

# 23-123456

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**UNITED STATES COURT OF APPEALS**

*for the*

**SECOND CIRCUIT**

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IN RE “AUCLAIRE”

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ON APPEAL FROM THE UNITED STATES DISTRICT COURT  
FOR THE SOUTHERN DISTRICT OF NEW YORK

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## **I. BACKGROUND**

### **A. Questions Presented**

1. Is *Rogers v. Grimaldi* still precedential law when evaluating trademark infringement under the Lanham Act following the Supreme Court's decision in *Jack Daniel's Props., Inc. v. VIP Prods LLC* delivered on June 8, 2023?

2. If *Rogers v. Grimaldi* is binding precedent, does All Clear, LLC's ("All Clear") use of "Oh! The Toilet No. 2" infringe upon Auclair, Ltd.'s EAU DE TOILETTE NO. 5 mark?

3. Is All Clear's use of the phrase "All Clear Oh! The Toilet No. 2" considered a "designation of source" under the Lanham Act such that it can confer liability under 15 U.S.C. § 1125(c)?

4. If All Clear's use of the phrase "All Clear Oh! The Toilet No. 2" is not a "designation of source" under 15 U.S.C. § 1125(c)(3)(A), is All Clear liable for dilution under 15 U.S.C. § 1125(c)?

### **B. Parties**

Plaintiff/Cross-Appellant Auclair<sup>1</sup> was established in Paris, France, in 1925 by socialite Lili Auclair and since that time has developed a world-recognized slate of beauty and fashion products, including a popular fragrance line. Its "Eau de toilette No. 5" perfume ("No. 5 Perfume") debuted on the European market in the mid-1970s and became a popular (and expensive) import in the United States in the 1980s, but was not officially available for sale here until 2008. Auclair, which had established itself in the 1960s in the United States only as a clothing and fashion company, registered its trademarks for the perfume in the mid-2000s. Auclair's registered

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<sup>1</sup> For convenience Plaintiff/Cross-Appellant Auclair, Ltd. will be referred to as "Auclair".

trademarks in connection with its No. 5 Perfume include the following word marks: (1) AUCLAIR; and (2) EAU DE TOILETTE NO. 5.

Since approximately 2017, its No. 5 Perfume has finally reached a level of popularity and recognition in the U.S. approaching what it had in Europe since its debut. Auclair's products, including its No. 5 Perfume, are currently sold and distributed to consumers online and in high-end luxury retail locations. Auclair's No. 5 Perfume retails for approximately \$100 USD. Auclair's No. 5 Perfume is sold in minimalistic packaging with a clear glass rectangular bottle, which has the Word Marks "Auclair" and "Eau de toilette No. 5" displayed on the front label. The perfume within Auclair's No. 5 Perfume bottle is a pale gold color. A picture of Auclair's No. 5 Perfume is depicted below.



Defendant/Cross-Appellant All Clear<sup>2</sup> was established in 2001 by a group of investors looking to create a small, spunky company devoted to developing and distributing household cleaning supplies, with an emphasis on all-natural formulations. Although it began with standard surface and floor cleaners, it soon moved into a more "modern consumer"-friendly arena that included personal hygiene and bathroom sprays, hand cleansers, and other products for a more mobile, urban clientele targeting the United States market mainly through online retail channels.

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<sup>2</sup> For convenience Defendant/Cross-Appellant All Clear, LLC will be referred to as "All Clear".

All Clear's hand cleansing products retail for up to \$40 USD. In 2015 it debuted its "Oh! The Toilet No. 2" all-natural toilet fragrance spray, similar to the Poo-Pourri line of toilet sprays but with an all-natural formulation. Reviews of the product on online retail channels are generally favorable, specifically citing the product's smell and quality. Although the name of the product is obviously a play on the famous perfume, it does not incorporate the logo used by Auclair Ltd. or mimic the shape of its perfume's bottle or packaging. The packaging for All Clear's "Oh! The Toilet No. 2" spray displays a water wave on it and states "All Clear" in 16pt font on the label with "Oh! The Toilet No. 2" spray in smaller 12pt font underneath it. The liquid in the "Oh! The Toilet No. 2" spray is a bright purple color. A picture of the packaging for All Clear's "Oh! The Toilet No. 2" spray is depicted below. All Clear's other hand cleansing products do not play on famous perfumes or products.



### **C. Procedural Background**

In February 2016, Plaintiff Auclair filed suit in the U.S. District Court for the Southern District of New York ("District Court") against All Clear alleging federal trademark infringement and dilution by tarnishment of its AUCLAIRE and EAU DE TOILETTE NO. 5 trademarks by the advertisement and sale of All Clear's "Oh! The Toilet No. 2" spray. After the conclusion of discovery, both Auclair and All Clear cross moved for summary judgment under Federal Rule of

Civil Procedure 56. The District Court granted summary judgment in favor of All Clear and dismissed Auclair's trademark infringement and dilution claims.

Auclair then appealed the District Court's holding to the U.S. Court of Appeals for the Second Circuit, which reversed the District Court's summary judgment order after reviewing the District Court's application of *Rogers v. Grimaldi*, and the "non-commercial use" provision of the Federal Trademark Dilution Act ("FTDA") *de novo*.

Following the Second Circuit's decision, All Clear appealed to the U.S. Supreme Court where the Court remanded the parties' litigation to the District Court in light of its decision in *Jack Daniel's Props., Inc. v. VIP Prods LLC*.

On remand, the District Court found:

(1) All Clear had infringed Auclair's trademarks under the test articulated in *Rogers v. Grimaldi*; and

(2) All Clear's use of Oh! The Toilet No. 2 did not dilute or tarnish Auclair's trademarks because they were sufficiently distinguishable.

Both parties appealed the District Court's holdings.

#### **D. Legal Standard**

The Court of Appeals for the Second Circuit has jurisdiction to hear this appeal from the final decision of the District Court pursuant to 28 U.S.C. §1291.

##### **1. Trademark Infringement**

The Lanham Act, the core federal trademark statute, defines a trademark as follows: "[A]ny word, name, symbol, or device, or any combination thereof" that a person uses "to identify and distinguish his or her goods . . . from those manufactured or sold by others and to indicate the source of the goods." 15 U.S.C. §1127; *Jack Daniel's Properties, Inc. v. VIP Products LLC*, 143

S. Ct. 1578, at \*2 (2023).<sup>3</sup> The Lanham Act creates a federal cause of action for trademark infringement where the plaintiff has a protectable mark, and the defendant’s use of the “allegedly infringing mark would likely cause confusion as to the origin or sponsorship of the defendant’s goods with the plaintiff’s goods.” *Starbucks Corp. v. Wolfe’s Borough Coffee, Inc.*, 588 F.3d 97, 114 (2d Cir. 2009) (citing cases).

“Where the defendant's product is artistic or expressive, courts have interpreted the Lanham Act narrowly in order to avoid suppressing protected speech under the First Amendment[,]” and have implemented a test articulated in *Rogers v. Grimaldi*. See *AM Gen. LLC v. Activision Blizzard, Inc.*, 450 F. Supp. 467, 477 (S.D.N.Y. 2020) (citing *Rogers v. Grimaldi*, 875 F.2d 994 (2d Cir. 1989)). Under the *Rogers* test, courts must evaluate: (1) whether the use of the trademark(s) at issue has any “artistic relevance to the underlying work”; and (2) if so, whether the use “explicitly misleads as to the source or the content of the work.” See *AM Gen. LLC*, 450 F. Supp. at 477-48 (citing *Rogers*, 875 F.2d at 999-1001).

Recently, the Supreme Court has provided guidance concerning when a plaintiff must satisfy the *Rogers* threshold test before the case could proceed to the Lanham Act’s likelihood-of-confusion inquiry and has held that “[w]ithout deciding whether *Rogers* has merit in other contexts,” a claimant does not need to satisfy the *Rogers* test “when an alleged infringer uses a trademark in the way the Lanham Act most cares about: as a designation of source for the infringer’s own goods.” See *Jack Daniels*, 143 S. Ct. at \*10; 15 U.S.C. § 1127; *supra*, at 2–3. While the majority opinion of the Court in *Jack Daniels* did “not decide whether the *Rogers* test is ever appropriate”, a concurring opinion by Justice Gorsuch called upon lower courts to re-

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<sup>3</sup> As this decision is currently unpublished page citations refer to the PDF opinion issued by the United States Supreme Court on June 8, 2023.



evaluate the validity of *Rogers* as applied to claims of trademark infringement. *See Jack Daniels*, 143 S. Ct. at \*27 (J. Gorsuch, Concurring).

## 2. Trademark Dilution

“[T]he Lanham Act creates a cause of action for the dilution of famous marks, which can succeed without likelihood of confusion.” *Jack Daniels*, 143 S. Ct. at \*4 (citing §1125(c); *Moseley v. V Secret Catalogue*, 537 U. S. 418, 431 (2003)). To establish a claim for dilution under the FTDA, a claimant must show: (1) its mark is famous; (2) the defendant is making commercial use of the mark in commerce; (3) the defendant’s use began after the mark became famous; and (4) the defendant’s use of the mark dilutes the quality of the mark by diminishing the capacity of the mark to identify and distinguish goods and services. *See Savin Corp. v. Savin Grp.*, 392 F.3d 439, 448-49 (2d Cir. 2004) (citing cases).

A famous mark is one “widely recognized” by the public as “designati[ng the] source” of the mark owner’s goods. §1125(c)(2)(A).<sup>4</sup> Dilution can occur by tarnishment where an “association arising from the similarity between” two marks—one of them famous—may “harm[] the reputation of the famous mark,” and thus make the other mark’s owner liable. *Jack Daniels*, 143 S. Ct. at \*4. Under the Federal Trademark Dilution Act there are exclusions for activities using a famous mark such that they are “not actionable dilution”, including protection for the following actions: (1) “noncommercial use of a mark” (15 U.S.C. §1125(c)(3)(C)), and (2) “fair use” of a mark “in connection with . . . parodying, criticizing, or commenting upon the famous mark owner or [its] goods.” *See* 15 U.S.C. §1125(c)(3)(A)(ii).

