

SCOTUS on Trademarks and Copyrights: More Questions Than Answers

NYIPLA

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Introduction



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Overview

- **Trademarks and the First Amendment**

Jack Daniel's Props., Inc. v. VIP Prods. LLC (June 8, 2023)

- **Boundaries of Transborder Trademark Disputes**

Abitron Austria GmbH, et al. v. Hetronic Int'l, Inc. (June 29, 2023)

Schedule A Defendant (“SAD”) Cases

- **Copyright and the Fair Use Doctrine**

Andy Warhol Found. for the Visual Arts, Inc. v. Goldsmith (May 18, 2023)

***Jack Daniel's Props., Inc. v.
VIP Prods. LLC***

Jack Daniel's v. VIP

VIP's "Silly Squeakers" Toy Line



Genuine Heineken



VIP's "HeinieSniff 'n" Toy



Genuine Stella Artois



VIP's "Smella Arpaw" Toy

Jack Daniel's v. VIP

VIP's "Bad Spaniels" Silly Squeaker



Genuine Jack Daniel's



VIP's Bad Spaniels Toy




Back Hangtag

Case to watch: MetaBirkins

Instagram

Search

Home, Search, Post, Profile, Heart, Activity icons



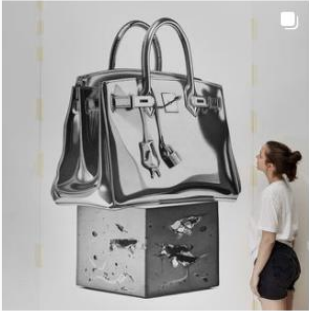
metabirkins Follow ⌵ ⋮

41 posts 20.2k followers 1 following

MetaBirkins
Digital creator

A digital art project by @masonrothschild living on the Ethereum blockchain. Feat. @voguebuisness, @forbes, @bof, @elleusa, @hypebeast, @highsnobiety. looksrare.org/collections/0x566b73997f96c1076f7cF9e2C4576Bd08b1A3750

POSTS VIDEOS TAGGED



Dear Community,

So, Hermes filed a trademark lawsuit against me on Friday—although they didn't send me or my lawyers a copy. My lawyers and I have reviewed Hermes' complaint. Hermes' claims are groundless and we look forward to defeating those claims in court and helping to set a precedent.

I am not creating or selling fake Birkin bags. I've made art works that depict imaginary, far-fetched Birkin bags.

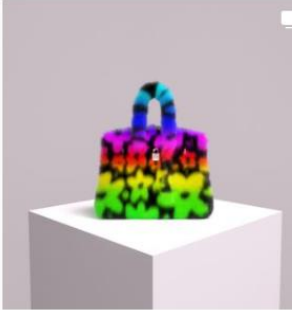
My lawyers at Lee Loring PLLC put it well when they said that the First Amendment gives me the right to make and sell art that depicts Birkin bags, just as it gave Andy Warhol the right to make and sell art depicting Campbell's soup cans.


I have the right also to use the term "MetaBirkins" to describe truthfully what that art depicts, and to comment artistically on those bags and on the Birkin brand.

The fact that I sell the art using NFTs doesn't change the fact that it's art. It's quite clear from reading Hermes' complaint that they don't understand what an NFT is, or what NFTs do.

We have tried to be reasonable. Hermes first sent me a letter threatening a lawsuit if I didn't buckle under and stop doing MetaBirkins altogether. We wrote to them and explained that we were doing nothing we didn't have a right to do. We told them that we believed that the dispute could be resolved through an informal conversation between me and an Hermes representative. Hermes chose instead to break off negotiations and sue me.

I hope Hermes understands that I won't be intimidated.





Case to watch: Vidal v. Elster

Trump too small

Class 25: Shirts; Shirts and short-sleeved shirts; Graphic T-shirts; Long-sleeved shirts; Short-sleeve shirts; Short-sleeved shirts; Short-sleeved or long-sleeved t-shirts; Sweat shirts; T-shirts; Tee shirts; Tee-shirts; Wearable garments and clothing, namely, shirts

U.S. Application Serial No. 87/749,230



Other cases to watch

*Diece-Lisa Indus. Inc. v. Disney
Store USA LLC (9th Cir.)*



Diece-Lisa's "Lots of Hugs" Bear



Disney's "Lots-O'-Huggin" Bear

*Vans Inc v. MSCHF Product
Studio Inc. (2d Cir.)*



Vans "Old Skool" Shoe



MSCHF "Wavy Baby" Shoe

***Abitron Austria GmbH, et
al. v. Hetronic Int'l, Inc.***

Abitron v. Hetronic



Abitron – Standard

Abitron – Standard

**Applies to Foreign
Conduct?**

Abitron – Standard

**Applies to Foreign
Conduct?**

**Permissible Domestic
Application?**

Abitron – Step Two

Focus

Abitron – Step Two

Focus

**Location of
*Conduct***

Abitron – Step Two

Focus

**Location of
*Conduct***

Object of Statute

Schedule A Defendant ("SAD") Cases

Schedule A Defendant (“SAD”) Cases

Definition: a multi-defendant trademark case in which the defendants are not publicly identified (either through a Schedule A filed under seal, or in a complaint filed under seal)

Schedule A Gee-whiz Facts

- 3,217 Schedule A TM cases since 2013 – Dec. 2022 (per Prof Goldman)
- Two thirds of such cases were filed in the last three years
- ND Illinois – 88% SD Florida – 7.5%
- 38 Schedule A TM cases in the SDNY – 8 this year
- Estimated 40% of trademark litigation (per Lex Machina)
- Estimated 250,000 defendants (Prof. Goldman)

Schedule A Characteristics

- Sealed names of defendants
- Request for an ex parte TRO
- TRO communicated to online marketplaces
- The marketplace freezes all activity by defendant (such as withdrawing revenue)
- Defendant learns of the suit through the operation of the TRO
- Defendants settle or are dropped or default

SAD: Why the N.D. Illinois?

ND Illinois District Court Judge Pacold makes available templates for SADs on the Court website:

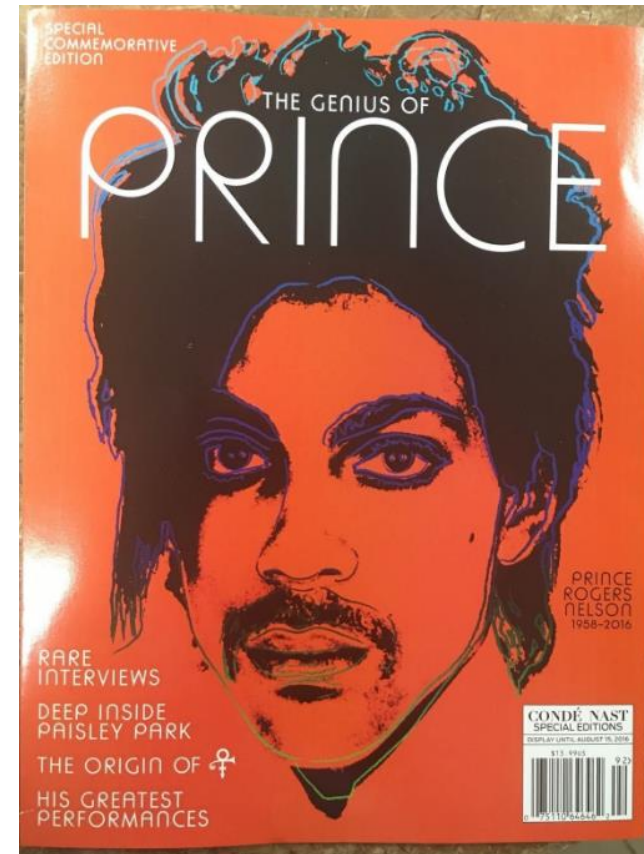
<https://www.ilnd.uscourts.gov/judge-cmp-detail.aspx?cmpid=1272>

SAD Critiques

- Robo-pleading vs. Particularized pleading (“inquiry reasonable under the circumstances”)
- Alternative forms of service
- Personal jurisdiction
- Misjoinder (“same transaction, occurrence or series of transactions”)
- Filing fees

***Andy Warhol Foundation
for the Visual Arts, Inc. v.
Goldsmith, et al.***

Warhol v. Goldsmith



Questions?

Thank You!

A solid blue horizontal bar at the bottom of the slide.

DRAFT—SUBJECT TO CHANGE

A SAD NEW CATEGORY OF ABUSIVE INTELLECTUAL PROPERTY LITIGATION
Eric Goldman*

Forthcoming, COLUM. L. REV. FORUM (2023)

ABSTRACT

This paper describes a sophisticated but underreported system of mass-defendant intellectual property litigation called the “Schedule A Defendants Scheme” (the “SAD Scheme”), which occurs most frequently in the Northern District of Illinois. The SAD Scheme capitalizes on weak spots in the Federal Rules of Civil Procedure, judicial deference to IP rightsowners, and online marketplaces’ desire to reduce their liability exposure. With substantial assistance from judges, rightsowners use these dynamics to extract settlements from online vendors without satisfying basic procedural safeguards like serving the complaint and establishing personal jurisdiction over defendants. This paper explains the scheme, how it bypasses standard legal safeguards, how it’s affected hundreds of thousands of defendants, and how it may have cost the federal courts a quarter-billion dollars. The paper concludes with some ideas about ways to curb the system.

* Professor of Law, Associate Dean for Research, Co-Director of the High Tech Law Institute, and Supervisor of the Privacy Law Certificate, Santa Clara University School of Law. Website: <http://www.ericgoldman.org>. Email: egoldman@gmail.com. I appreciate the comments from Sarah Burstein, Colleen Chien, Casey Hewitt, Mark Lemley, Brian Love, Jess Miers, Andrew Oliver, Malla Pollack, Sarah Wasserman Rajec, Lisa Ramsey, Rebecca Tushnet, and participants at the Bay Area IP Profs Works-in-Progress at UC Berkeley Law; the Intellectual Property Scholars Conference (IPSC) at Stanford Law School; and a Santa Clara Law Faculty Workshop. Thanks to Hilary Cheung for her research help.

In 2021, I filed a declaration in a SAD Scheme case in support of a defendant’s motion for attorneys’ fees. Declaration of Dean Eric Goldman, *Emoji Co. GmbH v. the Individuals, Corporations, Limited Liability Companies, Partnerships, and Unincorporated Associations Identified on Schedule A Hereto*, No. 21-cv-1739 (N.D. Ill. filed Aug. 1, 2021), <https://digitalcommons.law.scu.edu/cgi/viewcontent.cgi?article=3534&context=historical> [hereinafter *Emojico Declaration*].

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INTRODUCTION

This paper identifies an underreported system of abusive intellectual property (“IP”) litigation.¹ Indeed, the system is so obscure that it doesn’t have an official name yet. This paper calls it the “Schedule A Defendants” scheme (the “SAD Scheme”) because the suing rightsowners often enumerate the defendants in a Schedule A² filed separately from the complaint,³ followed by a request to seal the Schedule A.

¹ Prior work on mass-defendant intellectual property enforcement includes: Shyamkrishna Balganes, *The Uneasy Case Against Copyright Trolls*, 86 S. CAL. L. REV. 723 (2013); Shyamkrishna Balganes & Jonah B. Gelbach, *Debunking the Myth of the Copyright Troll Apocalypse*, 101 IOWA L. REV. ONLINE 43 (2016); Colleen V. Chien, *Of Trolls, Davids, Goliaths, and Kings: Narratives and Evidence in the Litigation of High-Tech Patents*, 87 N.C. L. REV. 1571 (2009); Brad A. Greenberg, *Copyright Trolls and Presumptively Fair Uses*, 85 U. COLO. L. REV. 53 (2014); Brad A. Greenberg, *Copyright Trolls and the Common Law*, 100 IOWA L. REV. BULL. 77 (2015); Michael S. Mireles, *Trademark Trolls: A Problem in the United States?*, 18 CHAP. L. REV. 815 (2015); Matthew Sag, *Copyright Trolling, An Empirical Study*, 100 IOWA L. REV. 1105 (2015) (discussing Multi-Defendant John Doe (“MDJD”) lawsuits); Matthew Sag & Jake Haskell, *Defense Against the Dark Arts of Copyright Trolling*, 103 IOWA L. REV. 571 (2018).

² “Schedule A” appears to be the most commonly used descriptor of the separate list of defendants, but plaintiffs have also used “Exhibit 1,” “Exhibit A,” “Annex A,” and other synonyms. *See* Part III.

³ There are many variations, but a typical SAD Scheme complaint caption might refer to the defendants as “the Individuals, Corporations, Limited Liability Companies, Partnerships, and Unincorporated Associations Identified on Schedule A Hereto.”

Rightsowners use the SAD Scheme against allegedly infringing⁴ items being sold via online marketplaces like Amazon and Wish, typically by international marketplace merchants.⁵ Most SAD Scheme cases are trademark lawsuits in the Northern District of Illinois. The SAD Scheme likely has targeted hundreds of thousands of defendants and deprived the federal government of a quarter-billion dollars of court filing fees.

The SAD Scheme targets a recurring problem for rightsowners: how to cost-effectively redress high volumes of infringement in online marketplaces, especially when the alleged infringers are not located in the U.S. and hide their identities and locations.⁶ Unfortunately, the SAD Scheme “solves” this problem by subverting existing intellectual property and civil procedure rules. Each step in the scheme nominally follows the rules, but the unique combination of steps nevertheless leads to outcomes that do not comport with due process and the rule of law. By enabling rightsowners to weaponize the legal system, the SAD Scheme goes well beyond its legitimate roots of policing online infringement and causes harm to marketplace operators, innocent vendors, and marketplace consumers. Although eliminating the SAD Scheme will undoubtedly make it harder for rightsowners to do their enforcement work, the rule of law requires it.

Part I of the paper describes how the SAD Scheme works. Part II quantifies its prevalence. Part III describes how the SAD Scheme abuses the legal system. Part IV discusses some ways to curb the SAD Scheme.

⁴ Rightsowners may be overclaiming infringement, and those claims may never get tested in court. In particular, a SAD rightsowner-plaintiff may characterize the defendants’ items as “counterfeits,” even when the items are knockoff goods (which may or may not be infringing), grey market goods, goods that have leaked out of the rightsowner’s official distribution channels, used or refurbished goods, or otherwise non-infringing. Thus, rightsowners’ “counterfeit” claims may not be accurate. See generally Sarah Burstein, *Guest Post: Against the Design-Seizure Bill*, PATENTLY-O (Jan. 3, 2020), <https://patentlyo.com/patent/2020/01/against-design-seizure.html> (discussing how “counterfeit” allegations may be rhetorically deceptive).

⁵ Samuel Baird & Noel Paterson, *How Some Brands are Successfully—and Cost-Effectively—Combating Online Counterfeiters*, IPWATCHDOG (Oct. 13, 2022), <https://ipwatchdog.com/2022/10/13/brands-successfully-cost-effectively-combating-online-counterfeiters/id=152088/>.

⁶ Rightsowners will find it easier to locate and sue online marketplace vendors due to laws like the Arkansas Online Marketplace Consumer Inform Act (4-119-101 to -105), which requires some merchants to publicly display a physical address, and the similar INFORM Act passed by Congress in 2022.

I. HOW THE SAD SCHEME WORKS


This part describes how the SAD Scheme works and provides a case study of an abusive SAD Scheme lawsuit.

A. The SAD Scheme in Eight Steps

A typical Schedule A Defendant lawsuit follows this eight-step protocol:

Step 1: File a complaint with a caption referencing defendants listed on a Schedule A, as indicated by the red arrow below:⁷

IN THE UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF ILLINOIS EASTERN DIVISION	
EMOJI COMPANY GmbH, Plaintiff, v. THE INDIVIDUALS, CORPORATIONS, LIMITED LIABILITY COMPANIES, PARTNERSHIPS, AND UNINCORPORATED ASSOCIATIONS IDENTIFIED ON SCHEDULE A HERETO, Defendants.	Case No. 21-cv-1739 Judge
COMPLAINT	
Plaintiff, EMOJI COMPANY GmbH, by undersigned counsel, hereby complains of the	



The complaint will contain sparse factual assertions, none particularized to any defendant. The complaint's generic prose makes it easy to clone-and-revise for subsequent cases.

⁷ *Emoji Co. GmbH v. the Individuals, Corporations, Limited Liability Companies, Partnerships, and Unincorporated Associations Identified on Schedule A Hereto*, No. 21-cv-1739 (N.D. Ill. complaint filed Mar. 31, 2021).

Step 2: File the Schedule A defendant list separately from the complaint (it will have a different docket entry number) and ask the judge to seal it. An example docket:⁸

<input type="checkbox"/> 1	Aug. 07, 2020	View	COMPLAINT filed by John Doe; Jury Demand. Filing fee \$ 400, receipt number 0752-17293091.(Hierl, Michael) (Entered: 08/07/2020)
<input type="checkbox"/> 2	Aug. 07, 2020	Request	SEALED DOCUMENT by Plaintiff John Doe Exhibit 1 (Hierl, Michael) (Entered: 08/07/2020)
<input type="checkbox"/> 3	Aug. 07, 2020	Request	CIVIL Cover Sheet (Hierl, Michael) (Entered: 08/07/2020)
<input type="checkbox"/> 4	Aug. 07, 2020	Request	ATTORNEY Appearance for Plaintiff John Doe by Michael A. Hierl (Hierl, Michael) (Entered: 08/07/2020)
<input type="checkbox"/> 5	Aug. 07, 2020	Request	ATTORNEY Appearance for Plaintiff John Doe by William Benjamin Kalbac (Kalbac, William) (Entered: 08/07/2020)
<input type="checkbox"/> 6	Aug. 07, 2020	Request	MOTION by Plaintiff John Doe to seal document Plaintiff's Motion for Leave to File Under Seal (Hierl, Michael) (Entered: 08/07/2020)
<input type="checkbox"/> 7	Aug. 07, 2020	Request	SEALED DOCUMENT by Plaintiff John Doe Sealed Schedule A (Hierl, Michael) (Entered: 08/07/2020)

⁸ This screenshot was taken in Bloomberg Law. Note that this rightsowner hid its identity. *See infra* note 10.

The actual contents of Schedule A may be threadbare, such as this example:⁹

Schedule A		Schedule A	
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Instead of using a sealed defendant list, rightsowners could file the entire complaint under seal.¹⁰ This example lists nearly 100 defendants in the caption:¹¹

Case 1:22-cv-05042-AT Document 9 Filed 07/12/22 Page 1 of 39	Case 1:22-cv-05042-AT Document 9 Filed
<p>Jason M. Drangel (JD 7204) jdrangel@ipcounselors.com Ashly E. Sands (AS 7715) asands@ipcounselors.com Danielle S. Futterman (DY 4228) dfutterman@ipcounselors.com Gabriela N. Nastasi gnastasi@ipcounselors.com EPSTEIN DRANGEL LLP 60 East 42nd Street, Suite 1250 New York, NY 10165 Telephone: (212) 292-5390 Facsimile: (212) 292-5391 <i>Attorneys for Plaintiffs</i> <i>Moonbug Entertainment Limited and</i> <i>Treasure Studio Inc.</i></p> <p style="text-align: center;">UNITED STATES DISTRICT COURT SOUTHERN DISTRICT OF NEW YORK</p> <p>MOONBUG ENTERTAINMENT LIMITED and TREASURE STUDIO INC.,</p> <p><i>Plaintiffs</i></p> <p>v.</p> <p>640350 STORE, 9999 KINDS TOY BOUTIQUE STORE, AISPREE OFFICIAL STORE, ANIME CHARACTER MODEL SHOP STORE, ANIME TOY SERIES STORE, BABY'S TOY STORE, BACKDROPBYNITREE STORE, BACPICKY STORE, BCAA STORE, BEETOY TOY STORE, BITE BITES OFFICIAL STORE, BLACK KNIGHT STORE, BLANKET 003 STORE, BOOM SPECIALTY STORE, BRILLIANT DECORATIVE FAVORS STORE, BRILLIANT FUN PARTY STORE, CAREHER GIFTS STORE, CHILDREN'S FUNNY STORE, CHILD'S CLOAKROOM STORE, CIS TOY STORE, CRUSH BACKDROPS STORE, DA KUAN PARTY STORE, DAFI R STORE, DAMAITONG STORE, DECCER STORE, DISNEY ANIME THEME STORE, DIY- MATERIAL STORE, DROPSHIP PLUSH TOY STORE, DUWES OFFICIAL STORE, FANYI TOY STORE, FLAMUR HOMEDECOR OFFICIAL STORE, FUNNY TOYS STORE, FUNNY TOY9 STORE,</p>	<p>GOOD LUCKLY YOU STORE, HAPPYNESS WONDERLAND, HAPPYSMILESHEN STORE, HFEZ STORE, HOLIDAY PARTIES STORE, HTMODEL STORE, HYPI TOY STORE 12 STORE, INNITREE STORE, KLDS STORE, KO KO BOWS STORE, L PARTY STORE, LEBEL STORE, LET'S PARTY TOGETHER STORE, LITCHI BACKDROP STORE, LITTLE NAUGHTY CHILDREN'S SHOP STORE, LOVE PARTY STORE, LYB TOY STORE, MILULU88 STORE, MOMN STORE, MS PARTY STORE, -NAUGHTY BABY STORE, NEOBACK BACKDROP STORE, NO.3478 FESTIVE AND GIFT STORE, OLYFACTORY STORE, PARTY SUPPLIESG STORE, PDD PARTY SUPPLIES STORE, PHOTURT PROFESSIONAL BACKDROP STORE, PLAYPLAYPLAY STORE, POKEMOON PARTY STORE, PRETTY RIBBON&CRAFTS INC., ROBLOX STORE, SH CHILD CLOTHES STORE, SHOP3195061 STORE, SHOP4878036 STORE, SHOP5429117 STORE, SHOP5440075 STORE, SHOP834240 STORE, SHOP910455180 STORE, SHOP911035215 STORE, SHOP911389045 STORE, SHOP911545108 STORE, SHOP911553397 STORE, SMILEWILL 01 STORE, SPRNGHIT STORE, SR TOY STORE, STARTING POINT TOY STORE, SUMAIDA004 STORE, SURPRISE PARTY STORE, THE TWO DIMENSIONAL ASSOCIATION TOY STORE, TOY FUNNY WORLD STORE, VODOF OFFICIAL STORE, WIN-WIN TOY STORE, YI XIAXIA STORE, YI YUE PARTY STORE, YISI PARTY BALLOONS DECORS STORE, YUENIOR TOYS STORE, YY TOY STORE, ZHAN BAO ER STORE, ZIROU STORE, ZQ HOUSE STORE, ZR PARTY BOUTIQUE STORE, ZY HOUSE STORE and ZZYK OFFICIAL STORE,</p> <p><i>Defendants</i></p>
<p>CIVIL ACTION No. ___</p> <p style="text-align: center;">COMPLAINT</p> <p style="text-align: center;">Jury Trial Requested</p> <p style="text-align: center;">FILED UNDER SEAL</p>	

⁹ *Emoji Company GmbH v. The Individuals, Corporations, Limited Liability Companies, Partnerships, and Unincorporated Associations Identified on Schedule A Hereto*, 1:21-cv-01739 (N.D. Ill. complaint filed Mar. 31, 2021).

¹⁰ In another variation, a rightsowner sued as a "Doe" plaintiff and sealed the identity of the allegedly infringed IP. *Doe v. The Partnerships and Unincorporated Associations Identified on Schedule "A,"* No. 22-cv-5512 (N.D. Ill. complaint filed Oct. 7, 2022). The rightsowner explained: "Plaintiff's name is being temporarily withheld to prevent Defendants from obtaining advance notice of this action and Plaintiff's accompanying ex parte Motion for Entry of Temporary Restraining Order and transferring funds out of the accounts that Plaintiff seeks to retrain. Plaintiff is identified on the U.S. Certificate of Trademark Registration for Plaintiff's trademark filed under seal as Exhibit 1." *Id.* FN1. That lawsuit targeted over 475 defendants. *See id.* Default Final Judgment Order filed Dec. 14, 2022.

¹¹ *Moonbug Entertainment Ltd. v. 640350 Store, No. 1-22-cv-05042-AT* (S.D.N.Y. complaint filed July 12, 2022).

This paper’s analysis applies to any case where a rightsowner initially seals the defendants’ identities.

Rightsowners may have legitimate reasons to seal defendant identities, such as to prevent defendants from dissipating assets or destroying evidence before the rightsowner can effectuate service. Because the practice isn’t always illegitimate, judges have the discretion to reject the rightsowner’s sealing request.¹² Such requests deserve careful scrutiny to confirm their legitimacy. Nevertheless, judges may instead acquiesce to the rightsowners’ generic purported justifications. So long as a Schedule A remains sealed, defendants will publicly self-identify only when they formally appear in the case. Defendant identity sealing should only last through the case’s initial stages, but judges may not revisit the sealing if no one is complaining about it.

Step 3: The rightsowner requests an ex parte TRO against the defendants’ allegedly infringing behavior.¹³ Because it’s ex parte, defendants cannot highlight any problems with the rightsowner’s case, though judges may spot defects *sua sponte*.¹⁴ Equitable relief is common in intellectual property cases,¹⁵ so an ex parte TRO request does not seem unusual.

Step 4: After the judge grants an ex parte TRO, the rightsowner submits it to the online marketplaces where the defendants are selling.

Step 5: The online marketplaces typically honor the TRO, whether they are legally required to do so or not,¹⁶ to reduce the risk of a contempt proceeding. Plus, the TRO might qualify as notice to the online marketplace of infringing activity, which

¹² FRCP 5.2(d).

¹³ Baird & Paterson, *supra* note 5 (noting that emergency TROs “increased 70% from 2019 to 2021,” largely due to the SAD Scheme).

¹⁴ *E.g.*, Zuru (Singapore) Pte, Ltd. v. Individuals, Corporations, Limited Liability Companies, Partnerships, & Unincorporated Associations Identified on Schedule A, No. 20-00395 JMS-KJM (D. Haw. Jan. 29, 2021) (denying the rightsowner’s ex parte TRO request because “the cookie-cutter statements contained in each declaration suggest that Plaintiffs did not expend much effort in this case to establish any *particularized* facts that would warrant ex parte relief”).

¹⁵ *E.g.*, eBay Inc. v. MercExchange, L.L.C., 547 U.S. 388 (2006) (Justice Roberts, concurring) (“From at least the early 19th century, courts have granted injunctive relief upon a finding of infringement in the vast majority of patent cases”).

¹⁶ Even if the TRO directs online marketplaces to take action, they are not a named party in the pending case and may not be otherwise acting “in active concert or participation” with the defendants. FRCP 65(d)(2).

increases their risk of contributory infringement in future cases if they don't take action.¹⁷

To implement the TRO, online marketplaces often will freeze all of the defendants' marketplace activity, not just any infringing activity. This freeze immediately harms defendants in two ways.

First, the freeze locks any cash being held by the online marketplace.¹⁸ This freeze can create severe or even fatal cash flow problems for the defendant, because it may not be able to pay its vendors, employees, or lawyers.

Second, the freeze cuts off future sales by the vendor—including both allegedly infringing items *and any other non-infringing items*.¹⁹ Thus, there is a crucial mismatch between the TRO's intended and actual remedies. The TRO should only reach items within the scope of the rightsowner's IP, but the TRO-induced freeze can restrict unrelated items and reduce the vendor's legitimate profits.

Worse, excluding legitimate competitors from the marketplace means that consumers have fewer choices and pay higher prices due to this collateral effect. In this way, the *ex parte* TRO hurts the public interest.

Step 6: Because its identity in the complaint is still sealed, the defendant may first learn about the lawsuit when its marketplace account is frozen.²⁰ With the defendant's business and cash flow in tatters, the SAD Scheme rightsowner can offer a convenient settlement—if the defendant pays an amount inflated by the defendants' desperation for immediate resolution.²¹ If the defendant accepts the settlement, the rightsowner dismisses the defendant from the case.

¹⁷ *E.g.*, Tiffany (NJ) Inc. v. eBay Inc., 600 F.3d 93 (2d Cir. 2010).

¹⁸ Judge Pacold's SAD Scheme TRO template form (discussed below) instructs online marketplaces to "restrain and enjoin any such accounts or funds from transferring or disposing of any money or other of Defendants' assets until further order by this Court." <https://www.ilnd.uscourts.gov/assets/documents/forms/judges/Pacold/TRO%20Template%20Schedule%20A%20cases.pdf>.

¹⁹ *See* Gorge Design Group LLC v. Xuansheng, 21-1695 (Fed. Cir. opening brief filed Oct. 25, 2021).

²⁰ *See* ABC Corp. I v. The Partnership and Unincorporated Associations Identified on Schedule "A", 21-2150 (Fed. Cir. Oct. 28, 2022) (an Amazon account freeze didn't give notice of the lawsuit sufficient to compel a defendant to engage with the suit).

²¹ *See* Gorge Design Group LLC v. Xuansheng, 21-1695 (Fed. Cir. opening brief filed Oct. 25, 2021):

[the rightsowner] subjected NeoMagic to a short barrage of sealed litigation intended to secretly shut down NeoMagic's business, seize NeoMagic's marketplace (typically listing more than 100,000 products daily), and freeze

Ordinarily, settlements of intellectual property disputes are viewed as positive developments, because in theory the parties reached a mutually beneficial outcome while preserving judicial resources.²² In practice, SAD Scheme settlements indicate a defect in our adversarial model of jurisprudence. That model assumes that the truth prevails when litigants both tell their best version of their story before an independent adjudicator. In the SAD Scheme's case, the TRO was issued based only on the rightsowner's best story, without hearing from the defendants at all. Defendants then prefer the speed, cost, and predictability of the rightsowner's settlement offer over adversarial combat in court—even if the defendants could win in court if they told their best story. This means the defendants never tell their story at all in court, making settlements produced by *ex parte* proceedings the antithesis of our adversarial model of justice. The proliferation of such settlements should act as cautionary signals of a process failure, not confirmation of its proper functioning.

Step 7: The rightsowner may choose to drop any defendant who doesn't acquiesce to the settlement. By strategically deciding who remains in the case, the rightsowner can control what adversarial information reaches the judge.²³ With a steady stream of dismissed defendants (who settled or are dismissed voluntarily), the case superficially appears to be moving forward.

Step 8: After the settlements and voluntary dismissals, the remaining defendants will not appear in court for a variety of reasons: they can't afford to litigate; the amount of money at stake isn't worth the litigation costs; the defendant never got proper notice/service; the defendant is outside the U.S. and thinks it is not bound by any U.S. court proceeding; the defendant is bankrupt, perhaps due to the marketplace freeze; or the defendant infringed and knows it would lose in court.

NeoMagic's funds (in excess of \$300,000) based upon the sale of a single unit of a \$4.99 product... Gorge still demanded payment of \$9,500 for Gorge to release the over \$300,000 of NeoMagic money that remained frozen (crippling NeoMagic's ability to do business).

²² *E.g.*, 1-800-Contacts, Inc. v. Fed. Trade Comm'n, 1 F.4th 102 (2d Cir. 2021).

²³ Gorge Design Group LLC v. Xuansheng, 21-1695 (Fed. Cir. opening brief filed Oct. 25, 2021) (“Gorge dismissed NeoMagic under Rule 41 immediately preceding the injunction hearing so that NeoMagic could not present [adverse] information verbally to the district court”).

The rightsowner then seeks default judgments against the no-show defendants, which courts are inclined to grant,²⁴ though they may trim the damages amount or scope of the injunction. Rightsowners realistically may not expect to collect any money directly from defendants after the default judgments, but courts may order online marketplaces to turn over any frozen cash to satisfy the judgment.²⁵

B. A SAD Case Study²⁶

Emojico is a German company with US trademark registrations in the word “emoji” for numerous classes.²⁷ Aided by this ownership claim over a common dictionary term, Emojico licenses vendors to sell goods under an “emoji” brand.

In one of its Schedule A Defendants cases, Emojico claimed this Amazon marketplace listing infringed:

²⁴ A common judicial attitude towards defaulting defendants: “If defendants in any Schedule A case seek to present constitutional or historical challenges to a plaintiff’s legal theories, those defendants—as parties to the case—should appear and make those arguments in the first instance.” *Oakley, Inc. v. the Partnerships and Unincorporated Associations Identified on Schedule “A”*, 1:22-cv-01570 (N.D. Ill. Oct. 24, 2022).

²⁵ *E.g.*, *Ontel Products Corp. v. The Unincorporated Associations Identified in Schedule A*, 1:21-cv-01452-MSN-JFA (E.D. Va. Aug. 12, 2022).

²⁶ For a design patent case study, see Sarah Burstein, *Guest Post: We Need to Talk About the NDIL’s Schedule-A Cases*, PATENTLY-O (Oct. 30, 2022), <http://patentlyo.com/patent/2022/10/guest-post-about.html> (discussing *ABC Corp. I v. The Partnership and Unincorporated Associations Identified on Schedule “A”*, 22-1071 (Fed. Cir. Oct. 28, 2022)).

²⁷ *E.g.*, EMOJI, Reg. #5489322 (2018) (covering goods such as motor buses, hub caps, caps for vehicle petrol, ships’ hulls, and rowlocks); EMOJI, Reg. # 5415510 (2018) (covering goods such as penis enlargers, cuticle pushers, fruit knives, pesticides, and bowel evacuant preparations).



Emojico apparently conducted a keyword search in Amazon’s marketplace for the word “emoji” and flagged hundreds of listings where the word “emoji” appeared in the product title or description. Emojico then claimed that all of the listings violated its trademark rights in the word “emoji.” In the screenshot above, the green box indicates the alleged infringement.

This is not a serious trademark claim. Trademark law typically restricts using a trademarked term as a source identifier. The depicted mug isn’t using “emoji” as a source identifier. It’s not an “emoji”-branded mug. The word “emoji” doesn’t appear on the mug. The only reference to “emoji” is the description of the poop emoji.

Furthermore, trademark law recognizes “descriptive fair use,”²⁸ which occurs when a dictionary word describes a product’s attributes. That’s exactly what the Amazon merchant is doing—telling consumers that the mug displays a poop emoji. The merchant has no other way to accurately describe the mug. Any synonym for “poop emoji” would hinder consumer decision-making, and trademark law does not require vendors to linguistically stretch so much.

²⁸ 15 U.S.C. § 1115(b)(4).

Given its obvious deficiencies, this trademark claim never should have been brought. Yet, pursuant to the SAD Scheme, a judge may never hear any objection to Emojico's enforcement. By overclaiming its trademark registration in "emoji" and then controlling the narrative told to the judge, Emojico can weaponize the legal system to obtain legally unsupportable settlements or default judgments over poop emoji mugs.

II. QUANTIFYING THE SAD SCHEME'S PREVALENCE

This part provides empirical details about the SAD Scheme.

Methodology

On December 28, 2022, I entered the following search query into Bloomberg Law Docket's "parties" field:

"schedule a" or "exhibit 1" or "exhibit a" or "annex a" or "annex 1" or "schedule 1"

This produced a total dataset of 9,181 cases. Using Bloomberg Law's search filters, I then made the following configurations:

- I excluded state and foreign cases.²⁹
- I selected cases using the Federal NOS fields of copyright, patent, or trademark.³⁰ This excluded a long list of other claims, of which the most common were forfeiture cases.
- I limited the dataset to cases where the search terms appeared in the "complaint."

These parameters generated a dataset of 3,217 cases dating back to 1991. The first dataset case styled with a "Schedule A" caption was in 2013.³¹

²⁹ Federal copyright and patent claims must be filed in federal court. 28 U.S.C. § 1338. Federal trademark claims can be filed in state court (*id.*), but that's rarely done. Excluding state court cases from the dataset may undercount any SAD Scheme cases involving exclusively state IP claims or federal trademark cases filed in state court, but it's extremely unlikely that there are many of those cases.

³⁰ The NOS field is notoriously error-prone. Among other structural problems, a case must fit within a single type of claim, even if it raises multiple types. For example, if a complaint included utility patent, trademark, and copyright claims, it would be categorized in only one of those fields.

³¹ *Deckers Outdoor Corp. v. The Partnerships and Unincorporated Associations Identified on Schedule "A" and Does 1-100*, No. 1:13-cv-00043 (N.D. Ill. complaint filed Jan. 3, 2013). This lawsuit involved 1,368 domain names. *Id.* docket entry #27.

Of the 3,217 dataset cases, 2,846 cases (over 88%) were filed in the Northern District of Illinois. The Southern District of Florida had 242 cases (7.5%). The remaining jurisdictions were all under 2%.

Why is the SAD Scheme concentrated in the Northern District of Illinois? I'm still not sure, but I can speculate. The most obvious hypotheses are that (1) the system succeeds in the district, though that doesn't answer the more critical question of "why?," and (2) local practitioners have a successful track record using the system and use that to generate business from rightsowners. Two commentators speculated that it's "because of the large consumer base in the area" and the federal courts are "friendly to cases using anonymous plaintiffs and case combining."³² As evidence to support the latter point, Judge Pacold provides rightsowners with templates to make SAD Scheme filings³³—i.e., she literally helps SAD Scheme rightsowners win in her courtroom. However, the SAD Scheme cases are spread across all of the district's judges, so Judge Pacold's interventions don't alone explain the concentration.

Of the 3,217 dataset cases, 2,837 cases (88%) list "trademarks" in the NOS field.³⁴ Copyright and patent cases are about 6% each.

Of the 3,217 cases in the dataset, 935 were filed in 2022, 733 were filed in 2021, and 533 were filed in 2020. Collectively, the data indicate that the cases are growing exponentially on a year-to-year basis, and over 2/3 of the all-time SAD Scheme lawsuits were filed in the last 3 full calendar years.

Bloomberg Law also allows for searches by how the case resolved.³⁵ Given the SAD Scheme's relatively recent emergence, many cases may not have reached

An earlier example is *Yahoo! Inc. v. yahooahts.com*, No. 1:05-cv-01441 (E.D. Va. complaint filed Dec. 12, 2005), which involved "1865 other domain names listed on Exhibit A."

³² Baird & Paterson, *supra* note 5; see also Lauraann Wood, *Northern Ill. A Surprise Magnet For Counterfeiting Suits*, LAW360 (Jan. 24, 2023), <https://www.law360.com/ip/articles/1568802>.

Local rules might contribute to actual or perceived differences among districts. For example, the Northern District of Illinois has local rules regarding sealed filings. Local Rules of the United States District Court Northern District of Illinois, LR 5.7, 5.8, & 26.2 (Sept. 1, 1999, amended Mar. 29, 2021), <https://www.ilnd.uscourts.gov/assets/documents/rules/LRRULES.pdf>. However, the details of the local sealing rules don't seem likely to encourage more sealing than in other districts.

³³ <https://www.ilnd.uscourts.gov/judge-cmp-detail.aspx?cmpid=1272>.

³⁴ For additional analyses of SAD Scheme case data by industry, see Baird & Paterson, *supra* note 5.

³⁵ To get this option, I had to unselect the restriction to "complaints," which increased the dataset slightly to 3,241 instead of 3,217.

a resolution yet. Furthermore, it's unclear how Bloomberg Law categorizes the resolution of a "case" that has hundreds of defendants who may have reached different dispositions. Despite those data problems, the data support some inferences. Of the cases that listed a resolution (2,688 cases), 70% were categorized as "default judgments," 28% were categorized as "voluntary/joint dismissal," and less than 2% of the resolutions had some other conclusion (like an adjudication on the merits).

When I reviewed the Emojico SAD Scheme cases in 2021, I estimated that Emojico sued an average of over 200 defendants in each case.³⁶ It's not easy to confirm the average defendants-per-complaint sued by other rightsowners, though based on my anecdotal review, Emojico does not appear to be an outlier. If the 200 defendants-per-complaint average is constant across the dataset, then over 600,000 defendants have been sued in a SAD Scheme case. Even a lower average of 80 defendants-per-complaint would indicate over a quarter-million affected defendants.

III. HOW THE LEGAL SYSTEM ENABLES THE SAD SCHEME

The SAD Scheme works in part by taking advantage of several dynamics. First, intellectual property claims routinely impose strict liability, which makes it easier for rightsowners to succeed with minimal factual showings. Further, because of the "property" connotations of "intellectual property," judges may overlook procedural defects to help vindicate the property interests. Second, the SAD Scheme can take place largely or wholly *ex parte*, so judges act on the rightsowners' unrebutted assertions. Third, the online marketplaces' over-response to the TRO plays a critical role. Collectively, these dynamics allow rightsowners to nominally follow the rules and yet achieve abusive and extortive outcomes. This part explains how those forces contribute to the SAD Scheme's success.

Robo-Pleading. Profitable mass IP enforcement generally relies on low-cost litigation operations, and rightsowners recycle materials as much as possible. For example, SAD Scheme rightsowners reuse complaint templates by asserting generic facts, none particularized to any defendant. Robo-pleading may not comport with the FRCP's pleading standards and pre-filing investigatory work.³⁷

³⁶ Emojico Declaration, *supra* note *.

³⁷ FRCP 11.

However, in *ex parte* proceedings, judges have to unilaterally call out deficiencies, and sometimes judges are willing to overlook threadbare allegations.

Bypassing Service. Rightsowners may have difficulty serving defendants, especially if they are located internationally.³⁸ To sidestep this issue entirely, the rightsowner can adjudicate its rights *ex parte* without making service.³⁹ Using marketplace freezes and the resulting settlements, rightsowners could in theory completely resolve the lawsuit without ever serving any defendant.

Bypassing Personal Jurisdiction. A robo-complaint typically will generically allege that all defendants committed infringing acts in the rightsowner's home court. Such generic allegations may not comport with jurisdictional requirements. For example, due process typically requires that each online defendant intentionally direct their actions into the forum jurisdiction,⁴⁰ and that "intent" standard requires defendant-specific facts. Furthermore, the complaint usually won't provide any information about the defendants' locations⁴¹ or provide any other defendant-specific facts supporting personal jurisdiction. Thus, judges have to affirmatively demand more details from the rightsowner to confirm that it has personal jurisdiction over all of the defendants. If the judges uncritically accept generic jurisdiction allegations, they are likely permitting the case to proceed against some defendants who aren't properly subject to personal jurisdiction.

Misjoinder. In general, courts interpret joinder rules liberally, and expansive joinder provisions can offer significant efficiencies to rightsowners.⁴² At the same time, misjoinder can severely disadvantage defendants and cause chaos in the court system.

Typically, in a SAD Scheme case, the defendants have no relationship with each other. Instead, the rightsowner sweeps up an assemblage of alleged infringers in an online marketplace and enumerates them in a complaint. The rightsowner then generically asserts that the defendants are related to each other without providing any factual support.

³⁸ FRCP 4(f).

³⁹ FRCP 65(b)(1)(B) requires that the "movant's attorney certifies in writing any efforts made to give notice and the reasons why it should not be required" before an *ex parte* TRO is issued. However, it doesn't require notice to be given, even if the attorney could easily do so.

⁴⁰ *E.g.*, *ALS Scan v. Digital Service Consultants, Inc.*, 293 F.3d 707 (4th Cir. 2002).

⁴¹ Recall the threadbare list of defendants in Part I, "Step Two."

⁴² *E.g.*, David O. Taylor, *Patent Misjoinder*, 88 N.Y.U. L. REV. 652, 671-72 (2013).

The FRCP permits joinder of defendants only “with respect to or arising out of the same transaction, occurrence, or series of transactions or occurrences.”⁴³ Defendants who are independently (allegedly) infringing the rightsowner’s IP rights in parallel with each other in the same marketplace do not satisfy this standard. One court explained:

The allegations and evidence plaintiff has provided only supports a conclusion that many distinct counterfeiters are using similar strategies to sell counterfeit versions of plaintiff’s HUGGLE products, and they may be acquiring these counterfeit products from the same or similar sources. Distinct individuals or entities independently selling counterfeit goods over the internet does not satisfy the transaction or occurrence requirement of FRCP 20.⁴⁴

Nevertheless, showing the characteristic judicial deference to the SAD Scheme, the judge disregarded the joinder defect.⁴⁵

Misjoinder substantially improves the economics of SAD Scheme litigation.⁴⁶ The complaint filing fee is \$402, regardless of how many defendants are named.⁴⁷ By combining unrelated defendants into a single case, the rightsowner can cut its per-defendant filing costs. For example, if the rightsowner names 200 defendants on a Schedule A, the filing costs drop 95% to about \$2 per defendant instead of \$402 per defendant. That \$400 difference makes more enforcement actions financially viable.

The rightsowners’ windfall comes at the government’s expense. When 200 defendants are improperly joined in a single complaint, the government loses

⁴³ FRCP 20(a)(1)(A). In patent cases, joinder requires that the claims (1) are asserted “with respect to or arising out of the same transaction, occurrence, or series of transactions or occurrences relating to the making, using, importing into the United States, offering for sale, or selling of the same accused product or process,” and (2) “questions of fact common to all defendants or counterclaim defendants will arise in the action.” 35 U.S.C. § 299.

⁴⁴ *Ontel Products Corp. v. The Unincorporated Associations Identified In Schedule A*, 1:21-cv-01452-MSN-JFA (E.D. Va. Aug. 12, 2022).

⁴⁵ *Id.* (“any defects related to joinder in this action would not affect any of the remaining defendants’ substantial rights”).

⁴⁶ Emoji Declaration, *supra* note *, ¶21. IP trolling routinely involves expansive approaches to joinder. *See Sag & Haskell*, *supra* note 1, at 584-88.

⁴⁷ This includes the \$350 filing fee for civil actions per 28 U.S.C. § 1926(a) and a \$52 administration fee per 28 U.S.C. § 1915.

\$80,000 in filing fees. If that average holds true over the 3,200+ SAD Scheme cases, the SAD Scheme has cost the government over \$250 million to date.⁴⁸

Oversealing Defendant Identities. The court system generally requires the litigants to identify themselves as part of ensuring proper transparency of the judicial system.⁴⁹ Although sealed defendant identities are occasionally appropriate, judges should scrutinize such requests carefully. Defendants could explain why the secrecy is improper if they could appear at the ex parte TRO hearing, but they are excluded by definition. That puts the burden on the judge to anticipate all of the problems with the sealing request. However, judges are instead inclined to accept the rightsowner's advocacy at face value.⁵⁰

Dismissal of Defendants Who Fight Back. As discussed above, rightsowners can strategically use defendant dismissals to curate the adversarial information presented to judges. Thus, high volumes of voluntary dismissals should be treated not as good news but instead as indicators of possible litigation pathologies.

Non-Individualized Adjudication. It's usually not cost-effective for rightsowners to engage in individualized litigation against each SAD Scheme defendant. Ex parte hearings are a low-cost alternative—essentially they provide non-individualized adjudication for all defendants, because defendants aren't around to make their individual cases.

Extra-Judicial Resolutions. The ex parte TRO is the linchpin to the SAD Scheme. To get it, rightsowners must show “specific facts...that immediate and irreparable injury, loss, or damage will result to the movant before the adverse party can be heard in opposition.”⁵¹ Judges should enforce the “specific facts” requirement

⁴⁸ Of course, rightsowners would drop some defendants if they had to pay the full filing fee per defendant, which reinforces the filing fee's important gatekeeping function. *See generally* 2011-2012 *Policy Paper: Courts Are Not Revenue Centers*, CONFERENCE OF STATE COURT ADMINISTRATORS, https://cosca.ncsc.org/_data/assets/pdf_file/0019/23446/courtsarenorevenuecenters-final.pdf (Principle 1 says “Court users derive a private benefit from the courts and may be charged reasonable fees partially to offset the cost of the courts borne by the public-at-large”).

⁴⁹ *E.g.*, Eugene Volokh, *The Law of Pseudonymous Litigation*, 73 HASTINGS L.J. 1353 (2022); Lior Strahilevitz, *Pseudonymous Litigation*, 77 U. CHI. L. REV. 1239 (2010); *White Paper: Anonymous Civil Litigants*, REPORTERS COMMITTEE FOR FREEDOM OF THE PRESS, <https://www.rcfp.org/journals/news-media-and-law-fall-2015/white-paper-anonymous-civil-l>. *See generally* Bernard Chao, *Not So Confidential: A Call for Restraint in Sealing Court Records*, 2011 PATENTLY-O PATENT L.J. 6, <https://cdn.patentlyo.com/media/docs/2011/07/chao.sealedrecords.pdf>.

⁵⁰ *Gorge Design Group LLC v. Xuansheng*, 21-1695 (Fed. Cir. opening brief filed Oct. 25, 2021).

⁵¹ FRCP 65(b)(1)(A).

vigorously,⁵² but the SAD Scheme shows that rightsowners can succeed with robo-filings.

Ex parte TROs generally should preserve the status quo until the defendant can appear,⁵³ but SAD Scheme ex parte TROs go much further—they dramatically change the status quo and can negate the need for further in-court proceedings. That highlights how SAD Scheme ex parte TROs are an inappropriate remedy.

Limited Error Correction. All ex parte adjudications face an increased risk of legal or factual mistakes. This is especially true in intellectual property cases.

First, IP rights often have indeterminate boundaries. It's natural for rightsowners to push their claims to those borders or beyond,⁵⁴ knowing that defendants will push back on overclaims. However, when defendants don't appear in court, and the borders aren't clear anyway, judges may accept the rightsowners' unrebutted overclaims.⁵⁵

Second, courts routinely need extrinsic evidence to determine the validity and scope of IP rights, and a non-adversarial process won't produce this evidence.⁵⁶ For example, design patent infringement requires the adjudicator to carefully analyze the corpus of prior art. The rightsowner can't be trusted to provide this corpus; after all, they would immediately turn around and explain why the items should be ignored or distinguished. Judges may lack the technical expertise or research capacity to find the prior art themselves. Due to the inevitably incomplete

⁵² E.g., *Reno Air Racing Ass'n, Inc. v. McCord*, 452 F.3d 1126 (9th Cir. 2006).

⁵³ *Granny Goose Foods v. Bhd. of Teamsters & Auto Truck Drivers*, 415 U.S. 423, 439 (1974) (“Ex parte temporary restraining orders are no doubt necessary in certain circumstances, but under federal law they should be restricted to serving their underlying purpose of preserving the status quo and preventing irreparable harm just so long as is necessary to hold a hearing, and no longer.”)

⁵⁴ E.g., James Gibson, *Risk Aversion and Rights Accretion in Intellectual Property Law*, 116 YALE L.J. 882 (2007).

⁵⁵ Judges can push back and sometimes do. See *Grumpy Cat Ltd. v. The Individuals, Corporations, Limited Liability Companies, Partnerships, and Unincorporated Associations Identified on Schedule A Hereto*, 1:22-cv-03216 (N.D. Ill. June 23, 2022) <https://storage.courtlistener.com/recap/gov.uscourts.ilnd.416147/gov.uscourts.ilnd.416147.24.0.pdf> (“Some of the accused products likely infringe plaintiff’s trademarks or copyrights, but the court is not persuaded that the accused products depicted in every submitted screenshot infringe. For example, [two screenshots] depict cartoon cats that are not the trademarked image and do not use the term Grumpy Cat. Plaintiff’s submission does not explain how such images could reasonably be considered derivative of any copyrighted work (which are merely listed and not described). Not every frowning cartoon cat infringes; or at least plaintiff has failed to persuade that its intellectual property reaches that far”).

⁵⁶ See Sarah R. Wasserman Rajec, *Patents Absent Adversaries*, 81 BROOK. L. REV. 1073 (2016).

set of prior art before the judge, “*ex parte* assessments of design patent infringement are likely to lead to significant over-enforcement.”⁵⁷

In SAD Scheme cases, any factual or legal errors by the court are unlikely to be corrected or appealed because so many defendants will settle, be voluntarily dismissed, or no-show.

For example, Emojico requested a default judgment against some defendants.⁵⁸ The court spotted Emojico’s overclaim; it was improperly seeking to propertize a dictionary word. Nevertheless, the judge ignored the descriptive fair use statutory defense⁵⁹ in determining liability because the defendants did not raise the defense (they couldn’t—they defaulted). Instead, the judge said descriptive fair use negated willful infringement and awarded statutory damages of “only” \$25,000 against each defendant.

This conclusion is riddled with inconsistencies. If defendants qualified for descriptive fair use, the court should not have awarded any damages at all because the rightsowner’s *prima facie* case failed. Yet, because the defendants defaulted, they are almost certainly not going to appeal the ruling. This leads to a legally unsupportable outcome that the standard judicial checks-and-balances won’t fix.

IV. WAYS TO ADDRESS THE SAD SCHEME

It’s hard to know how often SAD Scheme lawsuits are legitimate and the optimal way for rightsowners to obtain redress. Are there ways to preserve the legitimate cases while curbing illegitimate ones? This part offers some ideas.

A. Judicial Education

As described in Part III, the SAD Scheme depends heavily on judges credulously accepting rightsowner’s un rebutted claims. Judges could easily curb abusive SAD Scheme lawsuits by scrutinizing rightsowners’ filings more vigorously.

⁵⁷ See Sarah Burstein, *Guest Post: Against the Design-Seizure Bill*, PATENTLY-O (Jan. 3, 2020), <https://patentlyo.com/patent/2020/01/against-design-seizure.html>.

⁵⁸ *Emoji Co. v. Individuals, Corporations, Ltd. Liab. Co., Partnerships, & Unincorporated Ass’n Identified on Schedule A*, 2022 U.S. Dist. LEXIS 173321 (N.D. Ill. Sept. 26, 2022).

⁵⁹ 15 U.S.C. §1115(b)(4).

Yet, in the rare situations where defendants have pushed back against SAD Scheme cases, judges often disregard the pushback.⁶⁰ Further, Northern District of Illinois judges now have seen enough SAD cases to know about some of their problems, but the rate of SAD Scheme filings is still increasing (and Judge Pacold is still helping rightsowners file factually threadbare and overreaching filings). This suggests that judicial education alone may not cure SAD Scheme abuses.

B. Changes in Online Marketplace Policies

The SAD Scheme would likely evaporate if the online marketplaces did not honor *ex parte* TROs so expansively. As just one example, in theory, online marketplaces could freeze only the items and money associated with the allegedly infringing activity, not the entire account and all funds-in-possession. However, so long as online marketplaces fear their own liability exposure, they don't have enough incentives to make nuanced interventions. It's simpler and lower-risk for them to categorically shut down alleged infringers identified in the TRO.

C. Greater Use of Existing Legal Doctrines

The FRCP is flexible enough to adapt to new litigation techniques, and some existing provisions could help curb abusive SAD Scheme lawsuits:

Defendant classes. FRCP 23 contemplates that defendants can form classes, just like rightsowners do.⁶¹ For example, a defendant class could bust the rightsowner's trademark or establish defenses like descriptive fair use. However, few individual defendants have enough motivation and resources to organize a class.

Attorneys' fees awards. Prevailing defendants may be awarded attorneys' fees in extraordinary patent or trademark cases⁶² or at a judge's discretion in copyright cases.⁶³ Judges could also use other doctrines to protect defendants, such as FRCP 11 if rightsowner's counsel didn't properly do pre-filing investigations, misrepresented the situation to the judge, or made overly generic filings.

⁶⁰ See, e.g., FN 45.

⁶¹ E.g., Robert R. Simpson & Craig Lyle Perra, *Defendant Class Actions*, 32 CONN. L. REV. 1319, 1323 (2000) (defendant class actions have been used in "various types of cases, including, but not limited to, patent infringement cases, suits against local officials challenging the validity of state laws, securities litigation, and actions against employers."); Francis X. Shen, *The Overlooked Utility of the Defendant Class Action*, 88 DEN. U. L. REV. 73 (2010); Assaf Hamdanid & Alon Klement, *The Class Defense*, 93 CALIF. L. REV. 685 (2005).

⁶² 35 U.S.C. §285 and 15 U.S.C. §1117(a).

⁶³ 17 U.S.C. §505.

Fee-shifts can make mass IP enforcement less financially attractive⁶⁴ and compensate SAD Scheme defendants willing to fight back. Further, SAD Scheme cases should qualify as “extraordinary” cases for fee-shift purposes for the reasons outlined in Part III.⁶⁵

Nevertheless, judges may reject discretionary fee shifts. One court explained the fee-shift denial:

this case has followed the same trajectory of many other cases in this District and in districts throughout the country in instances where a plaintiff discovers that its intellectual property has likely been pirated and identical or substantially similar knock-off products are being offered for sale from on-line platforms. To hold that this case is exceptional would topsy-turvy that term—elevating what is ordinary to extraordinary. It would erect an unwarranted barrier to plausible claims by legitimately injured Plaintiffs⁶⁶

The judge’s pro-rightowner sympathy is not unusual. It’s a primary reason why judges might not use fee-shifts more aggressively in SAD Scheme cases, even when it’s deserved. Plus, rightowners could avoid fee-shifts by dismissing defendants voluntarily,⁶⁷ even though judges ought to keep those rightowners on the hook to prevent strategic gaming.

Bonds. FRCP 65 says that a “court may issue a preliminary injunction or a temporary restraining order only if the movant gives security in an amount that the

⁶⁴ For example, fee-shifts to defendants helped unravel Righthaven’s mass copyright enforcements, Righthaven. *E.g.*, Righthaven LLC v. DiBiase, 2011 WL 5101938 (D. Nev. Oct. 26, 2011) (\$120k in fees and costs); Righthaven LLC v. Wolf, 1:11-cv-00830-JLK (D. Colo. Sept. 27, 2011); Righthaven LLC v. Hoehn, 2:11-cv-00050-PMP –RJJ (D. Nev. Aug. 15, 2011) (\$34k in fees); Righthaven, LLC v. Leon, 2011 WL 2633118 (D. Nev. July 5, 2011) (\$3,800 in fees).

However, some over-aggressive rightowners repeatedly bring ill-advised cases, even after fee-shifts and sanctions. See, e.g., Richard Liebowitz. https://en.wikipedia.org/wiki/Richard_Liebowitz.

⁶⁵ See *Octane Fitness, LLC v. ICON Health & Fitness, Inc.*, 572 U.S. 545 (2014);

⁶⁶ *Gorge Design Group LLC v. Syarme*, No. 2:20-cv-1384 (W.D. Pa. Dec. 3, 2020).

⁶⁷ *Id.* (the rightowner’s voluntary dismissal meant that Neomagic technically didn’t prevail).

