

Jack Daniel's Seeks "Relief" from Supreme Court Following Spat with Dog Toy Creator

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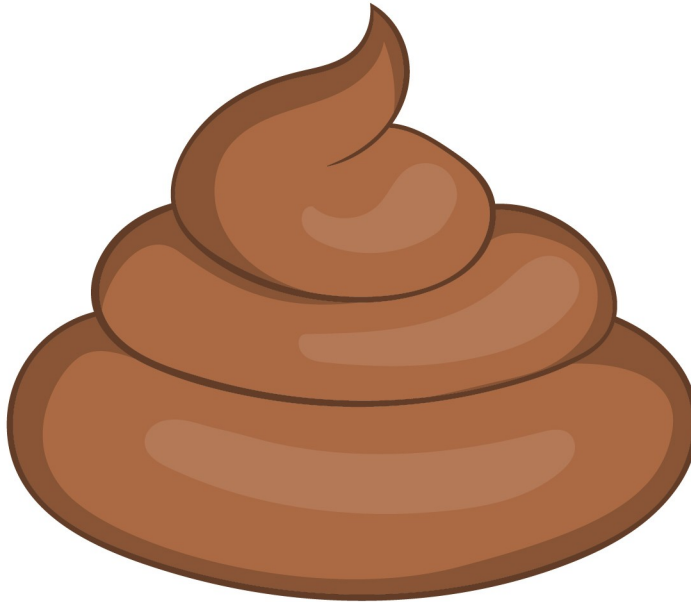


Is humor protected speech? Although the answer might seem like an obvious yes, a dog toy maker's Jack Daniel's bottle lookalike dog chew toy with poop puns blurs the line between freedom of expression and the protection of famous marks.

In 2014, VIP Products LLC began selling a dog chew toy designed to look like the Jack Daniel's whiskey bottle, but bearing the name "Bad Spaniels." In place of the "Old No. 7 Sour Mash Whiskey" that can be found on the famous whiskey bottle, VIP Products' dog toy humorously states "Old No. 2. on your Tennessee Carpet." Jack Daniel's issued a cease and desist letter, which resulted in VIP Products dragging the whiskey maker into court. VIP Products filed a declaratory judgment action in the U.S. District Court for the District of Arizona seeking the court to declare that Bad Spaniels did not infringe or dilute

any trademark rights and that Jack Daniel's trade dress and bottle design were not entitled to trademark protection. Jack Daniel's filed federal and state law counterclaims for infringement and dilution by tarnishment of its trademark and trade dress.

After a four-day bench trial, the District of Arizona found in favor of Jack Daniel's. On January 29, 2018, the district court issued its ruling which held that Jack Daniel's had established the likelihood of consumer confusion and established that the Bad Spaniels dog toy likely tarnished the reputation of Jack Daniel's trademarks by linking a product for human



consumption with dog poop. Notably, the District of Arizona specifically rejected VIP Products' defense that its Bad Spaniels chew toy merited heightened First Amendment protection. VIP Products filed an appeal to the Ninth Circuit.

On March 31, 2020, the Ninth Circuit issued its decision. It did not disturb the district court's factual findings that VIP Products' use of the Jack Daniel's trademarks and trade dress created a likelihood of confusion. Rather, the Ninth Circuit ruled that the Bad Spaniels dog toy merited heightened First Amendment protection, and therefore vacated the district court's judgment in favor of Jack Daniel's and remanded the case for further proceedings. Specifically, the Ninth Circuit found that the Bad Spaniels dog toy—although “surely not equivalent of the *Mona Lisa*”—was an “expressive work” because it communicated a “humorous message.” Because of this finding, the Ninth Circuit used the Second Circuit's framework in *Rogers v. Grimaldi* to analyze whether the Bad Spaniels dog toy violated the Lanham Act. In *Rogers*, actress Ginger Rogers claimed that a movie titled “Ginger and Fred” violated Section 1125(a) of the Lanham Act by creating a false impression that the actress had sponsored the movie. The Second Circuit rejected this claim and reasoned that the expressive element of a movie title warranted more protection than the labeling of ordinary commercial products. Thus, the *Rogers*’ analysis requires a plaintiff claiming trademark infringement to prove not only a likelihood of confusion, but also that the defendant's use of a trademark is “not artistically relevant to the underlying work” or “explicitly misleads consumers as to the source or

content of the work.”

On September 15, 2020, Jack Daniel’s filed a petition for a writ of certiorari with the Supreme Court. In its Petition, Jack Daniel’s highlights the Court of Appeals circuit split regarding the treatment of trademark infringement claims when the use of a famous mark in a commercial product is humorous. As the Petition remarks, the Second, Fourth, Fifth, Seventh, Eighth, and Tenth Circuits do not require a heightened analysis for trademark infringement claims with respect to the humorous use of marks in commercial products. Per Jack Daniel’s, the Ninth Circuit diverged from these circuits by requiring Jack Daniel’s not only to establish likelihood of consumer confusion for trademark infringement, but also to demonstrate that the use of the mark is either “not artistically relevant to the underlying work” or “explicitly misleads consumers as to the source or content of the work.”

As the Petition points out, the Second Circuit has refused to extend the *Rogers*’ analysis to claims involving the humorous use of a mark to sell a competing product. Although Jack Daniel’s does not argue that the Bad Spaniels dog toy competes with its famous whiskey, nevertheless the whiskey maker argues that the dog toy is sold in such a way that consumers are likely to associate it with Jack Daniel’s. The Petition states that the Bad Spaniels dog toy is sold through several retailers that also sell Jack Daniel’s licensed merchandise, and further, VIP Products’ promotional materials feature the dog toy along with a real Jack Daniel’s bottle, all of which could lead to a false conclusion that the two products are related. The Ninth Circuit sidestepped the commercial product aspect of the dog toy. Instead, relying on *Rogers*, the Ninth Circuit held that although VIP Products used Jack Daniel’s trade dress and bottle design to sell its Bad Spaniels dog toy, the use was nonetheless “noncommercial” because it conveyed a “humorous message” and therefore was entitled to First Amendment protection.

Eyes are on the Supreme Court to see if it weighs in on the issue of whether humorous products are entitled to First Amendment protections, and whether it will extend the Second Circuit’s analysis for trademark infringement claims of “expressive works” to VIP Products’ humorous dog toys.