The non-commercial use exception under 15 U.S.C. §1125(c)(3)(C) “incorporates the concept of commercial speech from the commercial speech doctrine.” *Chooseco LLC v. Netflix*,

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<sup>4</sup> The issue of “fame” as it applies to Auclair’s trademarks has not been raised by the cross-appellants on appeal. As such, argument as to the “fame” of Auclair’s trademarks is omitted from this memorandum.

*Inc.*, 439 F. Supp. 3d 308, 324 (D. Ver. 2020) (quoting *Mattel, Inc. v. MCA Records*, 296 F.3d 894, 906 (9th Cir. 2002)). Commercial speech is that “which does ‘no more than propose a commercial transaction.’” *Bolger v. Youngs Drug Prods. Corp.*, 463 U.S. 60, 66 (1983) (internal citations omitted). There are some forms of speech which contain commercial and non-commercial elements. *Bad Frog Brewery v. New York State Liquor Auth.*, 134 F.3d 87, 97 (2d Cir. 1998). These forms of communication should be treated as commercial speech when “the communication is an advertisement,” when “the communication makes reference to a specific product,” or when “the speaker has an economic motivation for the communication.” *Bad Frog Brewery*, 134 F.3d at 97.

When evaluating whether use of a mark is “fair use”, “[t]he statute does not define ‘parody,’ but courts have explained that a ‘parody’ 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.’” *Louis Vuitton Malletier, S.A. v. My Other Bag, Inc.*, 156 F. Supp. 3d 425, 434 (S.D.N.Y. 2016) (citing *Louis Vuitton Malletier S.A. v. Haute Diggity Dog, LLC*, 507 F.3d 252, 260 (4th Cir.2007) (“Haute Diggity Dog”)). “A parody must convey two simultaneous – and contradictory messages: that it is the original, but also that it is *not* the original and is instead a parody.” *Id.*, at 434 (quoting *Cliffs Notes, Inc. v. Bantam Doubleday Dell Publ'g Grp., Inc.*, 886 F.2d 490, 494 (2d Cir.1989)).

The “not actionable dilution” exclusions under the FTDA, including the fair use exclusions, do not apply where a junior user’s use of the senior user’s mark is used “as a designation of source for the person’s own goods or services.” 15 U.S.C. §1125(c)(3)(A); *Jack Daniels*, 148 S. Ct. at \*19. When analyzing “whether a particular use is made ‘as a mark’, [courts within the Second Circuit] ask whether the defendant is using the ‘term as a symbol to attract public attention.’” *Kelly-*

*Brown v. Winfrey*, 717 F.3d 295, 306 (2d Cir. 2013) (citing *JA Apparel Corp. v. Abboud*, 568 F.3d 390, 400 (2d Cir. 2009)). “When determining whether a defendant has used something ‘as a mark’, [courts] must conduct a close examination of the content and context of the use.” *Kelly-Brown*, 717 F.3d at 306.

## **II. ARGUMENT BY DEFENDANT ALL CLEAR, LLC**

### **A. *Rogers v. Grimaldi* Remains Good Law.**

In *Jack Daniel’s*, the Supreme Court held that the test set forth in *Rogers v. Grimaldi* does not apply in trademark infringement cases where the challenged designation is used as a source identifier – meaning, it is used as a trademark. *Jack Daniel’s Props., Inc. v. VIP Prods. LLC*, 143 S.Ct. 1578, 1579 (2023). While the *Rogers* test does not apply in such cases, the majority reiterated that it “takes no position” on *Rogers*’ “merit in other contexts.” *Id.* at 1579, 1587. The Gorsuch concurrence questioned *Rogers*’ status going forward. But the *Rogers* test remains, and should remain, binding precedent when evaluating trademark infringement under the Lanham Act because (1) the Supreme Court decided not to overrule it; (2) *Rogers* is a cabined doctrine historically applied in a manner consistent with the *Jack Daniel’s* decision; and (3) *Rogers* appropriately balances First Amendment and Lanham Act protections.

#### **1. The Supreme Court’s Narrow Holding Preserved The *Rogers* Test.**

*Rogers* remains good law because the Supreme Court took no position on its merits when a challenged mark is not used as a source identifier. *See id.* at 1588. The *Jack Daniel’s* majority emphasized that its only holding on infringement was that the *Rogers*’ test “is not appropriate when the accused infringer has used a trademark to designate the source of its own goods – in other words, has used a trademark as a trademark.” *Id.* at 1583. Therefore, courts can continue to apply *Rogers* when a mark is not used as a source identifier. The Supreme Court has not said more, and this Court should not attempt to read *Jack Daniel’s* more broadly. *See Doscher v. Sea*

*Port Group Securities, LLC*, 832 F.3d 372, 378 (2d Cir. 2016) (“If a . . . particular Supreme Court decision does not cast sufficient doubt on our precedent, the precedent continues to be binding.”).

**2. The Supreme Court Recognizes The *Rogers* Test As A Cabined Doctrine Whose Application Is With Its *Jack Daniel’s* Decision.**

The *Rogers* test is a “cabined doctrine,” applied in the limited circumstances where a challenged mark is exclusively used to perform an expressive function, and thus consistent with the Supreme Court’s holding in *Jack Daniel’s*. *Id.* at 1588. The Supreme Court recognized that “[o]ver the decades, the lower courts adopting *Rogers* have *confined* it to . . . cases . . . in which a trademark is used not to designate a work’s source, but *solely* to perform some other expressive function.” *Id.* at 1587 (emphasis added). For example, the Ninth Circuit applied *Rogers* “use of the Barbie name [in a song] was not [used] as a source identifier” because the “use did not speak to the song’s origin.” *Id.* at 1588 (citing *Mattel, Inc. v. MCA Records, Inc.*, 296 F.3d 894, 900, 902 (9th Cir. 2002)). The Supreme Court explained that lower courts consistently apply *Rogers* as a cabined doctrine. *Id.*

To emphasize *Rogers* as a cabined doctrine, the Court noted that lower courts have not applied *Rogers* when a mark is used as a source identifier, and instead analyze likelihood of confusion. *Id.* (noting the Ninth and Eleventh Circuits assessments). Notably, the Court recognized that the Second Circuit refused to apply *Rogers* when an alleged infringer used a trademark “as a mark . . . to suggest the same source identification,” even if such use had an expressive function. *Id.* In fact, Judge Newman, the author of *Rogers*, refused to apply the *Rogers* test in a later case for the same reason. *Id.* (citing *Harley-Davidson, Inc. v. Grottanelli*, 164 F.3d 806, 812-813 (2d Cir. 1999)).

Arguments that *Rogers* allows for application outside the limits of its “cabined doctrine” are incorrect. For instance, the Ninth Circuit in *Jack Daniel’s* interpreted *Rogers* to mean the First

Amendment requires its application when a challenged mark has any expressive content, even if it is used as a source identifier. *Id.* at 1579. But the Supreme Court clarified that First Amendment concerns do not “create a nearly absolute privilege for artistic works, insulating them from Lanham Act claims as long as the film itself is an artistic work.” *Rogers*, 875 F.2d 994 at 997. Indeed, prior to the Ninth Circuit’s holding in *Jack Daniel’s*, all lower court decisions have followed suit in interpreting *Rogers* as inapplicable when the challenged mark is used as a mark, even if it serves an expressive function calling for First Amendment protection. *Jack Daniel’s*, 143 S.Ct. at 1588. The Solicitor General agreed the Ninth Circuit was mistaken in its reading of the *Rogers* test as a “threshold test to be required by the First Amendment.” Brief for United States as Amicus Curiae at 23, *Jack Daniel’s Prods., Inc., v. VIP Prods. LLC*, No. 22-148 (2023) (“Br. for the U.S.”). The Supreme Court’s reversal of the Ninth Circuit’s decision in *Jack Daniel’s* underscores how *Rogers* should be interpreted – as a doctrine with limited application in specific circumstances.

### **3. The *Rogers* Test Appropriately Balances First Amendment Protections With The Lanham Act.**

*Rogers* enables courts to balance the First Amendment against the Lanham Act’s protection of trademarks from consumer confusion. After finding that a challenged mark is not used as a source identifier, courts applying the *Rogers* test must consider whether the use of the challenged mark “has no artistic relevance to the underlying work” or “explicitly misleads as to the source or the content of the work.” *Rogers*, 875 F.2d 994 at 999. The first prong addresses First Amendment concerns. The second incorporates the Lanham Act’s goals of “facilitating consumers’ choice and protecting producers’ good will.” *Jack Daniel’s*, 143 S.Ct. at 1584. Courts must consider both prongs in assessing infringement. For instance, the Second Circuit remanded a case applying the *Rogers* test because the district court failed to analyze this second prong the first time. *Twin Peaks Prods., Inc. v. Pubs. Intern., Ltd.*, 996 F.2d 1366, 1379 (2d Cir. 1993).

There is no basis for the Solicitor General’s concern that “the Lanham Act’s likelihood-of-confusion standard already accounts for First Amendment interests, and superimposing the *Rogers* test – plucked from a materially different context – is particularly unwarranted.” Br. for the U.S. at 23. In *Gordon v. Drape Creative, Inc.*, the Ninth Circuit found that “where artistic expression is at issue, we have expressed concern that the traditional [Lanham Act’s likelihood-of-confusion test] fails to account for the full weight of the public’s interest in free expression.” 909 F.3d 257, 264 (9th Cir. 2018) (applying both prongs of the *Rogers* test, addressing both First Amendment and Lanham Act concerns). In doing so, the court emphasized it “must remain mindful of the purpose of the *Rogers* test, which is to balance ‘the public interest in avoiding consumer confusion’ against ‘the public interest in free expression.’” *Id.* at 269 (citing *Rogers* 875 F.2d 994 at 999). The court did not weigh First Amendment concerns more than Lanham Act concerns, as it extensively considered whether there was consumer confusion and in fact found that it could not decide as a matter of law that the use of the challenged mark in its case was not explicitly misleading. *Id.* at 269, 271 (the *Rogers* test is “not a mechanical test – all of the relevant acts and circumstances must be considered”). Meanwhile, the Sixth Circuit, after debating which test to apply, also adopted *Rogers*, finding it the “most appropriate method to balance the public interest in avoiding consumer confusion with the public interest in free expression.” *Parks*, 329 F.3d at 450. By considering both prongs, courts applying the *Rogers* test “strike an appropriate balance between First Amendment interests in protecting artistic expression and the Lanham Act’s purposes to secure trademark rights.” *Gordon*, 909 F.3d at 264.