My Emojico Declaration was filed after the rightowner voluntarily dismissed the defendant. The court summarily denied the defendant’s fee-shift request without explanation. *Emoji Co. GmbH v. the Individuals, Corporations, Limited Liability Companies, Partnerships, and Unincorporated Associations Identified on Schedule A Hereto*, No. 21-cv-1739 (N.D. Ill. Mar. 23, 2022).

court considers proper to pay the costs and damages sustained by any party found to have been wrongfully enjoined or restrained.”⁶⁸

Courts set bond amounts at their discretion, but the amount should be high enough to accommodate the losses to all potentially affected parties, including the targeted merchants, the online marketplaces, and consumers.⁶⁹ Unfortunately, courts routinely undervalue bonds in SAD Scheme cases because they don’t anticipate how much harm the ex parte TRO will cause.⁷⁰

Bonds serve a key gatekeeping function. For example, after one court required a SAD Scheme rightsowner to tender a bond of \$10,000 per defendant, the rightsowner dropped the number of defendants from 218 to 5 because the bond’s 2% cost was too much.⁷¹

However, bonds suffer some of the same limitations as attorneys’ fee shifts: dismissed/settled defendants aren’t likely to request payment from the bond, and judges will be reluctant to make awards out of the bond that feel punitive to the rightsowner. While higher bond amounts could force rightsowners to evaluate their cases more carefully upfront due to the surety fee, more aggressive judicial

⁶⁸ FRCP 65(c).

⁶⁹ *See Rathmann Group v. Tanenbaum*, 889 F.2d 787 (8th Cir. 1989).

⁷⁰ *Gorge Design Group LLC v. Xuansheng*, 21-1695 (Fed. Cir. opening brief filed Oct. 25, 2021) (“Gorge’s bond amounted to less than \$130 per defendant, and for that it was able to seize over \$300,000 of NeoMagic’s funds and obtain an order allowing Gorge to take control of NeoMagic’s online marketplace”)

⁷¹ *Blue Sphere, Inc. v. The Individuals, Corporations, Limited Liability Companies, Partnerships, and Unincorporated Associations Identified on Schedule A Hereto*, No. 22-cv-5599 (N.D. Ill. plaintiff’s statement filed Dec. 21, 2022). The rightsowner filed a new complaint against the 213 dropped defendants. *See Blue Sphere, Inc. v. The Partnerships et al*, No. 22-cv-6502 (N.D. Ill.). The first judge was not amused:

Plaintiff’s counsel engaged in that judicial rug-pulling sub silentio, without telling this Court or Judge Guzman what they were doing...Plaintiff’s counsel later explained that they do not like this Court’s bond requirements. So they decided to refile the case and get another judge....The Federal Rules and the U.S. Code allow a certain amount of forum shopping. But they do not allow judge shopping....Parties can pick their lawyers, and parties can pick their cases. But parties cannot pick their judges. Plaintiff’s counsel cannot drop defendants, and then refile on behalf of those defendants, in an attempt to get what they perceive to be a greener judicial pasture.

Blue Sphere, Inc. v. The Individuals, Corporations, Limited Liability Companies, Partnerships, and Unincorporated Associations Identified on Schedule A Hereto, No. 22-cv-5599 (N.D. Ill. Jan. 18, 2023).

management of bond requirements isn't likely to materially impact SAD Scheme cases.

D. Possible Statutory Reforms

Though it's unlikely that the SAD Scheme will prompt legislative reforms, it's worth evaluating some policy ideas:

Filing fees scaled to the number of defendants. Enumerating lots of defendants in a single complaint is critical to the SAD Scheme's financial success. It would change the rightsowners' economic calculus if filing costs reflected this practice.⁷² For example, the \$402 filing fees could cover only the first X defendants, after which each additional defendant could cost another \$402. If X were set high enough so that most legitimate cases qualify for the fixed pricing, this pricing change could easily cut back on abusive cases.

Stronger presumptions against sealed defendant identities. To emphasize that sealed defendant identities should be exceptional, the FRCP could impose heightened judicial scrutiny of cases with sealed defendant identities. For example: filing fees could be higher when the complaint has sealed defendant identities; rightsowners could be required to proactively disclose how often they have filed complaints with sealed defendant identities and how those cases resolved; judges could be required to take upfront extra steps to verify the legitimacy of sealing requests before a rightsowner can move forward; and the default rule could be that any sealed defendant identities automatically become unsealed within a statutorily specified number of days or weeks after filing unless the rightsowner shows an extraordinary need to keep the identities sealed.

CONCLUSION

Legal scholarship often emphasizes doctrinal omissions where existing laws do not adequately prevent anti-social behavior or provide adequate redress for victims. Those are important conversations, but they can sometimes overshadow the opposite problem of doctrinal commissions where existing laws produce unjust results.⁷³

⁷² Cf. Jonathan Masur, *Costly Screens and Patent Examination*, 2 J. LEG. ANALYSIS 687 (2010) (discussing how patent prosecution costs can screen out low-value applications),

⁷³ Eric Goldman, *Want To End The Litigation Epidemic? Create Lawsuit-Free Zones*, FORBES TERTIUM QUID BLOG (Apr. 10, 2013), <https://www.ericgoldman.org/Speeches/caprivacylawsdec2013.pdf>.

This paper contributes to the scholarship on doctrinal commissions. It shows how existing IP and civil procedure rules—which generally serve legitimate purposes—can nevertheless enable improper IP enforcements that create a long list of potential abusive litigation victims. Because the outcomes do not comport with due process and the rule of law, this doctrinal commission needs to be fixed.

Syllabus

NOTE: Where it is feasible, a syllabus (headnote) will be released, as is being done in connection with this case, at the time the opinion is issued. The syllabus constitutes no part of the opinion of the Court but has been prepared by the Reporter of Decisions for the convenience of the reader. See *United States v. Detroit Timber & Lumber Co.*, 200 U. S. 321, 337.

SUPREME COURT OF THE UNITED STATES

Syllabus

**ABITRON AUSTRIA GMBH ET AL. v. HETRONIC
INTERNATIONAL, INC.****CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR
THE TENTH CIRCUIT**

No. 21–1043. Argued March 21, 2023—Decided June 29, 2023

This case requires the Court to decide the foreign reach of 15 U. S. C. §1114(1)(a) and §1125(a)(1), two provisions of the Lanham Act that prohibit trademark infringement. The case concerns a trademark dispute between Hetronic (a U. S. company) and six foreign parties (collectively Abitron). Hetronic manufactures remote controls for construction equipment. Abitron, once a licensed distributor for Hetronic, claimed ownership of the rights to much of Hetronic’s intellectual property and began employing Hetronic’s marks on products it sold.

Hetronic sued Abitron in the Western District of Oklahoma for trademark violations under two related provisions of the Lanham Act, both of which prohibit the unauthorized use in commerce of protected marks when, *inter alia*, that use is likely to cause confusion. See §§1114(1)(a), 1125(a)(1). Hetronic sought damages for Abitron’s infringing acts worldwide. Abitron argued that Hetronic sought an impermissible extraterritorial application of the Lanham Act. The District Court rejected Abitron’s argument, and a jury later awarded Hetronic approximately \$96 million in damages related to Abitron’s global employment of Hetronic’s marks. The District Court also entered a permanent injunction preventing Abitron from using Hetronic’s marks anywhere in the world. On appeal, the Tenth Circuit narrowed the injunction, but otherwise affirmed the judgment, concluding that the Lanham Act extended to “all of [Abitron’s] foreign infringing conduct.”

Held: Applying the presumption against extraterritoriality, §1114(1)(a) and §1125(a)(1) of the Lanham Act are not extraterritorial and extend only to claims where the infringing use in commerce is domestic. Pp. 3–15.

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(a) The presumption against extraterritoriality reflects the longstanding principle “that legislation of Congress, unless a contrary intent appears, is meant to apply only within the territorial jurisdiction of the United States.” *Morrison v. National Australia Bank Ltd.*, 561 U. S. 247, 255. The presumption “serves to avoid the international discord that can result when U. S. law is applied to conduct in foreign countries” and reflects the “commonsense notion that Congress generally legislates with domestic concerns in mind.” *RJR Nabisco, Inc. v. European Community*, 579 U. S. 325, 335–336.

Applying the presumption involves a two-step framework, which asks at step one whether the statute is extraterritorial. This step turns on whether “Congress has affirmatively and unmistakably instructed that” the provision at issue should “apply to foreign conduct.” *Id.*, at 335. If Congress has provided such an instruction, then the provision is extraterritorial. If not, then the provision is not extraterritorial and step two applies. That step resolves whether a suit seeks a (permissible) domestic or (impermissible) foreign application of the provision. That determination requires courts to identify the “focus” of congressional concern underlying the provision at issue, *id.*, at 336, and then “as[k] whether the conduct relevant to that focus occurred in United States territory,” *WesternGeco LLC v. ION Geophysical Corp.*, 585 U. S. ___, ___. Thus, to prove that a claim involves a domestic application of a statute, “plaintiffs must establish that ‘the *conduct relevant to the statute’s focus* occurred in the United States.’” *Nestlé USA, Inc. v. Doe*, 593 U. S. ___, ___ (emphasis added). Step two is designed to apply the presumption to claims that involve both domestic and foreign conduct, separating the activity that matters from the activity that does not. After all, the Court has long recognized that the presumption would be meaningless if any domestic conduct could defeat it. See *Morrison*, 561 U. S., at 266. Pp. 3–5.

(b) Neither provision at issue provides an express statement of extraterritorial application or any other clear indication that it is one of the “rare” provisions that nonetheless applies abroad. Both simply prohibit the use “in commerce” of protected trademarks when that use “is likely to cause confusion.” §§1114(1)(a), 1125(a)(1). Hetronic maintains that the Lanham Act’s definition of “commerce”—“all commerce which may lawfully be regulated by Congress,” §1127—rebutts the presumption against extraterritoriality. But this Court’s repeated holding that “‘even statutes . . . that expressly refer to ‘*foreign* commerce’” when defining “commerce” are not extraterritorial, *Morrison*, 561 U. S., at 262–263, dooms Hetronic’s arguments. Pp. 5–7.

(c) Because §1114(1)(a) and §1125(a)(1) are not extraterritorial, the Court must consider at step two when claims involve “domestic” appli-

Syllabus

cations of these provisions. Under the proper test, the ultimate question regarding permissible domestic application turns on the location of the conduct relevant to the focus of the statutory provisions. But much of the parties' dispute in this case misses this critical point and centers on the "focus" of the relevant provisions without regard to the "conduct relevant to that focus." *WesternGeco*, 585 U. S., at _____. Abitron contends that §1114(1)(a) and §1125(a)(1) focus on preventing infringing use of trademarks, while Hetric argues that they focus both on protecting the goodwill of mark owners and on preventing consumer confusion. The United States as *amicus curiae* argues that the provisions focus only on likely consumer confusion. The parties all seek support for their positions in *Steele v. Bulova Watch Co.*, 344 U. S. 280, but because *Steele* implicated both domestic conduct and a likelihood of domestic confusion, *Steele* does not answer which one determines the domestic applications of the provisions here.

The ultimate question regarding permissible domestic application turns on the location of the conduct relevant to the focus. See, e.g., *RJR Nabisco*, 579 U. S., at 337. And the *conduct* relevant to any focus the parties have proffered is infringing use in commerce, as defined by the Act. This conclusion follows from the text and context of both provisions. Both provisions prohibit the unauthorized "use in commerce" of a protected trademark when that use "is likely to cause confusion." In other words, Congress proscribed the use of a mark in commerce under certain conditions. This conduct, to be sure, must create a sufficient risk of confusion, but confusion is not a separate requirement; rather, it is simply a necessary characteristic of an offending use. Because Congress has premised liability on a specific action (a particular sort of use in commerce), that specific action would be the conduct relevant to any focus on offer today. *WesternGeco*, 585 U. S., at ____–____.

In sum, §1114(1)(a) and §1125(a)(1) are not extraterritorial, and "use in commerce" provides the dividing line between foreign and domestic applications of these provisions. The proceedings below were not in accord with this understanding of extraterritoriality. Pp. 7–10, 14–15.

10 F. 4th 1016, vacated and remanded.

ALITO, J., delivered the opinion of the Court, in which THOMAS, GORSUCH, KAVANAUGH, and JACKSON, JJ., joined. JACKSON, J., filed a concurring opinion. SOTOMAYOR, J., filed an opinion concurring in the judgment, in which ROBERTS, C. J., and KAGAN and BARRETT, JJ., joined.

Opinion of the Court

NOTICE: This opinion is subject to formal revision before publication in the United States Reports. Readers are requested to notify the Reporter of Decisions, Supreme Court of the United States, Washington, D. C. 20543, pio@supremecourt.gov, of any typographical or other formal errors.

SUPREME COURT OF THE UNITED STATES

No. 21–1043

ABITRON AUSTRIA GMBH, ET AL., PETITIONERS *v.*
HETRONIC INTERNATIONAL, INC.

ON WRIT OF CERTIORARI TO THE UNITED STATES COURT OF
APPEALS FOR THE TENTH CIRCUIT

[June 29, 2023]

JUSTICE ALITO delivered the opinion of the Court.

This case requires us to decide the foreign reach of 15 U. S. C. §1114(1)(a) and §1125(a)(1), two provisions of the Lanham Act that prohibit trademark infringement. Applying the presumption against extraterritoriality, we hold that these provisions are not extraterritorial and that they extend only to claims where the claimed infringing use in commerce is domestic.

I

This case concerns a trademark dispute between a United States company (Hetric International, Inc.) and six foreign parties (five companies and one individual (collectively Abitron)).¹ Hetric manufactures radio remote controls for construction equipment. It sells and services these products, which employ “a distinctive black-and-yellow color scheme to distinguish them from those of its competitors,” in more than 45 countries. 10 F. 4th 1016, 1024 (CA10 2021) (case below).

¹The foreign companies are Abitron Germany GmbH, Abitron Austria GmbH, Hetric Germany GmbH, Hydronic-Steuersysteme GmbH, and ABI Holding GmbH.

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Abitron originally operated as a licensed distributor for Hetronic, but it later concluded that it held the rights to much of Hetronic’s intellectual property, including the marks on the products at issue in this suit. After reverse engineering Hetronic’s products, Abitron began to sell Hetronic-branded products that incorporated parts sourced from third parties. Abitron mostly sold its products in Europe, but it also made some direct sales into the United States.

Hetronic sued Abitron in the Western District of Oklahoma for, as relevant here, trademark violations under two related provisions of the Lanham Act. First, it invoked §1114(1)(a), which prohibits the unauthorized “use in commerce [of] any reproduction . . . of a registered mark in connection with the sale, offering for sale, distribution, or advertising of any goods or services” when “such use is likely to cause confusion.” Hetronic also invoked §1125(a)(1), which prohibits the “us[e] in commerce” of a protected mark, whether registered or not, that “is likely to cause confusion.” Hetronic sought damages under these provisions for Abitron’s infringing acts worldwide.

Throughout the proceedings below, Abitron argued that Hetronic sought an impermissible extraterritorial application of the Lanham Act. But the District Court rejected this argument, and a jury later awarded Hetronic approximately \$96 million in damages related to Abitron’s global employment of Hetronic’s marks. This amount thus included damages from Abitron’s direct sales to consumers in the United States, its foreign sales of products for which the foreign buyers designated the United States as the ultimate destination, and its foreign sales of products that did not end up in the United States. The District Court later entered a permanent injunction preventing Abitron from using the marks anywhere in the world. On appeal, the Tenth Circuit narrowed the injunction to cover only certain countries but otherwise affirmed the judgment. It concluded

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that the Lanham Act extended to “all of [Abitron’s] foreign infringing conduct” because the “impacts within the United States [were] of a sufficient character and magnitude as would give the United States a reasonably strong interest in the litigation.” 10 F. 4th, at 1046.

We granted certiorari to resolve a Circuit split over the extraterritorial reach of the Lanham Act. 598 U. S. ____ (2023).

II

A

“It is a longstanding principle of American law “that legislation of Congress, unless a contrary intent appears, is meant to apply only within the territorial jurisdiction of the United States.”” *Morrison v. National Australia Bank Ltd.*, 561 U. S. 247, 255 (2010). We have repeatedly explained that this principle, which we call the presumption against extraterritoriality, refers to a “presumption against application to conduct in the territory of another sovereign.” *Kiobel v. Royal Dutch Petroleum Co.*, 569 U. S. 108, 119 (2013) (citing *Morrison*, 561 U. S., at 265). In other words, exclusively “[f]oreign conduct is generally the domain of foreign law.” *Microsoft Corp. v. AT&T Corp.*, 550 U. S. 437, 455 (2007) (alteration omitted). The presumption “serves to avoid the international discord that can result when U. S. law is applied to conduct in foreign countries” and reflects the “commonsense notion that Congress generally legislates with domestic concerns in mind.” *RJR Nabisco, Inc. v. European Community*, 579 U. S. 325, 335–336 (2016).

Applying the presumption against extraterritoriality involves “a two-step framework.” *Id.*, at 337. At step one, we determine whether a provision is extraterritorial, and that determination turns on whether “Congress has affirmatively and unmistakably instructed that” the provision at issue should “apply to foreign conduct.” *Id.*, at 335, 337;

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accord, *Kiobel*, 569 U. S., at 117 (asking whether Congress “intends federal law to apply to conduct occurring abroad”); *Nestlé USA, Inc. v. Doe*, 593 U. S. ___, ___ (2021) (slip op., at 3). If Congress has provided an unmistakable instruction that the provision is extraterritorial, then claims alleging exclusively foreign conduct may proceed, subject to “the limits Congress has (or has not) imposed on the statute’s foreign application.” *RJR Nabisco*, 579 U. S., at 337–338.

If a provision is not extraterritorial, we move to step two, which resolves whether the suit seeks a (permissible) domestic or (impermissible) foreign application of the provision.² To make that determination, courts must start by identifying the ““focus” of congressional concern” underlying the provision at issue. *Id.*, at 336. “The focus of a statute is ‘the object of its solicitude,’ which can include the conduct it ‘seeks to “regulate,”’ as well as the parties and interests it ‘seeks to “protect”’ or vindicate.” *WesternGeco LLC v. ION Geophysical Corp.*, 585 U. S. ___, ___ (2018) (slip op., at 6) (alterations omitted).

Step two does not end with identifying statutory focus. We have repeatedly and explicitly held that courts must “identif[y] ‘the statute’s “focus”’ and as[k] whether the *conduct relevant to that focus* occurred in United States territory.” *Id.*, at ___ (slip op., at 5) (emphasis added); accord, *e.g.*, *RJR Nabisco*, 579 U. S., at 337. Thus, to prove that a claim involves a domestic application of a statute, “plaintiffs must establish that ‘the *conduct relevant to the statute’s focus* occurred in the United States.’” *Nestlé*, 593 U. S., at ___–___ (slip op., at 3–4) (emphasis added); see, *e.g.*, *WesternGeco*, 585 U. S., at ___–___ (slip op., at 6–8) (holding that a claim was a domestic application of the Patent Act because the infringing acts—the conduct relevant to the focus

²As we have noted, courts may take these steps in any order. See, *e.g.*, *Yegiazaryan v. Smagin*, 599 U. S. ___, ___–___, n. 2 (2023) (slip op., at 6–7, n. 2).

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of the provisions at issue—were committed in the United States); *Morrison*, 561 U. S., at 266–267, 271–273 (concluding that a claim was a foreign application of the Securities and Exchange Act because the “purchase-and-sale transactions” at issue occurred outside of the United States).

Step two is designed to apply the presumption against extraterritoriality to claims that involve both domestic and foreign activity, separating the activity that matters from the activity that does not. After all, we have long recognized that the presumption would be meaningless if any domestic conduct could defeat it. See *Morrison*, 561 U. S., at 266. Thus, “[i]f the conduct relevant to the statute’s focus occurred in the United States, then the case involves a permissible domestic application’ of the statute, ‘even if other conduct occurred abroad.’” *WesternGeco*, 585 U. S., at ____ (slip op., at 6) (quoting *RJR Nabisco*, 579 U. S., at 337). And “if the relevant conduct occurred in another country, ‘then the case involves an impermissible extraterritorial application regardless of any other conduct that occurred in U. S. territory.’” *WesternGeco*, 585 U. S., at ____ (slip op., at 6) (quoting *RJR Nabisco*, 579 U. S., at 337). Of course, if all the conduct “‘regarding [the] violations ‘took place outside the United States,’” then courts do “not need to determine . . . the statute’s ‘focus’” at all. *RJR Nabisco*, 579 U. S., at 337. In that circumstance, there would be no domestic conduct that could be relevant to any focus, so the focus test has no filtering role to play. See, e.g., *Nestlé*, 593 U. S., at ____ (slip op., at 5); *Kiobel*, 569 U. S., at 124.

B

With this well-established framework in mind, the first question is whether the relevant provisions of the Lanham Act, see §§1114(1)(a), 1125(a)(1), provide “a clear, affirmative indication” that they apply extraterritorially, *RJR*

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Nabisco, 579 U. S., at 337.³ They do not.

It is a “rare statute that clearly evidences extraterritorial effect despite lacking an express statement of extraterritoriality.” *Id.*, at 340. Our decision in *RJR Nabisco* illustrates the clarity required at step one of our framework. There, we held that the Racketeer Influenced and Corrupt Organizations Act could have extraterritorial application in some circumstances because many of its predicate offenses “plainly apply to at least some foreign conduct” and “[a]t least one predicate . . . applies *only* to conduct occurring outside the United States.” *Id.*, at 338.

Here, neither provision at issue provides an express statement of extraterritorial application or any other clear indication that it is one of the “rare” provisions that nonetheless applies abroad. Both simply prohibit the use “in commerce,” under congressionally prescribed conditions, of protected trademarks when that use “is likely to cause confusion.” §§1114(1)(a), 1125(a)(1).

Hetronic acknowledges that neither provision on its own signals extraterritorial application, but it argues that the requisite indication can be found in the Lanham Act’s definition of “commerce,” which applies to both provisions. Under that definition, “‘commerce’ means all commerce which may lawfully be regulated by Congress.” §1127. Hetronic offers two reasons why this definition is sufficient to rebut the presumption against extraterritoriality. First, it argues that the language naturally leads to this result because Congress can lawfully regulate foreign conduct under the Foreign Commerce Clause. Second, it contends that extraterritoriality is confirmed by the fact that this definition is unique in the U. S. Code and thus differs from what it describes as “boilerplate” definitions of “‘commerce’” in other

³Our cases sometimes refer to whether the “statute” applies extraterritorially, but the two-step analysis applies at the level of the particular provision implicated. See, e.g., *RJR Nabisco*, 579 U. S., at 346; *Morrison v. National Australia Bank Ltd.*, 561 U. S. 247, 264–265 (2010).

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statutes. Brief for Respondent 23.

Neither reason is sufficient. When applying the presumption, “we have repeatedly held that even statutes . . . that expressly refer to “*foreign* commerce”” when defining “commerce” are not extraterritorial. *Morrison*, 561 U. S., at 262–263; see also *RJR Nabisco*, 579 U. S., at 344. This conclusion dooms Hetronic’s argument. If an express statutory reference to “foreign commerce” is not enough to rebut the presumption, the same must be true of a definition of “commerce” that refers to Congress’s authority to regulate foreign commerce. That result does not change simply because the provision refers to “all” commerce Congress can regulate. See *Kiobel*, 569 U. S., at 118 (“[I]t is well established that generic terms like ‘any’ or ‘every’ do not rebut the presumption against extraterritoriality”). And the mere fact that the Lanham Act contains a substantively similar definition that departs from the so-called “boilerplate” definitions used in other statutes cannot justify a different conclusion either.

C

Because §1114(1)(a) and §1125(a)(1) are not extraterritorial, we must consider when claims involve “domestic” applications of these provisions. As discussed above, the proper test requires determining the provision’s focus and then ascertaining whether Hetronic can “establish that ‘the conduct relevant to [that] focus occurred in the United States.’” *Nestlé*, 593 U. S., at ____–____ (slip op., at 3–4).

Much of the parties’ dispute in this case misses this critical point and centers on the “focus” of the relevant provisions without regard to the “conduct relevant to that focus.” *WesternGeco*, 585 U. S., at ____ (slip op., at 5). Abitron contends that §1114(1)(a) and §1125(a)(1) focus on preventing infringing use of trademarks, while Hetronic argues that they focus both on protecting the goodwill of mark owners and on preventing consumer confusion. The United States

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as *amicus curiae* argues that the provisions focus on only likely consumer confusion.

The parties all seek support for their positions in *Steele v. Bulova Watch Co.*, 344 U. S. 280 (1952), but that decision is of little assistance here. There, we considered a suit alleging that the defendant, through activity in both the United States and Mexico, had violated the Lanham Act by producing and selling watches stamped with a trademark that was protected in the United States. Although we allowed the claim to proceed, our analysis understandably did not follow the two-step framework that we would develop decades later. Our decision was instead narrow and fact-bound. It rested on the judgment that “the facts in the record . . . when viewed as a whole” were sufficient to rebut the presumption against extraterritoriality. *Id.*, at 285. In reaching this conclusion, we repeatedly emphasized *both* that the defendant committed “essential steps” in the course of his infringing conduct in the United States and that his conduct was likely to and did cause consumer confusion in the United States.⁴ *Id.*, at 286–287; accord, *e.g.*, *id.*, at 286 (“His operations and their effects were not confined within the territorial limits of a foreign nation”); *id.*, at 288 (“[P]etitioner by his ‘own deliberate acts, here and elsewhere, brought about forbidden results within the United States’” (alteration omitted)). Because *Steele* implicated both domestic conduct and a likelihood of domestic confusion, it does not tell us which one determines the domestic applications of §1114(1)(a) and §1125(a)(1).

With *Steele* put aside, then, we think the parties’ particular debate over the “focus” of §1114(1)(a) and §1125(a)(1) in the abstract does not exhaust the relevant inquiry. The

⁴For example, we noted that the trademark owner’s “Texas sales representative received numerous complaints from [American] retail jewelers . . . whose customers brought in for repair defective” branded watches. *Steele*, 344 U. S., at 285; accord, *Bulova Watch Co. v. Steele*, 194 F. 2d 567, 571 (CA5 1952).

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ultimate question regarding permissible domestic application turns on the location of the conduct relevant to the focus. See, e.g., *RJR Nabisco*, 579 U. S., at 337. And the *conduct* relevant to any focus the parties have proffered is infringing use in commerce, as the Act defines it.

This conclusion follows from the text and context of §1114(1)(a) and §1125(a)(1). Both provisions prohibit the unauthorized use “in commerce” of a protected trademark when, among other things, that use “is likely to cause confusion.” §§1114(1)(a), 1125(a)(1). In other words, Congress proscribed the use of a mark in commerce under certain conditions. This conduct, to be sure, must create a sufficient risk of confusion, but confusion is not a separate requirement; rather, it is simply a necessary characteristic of an offending use.⁵ Because Congress has premised liability on a specific action (a particular sort of use in commerce), that specific action would be the conduct relevant to any focus on offer today. See, e.g., *WesternGeco*, 585 U. S., at ____–____ (slip op., at 6–8).

In sum, as this case comes to us, “use in commerce” is the conduct relevant to any potential focus of §1114(1)(a) and §1125(a)(1) because Congress deemed a violation of either provision to occur each time a mark is used in commerce in

⁵Both provisions “refer to a ‘likelihood’ of harm, rather than a completed harm.” *Moseley v. V Secret Catalogue, Inc.*, 537 U. S. 418, 432 (2003). In other words, “actual confusion is not necessary in order to prove infringement.” Restatement (Third) of Unfair Competition §23, at 250, Comment *b* (1993); accord, *id.*, §23, at 251, Comment *d*; 4 J. McCarthy, Trademarks and Unfair Competition §23:12, at 23–157 (5th ed. 2023) (McCarthy) (“[I]t is black letter law that actual confusion need not be shown to prevail under the Lanham Act, since . . . the Act requires only a likelihood of confusion”). Instead, the provisions treat confusion as a means to limit liability to only certain “bona fide use[s] of a mark in the ordinary course of trade.” 15 U. S. C. §1127 (defining “use in commerce”); see *Patent and Trademark Office v. Booking.com B. V.*, 591 U. S. ____, ____ (2020) (slip op., at 12) (“[A] competitor’s use does not infringe a mark [under §1114(1)(a) and §1125(a)(1)] unless it is likely to confuse consumers”).

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the way Congress described, with no need for any actual confusion. Under step two of our extraterritoriality standard, then, “use in commerce” provides the dividing line between foreign and domestic applications of these Lanham Act provisions.

III

Resisting this straightforward application of our precedent, JUSTICE SOTOMAYOR concludes that step two of our extraterritoriality framework turns solely on whether “the object of the statute’s focus is found in, or occurs in, the United States.” *Post*, at 5 (opinion concurring in judgment). Applied to the Lanham Act, the upshot of this focus-only standard is that any claim involving a *likelihood* of consumer confusion in the United States would be a “domestic” application of the Act. This approach is wrong, and it would give the Lanham Act an untenably broad reach that undermines our extraterritoriality framework.

A

To justify looking only to a provision’s “focus,” JUSTICE SOTOMAYOR maintains that “an application of a statute” can still be domestic “when foreign conduct is implicated.” *Post*, at 7. If this assertion simply means that a permissible domestic application can occur even when some foreign “activity is involved in the case,” *Morrison*, 561 U. S., at 266, then it is true but misses the point. When a claim involves both domestic and foreign activity, the question is whether “the conduct relevant to the statute’s focus occurred in the United States.” *Nestlé*, 593 U. S., at ___–___ (slip op., at 3–4). If that “‘conduct . . . occurred in the United States, then the case involves a permissible domestic application’ of the statute ‘even if other conduct occurred abroad.’” *Western-Geco*, 585 U. S., at ___ (slip op., at 6). But “if the conduct relevant to the focus occurred in a foreign country, then the case involves an impermissible extraterritorial application

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regardless of any other conduct that occurred in U. S. territory.” *RJR Nabisco*, 579 U. S., at 337; see, e.g., *WesternGeco*, 585 U. S., at ____ (slip op., at 6–8); *Nestlé*, 593 U. S., at ____–____ (slip op., at 4–5); *Morrison*, 561 U. S., at 266–267, 271–273.

These holdings were not, as JUSTICE SOTOMAYOR suggests, premised on this Court’s “first conclud[ing] (or assum[ing] without deciding) that the focus of the provision at issue was conduct.” *Post*, at 9. They were unambiguously part of this Court’s articulation of the two-step framework, and, in each case, these holdings came *before* we began analyzing the focus of the provisions at issue. For this reason, none of our cases has ever held that statutory focus was dispositive at step two of our framework. To the contrary, we have acknowledged that courts do “not need to determine [a] statute’s ‘focus’” when all conduct regarding the violations “took place outside the United States.” *RJR Nabisco*, 579 U. S., at 337 (quoting *Kiobel*, 569 U. S., at 124); see, e.g., *Nestlé*, 593 U. S., at ____ (slip op., at 5) (“To plead facts sufficient to support a domestic application of the [Alien Tort Statute], plaintiffs must allege more domestic conduct than general corporate activity”). That conclusion, as well as the decisions applying it, are inexplicable under a focus-only standard. See *supra*, at 5.

Beyond straying from established precedent, a focus-only approach would create headaches for lower courts required to grapple with this new approach. For statutes (like this one) regulating conduct, the location of the conduct relevant to the focus provides a clear signal at both steps of our two-step framework. See *RJR Nabisco*, 579 U. S., at 335, 337. Under JUSTICE SOTOMAYOR’s standard, by contrast, litigants and lower courts are told that the step-two inquiry turns on the “focus” alone, which (as we have said) “can be ‘conduct,’ ‘parties,’ or ‘interests’ that Congress sought to protect or regulate.” *Post*, at 8; see *WesternGeco*, 585 U. S.,

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at ___ (slip op., at 6). As a result, almost any claim involving exclusively foreign conduct could be repackaged as a “domestic application.” And almost any claim under a non-extraterritorial provision could be defeated by labeling it a “foreign application,” even if the conduct at issue was exclusively domestic. This is far from the measure of certainty that the presumption against extraterritoriality is designed to provide.

B

JUSTICE SOTOMAYOR’s expansive understanding of the Lanham Act’s domestic applications threatens to negate the presumption against extraterritoriality. In *Morrison*, we warned that “the presumption against extraterritorial application would be a craven watchdog indeed if it retreated to its kennel whenever *some* domestic activity is involved in the case.” 561 U. S., at 266. If a claim under the Act involves a domestic application whenever particular “effects are likely to occur in the United States,” *post*, at 5–6, the watchdog is nothing more than a muzzled Chihuahua. Under such a test, it would not even be necessary that “some” domestic activity be involved. It would be enough for there to be merely a *likelihood* of an *effect* in this country. Applying that standard here would require even less connection to the United States than some explicitly extraterritorial statutes, which must have, at a minimum, actual domestic effects to be invoked. See, *e.g.*, *Hartford Fire Ins. Co. v. California*, 509 U. S. 764, 796 (1993) (holding that the extraterritorial provision at issue “applies to foreign conduct that was meant to produce and did in fact produce some substantial effect in the United States”).

This approach threatens “international discord.” *Kiobel*, 569 U. S., at 115. In nearly all countries, including the United States, trademark law is territorial—*i.e.*, “a trademark is recognized as having a separate existence in each

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sovereign territory in which it is registered or legally recognized as a mark.” 5 McCarthy §29:1, at 29–4 to 29–5. Thus, each country is empowered to grant trademark rights and police infringement within its borders. See, e.g., *ibid.*; *Ingenohl v. Olsen & Co.*, 273 U. S. 541, 544 (1927); *A. Bourjois & Co. v. Katzel*, 260 U. S. 689, 692 (1923).

This principle has long been enshrined in international law. Under the Paris Convention for the Protection of Industrial Property, July 14, 1967, 21 U. S. T. 1583, T. I. A. S. No. 6923, a “mark duly registered in a country of the Union shall be regarded as independent of marks registered in other countries of the Union,” and the seizure of infringing goods is authorized “on importation” to a country “where such mark or trade name is entitled to legal protection.” Arts. 6(3), 9(1), *id.*, at 1639, 1647. The Convention likewise provides mechanisms for trademark holders to secure trademark protection in other countries under the domestic law of those countries. Arts. 2(1), 4(1)–(2), *id.*, at 1631–1632; see also 5 McCarthy §29:1, at 29–6 to 29–7; Protocol Relating to Madrid Agreement Concerning International Registration of Marks, June 27, 1989, T. I. A. S. No. 03–112, S. Treaty Doc. No. 106–41 (entered into force Dec. 1, 1995) (providing mechanisms for the extension of trademark protection to multiple jurisdictions under domestic law). The Lanham Act, which is designed to implement “treaties and conventions respecting trademarks,” §1127, incorporates this territorial premise, mandating that registration of a foreign trademark in the United States “shall be independent of the registration in the country of origin” and that the rights of that mark in the United States are governed by domestic law, §1126(f).

Because of the territorial nature of trademarks, the “probability of incompatibility with the applicable laws of other countries is so obvious that if Congress intended such foreign application ‘it would have addressed the subject of conflicts with foreign laws and procedures.’” *Morrison*, 561

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U. S., at 269. The use of a mark—even confined to one country—will often have effects that radiate to any number of countries. And when determining exactly what form of abstract consumer confusion is sufficient in a given case, the Judiciary would be thrust into the unappetizing task of “navigating foreign policy disputes belong[ing] to the political branches.” *Jesner v. Arab Bank, PLC*, 584 U. S. ___, ___ (2018) (GORSUCH, J., concurring in part and concurring in judgment) (slip op., at 1). If enough countries took this approach, the trademark system would collapse.

This tension has not been lost on other sovereign nations. The European Commission gravely warns this Court against applying the Lanham Act “to *acts of infringement* occurring . . . in the European Union” and outside of the United States. Brief for European Commission on Behalf of the European Union as *Amicus Curiae* 4 (emphasis added). To “police allegations of infringement occurring in Germany,” it continues, would be an “unseemly” act of “meddling in extraterritorial affairs,” given “international treaty obligations that equally bind the United States.” *Id.*, at 28. As the Commission and other foreign *amici* recognize, the “system only works if all participating states respect their obligations, including the limits on their power.” *Id.*, at 29; see also, *e.g.*, Brief for German Law Professors as *Amici Curiae* 12; Brief for Guido Westkamp as *Amicus Curiae* 2–3. It thus bears repeating our longstanding admonition that “United States law governs domestically but does not rule the world.” *Microsoft Corp.*, 550 U. S., at 454.

IV

In sum, we hold that §1114(1)(a) and §1125(a)(1) are not extraterritorial and that the infringing “use in commerce” of a trademark provides the dividing line between foreign and domestic applications of these provisions. Under the Act, the “term ‘use in commerce’ means the bona fide use of a mark in the ordinary course of trade,” where the mark

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serves to “identify and distinguish [the mark user’s] goods . . . and to indicate the source of the goods.” §1127.⁶ Because the proceedings below were not in accord with this understanding of extraterritoriality, we vacate the judgment of the Court of Appeals and remand the case for further proceedings consistent with this opinion.

It is so ordered.

⁶JUSTICE JACKSON has proposed a further elaboration of “use in commerce,” see *post*, at 1–4 (concurring opinion), but we have no occasion to address the precise contours of that phrase here.

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SUPREME COURT OF THE UNITED STATES

No. 21–1043

ABITRON AUSTRIA GMBH, ET AL., PETITIONERS *v.*
HETRONIC INTERNATIONAL, INC.

ON WRIT OF CERTIORARI TO THE UNITED STATES COURT OF
APPEALS FOR THE TENTH CIRCUIT

[June 29, 2023]

JUSTICE JACKSON, concurring.

I agree with the Court that 15 U. S. C. §1114(1)(a) and §1125(a)(1) do not apply extraterritorially. *Ante*, at 7. I also agree that the “‘use in commerce’ of a trademark” that both statutory sections describe “provides the dividing line between foreign and domestic applications” of these provisions. *Ante*, at 14. The Court has no need to elaborate today upon what it means to “use [a trademark] in commerce,” §1127, nor need it discuss how that meaning guides the permissible-domestic-application question in a particular case. I write separately to address those points.

It is clear beyond cavil that what makes a trademark a trademark under the Lanham Act is its source-identifying function. See *Jack Daniel’s Properties, Inc. v. VIP Products LLC*, 599 U. S. ____, ____ (2023) (slip op., at 3); *Qualitex Co. v. Jacobson Products Co.*, 514 U. S. 159, 162–163 (1995). That is, under the Act, a trademark is “any word, name, symbol, or device, or any combination thereof,” that “a person” “use[s]” or “inten[ds] to use” “to identify and distinguish his or her goods . . . from those manufactured or sold by others and to indicate the source of the goods.” §1127; see also *Qualitex Co.*, 514 U. S., at 162–163 (emphasizing centrality of this source-identifying function). Sections 1114(1)(a) and 1125(a)(1) permit a mark owner to sue someone who is “us[ing that] mark in commerce” in a way “likely

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to cause confusion, or to cause mistake, or to deceive.” *B&B Hardware, Inc. v. Hargis Industries, Inc.*, 575 U. S. 138, 144 (2015).

Critically, the Act defines “use in commerce” as “the bona fide use of a mark in the ordinary course of trade.” §1127. And, in light of the core source-identifying function of marks, Congress’s statutory scheme embodies a distinction between *trademark* uses (use of a symbol or equivalent “to identify or brand [a defendant’s] goods or services”) and “non-trademark uses” (use of a symbol—even the same one—“in a ‘non-source-identifying way’”). *Jack Daniel’s*, 599 U. S., at ___ (slip op., at 13). This all points to something key about what it means to use a trademark in the sense Congress prohibited—*i.e.*, in a way likely to commit the “cardinal sin” of “confus[ing] consumers about source.” *Id.*, at ___ (slip op., at 14).

Simply put, a “use in commerce” does not cease at the place the mark is first affixed, or where the item to which it is affixed is first sold. Rather, it can occur wherever the mark serves its source-identifying function. So, even after a trademark begins to be “use[d] in commerce” (say, when goods on which it is placed are sold), that trademark is also “use[d] in commerce” wherever and whenever those goods are in commerce, because as long as they are, the trademark “identif[ies] and distinguish[es] . . . the source of the goods.” §1127. Such a use is not free-floating; the trademark is being used *by* the “person” who put that trademark on the goods “to identify and distinguish” them in commerce and “indicate the[ir] source.” *Ibid.* This is the “use in commerce” to which §1114(1)(a) and §1125(a)(1) refer.

Because it is “use in commerce”—as Congress has defined it—that “provides the dividing line between foreign and domestic applications of” these provisions, *ante*, at 14, the permissible-domestic-application inquiry ought to be straightforward. If a marked good is in domestic commerce, and the mark is serving a source-identifying function in the

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way Congress described, §1114(1)(a) and §1125(a)(1) may reach the “person,” §1127, who is “us[ing that m]ark as a trademark,” *Jack Daniel’s*, 599 U. S., at ____ (slip op., at 14). But if the mark is *not* serving that function in domestic commerce, then the conduct Congress cared about is not occurring domestically, and these provisions’ purely domestic sweep cannot touch that person.

Consider an example. Imagine that a German company begins making and selling handbags in Germany marked “Coache” (the owner’s family name). Next, imagine that American students buy the bags while on spring break overseas, and upon their return home employ those bags to carry personal items. Imagine finally that a representative of Coach (the United States company) sees the students with the bags and persuades Coach to sue the German company for Lanham Act infringement, fearing that the “Coache” mark will cause consumer confusion. Absent additional facts, such a claim seeks an impermissibly extra-territorial application of the Act. The mark affixed to the students’ bags is not being “use[d] in commerce” domestically as the Act understands that phrase: to serve a source-identifying function “in the ordinary course of trade,” §1127.

Now change the facts in just one respect: The American students tire of the bags six weeks after returning home, and resell them in this country, confusing consumers and damaging Coach’s brand. *Now*, the marked bags are in domestic commerce; the marks that the German company affixed to them overseas continue “to identify and distinguish” the goods from others in the (now domestic) marketplace and to “indicate the source of the goods.” *Ibid.* So the German company continues to “use [the mark] in commerce” within the meaning of the Act, thus triggering potential liability under §1114(1)(a) and §1125(a)(1). This result makes eminent sense given the source-identifying

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function of a trademark.¹

In brief, once the marks on its bags are serving their core source-identifying function in commerce in the United States, this German company is doing—domestically—exactly what Congress sought to proscribe. Accordingly, the German company may be subject to liability for this domestic conduct—*i.e.*, it cannot successfully obtain dismissal of the lawsuit on extraterritoriality grounds—even though it never sold the bags in, or directly into, the United States.²

Guided by this understanding of “use in commerce,” I join the Court’s opinion in full.

¹Trademarks facilitate the accumulation of business goodwill whenever and wherever marked goods are in commerce. The manufacturer of source-marked goods reaps a goodwill benefit to the extent that consumers like its product, see *Two Pesos, Inc. v. Taco Cabana, Inc.*, 505 U. S. 763, 774 (1992), and that benefit runs to the manufacturer whenever a trademark is serving a source-identifying function with respect to items in commerce—however that commercial status came to be.

²I will not attempt to discuss every way in which a marked item might be “in commerce” such that the trademark is being used “in the ordinary course of trade” domestically. §1127. But, in the internet age, one could imagine a mark serving its critical source-identifying function in domestic commerce even absent the domestic physical presence of the items whose source it identifies. See, *e.g.*, 5 J. McCarthy, *Trademarks and Unfair Competition* §29:56 (5th ed. Supp. 2023) (“The use of an infringing mark as part of an Internet site available for use in the United States may constitute an infringement of the mark in the United States”); 4 *id.*, §25:54.50 (“When an alleged infringing mark is used on the internet, the use is clearly a ‘use in commerce’”); 1 *id.*, §3:7 (discussing “evidence of use as a trademark” where “a designation is prominently displayed in a way easily recognized by web users as an indicator of origin”; accord, *In re Sones*, 590 F. 3d 1282, 1288 (CA Fed. 2009) (observing, with respect to the use-in-commerce requirement, that a “‘website [can be] an electronic retail store, and the web page [can be] a shelf-talker or banner which encourages the consumer to buy the product’”).

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SUPREME COURT OF THE UNITED STATES

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ON WRIT OF CERTIORARI TO THE UNITED STATES COURT OF
APPEALS FOR THE TENTH CIRCUIT

[June 29, 2023]

JUSTICE SOTOMAYOR, with whom THE CHIEF JUSTICE, JUSTICE KAGAN, and JUSTICE BARRETT join, concurring in the judgment.

Sections 32(1)(a) and 43(a)(1)(A) of the Lanham Act prohibit trademark infringement and unfair competition activities that are “likely to cause confusion, or to cause mistake, or to deceive.” 60 Stat. 437, 441, as amended, 15 U. S. C. §§1114(1)(a), 1125(a)(1)(A).¹ The issue in this case is whether, and to what extent, these provisions apply to activities that occur in a foreign country. I agree with the majority’s conclusion that the decision below must be vacated. I disagree, however, with the extraterritoriality framework that the Court adopts today. In my view, §§32(1)(a) and 43(a)(1)(A) of the Lanham Act extends to activities carried out abroad when there is a likelihood of consumer confusion in the United States.

I

This Court previously considered the extraterritoriality of the Lanham Act in *Steele v. Bulova Watch Co.*, 344 U. S. 280 (1952). There, the Court applied the Lanham Act to trademark infringement and unfair competition activities that occurred abroad but confused consumers in the United

¹For simplicity, this opinion refers to this likelihood of “confusion,” “mistake,” or “decei[t]” as likelihood of consumer confusion.

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States. See *id.*, at 281, 286–287. Because the Court decided *Steele* 70 years ago, it had no occasion to apply the two-step framework that the Court has since developed for evaluating the extraterritorial reach of a statute. A proper application of that framework, however, leads to a result consistent with *Steele*: Although there is no clear indication that the Lanham Act provisions at issue rebut the presumption against extraterritoriality at step one, a domestic application of the statute can implicate foreign conduct at step two, so long as the plaintiff proves a likelihood of consumer confusion domestically.

A

In *Steele*, the Bulova Watch Company, Inc., a New York corporation that marketed watches under the registered U. S. mark “Bulova,” sued Sidney Steele, a U. S. citizen and resident of Texas with a watch business in Mexico City. *Id.*, at 281, 284. Upon discovering that the mark “Bulova” was not registered in Mexico, Steele obtained the Mexican registration of the mark, assembled watches in Mexico using component parts he had procured from the United States and Switzerland, and “stamped his watches with ‘Bulova’ and sold them as such.” *Id.*, at 281, 284–285. As a result, “spurious ‘Bulovas’ filtered through the Mexican border into this country,” causing a Bulova Watch Company’s sales representative in the United States to “receiv[e] numerous complaints from retail jewelers in the Mexican border area [of Texas] whose customers brought in for repair defective ‘Bulovas’ which upon inspection often turned out not to be products of that company.” *Id.*, at 285–286. Steele “committed no illegal acts within the United States.” *Id.*, at 282.

The Court held that, because Steele’s “operations and their effects were not confined within the territorial limits of a foreign nation,” the Lanham Act applied to Steele’s activities. *Id.*, at 286. The Court emphasized that Steele’s conduct had the potential to “reflect adversely on Bulova

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Watch Company’s trade reputation” in the United States. *Ibid.* By contrast, the fact that Steele “affixed the mark ‘Bulova’ in Mexico City rather than here” was not “material.” *Id.*, at 287.

B

Following *Steele*, the Courts of Appeals developed various tests, modeled after *Steele*’s facts, to address the Lanham Act’s extraterritorial reach.² This Court also subsequently adopted a two-step framework for determining when a statute can apply extraterritorially to foreign conduct. That framework implements “a canon of statutory construction known as the presumption against extraterritoriality.” *RJR Nabisco, Inc. v. European Community*, 579 U. S. 325, 335 (2016). The presumption reflects the “longstanding principle of American law that legislation of Congress, unless a contrary intent appears, is meant to apply only within the territorial jurisdiction of the United States.” *Morrison v. National Australia Bank Ltd.*, 561 U. S. 247, 255 (2010) (internal quotation marks omitted). That is, courts presume that, “in general, ‘United States law governs domestically but does not rule the world.’” *RJR Nabisco*, 579 U. S., at 335 (quoting *Microsoft Corp. v. AT&T Corp.*, 550 U. S. 437, 454 (2007)).

Under this framework, the Court first asks “whether the presumption against extraterritoriality has been rebutted” by “a clear, affirmative indication that [the statute] applies extraterritorially.” *RJR Nabisco*, 579 U. S., at 337. If the presumption is not rebutted at that first step, the Court

²See, e.g., *Trader Joe’s Co. v. Hallatt*, 835 F. 3d 960, 969 (CA9 2016); *McBee v. Delica Co.*, 417 F. 3d 107, 111 (CA1 2005); *International Cafe, S. A. L. v. Hard Rock Cafe Int’l (U. S. A.), Inc.*, 252 F. 3d 1274, 1278 (CA11 2001); *Aerogroup Int’l, Inc. v. Marlboro Footworks, Ltd.*, 152 F. 3d 948 (CA Fed. 1998); *Nintendo of Am., Inc. v. Aeropower Co.*, 34 F. 3d 246, 250 (CA4 1994); *American Rice, Inc. v. Arkansas Rice Growers Cooperative Assn.*, 701 F. 2d 408, 414, n. 8 (CA5 1983); *Vanity Fair Mills, Inc. v. T. Eaton Co.*, 234 F. 2d 633, 642–643 (CA2 1956).

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then proceeds to determine at step two “whether the case involves a domestic application of the statute.” *Ibid.* To determine whether a domestic application exists, the Court must ascertain the statute’s “focus,” *i.e.*, “the objec[t] of the statute’s solicitude.” *Morrison*, 561 U. S., at 266–267.

As I explain below, although I agree with the result the Court reaches with respect to the first step, I disagree with its analysis at step two.

1

Sections 32(1)(a) and 43(a)(1)(A) of the Lanham Act impose civil liability on a defendant who “use[s] in commerce” a trademark in a manner that is “likely to cause confusion, or to cause mistake, or to deceive.” 15 U. S. C. §§1114(1)(a), 1125(a)(1)(A). The Act in turn defines “commerce” as “all commerce which may lawfully be regulated by Congress.” §1127.

Under this Court’s precedents, this language is insufficient to rebut the presumption against extraterritoriality at step one. The Court has “repeatedly held that even statutes that contain broad language in their definitions of ‘commerce’ that expressly refer to ‘foreign commerce’ do not apply abroad” to all foreign conduct. *Morrison*, 561 U. S., at 262–263 (internal quotation marks omitted); see also *RJR Nabisco*, 579 U. S., at 344 (a statute’s reference to “foreign commerce” does not “mean literally all commerce occurring abroad”). The Court has also explained “that generic terms like ‘any’ or ‘every’ do not rebut the presumption.” *Kiobel v. Royal Dutch Petroleum Co.*, 569 U. S. 108, 118 (2013). The term “all” is not meaningfully different. While “the word conveys breadth,” *Peter v. NantKwest, Inc.*, 589 U. S. ___, ___ (2019) (slip op., at 7), it does not rebut the presumption either.

2

The Court’s inquiry at step two centers on the “focus” of

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the statutory provisions. Like the Court’s analysis at step one, this inquiry is contextual; the Court “do[es] not analyze the provision at issue in a vacuum.” *WesternGeco LLC v. ION Geophysical Corp.*, 585 U. S. ___, ___ (2018) (slip op., at 6). Rather, the Court looks at the provision “in concert” with other relevant provisions and considers “how the statute has actually been applied.” *Ibid.* The aim of determining the statutory focus is to assess what constitutes a domestic application of the statute. An application is domestic when the object of the statute’s focus is found in, or occurs in, the United States. See, e.g., *Morrison*, 561 U. S., at 266–267, 273 (where the “focus of the Exchange Act” is “purchases and sales of securities,” there is no domestic application of the statute when those purchases and securities “occurred outside the United States,” regardless of “the place where the deception originated”).

The parties offer different interpretations of the focus of §§32(1)(a) and 43(a)(1)(A). Petitioners argue that the focus of the statute is the “use” of the mark “in commerce.” Brief for Petitioners 39. Under petitioners’ theory, the Lanham Act does not reach any infringing products sold abroad; instead, the defendant must sell the products directly into the United States. *Id.*, at 44–45. Respondent, by contrast, argues that the Act has two distinct focuses: protecting mark owners from reputational harm and protecting consumers from confusion. Brief for Respondent 45–48. Under respondent’s view, reputational harm to the mark owner “is not necessarily tied to the locus of [consumer] confusion or the locus of the [defendant’s] conduct.” *Id.*, at 47. Instead, respondent asserts, harm to a mark owner’s reputation “is felt where [the mark owner] resides.” *Ibid.* The Government, as *amicus curiae* supporting neither party, offers a middle ground. In its view, the focus of the statute is consumer confusion. See Brief for United States as *Amicus Curiae* 14 (United States Brief). Accordingly, “[w]here such effects are likely to occur in the United States, application

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of Sections 32(1)(a) and 43(a)(1)(A) is a permissible domestic application of the Act, even if the defendant's own conduct occurred elsewhere." *Ibid.*

I agree with the Government's position. Sections 32(1)(a) and 43(a)(1)(A) of the Act prohibit specific types of "use[s] in commerce": uses that are "likely to cause confusion, or to cause mistake, or to deceive." 15 U. S. C. §§1114(1)(a), 1125(a)(1)(A). The statute thus makes clear that prohibiting the use in commerce is "merely the means by which the statute achieves its end" of protecting consumers from confusion. *WesternGeco LLC*, 585 U. S., at ___ (slip op., at 8). Stated differently, "a competitor's use does not infringe a mark unless it is likely to confuse consumers." *Patent and Trademark Office v. Booking.com B.V.*, 591 U. S. ___, ___ (2020) (slip op., at 12); see 4 J. McCarthy, *Trademarks and Unfair Competition* §23:1, p. 23–9 (5th ed. 2023) (McCarthy) ("[L]ikelihood of confusion is the keystone of trademark infringement"). Because the statute's focus is protection against consumer confusion, the statute covers foreign infringement activities if there is a likelihood of consumer confusion in the United States and all other conditions for liability are established. See *infra*, at 12.

Treating consumer confusion as the focus of the Act is consistent with *Steele*, which focused on the domestic "effects" of the defendant's foreign conduct. 344 U. S., at 286. *Steele* emphasized that, although the defendant did not affix the mark or sell the products in the United States, "spurious 'Bulovas' filtered through the Mexican border into this country," causing consumer confusion here. *Id.*, at 285–287. These domestic effects, the Court reasoned, could "reflect adversely on Bulova Watch Company's trade reputation" in the United States. *Id.*, at 286. In other words, consistent with the statutory text, *Steele* focused on the impact of the defendant's foreign conduct on the consumer market in the United States (in accord with the Government's view here), not the location of the original sale of the infringing

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product or the location of the trademark owner’s business (contrary to petitioners’ and respondent’s views here).

The Court’s precedent also supports the view that an application of a statute can be considered domestic even when foreign conduct is implicated. In *Morrison*, for example, the Court concluded that §10(b) of the Securities Exchange Act of 1934, 48 Stat. 891, “does not punish deceptive conduct, but only deceptive conduct ‘in connection with the purchase or sale of’” securities in the United States. 561 U. S., at 266 (quoting 15 U. S. C. §78j(b)). Thus, “the focus of the Exchange Act is not upon the place where the deception originated, but upon purchases and sales of securities in the United States.” 561 U. S., at 266. “Those purchase-and-sale transactions are the objects of the statute’s solicitude.” *Id.*, at 267. Under *Morrison*, a domestic application of §10(b) covers misrepresentations made abroad, so long as the deceptive conduct bears the requisite connection to the statute’s focus: the domestic purchase or sale of a security. Similarly, under §§32(1)(a) and 43(a)(1)(A) of the Lanham Act, uses of a mark in commerce are actionable when they cause a likelihood of consumer confusion in the United States, even when the conduct originates abroad.

II

The Court agrees with petitioners’ bottom line that the Lanham Act requires a domestic “use in commerce.” See *ante*, at 7–10. According to the majority, the “‘use in commerce’ provides the dividing line between foreign and domestic applications of these Lanham Act provisions.” *Ante*, at 10. Yet the majority does not actually take a stance on the focus of the Act or apply this Court’s settled law. Instead, to reach its conclusion, the majority transforms the Court’s extraterritoriality framework into a myopic conduct-only test.

Specifically, instead of discerning the statute’s focus and assessing whether that focus is found domestically, as the

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Court's precedents command, the majority now requires a third step: an assessment of whether the "conduct relevant to the focus" occurred domestically, even when the focus of the statute is not conduct. *Ante*, at 9. Making matters even more confusing, the majority skips over the middle step of this new framework, concluding that it is unnecessary to discern the focus of the Lanham Act because "the conduct relevant to any potential focus" that "the parties have proffered" must be "use in commerce," since that is conduct mentioned in the statute. *Ibid.*³ In other words, under the Court's unprecedented three-step framework, no statute can reach relevant conduct abroad, no matter the true object of the statute's solicitude.

The Court's novel approach transforms the traditional inquiry at step two into a conduct-only test, in direct conflict with this Court's jurisprudence. The Court has expressly recognized that a statute's "focus" can be "conduct," "parties," or "interests" that Congress sought to protect or regulate. *WesternGeco LLC*, 585 U. S., at ___ (slip op., at 8) (internal quotation marks omitted); see also *Morrison*, 561 U. S., at 266 ("the focus of the Exchange Act is not upon the place where the deception originated"). After all, not every federal statute subject to an extraterritoriality analysis "directly regulate[s] conduct." *Kiobel*, 569 U. S., at 116.

Because precedent does not support the Court's recitation of the extraterritoriality framework, the majority retreats to a distorted reading of the Court's past decisions. The majority relies on *RJR Nabisco*, see *ante*, at 9, but that case does not support the majority's course. The Court in *RJR Nabisco* noted that the Racketeer Influenced and Corrupt Organizations Act's civil suit provision requires an "injury

³ Even more confusing still, "use in commerce" is all that matters under the majority's conduct-only analysis even though other conduct is also listed as actionable in at least one of the provisions at issue. 15 U. S. C. §1114(1)(a) ("the sale, offering for sale, distribution, or advertising of any goods or services").

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to business or property.” 579 U. S., at 354. The Court then concluded that there is a domestic application of that provision so long as there is a “domestic injury.” *Ibid.* In other words, the Court held that the focus of the statute had to occur domestically. It did not require a third step.

