark infringement analysis. Accordingly,

⁴ Quoting *Tommy Hilfiger Licensing, Inc. v. Nature Labs, LLC*, 221 F. Supp. 2d 410, 414 (S.D.N.Y. 2002) (emphasis added by authors of this mailer).

⁵ *Id.*

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the *Rogers* test does *not* apply if a trademark is being used as a source identifier, even if the alleged infringer is also “making an expressive comment.” Such expression — including, for example, for humorous or parodic purposes — is accounted for in the traditional likelihood of confusion analysis, but does not alone justify application of a heightened First Amendment standard.

The Court considered the dilution issue “more easily dispatched,” finding, as a matter of statutory interpretation, that the Lanham Act’s exclusion of “non-commercial use[s]” of a mark from dilution liability does not immunize parody, criticism or commentary when a defendant uses a mark as a designation of source for its own goods. Per the Court, the Ninth Circuit nullified Congress’ express limit on the fair-use exclusion for parody by concluding that parody and other expressive uses of trademarks are always exempt from dilution liability.

In a concurrence joined by Justice Samuel Alito, Justice Sonia Sotomayor specifically cautioned against according survey results too much weight in the traditional infringement analysis, particularly in the context of parodies.

She warned that results often reflect the mistaken belief that all parodies require permission from the trademark owner. Additionally, she noted that cleverly designed surveys might raise legal considerations that wouldn’t arise among consumers organically. Consumer surveys, therefore, should remain understood as “merely one piece of the multifaceted likelihood of confusion analysis.”

In a one-paragraph concurrence joined by Justices Clarence Thomas and Amy Coney Barrett, Justice Neil Gorsuch expressed additional skepticism about the origins and validity of the *Rogers* test, and underscored that lower courts should handle the *Rogers* test with care.

Looking Ahead

Although Justice Kagan explicitly stated that the Court’s unanimous opinion “is narrow” insofar as it does “not decide whether the *Rogers* test is ever appropriate,” the ruling not only explicitly cabins in the test’s application, but also more broadly casts significant doubt on the viability and scope of the test going forward.

Most saliently, the first prong of the *Rogers* test appears to have been all but discarded. Whereas the *Rogers* test required an initial determination of whether a work is “expressive,” which then would permit the analysis about artistic relevance and “explicitly misleading” use of a trademark, the Court’s decision in *Jack Daniel’s* now makes clear that it is of no moment whether a work has an expressive component if a mark is also being used at least in part for source identification purposes. In other

words, whether a work is “expressive” (*e.g.*, humorous or parodic) may continue to have an impact on trademark infringement analysis under the likelihood of confusion factors, but if a trademark is being used “as a mark” in some capacity, being “expressive” does not warrant application of the heightened First Amendment standards.

For the foregoing reason, it is difficult to discern how the *Rogers* test could apply in anything other than the most obvious artistic circumstances, if at all. At the bare minimum, the *Rogers* test appears unlikely to apply in the context of commercial and consumer products that leverage another party’s trademark in some way. Such products can fairly be described in most, if not all, circumstances as “trading on the good will of the trademark owner” in some fashion, even if the product also includes an expressive message. Even in the context of more traditional expressive works like books, television shows and films, the Court’s suggestion that even a *partial* purpose of source-identification renders the *Rogers* test inapplicable may substantially reduce the likelihood that courts will turn to that test.

The Court’s decision also may create another practical difficulty for defendants seeking to invoke the *Rogers* test and be immunized from infringement liability in the early stages of litigation. Because courts cannot determine whether *Rogers* may apply until first determining whether a trademark is being used as a source identifier, lower courts may be reluctant to engage at all on the *Rogers* issue until after discovery sheds more light on whether a trademark actually is serving a source identification purpose in the eyes of the public (potentially including expert consumer surveys conducted that frequently are not disclosed until after fact discovery). Particularly in the context of consumer goods bearing another company’s trademark, parties frequently dispute whether the trademark is being used “as a mark” in the first place. Unless the lack of a source identifying purpose for a trademark use is absolutely clear or undisputed, courts can reasonably be expected to eschew early application of the *Rogers* test in a manner that would more readily permit dismissal of infringement claims at the pleading stage.

In sum, notwithstanding the Court’s desire to narrow its explicit holding, the *Jack Daniel’s* decision appears to be a boon for brand owners and trademark infringement plaintiffs. The Court unanimously rejected the Ninth Circuit’s expansive approach to the *Rogers* test, and it is clear that the test cannot be applied automatically merely because a trademark conveys an expressive message. The question of whether the *Rogers* test will survive at all, as Justice Gorsuch stated in his brief concurrence, “remains for resolution another day.”

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