*Rogers*’ second prong is not skewed towards protecting First Amendment concerns even though “the likelihood of confusion must be ‘particularly compelling’ to outweigh the First Amendment interests at stake.” *Westchester Media v. PRL USA Holdings, Inc.*, 214 F.3d 658, 665

(5th Cir. 2000). Because *Rogers* only applies when the challenged mark is solely used for an expressive function, there is already a low or “slight” risk of consumer confusion. *Rogers*, 875 F.2d at 1000. Therefore, regardless of the heightened likelihood of confusion standard, it is unlikely a court applying either *Rogers* or the standard infringement analysis would find infringement where the mark is not used as a source identifier. Moreover, courts applying this “particularly compelling” standard do not always find non-infringement. For example, the Fifth Circuit, applying the “particularly compelling” standard, found the use of the POLO mark was likely to cause confusion and thus infringed the trademark rights of the Ralph Lauren POLO brand. *Westchester*, 214 F.3d at 665-668. Thus, *Rogers*’ second prong does not always skew in favor of the First Amendment at the expense of trademark owners. In applying *Rogers*, courts must, and do, seriously consider whether the use of the mark is likely to cause confusion and appropriately weigh such likelihood against First Amendment protections. This attempts to balance these competing concerns in line with the Lanham Act’s goals.

**B. “Oh! The Toilet No. 2” Does Not Infringe Auclair’s Mark.**

The district court’s decision that All Clear’s use of “Oh! the Toilet No. 2” infringed should be reversed. First, as All Clear does not use “Oh! The Toilet No. 2” to identify source, *Rogers* applies. Under *Rogers*, All Clear’s use of “Oh! the Toilet No. 2” is artistically relevant and not explicitly misleading, defeating the infringement claim. Second, there is no likelihood of confusion, and thus no infringement, regardless of whether *Rogers* applies.

**1. “Oh! The Toilet No. 2” Does Not Infringe Under *Rogers*.**

**a) *Rogers* Applies Because All Clear Does Not Use “Oh! The Toilet No. 2” As Source Identifier.**

The two-part *Rogers* test balances the competing interests of preventing consumer confusion and free expression under the First Amendment. This Court has held that *Rogers* applies

to expressive works unless there is (1) “no artistic relevance to the underlying work whatsoever” or (2) in cases where “it has some artistic relevance, unless the title explicitly misleads as to the source or the content of the work.” *Rogers*, 875 F.2d at 999. First, the court must also determine whether “Oh! the Toilet No. 2” is used as a source identifier. In *Jack Daniel’s*, the Supreme Court held that where a trademark is used to indicate the source of goods, the *Rogers* test does not apply. Thus, parties cannot defend against infringement claims under First Amendment principles if the defendant uses a plaintiff’s mark *as a mark*. See *Jack Daniel’s*, 143 S. Ct. at 1583.

All Clear does not use “Oh! the Toilet No. 2” to identify the source of its product. Therefore, *Rogers* applies. Courts have distinguished between uses of a mark “for an expressive purpose such as commentary, comedy, parody, news reporting or criticism,” and uses of a mark to identify the source of a message.” *SMJ Grp., Inc. v. 417 Lafayette Rest. LLC*, 439 F. Supp. 2d 281, 291 (S.D.N.Y. 2006). And the presence of its own trademark militates against finding that the mark at issue is used as a source-indicator. See *Kelly-Brown v. Winfrey*, 717 F.3d 295, 306, 310 (2d Cir. 2013). Further, non-trademark usage of a parody occurs when the designation is used to comment upon, or ridicule the trademark owner. See, e.g., *Hilfiger*, 221 F. Supp. 2d at 414. “Oh! the Toilet No. 2” does not identify All Clear as a brand; it correctly denotes itself as the source.

**b) *Rogers* Applies: All Clear Uses “Oh! The Toilet No. 2” for Parody.**

Parody is a form of artistic expression to which the *Rogers* test applies. See, e.g., *Cliffs Notes*, 886 F.2d at 493-94. In an effective parody, a mark must be used to simultaneously target the plaintiff’s mark while also expressing a parodic message. See *Harley-Davidson, Inc. v. Grottanelli*, 164 F.3d 806, 813 (2d Cir. 1999). “Oh! the Toilet No. 2” is a classic parody: it juxtaposes the different impressions communicated by two products – “Eau de Toilette No. 5” is associated with luxury and refinement, “Oh! the Toilet No. 2” is associated with the bathroom.



And All Clear’s use of toilet humor for parody expresses a humorous message to its customers. It is apparent All Clear wants to give its customers a reason to laugh and not take things too seriously.

**c) “Oh! The Toilet No. 2” Does Not Explicitly Mislead Consumers.**

Under prong two of *Rogers*, a mark is explicitly misleading if it induces the public to believe the work was prepared or authorized by the plaintiff. To determine whether the use is misleading, the Second Circuit applies the likelihood of confusion factors set out in *Polaroid Corp. v. Polarad Electronics Corporation*, 287 F.2d 492 (2d Cir. 1961). As finding confusion under *Rogers* requires a “particularly compelling” likelihood of confusion to defeat the First Amendment defense, it is more difficult to satisfy than the traditional *Polaroid* test, which only requires a likelihood of consumer confusion. *Id.* at 495. Thus, where, as here, a plaintiff fails to demonstrate likelihood of confusion under *Polaroid*, an infringement claim will also fail under *Rogers*.

**2. There Is No Likelihood of Confusion Regardless Of Whether *Rogers* Applies.**

There is no likelihood of consumer confusion under *Polaroid*, regardless of whether the *Rogers* test applies. In *Polaroid*, the Second Circuit outlined eight factors to analyze for likelihood of confusion: (1) strength of the senior user’s mark; (2) similarity of the parties’ marks; (3) proximity of the parties’ goods and services in the marketplace; (4) likelihood that the senior user will bridge the gap between the parties’ goods and services; (5) actual consumer confusion between the parties’ marks; (6) the junior user’s intent in adopting its mark; (7) quality of the junior user’s goods and services; (8) sophistication of the relevant consumer group. *Id.* at 495.

When evaluating the *Polaroid* factors, courts apply special consideration in the case of a parody. A “trademark’s expressive message – particularly a parodic one . . . may properly figure in assessing the likelihood of confusion.” *Jack Daniel’s*, 143 S. Ct. at 1591. Consideration of parody generally weighs slightly in favor of the defendant as parodies are less likely to generate

confusion as to the source of the product. *Jack Daniel's*, 143 S. Ct. at 1587. This is true even when the use of the mark is as a source-identifier. *Id.* at 1587 n.2.

The strength of Auclair's mark does not weigh in its favor, because a strong mark may point *against* likelihood of confusion when the defendant's use is a parody. *See Hormel Foods Corp. v. Jim Henson Prods., Inc.*, 73 F.3d 497, 502-03 (2d Cir. 1996). While a strong mark generally points toward a likelihood of confusion, "the opposite can be true" where it is used as part of a parody. *See Hormel Foods*, 73 F.3d at 502-03. This factor does not weigh in Auclair's favor. First, "Eau de Toilette No. 5" is inherently weak. "Eau de Toilet" is a genus of perfume – a less concentrated formula of perfume. *See Merriam-Webster Dictionary, eau de toilette* (11th ed. 2011). While the mark may have acquired strong secondary meaning, it has low inherent distinctiveness. To this point, it only achieved sufficient secondary meaning for U.S. registration in the mid-2000s. *See supra* page 2. Moreover, given All Clear's parodic use of the mark, acquired strength weighs against a likelihood of confusion finding, as the public is less likely to be confused when encountering All Clear's parodic allusion to the mark. *See Hilfiger*, 221 F. Supp.2d at 416.

The context in which the marks are presented is clearly dissimilar. Context is critical for parodies; they must convey both the original mark and new meaning. *See Cliffs Notes*, 886 F.2d at 494. While parodies possess similarities to the mark being parodied, a successful parody also requires "equally obvious dissimilarit[ies] between the marks," such as color, shape, and design features, to produce its desired effect. *Hilfiger*, 221 F. Supp. 2d at 417; *see also* 6 McCarthy on Trademarks and Unfair Competition § 31:155 (5th ed.). Here, stark differences in the products' appearance differentiate them. All other features of the All Clear's product – the wave logo, bottle shape, cap design, bottle color, and printed design on the bottle – differentiate it from Auclair's product. There is enough similarity to communicate a parody, but not enough for confusion.

There are significant differences in the products' use, character, price, and target customers. While both the products are fragrances, they do not occupy the same market. The products have different uses – one is perfume and the other is sprayed into a toilet bowl. *Hilfiger*, 221 F. Supp.2d at 418 (“Because pet perfume is for use on pets, not humans, the products “differ in essential character”). The products are sold at different price points: All Clear’s toilet spray is \$40; Auclair’s perfume is \$100. They target different consumers: All Clear targets “mobile,” “modern,” “urban” clientele and primarily reaches consumers online; Auclair is a luxury brand sold to older, affluent clientele. Finally, the average, prudent consumer would not consider these products to be substitutes. Moreover, courts are less likely to find likelihood of confusion where a parody does not compete with the parodied product. *Harley–Davidson*, 164 F.3d at 812-13.

As a high-end fashion and beauty company, it is unlikely that the Auclair will bridge the gap by marketing toilet sprays. And it is highly unlikely that Auclair would do so at a low enough price-point to enter the same market that “Oh! the Toilet No. 2” resides. Auclair’s dilution claim suggests this is precisely the type of product with which Auclair **does not** want to be associated.

No actual confusion has occurred, which weighs in All Clear’s favor. When consumers have been exposed to allegedly similar trademarks “for an adequate period of time and no actual confusion is detected either by survey or in actual reported instances of confusion, that can be powerful indication that the junior trademark does not cause a meaningful likelihood of confusion.” *Nabisco, Inc. v. PF Brands, Inc.*, 191 F.3d 208, 228 (2d Cir. 1999). Here, Auclair has offered no evidence of actual confusion despite both products existing in the marketplace between 2015 and February 2016.