The Court also repeatedly quotes from cases where the Court has said that a domestic application requires that “the conduct relevant to the statute’s focus occurred in the United States.” *Ante*, 4–5, 10. In those cases, however, the Court first concluded (or assumed without deciding) that the focus of the provision at issue *was* conduct, and only then proceeded to consider whether the relevant conduct occurred domestically. In *WesternGeco*, for example, the Court considered the extraterritorial application of §271(f)(2) of the Patent Act, which formed “the basis for [the plaintiff’s] infringement claim.” 585 U. S., at ____ (slip op., at 7). The “focus” of that provision, the Court concluded, is the “act of ‘suppl[ying] in or from the United States,’” so the conduct “relevant to that focus” was the defendant’s “domestic act of supplying the components that infringed [the plaintiff’s] patents.” *Id.*, at ____–____ (slip op., at 7–8); see also *Nestlé USA, Inc. v. Doe*, 593 U. S. ____, ____–____ (2021) (slip op., at 4–5) (assuming without deciding that “the ‘focus’ of the [statute] is conduct that violates international law” and then concluding that conduct relevant to that focus “occurred in Ivory Coast”). In other words, the Court looked to whether the focus of the statute at issue occurred domestically.

In sum, none of the cases upon which the majority relies establish categorically that there must be domestic conduct in order for there to be a domestic application of a statute. Calling this requirement “straightforward,” “established precedent” does not make it so. *Ante*, at 10–11.⁴

⁴Relying on *RJR Nabisco, Inc. v. European Community*, 579 U. S. 325

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The Court's transformative approach thwarts Congress' ability to regulate important "interests" or "parties" that Congress has the power to regulate. *WesternGeco LLC*, 585 U. S., at ___ (slip op., at 6). Some statutes may have a statutory focus that is not strictly conduct and that implicates some conduct abroad. Cf., e.g., *F. Hoffmann-La Roche Ltd v. Empagran S. A.*, 542 U. S. 155, 165 (2004) (recognizing the long-established view that U. S. antitrust laws "reflect a legislative effort to redress domestic antitrust injury that foreign anticompetitive conduct has caused" (emphasis deleted)). Under the Court's new categorical rule, those statutes may not cover relevant conduct occurring abroad, even if that conduct impacts domestic interests that Congress sought to protect. At bottom, by reframing the inquiry at step two as a conduct-only test, the Court's new rule frustrates a key function of the presumption against extraterritoriality: to discern congressional meaning and "preserv[e] a stable background against which Congress can legislate with predictable effects" to protect domestic interests, *Morrison*, 561 U. S., at 261, including those of U. S. trademark owners and consumers.

The Court's analysis is also inconsistent with *Steele*. Ac-

(2016), the majority argues that the Court has already "acknowledged that courts do not need to determine [a] statute's 'focus' when all conduct regarding the violations took place outside the United States." *Ante*, at 11 (some internal quotation marks omitted). The portion of *RJR Nabisco* that the majority relies upon merely described the Court's holding in *Kiobel v. Royal Dutch Petroleum Co.*, 569 U. S. 108 (2013), a case that did not involve step two. In *Kiobel*, the Court held that the statute did not rebut the presumption against extraterritoriality at step one and declined to address step two of the analysis (including determining the statute's focus) because the claims at issue did not "touch and concern the territory of the United States" other than through "mere corporate presence." *Id.*, at 124–125. *Kiobel* does not offer any guidance on what constitutes a domestic application of a statute at step two.

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According to the Court, “*Steele* implicated both domestic conduct and a likelihood of domestic confusion,” so it offers no guidance in resolving this case. *Ante*, at 8. No court of appeals has read *Steele* that way, and for good reason: *Steele* clearly recognized that infringing acts consummated abroad fall under the purview of the Lanham Act when they generate consumer confusion in the United States. See *supra*, at 2–3, 6–7.⁵ Finding *Steele* “of little assistance” to its blinkered approach, the majority reduces *Steele* to a “narrow” case with no application beyond its facts. *Ante*, at 8. *Steele* is no such thing. It addressed the weighty question whether the Lanham Act “extend[s] beyond the boundaries of the United States,” 344 U. S., at 285, and has guided the lower courts’ extraterritoriality analysis for more than 70 years. The Court should not “put aside” the Court’s precedent merely because it is convenient to do so. *Ante*, at 8.

Because the Court cannot ground its holding in precedent, it turns to abstract policy considerations. According to the majority, the focus of the Lanham Act cannot center on consumer confusion, despite *Steele* and the statute’s clear textual clues, because any focus other than conduct is too uncertain and “would create headaches for lower courts.” *Ante*, at 11. The Court’s conclusion, however, is based on the incorrect assumption that “merely a likelihood of an effect in this country” would be sufficient to hold a defendant liable under the Act. *Ante*, at 12 (emphasis de-

⁵It is true that *Steele* involved domestic conduct insofar as the defendant exported watch parts from the United States into Mexico in preparing to affix the infringing mark abroad. See 344 U. S., at 286. Yet the act of exporting those watch parts with no affixed mark did not, without more, constitute an “illegal ac[t] within the United States.” *Id.*, at 282, 287. In contrast, the defendant committed infringing acts abroad: “[I]n Mexico City [he] stamped his watches with ‘Bulova’ and sold them as such.” *Id.*, at 285. The Court also did not hold that domestic exportation of unmarked product parts is necessary for the Lanham Act to cover foreign sales.

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leted). What the Lanham Act requires is a likelihood of confusion in the United States, not some abstract and undefined “effect.” The likelihood-of-confusion test comes straight from the statute’s text. As petitioners and the Court acknowledge, it is at the very core of the inquiry under §§32(1)(a) and 43(a)(1)(A). See Brief for Petitioners 47–48; *ante*, at 9. Assessing likelihood of confusion may require a nuanced test, but it is the test that Congress chose and that courts already apply.

In addition, any plaintiff would need to do more than point to mere likelihood of confusion; as with any cause of action, the plaintiff must establish all necessary elements for recovery. For example, although “use in commerce” is not the statute’s focus, the statute still requires that the plaintiff establish a “use in commerce.” §§1114(1)(a), 1125(a)(1)(A). As *Steele* shows, because “commerce” includes all commerce that Congress has the power to regulate, §1127, some foreign sales can fall under the statute’s reach. See also *RJR Nabisco*, 579 U. S., at 344 (the term “foreign commerce” does not “mean literally all commerce occurring abroad,” but it includes “commerce directly involving the United States,” including “commerce between the United States and a foreign country”).⁶ Plaintiffs must also generally show, for example, that their “injuries are proximately caused by violations of the statute.” *Lexmark Int’l, Inc. v. Static Control Components, Inc.*, 572 U. S. 118, 132 (2014). The Court is thus mistaken that “abstract consumer confusion is sufficient” to recover under the Lanham Act. *Ante*, at 14.

⁶Here, there is no dispute that the Lanham Act covers the products that petitioners sold directly into the United States. See Brief for Petitioners 11, 41, 44–45. The dispute centers on products that petitioners sold abroad to foreign buyers. For a portion of those products, the foreign buyer designated the United States as the location where the products were intended to be used. Like the watches in *Steele*, those products thus “ended up in the United States.” Pet. for Cert. 6.

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The Court also incorrectly concludes that a test that focuses on domestic consumer confusion conflicts with the territoriality principle of trademark law. See *ante*, at 12–14. That principle recognizes that a trademark has separate legal existence in each country where the mark “is registered or legally recognized.” 5 McCarthy §29:1, at 29–5; see *Ingenohl v. Olsen & Co.*, 273 U. S. 541, 544 (1927) (noting that a trademark secured in one country “depend[s] for its protection” there and “confer[s] no rights” elsewhere). Thus, to obtain the benefits that flow from trademark rights, such as the “right to a non-confused public,” the plaintiff must secure those rights in the country where it wants protection. 1 McCarthy §2:10, at 2–24.

A focus on consumer confusion in the United States is consistent with that international system. That focus properly cabins the Act’s reach to foreign conduct that results in infringing products causing consumer confusion domestically while “leaving to foreign jurisdictions the authority to remedy confusion within their territories.” United States Brief 25–26; see Brief for European Commission on Behalf of the European Union as *Amicus Curiae* 6 (“The test for infringement in the European Union, including in Germany, like the United States, assesses whether there is a likelihood of consumer confusion”). In other words, applying the Lanham Act to domestic consumer confusion promotes the benefits of U. S. trademark rights in the territory of the United States.

The Court’s approach, by contrast, would absolve from liability those defendants who sell infringing products abroad that reach the United States and confuse consumers here. That resulting consumer confusion in the United States, however, falls squarely within the scope of the interests that the Lanham Act seeks to protect.⁷

⁷In today’s increasingly global marketplace, where goods travel

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The Court's arguments about the impending "international discord" that will result from the Government's approach are simply overblown. *Ante*, at 12 (internal quotation marks omitted). There is no evidence that *Steele*, which is consistent with a focus on domestic consumer confusion, has created any international tension since it was decided more than 70 years ago. Moreover, as even petitioners acknowledge, purely foreign sales with no connection to the United States are unlikely to confuse consumers domestically. See Brief for Petitioners 44. Foreign companies with purely foreign operations also have at their disposal important defenses grounded in due process and international comity principles, including the ability to dismiss a case in the United States for lack of personal jurisdiction or on the ground of *forum non conveniens*. See, e.g., *Piper Aircraft Co. v. Reyno*, 454 U. S. 235, 257–261 (1981).⁸

through different countries, multinational brands have an online presence, and trademarks are not protected uniformly around the world, limiting the Lanham Act to purely domestic activities leaves U. S. trademark owners without adequate protection. Cf. *McBee*, 417 F. 3d, at 119 (noting that "global piracy of American goods is a major problem for American companies," and absent some enforcement over foreign activities, "there is a risk" that "violators will either take advantage of international coordination problems or hide in countries without efficacious . . . trademark laws, thereby avoiding legal authority"). To be sure, the Court today does not address whether a defendant operating abroad who sells goods that reach the United States can be held liable under the Lanham Act pursuant to contributory liability principles. See Tr. of Oral Arg. 7–8, 20–21. Still, today's decision significantly waters down protections for U. S. trademark owners. It is now up to Congress to correct the Court's limited reading of the Act.

⁸The Court incorrectly suggests that the Government's position will sweep in foreign defendants with only a minimal connection to the United States. *Ante*, at 12. In this case, for example, the District Court concluded that personal jurisdiction was proper based on a forum selection clause in the parties' distribution agreement, which named Okla-

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Finally, the Court relies upon the *amicus* brief filed by the European Commission in support of its concern about the risk of international “tension” that the Government’s position supposedly creates. *Ante*, at 14. The European Commission filed its brief in support of neither party, however, in line with the Solicitor General’s view that a focus on consumer confusion provides a more balanced approach that respects international relations while protecting against trademark infringement domestically. No “sovereign nation” filed its brief in support of petitioners’ (and the Court’s) restricted view of step two of the extraterritoriality analysis. *Ibid.* And there is no “tension” in any event. What the European Commission “warns this Court against,” *ibid.*, is adopting respondent’s sweeping view that all foreign uses that confuse consumers abroad fall under the scope of the Act. See Brief for European Commission on Behalf of the European Union as *Amicus Curiae* 6 (explaining that “infringement” occurs in the European Union when there is “a likelihood of consumer confusion” there).

* * *

The Lanham Act covers petitioners’ activities abroad so long as respondent can show that those activities are “likely to cause confusion, or to cause mistake, or to deceive” in the United States and can prove all elements necessary to establish liability under the Act. 15 U. S. C. §§1114(1)(a), 1125(a)(1)(A). Because the courts below did not apply that test, I agree vacatur and remand is required. The Court’s opinion, however, instructs the Court on remand to apply a test that is not supported by either the Lanham Act or this

homa as the forum of choice, and because petitioners purposefully directed their activities at the United States. *Hetronic Int’l, Inc. v. Hetronic Germany GmbH*, 2015 WL 5569035, *1–*3 (WD Okla., Sept. 22, 2015); *Hetronic Int’l, Inc. v. Hetronic Germany GmbH*, 2015 WL 6835428, *2 (WD Okla., Nov. 6, 2015). The Tenth Circuit affirmed that determination, *Hetronic Int’l, Inc. v. Hetronic Germany GmbH*, 10 F. 4th 1016, 1027–1032 (2021), which petitioners do not challenge before this Court.

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Court's traditional two-step extraterritoriality framework.
I therefore concur only in the judgment.⁹

⁹The jury returned a verdict for respondent on all counts in the complaint, including the breach of contract and tort claims under state law, and awarded respondent more than \$115 million in damages. See App. to Pet. for Cert. 8a, 134a–137a. The Court's decision today on the claims under the Lanham Act does not affect the relief granted on other claims, which petitioners do not challenge before this Court.

Syllabus

NOTE: Where it is feasible, a syllabus (headnote) will be released, as is being done in connection with this case, at the time the opinion is issued. The syllabus constitutes no part of the opinion of the Court but has been prepared by the Reporter of Decisions for the convenience of the reader. See *United States v. Detroit Timber & Lumber Co.*, 200 U. S. 321, 337.

SUPREME COURT OF THE UNITED STATES

Syllabus

**JACK DANIEL’S PROPERTIES, INC. v. VIP PRODUCTS
LLC****CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR
THE NINTH CIRCUIT**

No. 22–148. Argued March 22, 2023—Decided June 8, 2023

The Lanham Act, the core federal trademark statute, defines a trademark by its primary function: identifying a product’s source and distinguishing that source from others. In serving that function, trademarks help consumers select the products they want to purchase (or avoid) and help producers reap the financial rewards associated with a product’s good reputation. To help protect trademarks, the Lanham Act creates federal causes of action for trademark infringement and trademark dilution. In a typical infringement case, the question is whether the defendant’s 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). In a typical dilution case, the question is whether the defendant “harm[ed] the reputation” of a famous trademark. §§1125(c)(2)(A), (C).

Respondent VIP Products makes a squeaky, chewable dog toy designed to look like a bottle of Jack Daniel’s whiskey. But not entirely. On the toy, for example, the words “Jack Daniel’s” become “Bad Spaniels.” And “Old No. 7 Brand Tennessee Sour Mash Whiskey” turns into “The Old No. 2 On Your Tennessee Carpet.” These jokes did not impress petitioner Jack Daniel’s Properties, which owns trademarks in the distinctive Jack Daniel’s bottle and in many of the words and graphics on its label.

Soon after the Bad Spaniels toy hit the market, Jack Daniel’s demanded that VIP stop selling it. VIP filed suit, seeking a declaratory judgment that Bad Spaniels neither infringed nor diluted Jack Daniel’s trademarks. Jack Daniel’s counterclaimed for infringement and dilution. At summary judgment, VIP argued that Jack Daniel’s infringement claim failed under the so-called *Rogers* test—a threshold

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test developed by the Second Circuit and designed to protect First Amendment interests in the trademark context. See *Rogers v. Grimaldi*, 875 F. 2d 994. When “expressive works” are involved, VIP contended, that test requires dismissal of an infringement claim at the outset unless the complainant can show either (1) that the challenged use of a mark “has no artistic relevance to the underlying work” or (2) that it “explicitly misleads as to the source or the content of the work.” *Id.*, at 999. Because Jack Daniel’s could not make that showing, VIP claimed, the Lanham Act’s statutory “likelihood of confusion” standard became irrelevant. And as for the dilution claim, VIP urged that Jack Daniel’s could not succeed because Bad Spaniels was a parody of Jack Daniel’s and therefore made “fair use” of its famous marks. §1125(c)(3)(A)(ii).

The District Court rejected both of VIP’s contentions for a common reason: because VIP had used the cribbed Jack Daniel’s features as trademarks—*i.e.*, to identify the source of its own products. As the District Court saw it, when another’s trademark is used for “source identification,” *Rogers* does not apply, and instead the infringement suit turns on likelihood of confusion. The court likewise rejected VIP’s invocation of the fair-use exclusion, holding that parodies fall within that exclusion only when they do not use a famous mark to identify the source of the alleged diluter’s product. The case proceeded to a bench trial, where the District Court found that consumers were likely to be confused about the source of the Bad Spaniels toy and that the toy’s negative associations with dog excrement (*e.g.*, “The Old No. 2”) would harm Jack Daniel’s reputation. The Ninth Circuit reversed. Finding the infringement claim subject to the threshold *Rogers* test, the Court of Appeals remanded the case to the District Court to decide whether Jack Daniel’s could satisfy either prong of that test. And the Court of Appeals awarded judgment on the dilution claim to VIP, holding that because Bad Spaniels parodies Jack Daniel’s, it falls under the “non-commercial use” exclusion. §1125(c)(3)(C). On remand, the District Court found that Jack Daniel’s could not satisfy either prong of *Rogers*, and so granted summary judgment to VIP on infringement. The Court of Appeals summarily affirmed.

Held:

1. When an alleged infringer uses a trademark as a designation of source for the infringer’s own goods, the *Rogers* test does not apply. Pp. 10–19.

(a) The Second Circuit created the *Rogers* test for titles of “artistic works” based on its view that such titles have an “expressive element” implicating “First Amendment values” and carry only a “slight risk” of confusing consumers about the “source or content” of the underlying work. 875 F. 2d, at 998–1000. Over the decades, lower courts adopting

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Rogers have confined it to similar cases, in which a trademark is used not to designate a work’s source, but solely to perform some other expressive function. See, e.g., *Mattel, Inc. v. MCA Records, Inc.*, 296 F. 3d 894, 901 (use of the Barbie name in band’s song “Barbie Girl” was “not [as] a source identifier”). The same courts, though, routinely conduct likelihood-of-confusion analysis in cases where trademarks are used as trademarks—*i.e.*, to designate source. See, e.g., *Tommy Hilfiger Licensing, Inc. v. Nature Labs, LLC*, 221 F. Supp. 2d 410, 414–415 (parodic pet perfumes did not trigger *Rogers* because defendant’s use of Tommy Hilfiger’s mark was “at least in part” for “source identification”). Thus, whatever *Rogers*’ merit—an issue on which this Court takes no position—it has always been a cabined doctrine: It has not insulated from ordinary trademark scrutiny the use of trademarks as trademarks.

That conclusion fits trademark law, and reflects its primary mission. Consumer confusion about source—trademark law’s cardinal sin—is most likely to arise when someone uses another’s trademark as a trademark. In such cases, *Rogers* has no proper application. Nor does that result change because the use of a mark has other expressive content. Under the Ninth Circuit’s approach, Bad Spaniels was automatically entitled to *Rogers*’ protection because it “communicate[d] a humorous message.” 953 F. 3d 1170, 1175. On that view, few trademark cases would ever get to the likelihood-of-confusion analysis. And the Ninth Circuit was mistaken to believe that the First Amendment demanded such a result. When a mark is used as a source identifier, the First Amendment does not demand a threshold inquiry. Pp. 10–17.

(b) In this case, VIP conceded that it used the Bad Spaniels trademark and trade dress as source identifiers. And VIP has said and done more in the same direction with respect to Bad Spaniels and other similar products. The only question remaining is whether the Bad Spaniels trademarks are likely to cause confusion. Although VIP’s effort to parody Jack Daniel’s does not justify use of the *Rogers* test, it may make a difference in the standard trademark analysis. This Court remands that issue to the courts below. Pp. 17–19.

2. The Lanham Act’s exclusion from dilution liability for “[a]ny non-commercial 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. The Ninth Circuit’s holding to the contrary puts the noncommercial exclusion in conflict with the statute’s fair-use exclusion. The latter exclusion specifically covers uses “parodying, criticizing, or commenting upon” a famous mark owner, §1125(c)(3)(A)(ii), but does not apply when the use is “as a designation of source for the person’s own goods or services,” §1125(c)(3)(A). Given

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that carve-out, parody is exempt from liability only if *not* used to designate source. The Ninth Circuit's expansive view of the noncommercial use exclusion—that parody is always exempt, regardless whether it designates source—effectively nullifies Congress's express limit on the fair-use exclusion for parody. Pp. 19–20.

953 F. 3d 1170, vacated and remanded.

KAGAN, J., delivered the opinion for a unanimous Court. SOTOMAYOR, J., filed a concurring opinion, in which ALITO, J., joined. GORSUCH, J., filed a concurring opinion, in which THOMAS and BARRETT, JJ., joined.

Opinion of the Court

NOTICE: This opinion is subject to formal revision before publication in the United States Reports. Readers are requested to notify the Reporter of Decisions, Supreme Court of the United States, Washington, D. C. 20543, pio@supremecourt.gov, of any typographical or other formal errors.

SUPREME COURT OF THE UNITED STATES

No. 22–148

JACK DANIEL’S PROPERTIES, INC., PETITIONER *v.*
VIP PRODUCTS LLC

ON WRIT OF CERTIORARI TO THE UNITED STATES COURT OF
APPEALS FOR THE NINTH CIRCUIT

[June 8, 2023]

JUSTICE KAGAN delivered the opinion of the Court.

This case is about dog toys and whiskey, two items seldom appearing in the same sentence. Respondent VIP Products makes a squeaky, chewable dog toy designed to look like a bottle of Jack Daniel’s whiskey. Though not entirely. On the toy, for example, the words “Jack Daniel’s” become “Bad Spaniels.” And the descriptive phrase “Old No. 7 Brand Tennessee Sour Mash Whiskey” turns into “The Old No. 2 On Your Tennessee Carpet.” The jokes did not impress petitioner Jack Daniel’s Properties. It owns trademarks in the distinctive Jack Daniel’s bottle and in many of the words and graphics on the label. And it believed Bad Spaniels had both infringed and diluted those trademarks. Bad Spaniels had infringed the marks, the argument ran, by leading consumers to think that Jack Daniel’s had created, or was otherwise responsible for, the dog toy. And Bad Spaniels had diluted the marks, the argument went on, by associating the famed whiskey with, well, dog excrement.

The Court of Appeals, in the decision we review, saw things differently. Though the federal trademark statute

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makes infringement turn on the likelihood of consumer confusion, the Court of Appeals never got to that issue. On the court's view, the First Amendment compels a stringent threshold test when an infringement suit challenges a so-called expressive work—here (so said the court), the Bad Spaniels toy. And that test knocked out Jack Daniel's claim, whatever the likelihood of confusion. Likewise, Jack's dilution claim failed—though on that issue the problem was statutory. The trademark law provides that the “noncommercial” use of a mark cannot count as dilution. 15 U. S. C. §1125(c)(3)(C). The Bad Spaniels marks, the court held, fell within that exemption because the toy communicated a message—a kind of parody—about Jack Daniel's.

Today, we reject both conclusions. The infringement issue is the more substantial. In addressing it, we do not decide whether the threshold inquiry applied in the Court of Appeals is ever warranted. We hold only that it 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. That kind of use falls within the heartland of trademark law, and does not receive special First Amendment protection. The dilution issue is more simply addressed. The use of a mark does not count as noncommercial just because it parodies, or otherwise comments on, another's products.

I
A

Start at square 1, with what a trademark is and does. 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.” §1127. The first part of that definition, identifying the kind of things covered, is broad: It encompasses

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words (think “Google”), graphic designs (Nike’s swoosh), and so-called trade dress, the overall appearance of a product and its packaging (a Hershey’s Kiss, in its silver wrapper). See *Wal-Mart Stores, Inc. v. Samara Brothers, Inc.*, 529 U. S. 205, 209–210 (2000). The second part of the definition describes every trademark’s “primary” function: “to identify the origin or ownership of the article to which it is affixed.” *Hanover Star Milling Co. v. Metcalf*, 240 U. S. 403, 412 (1916). Trademarks can of course do other things: catch a consumer’s eye, appeal to his fancies, and convey every manner of message. But whatever else it may do, a trademark is not a trademark unless it identifies a product’s source (this is a Nike) and distinguishes that source from others (not any other sneaker brand). See generally 1 J. McCarthy, *Trademarks and Unfair Competition* §3:1 (5th ed. 2023). In other words, a mark tells the public who is responsible for a product.

In serving that function, trademarks benefit consumers and producers alike. A source-identifying mark enables customers to select “the goods and services that they wish to purchase, as well as those they want to avoid.” *Matal v. Tam*, 582 U. S. 218, 224 (2017). The mark “quickly and easily assures a potential customer that *this* item—the item with this mark—is made by the same producer as other similarly marked items that he or she liked (or disliked) in the past.” *Qualitex Co. v. Jacobson Products Co.*, 514 U. S. 159, 164 (1995). And because that is so, the producer of a quality product may derive significant value from its marks. They ensure that the producer itself—and not some “imitating competitor”—will reap the financial rewards associated with the product’s good reputation. *Ibid.*

To help protect marks, the Lanham Act sets up a voluntary registration system. Any mark owner may apply to the Patent and Trademark Office to get its mark placed on a federal register. Consistent with trademark law’s basic purpose, the lead criterion for registration is that the mark

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“in fact serve as a ‘trademark’ to identify and distinguish goods.” 3 McCarthy §19:10 (listing the principal register’s eligibility standards). If it does, and the statute’s other criteria also are met, the registering trademark owner receives certain benefits, useful in infringement litigation. See, e.g., *Iancu v. Brunetti*, 588 U. S. ___, ___ (2019) (slip op., at 2) (noting that “registration constitutes ‘prima facie evidence’ of the mark’s validity”). But the owner of even an unregistered trademark can “use [the mark] in commerce and enforce it against infringers.” *Ibid.*

The Lanham Act also creates a federal cause of action for trademark infringement. In the typical case, the owner of a mark sues someone using a mark that closely resembles its own. The court must decide whether the defendant’s use is “likely to cause confusion, or to cause mistake, or to deceive.” §§1114(1)(A), 1125(a)(1)(A). The “keystone” in that statutory standard is “likelihood of confusion.” See 4 McCarthy §23:1. And the single type of confusion most commonly in trademark law’s sights is confusion “about the source of a product or service.” *Moseley v. V Secret Catalogue, Inc.*, 537 U. S. 418, 428 (2003); see 4 McCarthy §23:5. Confusion as to source is the *bête noire* of trademark law—the thing that stands directly opposed to the law’s twin goals of facilitating consumers’ choice and protecting producers’ good will.

Finally, the Lanham Act creates a cause of action for the dilution of famous marks, which can succeed without likelihood of confusion. See §1125(c); *Moseley*, 537 U. S., at 431. 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). Dilution of such a mark can occur “by tarnishment” (as well as by “blurring,” not relevant here). §1125(c)(1). As the statute describes the idea, 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.

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§1125(c)(2)(C). But there are “[e]xclusions”—categories of activity not “actionable as dilution.” §1125(c)(3). One exclusion protects any “noncommercial use of a mark.” §1125(c)(3)(C). Another protects a “fair use” of a mark “in connection with . . . parodying, criticizing, or commenting upon the famous mark owner or [its] goods.” §1125(c)(3)(A)(ii). The fair-use exclusion, though, comes with a caveat. A defendant cannot get its benefit—even if engaging in parody, criticism, or commentary—when using the similar-looking mark “as a designation of source for the [defendant’s] own goods.” §1125(c)(3)(A). In other words, the exclusion does not apply if the defendant uses the similar mark as a mark.

B

A bottle of Jack Daniel’s—no, Jack Daniel’s Old No. 7 Tennessee Sour Mash Whiskey—boasts a fair number of trademarks. Recall what the bottle looks like (or better yet, retrieve a bottle from wherever you keep liquor; it’s probably there):



“Jack Daniel’s” is a registered trademark, as is “Old No. 7.” So too the arched Jack Daniel’s logo. And the stylized label

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with filigree (*i.e.*, twirling white lines). Finally, what might be thought of as the platform for all those marks—the whiskey’s distinctive square bottle—is itself registered.

VIP is a dog toy company, making and selling a product line of chewable rubber toys that it calls “Silly Squeakers.” (Yes, they squeak when bitten.) Most of the toys in the line are designed to look like—and to parody—popular beverage brands. There are, to take a sampling, Dos Perros (*cf.* Dos Equis), Smella Arpaw (*cf.* Stella Artois), and Doggie Walker (*cf.* Johnnie Walker). VIP has registered trademarks in all those names, as in the umbrella term “Silly Squeakers.”

In 2014, VIP added the Bad Spaniels toy to the line. VIP did not apply to register the name, or any other feature of, Bad Spaniels. But according to its complaint (further addressed below), VIP both “own[s]” and “use[s]” the “Bad Spaniels’ trademark and trade dress.” App. 3, 11; see *infra*, at 8, 17. And Bad Spaniels’ trade dress, like the dress of many Silly Squeakers toys, is designed to evoke a distinctive beverage bottle-with-label. Even if you didn’t already know, you’d probably not have much trouble identifying which one.



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Bad Spaniels is about the same size and shape as an ordinary bottle of Jack Daniel’s. The faux bottle, like the original, has a black label with stylized white text and a white filigreed border. The words “Bad Spaniels” replace “Jack Daniel’s” in a like font and arch. Above the arch is an image of a spaniel. (This is a dog toy, after all.) Below the arch, “The Old No. 2 On Your Tennessee Carpet” replaces “Old No. 7 Tennessee Sour Mash Whiskey” in similar graphic form. The small print at the bottom substitutes “43% poo by vol.” and “100% smelly” for “40% alc. by vol. (80 proof).”

The toy is packaged for sale with a cardboard hangtag (so it can be hung on store shelves). Here is the back of the hangtag:



At the bottom is a disclaimer: “This product is not affiliated with Jack Daniel Distillery.” In the middle are some warnings and guarantees. And at the top, most relevant here, are two product logos—on the left for the Silly Squeakers line, and on the right for the Bad Spaniels toy.

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Soon after Bad Spaniels hit the market, Jack Daniel's sent VIP a letter demanding that it stop selling the product. VIP responded by bringing this suit, seeking a declaratory judgment that Bad Spaniels neither infringed nor diluted Jack Daniel's trademarks. The complaint alleged, among other things, that VIP is "the owner of all rights in its 'Bad Spaniels' trademark and trade dress for its durable rubber squeaky novelty dog toy." App. 3; see *supra*, at 6. Jack Daniel's counterclaimed under the Lanham Act for both trademark infringement and trademark dilution by tarnishment.

VIP moved for summary judgment on both claims. First, VIP argued that Jack Daniel's infringement claim failed under a threshold test derived from the First Amendment to protect "expressive works"—like (VIP said) the Bad Spaniels toy. When those works are involved, VIP contended, the so-called *Rogers* test requires dismissal of an infringement claim at the outset unless the complainant can show one of two things: that the challenged use of a mark "has no artistic relevance to the underlying work" or that it "explicitly misleads as to the source or the content of the work." *Rogers v. Grimaldi*, 875 F. 2d 994, 999 (CA2 1989) (Newman, J.). Because Jack Daniel's could make neither showing, VIP argued, the likelihood-of-confusion issue became irrelevant. Second, VIP urged that Jack Daniel's could not succeed on a dilution claim because Bad Spaniels was a "parody[]" of Jack Daniel's, and therefore made "fair use" of its famous marks. §1125(c)(3)(A)(ii).

The District Court rejected both contentions for a common reason: because VIP had used the cribbed Jack Daniel's features as trademarks—that is, to identify the source of its own products. In the court's view, when "another's trademark is used for source identification"—as the court thought was true here—the threshold *Rogers* test does not apply. App. to Pet. for Cert. 89a. Instead, the suit must address the "standard" infringement question: whether the

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use is “likely to cause consumer confusion.” *Ibid.* And likewise, VIP could not invoke the dilution provision’s fair-use exclusion. Parodies fall within that exclusion, the court explained, only when the uses they make of famous marks do not serve as “a designation of source for the [alleged diluter’s] own goods.” *Id.*, at 104a (quoting §1125(c)(3)(A)).

The case thus proceeded to a bench trial, where Jack Daniel’s prevailed. The District Court found, based largely on survey evidence, that consumers were likely to be confused about the source of the Bad Spaniels toy. See 291 F. Supp. 3d 891, 906–911 (D Ariz. 2018). And the court thought that the toy, by creating “negative associations” with “canine excrement,” would cause Jack Daniel’s “reputational harm.” *Id.*, at 903, 905.

But the Court of Appeals for the Ninth Circuit reversed, ruling that the District Court had gotten the pretrial legal issues wrong. In the Ninth Circuit’s view, the infringement claim was subject to the threshold *Rogers* test because Bad Spaniels is an “expressive work”: Although just a dog toy, and “surely not the equivalent of the *Mona Lisa*,” it “communicates a humorous message.” 953 F. 3d 1170, 1175 (2020) (internal quotation marks omitted). The Court of Appeals therefore returned the case to the District Court to decide whether Jack Daniel’s could satisfy either of *Rogers*’ two prongs. And the Ninth Circuit awarded judgment on the dilution claim to VIP. The court did not address the statutory exclusion for parody and other fair use, as the District Court had. Instead, the Court of Appeals held that the exclusion for “noncommercial use” shielded VIP from liability. §1125(c)(3)(C). The “use of a mark may be ‘noncommercial,’” the court reasoned, “even if used to sell a product.” 953 F. 3d, at 1176 (internal quotation marks omitted). And here it was so, the court found, because it “parodies” and “comments humorously” on Jack Daniel’s. *Id.*, at 1175; see *id.*, at 1176.

On remand, the District Court found that Jack Daniel’s

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could not satisfy either prong of *Rogers*, and so granted summary judgment to VIP on infringement. Jack Daniel's appealed, and the Ninth Circuit summarily affirmed.

We then granted certiorari to consider the Court of Appeals' rulings on both infringement and dilution. 598 U. S. ____ (2022).

II

Our first and more substantial question concerns Jack Daniel's infringement claim: Should the company have had to satisfy the *Rogers* threshold test before the case could proceed to the Lanham Act's likelihood-of-confusion inquiry?¹ The parties address that issue in the broadest possible way, either attacking or defending *Rogers* in all its possible applications. Today, we choose a narrower path. Without deciding whether *Rogers* has merit in other contexts, we hold that it does not 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 §1127; *supra*, at 2–3. VIP used the marks derived from Jack Daniel's in that way, so the infringement claim here rises or falls on likelihood of confusion. But that inquiry is not blind to the expressive aspect of the Bad Spaniels toy that the Ninth Circuit highlighted. Beyond source designation, VIP uses the marks at issue in an effort to “parody” or “make fun” of Jack Daniel's. Tr. of Oral Arg. 58, 66. And that kind of message matters in assessing confusion because consumers are not so likely to think that the maker of a mocked product is itself doing the mocking.

A

To see why the *Rogers* test does not apply here, first consider the case from which it emerged. The defendants there

¹To be clear, when we refer to “the *Rogers* threshold test,” we mean any threshold First Amendment filter.

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had produced and distributed a film by Federico Fellini titled “Ginger and Fred” about two fictional Italian cabaret dancers (Pippo and Amelia) who imitated Ginger Rogers and Fred Astaire. When the film was released in the United States, Ginger Rogers objected under the Lanham Act to the use of her name. The Second Circuit rejected the claim. It reasoned that the titles of “artistic works,” like the works themselves, have an “expressive element” implicating “First Amendment values.” 875 F. 2d, at 998. And at the same time, such names posed only a “slight risk” of confusing consumers about either “the source or the content of the work.” *Id.*, at 999–1000. So, the court concluded, a threshold filter was appropriate. When a title “with at least some artistic relevance” was not “explicitly misleading as to source or content,” the claim could not go forward. *Ibid.* But the court made clear that it was not announcing a general rule. In the typical case, the court thought, the name of a product was more likely to indicate its source, and to be taken by consumers in just that way. See *id.*, at 1000.

Over the decades, the lower courts adopting *Rogers* have confined it to similar cases, in which a trademark is used not to designate a work’s source, but solely to perform some other expressive function. So, for example, when the toymaker Mattel sued a band over the song “Barbie Girl”—with lyrics including “Life in plastic, it’s fantastic” and “I’m a blond bimbo girl, in a fantasy world”—the Ninth Circuit applied *Rogers*. *Mattel, Inc. v. MCA Records, Inc.*, 296 F. 3d 894, 901 (2002). That was because, the court reasoned, the band’s use of the Barbie name was “not [as] a source identifier”: The use did not “speak[] to [the song’s] origin.” *Id.*, at 900, 902; see *id.*, at 902 (a consumer would no more think that the song was “produced by Mattel” than would, “upon hearing Janis Joplin croon ‘Oh Lord, won’t you buy me a Mercedes Benz?’, . . . suspect that she and the carmaker had entered into a joint venture”). Similarly, the Eleventh Circuit dismissed a suit under *Rogers* when a sports artist

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depicted the Crimson Tide's trademarked football uniforms solely to "memorialize" a notable event in "football history." *University of Ala. Bd. of Trustees v. New Life Art, Inc.*, 683 F. 3d 1266, 1279 (2012). And when Louis Vuitton sued because a character in the film *The Hangover: Part II* described his luggage as a "Louis Vuitton" (though pronouncing it *Lewis*), a district court dismissed the complaint under *Rogers*. See *Louis Vuitton Mallatier S. A. v. Warner Bros. Entertainment Inc.*, 868 F. Supp. 2d 172 (SDNY 2012). All parties agreed that the film was not using the Louis Vuitton mark as its "own identifying trademark." *Id.*, at 180 (internal quotation marks omitted). When that is so, the court reasoned, "confusion will usually be unlikely," and the "interest in free expression" counsels in favor of avoiding the standard Lanham Act test. *Ibid.*

The same courts, though, routinely conduct likelihood-of-confusion analysis, without mentioning *Rogers*, when trademarks are used as trademarks—*i.e.*, to designate source. See, *e.g.*, *JL Beverage Co., LLC v. Jim Beam Brands Co.*, 828 F. 3d 1098, 1102–1103, 1106 (CA9 2016); *PlayNation Play Systems, Inc. v. Vex Corp.*, 924 F. 3d 1159, 1164–1165 (CA11 2019). And the Second Circuit—*Rogers*' home court—has made especially clear that *Rogers* does not apply in that context. For example, that court held that an offshoot political group's use of the trademark "United We Stand America" got no *Rogers* help because the use was as a source identifier. See *United We Stand Am., Inc. v. United We Stand, Am. New York, Inc.*, 128 F. 3d 86, 93 (1997). True, that slogan had expressive content. But the defendant group, the court reasoned, was using it "as a mark," to suggest the "same source identification" as the original "political movement." *Ibid.* And similarly, the Second Circuit (indeed, the judge who authored *Rogers*) rejected a motorcycle mechanic's view that his modified version of Harley Davidson's bar-and-shield logo was an

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expressive parody entitled to *Rogers*' protection. See *Harley-Davidson, Inc. v. Grottanelli*, 164 F.3d 806, 812–813 (1999). The court acknowledged that the mechanic's adapted logo conveyed a "somewhat humorous[]" message. *Id.*, at 813. But his use of the logo was a quintessential "trademark use": to brand his "repair and parts business"—through signage, a newsletter, and T-shirts—with images "similar" to Harley-Davidson's. *Id.*, at 809, 812–813.

The point is that whatever you make of *Rogers*—and again, we take no position on that issue—it has always been a cabined doctrine. If we put this case to the side, the *Rogers* test has applied only to cases involving "non-trademark uses"—or otherwise said, cases in which "the defendant has used the mark" at issue in a "non-source-identifying way." S. Dogan & M. Lemley, *Grounding Trademark Law Through Trademark Use*, 92 Iowa L. Rev. 1669, 1684 (2007); see *id.*, at 1683–1684, and n. 58. The test has not insulated from ordinary trademark scrutiny the use of trademarks as trademarks, "to identify or brand [a defendant's] goods or services." *Id.*, at 1683.

We offer as one last example of that limitation a case with a striking resemblance to this one. It too involved dog products, though perfumes rather than toys. Yes, the defendant sold "a line of pet perfumes whose names parody elegant brands sold for human consumption." *Tommy Hilfiger Licensing, Inc. v. Nature Labs, LLC*, 221 F. Supp. 2d 410, 412 (SDNY 2002) (Mukasey, J.). The product at issue was named Timmy Holedigger—which Tommy Hilfiger didn't much like. The defendant asked for application of *Rogers*. The court declined it, relying on *Harley-Davidson*. See 221 F. Supp. 2d, at 414. *Rogers*, the court explained, 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. 221 F. Supp. 2d, at 414.

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When, instead, the use is “at least in part” for “source identification”—when the defendant may be “trading on the good will of the trademark owner to market its own goods”—*Rogers* has no proper role. 221 F. Supp. 2d, at 414–415. And that is so, the court continued, even if the defendant is *also* “making an expressive comment,” including a parody of a different product. *Id.*, at 415. The defendant is still “mak[ing] trademark use of another’s mark,” and must meet an infringement claim on the usual battleground of “likelihood of confusion.” *Id.*, at 416.

That conclusion fits trademark law, and reflects its primary mission. From its definition of “trademark” onward, the Lanham Act views marks as source identifiers—as things that function to “indicate the source” of goods, and so to “distinguish” them from ones “manufactured or sold by others.” §1127; see *supra*, at 2–3. The cardinal sin under the law, as described earlier, is to undermine that function. See *supra*, at 3. It is to confuse consumers about source—to make (some of) them think that one producer’s products are another’s. And that kind of confusion is most likely to arise when someone uses another’s trademark as a trademark—meaning, again, as a source identifier—rather than for some other expressive function. To adapt one of the cases noted above: Suppose a filmmaker uses a Louis Vuitton suitcase to convey something about a character (he is the kind of person who wants to be seen with the product but doesn’t know how to pronounce its name). See *supra*, at 12. Now think about a different scenario: A luggage manufacturer uses an ever-so-slightly modified LV logo to make inroads in the suitcase market. The greater likelihood of confusion inheres in the latter use, because it is the one conveying information (or misinformation) about who is responsible for a product. That kind of use “implicate[s] the core concerns of trademark law” and creates “the paradigmatic infringement case.” G. Dinwoodie & M. Janis, *Confusion Over Use: Contextualism in Trademark Law*, 92

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Iowa L. Rev. 1597, 1636 (2007). So the *Rogers* test—which offers an escape from the likelihood-of-confusion inquiry and a shortcut to dismissal—has no proper application.²

Nor does that result change because the use of a mark has other expressive content—*i.e.*, because it conveys some message on top of source. Here is where we most dramatically part ways with the Ninth Circuit, which thought that because *Bad Spaniels* “communicates a humorous message,” it is automatically entitled to *Rogers*’ protection. 953 F. 3d, at 1175 (internal quotation marks omitted). On that view, *Rogers* might take over much of the world. For trademarks are often expressive, in any number of ways. Consider how one liqueur brand’s trade dress (beyond identifying source) tells a story, with a bottle in the shape of a friar’s habit connoting the product’s olden monastic roots:



²That is not to say (far from it) that every infringement case involving a source-identifying use requires full-scale litigation. Some of those uses will not present any plausible likelihood of confusion—because of dissimilarity in the marks or various contextual considerations. And if, in a given case, a plaintiff fails to plausibly allege a likelihood of confusion, the district court should dismiss the complaint under Federal Rule of Civil Procedure 12(b)(6). See 6 McCarthy §32:121.75 (providing examples).

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Or take a band name that “not only identifies the band but expresses a view about social issues.” *Tam*, 582 U. S., at 245 (opinion of ALITO, J.) (discussing “The Slants”). Or note how a mark can both function as a mark and have parodic content—as the court found in the Hilfiger/Holedigger litigation. See *supra*, at 13–14. The examples could go on and on. As a leading treatise puts the point, the Ninth Circuit’s expansion of *Rogers* “potentially encompasses just about everything” because names, phrases, symbols, designs, and their varied combinations often “contain some ‘expressive’ message” unrelated to source. 6 McCarthy §31:144.50. That message may well be relevant in assessing the likelihood of confusion between two marks, as we address below. See *infra*, at 18–19. But few cases would even get to the likelihood-of-confusion inquiry if all expressive content triggered the *Rogers* filter. In that event, the *Rogers* exception would become the general rule, in conflict with courts’ longstanding view of trademark law.

The Ninth Circuit was mistaken to believe that the First Amendment demanded such a result. The court thought that trademark law would otherwise “fail[] to account for the full weight of the public’s interest in free expression.” 953 F. 3d, at 1174. But as the *Mattel* (*i.e.*, Barbie) court noted, when a challenged trademark use functions as “source-identifying,” trademark rights “play well with the First Amendment”: “Whatever first amendment rights you may have in calling the brew you make in your bathtub ‘Pepsi’” are “outweighed by the buyer’s interest in not being fooled into buying it.” 296 F. 3d, at 900. Or in less colorful terms: “[T]o the extent a trademark is confusing” as to a product’s source “the law can protect consumers and trademark owners.” *Tam*, 582 U. S., at 252 (Kennedy, J., concurring in part and concurring in judgment); see *Friedman v. Rogers*, 440 U. S. 1, 15 (1979) (rejecting a First Amendment challenge to a law restricting trade names because of the “substantial” interest in “protecting the public from [their]

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deceptive and misleading use”). Or yet again, in an especially clear rendering: “[T]he trademark law generally prevails over the First Amendment” when “another’s trademark (or a confusingly similar mark) is used without permission” as a means of “source identification.” *Yankee Publishing Inc. v. News Am. Publishing Inc.*, 809 F. Supp. 267, 276 (SDNY 1992) (Leval, J.) (emphasis deleted). So for those uses, the First Amendment does not demand a threshold inquiry like the *Rogers* test. When a mark is used as a mark (except, potentially, in rare situations), the likelihood-of-confusion inquiry does enough work to account for the interest in free expression.

B

Here, the District Court correctly held that “VIP uses its Bad Spaniels trademark and trade dress as source identifiers of its dog toy.” See App. to Pet. for Cert. 105a. In fact, VIP conceded that point below. In its complaint, VIP alleged that it both “own[s] and “use[s]” the “Bad Spaniels’ trademark and trade dress for its durable rubber squeaky novelty dog toy.” App. 3, 11. The company thus represented in this very suit that the mark and dress, although not registered, are used to “identify and distinguish [VIP’s] goods” and to “indicate [their] source.” §1127. (Registration of marks, you’ll recall, is optional. See *supra*, at 3–4.)

In this Court, VIP says the complaint was a mere “form allegation”—a matter of “rote.” Tr. of Oral Arg. 73. But even if we knew what that meant, VIP has said and done more in the same direction. First, there is the way the product is marketed. On the hangtag, the Bad Spaniels logo sits opposite the concededly trademarked Silly Squeakers logo, with both appearing to serve the same source-identifying function. See *supra*, at 7. And second, there is VIP’s practice as to other products in the Silly Squeakers line. The company has consistently argued in court that it owns, though has never registered, the trademark and trade dress

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in dog toys like “Jose Perro” (cf. Jose Cuervo) and “HeinieSniff’n” (cf. Heineken).³ And it has chosen to register the names of still other dog toys, including Dos Perros (#6176781), Smella Arpaw (#6262975), and Doggie Walker (#6213816). See *supra*, at 6. Put all that together, and more than “form” or “rote” emerges: VIP’s conduct is its own admission that it is using the Bad Spaniels (née Jack Daniel’s) trademarks as trademarks, to identify product source.

Because that is so, the only question in this suit going forward is whether the Bad Spaniels marks are likely to cause confusion. There is no threshold test working to kick out all cases involving “expressive works.” But a trademark’s expressive message—particularly a parodic one, as VIP asserts—may properly figure in assessing the likelihood of confusion. See, e.g., *Louis Vuitton Malletier S. A. v. Haute Diggity Dog, LLC*, 507 F. 3d 252, 265 (CA4 2007) (Parody “influences the way in which the [likelihood-of-confusion] factors are applied”); Brief for United States as *Amicus Curiae* 17–22 (same). A parody must “conjure up” “enough of [an] original to make the object of its critical wit recognizable.” *Campbell v. Acuff-Rose Music, Inc.*, 510 U. S. 569, 588 (1994) (internal quotation marks omitted). Yet to succeed, the parody must also create contrasts, so that its message of ridicule or pointed humor comes clear. And once that is done (*if* that is done), a parody is not often likely to create confusion. Self-deprecation is one thing; self-mockery far less ordinary. So although VIP’s effort to ridicule Jack Daniel’s does not justify use of the *Rogers* test,

³See, e.g., *VIP Products, LLC v. Tequila Cuervo La Rojena, S. A. de C. V.*, No. 20–cv–0319 (D Ariz., Feb. 11, 2020), ECF Doc. 1, p. 3 (“Jose Perro”); *VIP Products, LLC v. Heineken USA, Inc.*, No. 13–cv–0319 (D Ariz., Feb. 13, 2013), ECF Doc. 1, pp. 3–4 (“HeinieSniff’n”); *VIP Products, LLC v. Pabst Brewing Co.*, No. 14–cv–2084 (D Ariz., Sept. 19, 2014), ECF Doc. 1, pp. 3–4 (“Blue Cats Trippin”) (cf. Pabst Blue Ribbon); *VIP Products, LLC v. Champagne Louis Roederer, S. A.*, No. 13–cv–2365 (D Ariz., Nov. 18, 2013), ECF Doc. 1, pp. 3–4 (“Crispaw”) (cf. Cristal).

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it may make a difference in the standard trademark analysis. Consistent with our ordinary practice, we remand that issue to the courts below. See *Cutter v. Wilkinson*, 544 U. S. 709, 718, n. 7 (2005) (noting that this Court is generally “a court of review, not of first view”).

III

Our second question, more easily dispatched, concerns Jack Daniel’s claim of dilution by tarnishment (for the linkage of its whiskey to less savory substances). Recall that the Ninth Circuit dismissed that claim based on one of the Lanham Act’s “[e]xclusions” from dilution liability—for “[a]ny noncommercial use of a mark.” §1125(c)(3)(C); see *supra*, at 9. On the court’s view, the “use of a mark may be ‘noncommercial’ even if used to sell a product.” 953 F. 3d, at 1176 (internal quotation marks omitted). And VIP’s use is so, the court continued, because it “parodies” and “convey[s] a humorous message” about Jack Daniel’s. *Id.*, at 1175–1176. We need not express a view on the first step of that reasoning because we think the second step wrong. However wide the scope of the “noncommercial use” exclusion, it cannot include, as the Ninth Circuit thought, every parody or humorous commentary.

To begin to see why, consider the scope of another of the Lanham Act’s exclusions—this one for “[a]ny fair use.” As described earlier, the “fair use” exclusion specifically covers uses “parodying, criticizing, or commenting upon” a famous mark owner. §1125(c)(3)(A)(ii); see *supra*, at 5. But not in every circumstance. Critically, the fair-use exclusion has its own exclusion: It does not apply when the use is “as a designation of source for the person’s own goods or services.” §1125(c)(3)(A). In that event, no parody, criticism, or commentary will rescue the alleged dilutor. It will be subject to liability regardless.

The problem with the Ninth Circuit’s approach is that it

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reverses that statutorily directed result, as this case illustrates. 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. Whereas on the Ninth Circuit's view, parody (and so forth) is exempt always—regardless whether it designates source. The expansive view of the “noncommercial use” exclusion effectively nullifies Congress's express limit on the fair-use exclusion for parody, etc. Just consider how the Ninth Circuit's construction played out here. The District Court had rightly concluded that because VIP used the challenged marks as source identifiers, it could not benefit from the fair-use exclusion for parody. See App. to Pet. for Cert. 105a; *supra*, at 8–9, 17–18. The Ninth Circuit took no issue with that ruling. But it shielded VIP's parodic uses anyway. In doing so, the court negated Congress's judgment about when—and when not—parody (and criticism and commentary) is excluded from dilution liability.

IV

Today's opinion is narrow. We do not decide whether the *Rogers* test is ever appropriate, or how far the “noncommercial use” exclusion goes. On infringement, we hold only that *Rogers* does not apply when the challenged use of a mark is as a mark. On dilution, we hold only that the noncommercial exclusion does not shield parody or other commentary when its use of a mark is similarly source-identifying. It is no coincidence that both our holdings turn on whether the use of a mark is serving a source-designation function. The Lanham Act makes that fact crucial, in its effort to ensure that consumers can tell where goods come from.

For the reasons stated, we vacate the judgment below and remand for further proceedings consistent with this opinion.

It is so ordered.

SOTOMAYOR, J., concurring

SUPREME COURT OF THE UNITED STATES

No. 22–148

JACK DANIEL’S PROPERTIES, INC., PETITIONER *v.*
VIP PRODUCTS LLC

ON WRIT OF CERTIORARI TO THE UNITED STATES COURT OF
APPEALS FOR THE NINTH CIRCUIT

[June 8, 2023]

JUSTICE SOTOMAYOR, with whom JUSTICE ALITO joins,
concurring.

I join the Court’s opinion in full. I write separately to emphasize that in the context of parodies and potentially other uses implicating First Amendment concerns, courts should treat the results of surveys with particular caution. As petitioner did here, plaintiffs in trademark infringement cases often commission surveys that purport to show that consumers are likely to be confused by an allegedly infringing product. Like any other evidence, surveys should be understood as merely one piece of the multifaceted likelihood of confusion analysis. See, *e.g.*, *Uncommon, LLC v. Spigen, Inc.*, 926 F. 3d 409, 425 (CA7 2019). Courts should also carefully assess the methodology and representativeness of surveys, as many lower courts already do. See, *e.g.*, *Water Pik, Inc. v. Med-Systems, Inc.*, 726 F. 3d 1136, 1144–1150 (CA10 2013); *Starbucks Corp. v. Wolfe’s Borough Coffee, Inc.*, 588 F. 3d 97, 117 (CA2 2009).

When an alleged trademark infringement involves a parody, however, there is particular risk in giving uncritical or undue weight to surveys. Survey answers may reflect a mistaken belief among some survey respondents that all parodies require permission from the owner of the parodied mark. Some of the answers to the survey in this case illustrate this potential. See App. 81–82, n. 25 (“I’m sure the

SOTOMAYOR, J., concurring

dog toy company that made this toy had to get [Jack Daniel's] permission and legal rights to essentially copy the[ir] product in dog toy form"); *ibid.* ("The bottle is mimicked after the Jack Daniel BBQ sauce. So they would hold the patent therefore you would have to ask permission to use the image"); see also *Anheuser-Busch, Inc. v. Balducci Publications*, 28 F. 3d 769, 772–773, 775 (CA8 1994) (describing a similar situation). Plaintiffs can point to this misunderstanding of the legal framework as evidence of consumer confusion. Cleverly designed surveys could also prompt such confusion by making consumers think about complex legal questions around permission that would not have arisen organically out in the world.

Allowing such survey results to drive the infringement analysis would risk silencing a great many parodies, even ones that by other metrics are unlikely to result in the confusion about sourcing that is the core concern of the Lanham Act. See *ante*, at 4, 10, 14. Well-heeled brands with the resources to commission surveys would be handed an effective veto over mockery. After all, "[n]o one likes to be the butt of a joke, not even a trademark." 6 J. McCarthy, *Trademarks and Unfair Competition* §31:153 (5th ed. 2023). This would upset the Lanham Act's careful balancing of "the needs of merchants for identification as the provider of goods with the needs of society for free communication and discussion." P. Leval, *Trademark: Champion of Free Speech*, 27 *Colum. J. L. & Arts* 187, 210 (2004). Courts should thus ensure surveys do not completely displace other likelihood-of-confusion factors, which may more accurately track the experiences of actual consumers in the marketplace. Courts should also be attentive to ways in which surveys may artificially prompt such confusion about the law or fail to sufficiently control for it.

GORSUCH, J., concurring

SUPREME COURT OF THE UNITED STATES

No. 22–148

JACK DANIEL’S PROPERTIES, INC., PETITIONER *v.*
VIP PRODUCTS LLC

ON WRIT OF CERTIORARI TO THE UNITED STATES COURT OF
APPEALS FOR THE NINTH CIRCUIT

[June 8, 2023]

JUSTICE GORSUCH, with whom JUSTICE THOMAS and
JUSTICE BARRETT join, concurring.

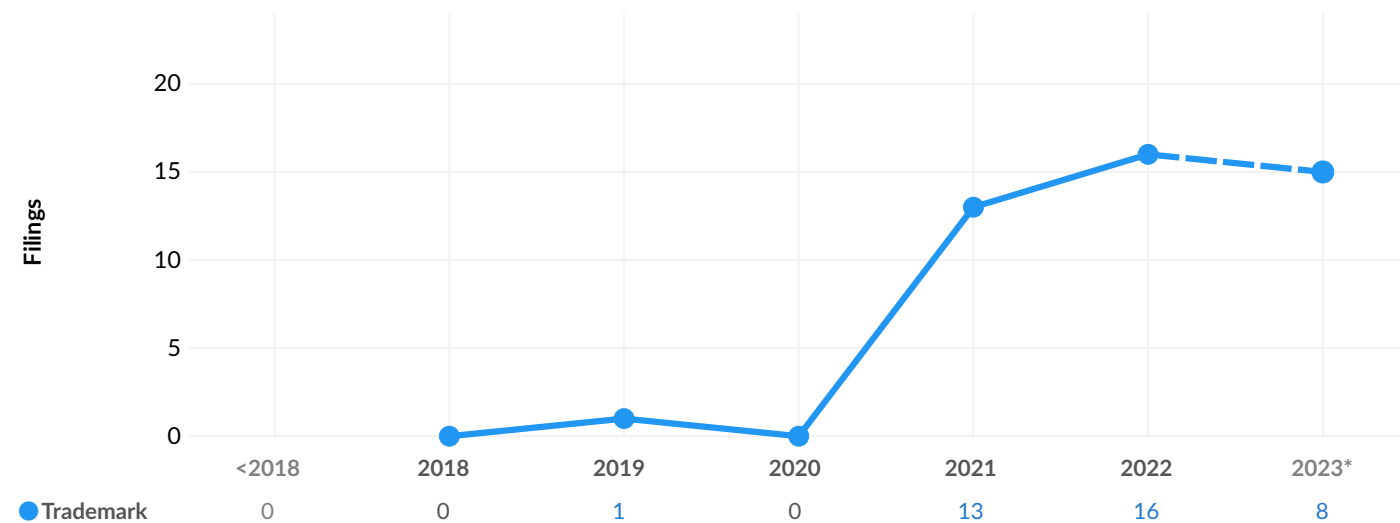
I am pleased to join the Court’s opinion. I write separately only to underscore that lower courts should handle *Rogers v. Grimaldi*, 875 F. 2d 994 (CA2 1989), with care. Today, the Court rightly concludes that, even taken on its own terms, *Rogers* does not apply to cases like the one before us. But in doing so, we necessarily leave much about *Rogers* unaddressed. For example, it is not entirely clear where the *Rogers* test comes from—is it commanded by the First Amendment, or is it merely gloss on the Lanham Act, perhaps inspired by constitutional-avoidance doctrine? *Id.*, at 998. For another thing, it is not obvious that *Rogers* is correct in all its particulars—certainly, the Solicitor General raises serious questions about the decision. See Brief for United States as *Amicus Curiae* 23–28. All this remains for resolution another day, *ante*, at 13, and lower courts should be attuned to that fact.

The Individuals, Partnerships, and Unincorporated Associations Identified on Schedule "A" and 99 other parties

Showing 38 Trademark cases with The Individuals, Partnerships, and Unincorporated Associations Identified on Schedule "A" or 99 others as parties; in S.D.N.Y.; pending between 2009-01-01 and 2023-07-20.; sorted by most recent docket activity.

Summary

Case Filings



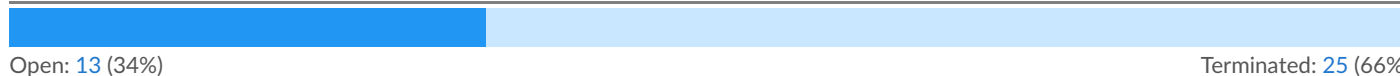
* 2023 numbers are year-to-date. Open dots are full-year estimates.

Cases by Type

Case Types	Cases
Trademark	38
Patent	4
Copyright	26
Contracts	1

All other Case Types have 0 results in this case list.

Case Status



Party Roles

Party Roles	Cases
Defendant	38

All other Party Roles have 0 results in this case list.

Courts

S.D.N.Y.	38	100%
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District Judges

Lorna Gail Schofield	5	13%
Jesse Matthew Furman	4	11%
Mary Kay Vyskocil	4	11%
Jennifer Hutchison Rearden	3	8%

Edgardo Ramos	3	8%
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19 Other Judges

Case List

Title	Civil Action #	Case Type	Court	Filed On	Last Docket	Terminated
KAWS, Inc. v. The Individuals, Corporations, Limited Liability Companies, Partnership, and Unincorporated Associations Identified on Schedule A to the Complaint	1:23-cv-03134	<div style="background-color: #333; color: white; padding: 2px;">Trademark</div> <div style="background-color: #333; color: white; padding: 2px;">Copyright</div>	S.D.N.Y.	2023-04-14	2023-07-19	—
100% Speedlab, LLC et al v. The Individuals, Corporations, Limited Liability Companies, Partnerships, and Unincorporated Associations Identified on Schedule A to the Complaint	1:22-cv-07204	<div style="background-color: #333; color: white; padding: 2px;">Patent</div> <div style="background-color: #333; color: white; padding: 2px;">Trademark</div>	S.D.N.Y.	2022-08-24	2023-07-19	—
ZURU Inc. v. The Individuals, Partnerships and Unincorporated Associations Identified on Schedule A	1:23-cv-03146	<div style="background-color: #333; color: white; padding: 2px;">Trademark</div>	S.D.N.Y.	2023-04-14	2023-07-14	2023-07-13
Run-Tiger LLC v. The individuals, corporations, limited liability companies, partnerships, and unincorporated associations identified on Schedule A to the Complaint	1:23-cv-00774	<div style="background-color: #333; color: white; padding: 2px;">Trademark</div> <div style="background-color: #333; color: white; padding: 2px;">Copyright</div>	S.D.N.Y.	2023-01-30	2023-07-14	—
The Kyjen Company, LLC v. The Individuals, Corporations, Limited Liability Companies, Partnerships, and Unincorporated Associations Identified on Schedule A to the Complaint	1:23-cv-00612	<div style="background-color: #333; color: white; padding: 2px;">Patent</div> <div style="background-color: #333; color: white; padding: 2px;">Trademark</div>	S.D.N.Y.	2023-01-24	2023-07-14	—
Roku Inc. v. The Individuals, Corporations, Limited Liability Companies, Partnerships, and Unincorporated Associations Identified on Schedule A hereto	1:22-cv-00202	<div style="background-color: #333; color: white; padding: 2px;">Trademark</div>	S.D.N.Y.	2022-01-10	2023-07-14	—
ZURU Inc. v. The Individuals, Partnerships, and Unincorporated Associations Identified on Schedule "A"	1:23-cv-01852	<div style="background-color: #333; color: white; padding: 2px;">Trademark</div>	S.D.N.Y.	2023-03-03	2023-07-13	—
KAWS, INC. v. The Individuals, Corporations, Limited Liability Companies, Partnerships, and Unincorporated Associations Identified on Schedule A to the Complaint	1:23-cv-00415	<div style="background-color: #333; color: white; padding: 2px;">Trademark</div> <div style="background-color: #333; color: white; padding: 2px;">Copyright</div>	S.D.N.Y.	2023-01-17	2023-07-13	—
KAWS Inc. v. The Individuals, Corporations, Limited Liability Companies, Partnerships, and Unincorporated Associations Identified on Schedule A to the Complaint	1:22-cv-09073	<div style="background-color: #333; color: white; padding: 2px;">Trademark</div> <div style="background-color: #333; color: white; padding: 2px;">Copyright</div>	S.D.N.Y.	2022-10-24	2023-07-13	—
Zuru (Singapore) PTE., Ltd. et al v. The Individuals, Corporations, Limited Liability Companies, Partnerships, and Unincorporated Associations Identified on Schedule A Hereto	1:22-cv-05229	<div style="background-color: #333; color: white; padding: 2px;">Trademark</div> <div style="background-color: #333; color: white; padding: 2px;">Copyright</div>	S.D.N.Y.	2022-06-22	2023-07-13	2023-07-13
Life Vac LLC v. The Individuals, Corporations, Limited Liability Companies, Partnerships, and Unincorporated Associations Identified on Schedule A to the Complaint	1:23-cv-02013	<div style="background-color: #333; color: white; padding: 2px;">Trademark</div> <div style="background-color: #333; color: white; padding: 2px;">Copyright</div>	S.D.N.Y.	2023-03-09	2023-07-12	—
Zuru (Singapore) PTE., Ltd. et al v. The Individuals, Corporations, Limited Liability Companies, Partnerships, and Unincorporated Associations Identified on Schedule A hereto	1:22-cv-02483	<div style="background-color: #333; color: white; padding: 2px;">Contracts</div> <div style="background-color: #333; color: white; padding: 2px;">Trademark</div>	S.D.N.Y.	2022-03-28	2023-07-12	2023-04-18

Title	Civil Action #	Case Type	Court	Filed On	Last Docket	Terminated
		Copyright				
ZURU (Singapore) PTE., Ltd. et al v. The Individuals, Corporations, Limited Liability Companies, Partnerships, and Unincorporated Associations Identified on Schedule A hereto	1:21-cv-05908	Trademark Copyright	S.D.N.Y.	2021-07-08	2023-07-05	2023-07-05
Kaws, Inc. v. The Individuals, Corporations, Limited Liability Companies, Partnerships, and Unincorporated Associations Identified on Schedule A to the Complaint	1:22-cv-06721	Trademark Copyright	S.D.N.Y.	2022-08-08	2023-06-29	2023-02-01
Tee Turtle, LLC v. The Individuals, Corporations, Limited Liability Companies, Partnership, and Unincorporated Associations Identified on Schedule A to the Complaint	1:23-cv-02380	Trademark Copyright	S.D.N.Y.	2023-03-21	2023-06-22	2023-06-22
SPYRA GmbH v. The Individuals, Corporations, Limited Liability Companies, Partnerships, and Unincorporated Associations Identified on Schedule A Hereto	1:22-cv-05727	Trademark Copyright	S.D.N.Y.	2022-07-06	2023-06-15	2023-05-24
Zuru (Singapore) PTE., Ltd. et al v. Guangzhou Youduo Plastics Co., Ltd. et al	1:21-cv-08102	Trademark Copyright	S.D.N.Y.	2021-09-29	2023-06-13	2022-04-15
Hairu Ma v. The Individuals, Corporations, Limited Liability Companies, Partnerships, and Unincorporated Associations Identified on Schedule A hereto	1:22-cv-10784	Patent Trademark	S.D.N.Y.	2022-12-21	2023-05-31	—
Florida State University et al v. The Individuals, Corporations, Limited Liability Companies, Partnerships, and Unincorporated Associations Identified on Schedule A hereto	1:21-cv-10631	Trademark	S.D.N.Y.	2021-12-13	2023-05-31	2023-07-14
Antsy Labs, LLC et al v. The Individuals, Corporations, Limited Liability Companies, Partnerships, and Unincorporated Associations Identified on Schedule A hereto	1:21-cv-06123	Trademark Copyright	S.D.N.Y.	2021-07-16	2023-05-22	2022-05-17
Roku Inc. v. The Individuals, Corporations, Limited Liability Companies, Partnerships, and Unincorporated Associations Identified on Schedule A hereto	1:22-cv-00850	Trademark	S.D.N.Y.	2022-02-01	2023-04-14	2023-04-14
Roku Inc. v. The Individuals, Corporations, Limited Liability Companies, Partnerships, and Unincorporated Associations Identified on Schedule A hereto	1:22-cv-02168	Trademark	S.D.N.Y.	2022-03-16	2023-03-02	—
Tangle Inc. v. The Individuals, Corporations, Limited Liability Companies, Partnerships, and Unincorporated Associations Identified on Schedule A hereto	1:21-cv-07024	Trademark Copyright	S.D.N.Y.	2021-08-19	2023-02-14	2022-01-06
Tee Turtle, LLC. v. The Individuals, Corporations, Limited Liability Companies, Partnerships, and Unincorporated Associations Identified on Schedule A to the Complaint	1:22-cv-08888	Trademark	S.D.N.Y.	2022-10-18	2023-01-23	2023-01-23

Title	Civil Action #	Case Type	Court	Filed On	Last Docket	Terminated
		Copyright				
Tangle, Inc. v. The Individuals, Corporations, Limited Liability Companies, Partnerships, and Unincorporated Associations Identified on Schedule A hereto	1:22-cv-02350	Trademark Copyright	S.D.N.Y.	2022-03-23	2022-12-19	2022-08-29
SPIN MASTER, LTD. et al. v. ACIPER, et al.	1:19-cv-06949	Patent Trademark	S.D.N.Y.	2019-07-25	2022-11-11	—
Tangle Inc. v. The Individuals, Corporations, Limited Liability Companies, Partnerships, and Unincorporated Associations Identified on Schedule A hereto	1:21-cv-09352	Trademark Copyright	S.D.N.Y.	2021-11-11	2022-09-30	2022-08-10
Antsy Labs, LLC et al v. The Individuals, Corporations, Limited Liability Companies, Partnerships, and Unincorporated Associations Identified on Schedule A hereto	1:22-cv-01107	Trademark Copyright	S.D.N.Y.	2022-02-08	2022-09-26	2022-05-17
Zuru (Singapore) PTE., Ltd. et al v. The Individuals, Corporations, Limited Liability Companies, Partnerships, and Unincorporated Associations Identified on Schedule A hereto	1:21-cv-08101	Trademark Copyright	S.D.N.Y.	2021-09-29	2022-09-08	2022-02-03
HTT Group LLC v. The Individuals, Corporations, Limited Liability Companies, Partnerships, and Unincorporated Associations Identified on Schedule A to the Complaint	1:22-cv-04206	Trademark	S.D.N.Y.	2022-05-23	2022-08-23	2022-08-10
Zuru (Singapore) PTE., Ltd. et al v. The Individuals, Corporations, Limited Liability Companies, Partnerships, and Unincorporated Associations Identified on Schedule A hereto	1:22-cv-00605	Trademark Copyright	S.D.N.Y.	2022-01-24	2022-06-22	2022-01-24
ZURU Inc. et al v. The Individuals, Corporations, Limited Liability Companies, Partnerships, and Unincorporated Associations Identified on Schedule A hereto	1:21-cv-06635	Trademark Copyright	S.D.N.Y.	2021-08-05	2022-06-01	—
Antsy Labs, LLC et al v. The Individuals, Corporations, Limited Liability Companies, Partnerships, and Unincorporated Associations Identified on Schedule A hereto	1:21-cv-07809	Trademark Copyright	S.D.N.Y.	2021-09-17	2022-05-06	2022-01-07
Antsy Labs, LLC et al v. The Individuals, Corporations, Limited Liability Companies, Partnerships, and Unincorporated Associations Identified on Schedule A hereto	1:21-cv-09899	Trademark Copyright	S.D.N.Y.	2021-11-24	2022-05-03	2022-05-03
Zuru (Singapore) PTE., Ltd. et al v. The Individuals, Corporations, Limited Liability Companies, Partnerships, and Unincorporated Associations Identified on Schedule A hereto	1:21-cv-09817	Trademark Copyright	S.D.N.Y.	2021-11-23	2022-04-29	2022-04-29
Zuru (Singapore) PTE., Ltd. et al v. The Individuals, Corporations, Limited Liability Companies, Partnerships, and Unincorporated Associations Identified on Schedule A hereto	1:21-cv-06646	Trademark	S.D.N.Y.	2021-08-06	2022-04-28	2022-02-09

Title	Civil Action #	Case Type	Court	Filed On	Last Docket	Terminated
ed Associations Identified on Schedule A hereto		Copyright				
Florida State University et al v. The Individuals, Corporations, Limited Liability Companies, Partnerships, and Unincorporated Associations Identified on Schedule A hereto	1:22-cv-01304	Trademark	S.D.N.Y.	2022-02-16	2022-02-17	2022-02-17
Antsy Labs, LLC et al v. The Individuals, Corporations, Limited Liability Companies, Partnerships, and Unincorporated Associations Identified on Schedule A hereto	1:21-cv-06443	Trademark Copyright	S.D.N.Y.	2021-07-28	2021-08-02	2021-08-02

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

[PLAINTIFF'S NAME],

Plaintiff,

v.

[DEFENDANT], et al.,

Defendants.

Case No. 21-cv-[XXXXXX]

Judge [NAME]

Magistrate Judge [NAME]

SEALED TEMPORARY RESTRAINING ORDER

Plaintiff [FULL NAME] (“[PLAINTIFF]”) filed an [*Ex Parte* Motion for Entry of a Temporary Restraining Order and Other Relief] (the “Motion”) against the fully interactive, e-commerce stores¹ operating under the seller aliases identified in Schedule A to the Complaint and attached hereto (collectively, “Defendants”) and using at least the domain names identified in Schedule A (the “Defendant Domain Names”) and the online marketplace accounts identified in Schedule A (the “Online Marketplaces”). After reviewing the Motion and the accompanying record, this Court GRANTS [PLAINTIFF]’s Motion in part as follows.

This Court finds, in the absence of adversarial presentation, that it has personal jurisdiction over Defendants because Defendants directly target their business activities toward consumers in the United States, including Illinois. Specifically, [PLAINTIFF] has provided a basis to conclude that Defendants have targeted sales to Illinois residents by setting up and operating e-commerce stores that target United States consumers using one or more seller aliases, offer shipping to the United States, including Illinois, and have sold products using infringing and counterfeit versions of [PLAINTIFF]’s federally registered trademarks (the “[PLAINTIFF] Trademarks”) to residents

¹ The e-commerce store urls are listed on Schedule A hereto under the Online Marketplaces.

of Illinois. [In this case, [PLAINTIFF] has presented screenshot evidence that each Defendant e-commerce store is reaching out to do business with Illinois residents by operating one or more commercial, interactive internet stores through which Illinois residents can and do purchase products using counterfeit versions of the [PLAINTIFF] Trademarks. *See* Docket No. [X], which includes screenshot evidence confirming that each Defendant internet store does stand ready, willing and able to ship its counterfeit goods to customers in Illinois bearing infringing and/or counterfeit versions of the [PLAINTIFF] trademarks.] A list of the [PLAINTIFF] Trademarks is included in the below chart.

REGISTRATION NUMBER	REGISTERED TRADEMARK	INTERNATIONAL CLASSES

This Court also finds that issuing this Order without notice pursuant to Rule 65(b)(1) of the Federal Rules of Civil Procedure is appropriate because [PLAINTIFF] has presented specific facts in the Declaration of [PERSON] in support of the Motion and accompanying evidence clearly showing that immediate and irreparable injury, loss, or damage will result to the movant before the adverse party can be heard in opposition. Specifically, in the absence of an *ex parte* Order, Defendants could and likely would move any assets from accounts in financial institutions under this Court’s jurisdiction to off-shore accounts. Accordingly, this Court orders that:

1. Defendants, their officers, agents, servants, employees, attorneys, and all persons acting for, with, by, through, under, or in active concert with them be temporarily enjoined and restrained from:

- a. using the [PLAINTIFF] Trademarks or any reproductions, counterfeit copies, or colorable imitations in any manner in connection with the distribution, marketing, advertising, offering for sale, or sale of any product that is not a genuine [PLAINTIFF] product or not authorized by [PLAINTIFF] to be sold in connection with the [PLAINTIFF] Trademarks;
 - b. passing off, inducing, or enabling others to sell or pass off any product as a genuine [PLAINTIFF] product or any other product produced by [PLAINTIFF], that is not [PLAINTIFF]'s or not produced under the authorization, control, or supervision of [PLAINTIFF] and approved by [PLAINTIFF] for sale under the [PLAINTIFF] Trademarks;
 - c. committing any acts calculated to cause consumers to believe that Defendants' products are those sold under the authorization, control, or supervision of [PLAINTIFF], or are sponsored by, approved by, or otherwise connected with [PLAINTIFF]; and
 - d. manufacturing, shipping, delivering, holding for sale, transferring or otherwise moving, storing, distributing, returning, or otherwise disposing of, in any manner, products or inventory not manufactured by or for [PLAINTIFF], nor authorized by [PLAINTIFF] to be sold or offered for sale, and which bear any of [PLAINTIFF]'s trademarks, including the [PLAINTIFF] Trademarks, or any reproductions, counterfeit copies, or colorable imitations.
2. Defendants shall not transfer or dispose of any money or other of Defendants' assets in any of Defendants' financial accounts.
 3. [PLAINTIFF] is authorized to issue expedited written discovery to Defendants, pursuant to Federal Rules of Civil Procedure 33, 34, and 36, related to:

- a. the identities and locations of Defendants, their officers, agents, servants, employees, attorneys, and any persons acting in active concert or participation with them, including all known contact information and all associated e-mail addresses;
 - b. the nature of Defendants' operations and all associated sales, methods of payment for services, and financial information, including, without limitation, identifying information associated with the Online Marketplaces and Defendants' financial accounts, including Defendants' sales and listing history related to their respective Online Marketplaces; and
 - c. any financial accounts owned or controlled by Defendants, including their officers, agents, servants, employees, attorneys, and any persons acting in active concert or participation with them, including such accounts residing with or under the control of any banks, savings and loan associations, payment processors or other financial institutions, including, without limitation, PayPal, Inc. ("PayPal"), Alipay, ContextLogic Inc. d/b/a Wish.com ("Wish.com"), Alibaba Group Holding Ltd. ("Alibaba"), Ant Financial Services Group ("Ant Financial"), Amazon Pay, or other merchant account providers, payment providers, third party processors, and credit card associations (e.g., MasterCard and VISA).
4. The domain name registries for the Defendant Domain Names, including, but not limited to, VeriSign, Inc., Neustar, Inc., Afilias Limited, CentralNic, Nominet, and the Public Interest Registry, and the domain name registrars, including, but not limited to, GoDaddy Operating Company LLC, Name.com, PDR LTD. d/b/a/ PublicDomainRegistry.com, and Namecheap Inc., within seven (7) calendar days of receipt of this Order or prior to the expiration of this Order, whichever date shall occur first, shall disable the Defendant

Domain Names and make them inactive and untransferable until further order by this Court.

5. Upon [PLAINTIFF]'s request, any third party with actual notice of this Order who is providing services for any of the Defendants, or in connection with any of Defendants' Online Marketplaces, including, without limitation, any online marketplace platforms such as eBay, Inc., AliExpress, Alibaba, Amazon.com, Inc., Wish.com, and Dhgate (collectively, the "Third Party Providers"), shall, within seven (7) calendar days after receipt of such notice, provide to [PLAINTIFF] expedited discovery, limited to copies of documents and records in such person's or entity's possession or control sufficient to determine:
 - a. the identities and locations of Defendants, their officers, agents, servants, employees, attorneys, and any persons acting in active concert or participation with them, including all known contact information and all associated e-mail addresses;
 - b. the nature of Defendants' operations and all associated sales, methods of payment for services, and financial information, including, without limitation, identifying information associated with the Online Marketplaces and Defendants' financial accounts, including Defendants' sales and listing history related to their respective Online Marketplaces; and
 - c. any financial accounts owned or controlled by Defendants, including their officers, agents, servants, employees, attorneys, and any persons acting in active concert or participation with them, including such accounts residing with or under the control of any banks, savings and loan associations, payment processors or other financial institutions, including, without limitation, PayPal, Alipay, Wish.com, Alibaba, Ant

- Financial, Amazon Pay, or other merchant account providers, payment providers, third party processors, and credit card associations (e.g., MasterCard and VISA).
6. Upon [PLAINTIFF]'s request, those with notice of this Order, including the Third Party Providers as defined in Paragraph 5, shall within seven (7) calendar days after receipt of such notice, disable and cease displaying any advertisements used by or associated with Defendants in connection with the sale of counterfeit and infringing goods using the [PLAINTIFF] Trademarks.
 7. Any Third Party Providers, including PayPal, Alipay, Alibaba, Ant Financial, Wish.com, and Amazon Pay, shall, within seven (7) calendar days of receipt of this Order:
 - a. locate all accounts and funds connected to Defendants' seller aliases, including, but not limited to, any financial accounts connected to the information listed in Schedule A hereto, the e-mail addresses identified in Exhibit [X] to the Declaration of [PERSON], and any e-mail addresses provided for Defendants by third parties; and
 - b. restrain and enjoin any such accounts or funds from transferring or disposing of any money or other of Defendants' assets until further order by this Court.
 8. [PLAINTIFF] may provide notice of the proceedings in this case to Defendants, including notice of the preliminary injunction hearing, service of process pursuant to Fed. R. Civ. P. 4(f)(3), and any future motions, by electronically publishing a link to the Complaint, this Order, and other relevant documents on a website and by sending an e-mail with a link to said website to the e-mail addresses identified in Exhibit [X] to the Declaration of [PERSON] and any e-mail addresses provided for Defendants by third parties. The Clerk of the Court is directed to issue a single original summons in the name of "[FIRST DEFENDANT] and all other Defendants identified in the Complaint" that shall apply to

all Defendants. The combination of providing notice via electronic publication and e-mail, along with any notice that Defendants receive from payment processors, shall constitute notice reasonably calculated under all circumstances to apprise Defendants of the pendency of the action and afford them the opportunity to present their objections.

9. [PLAINTIFF] must provide notice to Defendants of any motion for preliminary injunction as required by Rule 65(a)(1).
10. [PLAINTIFF]'s Pleading(s) [DOCKET NO.] and Exhibits [X]-[Y] thereto [DOCKET NO.], [DOCKET NO.], [DOCKET NO.], Schedule A to the Pleading(s) [DOCKET NO(s).], Exhibit [X] to the Declaration of [PERSON] [DOCKET NO.], and this Order shall remain sealed until further order by this Court or until the Order expires, whichever occurs earlier.
11. Within seven (7) calendar days of entry of this Order, [PLAINTIFF] shall deposit with the Court [enter the amount of damages Defendants would suffer if they were wrongfully enjoined, taking into account the number of Defendants], either cash or surety bond, as security, which amount has, in the absence of adversarial testing, been deemed adequate for the payment of such damages as any person may be entitled to recover as a result of a wrongful restraint hereunder.
12. Any Defendants that are subject to this Order may appear and move to dissolve or modify the Order as permitted by and in compliance with the Federal Rules of Civil Procedure and the Northern District of Illinois Local Rules. Any third party impacted by this Order may move for appropriate relief.

13. This Temporary Restraining Order without notice is entered at _____ A.M. on this _____ day of _____ 2021 and shall remain in effect for fourteen (14) calendar days. Any motion to extend this Order must be filed by [DATE].

[JUDGE'S NAME]
United States District Judge

Schedule A

No.	Defendant Name/Alias
1	
3	
5	
7	
9	
...	

No.	Defendant Name/Alias
2	
4	
6	
8	
10	
...	

No.	Online Marketplaces
1	
3	
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7	
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...	

No.	Online Marketplaces
2	
4	
6	
8	
10	
...	

No.

In the Supreme Court of the United States

KATHERINE K. VIDAL, UNDER SECRETARY OF
COMMERCE FOR INTELLECTUAL PROPERTY AND
DIRECTOR, UNITED STATES PATENT AND
TRADEMARK OFFICE, PETITIONER

v.

STEVE ELSTER

*ON PETITION FOR A WRIT OF CERTIORARI
TO THE UNITED STATES COURT OF APPEALS
FOR THE FEDERAL CIRCUIT*

PETITION FOR A WRIT OF CERTIORARI

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QUESTION PRESENTED

Section 1052(c) of Title 15 provides in pertinent part that a trademark shall be refused registration if it “[c]onsists of or comprises a name * * * identifying a particular living individual except by his written consent.” 15 U.S.C. 1052(c). The question presented is as follows:

Whether the refusal to register a mark under Section 1052(c) violates the Free Speech Clause of the First Amendment when the mark contains criticism of a government official or public figure.

RELATED PROCEEDING

United States Court of Appeals (Fed. Cir.):

In re Elster, No. 2020-2205 (Aug. 31, 2022)

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In the Supreme Court of the United States

No.

KATHERINE K. VIDAL, UNDER SECRETARY OF
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TRADEMARK OFFICE, PETITIONER

v.

STEVE ELSTER

*ON PETITION FOR A WRIT OF CERTIORARI
TO THE UNITED STATES COURT OF APPEALS
FOR THE FEDERAL CIRCUIT*

PETITION FOR A WRIT OF CERTIORARI

The Solicitor General, on behalf of Katherine K. Vidal, Under Secretary of Commerce for Intellectual Property and Director of the United States Patent and Trademark Office (USPTO), respectfully petitions for a writ of certiorari to review the judgment of the United States Court of Appeals for the Federal Circuit in this case.

OPINIONS BELOW

The opinion of the court of appeals (App., *infra*, 1a-21a) is reported at 26 F.4th 1328. The decisions of the Trademark Trial and Appeal Board (App., *infra*, 22a-32a) and the USPTO examining attorney (App., *infra*, 33a-40a, 41a-51a, 52a-59a, 60a-64a) are unreported.

JURISDICTION

The judgment of the court of appeals was entered on February 24, 2022. A petition for rehearing was denied on August 31, 2022 (App., *infra*, 65a-66a). On November 18, 2022, the Chief Justice extended the time within which to file a petition for a writ of certiorari to and including December 29, 2022. On December 20, 2022, the Chief Justice further extended the time to and including January 27, 2023. The jurisdiction of this Court is invoked under 28 U.S.C. 1254(1).

CONSTITUTIONAL AND STATUTORY PROVISIONS INVOLVED

The First Amendment provides in pertinent part that “Congress shall make no law * * * abridging the freedom of speech.” U.S. Const. Amend. I.

Section 1052 of Title 15 of the United States Code provides in pertinent part:

No trademark by which the goods of the applicant may be distinguished from the goods of others shall be refused registration on the principal register on account of its nature unless it—

* * * * *

(c) Consists of or comprises a name, portrait, or signature identifying a particular living individual except by his written consent, or the name, signature, or portrait of a deceased President of the United States during the life of his widow, if any, except by the written consent of the widow.

15 U.S.C. 1052. The entirety of Section 1052 is reproduced in an appendix to this petition. App., *infra*, 75a-78a.

STATEMENT

A. Legal Background

A trademark is a “word, name, symbol, or device” that is used or intended to be used “to identify and distinguish [a person’s] goods” from “those manufactured or sold by others and to indicate the source of the goods.” 15 U.S.C. 1127; see *Wal-Mart Stores, Inc. v. Samara Bros.*, 529 U.S. 205, 212 (2000) (explaining that the “predominant function” of a trademark is “source identification”). At common law, “[o]ne who first uses a distinct mark in commerce * * * acquires rights to that mark.” *B&B Hardware, Inc. v. Hargis Indus., Inc.*, 575 U.S. 138, 142 (2015). “Those rights include preventing others from using the mark.” *Ibid.*; see *K Mart Corp. v. Cartier, Inc.*, 485 U.S. 176, 185 (1988) (“Trademark law, like contract law, confers private rights, which are themselves rights of exclusion.”). “Infringement law protects consumers from being misled by the use of infringing marks and also protects producers from unfair practices by an imitating competitor.” *Moseley v. V Secret Catalogue, Inc.*, 537 U.S. 418, 428 (2003) (citation and internal quotation marks omitted).

Though trademarks are creatures of state law, see *In re Trade-Mark Cases*, 100 U.S. 82, 93 (1879), federal law “has long played a role in protecting them,” *B&B Hardware*, 575 U.S. at 142. Under the Lanham Act, ch. 540, 60 Stat. 427 (15 U.S.C. 1051 *et seq.*), the USPTO “administers a federal registration system for trademarks.” *Iancu v. Brunetti*, 139 S. Ct. 2294, 2297 (2019). “Registration of a mark is not mandatory,” but it “gives trademark owners valuable benefits.” *Ibid.* For example, registration serves as nationwide “constructive notice of the registrant’s claim of ownership,” 15 U.S.C. 1072, “which forecloses some defenses in infringement

actions,” *Brunetti*, 139 S. Ct. at 2298. Registration also is “prima facie evidence of the validity of the registered mark” and “of the registrant’s exclusive right to use the registered mark in commerce.” 15 U.S.C. 1115(a); see 15 U.S.C. 1057(b). And after five years, registration can render that right “incontestable,” except on certain grounds. 15 U.S.C. 1065 (2018 & Supp. II 2020), 1115(b).

To obtain the benefits of registration, a person who uses or intends to use a trademark in commerce applies to record the mark on the USPTO’s “principal register.” 15 U.S.C. 1051(a)(1) and (b)(1); see 35 U.S.C. 2(a)(1). The application must include a description of “the goods in connection with which the mark is used” or is intended to be used. 15 U.S.C. 1051(a)(2); see 15 U.S.C. 1051(b)(2). If the USPTO grants the application, it issues the owner a certificate of registration “in the name of the United States of America.” 15 U.S.C. 1057(a). The owner then “may give notice that his mark is registered by displaying with the mark the words ‘Registered in U.S. Patent and Trademark Office’ or ‘Reg. U.S. Pat. & Tm. Off.’ or the letter R enclosed within a circle, thus ®.” 15 U.S.C. 1111.

Only marks that satisfy the statutory criteria can be registered. The Lanham Act directs the USPTO to “refuse[] registration” of, among others, marks that are deceptive, 15 U.S.C. 1052(a); marks containing a flag, coat of arms, or insignia of the United States, a State, or a foreign nation, 15 U.S.C. 1052(b); marks that so resemble other marks that they are likely to cause confusion, 15 U.S.C. 1052(d); and marks that are merely descriptive, 15 U.S.C. 1052(e)(1). This case concerns a Lanham Act provision codified at 15 U.S.C. 1052(c), which directs the USPTO to refuse registration of a mark that “[c]onsists of or comprises a name, portrait, or signa-

ture identifying a particular living individual except by his written consent.” The federal trademark-registration program has included that bar since 1946. Lanham Act § 2(c), 60 Stat. 428.

Section 1052(c) serves in part to protect the same interests that traditionally have underlain the rights of privacy and publicity that living persons have in the designations that identify them. See, e.g., *In re Nieves & Nieves LLC*, 113 U.S.P.Q.2d 1639, 2015 WL 496132, at *12 (T.T.A.B. Jan. 30, 2015); see also USPTO, *Trademark Manual of Examining Procedure (TMEP)* § 1206 (July 2022) (collecting cases); *University of Notre Dame Du Lac v. J.C. Gourmet Food Imports Co.*, 703 F.2d 1372, 1376 n.8 (Fed. Cir. 1983) (recognizing the link between Section 1052(c) and the right to privacy).¹ Section 1052(c) also operates in tandem with other Lanham Act provisions to help “protect[] consumers against

¹ The right of publicity is widely recognized under state statutes and at common law. While the particulars vary between jurisdictions, the right of publicity is generally understood to bar the appropriation for commercial purposes of a person’s identity without his consent. See Restatement (Third) of Unfair Competition § 46 (1995) (“One who appropriates the commercial value of a person’s identity by using without consent the person’s name, likeness, or other indicia of identity for purposes of trade is subject to liability.”). The right of publicity thus is “the legal label denominating the law’s recognition of the property right inherent in the commercial value of a person’s identity.” 1 J. Thomas McCarthy & Roger E. Schechter, *The Rights of Publicity and Privacy* § 6:2 (2020 ed.) (McCarthy). By the end of the twentieth century, the right to control the commercial use of one’s name and likeness “ha[d] been recognized in some form by virtually all states.” *Bi-Rite Enters., Inc. v. Bruce Miner Co.*, 757 F.2d 440, 442 (1st Cir. 1985) (citing *Prosser and Keeton on The Law of Torts* 850-851 (W. Page Keeton ed., 5th ed. 1984)); see McCarthy § 6:2 (identifying 33 States that have recognized a “right of publicity”).

source deception.” *In re ADCO Indus. – Techs., L.P.*, 2020 U.S.P.Q.2d 53786, 2020 WL 730361, at *13 (T.T.A.B. Feb. 11, 2020); see 15 U.S.C. 1114(1)(a), 1125(a)(1)(A) (trademark-infringement provisions that prohibit the use of a mark in commerce in a manner that is “likely to cause confusion, or to cause mistake, or to deceive” as to the source of particular goods). But unlike the common-law rights of privacy and publicity, and the Lanham Act prohibitions on trademark infringement, Section 1052(c) does not impose any independent limits on the use in commerce of the marks that provision covers. Rather, Section 1052(c) simply makes unavailable the commercial benefits that federal registration of a mark entails. The determination whether and under what circumstances a particular mark may be *used* is controlled by other provisions of federal and state law.

B. Proceedings Below

1. In 2018, respondent applied for federal registration of the mark TRUMP TOO SMALL, based on an asserted intent to use the mark in commerce on shirts. App., *infra*, 22a & n.1; see 15 U.S.C. 1051(b). “The mark consists of standard characters, without claim to any particular font style, size, or color.” App., *infra*, 70a.²

A USPTO examining attorney refused registration under Section 1052(c). App., *infra*, 52a-59a. The examining attorney explained that “the use of the name ‘TRUMP’ in the proposed mark would be construed by the public as a reference to Donald Trump” and that, without then-President Trump’s written consent, registration had to be refused. *Id.* at 58a; see *id.* at 53a-56a.

² The administrative record in this case is available at USPTO, *Trademark Status & Document Retrieval (TSDR)*, <https://tsdr.uspto.gov> (search for U.S. Serial No. 87749230).

The examining attorney further explained that Section 1052(c) was meant to “protect rights of privacy and publicity that living persons have in the designations that identify them.” *Id.* at 57a.

Respondent appealed to the USPTO’s Trademark Trial and Appeal Board (Board), but at the examining attorney’s request, the Board suspended the appeal and remanded to the examining attorney for further examination. App., *infra*, 33a; see 37 C.F.R. 2.142(f)(6). The examining attorney then found that registration should also be refused under 15 U.S.C. 1052(a), which bars the registration of marks that “falsely suggest a connection with persons, living or dead.” *Ibid.*; see App., *infra*, 39a.

The Board affirmed the refusal of registration under Section 1052(c). App., *infra*, 22a-32a. The Board agreed with the examining attorney that respondent’s mark fell within the scope of Section 1052(c) because the mark “comprises the name of President Donald Trump without his written consent.” *Id.* at 32a. The Board also rejected respondent’s contention that the refusal to register his mark violated his right to free speech under the First Amendment. *Id.* at 29a-32a. The Board explained that Section 1052(c) is “not [a] direct restriction[] on speech,” but rather “only set[s] criteria for trademark registration.” *Id.* at 30a. The Board also emphasized that Section 1052(c) applies “regardless of the viewpoint conveyed by the proposed mark.” *Id.* at 31a. Having affirmed the refusal to register under Section 1052(c), the Board found it unnecessary to “reach the refusal to register under Section [1052(a)’s] false association clause.” *Id.* at 32a.

2. The court of appeals reversed. App., *infra*, 1a-21a. The court held that “applying [Section 1052(c)] to bar registration of [respondent’s] mark unconstitution-

ally restricts free speech in violation of the First Amendment.” *Id.* at 1a. The court acknowledged that Section 1052(c) “does not involve viewpoint discrimination.” *Id.* at 5a. The court also recognized that Section 1052(c) “does not prevent [respondent] from communicating his message outright.” *Id.* at 6a. The court nevertheless viewed Section 1052(c) as a “content-based restriction[]” on speech subject to “strict” or “intermediate” scrutiny under the First Amendment. *Id.* at 9a. In the court’s view, the application of Section 1052(c) to respondent’s mark did not survive such scrutiny “because the government does not have a privacy or publicity interest in restricting speech critical of government officials or public figures in the trademark context—at least absent actual malice, which is not alleged here.” *Id.* at 20a.³

3. The court of appeals denied rehearing en banc without noted dissent. App., *infra*, 65a-66a.

REASONS FOR GRANTING THE PETITION

For more than 75 years, Congress has directed the USPTO to refuse the registration of trademarks that use the name of a particular living individual without his written consent. 15 U.S.C. 1052(c). The court of appeals

³ The court of appeals noted that the Board had not addressed the examining attorney’s refusal of registration under Section 1052(a), and that the government had not raised Section 1052(a) “as an alternative basis for affirming the Board’s decision.” App., *infra*, 15a n.3. The court nevertheless rejected the possibility of upholding the examining attorney’s decision based on “an interest in preventing the issuance of marks that falsely suggest that an individual * * * has endorsed a particular product or service.” *Id.* at 15a. The court explained that “[n]o plausible claim could be * * * made that the disputed mark suggests that President Trump has endorsed [respondent’s] product.” *Ibid.*

in this case held that the refusal to register a mark under Section 1052(c) violates the First Amendment when the mark contains criticism of a government official or public figure. App., *infra*, 20a. That holding is incorrect, and this Court usually grants review when a court of appeals has invalidated the application of a federal statute.

Indeed, this Court has twice before granted certiorari to review decisions of the Federal Circuit that invalidated statutory bars on federal trademark registration. See *Iancu v. Brunetti*, 139 S. Ct. 2294, 2298 (2019); *Matal v. Tam*, 137 S. Ct. 1744, 1755 (2017). And this case presents a recurring issue under the First Amendment that this Court’s decisions in *Tam* and *Brunetti* left open: “whether a Lanham Act bar” on the registration of a trademark is “a condition on a government benefit or a simple restriction on speech.” *Brunetti*, 139 S. Ct. at 2299. The Court should grant certiorari in this case to resolve that important question and to address the constitutionality of Section 1052(c).

A. The Question Presented Warrants This Court’s Review

1. This Court has recognized that judging the constitutionality of a federal statute “is the gravest and most delicate duty that th[e] Court is called on to perform.” *Rust v. Sullivan*, 500 U.S. 173, 191 (1991) (quoting *Blodgett v. Holden*, 275 U.S. 142, 148 (1927) (opinion of Holmes, J.)). Accordingly, “when a lower court has invalidated a federal statute,” the Court’s “usual” approach is to “grant[] certiorari.” *Brunetti*, 139 S. Ct. at 2298; see, e.g., *United States v. Sineneng-Smith*, 140 S. Ct. 1575, 1578 (2020) (granting certiorari where the government petitioned for review “because the judgment of the Court of Appeals invalidated a federal statute”); *Allen v. Cooper*, 140 S. Ct. 994, 1000 (2020) (grant-

ing certiorari “[b]ecause the Court of Appeals held a federal statute invalid”).

The Court has repeatedly granted review of decisions holding federal statutes invalid on First Amendment grounds, even in the absence of a circuit conflict. See, e.g., *Barr v. American Ass’n of Political Consultants, Inc.*, 140 S. Ct. 2335, 2345-2346 (2020) (plurality opinion); *Brunetti*, 139 S. Ct. at 2298; *Tam*, 137 S. Ct. at 1755; *United States v. Alvarez*, 567 U.S. 709, 714 (2012) (plurality opinion); *United States v. Stevens*, 559 U.S. 460, 467 (2010); *United States v. Williams*, 553 U.S. 285, 292 (2008); *Ashcroft v. ACLU*, 542 U.S. 656, 664 (2004). In *Tam*, for example, the Court granted review of a Federal Circuit decision that had invalidated the Lanham Act’s bar on the registration of “disparag[ing]” marks. 15 U.S.C. 1052(a); see *Tam*, 137 S. Ct. at 1755. And in *Brunetti*, the Court granted review of a Federal Circuit decision that had invalidated the Lanham Act’s bar on the registration of “immoral” or “scandalous” marks. 15 U.S.C. 1052(a); see *Brunetti*, 139 S. Ct. at 2298.

The Court should likewise grant review here to address the constitutionality of Section 1052(c). If the ruling below remains in place, any “applicant for registration of a mark” who is “dissatisfied” with a future decision of the Board will have a right of appeal to the Federal Circuit and thus can obtain the benefit of that court’s precedential decision in this case. 15 U.S.C. 1071(a)(1) (2018 & Supp. II 2020); see 28 U.S.C. 1295(a)(4)(B). Accordingly, as in *Tam* and *Brunetti*, there is no meaningful possibility that a circuit conflict will arise.

No better vehicle for addressing the constitutionality of Section 1052(c) is likely to emerge. The government is not aware of any other case presenting the issue that is currently pending before the Federal Circuit.

And although the USPTO currently has before it other pending trademark-registration applications that may implicate Section 1052(c), the Board and examining attorneys follow Federal Circuit precedent. See USPTO, *Trademark Trial and Appeal Board Manual of Procedure (TBMP)* § 101.03 (June 2022) (explaining that “[p]roceedings before the Board” are “governed, to a large extent, by precedential decisions in prior cases,” including “the decisions of the Court of Appeals for the Federal Circuit”); *TMEP* § 705.05 (explaining that “examination” is “governed by precedential decisions in prior cases,” including “precedential decisions from the Court of Appeals for the Federal Circuit”). Accordingly, the USPTO has suspended action on those applications pending the Court’s disposition of this petition for a writ of certiorari. If this Court denies review, it is unclear when, if ever, the constitutionality of Section 1052(c) will again be presented for judicial resolution.

2. This case also presents an opportunity for the Court to resolve a question that it left open in *Tam* and *Brunetti*: “whether a Lanham Act bar” on the registration of a trademark is “a condition on a government benefit or a simple restriction on speech.” *Brunetti*, 139 S. Ct. at 2299; see *id.* at 2302 n.* (emphasizing that the Court in that case did not “say anything about how to evaluate viewpoint-neutral restrictions on trademark registration”); *id.* at 2303 (Roberts, C.J., concurring in part and dissenting in part) (noting that *Tam* had “left open” the issue of “how exactly the trademark registration system is best conceived under [the Court’s] precedents”). Neither *Tam* nor *Brunetti* resolved that question because the Court concluded in those cases that the Lanham Act provisions at issue were “viewpoint-based” and therefore “unconstitutional,” regardless of the “over-

all framework” for addressing the constitutionality of bars on registration. *Id.* at 2298-2299 (majority opinion); see *Tam*, 137 S. Ct. at 1762-1765 (opinion of Alito, J.); *id.* at 1765 (Kennedy, J., concurring in part and concurring in the judgment).

Here, unlike in *Tam* and *Brunetti*, the Lanham Act provision at issue “does not involve viewpoint discrimination.” App., *infra*, 5a. This case therefore cleanly presents the question whether a viewpoint-neutral bar on the registration of a trademark is “a condition on a government benefit or a simple restriction on speech.” *Brunetti*, 139 S. Ct. at 2299. That issue is an important one because it determines the appropriate level of scrutiny under the First Amendment. See *id.* at 2315-2317 (Sotomayor, J., concurring in part and dissenting in part). And resolution of that question potentially affects the constitutionality not only of Section 1052(c), but also of the many other viewpoint-neutral bars on registration contained in Section 1052. See p. 4, *supra*.

To be sure, because respondent “raised only an as-applied challenge before” the court of appeals, that court did not decide whether Section 1052(c) “is unconstitutionally overbroad” and therefore facially invalid. App., *infra*, 20a. Rather, the court held that the USPTO could not constitutionally invoke that provision as a ground for declining to register marks, like respondent’s, that criticize a government official or public figure. See *id.* at 5a, 20a, 21a. But the question whether Section 1052(c) is constitutional as applied to marks of that nature is itself an issue of substantial legal and practical importance. See *id.* at 20a-21a (“It may be that a substantial number of section [1052(c)]’s applications would be unconstitutional.”). And the Federal Circuit’s as-applied holding was grounded in that court’s percep-

tion that the USPTO’s refusal of trademark registration should be treated, for First Amendment purposes, as a restriction on speech. See *id.* at 11a (describing the question presented in this case as “whether the government has an interest in limiting speech on privacy or publicity grounds if that speech involves criticism of government officials”). As noted above, this Court’s determination whether that premise is correct could help to clarify the constitutional status of other Lanham Act registration bars in addition to Section 1052(c).

B. The Court Of Appeals’ Decision Is Wrong

The court of appeals invalidated the application of Section 1052(c) to marks that contain “speech critical of government officials or public figures.” App., *infra*, 20a. In so doing, the court treated the refusal to register those marks as a “restrict[ion]” on such speech. *Id.* at 1a. That was error. Section 1052(c) is a condition on a government benefit, not a restriction on speech. And because it is a reasonable, viewpoint-neutral condition, it is consistent with the First Amendment.

1. The Free Speech Clause states that “Congress shall make no law * * * abridging the freedom of speech.” U.S. Const. Amend. I. Accordingly, this Court has distinguished between laws that “‘abridg[e] the freedom of speech’” and laws that merely “decline[] to promote” it. *Ysursa v. Pocatello Educ. Ass’n*, 555 U.S. 353, 355 (2009). The Lanham Act’s viewpoint-neutral bars on trademark registration fall within the latter category.

When registration is refused because a mark “[c]onsists of or comprises a name * * * identifying a particular living individual” without “his written consent,” 15 U.S.C. 1052(c), “[n]o speech is being restricted; no one is being punished,” *Brunetti*, 139 S. Ct. at 2303 (Rob-

erts, C.J., concurring in part and dissenting in part). The owner of the mark remains free to use the mark in commerce. See *ibid.* (explaining that whether certain “marks can be registered does not affect the extent to which their owners may use them in commerce to identify goods”); *id.* at 2317 (Sotomayor, J., concurring in part and dissenting in part) (explaining that an owner “can use, own, and enforce his mark regardless of whether it has been registered”). And refusal of trademark registration under Section 1052(c) does not prevent the mark owner from using the individual’s name, without that individual’s consent, in whatever speech the owner wishes to engage in. See *id.* at 2305 (Breyer, J., concurring in part and dissenting in part) (observing that “the statute does not bar anyone from speaking”).

The only effect of Section 1052(c) is to deny the owner “the ancillary benefits that come with registration,” including “additional protections against infringers.” *Brunetti*, 139 S. Ct. at 2316-2317 (Sotomayor, J., concurring in part and dissenting in part). Section 1052(c) thus operates as a condition on a government benefit, and its operation does not “reach outside” the federal trademark-registration program. *Agency for Int’l Dev. v. Alliance for Open Soc’y Int’l, Inc.*, 570 U.S. 205, 217 (2013). Rather, Section 1052(c) merely “defin[es] the limits of the [government] program” itself. *Id.* at 218.

This Court’s decisions upholding speech-related (but viewpoint-neutral) criteria for government benefits have involved various types of benefits, including financial subsidies and access to government-provided forums. See *Brunetti*, 139 S. Ct. at 2316-2317 & n.10 (Sotomayor, J., concurring in part and dissenting in part). The commercial benefits that federal trademark registration provides are not precisely equivalent to the benefits

that were at issue in this Court’s prior financial-subsidy or public-forum cases. But “[w]hichever label one chooses here, the federal system of trademark registration fits: It is, in essence, an opportunity to include one’s trademark on a list and thereby secure the ancillary benefits that come with registration.” *Id.* at 2317. Any uncertainty as to Section 1052(c)’s closest doctrinal analogue is far less significant than is the undisputed fact that refusal of trademark registration under that provision places no constraints on respondent’s freedom to use his chosen mark.

Section 1052(c) “does not restrict” speech. *Ysursa*, 555 U.S. at 355. Rather, Congress has simply withheld specific enforcement benefits from a particular set of speakers. Heightened scrutiny therefore is unwarranted. See *Brunetti*, 139 S. Ct. at 2316-2317 (Sotomayor, J., concurring in part and dissenting in part). The government “is acting in a capacity other than as regulator.” *Davenport v. Washington Educ. Ass’n*, 551 U.S. 177, 188 (2007). And it may place conditions on the availability of a government benefit so long as those conditions are “reasonable” and “viewpoint-neutral.” *Brunetti*, 139 S. Ct. at 2317 (Sotomayor, J., concurring in part and dissenting in part); see *Ysursa*, 555 U.S. at 355; *Rosenberger v. Rector & Visitors of Univ. of Va.*, 515 U.S. 819, 829 (1995); *Regan v. Taxation With Representation of Wash.*, 461 U.S. 540, 546-551 (1983).

Here, it is undisputed that Section 1052(c) “does not involve viewpoint discrimination.” App., *infra*, 5a. Section 1052(c) serves in part “to protect rights of privacy and publicity that living persons have in the designations that identify them.” *In re Nieves & Nieves LLC*, 113 U.S.P.Q.2d 1639, 2015 WL 496132, at *12 (T.T.A.B. Jan. 30, 2015). Those rights have “long received legal

recognition and protection.” *John Anthony, Inc. v. Fashions by John Anthony, Inc.*, 209 U.S.P.Q. 517, 1980 WL 39056, at *9 (T.T.A.B. Dec. 30, 1980). Because living persons have “valuable” rights in their own names, the government has an interest in not promoting or associating itself with marks that “appropriate[] or commercially exploit[]” a living person’s name “without his consent.” *Id.* at *10. And on the other side of the balance, respondent’s unquestioned First Amendment right to criticize the former President does not entitle him to enhanced mechanisms for enforcing property rights in another person’s name. On its face and as applied here, Section 1052(c) is thus a reasonable, viewpoint-neutral condition on a government benefit.

2. In concluding that the application of Section 1052(c) to respondent’s mark violates the First Amendment, the court of appeals treated Section 1052(c) as a restriction on speech. See App., *infra*, 1a, 11a, 12a, 19a, 20a. Applying heightened scrutiny, see *id.* at 9a-10a, the court held that “the government does not have a privacy or publicity interest in restricting speech critical of government officials or public figures in the trademark context,” *id.* at 20a.

No one doubts that political speech is “at the heart” of what the First Amendment protects. App., *infra*, 11a. But as explained above, Section 1052(c) is not a restriction on speech; it is a viewpoint-neutral condition on a government benefit. The refusal under Section 1052(c) to register marks, like respondent’s, that criticize a government official or public figure does not “limit[]” political speech. *Ibid.* To the contrary, it is the *registration* of marks like respondent’s—not the *refusal* to register them—that would “chill” such speech. *Id.* at 8a (citation omitted). After all, a trademark gives

its owner the right to “prevent[] others from using the mark.” *B&B Hardware, Inc. v. Hargis Indus., Inc.*, 575 U.S. 138, 142 (2015). And registration serves only to bolster those “rights of exclusion,” *K Mart Corp. v. Cartier, Inc.*, 485 U.S. 176, 185 (1988), by giving owners “additional protections against infringers,” *Brunetti*, 139 S. Ct. at 2316 (Sotomayor, J., concurring in part and dissenting in part). See, *e.g.*, 15 U.S.C. 1115(a) (providing that registration shall be “prima facie evidence” of “the registrant’s exclusive right to use the registered mark in commerce”).

Thus, far from enhancing freedom of speech, the decision below makes it easier for individuals like respondent to invoke enforcement mechanisms to restrict the speech of others. This Court’s intervention is warranted to correct the court of appeals’ misapplication of First Amendment principles.

CONCLUSION

The petition for a writ of certiorari should be granted.

Respectfully submitted.

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JANUARY 2023

APPENDIX

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APPENDIX A

UNITED STATES COURT OF APPEALS
FOR THE FEDERAL CIRCUIT

No. 2020-2205

IN RE: STEVE ELSTER,
Appellant

Decided: Feb. 24, 2022

Appeal from the United States Patent and
Trademark Office, Trademark Trial and Appeal Board
in No. 87749230

Before DYK, TARANTO, and CHEN, *Circuit Judges*.

DYK, *Circuit Judge*.

Steve Elster appeals a decision of the Trademark Trial and Appeal Board (“Board”). The Board affirmed an examiner’s refusal to register the trademark “TRUMP TOO SMALL” for use on T-shirts. The Board’s decision was based on section 2(c) of the Lanham Act, 15 U.S.C. § 1052(c), and the Board’s finding that the mark included the surname of a living individual, President Donald J. Trump, without his consent. Because we hold that applying section 2(c) to bar registration of Elster’s mark unconstitutionally restricts free speech in violation of the First Amendment, we reverse the Board’s decision.

BACKGROUND

In 2018, Elster sought to register the phrase “TRUMP TOO SMALL” in standard characters for use on shirts in International Class 25. The class of goods encompasses:

Shirts; Shirts and short-sleeved shirts; Graphic T-shirts; Long-sleeved shirts; Short-sleeve shirts; Short-sleeved shirts; Short-sleeved or long-sleeved t-shirts; Sweat shirts; T-shirts; Tee shirts; Tee-shirts; Wearable garments and clothing, namely, shirts. . . .

J.A. 1-2. According to Elster’s registration request, the phrase he sought to trademark invokes a memorable exchange between President Trump and Senator Marco Rubio from a 2016 presidential primary debate, and aims to “convey[] that some features of President Trump and his policies are diminutive.” J.A. 5.

The Patent and Trademark Office (“PTO”) examiner rejected Elster’s proposed mark on two grounds. First, the examiner concluded that the mark was not registrable because section 2(c) of the Lanham Act bars registration of a trademark that “[c]onsists of or comprises a name . . . identifying a particular living individual” without the individual’s “written consent.” § 1052(c). Consistent with this provision, Elster’s mark could not be registered because it used Trump’s name without his consent. It did not matter, according to the examiner, that the mark was “intended as political commentary” because there is no statutory or “case law carve[] out” for “political commentary.” J.A. 201. The examiner rejected Elster’s contention that denying the application infringed his First Amendment rights, finding that the registration bars are not restrictions on

speech, and in the alternative, that any such restriction would be permissible. In a separate decision, the examiner also denied registration of the mark under section 2(a)'s false association clause, which bars registration of trademarks that "falsely suggest a connection with persons, living or dead." § 1052(a). The examiner here also rejected a First Amendment defense.

Elster appealed both decisions to the Board, which consolidated the two cases. Elster argued that sections 2(c) and 2(a) constituted impermissible content-based restrictions on speech. He contended that strict scrutiny should apply, that neither provision was narrowly tailored to serve a compelling government interest, and that any government interest was outweighed by the First Amendment interest in allowing commentary and criticism regarding a political figure. The Board affirmed the examiner's denial of the mark in a decision that rested solely on section 2(c) grounds, finding it unnecessary to address the rejection under section 2(a).

Although the Board recognized that it does not have authority to declare statutory provisions unconstitutional, it noted that prior Board decisions have addressed the constitutionality of section 2(c) in light of the Board's experience and familiarity with the purposes underlying the statute, and it concluded that section 2(c) was not an unconstitutional restriction on free speech. The Board explained, "even if Section 2(c) were subject to greater scrutiny," it is narrowly tailored to advance two compelling government interests: protecting the named individual's rights of privacy and publicity and protecting consumers against source decep-

tion. J.A. 10. Elster appeals. We have jurisdiction pursuant to 15 U.S.C. § 1071(a).

DISCUSSION

I

Section 2 of the Lanham Act requires the PTO to refuse registration of certain categories of proposed trademarks. In the last five years, the Supreme Court has held unconstitutional two provisions of section 2. In *Matal v. Tam*, 582 U.S. ___, 137 S. Ct. 1744 (2017), the Court considered a provision of section 2(a) of the Lanham Act, which directed the PTO to deny registration of marks that “disparage . . . or bring . . . into contempt[] or disrepute” any “persons, living or dead,” 15 U.S.C. § 1052(a). The eight-Justice Court was evenly split between two non-majority opinions, but both sides agreed that the provision violated the First Amendment. See *Tam*, 137 S. Ct. at 1765. In *Iancu v. Brunetti*, 588 U.S. ___, 139 S. Ct. 2294 (2019), the Court considered another provision of section 2(a) of the Lanham Act, which directed the PTO to deny registration of marks that “consist[] of or comprise[] immoral . . . or scandalous matter,” § 1052(a). Again, the Court held the provision unconstitutional. See *Brunetti*, 139 S. Ct. at 2302. The two opinions in *Tam* and the majority opinion in *Brunetti* each relied on a “core postulate of free speech law”—that “[t]he government may not discriminate against speech based on the ideas or opinions it conveys”—and concluded that “[v]iewpoint discrimination doomed” the two provisions. *Id.* at 2299.

The provision of the Lanham Act involved in this case, section 2(c), prohibits registration of a trademark that

[c]onsists of or comprises a name, portrait, or signature identifying a particular living individual except by his written consent, or the name, signature, or portrait of a deceased President of the United States during the life of his widow, if any, except by the written consent of the widow.

§ 1052(c). Neither *Tam* nor *Brunetti* resolves the constitutionality of section 2(c). Both holdings were carefully cabined to the narrow, “presumptive[] unconstitutional[ity]” of section 2(a)’s viewpoint-based restrictions, *Brunetti*, 139 S. Ct. at 2299 (quoting *Rosenberger v. Rector & Visitors of Univ. of Va.*, 515 U.S. 819, 829-30 (1995)), and Elster agrees that section 2(c) does not involve viewpoint discrimination, Oral Arg. at 45:49-46:35. We nonetheless conclude that as applied in this case, section 2(c) involves content-based discrimination that is not justified by either a compelling or substantial government interest.