All Clear has not acted in bad faith. Bad faith is characterized as “an intent to capitalize on consumer deception or hitch a free ride on a plaintiff’s good will. *See Yankee Pub. Inc. v. News*

*Am. Pub. Inc.*, 809 F. Supp. 267, 273 (S.D.N.Y. 1992). Moreover, intent to parody is generally not considered an intent to confuse, but to amuse. *See Hilfiger*, 221 F. Supp. at 419. Further, noted dissimilarity in the product appearance does not suggest intent to confuse consumers.

All Clear’s positive customer reviews make clear that both products are high quality. Thus, this factor may favor All Clear, but only slightly. *See Hormel Foods*, 73 F.3d at 505.

As sophisticated purchasers of a luxury perfume, the customers of “Eau de Toilette No. 5” are sophisticated, and not likely to be confused by the presence of “Oh! the Toilet No. 2” in the marketplace. Consumers who purchase luxury products, like designer fragrance, are sophisticated – lessening the likelihood of confusion. *Hilfiger*, 221 F. Supp. at 410; *see also Charles of the Ritz*, 832 F.2d at 1323 (a high price point “requires buyers to exercise care . . . and such sophistication generally militates against a finding of confusion”).

It is clear that the *Polaroid* factors weigh in favor of non-infringement.

### **C. All Clear’s “Oh! The Toilet No. 2” Is Not A Designation Of Source.**

Dilution liability under 15 U.S.C. § 1125(c) may not incur when the use of a mark is not as a designation of source for the user’s own goods or services. *See Jack Daniels Props., Inc. v. VIP Prods. LLC*, 143 S. Ct. 1578, 1592 (2023). “To determine if a defendant is using the challenged term or phrase as a trademark, courts examine whether a defendant’s use is designed to indicate the source or origin of consumer products.” *JA Apparel Corp. v. Abboud*, 682 F. Supp. 2d 294, 310 (S.D.N.Y. 2010) (internal quotation marks omitted) (dismissing the plaintiff’s dilution claim). Here, Defendant uses Plaintiff’s mark only as part of a clever and humorous play on words without designating the source of the toilet spray.

#### **1. All Clear’s “Oh! The Toilet No. 2” Is A Parodic Play On Words That Indicates The Function Of The Product.**

The purpose of Defendant's product being named All Clear's "Oh! The Toilet No. 2" ("All Clear's No. 2") is to parody Plaintiff's Auclair's "Eau de Toilette No. 5" ("Auclair's No. 5") through a play on words, not to designate Defendant as the source. "Under the statute's plain language, parodying a famous mark is protected by the fair use defense only if the parody is not 'a designation of source for the person's own goods or services.'" *Louis Vuitton Malletier, S.A. v. My Other Bag, Inc.*, 156 F. Supp. 3d 425, 438, 445 (S.D.N.Y. 2016) (quoting *Louis Vuitton Malletier S.A. v. Haute Diggity Dog, LLC*, 507 F.3d 252, 266 (4th Cir. 2007) (granting summary judgment to the defendant on all claims, including dilution). In *My Other Bag*, the defendant was using Louis Vuitton's brand on its tote bags, which the court found was the very purpose of the parody as compared to promoting the bag itself. *See Louis Vuitton Malletier, S.A. v. My Other Bag, Inc.*, 674 Fed. Appx. 16, 18 (2d Cir. 2016). Similarly here, Defendant openly parodies Auclair's No. 5, but does so only for the purpose of creating a parody that also indicates the product's function. Auclair focuses on luxurious beauty and fashion products, with No. 5 being a luxury perfume. This luxury perfume is not to be mistaken with All Clear's No. 2, an all-natural toilet fragrance spray as hinted by the bathroom puns within its name. Had All Clear been attempting to designate source, it would have done more to indicate its brand than just create a parodic name that shows the purpose of the product. *See Rogers v. Grimaldi*, 875 F.2d 994, 1000 (2d Cir. 1989) ("Since consumers expect an ordinary product to be what the name says it is, we apply the Lanham Act with some rigor to prohibit names that misdescribe goods."). A reasonable consumer would not believe that Defendant's product plays on the perfume's name with a functional purpose to designate source.

"[T]he Second Circuit [] takes into account the purpose behind trademark law, and allows greater latitude for works such as parodies, in which expression, and not commercial exploitation

of another’s trademark, is the primary intent. . . .” *Tommy Hilfiger Licensing, Inc. v. Nature Labs, LLC*, 221 F. Supp. 2d 410, 414-15 (S.D.N.Y. 2002) (internal quotation marks omitted). In *Tommy Hilfiger*, the defendant created a pet perfume that was a parody of an original designer fragrance. However, the defendant created enough dissimilarities as compared to the original to produce the desired parodic effect to avoid exploiting the plaintiff’s brand and to warrant dismissal of the plaintiff’s dilution claims. *See id.* at 417-18, 423. Nature Labs used a dog-related pun combined with a play on the plaintiff’s name to market its dog perfume. Here, Defendant uses a bathroom-related pun that plays on Plaintiff’s name to market its toilet fragrance spray while likewise selling a dissimilar product.

Defendant’s use of the Auclaire perfume name does not designate source because the use was for the sake of parody focusing on creative humor while also denoting the function of All Clear’s No. 2. Therefore, Defendant’s use does not designate the source of the product.

## **2. The Product Is Presented In A Way That Does Not Designate Source.**

Defendant does not market and present All Clear Oh! The Toilet No. 2 in a way that designates the source of the product. “When determining whether a defendant has used something ‘as a mark,’ [the court] must conduct a close examination of the content and context of the use.” *Kelly-Brown v. Winfrey*, 717 F.3d 295, 306 (2d Cir. 2013). The presentation of All Clear’s No. 2, especially in reference to the rest of All Clear’s products, shows that Defendant is not trying to source-identify when playing on the name of Plaintiff’s product.

In *Jack Daniels*, the Court noted that the fair-use exclusion statute does not apply to uses that are designations of source, and further held that the “noncommercial use” exclusion similarly does not shield source-identifying uses. *See Jack Daniels*, 143 S. Ct. at 1592. Applying these positions, the Court found the defendant’s use of a famous mark to be source-identifying because

of the way it marketed its parodic product and the rest of its product line. *See id.* at 1591. The defendant included a hangtag on the product with its company logo and a logo that marked a line of similar parodic products. Here, Defendant’s presentation of its toilet-cleansing product does not identify the source because it does not include a logo like the defendant’s toy in *Jack Daniels*.

Despite including the company name on the bottle, the seemingly innocuous “All Clear” name helps to indicate that the function of the spray is to clear up any lingering odors. Without a logo and given the rest of the name of the product, the consumer would likely believe the name as a whole solely constitutes a parody of Plaintiff’s perfume. The name stands to show that the toilet spray is used to remove any foul odors. *See JA Apparel Corp. v. Abboud*, 682 F. Supp. 2d at 311 (When determining if a defendant is using the challenged term or phrase as a trademark, “[c]ourts should [] consider the physical nature of the use in terms of size, location, and other characteristics. . . .”).

Furthermore, another reason the defendant’s use in *Jack Daniels* was source-identifying was because the defendant similarly produced other products that parodied other famous marks and products with a line of toys it called Silly Squeakers. Contrast that use with Defendant’s use here—Defendant’s lone parodic product name, a toilet spray that plays on the name of a famous mark. Defendant’s other products do not parody other famous perfumes or products.

In *Kelly-Brown v. Winfrey*, the court found that the defendants used the plaintiff’s trademarked phrase across various forms of media to try to develop an association with the phrase, and thus could not demonstrate their use of the phrase was not as a mark. *See Kelly-Brown v. Winfrey*, 717 F.3d 295, 310-11 (2d Cir. 2013). Defendant’s use of Auclair’s mark differs from the use in *Kelly-Brown* because it is a parody and the use is in a singular instance. If Defendant played on Auclair’s mark or other famous marks across several of its consumer products, possibly

then it would have formed a source-identifying function with a parodic name like Oh! The Toilet No. 2.

All Clear's use of Auclair's mark here does not designate source because Oh! The Toilet No. 2 only uses the mark in name without an associated company logo and it is not a member of a larger product line that parodies in a similar fashion. All Clear's No. 2 is the sole instance that Defendant uses parody to market a product, and thus it fails to acquire a source-identifying function with a singular use. Therefore, a consumer would not come across the toilet spray and find it to be source identifying. *See Jack Daniels*, 143 S. Ct. at 1593 (“[O]ur holdings turn on whether the use of a mark is serving a source-designation function.”).

Respectfully, this Court should find that All Clear's use of the phrase “All Clear Oh! The Toilet No. 2” is not a “designation of source” under 15 U.S.C. § 1125(c)(3)(A), and therefore not subject to liability under 15 U.S.C. § 1125(c).

**D. All Clear Is Not Liable For Dilution Under 15 U.S.C. § 1125(c).**

Because All Clear's use is not a designation of source, the Court should find no liability for dilution. All Clear's “Oh! The Toilet No. 2” does not dilute by blurring or dilute by tarnishment Auclair's “Eau de toilette No. 5” at least because (1) All Clear's “Oh! The Toilet No. 2” is a bathroom pun involving a play on words, (2) All Clear's “Oh! The Toilet No. 2” is a parody of, and is sufficiently distinguishable from, All Clear's No. 2 *toilet spray* from Auclair's No. 5 *luxury perfume*, and (3) All Clear's “Oh! The Toilet No. 2” is a non-commercial use. Although there are certain similarities between All Clear's No. 2 and Auclair's No. 5, the two products have to be viewed holistically, including the product and product packaging, not just the words on the products. *Coach Services, Inc. v. Triumph Learning LLC*, 668 F.3d 1356 (Fed. Cir. 2012). Further, Auclair's No. 5 would not suffer any harm to the distinctiveness of its mark because no reasonable



person would associate All Clear's No. 2 with Auclair's No. 5 when purchasing a bottle of Auclair's No. 5, let alone suffer any tarnishment. Moreover, All Clear's No. 2 is a non-commercial use and further a non-commercial speech because it is used only to sell the toilet spray product and nothing else, much like in *Mattel v. MCA Records* in which the "Barbie Girl" song was found to be a non-commercial use as a social commentary, parody, and only selling the song itself. *Mattel, Inc. v. MCA Records, Inc.*, 296 F.3d 894, (9<sup>th</sup> Cir. 2002). Thus, All Clear's "Oh! The Toilet No. 2" falls within the fair use or non-commercial use exceptions.

In the event that this Court finds that All Clear's use was a designation of source where the exceptions would not apply, All Clear's No. 2 is sufficiently distinguishable from Auclair's No. 5 to avoid liability for dilution.

**1. All Clear's "Oh! The Toilet No. 2" Is A Bathroom Pun That Does Not Create An Association With Or Dilute Auclair's "Eau De Toilette No. 5" Under 15 U.S.C. § 1125(c).**

All Clear's "Oh! The Toilet No. 2" is a humorous bathroom pun involving a play on words, thus it is not actionable as dilution by blurring or dilution by tarnishment under 15 U.S.C. §1125(c) as there is no intent to create an association with Auclair's "Eau De Toilette No. 5." *Rolex Watch U.S.A., Inc. v. AFP imaging Corporation*, No. 91188993 (T.T.A.B. Dec. 5, 2011) (Trademark Trial and Appeal Board decision regarding registration of the mark "Roll-X" finding that there was no intent to create an association with "Rolex" and no impairment of Rolex's distinctiveness, favoring a finding of no dilution by blurring).

The above phrase consists of a first part "All Clear" and a second part "Oh! The Toilet No. 2." The first part of the phrase, "All Clear," refers to the name of the company that produces the toilet fragrance spray at issue. The name of the company is meant to be amusing, just like the name of the toilet spray product itself. Specifically, "ALL CLEAR!" is a phrase that is usually

yelled to inform people that an area is safe. The toilet spray is meant to make a bathroom safe to enter by eliminating the scent of feces. Thus, the company's name is a tongue-in-cheek joke about making the bathroom safe again, especially after a very unfortunate bowel movement.

The second part of the phrase, "Oh! The Toilet No. 2," refers to the toilet spray product and it is a humorous play on "eau de toilette." "Eau de toilette" is a term for a class of aromatic products that men and women spray on themselves to smell good. Eau de toilette is used to cover natural (and unnatural) odors. Much like eau de toilette is used to cover unpleasant fragrances emanating from people, the toilet spray is used to cover unpleasant fragrances emanating from toilets. The "No. 2" refers to when the toilet spray would need to be used, e.g., after someone does a "No. 2" or defecates. Further, although eau de toilette means "grooming water" in French, it is colloquially known as "toilet water," making it a natural term to manipulate and play with for a toilet-based product. Therefore, the phrase "All Clear Oh! The Toilet No. 2" is meant to be a humorous play on words for a toilet spray product used as a "perfume for toilets."

**2. All Clear's "Oh! The Toilet No. 2" Is A Parody Of Auclair's "Eau De Toilette No. 5" And An Exception To Dilution Under 15 U.S.C. § 1125(c)(3)(A).**

In *Jack Daniel's Props., Inc. v. VIP Prods LLC*, the Supreme Court held that "Given the fair-use provision's carve-out, parody (and criticism and commentary, humorous or otherwise) is exempt from liability only if not used to designate source." *Jack Daniel's Props., Inc. v. VIP Prods LLC*, 143 S.Ct. 1578 (2023)("Jack Daniel's"). For trademark purposes, "[a] 'parody' is defined as a simple form of entertainment conveyed by juxtaposing the irreverent representation of the trademark with the idealized image created by the mark's owner." *People for the Ethical Treatment of Animals v. Doughney*, 263 F.3d 359, 366 (4th Cir.2001). "A parody must convey two simultaneous—and contradictory—messages: that it is the original, but also that it is not the

original and is instead a parody.” *Id.* The alleged parody must be “differentiated from the original and must also communicate some articulable element of satire, ridicule, joking, or amusement.” *Louis Vuitton Malletier S.A. v. Haute Diggity Dog, LLC*, 507 F.3d 252, 260 (4th Cir.2007)(“Haute Diggity Dog”).

All Clear’s “Oh! The Toilet No. 2” is meant to be a humorous parody of Auclair’s “Eau De Toilette No. 5” such that a customer of All Clear’s No. 2 would be amused. It is logical to parody a perfume because perfumes are known for pleasant smells and for covering unpleasant smells. In a similar manner, the toilet spray has a pleasant smell, as evidenced by the numerous positive reviews of the toilet spray, and covers unpleasant smells permeating the bathroom air. In *Haute Diggity Dog*, 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” and “the differences are immediate, beginning with the fact that the ‘Chewy Vuiton’ product is a dog toy, not an expensive, luxury LOUIS VUITTON handbag.” *Id.* The differences between All Clear’s No. 2 toilet spray and Auclair’s No. 5 perfume are just as clear and immediate. For example, All Clear’s No. 2 packaging is completely different from Auclair’s No. 5 packaging. Auclair’s No. 5 is sold in minimalistic packaging and the iconic gold liquid is housed in a clear glass rectangular bottle, while All Clear’s No. 2 is sold without any packing and the bright purple liquid is housed in a plastic bottle (usually opaque but sometimes clear) with a water wave on the front. The water wave is meant to suggest “a fresh breath of ocean air” that enters the bathroom after using the toilet spray. Further, a small bottle of Auclair’s No. 5 retails for \$100 USD in luxury sections and luxury stores, while a larger bottle of All Clear’s No. 2 retails for under \$40 USD and usually under \$20 USD in online and non-luxury stores. Therefore, the two products are easily distinguishable.

As in *Haute Diggity Dog*, “the juxtaposition of the similar and dissimilar”—the irreverent representation of a toilet spray as a fancy perfume—“immediately conveys a joking and amusing parody.” *Id.* Just like the “furry little ‘Chewy Vuiton’ imitation, as something to be chewed by a dog, pokes fun at the elegance and expensiveness of a LOUIS VUITTON handbag, which must not be chewed by a dog,” All Clear’s No. 2 pokes fun at the need to cover unpleasant toilet smells just like the Auclaire’s No. 5 fulfills the need to cover unpleasant people smells.

Furthermore, as a successful parody, All Clear’s No. 2 would not blur the distinctiveness of Auclaire’s No. 5, nor would it tarnish Auclaire’s No. 5. *Haute Diggity Dog* did not dilute LVM’s mark because it did not use LVM’s actual mark, rather *Haute Diggity Dog* created its own “Chewy Vuitton” mark. Specifically, “*Haute Diggity Dog* mimicked the famous marks; it did not come so close to them as to destroy the success of its parody and, more importantly, to diminish the LVM marks’ capacity to identify a single source ... these uses by *Haute Diggity Dog* were not so similar as to be likely to impair the distinctiveness of LVM’s famous marks.” *Id.* at 268. Similarly, All Clear did not use Auclaire’s word mark or logo on All Clear’s No. 2, rather All Clear created its own distinguishable product with a different name.

All Clear can be further differentiated from unsuccessful parodies that diluted famous marks. As mentioned above, All Clear did not adopt Auclaire’s trade dress, thus differentiating from *Jack Daniel’s* and *Art Van Furniture. Hershey Company v. Art Van Furniture*, Case No. 08-14463 (E.D. Mich. 2008) (holding that Art Van parodied and copied Hershey’s trade dress for its delivery trucks). Further, unlike in *Starbucks* in which Charbucks “is promoted not as a satire or irreverent commentary of Starbucks but, rather, as a beacon to identify Charbucks as a coffee that competes at the same level and quality as Starbucks in producing dark-roasted coffees,” All Clear is not trying to promote All Clear’s No. 2 by claiming that it smells like Auclaire’s No. 5. *Starbucks*

*Corp. v. Wolfe's Borough Coffee, Inc.*, 588 F.3d 97, 113 (2<sup>nd</sup> Cir. 2009). Further, a mere association with All Clear's No. 2 would not necessarily lead to a negative association with Auclair's No. 5 because no reasonable person would believe that a cheap toilet spray is comparing itself and its smell to an expensive luxury perfume. Thus, All Clear's "Oh! The Toilet No. 2" is a humorous parody of Auclair's "Eau De Toilette No. 5," that doesn't rely on Auclair's goodwill, and thus, is an exception to dilution under 15 U.S.C. § 1125(c)(3)(A).

**3. All Clear's "Oh! The Toilet No. 2" Constitutes A Noncommercial Use Making It An Exception To Dilution Under 15 U.S.C. § 1125(c)(3)(C).**

In *Jack Daniel's*, the Supreme Court held that "[t]he Lanham Act's exclusion from dilution liability for '[a]ny noncommercial use of a mark,' § 1125(c)(3)(C), does not shield parody, criticism, or commentary when an alleged diluter uses a mark as a designation of source for its own goods." *Jack Daniel's*. As discussed above, All Clear's "Oh! The Toilet No. 2" is a non-source identifying parody qualifying it as a noncommercial use.

The Trademark Dilution Revision Act extends protection to "[a]ny noncommercial use of a mark," while simultaneously protecting a use "identifying and parodying, criticizing, or commenting upon the famous mark.." *Louis Vuitton Malletier, S.A. v. Hyundai Motor America*, 2012 WL 1022247, 19 (S.D.N.Y. 2012). Noncommercial use includes "parody, satire, editorial, and other forms of expression," even if the use of trademark material "increases sales for a user." *Charles Atlas, Ltd. v. DC Comics, Inc.*, 112 F.Supp.2d 330, 336 (S.D.N.Y. 2000). However, a parody that is not source identifying could still be considered a commercial use if the parody is used to promote a competing product or service. *Harley Davidson, Inc. v. Grottanelli*, 164 F.3d 806, 812–13 (2d Cir.1999).

As a reasonable person would understand, All Clear is not parodying Auclair to sell a competing product. On the contrary, All Clear's No. 2 is a toilet spray while Auclair's No. 5 is

a luxury perfume—there is no universe in which these two products would compete with each other. This further distinguishes All Clear’s No. 2 from *Charbucks*, in which Wolfe’s Borough Coffee used a parody of Starbucks to sell their coffee and compared their coffee to Starbuck’s, and from *Hyundai*, in which LVM’s logo was used in an advertisement to suggest that Hyundai is a luxury brand.