II

While neither *Tam* nor *Brunetti* resolves this case, they do establish that a trademark represents “private, not government, speech” entitled to some form of First Amendment protection. *Tam*, 137 S. Ct. at 1760; see *Brunetti*, 139 S. Ct. at 2299. The cases also establish that trademarks often “do not simply identify the source of a product or service but go on to say something more” on “some broader issue.” *Tam*, 137 S. Ct. at 1764 (Alito, J.). They frequently “have an expressive content” and can convey “powerful messages . . . in just a few words.” *Id.* at 1760. Even though the government in the trademark area has not imposed an absolute prohibition on speech, *Brunetti* further established that denying trademark registration “disfavors”

the speech being regulated. 139 S. Ct. at 2297, 2300. We recognize, as the government contends, that section 2(c) does not prevent Elster from communicating his message outright. But whether Elster is free to communicate his message without the benefit of trademark registration is not the relevant inquiry—it is whether section 2(c) can legally disadvantage the speech at issue here.

The advantages of trademark registration are well known, including serving as “prima facie evidence of the validity of the registered mark and of the registration of the mark, of the owner’s ownership of the mark, and of the owner’s exclusive right to use the registered mark in commerce”; conferring “incontestable” status “once a mark has been registered for five years”; and enabling a mark holder to prevent the importation of goods “bearing an infringing mark” into the United States. *Tam*, 137 S. Ct. at 1753 (internal quotation marks omitted) (first quoting *B&B Hardware, Inc. v. Hargis Indus., Inc.*, 575 U.S. 138, 142 (2015); then quoting *id.* at 143; and then quoting 3 J. Thomas McCarthy, *Trademarks and Unfair Competition* § 19:9, at 19-38 (4th ed. 2017)).

Nonetheless, the government argues that because trademark protection is the equivalent of a government subsidy, it is not subject to First Amendment scrutiny so long as viewpoint discrimination is not involved. This position has little support in the Supreme Court’s opinions in *Tam* and *Brunetti*. Although the dissenting Justices in *Brunetti* suggested that trademark registration might be viewed as a condition on a government benefit, 139 S. Ct. at 2308, 2317 (Sotomayor, J. concurring-in-part and dissenting-in-part), Justice

Alito’s opinion in *Tam*, joined by three other Justices, stated that the “federal registration of a trademark is nothing like” government subsidy programs that provide cash benefits to private parties, and that cases addressing such programs are “not instructive in analyzing the constitutionality of restrictions on” trademarks, 137 S. Ct. at 1761 (Alito, J.). Justice Kennedy’s concurring opinion in *Tam*, joined by the three remaining Justices, declined to address the government subsidy framework, suggesting it was not relevant. *Id.* at 1765, 1767 (Kennedy, J.). And when *Tam* and *Brunetti* were before this court, we held that trademark registration is not a government subsidy. *See In re Tam*, 808 F.3d 1321, 1348-54 (Fed. Cir. 2015) (en banc); *In re Brunetti*, 877 F.3d 1330, 1342-45 (Fed. Cir. 2017).

In any event, even if a trademark were a government subsidy, this is not a situation in which First Amendment requirements are inapplicable. Elster’s mark is speech by a private party in a context in which controversial speech is part-and-parcel of the traditional trademark function, as the Supreme Court decisions in *Tam* and *Brunetti* attest. Under such circumstances, the effect of the restrictions imposed with the subsidy must be tested by the First Amendment. *See Legal Servs. Corp. v. Velazquez*, 531 U.S. 533, 543, 547-48 (2001) (funding condition barring lawyers from challenging constitutionality of welfare laws violated the First Amendment); *see also FCC v. League of Women Voters*, 468 U.S. 364, 396-97 (1984) (funding condition preventing broadcasters receiving federal funds from editorializing held unconstitutional).

We are also not convinced by the government’s argument that Lanham Act bars are comparable to speech

restrictions in a limited public forum. To be sure, Justice Alito’s opinion in *Tam*, joined by three other Justices, suggested that the limited public forum doctrine, which permits some viewpoint-neutral “content- and speaker-based restrictions,” presented a “[p]otentially more analogous” framework than the subsidy theory. 137 S. Ct. at 1763 (Alito, J.). But this is not a case in which the government has restricted speech on its own property to certain groups or subjects, a fact distinguishing it from nearly all of the Supreme Court’s limited public forum cases. See *In re Brunetti*, 877 F.3d at 1346 (citing cases). While a limited public forum need not be a physical place—it can be “metaphysical”—our decision in *In re Brunetti* noted that when the Supreme Court has analyzed speech restrictions in metaphysical forums, such restrictions were always “tethered to government properties” where the effects were later felt. *Id.* at 1347 (citing *Rosenberger*, 515 U.S. at 830). No similar situation exists for the trademark registration program because “refusals chill speech anywhere from the Internet to the grocery store.” *Id.* at 1348. We are not dealing with speech in a limited public forum. The speech here is entitled to First Amendment protection beyond protection against viewpoint discrimination.

It is well established that speech ordinarily protected by the First Amendment does not lose its protection “because the [speech] sought to be distributed [is] sold rather than given away.” *Heffron v. Int’l Soc. for Krishna Consciousness, Inc.*, 452 U.S. 640, 647 (1981) (first citing *Murdock v. Pennsylvania*, 319 U.S. 105, 111 (1943); and then citing *Schaumburg v. Citizens for a Better Env’t*, 444 U.S. 620, 632 (1980)); see also *Cardtoons, L.C. v. Major League Baseball Players*

Ass'n, 95 F.3d 959, 970 (10th Cir. 1996) (“[W]e see no principled distinction between speech and merchandise that informs our First Amendment analysis. The fact that expressive materials are sold neither renders the speech unprotected . . . nor alters the level of protection.” (citations omitted)). Nor is expressive speech entitled to a lesser degree of protection because it is printed on a T-shirt. See *Cohen v. California*, 403 U.S. 15, 18 (1971) (holding that a jacket bearing the words “Fuck the Draft” is protected speech); see also *Comedy III Prods., Inc. v. Gary Saderup, Inc.*, 21 P.3d 797, 804 (Cal. 2001) (“Nor does the fact that Saderup’s art appears in large part on a less conventional avenue of communications, T-shirts, result in reduced First Amendment protection.”); *Ayres v. City of Chicago*, 125 F.3d 1010, 1014 (7th Cir. 1997) (“The T-shirts that the plaintiff sells carry an extensive written message of social advocacy; . . . there is no question that the T-shirts are a medium of expression prima facie protected by the free-speech clause of the First Amendment.”).

That trademarked speech is entitled to First Amendment protection and that the protection is not lost because of the commercial nature of the speech does not establish the relevant test. Whatever the standard for First Amendment review of viewpoint-neutral, content-based restrictions in the trademark area, whether strict scrutiny, see *Reed v. Town of Gilbert*, 576 U.S. 155, 163 (2015) (the restriction must be “narrowly tailored to serve compelling state interests”), or intermediate scrutiny, see *Cent. Hudson Gas & Elec. Corp. v. Pub. Serv. Comm’n of N.Y.*, 447 U.S. 557, 566 (1980) (the restriction must “directly advance[]” a “substantial” government interest), there must be at least a substantial govern-

ment interest in the restriction. We proceed to examine the consequential First Amendment interests and the claimed government interests.

III

The First Amendment interests here are undoubtedly substantial. “Whatever differences may exist about interpretations of the First Amendment, there is practically universal agreement that a major purpose of that Amendment was to protect the free discussion of governmental affairs.” *Mills v. Alabama*, 384 U.S. 214, 218 (1966); *see also N.Y. Times Co. v. Sullivan*, 376 U.S. 254, 269 (1964) (“The general proposition that freedom of expression upon public questions is secured by the First Amendment has long been settled by our decisions.”); *Hustler Mag., Inc. v. Falwell*, 485 U.S. 46, 50 (1988) (“At the heart of the First Amendment is the recognition of the fundamental importance of the free flow of ideas and opinions on matters of public interest and concern.”). Indeed, “speech concerning public affairs is more than self-expression; it is the essence of self-government.” *Garrison v. Louisiana*, 379 U.S. 64, 74-75 (1964).

In particular, “the right to criticize public men” is “[o]ne of the prerogatives of American citizenship.” *Baumgartner v. United States*, 322 U.S. 665, 673-74 (1944). Such criticism “does not lose its constitutional protection merely because it is effective criticism and hence diminishes [public figures’] official reputations.” *N.Y. Times*, 376 U.S. at 273. To the contrary, the First Amendment “has its fullest and most urgent application” to speech concerning public officials. *Monitor Patriot Co. v. Roy*, 401 U.S. 265, 272 (1971). Laws suppressing the right “to praise or criticize governmental

agents” generally cannot be squared with the First Amendment. *Mills*, 384 U.S. at 219.

The government appears to recognize that the section 2(c) restriction implicates First Amendment interests but contends that these interests are outweighed by the government’s substantial interest in protecting state-law privacy and publicity rights, grounded in tort and unfair competition law. Those interests are defined in the relevant Restatements. The Restatement (Second) of Torts defines the tort of “Appropriation of Name or Likeness,” as actionable when a tortfeasor “appropriates to his own use or benefit the name or likeness of another.” Restatement (Second) of Torts § 652C (1977). The comments elaborate that the right, thought to be “in the nature of a property right,” protects the “interest of the individual in the exclusive use of his own identity, in so far as it is represented by his name or likeness.” *Id.* at cmt. a. Recovery for appropriation also serves to “protect[] [an individual’s] personal feelings against mental distress.” *Id.*

The Restatement (Third) of Unfair Competition recognizes a separate cause of action that protects an individual’s publicity rights. An unfair competition claim arises when a party “appropriates the commercial value of a person’s identity by using without consent the person’s name, likeness, or other indicia of identity for purposes of trade.” Restatement (Third) of Unfair Competition § 46 (1995).

The question here is whether the government has an interest in limiting speech on privacy or publicity grounds if that speech involves criticism of government officials—speech that is otherwise at the heart of the First Amendment.

IV

We consider first the claimed right of privacy. Here, there can be no plausible claim that President Trump enjoys a right of privacy protecting him from criticism in the absence of actual malice—the publication of false information “with knowledge of its falsity or in reckless disregard of the truth.” *Time, Inc. v. Hill*, 385 U.S. 374, 388 (1967). The government cites no case authority or treatise that recognizes such an interest, and there is no claim here of actual malice. In such circumstances, when the restricted speech comments on or criticizes public officials, the government has no interest in disadvantaging the speech to protect the individual’s privacy interests. This recognition goes back to the very origin of the right of privacy, as recognized by the Supreme Court in *Bartnicki v. Vopper*:

As Warren and Brandeis stated in their classic law review article: ‘The right of privacy does not prohibit any publication of matter which is of public or general interest.’

532 U.S. 514, 534 (2001) (quoting Samuel D. Warren & Louis D. Brandeis, *The Right to Privacy*, 4 Harv. L. Rev. 193, 214 (1890)).

In *Time*, the Supreme Court considered a New York privacy statute that permitted monetary recovery for “[a]ny person whose name, portrait or picture is used within this state for advertising purposes or for the purposes of trade without [] written consent,” a provision quite similar in some respects to section 2(c) of the Lanham Act. 385 U.S. at 376 n.1. A private individual sued Life Magazine after it published a story that falsely equated a play’s plot with his family’s experience of be-

ing held hostage by convicts in their suburban home. *Id.* at 378-79. The Court held that absent proof of actual malice, “constitutional protections for speech and press preclude[d]” recovery under the statute for “false reports of matters of public interest.” *Id.* at 387-88.

The majority in *Bartnicki* later understood *Time* as requiring that “privacy concerns give way when balanced against the interest in publishing matters of public importance.” 532 U.S. at 534. Those privacy concerns similarly must give way when the speech at issue references a public figure because public figures subject themselves to “greater public scrutiny and ha[ve] a lesser interest in privacy than an individual engaged in purely private affairs.” *Id.* at 539 (Breyer, J., concurring); *see also id.* at 534 (majority opinion) (“One of the costs associated with participation in public affairs is an attendant loss of privacy.”). With respect to privacy, the government has no legitimate interest in protecting the privacy of President Trump, “the least private name in American life,” Appellant’s Br. 35, from any injury to his “personal feelings” caused by the political criticism that Elster’s mark advances.

V

The asserted interest in protecting the right of publicity is more complex. The government, of course, has an interest in protecting against copying or misappropriation of an existing mark, just as it has an interest in preventing misappropriation of other forms of intellectual property. In *San Francisco Arts & Athletics, Inc. v. U.S. Olympic Committee*, 483 U.S. 522, 526 (1987), a case not cited in either party’s briefs, the Supreme Court considered the constitutionality of a statute that granted the United States Olympic Committee (“USOC”)

“the right to prohibit certain commercial and promotional uses of the word ‘Olympic’ and various Olympic symbols.” The USOC sought to enjoin a nonprofit’s use of “Gay Olympic Games” on letterheads and mailings used to promote a nine-day athletic event, as well as on T-shirts and other merchandise sold promoting the games. *Id.* at 525. The nonprofit urged that its use of “Gay Olympic Games” was protected First Amendment expression. *Id.* at 531-32. Focusing on the fact that the nonprofit’s use of the word Olympic “sought to exploit [the word’s] ‘commercial magnetism’” and that the “image [the nonprofit] sought to invoke was exactly the image” the USOC “carefully cultivated,” the Court held that it was valid for Congress to determine that these “unauthorized uses, even if not confusing, nevertheless may harm the USOC by lessening the distinctiveness and thus the commercial value of the mark,” such that the statute was consistent with the First Amendment. *Id.* at 539-41. The holding did not address whether the statute could validly prohibit speech critical of the Olympics, and in dicta suggested that it was not “clear that [the statute] restricts purely expressive uses of the word.” *Id.* at 536.

No similar claim is made here that President Trump’s name is being misappropriated in a manner that exploits his commercial interests or dilutes the commercial value of his name, an existing trademark, or some other form of intellectual property. *See also Zacchini v. Scripps-Howard Broad. Co.*, 433 U.S. 562, 575-76 (1977) (holding that state law consistent with the First Amendment can create tort liability for appropriating an individual’s performance rights).

The government, in protecting the right of publicity, also has an interest in preventing the issuance of marks that falsely suggest that an individual, including the President, has endorsed a particular product or service.¹ But that is not the situation here. No plausible claim could be or has been made that the disputed mark suggests that President Trump has endorsed Elster's product. In any event, trademarks inaccurately suggesting endorsement in a manner that infringes the "right of privacy, or the related right of publicity" are already barred by section 2(a) of the Lanham Act,² a provision not invoked on appeal.³ See, e.g., *Bridgestone/Firestone Rsch., Inc. v. Auto. Club de l'Ouest de la Fr.*, 245 F.3d 1359, 1363 (Fed. Cir. 2001) ("This protection of rights of personal privacy and publicity distinguishes

¹ This concern is also borne out by debates on section 2(c) evincing Congress's desire to prevent the use of presidential names to promote unsavory or other commercial products. See, e.g., *Hearings on H.R. 9041 Before the Subcomm. on Trademarks of the House Comm. on Patents*, 75th Cong. 79 (1938) (statement of Rep. Lanham) ("I do not believe that George Washington should have his name bandied around on every commonplace article that is in ordinary use, because I think we have better ways of preserving the name and the fame of George Washington than in that manner."); *Hearings on H.R. 4744 Before the Subcomm. on Trademarks of the House Comm. on Patents*, 76th Cong. 18-19 (1939) (statement of Rep. Rogers) ("I quite agree that Abraham Lincoln gin ought not to be used, but I would not say the use of G. Washington on coffee should not be permissible.").

² As stated previously, section 2(a)'s false association clause bars registration of trademarks that "falsely suggest a connection with persons, living or dead." § 1052(a).

³ We note that the Board did not address the examiner's rejection of Elster's proposed mark on section 2(a) grounds, and the government on appeal similarly did not raise section 2(a) as an alternative basis for affirming the Board's decision.

the § 2(a) false suggestion of connection provision from the § 2(d) likelihood of confusion provision.”); *Univ. of Notre Dame Du Lac v. J.C. Gourmet Food Imps. Co.*, 703 F.2d 1372, 1376 (Fed. Cir. 1983) (“[Section] 2(a) was intended to preclude registration of a mark which conflicted with another’s rights, even though not founded on the familiar test of likelihood of confusion.”).

The right of publicity does not support a government restriction on the use of a mark because the mark is critical of a public official without his or her consent. The Restatement of Unfair Competition recognizes that challenges under state-law publicity statutes are “fundamentally constrained by the public and constitutional interest in freedom of expression,” such that the “use of a person’s identity primarily for the purpose of communicating information or expressing ideas is not generally actionable as a violation of the person’s right of publicity.” Restatement (Third) of Unfair Competition § 47 cmt. c.

Thus, for example, the Tenth Circuit held that parody baseball trading cards, including cards “featuring caricatures of political and sports figures” accompanied by “humorous commentary about their careers,” constituted protected speech. *Cardtoons*, 95 F.3d at 962, 972. Although the cards appropriated the commercial value of the players’ names and likenesses without their consent, the card producer had a “countervailing First Amendment right to publish the cards” because the use of parody “provide[d] social commentary on public figures,” “an especially valuable means of expression.” *Id.* at 968-69, 972.

[C]elebrities with control over the parodic use of their identities would not use the power to ‘ration the

use of their names in order to maximize their value over time[.]’ . . . They would instead use that power to suppress criticism, and thus permanently remove a valuable source of information about their identity from the marketplace.

Id. at 975.

The California Supreme Court similarly concluded that there is no right to restrict dissemination of a public figure’s likeness when the publication is intertwined with parody or critical speech:

[T]he right of publicity cannot, consistent with the First Amendment, be a right to control the celebrity’s image by censoring disagreeable portrayals. Once the celebrity thrusts himself or herself forward into the limelight, the First Amendment dictates that the right to comment on, parody, lampoon, and make other expressive uses of the celebrity image must be given broad scope.

Comedy III, 21 P.3d at 807;⁴ see also *Titan Sports, Inc v. Comics World Corp.*, 870 F.2d 85, 88 (2d Cir. 1989) (“[A] court must be ever mindful of the inherent tension between the protection of an individual’s right to control the use of his likeness and the constitutional guarantee of free dissemination of ideas, images, and newsworthy matter in whatever form it takes.”); *ETW Corp. v. Jireh Pub., Inc.*, 332 F.3d 915, 938 (6th Cir. 2003) (holding prints of Tiger Woods reflecting his likeness constituted protected, creative expression in the face of a right of

⁴ The court ultimately allowed the plaintiff to recover on its right of publicity claim because the disputed T-shirt created a “literal, conventional depiction[] of The Three Stooges so as to exploit their fame.” *Comedy III*, 21 P.3d at 811.

publicity challenge); *Hart v. Elec. Arts, Inc.*, 717 F.3d 141, 170 (3d Cir. 2013) (finding use of a football player’s photo in a video game that “imbue[d] the image with additional meaning beyond simply being a representation of a player,” was “shielded by the First Amendment”). New York courts have also recognized judicial exceptions to the state’s right of publicity statute for “newsworthy events or matters of public interest,” “works of humor,” “art,” “fiction, and satire.” *Lohan v. Take-Two Interactive Software, Inc.*, 97 N.E.3d 389, 393 (N.Y. 2018).

The right of publicity is particularly constrained when speech critical of a public official is involved. The Restatement specifically notes that the right of publicity would be unavailable to “a candidate for public office” who sought to “prohibit the distribution of posters or buttons bearing the candidate’s name or likeness, whether used to signify support or opposition.” Restatement (Third) of Unfair Competition § 47 cmt. b. Similarly, in *Paulsen v. Personality Posters, Inc.*, 299 N.Y.S.2d 501, 508-09 (Sup. Ct. 1968), a comedian who had initiated a presidential campaign could not enjoin the distribution of mocking campaign posters bearing his likeness because the poster communicated “constitutionally protected” political speech that “must supersede any private pecuniary considerations.”

The government has no valid publicity interest that could overcome the First Amendment protections afforded to the political criticism embodied in Elster’s mark. As a result of the President’s status as a public official, and because Elster’s mark communicates his disagreement with and criticism of the then-President’s

approach to governance, the government has no interest in disadvantaging Elster’s speech.

Contrary to the government’s claim that section 2(c) merely “involves a targeted effort to preclude federal registration that facilitates a particular type of commercial behavior that has already been banned by most states,” Gov’t Br. 1, our review of state-law cases revealed no authority holding that public officials may restrict expressive speech to vindicate their publicity rights, and the government cites no such cases. In fact, every authority that the government cites reaches precisely the opposite conclusion, recognizing that the right of publicity cannot shield public figures from criticism. *See generally* 1 J. Thomas McCarthy, *The Rights of Publicity & Privacy* § 2:4 (2d ed. 2020) (“Every personal and property right must peacefully co-exist within the confines of the free speech policies of the First Amendment.”).⁵

⁵ The one case the government cites involving parody or criticism of public figures held that a parody baseball card producer’s use of MLB players’ names and likenesses was not actionable under a right of publicity statute. *See Cardtoons*, 95 F.3d 959.

Most of the cases the government cites upholding the right of publicity involve a routine use of a public figure’s name or likeness to promote a product or the misappropriation of the commercial value of their identity. *Zacchini*, 433 U.S. 562 (broadcaster airing human cannonball performer’s entire act); *Jordan v. Jewel Food Stores, Inc.*, 743 F.3d 509 (7th Cir. 2014) (advertisement incorporating Michael Jordan’s name to promote grocery store); *Hart*, 717 F.3d 141, (video game using college football players’ photos and likenesses); *Bridgestone*, 245 F.3d 1359 (tire manufacturer using French brand name on tires); *Bi-Rite Enters., Inc. v. Bruce Miner Co.*, 757 F.2d 440 (1st Cir. 1985) (posters depicting British rock group); *Carson v. Here’s Johnny Portable Toilets, Inc.*, 698 F.2d 831 (6th Cir.

In short, whether we apply strict scrutiny and the compelling government interest test, or *Central Hudson*'s intermediate scrutiny and the substantial government interest test, “the outcome is the same.” *Sorrell v. IMS Health Inc.*, 564 U.S. 552, 571 (2011). The PTO’s refusal to register Elster’s mark cannot be sustained because the government does not have a privacy or publicity interest in restricting speech critical of government officials or public figures in the trademark context—at least absent actual malice, which is not alleged here.

VI

As Elster raised only an as-applied challenge before this court, *see, e.g.*, Appellant’s Br. 4; Oral Arg. 5:09-5:14, we have no occasion to decide whether the statute is constitutionally overbroad. We note, however, that section 2(c) raises concerns regarding overbreadth.

The First Amendment overbreadth doctrine recognizes that “a law may be overturned as impermissibly overbroad” when “a ‘substantial number’ of its applications are unconstitutional, ‘judged in relation to the statute’s plainly legitimate sweep.’” *Wash. State Grange v. Wash. State Republican Party*, 552 U.S. 442, 449 n.6 (2008) (internal quotation marks omitted) (quoting *New York v. Ferber*, 458 U.S. 747, 769-71 (1982)). It may be that a substantial number of section 2(c)’s applications

1983) (toilet manufacturer incorporating entertainer’s “here’s Johnny” catchphrase); *Univ. of Notre Dame Du Lac*, 703 F.2d 1372 (cheese importer using same brand name as university); *Haelan Lab’ys, Inc. v. Topps Chewing Gum, Inc.*, 202 F.2d 866 (2d Cir. 1953) (chewing-gum producer using athlete’s photo to promote product); *Kimbrough v. Coca-Cola/USA*, 521 S.W.2d 719 (Tex. Civ. App. 1975) (Coca-Cola advertisement using football player’s photo).

would be unconstitutional. The statute leaves the PTO no discretion to exempt trademarks that advance parody, criticism, commentary on matters of public importance, artistic transformation, or any other First Amendment interests. It effectively grants all public figures the power to restrict trademarks constituting First Amendment expression before they occur.⁶ In *Tam*, Justice Alito, joined by three other Justices, characterized as “far too broad” a statute that would bar the trademark “James Buchanan was a disastrous president.” 137 S. Ct. at 1765 (Alito, J.). Nonetheless, we reserve the overbreadth issue for another day.

CONCLUSION

For the foregoing reasons, we hold that the Board’s application of section 2(c) to Elster’s mark is unconstitutional under any conceivable standard of review, and accordingly reverse the Board’s decision that Elster’s mark is unregistrable.

REVERSED

⁶ As interpreted by the PTO, section 2(c) has limited application to private individuals because it requires consent only if: “(1) the person is so well known that the public would reasonably assume a connection between the person and the goods or services; or (2) the individual is publicly connected with the business in which the mark is used.” *In re ADCO Indus. Techs., L.P.*, 2020 U.S.P.Q.2d 53786, 2020 WL 730361, at *10 (T.T.A.B. 2020).

APPENDIX B

UNITED STATES PATENT AND TRADEMARK OFFICE

Trademark Trial and Appeal Board

In re Steve Elster

Serial No. 87749230

Mailed: July 2, 2020

Before ROGERS, Chief Administrative Trademark Judge, and ZERVAS and LYNCH, Administrative Trademark Judges.

Opinion by LYNCH, Administrative Trademark Judge:

I. Background

Steve Elster (“Applicant”) seeks registration on the Principal Register of the mark TRUMP TOO SMALL, in standard characters, for:

Shirts; Shirts and short-sleeved shirts; Graphic T-shirts; Long-sleeved shirts; Short-sleeve shirts; Short-sleeved shirts; Short-sleeved or long-sleeved t-shirts; Sweat shirts; T-shirts; Tee shirts; Tee-shirts; Wearable garments and clothing, namely, shirts in International Class 25.¹

¹ Application Serial No. 87749230 has a filing date of January 10, 2018, and is based on Applicant’s assertion of a bona fide intent to

The Examining Attorney refused registration of Applicant's proposed mark under Section 2(a) of the Trademark Act, 15 U.S.C. § 1052(a), on the ground that it comprises matter that may falsely suggest a connection with President Donald J. Trump, and under Section 2(c), 15 U.S.C. § 1052(c), on the ground that it comprises his name without his written consent. Applicant has appealed, and the appeal has been fully briefed.²

We affirm the Section 2(c) refusal, as explained below, and we need not reach the refusal under Section 2(a)'s false association clause. *See In re Society of Health and Physical Educators*, 127 USPQ2d 1584, 1590 (TTAB 2018).

II. Section 2(c) Refusal

Section 2(c) of the Trademark Act precludes, in relevant part, registration of a mark that “[c]onsists of or comprises a name, portrait, or signature identifying a particular living individual except by his written consent.” 15 U.S.C. § 1052(c). “A key purpose of requiring the consent of a living individual to the registration of his or her name, signature, or portrait is to protect rights of privacy and publicity that living persons have in the designations that identify them.” *In re ADCO Indus. Techs., L.P.*, 2020 USPQ2d 53786, *20 (TTAB

use the mark in commerce under Trademark Act Section 1(b), 15 U.S.C. § 1051(b).

² The record includes Applicant's original Brief, 11 TTABVUE, a Supplemental Brief, 16 TTABVUE, submitted following a remand sought by the Examining Attorney to add an additional ground for refusal (the refusal under Section 2(a)), the Examining Attorney's Brief, 19 TTABVUE, and Applicant's Reply Brief, 20 TTABVUE.

2020) (citations omitted). Another is to “protect[] consumers against source deception.” *Id.* at *29.

For names, the statute requires that the matter sought to be registered include the name of a particular living individual, rather than merely include words that only by coincidence happen to be someone’s name but which the relevant public generally would not recognize as that living individual’s name. *Martin v. Carter Hawley Hale Stores, Inc.*, 206 USPQ 931, 933 (TTAB 1979). To address the scenario in which the name would not be recognized as identifying the individual, Section 2(c) has been interpreted to mean that when a name appears in a proposed mark, the written consent of the person with that name must be supplied where: (1) the public would reasonably assume a connection between the individual and the goods or services because the individual is so well known; or (2) the individual is publicly connected with the business in which the mark is used. *ADCO*, 2020 USPQ2d 53786 at *22; *see also Martin v. Carter Hawley Hale Stores*, 206 USPQ at 932-33 (“requirement for consent depends upon a determination of whether the mark would be recognized and understood by the public as identifying the person”).

Thus, for example, although the mark[s] “FANTA” and “ARNOLD BRAND” happened to be the names of individuals [i.e., Robert D. Fanta, a tax accountant, who sought to cancel registrations of the mark “FANTA” for soft drinks and for carbonated soft drink and syrup concentrate for making the same, and Arnold Brand, a patent and trademark attorney active in civic affairs, who sought to cancel a registration of a mark containing the words “ARNOLD BRAND” for fresh tomatoes] who were undoubtedly

well known in their own spheres, nevertheless, in each case, it was found that the individual in question would not be likely to suffer any damage from the registration of the mark at issue because he had never attained any recognition in the field of business in which the mark was used.

Id. at 933 (footnotes omitted) (citing *Fanta v. The Coca-Cola Co.*, 140 USPQ 674 (TTAB 1964) and *Brand v. Fairchester Packing Co.*, 84 USPQ 97 (Comm’r Pat. 1950)).

It is undisputed in this case, and we find, that Applicant’s proposed mark includes the surname of President Donald J. Trump. Section 2(c) applies to a proposed mark that includes a particular living individual’s surname if the individual is known by that surname alone. *In re Hoefflin*, 97 USPQ2d 1174, 1176 (TTAB 2010) ((holding registration of the marks OBAMA PAJAMA and OBAMA BAHAMA PAJAMAS barred under Section 2(c) because “this statutory sub-section operates to bar the registration of marks containing not only full names, but also surnames . . . so long as the name in question does, in fact, ‘identify’ a particular living individual”); *see also In re Nieves & Nieves LLC*, 113 USPQ2d 1629, 1638 (TTAB 2015) (relevant inquiry is “whether the public would recognize and understand the mark as identifying a particular living individual”). The record in this case includes extensive evidence that the public understands “Trump” alone as a reference to President Donald Trump.³ Significantly, Applicant

³ E.g., February 19, 2018 Office Action at 6-7; July 30, 2018 Office Action at 57, 65, 67-130; February 25, 2019 Office Action at 5, 11, 24, 31, 54, 57, 59, 61, 63, 65, 69, 71-74; June 24, 2019 Office Action at 17, 25, 32, 41, 51, 116-42.

clearly concedes that his mark “explicitly refers to declared presidential candidate and President Donald Trump.”⁴ The application record does not include a written consent from President Trump, and Applicant makes no argument to the contrary.

Despite Applicant’s direct acknowledgment that his mark includes a name that identifies a particular living individual without his consent, Applicant contends that his mark does not violate Section 2(c) because the relevant public would not presume a connection between President Trump and the goods. According to Applicant, given “how [Donald Trump] depicts himself generally,” the mark in its entirety is “the antithesis of what consumers would understand to be sponsored by, approved by, or supported by Donald Trump.”⁵ Applicant essentially argues that while President Trump strives to make a grandiose impression, Applicant’s mark as a whole conveys that some features of President Trump and his policies are diminutive.⁶ Therefore, Applicant maintains that his mark lacks the necessary connection to the goods under Section 2(c).

⁴ 16 TTABVUE 7 (Applicant’s Supplemental Brief).

⁵ 16 TTABVUE 20 (Applicant’s Supplemental Brief).

⁶ Both Applicant and the Examining Attorney discuss and offer evidence that the 2016 presidential campaign included some widely publicized colloquies, some of which Mr. Trump participated in, about the size of certain parts of his anatomy, such as his hands, which then-presidential candidate Marco Rubio asserted were too small. July 8, 2018 Response to Office Action at 8-24; February 25, 2019 Office Action at 5-7, 24-27. Applicant also submitted evidence of media articles about President Trump’s policies in terms of small size, with headlines such as “The Shrinking of America” and “Trump Orders Largest National Monument Reduction in U.S. History.” *Id.* at 26, 31.

Applicant couches the public perception of a connection as a separate inquiry under Section 2(c), but as noted above, the analysis of a connection under the test set forth above regarding Section 2(c) really is just part of determining whether the public would perceive the name in the proposed mark as identifying a particular living individual. In this case, Applicant already has conceded this point. Unlike Section 2(a)'s explicit statutory requirement that the matter in question "falsely suggest a connection," Section 2(c) prohibits registration of any proposed mark that "consists of or comprises a name . . . identifying a particular living individual except by his written consent." 15 U.S.C. §§ 1052(a) & (c). The prohibition applies regardless of whether there is a suggested connection. As explained in *Martin v. Carter Hawley Hale Stores*, 206 USPQ at 933:

[I]t is more than likely that any trademark which is comprised of a given name and surname will, in fact, be the name of a real person. But that coincidence, in and of itself, does not give rise to damage to that individual in the absence of other factors from which it may be determined that the particular individual bearing the name in question will be associated with the mark as used on the goods, either because that person is so well known that the public would reasonably assume the connection or because the individual is publicly connected with the business in which the mark is used.

By analogy, the Board in *Hoefflin* held that an application to register OBAMA PAJAMA for pajamas, sleepwear and underwear was barred by Section 2(c) even if "the record does not support the conclusion that President Obama is in any way connected with [such goods]."

97 USPQ2d at 1177. The Board addressed the fame of a President of the United States, stating that “well-known individuals such as celebrities and world-famous political figures are entitled to the protection of Section 2(c) without having to evidence a connection with the involved goods or services.” *Id.* The evidentiary record in this case clearly shows that President Trump is extremely well known, not only because of his political office but also because of his prior celebrity.⁷ Moreover, even if some further connection to the types of goods identified need be shown, the record reflects that through business enterprises, President Trump’s surname has been used as a brand on a wide variety of goods, including shirts.⁸

With a proposed mark such as this one that names someone very well-known such as President Trump, and as Applicant has admitted, there is no question that the public would view the name in question as the name of a particular living individual. As in *ADCO*, decided on a very similar evidentiary record to the one in this case, we find that the proposed mark including TRUMP “identif[ies] Donald Trump, whose identity is renowned. By any measure, . . . Donald Trump is a well-known political figure and a celebrity.” *ADCO*, 2020 USPQ2d 53786 at *24. Thus, the necessary connection for pur-

⁷ February 19, 2018 Office Action at 45-64 (Time Magazine 2016 Person of the Year); July 30, 2018 Office Action at 51-52 (CBS Los Angeles article about altercation at Donald Trump’s Walk of Fame Star); *id.* at 65-133 (various articles in mainstream media about Donald Trump); June 24, 2019 Office Action at 9-144 (various articles in mainstream media about Donald Trump).

⁸ February 19, 2018 Office Action at 14-16, 65, 76; February 25, 2019 Office Action at 52; June 24, 2019 Office Action at 145-99; October 7, 2019 Office Action at 5-50.

poses of Section 2(c) exists. Accordingly, in applying Section 2(c) in this case, we need not probe for a Section 2(a)-type connection as Applicant suggests, but rather just a showing that the relevant public would recognize the name in the mark as that of a particular living individual. Therefore, we reject Applicant's contention that under Section 2(c) a "connection" is necessary, but is foreclosed based on the theory that President Trump would not endorse the message allegedly conveyed by TRUMP TOO SMALL.

III. Constitutional Challenge to Section 2(c)

Applicant's appeal focuses primarily on assertions that the statutory refusals to register applied in this case are unconstitutional because they violate his right to free speech under the First Amendment. Applicant alleges that Section 2(a)'s false association provision and Section 2(c)'s particular living individual provision constitute content-based restrictions on private speech, subject to strict scrutiny. According to Applicant, the prohibitions are not narrowly tailored to a compelling state interest, and cannot be justified, in particular when applied to current or former presidents, or presidential candidates, whom Applicant claims have yielded rights of privacy and publicity by seeking the office. Applicant insists that "Presidential candidates and current and former Presidents also invite widespread use of their names and identities in products and services that comment upon the candidates and Presidents in personal and/or political terms."⁹

⁹ 16 TTABVUE at 21.

The recent *ADCO* case on proposed marks that included TRUMP¹⁰ involved similar constitutionality challenges to Section 2(c) and Section 2(a)'s false association provision. *ADCO Indus.-Techs.*, 2020 USPQ2d 53786 at *25. The Board in *ADCO* stated that regardless of the USPTO's inability to strike down statutory provisions as unconstitutional, "a constitutional challenge may involve 'many threshold questions . . . to which the [agency] can apply its expertise.'" *Id.* at *26 (citing *Elgin v. Dep't of Treasury*, 567 U.S. 1, 16, 22-23, 132 S. Ct. 2126 (2012)). Accordingly, the Board explained why it does "not agree with Applicant's challenges based on our experience with Section 2 of the Trademark Act and the purposes underlying it." *ADCO Indus.-Techs.*, 2020 USPQ2d 53786 at *27 (citations omitted).

As a threshold matter, the Board pointed out that these provisions of the Trademark Act do not control an applicant's use of a proposed mark, but only set criteria for trademark registration. *Id.* Therefore, contrary to Applicant's assertions, Sections 2(a) and 2(c) are not direct restrictions on speech. *Id.* Next, the Board addressed the viewpoint-neutrality of Section 2(a)'s false association clause and Section 2(c), thereby distinguishing them from Section 2(a)'s disparagement and immoral/scandalous provisions struck down by the Supreme Court as viewpoint-discriminatory. *Id.* ("the

¹⁰ The marks at issue in *ADCO* were



and

Supreme Court pointedly refrained from extending its holdings to any provisions of the Lanham Act that do not discriminate based on the applicant’s viewpoint”), *citing Iancu v. Brunetti*, 139 S. Ct. 2294, 2019 USPQ2d 232043 at *7, n.*(2019) (addressing immoral/scandalous clause of Section 2(a), noting “Nor do we say anything about how to evaluate viewpoint-neutral restrictions on trademark registration.”) and *id.* at 2303 (Alito, J., concurring) (emphasizing that the Court’s holding turned entirely on the conclusion that the invalidated provision was viewpoint discriminatory); *see also Matal v. Tam*, 137 S. Ct. 1744, 122 USPQ2d 1757 (2017) (addressing disparagement clause of Section 2(a)). As the *Brunetti* Court characterized the holding in *Tam*, “all Members of the Court agreed that the [disparagement] provision violated the First Amendment because it discriminated on the basis of viewpoint.” *Brunetti*, 2019 USPQ2d 232043 at *2. Similarly, the *Brunetti* Court held that the immoral/scandalous provision “infringes the First Amendment for the same reason: It too disfavors certain ideas.” *Id.* Clearly, Section 2(c) differs, in that the prohibition applies in an objective, straightforward way to any proposed mark that consists of or comprises the name of a particular living individual, regardless of the viewpoint conveyed by the proposed mark.

Finally, the Board in ADCO opined that even if the challenged provisions of Section 2(a) and Section 2(c) were considered as restrictions on speech, they do not run afoul of the First Amendment because “Congress acts well within its authority when it identifies certain types of source-identifiers as being particularly susceptible to deceptive use and enacts restrictions concerning them.” *ADCO Indus.-Techs.*, 2020 USPQ2d 53786 at *29 (citation omitted), *citing S.F. Arts & Athletics, Inc.*

v. U.S. Olympic Comm., 483 U.S. 522, 107 S. Ct. 2971, 3 USPQ2d 1145, 1153 (1987) (“Congress reasonably could conclude that most commercial uses of the Olympic words and symbols are likely to be confusing.”). Both of the statutory provisions at issue “recognize[] the right of privacy and publicity that a living person has in his or her identity and protect[] consumers against source deception.” *ADCO Indus.-Techs.*, 2020 USPQ2d 53786 at *29.

Thus, even if Section 2(c) were subject to greater scrutiny, as Applicant alleges, the statutory provision is narrowly tailored to accomplish these purposes, and consistently and reliably applies to any mark that consists of or comprises a name, portrait, or signature identifying a particular living individual except by his written consent.

Decision: We affirm the refusal to register the proposed mark under Section 2(c) on the ground that it comprises the name of President Donald Trump without his written consent. We do not reach the refusal to register under Section 2(a)’s false association clause.

APPENDIX C

UNITED STATES PATENT AND TRADEMARK
OFFICE (USPTO)

OFFICE ACTION (OFFICIAL LETTER)
ABOUT APPLICANT'S TRADEMARK APPLICATION

U.S. Application Serial No. 87749230

Mark: TRUMP TOO SMALL

* * * * *

Applicant: Elster, Steve

* * * * *

FINAL OFFICE ACTION

* * * * *

Issue date: October 07, 2019

On June 3, 2019, the Trademark Trial and Appeal Board (Board) suspended applicant's appeal and remanded the application to the trademark examining attorney for further examination. Subsequently, the trademark examining attorney issued a new non-final Office action on June 24, 2019, refusing registration pursuant to Trademark Act Section 2(a) because the applied-for mark consists of or includes matter which may falsely suggest a connection with Donald Trump ("false connection" refusal), requesting information regarding the relationship between the applicant and President Trump, and maintaining all the issues in the final Office action. On September 9, 2019, applicant

filed a response addressing the Section 2(a) refusal and the information request.

Based on applicant's response, the requirement for information regarding the relationship between applicant and person named in mark has been **SATISFIED**. *See* TMEP §§713.02, 714.04.

With respect to the Section 2(a) "false connection" refusal, the trademark examining attorney has carefully reviewed applicant's most recent response. In the response, applicant addresses the new refusal by stating that the refusal to register a mark that may falsely suggest a connection with a person, institution, belief or national symbol is a content-based regulation of private speech that does not meet strict scrutiny. However, applicant's arguments do not obviate the "false connection" refusal because (1) applicant has submitted no evidence or relevant legal basis in support of its assertions in this regard, and (2) in any event, the Trademark Trial and Appeal Board has no authority to rule on the constitutionality of the Trademark Act.

Applicant contends that (1) the "false connection" refusal under Trademark Act Section 2(a) is a content-based regulation of private speech that is subject to strict scrutiny, (2) the government must prove that the "false connection" refusal satisfies strict scrutiny, and (3) the government has not met its burden of proof. Response of September 9, 2019 at 3-4. These arguments are unpersuasive.

Applicant cites *Matal v. Tam*^[1], *Reed v. Town of Gilbert*^[2], and *United States v. Alvarez*^[3] in support of its assertions regarding the constitutionality of the “false connection” refusal. The cited opinions, however, are distinguishable on their facts and applicant’s reliance thereon is misplaced.^[4] Indeed, Justice Kennedy’s opinion in *Matal v. Tam* expressly states that “[t]his case does not present the question of how other provisions of the Lanham Act should be analyzed under the First Amendment.” 137 S. Ct. at 1768.

Without any relevant legal basis to support them, applicant’s arguments regarding the constitutionality of the “false connection” provision of Section 2(a) amount to little more than unsubstantiated rhetoric. See *In re Simulations Publications, Inc.*, 521 F.2d 797, 187 USPQ 147, 148 (CCPA 1975) (assertions in briefs are not evidence); *In re Vesoyuzny Ordena Trudovogo Krasnogo Znameni*, 219 USPQ 69, 70 (TTAB 1983) (assertions in

¹ *Matal v. Tam*, 137 S. Ct. 1744 (2017).

² *Reed v. Town of Gilbert*, 135 S. Ct. 2218 (2015).

³ *United States v. Alvarez*, 132 S. Ct. 2537 (2012).

⁴ See *Matal v. Tam*, 137 S. Ct. at 1757-1767 (invalidating in a plurality opinion the Lanham Act’s bar on the registrability of “disparag[ing]” trademarks under Section 2(a), holding that the provision violated the First Amendment because it discriminates on the basis of viewpoint); *Reed v. Town of Gilbert*, 135 S. Ct. 2218 (holding provisions of a town’s sign code, which imposed more stringent restrictions on signs directing the public to a meeting of a nonprofit group than it did on signs conveying other messages, were content-based regulations of speech because the restrictions in the sign code that applied to any given sign depended entirely on the communicative content of the sign); *United States v. Alvarez*, 132 S. Ct. 2537 (holding that the Stolen Valor Act, which makes it a crime to falsely claim receipt of military decorations or medals, infringes upon speech protected by the First Amendment).

briefs are not evidence); *see also Cai v. Diamond Hong, Inc.* 901 F.3d 1367, 1371 (Fed. Cir. 2018) (citing *Enzo Biochem, Inc. v. Gen-Probe Inc.*, 424 F.3d 1276, 1285 (Fed. Cir. 2005) (“Attorney argument is no substitute for evidence”)); *Galen Med. Assocs., Inc. v. United States*, 369 F.3d 1324, 1339 (Fed. Cir. 2004) (“Statements of counsel, however, are not evidence.”).

Although applicant’s response is directed virtually entirely to the constitutionality of the “false connection” provision of Trademark Act Section 2(a), the Trademark Trial and Appeal Board is an administrative tribunal, not an Article III court, and is empowered to determine only the right to register a mark. TBMP §102.01 (citing Trademark Act Section 17, 15 U.S.C. §1067; Trademark Act Section 18, 15 U.S.C. §1068; Trademark Act Section 20, 15 U.S.C. §1070; Trademark Act Section 24, 15 U.S.C. §1092). As such, the Board has no authority to declare provisions of the Trademark Act unconstitutional. *In re District of Columbia*, 101 USPQ2d 1588, 1602 (TTAB 2012 (no authority to declare provisions of the Trademark Act unconstitutional), *aff’d sub nom, In re City of Houston*, 731 F.3d 1326, 108 USPQ2d 1226 (Fed. Cir. 2013); *Blackhorse v. Pro-Football Inc.*, 98 USPQ2d 1633, 1638 (TTAB 2011 (no authority to rule on the constitutionality of the Trademark Act on its face or as applied); *Harjo v. Pro-Football, Inc.*, 50 USPQ2d 1705, 1710 (TTAB 1999) (no authority to declare provisions of the Trademark Act unconstitutional or to determine whether Trademark Act 2(a) is overbroad or vague), *rev’d on other grounds*, 284 F. Supp. 96, 68 USPQ2d 1225 (D.D.C. 2003).

In the present case, the evidentiary record aptly demonstrates the fame of President Trump and the wide

variety of goods in the marketplace that bear the TRUMP mark. *See also, e.g.:*

Trump Store

<https://www.trumpstore.com/collections/headwear>

<https://www.trumpstore.com/collections/women>

<https://www.trumpstore.com/collections/home>

<https://www.trumpstore.com/collections/home-bath-body>

<https://www.trumpstore.com/collections/home-luggage-travel>

<https://www.trumpstore.com/collections/trump-golf-headcovers>

<https://www.trumpstore.com/collections/trump-golf-towels-pin-flags>

<https://www.trumpstore.com/collections/trump-golf-accessories>

<https://www.trumpstore.com/collections/on-the-go>

If applicant's goods are of a type that the named person or institution sells or uses, and the named party is sufficiently famous, then it may be inferred that purchasers of the goods would be misled into making a false connection of sponsorship, approval, support or the like with the named party. *See, e.g., In re Nieves & Nieves LLC*, 113 USPQ2d 1639, 1647-48 (TTAB 2015) (holding ROYAL KATE used with applicant's consumer products, including fashion products, suggested a connection with Kate Middleton would be inferred because evidence showed that Kate Middleton, by virtue of being the wife of Prince William of the British Royal family, has become a celebrity and fashion trend-setter the me-

dia reports on, including the clothes she wears, what she does, and what she buys); *In re Cotter & Co.*, 228 USPQ 202, 204-05 (TTAB 1985) (holding WESTPOINT used with applicant's firearms suggested sponsorship, approval, support or the like from West Point because evidence showed that West Point is a well-known U.S. Military Academy). Here, the record is replete with evidence demonstrating that President Trump sells clothing under the TRUMP mark.

Moreover, applicant's response indicates that applicant does intend to trade upon the goodwill of Donald Trump. Specifically, applicant admits that the applied-for mark references "presidential candidate and president Donald Trump." Response at 1. Indeed, it is difficult to imagine any other purpose for using the name "TRUMP" on apparel except to draw the connection between President Trump and applicant's products. While intent to identify a party or trade on its goodwill is not a required element of a §2(a) claim of false suggestion of an association with such a party, the Board has held that evidence of such intent is highly probative that the public would make the intended false association. *Univ. of Notre Dame du Lac v. J.C. Gourmet Food Imps. Co.*, 703 F.2d 1372, 1377 (Fed. Cir. 1983); TMEP §1203.03(c)(i).

The evidence of record establishes that Donald Trump is a famous political figure by virtue of who he is, namely, the President of the United States. In view of the fame of President Trump and the vast array of goods bearing the TRUMP mark to which consumers are exposed in the marketplace, a connection with the President would be presumed when applied-for mark TRUMP TOO SMALL is used on applicant's goods.

For all of the foregoing reasons, and those submitted in the previous Office action (incorporated herein by reference), all four of the relevant factors weigh in favor of finding that the applied-for mark consists of or include matter which may falsely suggest a connection with Donald Trump, President of the United States. Accordingly, the refusal pursuant to Trademark Act Section 2(a) is maintained and now made **FINAL**.

In addition, applicant's response does not resolve the other issues in final status because applicant, in responding to the "false connection" refusal, has merely provided arguments and analysis that were raised previously. Therefore, the Section 2(c) refusal raised in the final Office action that issued on July 30, 2018 remains outstanding.

Because applicant's response does not resolve all outstanding refusals nor otherwise put the application in condition for publication or registration, the trademark examining attorney is holding the following issues final, including the Section 2(a) "false connection" refusal raised in the previous Office action dated June 24, 2019. *See* 37 C.F.R. §§2.63(b), 2.142(d); TMEP §715.04(b).

The following issues are in final status:

- Section 2(a) refusal – False Suggestion of an Association
- Section 2(c) refusal – Name Identifying a Particular Living Individual

The Board has been notified to resume the appeal. *See* TMEP §715.04(b).

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APPENDIX D

**UNITED STATES PATENT AND TRADEMARK
OFFICE (USPTO)**

**OFFICE ACTION (OFFICIAL LETTER)
ABOUT APPLICANT'S TRADEMARK APPLICATION**

U.S. APPLICATION SERIAL NO. 87749230

MARK: TRUMP TOO SMALL

* * * * *

APPLICANT: Elster, Steve

* * * * *

OFFICE ACTION

* * * * *

ISSUE/MAILING DATE: 6/24/2019

Upon further consideration, the Director has re-stored jurisdiction to the trademark examining attorney under 37 C.F.R. §2.84(a). The USPTO apologizes for any inconvenience this may cause.

SUMMARY OF ISSUES:

- Section 2(a) refusal – False suggestion of a connection
- Requirement for information regarding relationship between applicant and Donald Trump

**SECTION 2(a) REFUSAL – FALSE SUGGESTION OF
A CONNECTION**

Registration is refused because the applied-for mark consists of or includes matter which may falsely suggest a connection with Donald Trump, President of the United States. Trademark Act Section 2(a), 15 U.S.C. §1052(a). Although Donald Trump is not connected with the goods provided by applicant under the applied-for mark, President Trump is so well-known that consumers would presume a connection. *See id.*

In this case, applicant seeks to register TRUMP TOO SMALL for “Shirts; Shirts and short-sleeved shirts; Graphic T-shirts; Long-sleeved shirts; Short-sleeve shirts; Short-sleeved shirts; Short-sleeved or long-sleeved t-shirts; Sweat shirts; T-shirts; Tee shirts; Tee-shirts; Wearable garments and clothing, namely, shirts.”

Under Trademark Act Section 2(a), the registration of a mark that “consists of or comprises matter that may falsely suggest a connection with persons, institutions, beliefs, or national symbols” is prohibited. *In re Pedersen*, 109 USPQ2d 1185, 1188 (TTAB 2013). To establish that an applied-for mark falsely suggests a connection with a person or an institution, the following is required:

- (1) The mark sought to be registered is the same as, or a close approximation of, the name or identity previously used by another person or institution.
- (2) The mark would be recognized as such, in that it points uniquely and unmistakably to that person or institution.

- (3) The person or institution identified in the mark is not connected with the goods sold or services performed by applicant under the mark.
- (4) The fame or reputation of the named person or institution is of such a nature that a connection with such person or institution would be presumed when applicant's mark is used on its goods and/or services.

In re Pedersen, 109 USPQ2d at 1188-89; *In re Jackson Int'l Trading Co.*, 103 USPQ2d 1417, 1419 (TTAB 2012); TMEP §1203.03(c)(i); *see also Univ. of Notre Dame du Lac v. J.C. Gourmet Food Imps. Co.*, 703 F.2d 1372, 1375-77, 217 USPQ 505, 508-10 (Fed. Cir. 1983) (providing foundational principles for the current four-part test used to determine the existence of a false connection).

In the present case,

- (1) The mark sought to be registered is the same as the name or identify of Donald Trump. Specifically, the word "TRUMP" in the applied-for mark identifies Donald Trump. This is supported by the evidence previously submitted in connection with the Section 2(c) refusal (incorporated by reference herein), as well as the attached Internet website evidence showing that the term "TRUMP" refers to Donald Trump. *See, e.g.:*
 - The Washington Post, *Can Trump put out the fire he started?*, https://www.washingtonpost.com/world/2019/06/24/can-trump-put-out-fire-he-started/?utm_term=.4f7f2c187b30
 - CNN, *Trump escapes to Camp David after bucking aides on Iran, immigration*, <https://>

www.cnn.com/2019/06/24/politics/donald-trump-camp-david-iran-immigration/index.html

- CNBC, *Trump signs executive order slapping ‘hard-hitting’ sanctions on Iran over drone shutdown*, <https://www.cnbc.com/2019/06/24/trump-sanctions-iran-over-downed-drone.html>
- Mediaite, *Trump Refers To Himself in the Third Person While Claiming Memo ‘Totally Vindicates’ Him*, <https://www.mediaite.com/online/trump-refers-to-himself-in-the-third-person-while-claiming-memo-totally-vindicates-him/>
- The New York Times, *Will America Make Trump Great Again?*, <https://www.nytimes.com/2019/06/22/opinion/trump-2020-win.html>
- NBC, *Trump shows he remains fixated on Obama*, <https://www.nbcnews.com/politics/meet-the-press/trump-shows-he-remains-fixated-obama-n1020916>
- NPR, *Ravelry, The Knitting Website, Bans Trump Talk And Patterns*, <https://www.npr.org/2019/06/24/735460674/ravelry-the-knitting-website-bans-trump-talk-and-patterns>

In this case, the term “TRUMP” in the applied-for mark is identical to the surname of Donald Trump. Moreover, the evidence of record shows that the President is commonly referred to simply as “TRUMP” and, thus, the name “TRUMP” is synonymous with Donald Trump.

This factor weighs in favor of finding that the applied-for mark consists of or includes matter which may falsely suggest a connection with Donald Trump.

- (2) The proposed mark points uniquely and unmistakably to Donald Trump. Specifically, the use of Donald Trump’s surname “TRUMP”, combined with the wording “TOO SMALL”, unequivocally associates the applied-for mark with Donald Trump. Indeed, applicant has conceded that the applied-for mark as a whole refers to “Donald Trump’s refutation at the March 3, 2016 Republican debate of presidential candidate Marco Rubio’s insinuation that Donald Trump has a small penis.” Response to Office Action, filed on July 8, 2018; *see also* Request for Reconsideration, filed on January 29, 2019, at 1 (citing Donald Trump’s assurance to the American public during the March 3, 2016 Republican primary debate: “He [meaning then-candidate Marco Rubio], he referred to my hands. If they’re small, something else must be small. I guarantee you there’s no problem. I guarantee.”).

In addition to the evidence previously submitted, please see the attached Internet evidence showing that Donald Trump (and/or his features) have been referred to as small. *See, e.g.:*

- Amazon: <https://www.amazon.com/Trumps-Small-Hands-Soap-Republican/dp/B076JKNJ41>
- AV Club: <https://news.avclub.com/donald-trump-is-a-small-man-1798257937>

- Boing Boing: <https://boingboing.net/2018/02/22/platitude-crib.html>
- Headline of the Day: <https://www.headlineoftheday.com/2018/08/14/510-al-sharpton-trump-too-small-to-be-president/>
- Indy Week: <https://indyweek.com/news/soapboxer/donald-trump-small-man-big-world/>
- Market Watch: <https://www.marketwatch.com/story/outrage-over-report-that-white-house-ordered-uss-john-mccain-out-of-trumps-sight-2019-05-29>
- NBC Chicago: <https://www.nbcchicago.com/blogs/ward-room/The-Wieners-Circle-Offers-Tiny-Trump-Footlong-Hot-Dogs-Ahead-of-Candidates-Chicago-Rally-371730621.html>
- The Guardian: <https://www.theguardian.com/us-news/video/2016/mar/04/trump-defends-his-manhood-after-rubios-small-hands-comment-video>

In view of the evidence of record, it is clear that the applied-for mark points unmistakably to Donald Trump and, moreover, was intentionally selected by the applicant in an attempt to associate the mark and applicant's goods with President Trump.

This factor weighs in favor of finding that the applied-for mark consists of or includes matter which may falsely suggest a connection with Donald Trump.

- (3) The record is devoid of evidence indicating that Donald Trump is connected with the goods sold by the applicant under the proposed mark.

This factor weighs in favor of finding that the applied-for mark consists of or includes matter which may falsely suggest a connection with Donald Trump.

- (4) The fame of Donald Trump is such that a connection between the President and the applicant would be presumed by the applicant's use of the applied-for mark on its goods. In this case, the evidence of record establishes that Donald Trump is the subject of frequent media attention and is, therefore, well known by the public. Indeed, he is so well known that the name "TRUMP" in the applied-for mark would be construed by the public as a reference to President Trump.