Auclaire’s No. 5 is not being used to compare or sell All Clear’s No. 2. All Clear’s No. 2 is further distinguishable from the beer sold by *Bad Frog Brewery* because the trademarked, source identifying, frog label in question had commercial and noncommercial elements used to advertise a brewery and was not a parody of another mark. *Bad Frog Brewery v. New York State Liquor Auth.*, 134 F.3d 87, 97 (2d Cir. 1998). Accordingly, All Clear’s No. 2 is more similar to *Mattel* and *Hoffman*. In *Mattel*, the court found the “Barbie Girl” song to be not fully commercial speech and thus protected. Similarly, in *Hoffman*, the court found that a magazine that published an article featuring digitally altered images from famous films “clearly served a commercial purpose: ‘to draw attention to the for-profit magazine in which it appear[ed]’ and to sell more copies ... [but] the article was fully protected under the First Amendment ... [b]ecause its commercial purpose was ‘inextricably entwined with [these] expressive elements.’” *Mattel* at 906 (citing *Hoffman v. Capital Cities/ABC, Inc.*, 255 F.3d 1180, 1183-1186 (9th Cir.2001)). Therefore, All Clear’s “Oh! The Toilet No. 2” is a parody noncommercial use and an exception to dilution under 15 U.S.C. § 1125(c)(3)(C).

### **III. ARGUMENT BY PLAINTIFF AUCLAIRE, LTD.**

#### **A. *Rogers v. Grimaldi* Is Still Precedential Law But Its Application Has Been Limited By *Jack Daniel’s*.**

In *Jack Daniel’s*, the Supreme Court did not explicitly overturn the *Rogers* test articulated by the Second Circuit, but the Court significantly curtailed its applicability. The Court there held

that the *Rogers* test is inapplicable where “the accused infringer has used a trademark to designate the source of its own goods.” *Jack Daniel’s*, 143 S. Ct. at 1583. In other words, the *Rogers* test applies only in cases where the accused infringer is not using a trademark to designate the source of its own goods. *See id.* at 1589 (“*Rogers* [] 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.” (quoting *Tommy Hilfiger Licensing, Inc. v. Nature Labs, LLC*, 221 F. Supp. 2d 410, 412 (S.D.N.Y. 2002))). Accordingly, since the scope of the *Rogers* test is limited to apply only in trademark infringement cases where the trademark is not being used as a source indicator, the test is inapplicable in the present case where All Clear has used Auclair’s mark to indicate the source of “Oh! The Toilet No. 2.”

**B. Even If *Rogers v. Grimaldi* Were Applicable, All Clear Infringed Upon Auclair’s Mark.**

**1. All Clear Infringed Upon Auclair’s Mark Under The *Rogers* Test.**

Assuming the *Rogers* test applies in the present case, All Clear still fails to pass muster under the test. In *Rogers*, the Second Circuit narrowed the scope of the Lanham Act’s applicability, such that “the Act should be construed to apply to artistic works only where the public interest in avoiding consumer confusion outweighs the public interest in free expression.” *Rogers*, 875 F.2d at 999. That is, “[w]here the [infringer’s] product is artistic or expressive,” the courts apply a two-prong test to determine whether the infringer violated the Lanham Act: (1) “whether the use of the trademark has any artistic relevance to the underlying work whatsoever” and (2) “whether the use explicitly misleads as to the source or the content of the work.” *AM Gen. LLC v. Activision Blizzard*, 450 F. Supp. 3d 467, 477–78 (S.D.N.Y. 2020). However, the threshold question is whether the infringer’s use of mark is part of an artistic or expressive work protected by the First Amendment. *Gordon v. Drape Creative, Inc.*, 909 F.3d 257, 264 (9th Cir. 2018).

In the present case, All Clear’s use of “Oh! The Toilet No. 2” would not pass the *Rogers* test, if applied, because a toilet fragrance spray is not the type of artistic or expressive work contemplated by the various courts that have adopted the *Rogers* test. In *Cliff Notes, Inc. v. Bantam Doubleday Dell Publ’g Grp., Inc.*, 886 F.2d 490, 493 (2d Cir. 1989), the court construed that parody is a form of artistic expression, protected by the First Amendment. In the court’s view, “[a] parody must convey two simultaneous—and contradictory—messages: that it is the original, but also that it is not the original and is instead a parody.” *Id.* at 494. In the context of intellectual property, parody means “[a] transformative use of a well-known work for purposes of satirizing, ridiculing, critiquing, or commenting on the original work, as opposed to merely alluding to the original to draw attention to the later work.” *Parody*, BLACK’S LAW DICTIONARY (11th ed. 2019); *see also Campbell v. Acuff-Rose Music, Inc.*, 510 U.S. 569, 580 (1994) (“For the purposes of copyright law, the nub of the definitions, and the heart of any parodist’s claim to quote from existing material, is the use of some elements of a prior author’s composition to create a new one that, at least in part, comments on that author’s works.”).

In *Gordon*, the court found that a greeting card was expressive because “it evinces an intent to convey a particularized message...and in the surrounding circumstances the likelihood was great that the message would be understood by those who viewed it.” *Gordon*, 909 F.3d at 268. In *AM Gen.*, the artistic work was a depiction of Humvees in *Call of Duty*, one of the “most popular and well-known video game franchises in the world.” *AM Gen.*, 450 F. Supp. 3d at 475.

Here, All Clear’s toilet fragrance spray does not fall under any of the indicated categories. First, the fragrance cannot be deemed as parody because the spray does not satirize, ridicule, critique, or comment on Auclair’s fragrance. All Clear’s “Oh! The Toilet No. 2” is neither a literary nor artistic work that ridicules, critiques, or comments about EAU DE TOILETTE NO. 5.



In fact, “Oh! The Toilet No. 2” is simply a commercial product, like EAU DE TOILETTE NO. 5, aimed at delivering a pleasant and desirable scent to consumers. The only difference is the purpose of the product: “Oh! The Toilet No. 2” is used for the toilet, whereas EAU DE TOILETTE NO. 5 is used for a person’s body. Clearly, All Clear is exploiting Auclair’s goodwill, reputation, and fame to market its own product—“merely alluding to [EAU DE TOILETTE NO. 5] to draw attention to [“Oh! The Toilet No. 2”].” *Parody*, BLACK’S LAW DICTIONARY (11th ed. 2019).

Moreover, All Clear’s use of “Oh! The Toilet No. 2” neither intends to convey a particularized message nor is it an art piece like the graphic design in *AM Gen*. All Clear’s toilet fragrance is a commercial product, sold in the same stream of commerce and stored in the same space in consumers’ homes as Auclair’s fragrance (i.e., the bathroom). All Clear markets “Oh! The Toilet No. 2” not to convey any message to consumers, but to serve utilitarian purposes—to provide a pleasant scent after using the toilet. Further, for obvious reasons, “Oh! The Toilet No. 2” is nothing like the depiction of a Humvee in a video game because the Humvee depiction is undeniably an artwork created by a graphic designer, whereas the toilet fragrance is nothing more than a commercial product.

**2. All Clear Infringed Upon Auclair’s Mark Even If The *Rogers* Test Does Not Apply.**

The District Court was correct in finding that “Oh! The Toilet No. 2” functions as a source identifier. A trademark is defined as “any word, name, symbol” that a person uses “to identify and distinguish [their] goods...from those...sold by others and to indicate [their] source.” 15 U.S.C. § 1127. *See also Jack Daniel’s*, 143 S. Ct. at 1583. Essentially a mark is a source identifier when it is used to distinguish a product from others, rather than serving some other expressive function. In *Mattel, Inc. v. MCA Recs., Inc*, 296 F. 3d 894 (9th Cir. 2002), for example, the use of “Barbie” in the song “Barbie Girl” was not an indication of source, and hence there was no trademark

infringement. In *Jack Daniel's*, however, the Court held that if the mark serves “at least in part” as a source identifier, there should be no application of the *Rogers* test. *Jack Daniel's*, 143 S. Ct. at 1587. Importantly, source identification does not simply occur with infringed logos or brand names, but rather where any mark that distinguishes one’s product is being appropriated.

Here, “Oh! The Toilet No. 2” clearly functions as a designation of source. It distinguishes All Clear’s product from its own and other brands’ toilet sprays or fragrances. All Clear may argue that its use of the mark is primarily descriptive, but as the Court in *Jack Daniel's* makes clear, even a minimal use of a mark as a source identifier warrants a likelihood of confusion analysis with no application of the *Rogers* test. This Court should then affirm the District Court’s finding.

In a trademark infringement action, the primary question is whether the use of a mark is “likely to cause confusion, or to cause mistake, or to deceive.” 15 U.S.C. §§1114(1)(A), 1125(a)(1)(A). The Second Circuit applies the multifactor test from *Polaroid Corp. v. Polarad Elecs. Corp.*, 287 F.2d 492 (2d Cir. 1961), when determining the likelihood of confusion in trademark cases. This analysis looks to “[1] the strength of his mark, [2] the degree of similarity between the two marks, [3] the proximity of the products, [4] the likelihood that the prior owner will bridge the gap, [5] actual confusion, and [6] the reciprocal of defendant's good faith in adopting its own mark, [7] the quality of defendant's product, and [8] the sophistication of the buyers.” *Id.* at 495. These will be discussed in order.

“[A] strong mark is a factor pointing towards a likelihood of confusion.” *Tommy Hilfiger*, 221 F. Supp. 2d at 416. However, “[w]here the plaintiff's mark is being used as part of a jest ... the opposite can be true.” *Yankee Pub. Inc. v. News Am. Pub. Inc.*, 809 F.Supp. 267, 273 (S.D.N.Y. 1992). In *Tommy Hilfiger*, the SDNY held that a dog perfume’s spoofing of a Tommy Hilfiger perfume “likely allows consumers both immediately to recognize the target of the joke and to

appreciate the obvious changes to the marks.” *Tommy Hilfiger*, 221 F. Supp. 2d at 416. In *Hormel Foods*, the fame of the meat product SPAM favored a finding of clear parodic intent and a diminished likelihood of confusion for Jim Henson’s Muppet “Spa’am.” *Hormel Foods Corp. v. Jim Henson Prods., Inc.*, 73 F.3d 497, 503 (2d Cir. 1996). However, a fake Michelob beer advertisement in *Anheuser–Busch, Inc. v. Balducci Publ’ns*, 28 F.3d 769 (8th Cir. 1994), *cert. denied*, 513 U.S. 1112 (1995), conjured up “far more than [the original],” and hence the strength of the original’s mark led to more confusion. Moreover, a “somewhat humorous” message alone does not qualify as a parody defense. *See Harley-Davidson, Inc. v. Grottanelli*, 164 F. 3d 806, 813 (1999).