In addition to the evidence previously submitted, please see the attached sampling of article excerpts from LexisNexis®, which reflect the fame and reputation of Donald Trump. Specifically, this evidence demonstrates that Donald Trump, as President of the United States, is the subject of constant media attention. *See, e.g.:*

Moreover, Donald Trump sells a variety of goods under the TRUMP mark, including clothing. *See, e.g.:*

- <https://www.trumpstore.com/collections/trump-t-shirt>
- <https://www.trumpstore.com/collections/women>

- <https://www.trumpstore.com/collections/headwear>
- <https://www.trumpstore.com/collections/gifts>
- <https://www.trumpstore.com/collections/gifts-candles>
- <https://www.trumpstore.com/collections/gifts-trump-signature-collection>
- <http://trumpwinery.orderport.net/product-details/0008/Wine-Key>
- <https://trumpwinery.orderport.net/merchandise/Gifts>
- <https://www.trump.com/trump-store>
- <https://www.trumpstore.com/collections/home-bedding>
- <https://www.trumpstore.com/collections/home-luggage-travel>
- <https://www.trumpstore.com/collections/home-pets>
- <https://www.eyeglasses.com/search.html?q=donald+trump>
- Washington Post: <https://www.washingtonpost.com/graphics/world/trump-worldwide-licensing/>
- Forbes: <https://www.forbes.com/sites/steveolenski/2015/11/24/donald-trumps-real-secret-to-riches-create-a-brand-and-license-it/#66773a013622>
- Motley Fool: <https://www.fool.com/investing/2016/11/17/donald-trumps-name-is-everywhere-but-what-does-he.aspx>

If applicant's goods and/or services are of a type that the named person or institution sells or uses, and the named party is sufficiently famous, then it may be inferred that purchasers of the goods and/or services would be misled into making a false connection of sponsorship, approval, support or the like with the named party. *See, e.g., In re Nieves & Nieves LLC*, 113 USPQ2d 1639, 1647-48 (TTAB 2015) (holding ROYAL KATE used with applicant's consumer products, including fashion products, suggested a connection with Kate Middleton would be inferred because evidence showed that Kate Middleton, by virtue of being the wife of Prince William of the British Royal family, has become a celebrity and fashion trend-setter the media reports on, including the clothes she wears, what she does, and what she buys); *In re Cotter & Co.*, 228 USPQ 202, 204-05 (TTAB 1985) (holding WESTPOINT used with applicant's firearms suggested sponsorship, approval, support or the like from West Point because evidence showed that West Point is a well-known U.S. Military Academy). Here, the evidence establishes the fame of Donald Trump and shows that the TRUMP mark is used on a wide variety of goods, including clothing, home accessories, luggage and travel goods, food, perfume, pet accessories, toys and wine keys. Accordingly, consumers encountering the applied-for mark used in connection with the identified goods would be misled into making a false connection of sponsorship, approval or support with President Trump.

This factor weighs in favor of finding that the applied-for mark consists of or includes matter which may falsely suggest a connection with Donald Trump.

For all of the foregoing reasons, all four of the relevant factors weigh in favor of finding that the applied-for mark consists of or includes matter which may falsely suggest a connection with Donald Trump, President of the United States. Accordingly, registration must be refused pursuant to Trademark Act Section 2(a).

PLEASE NOTE: Section 2(a) is an absolute bar to registration either on the Principal or Supplemental Register. TMEP §1203.03.

Although applicant's mark has been refused registration, applicant may respond to the refusal(s) by submitting evidence and arguments in support of registration.

If applicant responds to the above refusal(s), applicant must also respond to the requirement(s) set forth below.

INFORMATION REQUIRED REGARDING RELATIONSHIP BETWEEN APPLICANT AND PERSON NAMED IN MARK

Due to the renown of Donald Trump, and the fact that there is no information in the application record regarding a connection with applicant, applicant must specify whether Donald Trump has any connection with applicant's goods, and if so, must describe the nature and extent of that connection. *See* 37 C.F.R. §2.61(b); TMEP §1203.03(c)(i).

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APPENDIX E

**UNITED STATES PATENT AND TRADEMARK
OFFICE (USPTO)**

**OFFICE ACTION (OFFICIAL LETTER)
ABOUT APPLICANT'S TRADEMARK APPLICATION**

U.S. APPLICATION SERIAL NO. 87749230

MARK: TRUMP TOO SMALL

* * * * *

APPLICANT: Elster, Steve

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OFFICE ACTION

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ISSUE/MAILING DATE: 7/30/2018

THIS IS A FINAL ACTION.

This Office action is in response to applicant's communication filed on July 8, 2018.

In the initial Office action, the examining attorney refused registration under Trademark Act Section 2(c) because the applied-for mark consists of or comprises a name, portrait, or signature identifying a particular living individual whose written consent to register the mark is not of record.

In its response, the applicant argued against the Section 2(c) refusal. Applicant's response has been received and made of record.

The refusal pursuant to Section 2(c) of the Trademark Act is maintained and now made FINAL for the reasons set forth below. See 37 C.F.R. §2.63(b); TMEP §714.04.

Final:

Section 2(c) Refusal: Name Identifying a Particular Living Individual

Registration remains refused because the applied-for mark TRUMP TOO SMALL consists of or comprises a name, portrait, or signature identifying a particular living individual whose written consent to register the mark is not of record. Trademark Act Section 2(c), 15 U.S.C. §1052(c); TMEP §1206; see *In re Nieves & Nieves LLC*, 113 USPQ2d 1639, 1649-50 (TTAB 2015); *In re Hoefflin*, 97 USPQ2d 1174, 1175-76 (TTAB 2010).

For purposes of Section 2(c), a name in a mark identifies a particular living individual if the person bearing the name will be associated with the mark as used on the goods or services because: “(1) the person is so well known that the public would reasonably assume a connection between the person and the goods or services; or (2) the individual is publicly connected with the business in which the mark is used.” *In re Nieves & Nieves LLC*, 113 USPQ2d 1639, 1650 (TTAB 2015); see *In re Hoefflin*, 97 USPQ2d 1174, 1175-76 (TTAB 2010); *Krause v. Krause Publ’ns, Inc.*, 76 USPQ2d 1904, 1909-10 (TTAB 2005).

Section 2(c) applies not only to the full name of an individual, but also to any first name, surname, shortened name, pseudonym, stage name, title, or nickname that identifies a particular living individual. *In re Nieves & Nieves LLC*, 113 USPQ2d 1629, 1639 (TTAB

2015) (holding registration of the mark PRINCESS KATE barred under Section 2(c) in the absence of consent to register, because the mark “points uniquely and unmistakably to Kate Middleton,” the Duchess of Cambridge, whose identity is renowned); *In re Hoefflin*, 97 USPQ2d 1174, 1177-78 (TTAB 2010) (holding registration of the marks OBAMA PAJAMA, OBAMA BAHAMA PAJAMAS, and BARACK’S JOCKS DRESS TO THE LEFT barred under Section 2(c) in the absence of consent to register, because the marks create a direct association with President Barack Obama); *In re Sauer*, 27 USPQ2d 1073, 1074-75 (TTAB 1993) (holding registration of a mark containing BO, used in connection with a sports ball, barred under Section 2(c) in the absence of consent to register, because BO is the nickname of the well-known athlete BO JACKSON and thus use of the mark would lead to the assumption that he was associated with the goods), *aff’d per curiam*, 26 F.3d 140 (Fed. Cir. 1994).

In this case, applicant seeks to register TRUMP TOO SMALL for “Shirts; Shirts and short-sleeved shirts; Graphic T-shirts; Long-sleeved shirts; Short-sleeve shirts; Short-sleeved shirts; Short-sleeved or long-sleeved t-shirts; Sweat shirts; T-shirts; Tee shirts; Tee-shirts; Wearable garments and clothing, namely, shirts.” As explained in the previous Office action, Donald Trump is an American businessman, television personality, politician, and the 45th President of the United States. Elected on November 8, 2016, Trump won the general election on November 8, 2016 and assumed office on January 20, 2017. Accordingly, as President of the United States, Donald Trump is so well known that the public would reasonably assume a connection between the person and the subject goods.

In addition to the evidence previously submitted, the examining attorney now attaches the following Internet evidence as well as articles from LexisNexis® taken from major newspapers nationwide showing that President Trump is the subject of frequent media attention and is, consequently, well known to the public. *See, e.g.:*

<http://time.com/donald-trump-after-hours/>

<https://www.usatoday.com/story/news/politics/2018/07/30/rudy-giuliani-trump-team-preparing-counter-report-robert-mueller/858771002/>

http://www.bostonherald.com/news/columnists/howie_carr/2018/07/howie_carr_moonbats_plagued_by_trump

<http://www.foxnews.com/opinion/2018/07/29/does-donald-trump-really-hate-breastfeeding-another-media-mis-report.html>

<https://losangeles.cbslocal.com/2018/07/29/more-drama-a-bloody-nose-and-another-brawl-at-donald-trumps-walk-of-fame-star/>

<http://fortune.com/2018/07/28/trump-donald-jr-russia-meeting/>

<https://www.npr.org/2018/07/30/633993070/trumps-tweets-show-he-s-betting-on-his-base-to-retain-power-in-washington>

<https://www.theatlantic.com/magazine/archive/2017/10/will-donald-trump-destroy-the-presidency/537921/>

https://www.washingtonpost.com/blogs/plum-line/wp/2018/07/30/trumps-latest-rage-tweets-about-mueller-and-border-wall-reveal-gop-weakness/?utm_term=.cd189d50ec4b

<https://nypost.com/2018/07/28/trumps-demise-has-been-greatly-exaggerated/>

The attached evidence demonstrates that President Trump is well known by the public and so well known that the name TRUMP in the applied-for mark would be construed by the public as a reference to Donald Trump. The fact that a mark also contains other matter, in addition to a name, portrait, or signature, does not alter the requirement for written consent to register from the identified individual. *See Reed v. Bakers Eng'g & Equip. Co.*, 100 USPQ 196, 199 (PTO 1954).

Moreover, applicant concedes that the name "TRUMP" in the applied-for mark refers to Donald Trump. *See* Response ("The applied-for mark TRUMP TOO SMALL is political commentary about presidential candidate and president Donald Trump").

Upon encountering the applied-for mark TRUMP TOO SMALL, consumers would unequivocally associate the mark with Donald Trump. Accordingly, the name "TRUMP" in the applied-for mark identifies Donald Trump because President Trump is so well known that the public would reasonably assume a connection between the President and the goods specified in the application.

Applicant's Arguments

Applicant contends that the applied-for mark is entitled to registration because it consists of political commentary about Donald Trump "that the relevant consumer in the United States would not understand to be sponsored by, endorsed by, or affiliated with Donald Trump." *See* Response.

Examining Attorney's Response

Applicant's arguments against the refusal have been considered and found unpersuasive for the reasons set forth below.

First, applicant admits that the proposed mark is a direct reference to Donald Trump. *See* Response ("The applied-for mark TRUMP TOO SMALL is political commentary about presidential candidate and president Donald Trump"). In view of this admission, it is clear that the applied-for mark was selected by the applicant in an attempt to associate the mark and applicant's goods with President Trump, thereby benefiting monetarily from the fame of the President. Such commercial exploitation is precisely the type of activity that Section 2(c) is intended to prevent. *See In re Hoefflin*, 97 USPQ2d at 1176 (noting that the purpose of requiring the consent of a living individual to the registration of his or her name, signature, or portrait is to protect rights of privacy and publicity that living persons have in the designations that identify them); *see also* TMEP §1206.

Second, the fact that the proposed mark may be intended as political commentary is not determinative. Moreover, neither the statute nor the case law carves out a "political commentary" exception to the right of privacy and publicity.

Finally, applicant's argument that consumers would not understand the applied-for mark to be sponsored by, endorsed by, or affiliated with Donald Trump is also unavailing. The basis of the instant refusal is the rights of privacy and publicity that living persons have in the designations that identify them. *In re Hoefflin*, 97

USPQ2d at 1176; *see also Univ. of Notre Dame du Lac v. J.C. Gourmet Food Imps. Co.*, 703 F.2d 1372, 1376 n.8, 217 USPQ 505, 509 n.8 (Fed. Cir. 1983); *Canovas v. Venezia* 80 S.R.L., 220 USPQ 660, 661 (TTAB 1983). Moreover, the Trademark Trial and Appeal Board has previously held:

While with lesser-known figures there may have to be evidence showing that the consuming public connects them with the manufacturing or marketing of the goods at issue, well-known individuals such as celebrities and **world-famous political figures are entitled to the protection of Section 2(c) without having to demonstrate a connection with the involved goods or services.**

See Hoeflin, 97 USPQ2d at 1177 (emphasis added) (because Barack Obama is the President of the United States, the purchasing public will reasonably assume that marks consisting of the names BARACK and OBAMA identify President Barack Obama). Here, the record is replete with evidence showing that Donald Trump, as President of the United States, is extremely well known. Accordingly, the name “TRUMP” in the applied-for mark will instantly create an association with the President.

For all of the foregoing reasons, the use of the name “TRUMP” in the proposed mark would be construed by the public as a reference to Donald Trump. Accordingly, because President Trump’s written consent is not of record, registration must be refused pursuant to Section 2(c) of the Trademark Act.

The refusal under Section 2(c) will be withdrawn if applicant provides both of the following:

- (1) A statement that the name shown in the mark identifies Donald Trump, a living individual whose consent is of record.
- (2) A written consent, personally signed by the individual whose name, signature, or portrait appears in the mark, authorizing applicant to register the identifying matter as a trademark and/or service mark with the USPTO; for example, an applicant may use, if applicable, the following: “I, Donald Trump, consent to the use and registration of my name as a trademark and/or service mark with the USPTO.”

See TMEP §§813, 813.01(a), 1206.04(a).

Applicant is advised that the written consent must include a statement of the party’s consent to applicant’s *registration*, and not just the *use*, of the identifying matter as a trademark. See *Krause v. Krause Publ’ns, Inc.*, 76 USPQ2d 1904, 1912-13 (TTAB 2005); *In re New John Nissen Mannequins*, 227 USPQ 569, 571 (TTAB 1985); TMEP §1206.04(a).

This refusal is maintained and now made **FINAL**.

* * * * *

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APPENDIX F

**UNITED STATES PATENT AND TRADEMARK
OFFICE (USPTO)**

**OFFICE ACTION (OFFICIAL LETTER)
ABOUT APPLICANT'S TRADEMARK APPLICATION**

U.S. APPLICATION SERIAL NO. 87749230

MARK: TRUMP TOO SMALL

* * * * *

APPLICANT: Elster, Steve

* * * * *

OFFICE ACTION

* * * * *

ISSUE/MAILING DATE: 2/19/2018

The referenced application has been reviewed by the assigned trademark examining attorney. Applicant must respond timely and completely to the issue(s) below. 15 U.S.C. §1062(b); 37 C.F.R. §§2.62(a), 2.65(a); TMEP §§711, 718.03.

NO CONFLICTING MARKS FOUND

The trademark examining attorney has searched the Office's database of registered and pending marks and has found no conflicting marks that would bar registration under Trademark Act Section 2(d). TMEP §704.02; *see* 15 U.S.C. §1052(d).

Registration is refused, however, on the following grounds.

SECTION 2(c) REFUSAL – NAME IDENTIFYING A PARTICULAR LIVING INDIVIDUAL

Registration is refused because the applied-for mark TRUMP TOO SMALL consists of or comprises a name, portrait, or signature identifying a particular living individual whose written consent to register the mark is not of record. Trademark Act Section 2(c), 15 U.S.C. §1052(c); TMEP §1206; *see In re Nieves & Nieves LLC*, 113 USPQ2d 1639, 1649-50 (TTAB 2015); *In re Hoefflin*, 97 USPQ2d 1174, 1175-76 (TTAB 2010).

For purposes of Section 2(c), a name in a mark identifies a particular living individual if the person bearing the name will be associated with the mark as used on the goods or services because: “(1) the person is so well known that the public would reasonably assume a connection between the person and the goods or services; or (2) the individual is publicly connected with the business in which the mark is used.” *In re Nieves & Nieves LLC*, 113 USPQ2d 1639, 1650 (TTAB 2015); *see In re Hoefflin*, 97 USPQ2d 1174, 1175-76 (TTAB 2010); *Krause v. Krause Publ’ns, Inc.*, 76 USPQ2d 1904, 1909-10 (TTAB 2005).

Section 2(c) applies not only to the full name of an individual, but also to any first name, surname, shortened name, pseudonym, stage name, title, or nickname that identifies a particular living individual. *In re Nieves & Nieves LLC*, 113 USPQ2d 1629, 1639 (TTAB 2015) (holding registration of the mark PRINCESS KATE barred under Section 2(c) in the absence of consent to register, because the mark “points uniquely and

unmistakably to Kate Middleton,” the Duchess of Cambridge, whose identity is renowned); *In re Hoefflin*, 97 USPQ2d 1174, 1177-78 (TTAB 2010) (holding registration of the marks OBAMA PAJAMA, OBAMA BAHAMA PAJAMAS, and BARACK’S JOCKS DRESS TO THE LEFT barred under Section 2(c) in the absence of consent to register, because the marks create a direct association with President Barack Obama); *In re Sauer*, 27 USPQ2d 1073, 1074-75 (TTAB 1993) (holding registration of a mark containing BO, used in connection with a sports ball, barred under Section 2(c) in the absence of consent to register, because BO is the nickname of the well-known athlete BO JACKSON and thus use of the mark would lead to the assumption that he was associated with the goods), *aff’d per curiam*, 26 F.3d 140 (Fed. Cir. 1994).

In this case, Donald John Trump is an American businessman, television personality, politician, and the 45th President of the United States. Elected on November 8, 2016, Trump won the general election on November 8, 2016 and assumed office on January 20, 2017. He is the chairman and president of The Trump Organization, and the founder of Trump Entertainment Resorts. On June 16, 2015, Trump formally announced his candidacy for president of the United States in the 2016 election, seeking the nomination of the Republican Party. For these reasons, he is the subject of frequent media attention and his name is often in the public view. Please see the attached sampling of items retrieved via an Internet search.

The name “TRUMP” in the applied-for mark clearly references Donald Trump. The fact that a mark also contains other matter, in addition to a name, portrait, or

signature, does not alter the requirement for written consent to register from the identified individual. *See Reed v. Bakers Eng'g & Equip. Co.*, 100 USPQ 196, 199 (PTO 1954).

For all of the foregoing reasons, the use of the name “TRUMP” in the proposed mark would be construed by the public as a reference to Donald Trump. Accordingly, because President Trump’s written consent is not of record, registration must be refused pursuant to Section 2(c) of the Trademark Act.

The refusal under Section 2(c) will be withdrawn if applicant provides both of the following:

- (1) A statement that the name shown in the mark identifies Donald Trump, a living individual whose consent is of record.
- (2) A written consent, personally signed by the individual whose name, signature, or portrait appears in the mark, authorizing applicant to register the identifying matter as a trademark and/or service mark with the USPTO; for example, an applicant may use, if applicable, the following: “I, Donald Trump, consent to the use and registration of my name as a trademark and/or service mark with the USPTO.”

See TMEP §§813, 813.01(a), 1206.04(a).

Applicant is advised that the written consent must include a statement of the party’s consent to applicant’s *registration*, and not just the *use*, of the identifying matter as a trademark. *See Krause v. Krause Publ’ns, Inc.*, 76 USPQ2d 1904, 1912-13 (TTAB 2005); *In re New John Nissen Mannequins*, 227 USPQ 569, 571 (TTAB 1985); TMEP §1206.04(a).

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Although applicant's mark has been refused registration, applicant may respond to the refusal(s) by submitting evidence and arguments in support of registration.

* * * * *

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* * * * *

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APPENDIX G

UNITED STATES COURT OF APPEALS
FOR THE FEDERAL CIRCUIT

No. 2020-2205

IN RE: STEVE ELSTER,
Appellant

Filed: Aug. 31, 2022

Appeal from the United States Patent and
Trademark Office, Trademark Trial and Appeal Board
in No. 87749230

**ON PETITION FOR PANEL REHEARING AND
REHEARING EN BANC**

Before MOORE, *Chief Judge*, NEWMAN, LOURIE,
DYK, PROST, REYNA, TARANTO, CHEN, HUGHES, STOLL,
CUNNINGHAM, and STARK, *Circuit Judges*.

PER CURIAM.

ORDER

Appellee Katherine K. Vidal filed a combined petition for panel rehearing and rehearing en banc. A response to the petition was invited by the court and filed by Steve Elster. The petition was referred to the panel that heard the appeal, and thereafter the petition for rehearing en banc was referred to the circuit judges who are in regular active service.

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Upon consideration thereof,

IT IS ORDERED THAT:

The petition for panel rehearing is denied.

The petition for rehearing en banc is denied.

The mandate of the court will issue September 7, 2022.

FOR THE COURT

August 31, 2022
Date

/s/ Peter R. Marksteiner
Peter R. Marksteiner
Clerk of the Court

APPENDIX H

Trademark/Service Mark Application, Principal Register

Serial Number: 87749230

Filing Date: 01/10/2018

The table below presents the data as entered.

Input Field	Entered
SERIAL NUMBER	87749230
MARK INFORMATION	
*MARK	<u>Trump too small</u>
STANDARD CHARACTERS	YES
USPTO-GENERATED IMAGE	YES
LITERAL ELEMENT	Trump too small
MARK STATEMENT	The mark consists of standard characters, without claim to any particular font style, size, or color.
REGISTER	Principal
APPLICANT INFORMATION	
*OWNER OF MARK	Elster, Steve
*STREET	* * * * *

*CITY	* * * * *
*STATE (Required for U.S. applicants)	California
*COUNTRY	United States
*ZIP/POSTAL CODE (Required for U.S. and certain international addresses)	* * * * *
PHONE	* * * * *
EMAIL ADDRESS	XXXX
AUTHORIZED TO COMMUNICATE VIA EMAIL	Yes
LEGAL ENTITY INFORMATION	
TYPE	individual
COUNTRY OF CITIZENSHIP	United States
GOODS AND/OR SERVICES AND BASIS INFORMATION	
INTERNATIONAL CLASS	025
*IDENTIFICATION	Shirts; Shirts and short-sleeved shirts; Graphic T-shirts; Long-sleeved shirts; Short-sleeve shirts; Short-sleeved shirts; Short-sleeved or long-sleeved t-shirts; Sweat shirts; T-shirts; Tee shirts; Tee-shirts; Wearable gar-

	ments and clothing, namely, shirts
FILING BASIS	SECTION 1(b)
CORRESPONDENCE INFORMATION	
NAME	Elster, Steve
STREET	* * * * *
CITY	* * * * *
STATE	California
COUNTRY	United States
ZIP/POSTAL CODE	* * * * *
PHONE	* * * * *
*EMAIL ADDRESS	* * * * *
*AUTHORIZED TO COMMUNICATE VIA EMAIL	Yes
FEE INFORMATION	
APPLICATION FILING OPTION	TEAS RF
NUMBER OF CLASSES	1
APPLICATION FOR REGISTRATION PER CLASS	275
*TOTAL FEE DUE	275
*TOTAL FEE PAID	275

SIGNATURE INFORMATION	
SIGNATURE	/steve elster/
SIGNATORY'S NAME	Steve Elster
SIGNATORY'S POSITION	Owner
SIGNATORY'S PHONE NUMBER	* * * * *
DATE SIGNED	01/09/2018

Trademark/Service Mark Application, Principal Register

Serial Number: 87749230

Filing Date: 01/10/2018

To the Commissioner for Trademarks:

MARK: Trump too small (Standard Characters, see mark)

The literal element of the mark consists of Trump too small.

The mark consists of standard characters, without claim to any particular font style, size, or color.

The applicant, Steve Elster, a citizen of United States, having an address of

* * * * *

requests registration of the trademark/service mark identified above in the United States Patent and Trademark Office on the Principal Register established by the Act of July 5, 1946 (15 U.S.C. Section 1051 et seq.), as amended, for the following:

For specific filing basis information for each item, you must view the display within the Input Table.

International Class 025: Shirts; Shirts and short-sleeved shirts; Graphic T-shirts; Long-sleeved shirts; Short-sleeve shirts; Short-sleeved shirts; Short-sleeved or long-sleeved t-shirts; Sweat shirts; T-shirts; Tee shirts; Tee-shirts; Wearable garments and clothing, namely, shirts Intent to Use: The applicant has a bona fide intention, and is entitled, to use the mark in commerce on or in connection with the identified goods/services.

The applicant's current Correspondence Information:

Elster, Steve

* * * * *

E-mail Authorization: I authorize the USPTO to send e-mail correspondence concerning the application to the applicant, the applicant's attorney, or the applicant's domestic representative at the e-mail address provided in this application. I understand that a valid e-mail address must be maintained and that the applicant or the applicant's attorney must file the relevant subsequent application-related submissions via the Trademark Electronic Application System (TEAS). Failure to do so will result in the loss of TEAS Reduced Fee status and a requirement to submit an additional processing fee of \$125 per international class of goods/services.

A fee payment in the amount of \$275 has been submitted with the application, representing payment for 1 class(es).

Declaration



Basis:

If the applicant is filing the application based on use in commerce under 15 U.S.C. § 1051(a):

- The signatory believes that the applicant is the owner of the trademark/service mark sought to be registered;
- The mark is in use in commerce on or in connection with the goods/services in the application;
- The specimen(s) shows the mark as used on or in connection with the goods/services in the application; and
- To the best of the signatory's knowledge and belief, the facts recited in the application are accurate.

And/Or

If the applicant is filing the application based on an intent to use the mark in commerce under 15 U.S.C. § 1051(b), § 1126(d), and/or § 1126(e):

- The signatory believes that the applicant is entitled to use the mark in commerce;
- The applicant has a bona fide intention to use the mark in commerce on or in connection with the goods/services in the application; and
- To the best of the signatory's knowledge and belief, the facts recited in the application are accurate.

- To the best of the signatory's knowledge and belief, no other persons, except, if applicable, concurrent users, have the right to use the mark in commerce, either in the identical form or in such near resemblance as to be likely, when used on or in connection with the goods/services of such other persons, to cause confusion or mistake, or to deceive.
- To the best of the signatory's knowledge, information, and belief, formed after an inquiry reasonable under the circumstances, the allegations and other factual contentions made above have evidentiary support.
- The signatory being warned that willful false statements and the like are punishable by fine or imprisonment, or both, under 18 U.S.C. § 1001, and that such willful false statements and the like may jeopardize the validity of the application or submission or any registration resulting therefrom, declares that all statements made of his/her own knowledge are true and all statements made on information and belief are believed to be true.

Declaration Signature

Signature: /steve elster/ Date: 01/09/2018

Signatory's Name: Steve Elster

Signatory's Position: Owner

Payment Sale Number: 87749230

Payment Accounting Date: 01/10/2018

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Serial Number: 87749230

Internet Transmission Date: Wed Jan 10 00:37:52
EST 2018

TEAS Stamp: USPTO/BAS-XXX.XXX.XX.XXX-
201801100037527

10168-87749230-5105751dbe85a9e1b951de5fa
a5cd9e8838766252cbe94a81ba3dea3611648d3b
7d-CC-6264-20180110003053931277

APPENDIX I

15 U.S.C. 1052 provides:

Trademarks registrable on principal register; concurrent registration

No trademark by which the goods of the applicant may be distinguished from the goods of others shall be refused registration on the principal register on account of its nature unless it—

(a) Consists of or comprises immoral, deceptive, or scandalous matter; or matter which may disparage or falsely suggest a connection with persons, living or dead, institutions, beliefs, or national symbols, or bring them into contempt, or disrepute; or a geographical indication which, when used on or in connection with wines or spirits, identifies a place other than the origin of the goods and is first used on or in connection with wines or spirits by the applicant on or after one year after the date on which the WTO Agreement (as defined in section 3501(9) of title 19) enters into force with respect to the United States.

(b) Consists of or comprises the flag or coat of arms or other insignia of the United States, or of any State or municipality, or of any foreign nation, or any simulation thereof.

(c) Consists of or comprises a name, portrait, or signature identifying a particular living individual except by his written consent, or the name, signature, or portrait of a deceased President of the United States during the life of his widow, if any, except by the written consent of the widow.

(d) Consists of or comprises a mark which so resembles a mark registered in the Patent and Trademark Office, or a mark or trade name previously used in the United States by another and not abandoned, as to be likely, when used on or in connection with the goods of the applicant, to cause confusion, or to cause mistake, or to deceive: *Provided*, That if the Director determines that confusion, mistake, or deception is not likely to result from the continued use by more than one person of the same or similar marks under conditions and limitations as to the mode or place of use of the marks or the goods on or in connection with which such marks are used, concurrent registrations may be issued to such persons when they have become entitled to use such marks as a result of their concurrent lawful use in commerce prior to (1) the earliest of the filing dates of the applications pending or of any registration issued under this chapter; (2) July 5, 1947, in the case of registrations previously issued under the Act of March 3, 1881, or February 20, 1905, and continuing in full force and effect on that date; or (3) July 5, 1947, in the case of applications filed under the Act of February 20, 1905, and registered after July 5, 1947. Use prior to the filing date of any pending application or a registration shall not be required when the owner of such application or registration consents to the grant of a concurrent registration to the applicant. Concurrent registrations may also be issued by the Director when a court of competent jurisdiction has finally determined that more than one person is entitled to use the same or similar marks in commerce. In issuing concurrent registrations, the Director shall prescribe conditions and limitations as to the mode or place of use of the mark or

the goods on or in connection with which such mark is registered to the respective persons.

(e) Consists of a mark which (1) when used on or in connection with the goods of the applicant is merely descriptive or deceptively misdescriptive of them, (2) when used on or in connection with the goods of the applicant is primarily geographically descriptive of them, except as indications of regional origin may be registrable under section 1054 of this title, (3) when used on or in connection with the goods of the applicant is primarily geographically deceptively misdescriptive of them, (4) is primarily merely a surname, or (5) comprises any matter that, as a whole, is functional.

(f) Except as expressly excluded in subsections (a), (b), (c), (d), (e)(3), and (e)(5) of this section, nothing in this chapter shall prevent the registration of a mark used by the applicant which has become distinctive of the applicant's goods in commerce. The Director may accept as prima facie evidence that the mark has become distinctive, as used on or in connection with the applicant's goods in commerce, proof of substantially exclusive and continuous use thereof as a mark by the applicant in commerce for the five years before the date on which the claim of distinctiveness is made. Nothing in this section shall prevent the registration of a mark which, when used on or in connection with the goods of the applicant, is primarily geographically deceptively misdescriptive of them, and which became distinctive of the applicant's goods in commerce before December 8, 1993.

A mark which would be likely to cause dilution by blurring or dilution by tarnishment under section 1125(c) of this title, may be refused registration only pursuant

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to a proceeding brought under section 1063 of this title. A registration for a mark which would be likely to cause dilution by blurring or dilution by tarnishment under section 1125(c) of this title, may be canceled pursuant to a proceeding brought under either section 1064 of this title or section 1092 of this title.

Syllabus

NOTE: Where it is feasible, a syllabus (headnote) will be released, as is being done in connection with this case, at the time the opinion is issued. The syllabus constitutes no part of the opinion of the Court but has been prepared by the Reporter of Decisions for the convenience of the reader. See *United States v. Detroit Timber & Lumber Co.*, 200 U. S. 321, 337.

SUPREME COURT OF THE UNITED STATES

Syllabus

**ANDY WARHOL FOUNDATION FOR THE VISUAL
ARTS, INC. v. GOLDSMITH ET AL.****CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR
THE SECOND CIRCUIT**

No. 21–869. Argued October 12, 2022—Decided May 18, 2023

In 2016, petitioner Andy Warhol Foundation for the Visual Arts, Inc. (AWF) licensed to Condé Nast for \$10,000 an image of “Orange Prince”—an orange silkscreen portrait of the musician Prince created by pop artist Andy Warhol—to appear on the cover of a magazine commemorating Prince. Orange Prince is one of 16 works now known as the Prince Series that Warhol derived from a copyrighted photograph taken in 1981 by respondent Lynn Goldsmith, a professional photographer. Goldsmith had been commissioned by Newsweek in 1981 to photograph a then “up and coming” musician named Prince Rogers Nelson, after which Newsweek published one of Goldsmith’s photos along with an article about Prince. Years later, Goldsmith granted a limited license to Vanity Fair for use of one of her Prince photos as an “artist reference for an illustration.” The terms of the license included that the use would be for “one time” only. Vanity Fair hired Warhol to create the illustration, and Warhol used Goldsmith’s photo to create a purple silkscreen portrait of Prince, which appeared with an article about Prince in Vanity Fair’s November 1984 issue. The magazine credited Goldsmith for the “source photograph” and paid her \$400. After Prince died in 2016, Vanity Fair’s parent company (Condé Nast) asked AWF about reusing the 1984 Vanity Fair image for a special edition magazine that would commemorate Prince. When Condé Nast learned about the other Prince Series images, it opted instead to purchase a license from AWF to publish Orange Prince. Goldsmith did not know about the Prince Series until 2016, when she saw Orange Prince on the cover of Condé Nast’s magazine. Goldsmith notified AWF of her belief that it had infringed her copyright. AWF then sued Goldsmith for a declaratory judgment of noninfringement or, in the

2 ANDY WARHOL FOUNDATION FOR VISUAL ARTS, INC.
 v. GOLDSMITH
 Syllabus

alternative, fair use. Goldsmith counterclaimed for infringement. The District Court considered the four fair use factors in 17 U. S. C. §107 and granted AWF summary judgment on its defense of fair use. The Court of Appeals reversed, finding that all four fair use factors favored Goldsmith. In this Court, the sole question presented is whether the first fair use factor, “the purpose and character of the use, including whether such use is of a commercial nature or is for nonprofit educational purposes,” §107(1), weighs in favor of AWF’s recent commercial licensing to Condé Nast.

Held: The “purpose and character” of AWF’s use of Goldsmith’s photograph in commercially licensing Orange Prince to Condé Nast does not favor AWF’s fair use defense to copyright infringement. Pp. 12–38.

(a) AWF contends that the Prince Series works are “transformative,” and that the first fair use factor thus weighs in AWF’s favor, because the works convey a different meaning or message than the photograph. But the first fair use factor instead focuses on whether an allegedly infringing use has a further purpose or different character, which is a matter of degree, and the degree of difference must be weighed against other considerations, like commercialism. Although new expression, meaning, or message may be relevant to whether a copying use has a sufficiently distinct purpose or character, it is not, without more, dispositive of the first factor. Here, the specific use of Goldsmith’s photograph alleged to infringe her copyright is AWF’s licensing of Orange Prince to Condé Nast. As portraits of Prince used to depict Prince in magazine stories about Prince, the original photograph and AWF’s copying use of it share substantially the same purpose. Moreover, AWF’s use is of a commercial nature. Even though Orange Prince adds new expression to Goldsmith’s photograph, in the context of the challenged use, the first fair use factor still favors Goldsmith. Pp. 12–27.

(1) The Copyright Act encourages creativity by granting to the creator of an original work a bundle of rights that includes the rights to reproduce the copyrighted work and to prepare derivative works. 17 U. S. C. §106. Copyright, however, balances the benefits of incentives to create against the costs of restrictions on copying. This balancing act is reflected in the common-law doctrine of fair use, codified in §107, which provides: “[T]he fair use of a copyrighted work, . . . for purposes such as criticism, comment, news reporting, teaching . . . , scholarship, or research, is not an infringement of copyright.” To determine whether a particular use is “fair,” the statute enumerates four factors to be considered. The factors “set forth general principles, the application of which requires judicial balancing, depending upon relevant circumstances.” *Google LLC v. Oracle America, Inc.*, 593 U. S. ___, ___.

The first fair use factor, “the purpose and character of the use, including whether such use is of a commercial nature or is for nonprofit

Syllabus

educational purposes,” §107(1), considers the reasons for, and nature of, the copier’s use of an original work. The central question it asks is whether the use “merely supersedes the objects of the original creation . . . (supplanting the original), or instead adds something new, with a further purpose or different character.” *Campbell v. Acuff-Rose Music, Inc.*, 510 U. S. 569, 579 (internal quotation marks and citations omitted). As most copying has some further purpose and many secondary works add something new, the first factor asks “whether *and to what extent*” the use at issue has a purpose or character different from the original. *Ibid.* (emphasis added). The larger the difference, the more likely the first factor weighs in favor of fair use. A use that has a further purpose or different character is said to be “transformative,” but that too is a matter of degree. *Ibid.* To preserve the copyright owner’s right to prepare derivative works, defined in §101 of the Copyright Act to include “any other form in which a work may be recast, transformed, or adapted,” the degree of transformation required to make “transformative” use of an original work must go beyond that required to qualify as a derivative.

The Court’s decision in *Campbell* is instructive. In holding that parody may be fair use, the Court explained that “parody has an obvious claim to transformative value” because “it can provide social benefit, by shedding light on an earlier work, and, in the process, creating a new one.” 510 U. S., at 579. The use at issue was 2 Live Crew’s copying of Roy Orbison’s song, “Oh, Pretty Woman,” to create a rap derivative, “Pretty Woman.” 2 Live Crew transformed Orbison’s song by adding new lyrics and musical elements, such that “Pretty Woman” had a different message and aesthetic than “Oh, Pretty Woman.” But that did not end the Court’s analysis of the first fair use factor. The Court found it necessary to determine whether 2 Live Crew’s transformation rose to the level of parody, a distinct purpose of commenting on the original or criticizing it. Further distinguishing between parody and satire, the Court explained that “[p]arody needs to mimic an original to make its point, and so has some claim to use the creation of its victim’s (or collective victims’) imagination, whereas satire can stand on its own two feet and so requires justification for the very act of borrowing.” *Id.*, at 580–581. More generally, when “commentary has no critical bearing on the substance or style of the original composition, . . . the claim to fairness in borrowing from another’s work diminishes accordingly (if it does not vanish), and other factors, like the extent of its commerciality, loom larger.” *Id.*, at 580.

Campbell illustrates two important points. First, the fact that a use is commercial as opposed to nonprofit is an additional element of the first fair use factor. The commercial nature of a use is relevant, but not dispositive. It is to be weighed against the degree to which the use

has a further purpose or different character. Second, the first factor relates to the justification for the use. In a broad sense, a use that has a distinct purpose is justified because it furthers the goal of copyright, namely, to promote the progress of science and the arts, without diminishing the incentive to create. In a narrower sense, a use may be justified because copying is reasonably necessary to achieve the user's new purpose. Parody, for example, "needs to mimic an original to make its point." *Id.*, at 580–581. Similarly, other commentary or criticism that targets an original work may have compelling reason to "conjure up" the original by borrowing from it. *Id.*, at 588. An independent justification like this is particularly relevant to assessing fair use where an original work and copying use share the same or highly similar purposes, or where wide dissemination of a secondary work would otherwise run the risk of substitution for the original or licensed derivatives of it. See, e.g., *Google*, 593 U. S., at ___ (slip op., at 26).

In sum, if an original work and secondary use share the same or highly similar purposes, and the secondary use is commercial, the first fair use factor is likely to weigh against fair use, absent some other justification for copying. Pp. 13–20.

(2) The fair use provision, and the first factor in particular, requires an analysis of the specific "use" of a copyrighted work that is alleged to be "an infringement." §107. The same copying may be fair when used for one purpose but not another. See *Campbell*, 510 U. S., at 585. Here, Goldsmith's copyrighted photograph has been used in multiple ways. The Court limits its analysis to the specific use alleged to be infringing in this case—AWF's commercial licensing of Orange Prince to Condé Nast—and expresses no opinion as to the creation, display, or sale of the original Prince Series works. In the context of Condé Nast's special edition magazine commemorating Prince, the purpose of the Orange Prince image is substantially the same as that of Goldsmith's original photograph. Both are portraits of Prince used in magazines to illustrate stories about Prince. The use also is of a commercial nature. Taken together, these two elements counsel against fair use here. Although a use's transformativeness may outweigh its commercial character, in this case both point in the same direction. That does not mean that all of Warhol's derivative works, nor all uses of them, give rise to the same fair use analysis. Pp. 20–27.

(b) AWF contends that the purpose and character of its use of Goldsmith's photograph weighs in favor of fair use because Warhol's silk-screen image of the photograph has a different meaning or message. By adding new expression to the photograph, AWF says, Warhol made transformative use of it. *Campbell* did describe a transformative use as one that "alter[s] the first [work] with new expression, meaning, or

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message.” 510 U. S., at 579. But *Campbell* cannot be read to mean that §107(1) weighs in favor of any use that adds new expression, meaning, or message. Otherwise, “transformative use” would swallow the copyright owner’s exclusive right to prepare derivative works, as many derivative works that “recast, transfor[m] or adap[t]” the original, §101, add new expression of some kind. The meaning of a secondary work, as reasonably can be perceived, should be considered to the extent necessary to determine whether the purpose of the use is distinct from the original. For example, the Court in *Campbell* considered the messages of 2 Live Crew’s song to determine whether the song had a parodic purpose. But fair use is an objective inquiry into what a user does with an original work, not an inquiry into the subjective intent of the user, or into the meaning or impression that an art critic or judge draws from a work.

Even granting the District Court’s conclusion that Orange Prince reasonably can be perceived to portray Prince as iconic, whereas Goldsmith’s portrayal is photorealistic, that difference must be evaluated in the context of the specific use at issue. The purpose of AWF’s recent commercial licensing of Orange Prince was to illustrate a magazine about Prince with a portrait of Prince. Although the purpose could be more specifically described as illustrating a magazine about Prince with a portrait of Prince, one that portrays Prince somewhat differently from Goldsmith’s photograph (yet has no critical bearing on her photograph), that degree of difference is not enough for the first factor to favor AWF, given the specific context and commercial nature of the use. To hold otherwise might authorize a range of commercial copying of photographs to be used for purposes that are substantially the same as those of the originals.

AWF asserts another related purpose of Orange Prince, which is to comment on the “dehumanizing nature” and “effects” of celebrity. No doubt, many of Warhol’s works, and particularly his uses of repeated images, can be perceived as depicting celebrities as commodities. But even if such commentary is perceptible on the cover of Condé Nast’s tribute to “Prince Rogers Nelson, 1958–2016,” on the occasion of the man’s death, the asserted commentary is at *Campbell*’s lowest ebb: It “has no critical bearing on” Goldsmith’s photograph, thus the commentary’s “claim to fairness in borrowing from” her work “diminishes accordingly (if it does not vanish).” *Campbell*, 510 U. S., at 580. The commercial nature of the use, on the other hand, “loom[s] larger.” *Ibid.* Like satire that does not target an original work, AWF’s asserted commentary “can stand on its own two feet and so requires justification for the very act of borrowing.” *Id.*, at 581. Moreover, because AWF’s copying of Goldsmith’s photograph was for a commercial use so similar to the photograph’s typical use, a particularly compelling justification is

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needed. Copying the photograph because doing so was merely helpful to convey a new meaning or message is not justification enough. Pp. 28–37.

(c) Goldsmith’s original works, like those of other photographers, are entitled to copyright protection, even against famous artists. Such protection includes the right to prepare derivative works that transform the original. The use of a copyrighted work may nevertheless be fair if, among other things, the use has a purpose and character that is sufficiently distinct from the original. In this case, however, Goldsmith’s photograph of Prince, and AWF’s copying use of the photograph in an image licensed to a special edition magazine devoted to Prince, share substantially the same commercial purpose. AWF has offered no other persuasive justification for its unauthorized use of the photograph. While the Court has cautioned that the four statutory fair use factors may not “be treated in isolation, one from another,” but instead all must be “weighed together, in light of the purposes of copyright,” *Campbell*, 510 U. S., at 578, here AWF challenges only the Court of Appeals’ determinations on the first fair use factor, and the Court agrees the first factor favors Goldsmith. P. 38.

11 F. 4th 26, affirmed.

SOTOMAYOR, J., delivered the opinion of the Court, in which THOMAS, ALITO, GORSUCH, KAVANAUGH, BARRETT, and JACKSON, JJ., joined. GORSUCH, J., filed a concurring opinion, in which JACKSON, J., joined. KAGAN, J., filed a dissenting opinion, in which ROBERTS, C. J., joined.

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NOTICE: This opinion is subject to formal revision before publication in the United States Reports. Readers are requested to notify the Reporter of Decisions, Supreme Court of the United States, Washington, D. C. 20543, pio@supremecourt.gov, of any typographical or other formal errors.

SUPREME COURT OF THE UNITED STATES

No. 21–869

ANDY WARHOL FOUNDATION FOR THE VISUAL
ARTS, INC., PETITIONER *v.* LYNN
GOLDSMITH, ET AL.

ON WRIT OF CERTIORARI TO THE UNITED STATES COURT OF
APPEALS FOR THE SECOND CIRCUIT

[May 18, 2023]

JUSTICE SOTOMAYOR delivered the opinion of the Court.

This copyright case involves not one, but two artists. The first, Andy Warhol, is well known. His images of products like Campbell’s soup cans and of celebrities like Marilyn Monroe appear in museums around the world. Warhol’s contribution to contemporary art is undeniable.

The second, Lynn Goldsmith, is less well known. But she too was a trailblazer. Goldsmith began a career in rock-and-roll photography when there were few women in the genre. Her award-winning concert and portrait images, however, shot to the top. Goldsmith’s work appeared in *Life*, *Time*, *Rolling Stone*, and *People* magazines, not to mention the National Portrait Gallery and the Museum of Modern Art. She captured some of the 20th century’s greatest rock stars: Bob Dylan, Mick Jagger, Patti Smith, Bruce Springsteen, and, as relevant here, Prince.

In 1984, *Vanity Fair* sought to license one of Goldsmith’s Prince photographs for use as an “artist reference.” The magazine wanted the photograph to help illustrate a story about the musician. Goldsmith agreed, on the condition

that the use of her photo be for “one time” only. 1 App. 85. The artist Vanity Fair hired was Andy Warhol. Warhol made a silkscreen using Goldsmith’s photo, and Vanity Fair published the resulting image alongside an article about Prince. The magazine credited Goldsmith for the “source photograph,” and it paid her \$400. 2 *id.*, at 323, 325–326.

Warhol, however, did not stop there. From Goldsmith’s photograph, he derived 15 additional works. Later, the Andy Warhol Foundation for the Visual Arts, Inc. (AWF) licensed one of those works to Condé Nast, again for the purpose of illustrating a magazine story about Prince. AWF came away with \$10,000. Goldsmith received nothing.

When Goldsmith informed AWF that she believed its use of her photograph infringed her copyright, AWF sued her. The District Court granted summary judgment for AWF on its assertion of “fair use,” 17 U. S. C. §107, but the Court of Appeals for the Second Circuit reversed. In this Court, the sole question presented is whether the first fair use factor, “the purpose and character of the use, including whether such use is of a commercial nature or is for nonprofit educational purposes,” §107(1), weighs in favor of AWF’s recent commercial licensing to Condé Nast. On that narrow issue, and limited to the challenged use, the Court agrees with the Second Circuit: The first factor favors Goldsmith, not AWF.

I

Lynn Goldsmith is a professional photographer. Her specialty is concert and portrait photography of musicians. At age 16, Goldsmith got one of her first shots: an image of the Beatles’ “trendy boots” before the band performed live on The Ed Sullivan Show. S. Michel, *Rock Portraits*, N. Y. Times, Dec. 2, 2007, p. G64. Within 10 years, Goldsmith had photographed everyone from Led Zeppelin to James Brown (the latter in concert in Kinshasa, no less). At that time, Goldsmith “had few female peers.” *Ibid.* But she was

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a self-starter. She quickly became “a leading rock photographer” in an era “when women on the scene were largely dismissed as groupies.” *Ibid.*

In 1981, Goldsmith convinced Newsweek magazine to hire her to photograph Prince Rogers Nelson, then an “up and coming” and “hot young musician.” 2 App. 315. Newsweek agreed, and Goldsmith took photos of Prince in concert at the Palladium in New York City and in her studio on West 36th Street. Newsweek ran one of the concert photos, together with an article titled “The Naughty Prince of Rock.” *Id.*, at 320. Goldsmith retained the other photos. She holds copyright in all of them.

One of Goldsmith’s studio photographs, a black and white portrait of Prince, is the original copyrighted work at issue in this case. See fig. 1, *infra*.

In 1984, Goldsmith, through her agency, licensed that photograph to Vanity Fair to serve as an “artist reference for an illustration” in the magazine. 1 App. 85. The terms of the license were that the illustration was “to be published in Vanity Fair November 1984 issue. It can appear one time full page and one time under one quarter page. No other usage right granted.” *Ibid.* Goldsmith was to receive \$400 and a source credit.

To make the illustration, Vanity Fair hired pop artist Andy Warhol. Warhol was already a major figure in American art, known among other things for his silkscreen portraits of celebrities.¹ From Goldsmith’s photograph, Warhol

¹A silkscreen is a fine mesh fabric used in screen printing. Warhol’s practice was to deliver a photograph to a professional silkscreen printer with instructions for alterations, such as cropping and high contrasting. 1 App. 160, 163. The latter alteration would “flatten” the image. Once Warhol approved, the printer would “reproduc[e]” the altered image “like a photographic negative onto the screen.” *Id.*, at 164. For canvas prints, Warhol “would then place the screen face down on the canvas, pour ink onto the back of the mesh, and use a squeegee to pull the ink through the weave and onto the canvas.” *Ibid.* The resulting “high-contrast half-tone



Figure 1. A black and white portrait photograph of Prince taken in 1981 by Lynn Goldsmith.

created a silkscreen portrait of Prince, which appeared alongside an article about Prince in the November 1984 issue of *Vanity Fair*. See fig. 2, *infra*. The article, titled “Purple Fame,” is primarily about the “sexual style” of the new celebrity and his music. *Vanity Fair*, Nov. 1984, p. 66. Goldsmith received her \$400 fee, and *Vanity Fair* credited her for the “source photograph.” 2 App. 323, 325–326. Warhol received an unspecified amount.

In addition to the single illustration authorized by the *Vanity Fair* license, Warhol created 15 other works based on Goldsmith’s photograph: 13 silkscreen prints and two

impressions” served as an “under-drawing,” over which Warhol painted colors by hand. *Id.*, at 165.

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Figure 2. A purple silkscreen portrait of Prince created in 1984 by Andy Warhol to illustrate an article in Vanity Fair.

pencil drawings. The works are collectively referred to as the “Prince Series.” See Appendix, *infra*. Goldsmith did not know about the Prince Series until 2016, when she saw the image of an orange silkscreen portrait of Prince (“Orange Prince”) on the cover of a magazine published by Vanity Fair’s parent company, Condé Nast. See fig. 3, *infra*.

By that time, Warhol had died, and the Prince Series had passed to the Andy Warhol Foundation for the Visual Arts, Inc. AWF no longer possesses the works,² but it asserts copyright in them. It has licensed images of the works for commercial and editorial uses. In particular, after Prince died in 2016, Condé Nast contacted AWF about the possibility of reusing the 1984 Vanity Fair image for a special edition magazine that would commemorate Prince. Once AWF informed Condé Nast about the other Prince Series images, however, Condé Nast obtained a license to publish Orange

²AWF sold 12 of the works to collectors and galleries, and it transferred custody of the remaining four works to the Andy Warhol Museum in Pittsburgh.

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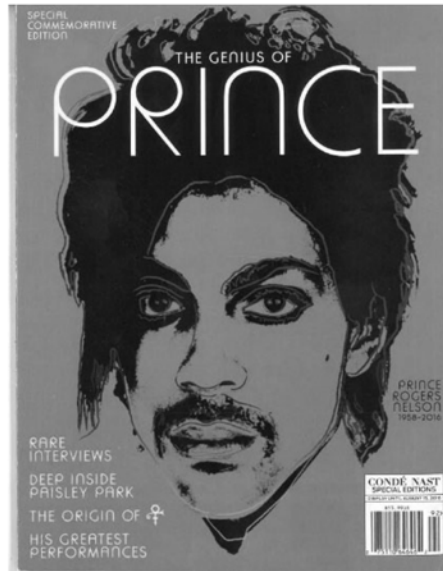


Figure 3. An orange silkscreen portrait of Prince on the cover of a special edition magazine published in 2016 by Condé Nast.

Prince instead. The magazine, titled “The Genius of Prince,” is a tribute to “Prince Rogers Nelson, 1958–2016.” It is “devoted to Prince.” 2 App. 352. Condé Nast paid AWF \$10,000 for the license. Goldsmith received neither a fee nor a source credit.

Remember that Goldsmith, too, had licensed her Prince images to magazines such as Newsweek, to accompany a story about the musician, and Vanity Fair, to serve as an artist reference. But that was not all. Between 1981 and 2016, Goldsmith’s photos of Prince appeared on or between the covers of People, Readers Digest, Guitar World, and Musician magazines. See, *e.g.*, fig. 4, *infra*.

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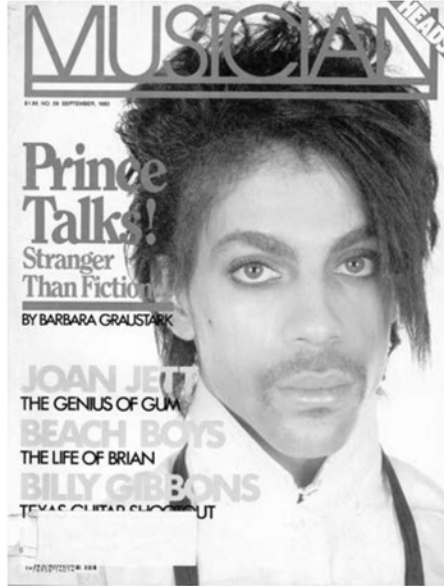


Figure 4. One of Lynn Goldsmith's photographs of Prince on the cover of Musician magazine.

People magazine, in fact, paid Goldsmith \$1,000 to use one of her copyrighted photographs in a special collector's edition, "Celebrating Prince: 1958–2016," just after Prince died. People's tribute, like Condé Nast's, honors the life and music of Prince. Other magazines, including Rolling Stone and Time, also released special editions. See fig. 5, *infra*. All of them depicted Prince on the cover. All of them used a copyrighted photograph in service of that object. And all of them (except Condé Nast) credited the photographer.

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Figure 5. Four special edition magazines commemorating Prince after he died in 2016.

When Goldsmith saw Orange Prince on the cover of Condé Nast's special edition magazine, she recognized her work. "It's the photograph," she later testified. 1 App. 290. Orange Prince crops, flattens, traces, and colors the photo but otherwise does not alter it. See fig. 6, *infra*.

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Figure 6. Warhol's orange silkscreen portrait of Prince superimposed on Goldsmith's portrait photograph.

Goldsmith notified AWF of her belief that it had infringed her copyright. AWF then sued Goldsmith and her agency for a declaratory judgment of noninfringement or, in the alternative, fair use. Goldsmith counterclaimed for infringement.

The District Court granted summary judgment for AWF. 382 F. Supp. 3d 312, 316 (SDNY 2019). The court considered the four fair use factors enumerated in 17 U. S. C. §107 and held that the Prince Series works made fair use of Goldsmith's photograph. As to the first factor, the works were "transformative" because, looking at them and the photograph "side-by-side," they "have a different character, give Goldsmith's photograph a new expression, and employ new aesthetics with creative and communicative results distinct from Goldsmith's." 382 F. Supp. 3d, at 325–326 (internal quotation marks and alterations omitted). In particular, the works "can reasonably be perceived to have transformed Prince from a vulnerable, uncomfortable person to an

iconic, larger-than-life figure,” such that “each Prince Series work is immediately recognizable as a ‘Warhol’ rather than as a photograph of Prince.” *Id.*, at 326. Although the second factor, the nature of Goldsmith’s copyrighted work (creative and unpublished), “would ordinarily weigh in [her] favor . . . , this factor [was] of limited importance because the Prince Series works are transformative.” *Id.*, at 327. The third factor, the amount and substantiality of the portion used in relation to the copyrighted work, favored AWF because, according to the District Court, “Warhol removed nearly all the photograph’s protectible elements in creating the Prince Series.” *Id.*, at 330. Finally, the fourth factor likewise favored AWF because “the Prince Series works are not market substitutes that have harmed—or have the potential to harm—Goldsmith.” *Id.*, at 331.

The Court of Appeals for the Second Circuit reversed and remanded. 11 F. 4th 26, 54 (2021). It held that all four fair use factors favored Goldsmith. On the first factor, “the purpose and character of the use,” §107(1), the Court of Appeals rejected the notion that “any secondary work that adds a new aesthetic or new expression to its source material is necessarily transformative.” *Id.*, at 38–39. The question was, instead, “whether the secondary work’s use of its source material is in service of a fundamentally different and new artistic purpose and character.” *Id.*, at 42 (internal quotation marks omitted). Such “transformative purpose and character must, at bare minimum, comprise something more than the imposition of another artist’s style on the primary work.” *Ibid.* Here, however, “the overarching purpose and function of the two works at issue . . . is identical, not merely in the broad sense that they are created as works of visual art, but also in the narrow but essential sense that they are portraits of the same person.” *Ibid.* (footnote omitted). The Court of Appeals also rejected the District Court’s logic that “‘each Prince Series work’” is transformative because it “‘is immediately recognizable as a ‘Warhol,’”

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which the Court of Appeals believed would “create a celebrity-plagiarist privilege.” *Id.*, at 43; see also *ibid.* (“[T]he fact that Martin Scorsese’s recent film *The Irishman* is recognizably ‘a Scorsese’ does not absolve him of the obligation to license the original book” (some internal quotation marks and alterations omitted)).

On the other three factors, the Court of Appeals found that the creative and unpublished nature of Goldsmith’s photograph favored her, *id.*, at 45; that the amount and substantiality of the portion taken (here, “the ‘essence’” of the photograph) was not reasonable in relation to the purpose of the use, *id.*, at 45–47; and that AWF’s commercial licensing encroached on Goldsmith’s protected market to license her photograph “to publications for editorial purposes and to other artists to create derivative works,” *id.*, at 48–51.³ The court noted that there was “no material dispute that both Goldsmith and AWF have sought to license (and indeed have successfully licensed) their respective depictions of Prince to popular print magazines to accompany articles about him.” *Id.*, at 49 (footnote omitted).

Finally, although the District Court had not reached the issue, the Court of Appeals rejected AWF’s argument that the Prince Series works were not substantially similar to Goldsmith’s photograph. See *id.*, at 52–54.

Judge Jacobs concurred. He stressed that the Court of Appeals’ holding “d[id] not consider, let alone decide, whether the infringement here encumbers the original Prince Series works.” *Id.*, at 54. Instead, “the only use at

³The Court of Appeals considered not only the possibility of market harm caused by the actions of AWF but also “whether ‘unrestricted and widespread conduct of the sort engaged in by [AWF] would result in a substantially adverse impact on the potential market’” for the photograph, including the market for derivative works. 11 F. 4th 26, 49–50 (CA2 2021) (quoting *Campbell v. Acuff-Rose Music, Inc.*, 510 U. S. 569, 590 (1994)); see also *Harper & Row, Publishers, Inc. v. Nation Enterprises*, 471 U. S. 539, 568 (1985).

issue” was “the Foundation’s commercial licensing” of images of the Prince Series. *Id.*, at 55.

This Court granted certiorari. 596 U. S. ___ (2022).

II

AWF does not challenge the Court of Appeals’ holding that Goldsmith’s photograph and the Prince Series works are substantially similar. The question here is whether AWF can defend against a claim of copyright infringement because it made “fair use” of Goldsmith’s photograph. 17 U. S. C. §107.