Here, it is undisputed that Auclair’s EAU DE TOILETTE NO. 5 is renowned. What is less clear, however, is whether All Clear’s parody excuse is applicable. While a proper parody relies on the similarity of two products to achieve its humorous goal, All Clear’s effort here is dramatically lacking. Its product is packaged in a differently colored and shaped bottle and has no additional messaging to indicate that it is indeed a parody. All Clear’s product reaps all the benefits of using a famous mark as its own while using parody as a weak excuse. The Court should not fall prey to an easy conclusion, and should hold in Auclair’s favor.

With regard to the similarities of the marks, the two marks share deliberate phonetic similarities between EAU DE TOILETTE NO. 5 and “Oh! The Toilet No.2,” replicating the undisputed similarity of “Auclair” and “All Clear.” All Clear, however, might argue that its use is parodic, which necessarily requires both a conjuring of the original as well as “equally obvious dissimilarit[ies] between the marks.” *Tetley, Inc v. Topps Chewing Gum, Inc.*, 556 F. Supp. 785, 790 (E.D.N.Y. 1983). In *Tommy Hilfiger*, for instance, the mark “Tommy Hilfiger” was compared to the pet perfume “Timmy Holedigger.” *Tommy Hilfiger*, 221 F. Supp. 2d at 417. Yet there the

parodic intent was clear since the alleged infringer: only sold pet gag perfumes; modified the font, colors, and shapes of the bottle only minimally; and underscored who its target audience was by including sentences on the bottle such as “famous pet perfume,” “strong enough for a man, but made for a chihuahua,” among many others. *Id.*

In the present case, All Clear is engaging in a supposed parody for the first time in its entire line of products, has a completely different bottle, and does not include any other purportedly parodic text aside from its label. If All Clear is attempting a parody, it is not putting much effort into it. As *Tetley* makes clear, “a broad satirical adaptation draws a heavy line between itself and the object of satire.” *Tetley*, 556 F. Supp. at 785. Here, however, the divide is flimsy at best. All Clear is using parody as a red herring, allowing it to copy a famous product without rising to the level of originality that parodies require.

Courts are particularly cautious against a “likelihood of confusion when the plaintiff and defendant use their marks on directly competing products.” *Tommy Hilfiger*, 221 F. Supp. 2d at 418. Even where the use is parodic, courts have been very restrictive where the products are proximate. In *Harley-Davidson*, this Court held that a motorcycle repairer’s parodic use of a variation of Harley Davidson’s mark was sufficiently proximate to cause confusion. *Harley-Davidson*, 164 F. 3d at 813. *See also Gucci Shops, Inc. v. R.H. Macy & Co.*, 446 F. Supp. 838, 839–40 (GUCCHI GOO diaper found to infringe GUCCI tote bags). However, in *Tommy Hilfiger*, the court held that dog and human perfume were not sufficiently close, as they were marketed to different users in different stores at vastly different prices. Certainly, “there [was] no market independent of the parody.” *Tommy Hilfiger*, 221 F. Supp. 2d at 418.

The present case, however, is vastly different. Both perfumes are intended to mask natural human odors. The price difference of their product lines is not significant (up to \$40 versus \$100),

and they could likely be sold in similar stores. All Clear clearly has a market independent of the parody. “Oh the Toilet! No. 2” is the only purportedly parodic product of an otherwise broad product line, and the toilet spray market alone has players worth over \$300 million. Consequently, this Court should heavily count the product proximity factor towards a finding of confusion in Auclair’s favor.

As for the likelihood that Auclair would bridge the gap and begin creating toilet spray products of its own, while no specific evidence has been provided here, other famous marks have transitioned to producing toilet perfumes. For example, Aesop, a \$2.5 billion luxury company owned by L’Oréal, unveiled its “Post-Poo Drops” in 2019 as an addition to its more traditional line of perfumes, shampoos, and creams. Such a large market makes a potential Auclair toilet perfume hardly surprising, weighing this factor in Auclair’s favor.

Regarding actual confusion, there is similarly no specific evidence in the record. This fact, however, should not weigh against a finding of a likelihood of confusion. Indeed, surveys “can prompt such confusion,” and have little factual strength. *Jack Daniel’s*, 143 S. Ct. at 1593 (Sotomayor, J., concurring). Consequently, this Court should not weigh the absence of evidence of actual confusion in favor of All Clear, but rather hold it as neutral.

Regarding the bad faith factor, there is no evidence that All Clear sought to generate actual confusion. As argued *infra*, All Clear’s product is a lazy parody, and its clear efforts in creating a complex, high-end product are apparent. While an attempt to create a high-quality product does not automatically mean that the producer acts in bad faith, the low effort involved in the parody suggests that the parodic element is a mere surplus, and not the core of the product itself. The mere presence of a joke should not cloud this Court’s judgement in finding a bad faith motivation by All Clear, and should at least grant this factor neutral weight.

All Clear's toilet spray's quality also underscores how this is more than a simple gag. "[P]roducts of equal quality may tend to create confusion as to source because of [their] very similarity." *Hormel Foods*, 73 F.3d at 505. Particularly for parody products, their value lies in their commentary, and a carefully developed product suggests that economic motivations outweigh any parodic intent. Here, All Clear's product is made of only natural ingredients, part of a high-end cleaning line that sells up to \$40 dollars each. It should be apparent, then, that All Clear seeks to do more than just provoke laughter and sets itself up as a possible future competitor.

Finally, as to the sophistication of the buyers, the Court should not find that the factor weighs in All Clear's favor simply because Auclair's product has reached US-wide notoriety. While courts should view customers as having a "modicum of intelligence," the widespread recognition of All Clear's product can still generate non-trivial confusion from sophisticated and unsophisticated clients alike, particularly since other luxury brands have introduced toilet sprays.

In conclusion, the Court should affirm that "Oh! The Toilet No. 2" is a designation of source and infringed Auclair's trademark. The two marks are closely related, as evidenced by their proximity, quality, and market. While All Clear argues that its product is a parody, the care it has placed on its ingredients and the sophistication of its customers emphasizes that the product is not the result of a mere parody, but rather of a humorless business decision. Even if the Court were to appreciate All Clear's toilet humor, it should consider that "[w]hen a parodist makes trademark use of another's mark, it should be entitled to less indulgence, even if this results in some residual effect on the free speech rights of commercial actors." *Tommy Hilfiger*, 221 F. Supp. 2d at 416. *See also Jack Daniels*, 143 S. Ct. at 1583 (finding that parodies that use a mark as a source are entitled to "no special First Amendment protection"). In the present case, there should be little indulgence in holding that All Clear has infringed upon Auclair's trademarks.

**C. All Clear’s “Oh! The Toilet No. 2” Mark Is A Designation Of Source And Dilutes Auclair’s “Eau De Toilette No. 5” Trademark.**

All Clear’s “Oh! The Toilet No. 2” is a trademark that is used as a designation of source. In other words, the mark makes clear that All Clear is the source and origin of the toilet spray. *See Kelly-Brown*, 717 F.3d at 306 (a term is used “as a mark” when the term is used “as a symbol to attract public attention”); *see also Power Test Petroleum Distrib., Inc. v. Calcu Gas, Inc.*, 754 F.2d 91, 97 (2d Cir. 1985) (“[T]rademark is...only a word or symbol indicating the origin of a commercial product.”); *see, e.g., Girl Scouts of the United States v. Hollingsworth*, 188 F. Supp. 707, 709-10 (E.D.N.Y. 1960) (finding the words, *inter alia*, “Scout” and “Safety Scouts” alone as a “designating mark”). All Clear’s packaging displays “All Clear” in 16pt font with “Oh! The Toilet No. 2” spray in smaller 12pt font underneath. This label is positioned in the front and middle of the toilet spray, taking up a majority of the bottle’s surface. Such labeling is intended as a “symbol to attract public attention” that “indicat[es] the origin” of All Clear’s toilet spray.

Moreover, All Clear’s labeling is substantially different from instances where courts have found that a mark is not a source identifier. Courts have found terms were not used as source identifiers where they were positioned on packaging in “a place and manner that only the close reader would notice.” *Mattel, Inc. v. Azrak-Hamway Int’l, Inc.*, 724 F.2d 357, 361 (2d Cir. 1983) (finding “PLAY WITH ... MASTERS OF THE UNIVERSE ... AND OTHER 5 ½” ACTION FIGURES” on packages selling its Warlord dolls was not used as a source identifier when it was placed on packaging in a manner only a close reader would notice). Here, All Clear’s use of the phrase “Oh! The Toilet No. 2” is prominently placed on the front of the product packaging where ordinary consumers can read and notice it when encountering All Clear’s toilet spray in the market.

Likewise, a mark is not a source identifier when it encompasses the overall packaging and its “primary purpose[] [is] likely to be functional or aesthetic.” *Knitwaves, Inc. v. Lollytogs Ltd.*,

71 F.3d 996, 1008 (2d Cir. 1995) (finding a sweater design using “fall motifs” of leaves and squirrels was not a source identifier because it “was primarily aesthetic [and] the designs were not primarily intended as source identification.”); *see also Warner Bros. v. Gay Toys, Inc.*, 724 F.2d 327, 333 (2d Cir. 1983). While it is true that trademarks do not require words, “it is less common for consumers to recognize the design of a product or product feature...as an indication of source.” *Id.* at 1008. That is not the case here. All Clear’s “All Clear Oh! The Toilet No. 2” trademark does not serve any “utilitarian” purpose or “aesthetic appeal” like the *Knitwaves* designs; it is text featured in the center of the bottle as a clear identification of the source of the toilet spray.