Although the Court of Appeals analyzed each fair use factor, the only question before this Court is whether the court below correctly held that the first factor, “the purpose and character of the use, including whether such use is of a commercial nature or is for nonprofit educational purposes,” §107(1), weighs in Goldsmith’s favor. AWF contends that the Prince Series works are “transformative,” and that the first factor therefore weighs in its favor, because the works convey a different meaning or message than the photograph. Brief for Petitioner 33. The Court of Appeals erred, according to AWF, by not considering that new expression. *Id.*, at 47–48.

But the first fair use factor instead focuses on whether an allegedly infringing use has a further purpose or different character, which is a matter of degree, and the degree of difference must be weighed against other considerations, like commercialism. *Campbell v. Acuff-Rose Music, Inc.*, 510 U. S. 569, 579 (1994). Although new expression may be relevant to whether a copying use has a sufficiently distinct purpose or character, it is not, without more, dispositive of the first factor.

Here, the specific use of Goldsmith’s photograph alleged to infringe her copyright is AWF’s licensing of Orange Prince to Condé Nast. As portraits of Prince used to depict

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Prince in magazine stories about Prince, the original photograph and AWF’s copying use of it share substantially the same purpose. Moreover, the copying use is of a commercial nature. Even though Orange Prince adds new expression to Goldsmith’s photograph, as the District Court found, this Court agrees with the Court of Appeals that, in the context of the challenged use, the first fair use factor still favors Goldsmith.

A

The Copyright Act encourages creativity by granting to the author of an original work “a bundle of exclusive rights.” *Harper & Row, Publishers, Inc. v. Nation Enterprises*, 471 U. S. 539, 546 (1985); see U. S. Const., Art. I, §8, cl. 8 (“The Congress shall have Power . . . To Promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries”). That bundle includes the rights to reproduce the copyrighted work, to prepare derivative works, and, in the case of pictorial or graphic works, to display the copyrighted work publicly. 17 U. S. C. §106.

The Act, however, “reflects a balance of competing claims upon the public interest: Creative work is to be encouraged and rewarded, but private motivation must ultimately serve the cause of promoting broad public availability of literature, music, and the other arts.” *Twentieth Century Music Corp. v. Aiken*, 422 U. S. 151, 156 (1975). Copyright thus trades off the benefits of incentives to create against the costs of restrictions on copying. The Act, for example, limits the duration of copyright, §§302–305, as required by the Constitution; makes facts and ideas uncopyrightable, §102; and limits the scope of copyright owners’ exclusive rights, §§107–122.

This balancing act between creativity and availability (including for use in new works) is reflected in one such limitation, the defense of “fair use.” In 1976, Congress codified

the common-law doctrine of fair use in §107, which provides: “[T]he fair use of a copyrighted work, . . . for purposes such as criticism, comment, news reporting, teaching . . . , scholarship, or research, is not an infringement of copyright.” To determine whether a particular use is “fair,” the statute sets out four factors to be considered:

- “(1) the purpose and character of the use, including whether such use is of a commercial nature or is for nonprofit educational purposes;
- “(2) the nature of the copyrighted work;
- “(3) the amount and substantiality of the portion used in relation to the copyrighted work as a whole; and
- “(4) the effect of the use upon the potential market for or value of the copyrighted work.”

The fair use doctrine “permits courts to avoid rigid application of the copyright statute when, on occasion, it would stifle the very creativity which that law is designed to foster.” *Stewart v. Abend*, 495 U. S. 207, 236 (1990) (internal quotation marks omitted). The Act’s fair use provision, in turn, “set[s] forth general principles, the application of which requires judicial balancing, depending upon relevant circumstances.” *Google LLC v. Oracle America, Inc.*, 593 U. S. ___, ___ (2021) (slip op., at 14). Because those principles apply across a wide range of copyrightable material, from books to photographs to software, fair use is a “flexible” concept, and “its application may well vary depending on context.” *Id.*, at ___ (slip op., at 15). For example, in applying the fair use provision, “copyright’s protection may be stronger where the copyrighted material . . . serves an artistic rather than a utilitarian function.” *Ibid.*

The first fair use factor is “the purpose and character of the use, including whether such use is of a commercial nature or is for nonprofit educational purposes.” §107(1). This

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factor considers the reasons for, and nature of, the copier’s use of an original work. The “central” question it asks is “whether the new work merely ‘supersede[s] the objects’ of the original creation . . . (‘supplanting’ the original), or instead adds something new, with a further purpose or different character.” *Campbell*, 510 U. S., at 579 (quoting *Folsom v. Marsh*, 9 F. Cas. 342, 348 (No. 4,901) (CC Mass. 1841) (Story, J.), and *Harper & Row*, 471 U. S., at 562). In that way, the first factor relates to the problem of substitution—copyright’s *bête noire*. The use of an original work to achieve a purpose that is the same as, or highly similar to, that of the original work is more likely to substitute for, or “supplan[t],” the work, *ibid*.

Consider the “purposes” listed in the preamble paragraph of §107: “criticism, comment, news reporting, teaching . . . , scholarship, or research.” Although the examples given are “illustrative and not limitative,” they reflect “the sorts of copying that courts and Congress most commonly ha[ve] found to be fair uses,” and so may guide the first factor inquiry. *Campbell*, 510 U. S., at 577–578 (quoting §101). As the Court of Appeals observed, the “examples are easily understood,” as they contemplate the use of an original work to “serv[e] a manifestly different purpose from the [work] itself.” 11 F. 4th, at 37. Criticism of a work, for instance, ordinarily does not supersede the objects of, or supplant, the work. Rather, it uses the work to serve a distinct end.⁴

Not every instance will be clear cut, however. Whether a use shares the purpose or character of an original work, or instead has a further purpose or different character, is a matter of degree. Most copying has some further purpose,

⁴Take a critical book review, for example. Not only does the review, as a whole, serve a different purpose than the book; each quoted passage within the review likely serves a different purpose (as an object of criticism) than it does in the book. That may not always be so, however, and a court must consider each use within the whole to determine whether the copying is fair. W. Patry, *Fair Use* §3:1, pp. 129–130 (2022).

in the sense that copying is socially useful *ex post*. Many secondary works add something new. That alone does not render such uses fair. Rather, the first factor (which is just one factor in a larger analysis) asks “whether *and to what extent*” the use at issue has a purpose or character different from the original. *Campbell*, 510 U. S., at 579 (emphasis added). The larger the difference, the more likely the first factor weighs in favor of fair use. The smaller the difference, the less likely.

A use that has a further purpose or different character is said to be “transformative.” *Ibid.* (quoting P. Leval, *Toward a Fair Use Standard*, 103 Harv. L. Rev. 1105, 1111 (1990) (hereinafter Leval)). As before, “transformativeness” is a matter of degree. See *Campbell*, 510 U. S., at 579. That is important because the word “transform,” though not included in §107, appears elsewhere in the Copyright Act. The statute defines derivative works, which the copyright owner has “the exclusive righ[t]” to prepare, §106(2), to include “any other form in which a work may be recast, transformed, or adapted,” §101. In other words, the owner has a right to derivative transformations of her work. Such transformations may be substantial, like the adaptation of a book into a movie. To be sure, this right is “[s]ubject to” fair use. §106; see also §107. The two are not mutually exclusive. But an overbroad concept of transformative use, one that includes any further purpose, or any different character, would narrow the copyright owner’s exclusive right to create derivative works. To preserve that right, the degree of transformation required to make “transformative” use of an original must go beyond that required to qualify as a derivative.⁵

⁵In theory, the question of transformative use or transformative purpose can be separated from the question whether there has been transformation of a work. In practice, however, the two may overlap. Compare, *e.g.*, *Núñez v. Caribbean Int’l News Corp.*, 235 F. 3d 18, 21–23 (CA1

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For example, this Court in *Campbell* considered whether parody may be fair use. In holding that it may, the Court explained that “parody has an obvious claim to transformative value” because “it can provide social benefit, by shedding light on an earlier work, and, in the process, creating a new one.” 510 U. S., at 579. The use at issue in *Campbell* was 2 Live Crew’s copying of certain lyrics and musical elements from Roy Orbison’s song, “Oh, Pretty Woman,” to create a rap derivative titled “Pretty Woman.” Without a doubt, 2 Live Crew transformed Orbison’s song by adding new lyrics and musical elements, such that “Pretty Woman” had a new message and different aesthetic than “Oh, Pretty Woman.” Indeed, the whole genre of music changed from rock ballad to rap. That was not enough for the first factor to weigh in favor of fair use, however. The Court found it necessary to determine whether 2 Live Crew’s transformation of Orbison’s song rose to the level of parody, a distinct purpose of commenting on the original or criticizing it. See *id.*, at 580–583.

Distinguishing between parody (which targets an author or work for humor or ridicule) and satire (which ridicules society but does not necessarily target an author or work), the Court further explained that “[p]arody needs to mimic an original to make its point, and so has some claim to use the creation of its victim’s (or collective victims’) imagination, whereas satire can stand on its own two feet and so requires justification for the very act of borrowing.” *Id.*, at 580–581. More generally, when “commentary has no criti-

2000) (newspaper’s reproduction, without alteration, of photograph of beauty pageant winner to explain controversy over whether her title should be withdrawn had transformative purpose because “the pictures were the story”), with *Leibovitz v. Paramount Pictures Corp.*, 137 F. 3d 109, 114–115 (CA2 1998) (film advertisement’s alteration of well-known photograph by superimposing actor’s face on actress’ body had transformative purpose of parody).

cal bearing on the substance or style of the original composition, . . . the claim to fairness in borrowing from another’s work diminishes accordingly (if it does not vanish), and other factors, like the extent of its commerciality, loom larger.” *Id.*, at 580; see also *id.*, at 597 (Kennedy, J., concurring).

This discussion illustrates two important points: First, the fact that a use is commercial as opposed to nonprofit is an additional “element of the first factor.” *Id.*, at 584. The commercial nature of the use is not dispositive. *Ibid.*; *Google*, 593 U. S., at ___ (slip op., at 27). But it is relevant. As the Court explained in *Campbell*, it is to be weighed against the degree to which the use has a further purpose or different character. See 510 U. S., at 579 (“[T]he more transformative the new work, the less will be the significance of other factors, like commercialism, that may weigh against a finding of fair use”); see also *id.*, at 580, 585.⁶

Second, the first factor also relates to the justification for the use. In a broad sense, a use that has a distinct purpose is justified because it furthers the goal of copyright, namely, to promote the progress of science and the arts, without diminishing the incentive to create. See *id.*, at 579; *Authors Guild v. Google, Inc.*, 804 F. 3d 202, 214 (CA2 2015) (Leval, J.) (“The more the appropriator is using the copied material for new, transformative purposes, the more it serves copyright’s goal of enriching public knowledge and the less likely it is that the appropriation will serve as a substitute for the original or its plausible derivatives, shrinking the protected market opportunities of the copyrighted work”).

⁶The authors of the Copyright Act of 1976 included the language, “whether such use is of a commercial nature or is for non-profit educational purposes,” in the first fair use factor “to state explicitly” that, “as under the present law, the commercial or non-profit character of an activity, while not conclusive with respect to fair use, can and should be weighed along with other factors.” H. R. Rep. No. 94–1476, p. 66 (1976).

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A use that shares the purpose of a copyrighted work, by contrast, is more likely to provide “the public with a substantial substitute for matter protected by the [copyright owner’s] interests in the original wor[k] or derivatives of [it],” *id.*, at 207, which undermines the goal of copyright.

In a narrower sense, a use may be justified because copying is reasonably necessary to achieve the user’s new purpose. Parody, for example, “needs to mimic an original to make its point.” *Campbell*, 510 U. S., at 580–581. Similarly, other commentary or criticism that targets an original work may have compelling reason to “‘conjure up’” the original by borrowing from it. *Id.*, at 588.⁷ An independent justification like this is particularly relevant to assessing fair use where an original work and copying use share the same or highly similar purposes, or where wide dissemination of a secondary work would otherwise run the risk of substitution for the original or licensed derivatives of it. See *id.*, at 580, n. 14; *Harper & Row*, 471 U. S., at 557. Once again, the question of justification is one of degree. See Leval 1111 (“[I]t is not sufficient simply to conclude whether or not justification exists. The question remains how powerful, or persuasive, is the justification, because the court must weigh the strength of the secondary user’s justification against factors favoring the copyright owner”).

In sum, the first fair use factor considers whether the use of a copyrighted work has a further purpose or different character, which is a matter of degree, and the degree of

⁷Return to the example of a book review. The review’s use of quoted material may be justified in both the broad and the narrower senses. First, the use is likely to serve a different purpose than the material itself. See n. 4, *supra*. Second, there may be compelling reason to borrow from the original to achieve that purpose because the review targets the material for comment or criticism. But again, the question of justification will depend on the individual use or uses. See Patry, Fair Use §3:1, at 129–130. Even book reviews are not entitled to a presumption of fairness. *Campbell*, 510 U. S., at 581.

difference must be balanced against the commercial nature of the use. If an original work and a secondary use share the same or highly similar purposes, and the secondary use is of a commercial nature, the first factor is likely to weigh against fair use, absent some other justification for copying.⁸

2

The fair use provision, and the first factor in particular, requires an analysis of the specific “use” of a copyrighted work that is alleged to be “an infringement.” §107. The same copying may be fair when used for one purpose but not another. See *Campbell*, 510 U. S., at 585 (contrasting the use of a copyrighted work “to advertise a product, even in a parody,” with “the sale of a parody for its own sake, let alone one performed a single time by students in school”); *Sony Corp. of America v. Universal City Studios, Inc.*, 464 U. S. 417, 449–451 (1984) (contrasting the recording of TV

⁸Consider, for example, this Court’s analysis of the first factor in *Google LLC v. Oracle America, Inc.*, 593 U. S. ___ (2021). *Google* stressed that “[t]he fact that computer programs are primarily functional makes it difficult to apply traditional copyright concepts in that technological world.” *Id.*, at ___ (slip op., at 35). Still, in evaluating the purpose and character of Google’s use of Sun Microsystems’ code, the Court looked, first, to whether the purpose of the use was significantly different from that of the original; and, second, to the strength of other justifications for the use. Although Google’s use was commercial in nature, it copied Sun’s code, which was “created for use in desktop and laptop computers,” “only insofar as needed to include tasks that would be useful in smartphone[s].” *Id.*, at ___ (slip op., at 26). That is, Google put Sun’s code to use in the “distinct and different computing environment” of its own Android platform, a new system created for new products. *Ibid.* Moreover, the use was justified in that context because “shared interfaces are necessary for different programs to speak to each other” and because “reimplementation of interfaces is necessary if programmers are to be able to use their acquired skills.” *Ibid.*; see also *id.*, at ___ (slip op., at 8).

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“for a commercial or profit-making purpose” with “private home use”).

Here, Goldsmith’s copyrighted photograph has been used in multiple ways: After Goldsmith licensed the photograph to Vanity Fair to serve as an artist reference, Warhol used the photograph to create the Vanity Fair illustration and the other Prince Series works. Vanity Fair then used the photograph, pursuant to the license, when it published Warhol’s illustration in 1984. Finally, AWF used the photograph when it licensed an image of Warhol’s Orange Prince to Condé Nast in 2016. Only that last use, however, AWF’s commercial licensing of Orange Prince to Condé Nast, is alleged to be infringing.⁹ We limit our analysis accordingly. In particular, the Court expresses no opinion as to the creation, display, or sale of any of the original Prince Series works.¹⁰

⁹AWF sought a declaratory judgment that would cover the original Prince Series works, but Goldsmith has abandoned all claims to relief other than her claim as to the 2016 Condé Nast license and her request for prospective relief as to similar commercial licensing. Brief for Respondents 3, 17–18; Tr. of Oral Arg. 80–82.

¹⁰The dissent, however, focuses on a case that is not before the Court. No, not whether Francis Bacon would have made fair use of Velásquez’s painting, had American copyright law applied in Europe with a term of 300 years *post mortem auctoris*. But cf. *post*, at 32–34 (opinion of KAGAN, J.). Rather, Congress has directed courts to examine the purpose and character of the challenged “use.” 17 U. S. C. §107(1). Yet the dissent assumes that any and all uses of an original work entail the same first-factor analysis based solely on the content of a secondary work. This assumption contradicts the fair use statute and this Court’s precedents. See *supra*, at 20–21. Had AWF’s use been solely for teaching purposes, that clearly would affect the analysis, and the statute permits no other conclusion. Preferring not to focus on the specific use alleged to infringe Goldsmith’s copyright, the dissent begins with a sleight of hand, see *post*, at 1, n. 1, and continues with a false equivalence between AWF’s commercial licensing and Warhol’s original creation. The result is a series of misstatements and exaggerations, from the dissent’s very first sen-

A typical use of a celebrity photograph is to accompany stories about the celebrity, often in magazines. For example, Goldsmith licensed her photographs of Prince to illustrate stories about Prince in magazines such as Newsweek, Vanity Fair, and People. *Supra*, at 3–6. She even licensed her photographs for that purpose after Prince died in 2016. *Supra*, at 7. A photographer may also license her creative work to serve as a reference for an artist, like Goldsmith did in 1984 when Vanity Fair wanted an image of Prince created by Warhol to illustrate an article about Prince. As noted by the Court of Appeals, Goldsmith introduced “uncontroverted” evidence “that photographers generally license others to create stylized derivatives of their work in the vein of the Prince Series.” 11 F. 4th, at 50; see 2 App. 291–299. In fact, Warhol himself paid to license photographs for some of his artistic renditions. Such licenses, for photographs or derivatives of them, are how photographers like Goldsmith make a living. They provide an economic incentive to create original works, which is the goal of copyright.

In 2016, AWF licensed an image of Orange Prince to Condé Nast to appear on the cover of a commemorative edition magazine about Prince. The edition, titled “The Genius of Prince,” celebrates the life and work of “Prince Rogers Nelson, 1958–2016.” It is undisputed here that the edition is “devoted to Prince.” 2 App. 352. In addition to AWF’s image on the cover, the magazine contains numerous concert and studio photographs of Prince. In that context, the purpose of the image is substantially the same as that of Goldsmith’s photograph. Both are portraits of Prince used

tence, *post*, at 1 (“Today, the Court declares that Andy Warhol’s eye-popping silkscreen of Prince . . . is (in copyright lingo) not ‘transformative’”), to its very last, *post*, at 36 (“[The majority opinion] will make our world poorer”).

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in magazines to illustrate stories about Prince.¹¹ Such “environment[s]” are not “distinct and different.” *Google*, 593

¹¹The Court of Appeals observed that the “purpose and function of the two works at issue here is identical, not merely in the broad sense that they are created as works of visual art, but also in the narrow but essential sense that they are portraits of the same person.” 11 F. 4th, at 42 (footnote omitted). This Court goes somewhat “further and examine[s] the copying’s more specifically described ‘purpose[s]’” in the context of the particular use at issue (here, in a magazine about Prince). *Google*, 593 U. S., at ____ (slip op., at 25). The Court does not define the purpose as simply “commercial” or “commercial licensing.” *Post*, at 18, 20, n. 7, 25, n. 8 (KAGAN, J., dissenting). Nor does the Court view Goldsmith’s photograph and Warhol’s illustration as “fungible products in the magazine market.” *Post*, at 18; see *post*, at 10. Rather, the Court finds significant the degree of similarity between the specific purposes of the original work and the secondary use at issue.

According to the dissent, the fact that a magazine editor might prefer one image to the other must mean the secondary use is transformative, either because it has a different aesthetic or conveys a different message. *Post*, at 10. The Court, because it fails to understand the difference, does not have “much of a future in magazine publishing,” the dissent chides. *Ibid*. While the dissent is probably correct about the Court’s business prospects, the editors of *People*, *Rolling Stone*, and *Time* chose a variety of different photos of Prince for their memorial issues. See fig. 5, *supra*. Portrait photos, in fact. Some black and white; some depicting Prince’s “corporeality”; some “realistic” or “humanistic.” *Post*, at 9, 16 (KAGAN, J., dissenting). These variations in aesthetics did not stop the photos from serving the same essential purpose of depicting Prince in a magazine commemorating his life and career.

Fortunately, the dissent’s “magazine editor” test does not have much of a future in fair use doctrine. The flaw in the dissent’s logic is simple: If all that mattered under the first factor were whether a buyer was “drawn aesthetically” to a secondary work (instead of the pre-existing work it adapted) or whether the buyer preferred “to convey the message of” the secondary work, *post*, at 10, then every derivative work would qualify. The *New Yorker* might prefer an unauthorized sequel to a short story, rather than the original, but that does not mean the purpose and character of the use would weigh in its favor. Similarly, a rap label might prefer 2 Live Crew’s song, rather than Orbison’s original, based on the new sound and lyrics (*i.e.*, new aesthetic and message), but that was not enough in *Campbell*, and it is not enough here.

U. S., at ___ (slip op., at 26). AWF’s licensing of the Orange Prince image thus “supersede[d] the objects,” *Campbell*, 510 U. S., at 579, *i.e.*, shared the objectives, of Goldsmith’s photograph, even if the two were not perfect substitutes.¹²

The use also “is of a commercial nature.” §107(1). Just as Goldsmith licensed her photograph to *Vanity Fair* for \$400, AWF licensed Orange Prince to Condé Nast for \$10,000. The undisputed commercial character of AWF’s use, though not dispositive, “tends to weigh against a finding of fair use.” *Harper & Row*, 471 U. S., at 562.¹³

¹²In this way, the first factor relates to the fourth, market effect. See *Campbell*, 510 U. S., at 591; cf. also *Harper & Row*, 471 U. S., at 568 (“The excerpts were employed as featured episodes in a story about the Nixon pardon—precisely the use petitioners had licensed to Time”). While the first factor considers whether and to what extent an original work and secondary use have substitutable purposes, the fourth factor focuses on actual or potential market substitution. Under both factors, the analysis here might be different if Orange Prince appeared in an art magazine alongside an article about Warhol. Brief for United States as *Amicus Curiae* 33.

While keenly grasping the relationship between The Two Lolitas, the dissent fumbles the relationship between the first and fourth fair use factors. Under today’s decision, as before, the first factor does not ask whether a secondary use causes a copyright owner economic harm. Cf. *post*, at 21 (opinion of KAGAN, J.). There is, however, a positive association between the two factors: A secondary use that is more different in purpose and character is less likely to usurp demand for the original work or its derivatives, as the Court has explained, see *Campbell*, 519 U. S., at 591. This relationship should be fairly obvious. But see *post*, at 22 (KAGAN, J., dissenting) (suggesting that the first factor can favor only the user and the fourth factor only the copyright owner). Still, the relationship is not absolute. For example, copies for classroom use might fulfill demand for an original work. The first factor may still favor the copyist, even if the fourth factor is shown not to. At the same time, other forms of straight copying may be fair if a strong showing on the fourth factor outweighs a weak showing on the first.

¹³The dissent misconstrues the role of commercialism in this analysis. The Court does not hold that “[a]ll that matters is that [AWF] and the publisher entered into a licensing transaction”; or that the first-factor

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Taken together, these two elements—that Goldsmith’s photograph and AWF’s 2016 licensing of Orange Prince share substantially the same purpose, and that AWF’s use of Goldsmith’s photo was of a commercial nature—counsel against fair use, absent some other justification for copying. That is, although a use’s transformativeness may outweigh its commercial character, here, both elements point in the same direction.¹⁴

The foregoing does not mean, however, that derivative works borrowing heavily from an original cannot be fair

inquiry “should disregard Warhol’s creative contributions because he licensed his work”; or that an artist may not “market even a transformative follow-on work.” *Post*, at 3, 19, 34 (opinion of KAGAN, J.). Instead, consistent with the statute, “whether [a] use is of a commercial nature or is for nonprofit educational purposes” is one element of the first factor, §107(1); it does not dispose of that factor, much less the fair use inquiry. As this opinion makes clear, the commercial character of a secondary use should be weighed against the extent to which the use is transformative or otherwise justified. *Supra*, at 18 (citing *Campbell*, 510 U. S., at 579–580, 585); see also *supra*, at 12, 19–20, and n. 8, 25; *infra*, at 34–35.

¹⁴The dissent contends that the Court gives “little role” to “the key term ‘character.’” *Post*, at 19 (opinion of KAGAN, J.). This is somewhat puzzling, as the Court has previously employed “character” to encompass exactly what the dissent downplays: “the commercial or nonprofit character of an activity.” *Sony Corp. of America v. Universal City Studios, Inc.*, 464 U. S. 417, 448–449 (1984) (quoting H. R. Rep. No. 94–1476, at 66); see also *Campbell*, 510 U. S., at 572, 584–585 (repeatedly referring to “commercial character”). Rather than looking to this case law, the dissent looks up the word “character” in a dictionary. See *post*, at 13. But the dissent’s preferred definition—“a thing’s ‘main or essential nature[,] esp[ecially] as strongly marked and serving to distinguish,’” *post*, at 20 (quoting Webster’s Third New International Dictionary 376 (1976))—helps Goldsmith, not AWF. Even this definition does not support the implication that “character” is determined by any aesthetic distinctiveness, such as the addition of any new expression. Instead, it is the “main or essential nature” that must be “strongly marked and serv[e] to distinguish.” So return to Orange Prince on the cover of the Condé Nast issue commemorating Prince, see fig. 5, *supra*, and ask, what is the *main* or *essential* nature of the secondary *use* of Goldsmith’s photograph in that context?

uses. In *Google*, the Court suggested that “[a]n ‘artistic painting’ might, for example, fall within the scope of fair use even though it precisely replicates a copyrighted ‘advertising logo to make a comment about consumerism.’” 593 U. S., at ___–___ (slip op., at 24–25) (quoting 4 M. Nimmer & D. Nimmer, Copyright §13.05[A][1][b] (2019), in turn quoting N. Netanel, Making Sense of Fair Use, 15 Lewis & Clark L. Rev. 715, 746 (2011) (some internal quotation marks omitted)). That suggestion refers to Warhol’s works that incorporate advertising logos, such as the Campbell’s Soup Cans series. See fig. 7, *infra*.

Yet not all of Warhol’s works, nor all uses of them, give rise to the same fair use analysis. In fact, Soup Cans well illustrates the distinction drawn here. The purpose of Campbell’s logo is to advertise soup. Warhol’s canvases do



Figure 7. A print based on the Campbell’s soup can, one of Warhol’s works that replicates a copyrighted advertising logo.

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not share that purpose. Rather, the Soup Cans series uses Campbell’s copyrighted work for an artistic commentary on consumerism, a purpose that is orthogonal to advertising soup. The use therefore does not supersede the objects of the advertising logo.¹⁵

Moreover, a further justification for Warhol’s use of Campbell’s logo is apparent. His Soup Cans series targets the logo. That is, the original copyrighted work is, at least in part, the object of Warhol’s commentary. It is the very nature of Campbell’s copyrighted logo—well known to the public, designed to be reproduced, and a symbol of an everyday item for mass consumption—that enables the commentary. Hence, the use of the copyrighted work not only serves a completely different purpose, to comment on consumerism rather than to advertise soup, it also “conjures up” the original work to “she[d] light” on the work itself, not just the subject of the work. *Campbell*, 510 U. S., at 579, 588.¹⁶ Here, by contrast, AWF’s use of Goldsmith’s photograph does not target the photograph, nor has AWF offered another compelling justification for the use. See *infra*, at 34–35, and nn. 20–21.

¹⁵The situation might be different if AWF licensed Warhol’s Soup Cans to a soup business to serve as its logo. That use would share much the same purpose of Campbell’s logo, even though Soup Cans has some new meaning or message. This hypothetical, though fanciful, is parallel to the situation here: Both Goldsmith and AWF sold images of Prince (AWF’s copying Goldsmith’s) to magazines to illustrate stories about the celebrity, which is the typical use made of Goldsmith’s photographs.

¹⁶The dissent either does not follow, or chooses to ignore, this analysis. The point is not simply that the Soup Cans series comments on consumer culture, similar to how Warhol’s celebrity images comment on celebrity culture. *Post*, at 15 (opinion of KAGAN, J.). Rather, as the discussion makes clear, the degree of difference in purpose and character between Campbell’s soup label and Warhol’s painting is nearly absolute. Plus, Warhol’s use targets Campbell’s logo, at least in part. These features (which are absent in this case) strengthen Warhol’s claim to fairness in copying that logo in a painting.

B

AWF contends, however, that the purpose and character of its use of Goldsmith’s photograph weighs in favor of fair use because Warhol’s silkscreen image of the photograph, like the Campbell’s Soup Cans series, has a new meaning or message. The District Court, for example, understood the Prince Series works to portray Prince as “an iconic, larger-than-life figure.” 382 F. Supp. 3d, at 326. AWF also asserts that the works are a comment on celebrity. In particular, “Warhol’s Prince Series conveys the dehumanizing nature of celebrity.” Brief for Petitioner 44. According to AWF, that new meaning or message, which the Court of Appeals ignored, makes the use “transformative” in the fair use sense. See *id.*, at 44–48. We disagree.

1

Campbell did describe a transformative use as one that “alter[s] the first [work] with new expression, meaning, or message.” 510 U. S., at 579; see also *Google*, 593 U. S., at ___ (slip op., at 24). That description paraphrased Judge Leval’s law review article, which referred to “new information, new aesthetics, new insights and understandings.” Leval 1111. (Judge Leval contrasted such additions with secondary uses that “merely repackag[e]” the original. *Ibid.*) But *Campbell* cannot be read to mean that §107(1) weighs in favor of any use that adds some new expression, meaning, or message.

Otherwise, “transformative use” would swallow the copyright owner’s exclusive right to prepare derivative works. Many derivative works, including musical arrangements, film and stage adaptations, sequels, spinoffs, and others that “recast, transfor[m] or adap[t]” the original, §101, add new expression, meaning or message, or provide new information, new aesthetics, new insights and understandings. That is an intractable problem for AWF’s interpretation of transformative use. The first fair use factor would not

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weigh in favor of a commercial remix of Prince’s “Purple Rain” just because the remix added new expression or had a different aesthetic. A film or musical adaptation, like that of Alice Walker’s *The Color Purple*, might win awards for its “significant creative contribution”; alter the meaning of a classic novel; and add “important new expression,” such as images, performances, original music, and lyrics. *Post*, at 11, 23 (KAGAN, J., dissenting) (internal quotation marks omitted). But that does not in itself dispense with the need for licensing.¹⁷

Campbell is again instructive. 2 Live Crew’s version of Orbison’s song easily conveyed a new meaning or message. It also had a different aesthetic. Yet the Court went further, examining whether and to what extent 2 Live Crew’s song had the parodic purpose of “commenting on the original or criticizing it.” 510 U. S., at 583. Parody is, of course, a kind of message. Moreover, the Court considered what the words of the songs might have meant to determine whether parody “reasonably could be perceived.” *Ibid.* But new meaning or message was not sufficient. If it had been, the Court could have made quick work of the first fair use factor. Instead, meaning or message was simply relevant to whether the new use served a purpose distinct from the original, or instead superseded its objects. That was, and is, the “central” question under the first factor. *Id.*, at 579.

¹⁷The dissent is stumped. Buried in a conclusory footnote, it suggests that the fourth fair use factor alone takes care of derivative works like book-to-film adaptations. *Post*, at 12, n. 5. This idea appears to come from a Hail Mary lobbed by AWF when it got caught in the same bind. See Tr. of Oral Arg. 15–16. The Court is aware of no authority for the proposition that the first factor favors such uses (on the dissent’s view, the first factor must, because the use modifies the expressive content of an original work), leaving it to the fourth factor to ensure that §106(2) is not a dead letter. Certainly *Google*, which merely noted in passing that “[m]aking a film of an author’s book may . . . mean potential or presumed losses to the copyright owner,” did not hold as much. 593 U. S., at ____ (slip op., at 30); see *id.*, at ____–____, ____–____ (slip op., at 24–28, 30–35).

The dissent commits the same interpretive error as AWF: It focuses on *Campbell*'s paraphrase, yet ignores the rest of that decision's careful reasoning. Indeed, upon reading the dissent, someone might be surprised to learn that *Campbell* was about parody at all. Had expert testimony confirmed the obvious fact that 2 Live Crew's "Pretty Woman" differed in aesthetics and meaning from Orbison's original, that would have been the end of the dissent's analysis. See *post*, at 14–17 (opinion of KAGAN, J.). Not the Court's, however. *Campbell* was the culmination of a long line of cases and scholarship about parody's claim to fairness in borrowing. "For purposes of copyright law," the Court explained, "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." 510 U. S., at 580. *Campbell* thus drew a nuanced distinction between parody and satire: While parody cannot function unless it conjures up the original, "satire can stand on its own two feet and so requires justification for . . . borrowing." *Id.*, at 580–581. The objective meaning or message of 2 Live Crew's song was relevant to this inquiry into the reasons for copying, but any "new expression, meaning, or message" was not the test.¹⁸

What role meaning or message played in the Court of Appeals' analysis here is not entirely clear. The court correctly

¹⁸The dissent makes a similar mistake with *Google*: It fails to read the decision as a whole. So while the dissent claims that the "[*Google*] Court would have told this one to go back to school," it might be easier just to go back and read *Google*. *Post*, at 2 (opinion of KAGAN, J.). The Court did not hold that any secondary use that is innovative, in some sense, or that a judge or Justice considers to be creative progress consistent with the constitutional objective of copyright, is thereby transformative. The Court instead emphasized that Google used Sun's code in a "distinct and different" context, and "only insofar as needed" or "necessary" to achieve Google's new purpose. *Google*, 593 U. S., at ___ (slip op., at 26); see also n. 8, *supra*. In other words, the same concepts of use and justification that the Court relied on in *Google* are the ones that it applies today.

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rejected the idea “that any secondary work that adds a new aesthetic or new expression to its source material is necessarily transformative.” 11 F. 4th, at 38–39. It also appeared correctly to accept that meaning or message is relevant to, but not dispositive of, purpose. See *id.*, at 41 (“[T]he secondary work itself must reasonably be perceived as embodying a distinct artistic purpose, one that conveys a new meaning or message separate from its source material”); *id.*, at 42 (“[T]he judge must examine whether the secondary work’s use of its source material is in service of a fundamentally different and new artistic purpose and character, [which] must, at a bare minimum, comprise something more than the imposition of another artist’s style on the primary work . . .” (internal quotation marks omitted)).

Elsewhere, however, the Court of Appeals stated that “the district judge should not assume the role of art critic and seek to ascertain the intent behind or meaning of the works at issue.” *Id.*, at 41. That statement is correct in part. A court should not attempt to evaluate the artistic significance of a particular work. See *Bleistein v. Donaldson Lithographing Co.*, 188 U. S. 239, 251 (1903) (Holmes, J.) (“It would be a dangerous undertaking for persons trained only to the law to constitute themselves final judges of the worth of [a work], outside of the narrowest and most obvious limits”).¹⁹ Nor does the subjective intent of

¹⁹The dissent demonstrates the danger of this approach. On its view, the first fair use factor favors AWF’s use of Goldsmith’s photograph simply because Warhol created worthy art. Goldsmith’s original work, by contrast, is just an “old photo,” one of Warhol’s “templates.” *Post*, at 2, 17 (opinion of KAGAN, J.). In other words, the dissent (much like the District Court) treats the first factor as determined by a single fact: “It’s a Warhol.” This Court agrees with the Court of Appeals that such logic would create a kind of privilege that has no basis in copyright law. See 11 F. 4th, at 43. Again, the Court does not deny that Warhol was a major figure in American art. But it leaves the worth of his works to the critics. Compare, *e.g.*, D. Antin, Warhol: The Silver Tenement, in *Pop Art: A*

the user (or the subjective interpretation of a court) determine the purpose of the use. But the meaning of a secondary work, as reasonably can be perceived, should be considered to the extent necessary to determine whether the purpose of the use is distinct from the original, for instance, because the use comments on, criticizes, or provides otherwise unavailable information about the original, see, *e.g.*, *Authors Guild*, 804 F. 3d, at 215–216.

2

The District Court determined that “[t]he Prince Series works can reasonably be perceived to have transformed Prince from a vulnerable, uncomfortable person to an iconic, larger-than-life figure.” 382 F. Supp. 3d, at 326. To make that determination, the District Court relied, in part, on testimony by Goldsmith that her photographs of Prince show that he “is ‘not a comfortable person’ and that he is ‘a vulnerable human being.’” *Ibid.* An expert on Warhol, meanwhile, testified that the Prince Series works depict “Prince as a kind of icon or totem of something,” a “mask-like simulacrum of his actual existence.” 1 App. 249, 257.

The Court of Appeals noted, correctly, that “whether a work is transformative cannot turn merely on the stated or perceived intent of the artist or the meaning or impression that a critic—or for that matter, a judge—draws from the work.” 11 F. 4th, at 41. “[O]therwise, the law may well

Critical History 287 (S. Madoff ed. 1997), with R. Hughes, *The Shock of the New* 346–351 (2d ed. 1991). Whatever the contribution of Orange Prince, Goldsmith’s photograph is part of that contribution. A court need not, indeed should not, assess the relative worth of two works to decide a claim of fair use. Otherwise, “some works of genius would be sure to miss appreciation,” and, “[a]t the other end, copyright would be denied to [works] which appealed to a public less educated than the judge.” *Bleistein*, 188 U. S., at 251–252 (Holmes, J.). That Goldsmith’s photograph “had [its] worth and [its] success is sufficiently shown by the desire to reproduce [it] without regard to [her] rights.” *Id.*, at 252.

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‘recogniz[e] any alteration as transformative.’” *Ibid.* (quoting 4 Nimmer, Copyright §13.05[B][6]). Whether the purpose and character of a use weighs in favor of fair use is, instead, an objective inquiry into what use was made, *i.e.*, what the user does with the original work.

Granting the District Court’s conclusion that Orange Prince reasonably can be perceived to portray Prince as iconic, whereas Goldsmith’s portrayal is photorealistic, that difference must be evaluated in the context of the specific use at issue. The use is AWF’s commercial licensing of Orange Prince to appear on the cover of Condé Nast’s special commemorative edition. The purpose of that use is, still, to illustrate a magazine about Prince with a portrait of Prince. Although the purpose could be more specifically described as illustrating a magazine about Prince with a portrait of Prince, one that portrays Prince somewhat differently from Goldsmith’s photograph (yet has no critical bearing on her photograph), that degree of difference is not enough for the first factor to favor AWF, given the specific context of the use.

To hold otherwise would potentially authorize a range of commercial copying of photographs, to be used for purposes that are substantially the same as those of the originals. As long as the user somehow portrays the subject of the photograph differently, he could make modest alterations to the original, sell it to an outlet to accompany a story about the subject, and claim transformative use. Many photographs will be open to various interpretations. A subject as open to interpretation as the human face, for example, reasonably can be perceived as conveying several possible meanings. The application of an artist’s characteristic style to bring out a particular meaning that was available in the photograph is less likely to constitute a “further purpose” as *Campbell* used the term. 510 U. S., at 579.

AWF asserts another, albeit related, purpose, which is to comment on the “dehumanizing nature” and “effects” of celebrity. Brief for Petitioner 44, 51. No doubt, many of Warhol’s works, and particularly his uses of repeated images, can be perceived as depicting celebrities as commodities. But again, even if such commentary is perceptible on the cover of Condé Nast’s tribute to “Prince Rogers Nelson, 1958–2016,” on the occasion of the man’s death, AWF has a problem: The asserted commentary is at *Campbell*’s lowest ebb. Because it “has no critical bearing on” Goldsmith’s photograph,²⁰ the commentary’s “claim to fairness in borrowing from” her work “diminishes accordingly (if it does not vanish).” 510 U. S., at 580.²¹ The commercial nature of the use, on the other hand, “loom[s] larger.” *Ibid.*

²⁰At no point in this litigation has AWF maintained that any of the Prince Series works, let alone Orange Prince on the cover of the 2016 Condé Nast special edition, comment on, criticize, or otherwise target Goldsmith’s photograph. That makes sense, given that the photograph was unpublished when Goldsmith licensed it to Vanity Fair, and that neither Warhol nor Vanity Fair selected the photograph, which was instead provided by Goldsmith’s agency.

²¹The dissent wonders: Why does targeting matter? See *post*, at 24 (opinion of KAGAN, J.). The reason, as this opinion explains, is the first factor’s attention to justification. *Supra*, at 17–20, and nn. 7–8, 29–30, and n. 18 (citing *Campbell*, 510 U. S., at 580–581; *Google*, 593 U. S., at ___ (slip op., at 26)). Compare, for example, a film adaptation of *Gone With the Wind* with a novel, *The Wind Done Gone*, that “inverts” the original’s “portrait of race relations” to expose its “romantic, idealized” portrayal of the antebellum South. *SunTrust Bank v. Houghton Mifflin Co.*, 268 F. 3d 1257, 1270 (CA11 2001); *id.*, at 1280 (Marcus, J., specially concurring). Or, to build from one of the artistic works the dissent chooses to feature, consider a secondary use that borrows from Manet’s *Olympia* to shed light on the original’s depiction of race and sex. See R. Storr & C. Armstrong, *Lunch With Olympia* (2016). Although targeting is not always required, fair use is an affirmative defense, and AWF bears the burden to justify its taking of Goldsmith’s work with some reason other than, “I can make it better.”

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Here, the circumstances of AWF’s 2016 licensing outweigh its diminished claim to fairness in copying under the first factor. Like satire that does not target an original work, AWF’s asserted commentary “can stand on its own two feet and so requires justification for the very act of borrowing.” *Id.*, at 581. Moreover, because AWF’s commercial use of Goldsmith’s photograph to illustrate a magazine about Prince is so similar to the photograph’s typical use, a particularly compelling justification is needed. Yet AWF offers no independent justification, let alone a compelling one, for copying the photograph, other than to convey a new meaning or message. As explained, that alone is not enough for the first factor to favor fair use.

Copying might have been helpful to convey a new meaning or message. It often is. But that does not suffice under the first factor. Nor does it distinguish AWF from a long list of would-be fair users: a musician who finds it helpful to sample another artist’s song to make his own, a playwright who finds it helpful to adapt a novel, or a filmmaker who would prefer to create a sequel or spinoff, to name just a few.²² As Judge Leval has explained, “[a] secondary author is not necessarily at liberty to make wholesale takings of the original author’s expression merely because of how well the original author’s expression would convey the secondary author’s different message.” *Authors Guild*, 804 F. 3d, at 215.

²²The dissent oddly suggests that under the Court’s opinion, the first fair use factor favors such uses. See *post*, at 12, n. 5. This ignores, well, pretty much the entire opinion. See *supra*, at 14–17, 22–24, 26–27, 28–29, 32–33 (degree of difference in purpose and character); *supra*, at 18, 24 (commercial nature); *supra*, at 17–19, 27, 30, 34–35 (justification). In particular, the Court does not hold that the first factor favors any user who “wants to reach different buyers, in different markets, consuming different products.” *Post*, at 13, n. 5 (opinion of KAGAN, J.). The dissent apparently deduces this proposition from its inverse, which is a common logical fallacy.

The dissent would rather not debate these finer points. See *post*, at 4, n. 2 (opinion of KAGAN, J.). It offers no theory of the relationship between transformative uses of original works and derivative works that transform originals. No reason why AWF was justified in using Goldsmith’s original work in this specific instance. And no limiting principle for its apparent position that any use that is creative prevails under the first fair use factor. Instead, the dissent makes the simple (and obvious) point that restrictions on copying can inhibit follow-on works. “Nothing comes from nothing,” the dissent observes, “nothing ever could.” *Post*, at 11. So somewhere in the copyright statute, there must be an “escape valve” to create something good. *Post*, at 12. If AWF must pay Goldsmith to use *her* creation, the dissent claims, this will “stifle creativity of every sort,” “thwart the expression of new ideas and the attainment of new knowledge,” and “make our world poorer.” *Post*, at 36.

These claims will not age well. It will not impoverish our world to require AWF to pay Goldsmith a fraction of the proceeds from its reuse of her copyrighted work. Recall, payments like these are incentives for artists to create original works in the first place. Nor will the Court’s decision, which is consistent with longstanding principles of fair use, snuff out the light of Western civilization, returning us to the Dark Ages of a world without Titian, Shakespeare, or Richard Rodgers. The dissent goes on at length about the basic premise that copyright (like other forms of intellectual property) involves a tradeoff between stimulating innovative activity, on the one hand, and allowing follow-on innovation, on the other. See *post*, at 11–12, and n. 4, 24–35. This theme will be familiar to any student of copyright law. In tracing the history of Renaissance painting, however, the dissent loses sight of the statute and this Court’s cases. The *Lives of the Artists* undoubtedly makes for livelier reading

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than the U. S. Code or the U. S. Reports, but as a court, we do not have that luxury.

The dissent thus misses the forest for a tree. Its single-minded focus on the value of copying ignores the value of original works. It ignores the statute's focus on the specific use alleged to be infringing. See n. 10, *supra*. It waves away the statute's concern for derivative works. *Supra*, at 28–29, and n. 17. It fails to appreciate *Campbell's* nuance. *Supra*, at 29–30, 34, n. 21. And it disregards this Court's repeated emphasis on justification. *Supra*, at 29–30, and n. 18, 34, n. 21.

The result of these omissions is an account of fair use that is unbalanced in theory and, perhaps relatedly, in tone. The dissent's conclusion—that whenever a use adds new meaning or message, or constitutes creative progress in the opinion of a critic or judge, the first fair use factor weighs in its favor—does not follow from its basic premise. Fair use instead strikes a balance between original works and secondary uses based in part on objective indicia of the use's purpose and character, including whether the use is commercial and, importantly, the reasons for copying.

Finally, copyright law is replete with escape valves: the idea–expression distinction; the general rule that facts may not receive protection; the requirement of originality; the legal standard for actionable copying; the limited duration of copyright; and, yes, the defense of fair use, including all its factors, such as whether the amount taken is reasonable in relation to the purpose of the use. These doctrines (and others) provide ample space for artists and other creators to use existing materials to make valuable new works. They account for most, if not all, of the examples given by the dissent, as well as the dissent's own copying (and the Court's, too). If the last century of American art, literature, music, and film is any indication, the existing copyright law, of which today's opinion is a continuation, is a powerful engine of creativity.

III

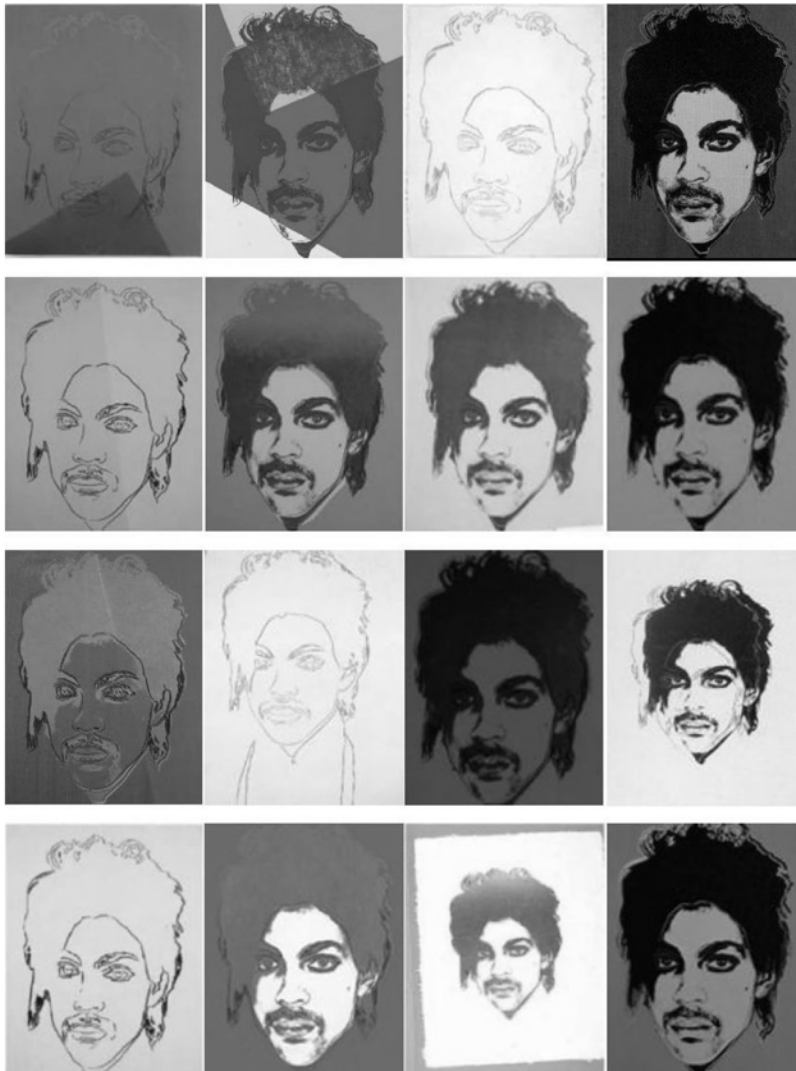
Lynn Goldsmith’s original works, like those of other photographers, are entitled to copyright protection, even against famous artists. Such protection includes the right to prepare derivative works that transform the original. The use of a copyrighted work may nevertheless be fair if, among other things, the use has a purpose and character that is sufficiently distinct from the original. In this case, however, Goldsmith’s original photograph of Prince, and AWF’s copying use of that photograph in an image licensed to a special edition magazine devoted to Prince, share substantially the same purpose, and the use is of a commercial nature. AWF has offered no other persuasive justification for its unauthorized use of the photograph. Therefore, the “purpose and character of the use, including whether such use is of a commercial nature or is for nonprofit educational purposes,” §107(1), weighs in Goldsmith’s favor.

The Court has cautioned that the four statutory fair use factors may not “be treated in isolation, one from another. All are to be explored, and the results weighed together, in light of the purposes of copyright.” *Campbell*, 510 U. S., at 578. AWF does not challenge the Court of Appeals’ determinations that the second factor, “the nature of the copyrighted work,” §107(2); third factor, “the amount and substantiality of the portion used in relation to the copyrighted work as a whole,” §107(3); and fourth factor, “the effect of the use upon the potential market for or value of the copyrighted work,” all favor Goldsmith. See 11 F. 4th, at 45–51. Because this Court agrees with the Court of Appeals that the first factor likewise favors her, the judgment of the Court of Appeals is

Affirmed.

Appendix to opinion of the Court

APPENDIX



Andy Warhol created 16 works based on Lynn Goldsmith's photograph: 14 silkscreen prints and two pencil drawings. The works are collectively known as the Prince Series.

GORSUCH, J., concurring

SUPREME COURT OF THE UNITED STATES

No. 21–869

ANDY WARHOL FOUNDATION FOR THE VISUAL
ARTS, INC., PETITIONER *v.* LYNN
GOLDSMITH, ET AL.

ON WRIT OF CERTIORARI TO THE UNITED STATES COURT OF
APPEALS FOR THE SECOND CIRCUIT

[May 18, 2023]

JUSTICE GORSUCH, with whom JUSTICE JACKSON joins,
concurring.

The question before us is a narrow one of statutory interpretation. It concerns the meaning of one of four factors Congress has instructed courts to consult when a party invokes the affirmative defense of “fair use” to a claim of copyright infringement. The statutory factor in question requires courts to consider “the purpose and character of the use.” 17 U. S. C. §107(1). The parties disagree which “purpose” and “character” counts.

On the Foundation’s telling, the statute requires courts to focus on the purpose the *creator* had in mind when producing his work and the character of his resulting work. So what matters in this case is that Andy Warhol intended to apply a “new aesthetic” to Lynn Goldsmith’s photograph and the character of his work “transformed” Prince from the “vulnerable, uncomfortable person” depicted in Ms. Goldsmith’s photograph into “an iconic, larger-than-life figure.” *Ante*, at 9–10; *post*, at 7–10, 18 (KAGAN, J., dissenting). Because the purpose and character of Mr. Warhol’s work is so different from Ms. Goldsmith’s, the Foundation insists, the first statutory factor points in favor of finding a fair-use affirmative defense.

By contrast, on Ms. Goldsmith’s reading of the law and

under the Second Circuit’s approach, the first fair-use factor requires courts to assess the purpose and character of the *challenged use*. *Ante*, at 21. The Foundation now owns Mr. Warhol’s image of Prince and it recently sought to license that image to a magazine looking for a depiction of Prince to accompany an article about Prince. *Ibid.* Ms. Goldsmith seeks to license her copyrighted photograph to exactly these kinds of buyers. And because the purpose and character of the Foundation’s challenged use and the purpose and character of her own protected use overlap so completely, Ms. Goldsmith argues that the first statutory factor does not support a fair-use affirmative defense.

As I see it, the second view of the law is the better one. Nothing in the copyright statute calls on judges to speculate about the purpose an artist may have in mind when working on a particular project. Nothing in the law requires judges to try their hand at art criticism and assess the aesthetic character of the resulting work. Instead, the first statutory fair-use factor instructs courts to focus on “the purpose and character of *the use*, including whether *such use is of a commercial nature or is for nonprofit educational purposes*.” §107(1) (emphases added). By its terms, the law trains our attention on the particular use under challenge. And it asks us to assess whether the purpose and character of that use is different from (and thus complements) or is the same as (and thus substitutes for) a copyrighted work. It’s a comparatively modest inquiry focused on how and for what reason a person is using a copyrighted work in the world, not on the moods of any artist or the aesthetic quality of any creation.

To my mind, three contextual clues confirm that this reading of the statutory text is the correct one.

First, the statutory preamble to all four fair-use factors instructs courts to assess whether the person asserting a fair-use defense seeks to “use” a copyrighted work “for *purposes* such as criticism, comment, news reporting, teaching

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... , scholarship, or research.” §107 (emphasis added). Once more, the statute indicates that a court must examine the purpose of the particular use under challenge, not the artistic purpose underlying a work. And once more, the statute tasks courts with asking whether the challenged use serves a different purpose (as, say, a “criticism” of or “comment” on the original) or whether it seeks to serve the same purpose (as a substitute for the original).

Second, the copyright statute expressly protects a copyright holder’s exclusive right to create “derivative works” that “transfor[m]” or “adap[t]” his original work. §§101, 106(2). So saying that a later user of a copyrighted work “transformed” its message and endowed it with a “new aesthetic” cannot automatically mean he has made fair use of it. *Contra, post*, at 1–2, 22–23, 34–36 (KAGAN, J., dissenting). To hold otherwise would risk making a nonsense of the statutory scheme—suggesting that transformative uses of originals belong to the copyright holder (under §106) but that others may simultaneously claim those transformative uses for themselves (under §107). We aren’t normally in the business of putting a statute “at war with itself” in this way. *United States v. American Tobacco Co.*, 221 U. S. 106, 180 (1911).

Finally, the fourth fair-use factor requires courts to assess “the effect of the use upon the potential market for or value of the copyrighted work.” §107(4). This Court has described the fourth factor as the “most important” one. *Harper & Row, Publishers, Inc. v. Nation Enterprises*, 471 U. S. 539, 566 (1985). This Court has said, too, that no factor may “be treated in isolation, one from another.” *Campbell v. Acuff-Rose Music, Inc.*, 510 U. S. 569, 578 (1994). Nor does anything in the fourth factor call on courts to speculate about artistic ambitions or aesthetics. Instead, it requires courts to ask whether consumers treat a challenged use “as a market replacement” for a copyrighted work or a market complement that does not impair demand for the original.

Id., at 591. Reading §107 as a whole, then, it supplies courts with a sequential chain of questions about the particular *challenged use*—starting with its *purpose* and *character* (in the first factor) and ending with its *effect* (in the fourth). There is no double counting here. Contra, *post*, at 22 (KAGAN, J., dissenting). Instead, the statute proceeds from step to step, asking judges to assess whether the challenged use (as revealed by its purpose, character, amount of source material used, and effect) serves as a complement to or a substitute for a copyrighted work.

With all this in mind, the Court’s decision seems to me exactly right. Does Mr. Warhol’s image seek to depict Prince as a “larger-than-life” icon while Ms. Goldsmith’s photograph attempts to cast him in a more “vulnerable” light? See *ante*, at 28–35; *post*, at 9–10, 35 (KAGAN, J., dissenting). Or are the artistic purposes latent in the two images and their aesthetic character actually more similar than that? Happily, the law does not require judges to tangle with questions so far beyond our competence. Instead, the first fair-use factor requires courts to assess only whether the purpose and character of the *challenged use* is the same as a protected use. And here, the undisputed facts reveal that the Foundation sought to use its image as a commercial substitute for Ms. Goldsmith’s photograph. Of course, competitive products often differ in material respects and a buyer may find these differences reason to prefer one offering over another. Cf. *post*, at 10, 18 (KAGAN, J., dissenting). But under the first fair-use factor the salient point is that the purpose and character of the Foundation’s use involved competition with Ms. Goldsmith’s image. To know that much is to know the first fair-use factor favors Ms. Goldsmith.

It is equally important, however, to acknowledge what this case does not involve and what the Court does not decide. Worried about the fate of artists seeking to portray reclining nudes or papal authorities, or authors hoping to

GORSUCH, J., concurring

build on classic literary themes? *Post*, at 25–35 (KAGAN, J., dissenting). Worry not. This case does not call on us to strike a balance between rewarding creators and enabling others to build on their work. That is Congress’s job. See U. S. Const., Art. I, §8, cl. 8. Nor does this case even call on us to interpret and apply many of the reticulated elements of the Copyright Act that Congress has adopted to balance these competing interests. Our only job today is to interpret and apply faithfully one statutory factor among many Congress has deemed relevant to the affirmative defense of fair use.

That observation points the way to another. The Court today does not even decide whether the Foundation’s image of Prince infringes on Ms. Goldsmith’s copyright. To uphold a claim of infringement under the Copyright Act, a court must find the defendant copied elements of the plaintiff’s work that are themselves original. *Feist Publications, Inc. v. Rural Telephone Service Co.*, 499 U. S. 340, 361 (1991). As part of this process, a court must isolate and vindicate only the truly original elements of a copyrighted work. See 2 Nimmer on Copyright §8.01[D] (2022). The plaintiff must usually show not only a similarity but a “substantial” similarity between the allegedly infringing work and the original elements of his own copyrighted work. See 4 Nimmer on Copyright §13.03[A] (2023). And even when two works *are* substantially similar, if both the plaintiff’s and the defendant’s works copy from a third source (reworking, say, a traditional artistic or literary theme), a claim for infringement generally will not succeed. See 2 Nimmer on Copyright §8.01[C]. In this case, we address none of these questions or other elements of the infringement standard designed to ensure room for later artists to build on the work of their predecessors. The district court concluded that it “need not address” the merits of Ms. Goldsmith’s infringement claim because the Foundation could prevail at summary judgment on its affirmative defense of fair use.