To the extent that All Clear attempts to argue that its use of “Oh! The Toilet No. 2” is not used as a trademark as it is adjacent to the text “All Clear”, such argument is not dispositive. Product packaging can – and frequently does – bear more than one designation of source. *See, e.g., Solid 21, Inc. v. Jomashop Inc.*, No. 19-CV-1179 (MKB), 2020 WL 9816843, at \*8-9 (E.D.N.Y. Nov. 30, 2020) (denying motion to dismiss as to trademark infringement claim where court analyzed defendant’s use of phrase in conjunction with other text that was used as source identifiers on product packaging). Here, even if the Court deems All Clear’s use of the term “All Clear” on its product packaging is a prominent source identifier, such finding does not foreclose a finding that “Oh! The Toilet No. 2” is also a source identifier on the product packaging where it is similarly prominently featured on the front packaging.

Further, after this Court reversed the finding of no infringement, the district court found on remand that All Clear had infringed Auclair’s trademarks, which necessitated finding All Clear’s use of “Oh! The Toilet No. 2” as a designation of source. *See Int’l Info. Sys. Sec. Certification Consortium v. Sec. Univ., LLC*, 823 F.3d 153, 161 (2d Cir. 2016) (“[T]he modern test of infringement is whether the defendant's use is likely to cause confusion...as to source.”); *see also*



*Jack Daniels*, 148 S. Ct. at \*11-12 (in discussing infringement, stating “confusion as to source is the bête noire of trademark law”). All Clear has not raised an appeal on any error of law as to that issue.

Therefore, All Clear’s “Oh! The Toilet No. 2” mark is a designation of source and dilutes Auclair’s “Eau de Toilette No. 5” trademark.

**D. Even If All Clear Is Not Using the Mark As A Source Identifier, The Fair Use And Non-Commercial Use Exceptions Do Not Apply.**

The District Court found that use of All Clear’s “Oh! The Toilet No. 2” did not dilute or tarnish Auclair’s “Eau de Toilette No. 5” mark because they were sufficiently distinguishable. This finding is an error of law and should be reviewed by this Court *de novo*. See e.g., *Hamilton Int’l Ltd. V. Vortic LLC*, 13 F.4th 264, 271 (2d Cir. 2021). The correct standard to be applied in a dilution by tarnishment action is whether there is sufficient similarity *such that* the famous mark “will suffer negative associations through [the alleged infringer’s] use” in an “unwholesome or unsavory context.” *Hormel Foods Corp. v. Jim Henson Prods.*, 73 F.3d 497, 507 (2d Cir. 1996); *Deere & Co. v. MTD Prods.*, 41 F.3d 39, 43 (2d Cir. 1994). All Clear’s mark is not sufficiently distinct from Auclair’s mark since they look and sound nearly identical. Therefore, All Clear’s use of Auclair’s mark is not a successful parody and is exempt from the fair-use exception. Further, the use of All Clear’s mark is purely commercial because the economic intent and lack of sufficient message is insufficient to transform All Clear’s commercial objectives into non-commercial speech. Therefore, All Clear’s use of the “Oh! The Toilet No. 2” mark does not fall within the fair use or non-commercial use exceptions.

**1. All Clear’s Use Dilutes Auclair’s Trademark Because All Clear’s “Oh! The Toilet No. 2” Mark Is Not Sufficiently Distinguishable To Constitute Successful Parody, Commentary Or Criticism.**

All Clear's Use of the "Oh! The Toilet No. 2" mark is not "fair use" as it is not sufficient parody, criticism, or commentary upon Auclair or its goods under 15 U.S.C. §1125(c)(3)(A)(ii). "A parody must convey two simultaneous—and contradictory—messages: that it is the original, but also that it is not the original and is instead a parody." *Cliffs Notes, Inc.*, 886 F.2d at 494. The second message "must not only differentiate the alleged parody from the original but must also communicate some articulable element of satire, ridicule, joking, or amusement." *Haute Diggity Dog, LLC*, 507 F.3d at 260. Thus, "a successful parody communicates to a consumer that 'an entity separate and distinct from the trademark owner is poking fun at a trademark or the policies of its owner.'" *My Other Bag, Inc.*, 156 F. Supp. 3d at 435 (quoting 6 J. Thomas McCarthy, McCarthy on Trademarks and Unfair Competition, § 31:153 (4th ed., updated Dec. 2015)). Any comment "must be directed to the plaintiff's mark." *Malletier v. Hyundai Motor Am.*, No. 10 Civ. 1611 (PKC), 2012 U.S. Dist. LEXIS 42795, at \*56 (S.D.N.Y. Mar. 22, 2012). "Courts have rejected fair-use arguments that assert a use directed toward expansive social criticism, as opposed to a targeted comment." *Id.*

All Clear fails to "differentiate the alleged parody from the original" and the two products are not sufficiently distinguishable. *Haute Diggity Dog*, 507 F.3d at 260. All-Clear's product does not "stop well short of appropriating the entire marks." *Id.* at 261. Here, All Clear's "Oh! The Toilet No. 2" mark sounds nearly identical to Auclair's "Eau de Toilette No. 5." In everyday conversation, a consumer would be unable to determine that All Clear's product is "separate and distinct" from Auclair's. *My Other Bag, Inc.*, 156 F. Supp. 3d at 435. The use of "No. 2" to mimic Auclair's use of "No. 5" further exemplifies the lack of distinction between the two. All Clear's use goes well beyond what is necessary for the alleged parodic use and appropriates all Auclair's trademark.

Moreover, All Clear's product does not constitute criticism or commentary of Auclair or Auclair's perfume. The product does not discuss any qualities of the Auclair product, nor does it provide any kind of review or insult. Instead, All Clear fails to assert any opinion—disparaging or not—about Auclair's product. All Clear is simply attempting to sell its own toilet spray by relying on the goodwill associated with Auclair's mark. Therefore, All Clear's use does not fall within the fair-use exception, and Auclair's trademark rights are diluted.

**2. All Clear's Use Of The "Oh! The Toilet No. 2" Trademark Is Purely Commercial Speech Because It Does Not Disclaim The Parody And All Clear's Intent Is Purely Economic.**

All Clear's use of Auclair's mark is pure commercial speech as it makes no effort to disclaim the parodic nature of the toilet spray product, and uses Auclair's trademark for a pure commercial advantage. In *Anheuser-Busch, Inc. v. Balducci Publications*, a parody product called "Michelob Oily" was published in a humorous magazine as an alleged commentary on environmental pollution, with a disclaimer in "extremely small text." *Anheuser-Busch, Inc. v. Balducci Publ'ns*, 28 F.3d 769, 772 (8th Cir. 1994). The Court held that the parody suggested Anheuser-Busch's product was contaminated with oil, and the small disclaimer could result in the "casual viewer...fail[ing] to appreciate [the] editorial purpose." *Id.* at 774 (distinguishing *L.L. Bean, Inc. v. Drake Publs., Inc.*, 811 F.2d 26, 27 (1st Cir. 1987) where a sexually explicit parody catalog titled "L.L. Beam" received First Amendment protection because it did not make a derogatory comment on the product quality and prominently disclaimed it was parodic and humorous). Here, All Clear's product "Oh! The Toilet No. 2" makes a derogatory reference to the quality of Auclair's product "Eau de Toilette No. 5" by suggesting that the perfume is associated with excrement and waste products. *See N.Y. Stock Exch., Inc. v. N.Y., N.Y. Hotel, LLC*, 293 F.3d 550, 558 (2d Cir. 2002) (finding casino's humorous analogy about gambling injurious to Stock

Exchange's reputation). Further, All Clear makes no effort to disclaim the parodic intent behind the product – it uses the “Oh! The Toilet No. 2” mark for a purely commercial advantage.

Even if All Clear's use of the “Oh! The Toilet No. 2” mark is found to contain both commercial and non-commercial speech elements, All Clear still should not receive protection from liability because its intent is purely economic. In *Bad Frog Brewery*, the Court held that Bad Frog's trademark image of a frog holding up the middle finger was commercial speech, since “the labels are a form of advertising, identify a specific product, and serve the economic interest of the speaker.” *Bad Frog Brewery*, 134 F.3d at 97. The alleged social commentary or joke purported by the image was insufficient to “convert a proposal for a commercial transaction” into noncommercial speech. *Id.* (citing *Cent. Hudson Gas & Elec. Corp. v. Pub. Serv. Comm'n of New York*, 447 U.S. 557, 563 n.5 (1980)); *see also Bd. of Trs. of the State Univ. of New York v. Fox*, 492 U.S. 469, 474 (1989) (commercial sales of Tupperware party were *not* “inextricably intertwined” with messages of financial responsibility and running an efficient home); *see also Chooseco LLC*, 439 F. Supp. 3d at 324. Similarly here, All Clear's alleged parodic use of Auclair's mark is insufficient to convert All Clear's proposal for a commercial transaction into protected speech.

Other than a play on words, it is unclear what parody or commentary All Clear is trying to make. They are not parodying the substance of Auclair's product, nor addressing an issue of public concern, nor expressing political views. *See Cliffs Notes, Inc.*, 886 F.2d at 495 (parody commenting on literary works and study guides (Cliff Notes) wasn't just “labeling of ordinary commercial products” and was considered non-commercial (citations omitted)); *see Boule v. Hutton*, 328 F.3d 84, 91 (2d Cir. 2003) (news article addressing “matter of public concern – fraud in the art market” - is non-commercial speech); *see MasterCard Int'l Inc. v. Nader 2000 Primary*

*Comm., Inc.*, No. 00 CIV.6068 (GBD), 2004 U.S. Dist. LEXIS 644 at \*23-24 (S.D.N.Y March 8, 2004) (holding a political ad fell under non-commercial use exception because it “expressed [a] personal opinion on presidential campaigning” and the Act wasn’t intended to “chill political speech”). All Clear is using Auclair’s mark as a form of advertising, to identify their product, and increase commercial sales. After tarnishing Auclair’s trademark, All Clear now wants to claim that their product is a parody or commentary, which subverts the intended effects of the Lanham Act. We urge the Court to find that All Clear’s use of Auclair’s mark does not fall within the non-commercial use exception and All Clear diluted Auclair’s mark.

Respectfully Submitted:

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