382 F. Supp. 3d 312, 324 (SDNY 2019). The Second Circuit reversed, focused primarily on the district court’s “application of the four fair-use factors.” 11 F. 4th 26, 32 (2021); see *id.*, at 36–52. And this Court granted review to decide only the question of fair use and only the role of a single factor in that affirmative defense. 596 U. S. ___ (2022).

Last but hardly least, while our interpretation of the first fair-use factor does not favor the Foundation in this case, it may in others. If, for example, the Foundation had sought to display Mr. Warhol’s image of Prince in a nonprofit museum or a for-profit book commenting on 20th-century art, the purpose and character of that use might well point to fair use. But those cases are not this case. Before us, Ms. Goldsmith challenges only the Foundation’s effort to use its portrait as a commercial substitute for her own protected photograph in sales to magazines looking for images of Prince to accompany articles about the musician. And our only point today is that, while the Foundation may often have a fair-use defense for Mr. Warhol’s work, that does not mean it always will. Under the law Congress has given us, each challenged use must be assessed on its own terms.

KAGAN, J., dissenting

SUPREME COURT OF THE UNITED STATES

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ON WRIT OF CERTIORARI TO THE UNITED STATES COURT OF
APPEALS FOR THE SECOND CIRCUIT

[May 18, 2023]

JUSTICE KAGAN, with whom THE CHIEF JUSTICE joins,
dissenting.

Today, the Court declares that Andy Warhol’s eye-popping silkscreen of Prince—a work based on but dramatically altering an existing photograph—is (in copyright lingo) not “transformative.” Still more, the Court decides that even if Warhol’s portrait were transformative—even if its expression and meaning were worlds away from the photo—that fact would not matter. For in the majority’s view, copyright law’s first fair-use factor—addressing “the purpose and character” of “the use made of a work”—is uninterested in the distinctiveness and newness of Warhol’s portrait. 17 U. S. C. §107. What matters under that factor, the majority says, is instead a marketing decision: In the majority’s view, Warhol’s licensing of the silkscreen to a magazine precludes fair use.¹

You’ve probably heard of Andy Warhol; you’ve probably seen his art. You know that he reframed and reformulated—in a word, transformed—images created first by others. Campbell’s soup cans and Brillo boxes. Photos of celebrity icons: Marilyn, Elvis, Jackie, Liz—and, as most

¹By the time of the licensing, Warhol had died and the Warhol Foundation had stepped into his shoes. But for ease of exposition, I will refer to both the artist and his successor-in-interest as Warhol.

relevant here, Prince. That’s how Warhol earned his conspicuous place in every college’s Art History 101. So it may come as a surprise to see the majority describe the Prince silkscreen as a “modest alteration[.]” of Lynn Goldsmith’s photograph—the result of some “crop[ping]” and “flatten[ing]”—with the same “essential nature.” *Ante*, at 8, 25, n. 14, 33 (emphasis deleted). Or more generally, to observe the majority’s lack of appreciation for the way his works differ in both aesthetics and message from the original templates. In a recent decision, this Court used Warhol paintings as the perfect exemplar of a “copying use that adds something new and important”—of a use that is “transformative,” and thus points toward a finding of fair use. *Google LLC v. Oracle America, Inc.*, 593 U. S. ___, ___–___ (2021) (slip op., at 24–25). That Court would have told this one to go back to school.

What is worse, that refresher course would apparently be insufficient. For it is not just that the majority does not realize how much Warhol added; it is that the majority does not care. In adopting that posture of indifference, the majority does something novel (though in law, unlike in art, it is rarely a good thing to be transformative). Before today, we assessed “the purpose and character” of a copier’s use by asking the following question: Does the work “add[.] something new, with a further purpose or different character, altering the [original] with new expression, meaning, or message”? *Campbell v. Acuff-Rose Music, Inc.*, 510 U. S. 569, 579 (1994); see *Google*, 593 U. S., at ___ (slip op., at 24). When it did so to a significant degree, we called the work “transformative” and held that the fair-use test’s first factor favored the copier (though other factors could outweigh that one). But today’s decision—all the majority’s protestations notwithstanding—leaves our first-factor inquiry in shambles. The majority holds that because Warhol licensed his work to a magazine—as Goldsmith sometimes also did—the first factor goes against him. See, *e.g.*, *ante*, at 35. It does

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not matter how different the Warhol is from the original photo—how much “new expression, meaning, or message” he added. It does not matter that the silkscreen and the photo do not have the same aesthetic characteristics and do not convey the same meaning. It does not matter that because of those dissimilarities, the magazine publisher did not view the one as a substitute for the other. All that matters is that Warhol and the publisher entered into a licensing transaction, similar to one Goldsmith might have done. Because the artist had such a commercial purpose, all the creativity in the world could not save him.

That doctrinal shift ill serves copyright’s core purpose. The law does not grant artists (and authors and composers and so on) exclusive rights—that is, monopolies—for their own sake. It does so to foster creativity—“[t]o promote the [p]rogress” of both arts and science. U. S. Const., Art. I, §8, cl. 8. And for that same reason, the law also protects the fair use of copyrighted material. Both Congress and the courts have long recognized that an overly stringent copyright regime actually “stifle[s]” creativity by preventing artists from building on the work of others. *Stewart v. Abend*, 495 U. S. 207, 236 (1990) (internal quotation marks omitted); see *Campbell*, 510 U. S., at 578–579. For, let’s be honest, artists don’t create all on their own; they cannot do what they do without borrowing from or otherwise making use of the work of others. That is the way artistry of all kinds—visual, musical, literary—happens (as it is the way knowledge and invention generally develop). The fair-use test’s first factor responds to that truth: As understood in our precedent, it provides “breathing space” for artists to use existing materials to make fundamentally new works, for the public’s enjoyment and benefit. *Id.*, at 579. In now remaking that factor, and thus constricting fair use’s boundaries, the majority hampers creative progress and

undermines creative freedom. I respectfully dissent.²

I
A

Andy Warhol is the avatar of transformative copying. Cf. *Google*, 593 U. S., at ___–___ (slip op., at 24–25) (selecting Warhol, from the universe of creators, to illustrate what transformative copying is). In his early career, Warhol worked as a commercial illustrator and became experienced in varied techniques of reproduction. By night, he used those techniques—in particular, the silkscreen—to create his own art. His own—even though in one sense not. The silkscreen enabled him to make brilliantly novel art out of existing “images carefully selected from popular culture.” D. De Salvo, *God Is in the Details*, in *Andy Warhol Prints* 22 (4th rev. ed. 2003). The works he produced, connecting traditions of fine art with mass culture, depended on “appropriation[s]”: The use of “elements of an extant image[] is Warhol’s entire modus operandi.” B. Gopnik, *Artistic Appropriation vs. Copyright Law*, *N. Y. Times*, Apr. 6, 2021, p. C4 (internal quotation marks omitted). And with that m.o., he changed modern art; his appropriations and his originality were flipsides of each other. To a public accustomed to thinking of art as formal works “belong[ing] in

²One preliminary note before beginning in earnest. As readers are by now aware, the majority opinion is trained on this dissent in a way majority opinions seldom are. Maybe that makes the majority opinion self-refuting? After all, a dissent with “no theory” and “[n]o reason” is not one usually thought to merit pages of commentary and fistfuls of comeback footnotes. *Ante*, at 36. In any event, I’ll not attempt to rebut point for point the majority’s varied accusations; instead, I’ll mainly rest on my original submission. I’ll just make two suggestions about reading what follows. First, when you see that my description of a precedent differs from the majority’s, go take a look at the decision. Second, when you come across an argument that you recall the majority took issue with, go back to its response and ask yourself about the ratio of reasoning to *ipse dixit*. With those two recommendations, I’ll take my chances on readers’ good judgment.

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gold frames”—disconnected from the everyday world of products and personalities—Warhol’s paintings landed like a thunderclap. A. Danto, *Andy Warhol* 36 (2009). Think Soup Cans or, in another vein, think Elvis. Warhol had created “something very new”—“shockingly important, transformative art.” B. Gopnik, *Warhol* 138 (2020); Gopnik, *Artistic Appropriation*.

To see the method in action, consider one of Warhol’s pre-Prince celebrity silkscreens—this one, of Marilyn Monroe. He began with a publicity photograph of the actress. And then he went to work. He reframed the image, zooming in on Monroe’s face to “produc[e] the disembodied effect of a cinematic close-up.” 1 App. 161 (expert declaration).



At that point, he produced a high-contrast, flattened image on a sheet of clear acetate. He used that image to trace an outline on the canvas. And he painted on top—applying exotic colors with “a flat, even consistency and an industrial appearance.” *Id.*, at 165. The same high-contrast image was then reproduced in negative on a silkscreen, designed

to function as a selectively porous mesh. Warhol would “place the screen face down on the canvas, pour ink onto the back of the mesh, and use a squeegee to pull the ink through the weave and onto the canvas.” *Id.*, at 164. On some of his Marilyns (there are many), he reordered the process—first ink, then color, then (perhaps) ink again. See *id.*, at 165–166. The result—see for yourself—is miles away from a literal copy of the publicity photo.



Andy Warhol, Marilyn, 1964, acrylic and silkscreen ink on linen

And the meaning is different from any the photo had. Of course, meaning in great art is contestable and contested (as is the premise that an artwork is great). But note what some experts say about the complex message(s) Warhol's Marilyns convey. On one level, those vivid, larger-than-life paintings are celebrity iconography, making a “secular, profane subject[.]” “transcendent” and “eternal.” *Id.*, at 209 (internal quotation marks omitted). But they also function as a biting critique of the cult of celebrity, and the role it plays

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in American life. With misaligned, “Day-Glo” colors suggesting “artificiality and industrial production,” Warhol portrayed the actress as a “consumer product.” The Metropolitan Museum of Art Guide 233 (2012); The Metropolitan Museum of Art, Marilyn (2023) (online source archived at <https://www.supremecourt.gov>). And in so doing, he “exposed the deficiencies” of a “mass-media culture” in which “such superficial icons loom so large.” 1 App. 208, 210 (internal quotation marks omitted). Out of a publicity photo came both memorable portraiture and pointed social commentary.

As with Marilyn, similarly with Prince. In 1984, Vanity Fair commissioned Warhol to create a portrait based on a black-and-white photograph taken by noted photographer Lynn Goldsmith:



As he did in the Marilyn series, Warhol cropped the photo, so that Prince’s head fills the whole frame: It thus becomes “disembodied,” as if “magically suspended in space.” *Id.*, at

174. And as before, Warhol converted the cropped photo into a higher-contrast image, incorporated into a silkscreen. That image isolated and exaggerated the darkest details of Prince’s head; it also reduced his “natural, angled position,” presenting him in a more face-forward way. *Id.*, at 223. Warhol traced, painted, and inked, as earlier described. See *supra*, at 5–6. He also made a second silkscreen, based on his tracings; the ink he passed through that screen left differently colored, out-of-kilter lines around Prince’s face and hair (a bit hard to see in the reproduction below—more pronounced in the original). Altogether, Warhol made 14 prints and two drawings—the Prince series—in a range of unnatural, lurid hues. See Appendix, *ante*, at 39. Vanity Fair chose the Purple Prince to accompany an article on the musician. Thirty-two years later, just after Prince died, Condé Nast paid Warhol (now actually his foundation, see *supra*, at 1, n. 1) to use the Orange Prince on the cover of a special commemorative magazine. A picture (or two), as the saying goes, is worth a thousand words, so here is what those magazines published:



Andy Warhol, Prince, 1984, synthetic paint and silkscreen ink on canvas

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It does not take an art expert to see a transformation—but in any event, all those offering testimony in this case agreed there was one. The experts explained, in far greater detail than I have, the laborious and painstaking work that Warhol put into these and other portraits. See 1 App. 160–185, 212–216, 222–224. They described, in ways I have tried to suggest, the resulting visual differences between the photo and the silkscreen. As one summarized the matter: The two works are “materially distinct” in “their composition, presentation, color palette, and media”—*i.e.*, in pretty much all their aesthetic traits. *Id.*, at 227.³ And with the change in form came an undisputed change in meaning. Goldsmith’s focus—seen in what one expert called the “corporeality and luminosity” of her depiction—was on Prince’s “unique human identity.” *Id.*, at 176, 227. Warhol’s focus was more nearly the opposite. His subject was “not the private person but the public image.” *Id.*, at 159. The artist’s “flattened, cropped, exotically colored, and unnatural depiction of Prince’s disembodied head” sought to “communicate a message about the impact of celebrity” in contemporary life. *Id.*, at 227. On Warhol’s canvas, Prince emerged as “spectral, dark, [and] uncanny”—less a real person than a “mask-like simulacrum.” *Id.*, at 187, 249. He was reframed as a “larger than life” “icon or totem.” *Id.*, at 257. Yet he was also reduced: He became the product of a “publicity machine” that “packages and disseminates commoditized images.” *Id.*, at 160. He manifested, in short, the dehumanizing culture of celebrity in America. The message could

³The majority attempts to minimize the visual dissimilarities between Warhol’s silkscreen and Goldsmith’s photograph by rotating the former image and then superimposing it on the latter one. See *ante*, at 9 (fig. 6); see also Brief for Goldsmith 17 (doing the same thing). But the majority is trying too hard: Its manipulated picture in fact reveals the significance of the cropping and facial reorientation that went into Warhol’s image. And the majority’s WarGold combo of course cannot obscure the other differences, of color and presentation, between the two works.

not have been more different.

A thought experiment may pound the point home. Suppose you were the editor of *Vanity Fair* or *Condé Nast*, publishing an article about Prince. You need, of course, some kind of picture. An employee comes to you with two options: the Goldsmith photo, the Warhol portrait. Would you say that you don't really care? That the employee is free to flip a coin? In the majority's view, you apparently would. Its opinion, as further discussed below, is built on the idea that both are just "portraits of Prince" that may equivalently be "used to depict Prince in magazine stories about Prince." *Ante*, at 12–13; see *ante*, at 22–23, and n. 11, 27, n. 15, 33, 35. All I can say is that it's a good thing the majority isn't in the magazine business. Of course you would care! You would be drawn aesthetically to one, or instead to the other. You would want to convey the message of one, or instead of the other. The point here is not that one is better and the other worse. The point is that they are fundamentally different. You would see them not as "substitute[s]," but as divergent ways to (in the majority's mantra) "illustrate a magazine about Prince with a portrait of Prince." *Ante*, at 15, 33; see *ante*, at 22–23, and n. 11, 27, n. 15, 35. Or else you (like the majority) would not have much of a future in magazine publishing.

In any event, the editors of *Vanity Fair* and *Condé Nast* understood the difference—the gulf in both aesthetics and meaning—between the Goldsmith photo and the Warhol portrait. They knew about the photo; but they wanted the portrait. They saw that as between the two works, Warhol had effected a transformation.

B

The question in this case is whether that transformation should matter in assessing whether Warhol made "fair use" of Goldsmith's copyrighted photo. The answer is yes—it should push toward (although not dictate) a finding of fair

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use. That answer comports with the copyright statute, its underlying policy, and our precedent concerning the two. Under established copyright law (until today), Warhol’s addition of important “new expression, meaning, [and] message” counts in his favor in the fair-use inquiry. *Campbell*, 510 U. S., at 579.

Start by asking a broader question: Why do we have “fair use” anyway? The majority responds that while copyrights encourage the making of creative works, fair use promotes their “public availability.” *Ante*, at 13 (internal quotation marks omitted). But that description sells fair use far short. Beyond promoting “availability,” fair use itself advances creativity and artistic progress. See *Campbell*, 510 U. S., at 575, 579 (fair use is “necessary to fulfill copyright’s very purpose”—to “promote science and the arts”). That is because creative work does not happen in a vacuum. “Nothing comes from nothing, nothing ever could,” said songwriter Richard Rodgers, maybe thinking not only about love and marriage but also about how the Great American Songbook arose from vaudeville, ragtime, the blues, and jazz.⁴ This Court has long understood the point—has gotten how new art, new invention, and new knowledge arise from existing works. Our seminal opinion on fair use quoted the illustrious Justice Story:

“In truth, in literature, in science and in art, there are, and can be, few, if any, things, which . . . are strictly

⁴In the spirit of this opinion, I might have quoted that line without further ascription. But lawyers believe in citations, so I will tell you that the Rodgers lyric (which is, *of course*, from the Sound of Music) is used—to make the same point I do—in Rob Kapilow’s *Listening for America: Inside the Great American Songbook From Gershwin to Sondheim* (2019). One of that book’s themes is that even the most “radically new” music builds on existing works—or as Irving Berlin put the point, “songs make history, and history makes songs.” *Id.*, at xv, 2. And so too for every other form of art. See *infra*, at 26–34 (making this point at greater length—and with pictures!).

new and original throughout. Every book in literature, science and art, borrows, and must necessarily borrow, and use much which was well known and used before.” *Id.*, at 575 (quoting *Emerson v. Davies*, 8 F. Cas. 615, 619 (No. 4,436) (CC Mass. 1845)).

Because that is so, a copyright regime with no escape valves would “stifle the very creativity which [the] law is designed to foster.” *Stewart*, 495 U. S., at 236. Fair use is such an escape valve. It “allow[s] others to build upon” copyrighted material, so as not to “put manacles upon” creative progress. *Campbell*, 510 U. S., at 575 (internal quotation marks omitted). In short, copyright’s core value—promoting creativity—sometimes demands a pass for copying.

To identify when that is so, the courts developed and Congress later codified a multi-factored inquiry. As the majority describes, see *ante*, at 14, the current statute sets out four non-exclusive considerations to guide courts. They are: (1) “the purpose and character of the use” made of the copyrighted work, “including whether such use is of a commercial nature”; (2) “the nature of the copyrighted work”; (3) “the amount and substantiality of the portion used in relation to the copyrighted work as a whole”; and (4) “the effect of the use upon the potential market for or value of the copyrighted work.” 17 U. S. C. §107. Those factors sometimes point in different directions; if so, a court must weigh them against each other. In doing so, we have stated, courts should view the fourth factor—which focuses on the copyright holder’s economic interests—as the “most important.” See *Harper & Row, Publishers, Inc. v. Nation Enterprises*, 471 U. S. 539, 566 (1985).⁵ But the overall balance cannot

⁵The fourth factor has, to use the majority’s repeated example, forced many a filmmaker to pay for adapting books into movies—as we noted two Terms ago. See *Google LLC v. Oracle America, Inc.*, 593 U. S. ___, ___ (2021) (slip op., at 30) (explaining that film adaptations may founder on “[t]he fourth statutory factor” because “[m]aking a film of an author’s book” may result in “potential or presumed losses to the copyright

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come out right unless each factor is assessed correctly. This case, of course, is about (and only about) the first.

And that factor is distinctive: It is the only one that focuses on what the copier’s use of the original work accomplishes. The first factor asks about the “character” of that use—its “main or essential nature[,] esp[ecially] as strongly marked and serving to distinguish.” Webster’s Third New International Dictionary 376 (1976). And the first factor asks about the “purpose” of the use—the “object, effect, or result aimed at, intended, or attained.” *Id.*, at 1847. In that way, the first factor gives the copier a chance to make his case. See P. Leval, Toward a Fair Use Standard, 103 Harv. L. Rev. 1105, 1116 (1990) (describing factor 1 as “the soul of” the “fair use defense”). Look, the copier can say, at how I altered the original, and what I achieved in so doing. Look at how (as Judge Leval’s seminal article put the point) the original was “used as raw material” and was “transformed

owner”). The majority asserts that it is “aware of no authority for the proposition” that the fourth factor can thus protect against unlicensed film adaptations, insisting that the first factor must do (or at least share in) the work. *Ante*, at 29, n. 17; see *ante*, at 16, 28–29, 36. But *Google* is the “authority for the proposition”: That’s just what it said, in so many words. And anyway, the majority’s own first-factor test, applied consistently, would favor, not stop, the freeloading filmmaker. As you’ve seen (and I’ll discuss below), that test boils down to whether a follow-on work serves substantially the same commercial purpose as the original—here, “depict[ing] Prince in magazine stories about Prince.” *Ante*, at 12–13; see *ante*, at 22–23, and n. 11, 27, n. 15, 33, 35. A film adaptation doesn’t fit that mold: The filmmaker (unlike Warhol, in the majority’s view) wants to reach different buyers, in different markets, consuming different products. The majority at one point suggests it might have some different factor 1 test in its back pocket to deal with this problem. See *ante*, at 35, n. 22. But assuming the majority’s approach, as stated repeatedly in its opinion, is truly the majority’s approach, factor 1 won’t help the author in the book-to-film situation. Under that approach, it is the fourth factor, not the first, which has to “take[] care of derivative works like book-to-film adaptations.” *Ante*, at 29, n. 17. It’s a good thing the majority errs in believing that the fourth factor isn’t up to the job.

in the creation of new information, new aesthetics, new insights.” *Id.*, at 1111. That is hardly the end of the fair-use inquiry (commercialism, too, may bear on the first factor, and anyway there are three factors to go), but it matters profoundly. Because when a transformation of the original work has occurred, the user of the work has made the kind of creative contribution that copyright law has as its object.

Don’t take it from me (or Judge Leval): The above is exactly what this Court has held about how to apply factor 1. In *Campbell*, our primary case on the topic, we stated that the first factor’s purpose-and-character test “central[ly]” concerns “whether and to what extent the new work is ‘transformative.’” 510 U. S., at 579 (quoting Leval 1111). That makes sense, we explained, because “the goal of copyright, to promote science and the arts, is generally furthered by the creation of transformative works.” 510 U. S., at 579. We then expounded on when such a transformation happens. Harking back to Justice Story, we explained that a “new work” might “merely ‘supersede[] the objects’ of the original creation”—meaning, that it does no more, and for no other end, than the first work had. *Ibid.* (quoting *Folsom v. Marsh*, 9 F. Cas. 342, 348 (No. 4,901) (CC Mass. 1841)). But alternatively, the new work could “add[] something new, with a further purpose or different character, altering the first with new expression, meaning, or message.” 510 U. S., at 579. Forgive me, but given the majority’s stance (see, e.g., *ante*, at 33), that bears repeating: The critical factor 1 inquiry, we held, is whether a new work alters the first with “new expression, meaning, or message.” The more it does so, the more transformative the new work. And (here is the final takeaway) “the more transformative the new work, the less will be the significance of other factors, like commercialism, that may weigh against a finding of fair use.” 510 U. S., at 579. Under that approach, the *Campbell* Court held, the rap group 2 Live Crew’s “transformative” copying of Roy Orbison’s “Pretty Woman” counted in favor

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of fair use. *Id.*, at 583. And that was so even though the rap song was, as everyone agreed, recorded and later sold for profit. See *id.*, at 573.

Just two Terms ago, in *Google*, we made all the same points. We quoted *Campbell* in explaining that the factor 1 inquiry is “whether the copier’s use ‘adds something new, with a further purpose or different character, altering’ the copyrighted work ‘with new expression, meaning, or message.’” 593 U. S., at ____ (slip op., at 24). We again described “a copying use that adds something new and important” as “transformative.” *Ibid.* We reiterated that protecting transformative uses “stimulate[s] creativity” and thus “fulfill[s] the objective of copyright law.” *Ibid.* (quoting Leval 1111). And then we gave an example. Yes, of course, we pointed to Andy Warhol. (The majority claims not to be embarrassed by this embarrassing fact because the specific reference was to his Soup Cans, rather than his celebrity images. But drawing a distinction between a “commentary on consumerism”—which is how the majority describes his soup canvases, *ante*, at 27—and a commentary on celebrity culture, *i.e.*, the turning of people into consumption items, is slicing the baloney pretty thin.) Finally, the Court conducted the first-factor inquiry it had described. Google had replicated Sun Microsystems’ computer code as part of a “commercial endeavor,” done “for commercial profit.” 593 U. S., at ____ (slip op., at 27). No matter, said the Court. “[M]any common fair uses are indisputably commercial.” *Ibid.* What mattered instead was that Google had used Sun’s code to make “something new and important”: a “highly creative and innovative” software platform. *Id.*, at ____–____ (slip op., at 24–25). The use of the code, the Court held, was therefore “transformative” and “point[ed] toward fair use.” *Id.*, at ____, ____ (slip op., at 25, 28).

Campbell and *Google* also illustrate the difference it can make in the world to protect transformative works through fair use. Easy enough to say (as the majority does, see *ante*,

at 36) that a follow-on creator should just pay a licensing fee for its use of an original work. But sometimes copyright holders charge an out-of-range price for licenses. And other times they just say no. In *Campbell*, for example, Orbison’s successor-in-interest turned down 2 Live Crew’s request for a license, hoping to block the rap take-off of the original song. See 510 U. S., at 572–573. And in *Google*, the parties could not agree on licensing terms, as Sun insisted on conditions that Google thought would have subverted its business model. See 593 U. S., at ___ (slip op., at 3). So without fair use, 2 Live Crew’s and Google’s works—however new and important—might never have been made or, if made, never have reached the public. The prospect of that loss to “creative progress” is what lay behind the Court’s inquiry into transformativeness—into the expressive novelty of the follow-on work (regardless whether the original creator granted permission). *Id.*, at ___ (slip op., at 25); see *Campbell*, 510 U. S., at 579.

Now recall all the ways Warhol, in making a Prince portrait from the Goldsmith photo, “add[ed] something new, with a further purpose or different character”—all the ways he “alter[ed] the [original work’s] expression, meaning, [and] message.” *Ibid.* The differences in form and appearance, relating to “composition, presentation, color palette, and media.” 1 App. 227; see *supra*, at 7–10. The differences in meaning that arose from replacing a realistic—and indeed humanistic—depiction of the performer with an unnatural, disembodied, masklike one. See *ibid.* The conveyance of new messages about celebrity culture and its personal and societal impacts. See *ibid.* The presence of, in a word, “transformation”—the kind of creative building that copyright exists to encourage. Warhol’s use, to be sure, had a commercial aspect. Like most artists, Warhol did not want to hide his works in a garret; he wanted to sell them. But as *Campbell* and *Google* both demonstrate (and as fur-

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ther discussed below), that fact is nothing near the showstopper the majority claims. Remember, the more transformative the work, the less commercialism matters. See *Campbell*, 510 U. S., at 579; *supra*, at 14; *ante*, at 18 (acknowledging the point, even while refusing to give it any meaning). The dazzling creativity evident in the Prince portrait might not get Warhol all the way home in the fair-use inquiry; there remain other factors to be considered and possibly weighed against the first one. See *supra*, at 2, 10, 14. But the “purpose and character of [Warhol’s] use” of the copyrighted work—what he did to the Goldsmith photo, in service of what objects—counts powerfully in his favor. He started with an old photo, but he created a new new thing.⁶

II

The majority does not see it. And I mean that literally. There is precious little evidence in today’s opinion that the majority has actually looked at these images, much less that it has engaged with expert views of their aesthetics and meaning. Whatever new expression Warhol added, the majority says, was not transformative. See *ante*, at 25. Apparently, Warhol made only “modest alterations.” *Ante*, at 33. Anyone, the majority suggests, could have “crop[ped], flatten[ed], trace[d], and color[ed] the photo” as Warhol did. *Ante*, at 8. True, Warhol portrayed Prince “somewhat differently.” *Ante*, at 33. But the “degree of difference” is too small: It consists merely in applying Warhol’s “characteristic style”—an aesthetic gloss, if you will—“to bring out a particular meaning” that was already “available in [Goldsmith’s] photograph.” *Ibid.* So too, Warhol’s commentary on celebrity culture matters not at all; the majority is not willing to concede that it even exists. See *ante*, at 34 (“even

⁶I have to admit, I stole that last phrase from Michael Lewis’s *The New New Thing: A Silicon Valley Story* (2014). I read the book some time ago, and the phrase stuck with me (as phrases often do). I wouldn’t have thought of it on my own.

if such commentary is perceptible”). And as for the District Court’s view that Warhol transformed Prince from a “vulnerable, uncomfortable person to an iconic, larger-than-life figure,” the majority is downright dismissive. *Ante*, at 32. Vulnerable, iconic—who cares? The silkscreen and the photo, the majority claims, still have the same “essential nature.” *Ante*, at 25, n. 14 (emphasis deleted).

The description is disheartening. It’s as though Warhol is an Instagram filter, and a simple one at that (*e.g.*, sepia-tinting). “What is all the fuss about?” the majority wants to know. Ignoring reams of expert evidence—explaining, as every art historian could explain, exactly what the fuss is about—the majority plants itself firmly in the “I could paint that” school of art criticism. No wonder the majority sees the two images as essentially fungible products in the magazine market—publish this one, publish that one, what does it matter? See *ante*, at 22–23; *supra*, at 10. The problem is that it *does* matter, for all the reasons given in the record and discussed above. See *supra*, at 9–10. Warhol based his silkscreen on a photo, but fundamentally changed its character and meaning. In belittling those creative contributions, the majority guarantees that it will reach the wrong result.

Worse still, the majority maintains that those contributions, even if significant, just would not matter. All of Warhol’s artistry and social commentary is negated by one thing: Warhol licensed his portrait to a magazine, and Goldsmith sometimes licensed her photos to magazines too. That is the sum and substance of the majority opinion. Over and over, the majority incants that “[b]oth [works] are portraits of Prince used in magazines to illustrate stories about Prince”; they therefore both “share substantially the same purpose”—meaning, a commercial one. *Ante*, at 22–23, 38; see *ante*, at 12–13, 27, n. 15, 33, 35. Or said otherwise, because Warhol entered into a licensing transaction with Condé Nast, he could not get any help from factor 1—

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regardless how transformative his image was. See, *e.g.*, *ante*, at 35 (Warhol’s licensing “outweigh[s]” any “new meaning or message” he could have offered). The majority’s commercialism-trumps-creativity analysis has only one way out. If Warhol had used Goldsmith’s photo to comment on or critique *Goldsmith’s photo*, he might have availed himself of that factor’s benefit (though why anyone would be interested in that work is mysterious). See *ante*, at 34. But because he instead commented on *society*—the dehumanizing culture of celebrity—he is (go figure) out of luck.

From top-to-bottom, the analysis fails. It does not fit the copyright statute. It is not faithful to our precedent. And it does not serve the purpose both Congress and the Court have understood to lie at the core of fair use: “stimulat[ing] creativity,” by enabling artists and writers of every description to build on prior works. *Google*, 593 U. S., at ____ (slip op., at 24). That is how art, literature, and music happen; it is also how all forms of knowledge advance. Even as the majority misconstrues the law, it misunderstands—and threatens—the creative process.

Start with what the statute tells us about whether the factor 1 inquiry should disregard Warhol’s creative contributions because he licensed his work. (Sneak preview: It shouldn’t.) The majority claims the text as its strong suit, viewing our precedents’ inquiry into new expression and meaning as a faulty “paraphrase” of the statutory language. *Ante*, at 28–30. But it is the majority, not *Campbell* and *Google*, that misreads §107(1). First, the key term “character” plays little role in the majority’s analysis. See *ante*, at 12–13, 22–23, and n. 11, 29 (statements of central test or holding referring only to “purpose”). And you can see why, given the counter-intuitive meaning the majority (every so often) provides. See *ante*, at 24–25, and n. 14. When referring to the “character” of what Warhol did, the majority says merely that he “licensed Orange Prince to Condé Nast for \$10,000.” See *ante*, at 24. But that reductionist view

rids the term of most of its ordinary meaning. “Character” typically refers to a thing’s “main or essential nature[,] esp[ecially] as strongly marked and serving to distinguish.” Webster’s Third 376; see *supra*, at 13. The essential and distinctive nature of an artist’s use of a work commonly involves artistry—as it did here. See also *Campbell*, 510 U. S., at 582, 588–589 (discussing the expressive “character” of 2 Live Crew’s rap). So the term “character” makes significant everything the record contains—and everything everyone (save the majority) knows—about the differences in expression and meaning between Goldsmith’s photo and Warhol’s silkscreen.

Second, the majority significantly narrows §107(1)’s reference to “purpose” (thereby paralleling its constriction of “character”). It might be obvious to you that artists have artistic purposes. And surely it was obvious to the drafters of a law aiming to promote artistic (and other kinds of) creativity. But not to the majority, which again cares only about Warhol’s decision to license his art. Warhol’s purpose, the majority says, was just to “depict Prince in [a] magazine stor[y] about Prince” in exchange for money. *Ante*, at 12–13. The majority spurns all that mattered to the artist—evident on the face of his work—about “expression, meaning, [and] message.” *Campbell*, 510 U. S., at 579; *Google*, 593 U. S., at ___ (slip op., at 24). That indifference to purposes beyond the commercial—for what an artist, most fundamentally, wants to communicate—finds no support in §107(1).⁷

⁷The majority seeks some statutory backing in what it describes as §107’s reference to the “specific ‘use’” of a work “alleged to be ‘an infringement.’” *Ante*, at 20; see also *ante*, at 2, 4 (GORSUCH, J., concurring). Because the challenged use here is a licensing (so says the majority), all that matters is that Goldsmith engaged in similar commercial transactions. But the majority is both rewriting and splicing the statute. The key part of the statute simply asks whether the “use *made of a [copyrighted] work*” is fair. (The term “alleged infringement,” which the majority banks on, nowhere exists in the text; indeed, all the statute says

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Still more, the majority’s commercialism-über-alles view of the factor 1 inquiry fits badly with two other parts of the fair-use provision. To begin, take the preamble, which gives examples of uses often thought fair: “criticism, comment, news reporting, teaching[,] . . . scholarship, or research.” §107. As we have explained, an emphasis on commercialism would “swallow” those uses—that is, would mostly *deprive* them of fair-use protection. *Campbell*, 510 U. S., at 584. For the listed “activities are generally conducted for profit in this country.” *Ibid.* (internal quotation marks omitted). “No man but a blockhead,” Samuel Johnson once noted, “ever wrote[] except for money.” 3 *Boswell’s Life of Johnson* 19 (G. Hill ed. 1934). And Congress of course knew that when it drafted the preamble.

Next, skip to the last factor in the fair-use test: “the effect of the use upon the potential market for or value of the copyrighted work.” §107(4). You might think that when Congress lists two different factors for consideration, it is because the two factors are, well, different. But the majority transplants factor 4 into factor 1. Recall that the majority conducts a kind of market analysis: Warhol, the majority says, licensed his portrait of Prince to a magazine that Goldsmith could have licensed her photo to—and so may have caused her economic harm. See *ante*, at 22–23; see also *ante*, at 19 (focusing on whether a follow-on work is a market “substitute” for the original); *ante*, at 4 (GORSUCH, J., concurring) (describing the “salient point” as whether Warhol’s “use involved competition with Ms. Goldsmith’s

about infringement, and in a separate sentence, is that a fair use doesn’t count as one.) The statute—that is, the actual one—thus focuses attention on what the copier does with the underlying work. So when the statute more particularly asks (in factor 1) about the “purpose and character of the use”—meaning again, the “use made of [the copyrighted] work”—it is asking to what end, and with what result, the copier made use of the original. And that necessarily involves the issue of transformation—more specifically here, how Warhol’s silkscreen transformed Goldsmith’s photo.

image”). That issue is no doubt important in the fair-use inquiry. But it is the stuff of factor 4: how Warhol’s use affected the “value of” or “market for” Goldsmith’s photo. Factor 1 focuses on the other side of the equation: the new expression, meaning, or message that may come from someone else using the original. Under the statute, courts are supposed to strike a balance between the two—and thus between rewarding original creators and enabling others to build on their works. That cannot happen when a court, à la the majority, double-counts the first goal and ignores the second.

Is it possible I overstate the matter? I would like for that to be true. And a puzzling aspect of today’s opinion is that it occasionally acknowledges the balance that the fair-use provision contemplates. So, for example, the majority notes after reviewing the relevant text that “the central question [the first factor] asks” is whether the new work “adds something new” to the copyrighted one. *Ante*, at 15 (internal quotation marks omitted). Yes, exactly. And in other places, the majority suggests that a court should consider in the factor 1 analysis not merely the commercial context but also the copier’s addition of “new expression,” including new meaning or message. *Ante*, at 12; see *ante*, at 18, 24–25, n. 13, 25, 32. In that way, the majority opinion differs from JUSTICE GORSUCH’S concurrence, which would exclude all inquiry into whether a follow-on work is transformative. See *ante*, at 2, 4. And it is possible lower courts will pick up on that difference, and ensure that the “newness” of a follow-on work will continue to play a significant role in the factor 1 analysis. If so, I’ll be happy to discover that my “claims [have] not age[d] well.” *Ante*, at 36. But that would require courts to do what the majority does not: make a serious inquiry into the follow-on artist’s creative contributions. The majority’s refusal to do so is what creates the oddity at the heart of today’s opinion. If “newness” matters (as the opinion sometimes says), then why does the majority

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dismiss all the newness Warhol added just because he licensed his portrait to Condé Nast? And why does the majority insist more generally that in a commercial context “convey[ing] a new meaning or message” is “not enough for the first factor to favor fair use”? *Ante*, at 35.

Certainly not because of our precedent—which conflicts with nearly all the majority says. As explained earlier, this Court has decided two important cases about factor 1. See *supra*, at 14–16. In each, the copier had built on the original to make a product for sale—so the use was patently commercial. And in each, that fact made no difference, because the use was also transformative. The copier, we held, had made a significant creative contribution—had added real value. So in *Campbell*, we did not ask whether 2 Live Crew and Roy Orbison both meant to make money by “including a catchy song about women on a record album.” But cf. *ante*, at 12–13 (asking whether Warhol and Goldsmith both meant to charge for “depict[ing] Prince in magazine stories about Prince”). We instead asked whether 2 Live Crew had added significant “new expression, meaning, [and] message”; and because we answered yes, we held that the group’s rap song did not “merely supersede the objects of the original creation.” 510 U. S., at 579 (internal quotation marks and alteration omitted). Similarly, in *Google*, we took for granted that Google (the copier) and Sun (the original author) both meant to market software platforms facilitating the same tasks—just as (in the majority’s refrain) Warhol and Goldsmith both wanted to market images depicting the same subject. See 593 U. S., at ____, ____ (slip op., at 25, 27). “So what?” was our basic response. Google’s copying had enabled the company to make a “highly creative and innovative tool,” advancing “creative progress” and thus serving “the basic constitutional objective of copyright.” *Id.*, at ____ (slip op., at 25) (internal quotation marks omitted). Search today’s opinion high and low, you will see

no such awareness of how copying can help produce valuable new works.

Nor does our precedent support the majority's strong distinction between follow-on works that "target" the original and those that do not. *Ante*, at 35. (Even the majority does not claim that anything in the text does so.) True enough that the rap song in *Campbell* fell into the former category: 2 Live Crew urged that its work was a parody of Orbison's song. But even in discussing the value of parody, *Campbell* made clear the limits of targeting's importance. The Court observed that as the "extent of transformation" increases, the relevance of targeting decreases. 510 U. S., at 581, n. 14. *Google* proves the point. The new work there did not parody, comment on, or otherwise direct itself to the old: The former just made use of the latter for its own devices. Yet that fact never made an appearance in the Court's opinion; what mattered instead was the "highly creative" use Google had made of the copied code. That decision is on point here. Would Warhol's work really have been more worthy of protection if it had (somehow) "sh[e]d light" on Goldsmith's photograph, rather than on Prince, his celebrity status, and celebrity culture? *Ante*, at 27. Would that Goldsmith-focused work (whatever it might be) have more meaningfully advanced creative progress, which is copyright's *raison d'être*, than the work he actually made? I can't see how; more like the opposite. The majority's preference for the directed work, apparently on grounds of necessity, see *ante*, at 27, 34–35, again reflects its undervaluing of transformative copying as a core part of artistry.

And there's the rub. (Yes, that's mostly Shakespeare.) As Congress knew, and as this Court once saw, new creations come from building on—and, in the process, transforming—those coming before. Today's decision stymies and suppresses that process, in art and every other kind of creative endeavor. The decision enhances a copyright holder's power to inhibit artistic development, by enabling her to

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block even the use of a work to fashion something quite different. Or viewed the other way round, the decision impedes non-copyright holders' artistic pursuits, by preventing them from making even the most novel uses of existing materials. On either account, the public loses: The decision operates to constrain creative expression.⁸

The effect, moreover, will be dramatic. Return again to Justice Story, see *supra*, at 11–12: “[I]n literature, in science and in art, there are, and can be, few, if any, things” that are “new and original throughout.” *Campbell*, 510 U. S., at 575 (quoting *Emerson*, 8 F. Cas., at 619). Every work “borrows, and must necessarily” do so. 510 U. S., at 575. Creators themselves know that fact deep in their bones. Here is Mark Twain on the subject: “The kern[e]l, the soul—let us go further and say the substance, the bulk, the actual and valuable material” of creative works—all are “consciously and unconsciously drawn from a million outside sources.” Letter from M. Twain to H. Keller, in 2 Mark Twain’s Letters 731 (1917); see also *id.*, at 732 (quoting Oliver Wendell Holmes—no, not that one, his father the poet—as saying “I have never originated anything altogether myself, nor met anybody who had”). “[A]ppropriation, mimicry, quotation, allusion and sublimated collaboration,” novelist Jonathan Lethem has explained, are “a kind of sine qua non of the creative act, cutting across all forms and genres in the realm of cultural production.” The

⁸No worries, the majority says: Today’s decision is only about the commercial licensing of artistic works, not about their “creation” or their other uses. See *ante*, at 21, and n. 10. So, for example, if Warhol had used his Prince silkscreen “for teaching purposes” or sought to “display [it] in a nonprofit museum,” the first factor could have gone the other way. *Ante*, at 21, n. 10; *ante*, at 6 (GORSUCH, J., concurring). But recall what Samuel Johnson said about “blockheads”: Unless an artist is one, he makes art for money. See *supra*, at 21. So when the majority denies follow-on artists the full reward of their creativity, it diminishes their incentive to create. And as should go without saying, works not created will not appear in classrooms and museums.

Ecstasy of Influence, in *Harper's Magazine* 61 (Feb. 2007). Or as Mary Shelley once wrote, there is no such thing as "creating out of [a] void." *Frankenstein* ix (1831).⁹

Consider, in light of those authorial references, how the majority's factor 1 analysis might play out in literature. And why not start with the best? Shakespeare borrowed over and over and over. See, *e.g.*, 8 *Narrative and Dramatic Sources of Shakespeare* 351–352 (G. Bullough ed. 1975) ("Shakespeare was an adapter of other men's tales and plays; he liked to build a new construction on something given"). I could point to a whole slew of works, but let's take *Romeo and Juliet* as an example. Shakespeare's version copied most directly from Arthur Brooke's *The Tragical History of Romeus and Juliet*, written a few decades earlier (though of course Brooke copied from someone, and that person copied from someone, and that person . . . going back *at least* to Ovid's story about Pyramus and Thisbe). Shakespeare took plot, characters, themes, even passages: The friar's line to Romeo, "Art thou a man? Thy form cries out thou art," appeared in Brooke as "Art thou a man? The shape saith so thou art." Bullough 387. (Shakespeare was, among other things, a good editor.) Of course Shakespeare also added loads of genius, and so made the borrowed stories "uniquely Shakespearian." G. Williams, *Shakespeare's Basic Plot Situation*, 2 *Shakespeare Quarterly* No. 4, p. 313 (Oct. 1951). But on the majority's analysis? The two works—Shakespeare's and Brooke's—are just two stories of star-crossed lovers written for commercial gain. Shakespeare would not qualify for fair use; he would not even

⁹OK, one last one: T. S. Eliot made the same point more, shall we say, poetically. We often harp, he wrote, on "the poet's difference from his predecessors." *The Sacred Wood* 43 (1921). "[But] we shall often find that not only the best, but the most individual parts of his work may be those in which the dead poets, his ancestors, assert their immortality most vigorously. . . . No poet, no artist of any art, has his complete meaning alone." *Id.*, at 43–44.

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come out ahead on factor 1.

And if you think that's just Shakespeare, here are a couple more. (Once you start looking, examples are everywhere.) *Lolita*, though hard to read today, is usually thought one of the greatest novels of the 20th century. But the plotline—an adult man takes a room as a lodger; embarks on an obsessive sexual relationship with the preteen daughter of the house; and eventually survives her death, remaining marked forever—appears in a story by Heinz von Lichberg written a few decades earlier. Oh, and the girl's name is *Lolita* in both versions. See generally M. Maar, *The Two Lolitas* (2005). All that said, the two works have little in common artistically; nothing literary critics admire in the second *Lolita* is found in the first. But to the majority? Just two stories of revoltingly lecherous men, published for profit. So even factor 1 of the fair-use inquiry would not aid Nabokov. Or take one of the most famed adventure stories ever told. Here is the provenance of *Treasure Island*, as Robert Louis Stevenson himself described it:

“No doubt the parrot once belonged to Robinson Crusoe. No doubt the skeleton is conveyed from [Edgar Allan] Poe. I think little of these, they are trifles and details; and no man can hope to have a monopoly of skeletons or make a corner in talking birds. . . . It is my debt to Washington Irving that exercises my conscience, and justly so, for I believe plagiarism was rarely carried farther. . . . Billy Bones, his chest, the company in the parlor, the whole inner spirit and a good deal of the material detail of my first chapters—all were there, all were the property of Washington Irving.” *My First Book—Treasure Island*, in 21 Syracuse University Library Associates Courier No. 2, p. 84 (1986).

Odd that a book about pirates should have practiced piracy? Not really, because tons of books do—and not many in order

to “target” or otherwise comment on the originals. “Thomas Mann, himself a master of [the art,] called [it] ‘higher cribbing.’” Lethem 59. The point here is that most writers worth their salt steal other writers’ moves—and put them to other, often better uses. But the majority would say, again and yet again in the face of such transformative copying, “no factor 1 help and surely no fair use.”

Or how about music? Positively rife with copying of all kinds. Suppose some early blues artist (W. C. Handy, perhaps?) had copyrighted the 12-bar, three-chord form—the essential foundation (much as Goldsmith’s photo is to Warhol’s silkscreen) of many blues songs. Under the majority’s view, Handy could then have controlled—meaning, curtailed—the development of the genre. And also of a fair bit of rock and roll. “Just another rendition of 12-bar blues for sale in record stores,” the majority would say to Chuck Berry (Johnny B. Goode), Bill Haley (Rock Around the Clock), Jimi Hendrix (Red House), or Eric Clapton (Crossroads). Or to switch genres, imagine a pioneering classical composer (Haydn?) had copyrighted the three-section sonata form. “One more piece built on the same old structure, for use in concert halls,” the majority might say to Mozart and Beethoven and countless others: “Sure, some new notes, but the backbone of your compositions is identical.”

And then, there’s the appropriation of those notes, and accompanying words, for use in new and different ways. Stravinsky reportedly said that great composers do not imitate, but instead steal. See P. Yates, *Twentieth Century Music* 41 (1967). At any rate, he would have known. He took music from all over—from Russian folk melodies to Schoenberg—and made it inimitably his own. And then—as these things go—his music became a source for others. Charlie Parker turned *The Rite of Spring* into something of a jazz standard: You can still hear the Stravinsky lurking, but jazz musicians make the composition a thing of a different kind. And popular music? I won’t point fingers, but

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maybe rock’s only Nobel Laureate and greatest-ever lyricist is known for some appropriations? See M. Gilmore, *The Rolling Stone Interview*, *Rolling Stone*, Sept. 27, 2012, pp. 51, 81.¹⁰ He wouldn’t be alone. Here’s what songwriter Nick Cave (he of the Bad Seeds) once said about how music develops:

“The great beauty of contemporary music, and what gives it its edge and vitality, is its devil-may-care attitude toward appropriation—everybody is grabbing stuff from everybody else, *all the time*. It’s a feeding frenzy of borrowed ideas that goes toward the advancement of rock music—the great artistic experiment of our era.” *The Red Hand Files* (Apr. 2020) (online source archived at <https://www.supremecourt.gov>).

But not as the majority sees the matter. Are these guys making money? Are they appropriating for some different reason than to critique the thing being borrowed? Then they’re “shar[ing] the objectives” of the original work, and will get no benefit from factor 1, let alone protection from

¹⁰He is, though, also one of modern music’s most bounteous sources. His work has been copied so often that *Rolling Stone* (whose name was partly inspired by—OK, you guessed it—Bob Dylan) recently published a list of the 80 greatest Dylan covers. See J. Wenner, *A Letter from the Editor*, *Rolling Stone*, Nov. 9, 1967, p. 2; J. Dolan et al., *The 80 Greatest Dylan Covers of All Time*, *Rolling Stone*, May 24, 2021 (online source archived at <https://www.supremecourt.gov>). (The list’s collators noted that Dylan so “loved the ide[a] of other people doing his songs” that they struggled to settle on 80. *Ibid.*) To see how important all that copying was, consider *Mr. Tambourine Man*. When the Byrds first heard Dylan’s demo of the song, they weren’t sure they could use it. (David Crosby thought it was way too long.) But Roger McGuinn decided he could “save” the tune. *Ibid.* Add a Bach-inspired guitar lick (truly, J. S. Bach) and a Beatles-inspired beat, and the “pound of Dylan’s acoustic guitars” was “transformed” into a “danceable” and “uplifting” megahit. R. Unterberger, *Turn! Turn! Turn!* 137 (2002). And that rendition (not Dylan’s own) launched a thousand ships. Among other things, it “spawned an entirely new style” of music—what soon came to be known as “folk-rock.” *Id.*, at 108, 132–133.

the whole fair-use test. *Ante*, at 24.

Finally, back to the visual arts, for while Warhol may have been the master appropriator within that field, he had plenty of company; indeed, he worked within an established tradition going back centuries (millennia?). The representatives of three giants of modern art (you may know one for his use of comics) describe the tradition as follows: “[T]he use and reuse of existing imagery” are “part of art’s life-blood”—“not just in workaday practice or fledgling student efforts, but also in the revolutionary moments of art history.” Brief for Robert Rauschenberg, Roy Lichtenstein, and Joan Mitchell Foundations et al. as *Amici Curiae* 6.

Consider as one example the reclining nude. Probably the first such figure in Renaissance art was Giorgione’s *Sleeping Venus*. (Note, though, in keeping with the “nothing comes from nothing” theme, that Giorgione apparently modeled his canvas on a woodcut illustration by Francesco Colonna.) Here is Giorgione’s painting:



Giorgione, *Sleeping Venus*, c. 1510, oil on canvas

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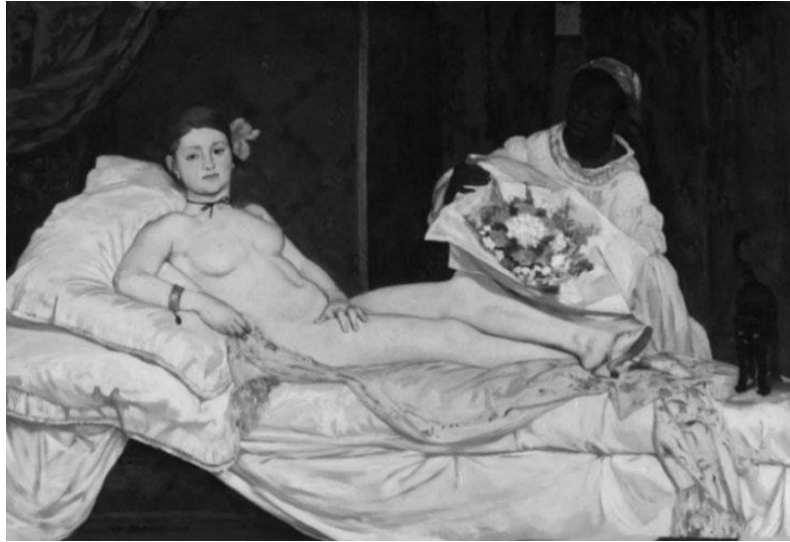
But things were destined not to end there. One of Giorgione’s pupils was Titian, and the former student undertook to riff on his master. The resulting Venus of Urbino is a prototypical example of Renaissance *imitatio*—the creation of an original work from an existing model. See *id.*, at 8; 1 G. Vasari, *Lives of the Artists* 31, 444 (G. Bull transl. 1965). You can see the resemblance—but also the difference:



Titian, Venus of Urbino, 1538, oil on canvas

The majority would presumably describe these Renaissance canvases as just “two portraits of reclining nudes painted to sell to patrons.” Cf. *ante*, at 12–13, 22–23. But wouldn’t that miss something—indeed, everything—about how an artist engaged with a prior work to create new expression and add new value?

And the reuse of past images was far from done. For here is Édouard Manet’s *Olympia*, now considered a foundational work of artistic modernism, but referring in obvious ways to Titian’s (and back a step, to Giorgione’s) Venus:



Manet, *Olympia*, 1863, oil on canvas

Here again consider the account of the Rauschenberg, Lichtenstein, and Mitchell Foundations: “The revolutionary shock of the painting depends on how traditional imagery remains the painting’s recognizable foundation, even as that imagery is transformed and wrenched into the present.” Brief as *Amici Curiae* 9. It is an especially striking example of a recurrent phenomenon—of how the development of visual art works across time and place, constantly building on what came earlier. In fact, the Manet has itself spawned further transformative paintings, from Cézanne to a raft of contemporary artists across the globe. See *id.*, at 10–11. But the majority, as to these matters, is uninterested and unconcerned.

Take a look at one last example, from a modern master very different from Warhol, but availing himself of the same appropriative traditions. On the left (below) is Velázquez’s portrait of Pope Innocent X; on the right is Francis Bacon’s *Study After Velázquez’s Portrait*.

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Velázquez, Pope Innocent X,
c. 1650, oil on canvas



Francis Bacon, Study After
Velázquez's Portrait of Pope
Innocent X, 1953, oil on canvas

To begin with, note the word “after” in Bacon’s title. Copying is so deeply rooted in the visual arts that there is a naming convention for it, with “after” denoting that a painting is some kind of “imitation of a known work.” M. Clarke, *The Concise Oxford Dictionary of Art Terms* 5 (2d ed. 2010). Bacon made frequent use of that convention. He was especially taken by Velázquez’s portrait of Innocent X, referring to it in tens of paintings. In the one shown above, Bacon retained the subject, scale, and composition of the Velázquez original. Look at one, look at the other, and you know Bacon copied. But he also transformed. He invested his portrait with new “expression, meaning, [and] message,” converting Velázquez’s study of magisterial power into one of mortal dread. *Campbell*, 510 U. S., at 579.

But the majority, from all it says, would find the change immaterial. Both paintings, after all, are “portraits of [Pope Innocent X] used to depict [Pope Innocent X]” for hanging in some interior space, *ante*, at 12–13; so on the

majority's reasoning, someone in the market for a papal portrait could use either one, see *ante*, at 22–23. Velázquez's portrait, although Bacon's model, is not “the object of [his] commentary.” *Ante*, at 27; see A. Zweite, Bacon's Scream, in Francis Bacon: The Violence of the Real 71 (A. Zweite ed. 2006) (Bacon “was not seeking to expose Velázquez's masterpiece,” but instead to “adapt it” and “give it a new meaning”). And absent that “target[ing],” the majority thinks the portraits' distinct messages make no difference. *Ante*, at 27. Recall how the majority deems irrelevant the District Court's view that the Goldsmith Prince is vulnerable, the Warhol Prince iconic. Too small a “degree of difference,” according to the majority. *Ante*, at 33–34; see *supra*, at 17. So too here, presumably: the stolid Pope, the disturbed Pope—it just doesn't matter. But that once again misses what a copier accomplished: the making of a wholly new piece of art from an existing one.

The majority thus treats creativity as a trifling part of the fair-use inquiry, in disregard of settled copyright principles and what they reflect about the artistic process. On the majority's view, an artist had best not attempt to market even a transformative follow-on work—one that adds significant new expression, meaning, or message. That added value (unless it comes from critiquing the original) will no longer receive credit under factor 1. And so it can never hope to outweigh factor 4's assessment of the copyright holder's interests. The result will be what this Court has often warned against: suppression of “the very creativity which [copyright] law is designed to foster.” *Stewart*, 495 U. S., at 236; see *supra*, at 11–12. And not just on the margins. Creative progress unfolds through use and reuse, framing and reframing: One work builds on what has gone before; and later works build on that one; and so on through time. Congress grasped the idea when it directed courts to attend to the “purpose and character” of artistic borrow-

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ing—to what the borrower has made out of existing materials. That inquiry recognizes the value in using existing materials to fashion something new. And so too, this Court—from Justice Story’s time to two Terms ago—has known that it is through such iterative processes that knowledge accumulates and art flourishes. But not anymore. The majority’s decision is no “continuation” of “existing copyright law.” *Ante*, at 37. In declining to acknowledge the importance of transformative copying, the Court today, and for the first time, turns its back on how creativity works.

III

And the workings of creativity bring us back to Andy Warhol. For Warhol, as this Court noted in *Google*, is the very embodiment of transformative copying. He is proof of concept—that an artist working from a model can create important new expression. Or said more strongly, that appropriations can help bring great art into being. Warhol is a towering figure in modern art not despite but because of his use of source materials. His work—whether Soup Cans and Brillo Boxes or Marilyn and Prince—turned something not his into something all his own. Except that it also became all of ours, because his work today occupies a significant place not only in our museums but in our wider artistic culture. And if the majority somehow cannot see it—well, that’s what evidentiary records are for. The one in this case contained undisputed testimony, and lots of it, that Warhol’s Prince series conveyed a fundamentally different idea, in a fundamentally different artistic style, than the photo he started from. That is not the end of the fair-use inquiry. The test, recall, has four parts, with one focusing squarely on Goldsmith’s interests. But factor 1 is supposed to measure what Warhol has done. Did his “new work” “add[] something new, with a further purpose or different character”? *Campbell*, 510 U. S., at 579. Did it “alter[] the first with new expression, meaning, or message”? *Ibid*. It did,

and it did. In failing to give Warhol credit for that transformation, the majority distorts ultimate resolution of the fair-use question.

Still more troubling are the consequences of today's ruling for other artists. If Warhol does not get credit for transformative copying, who will? And when artists less famous than Warhol cannot benefit from fair use, it will matter even more. Goldsmith would probably have granted Warhol a license with few conditions, and for a price well within his budget. But as our precedents show, licensors sometimes place stringent limits on follow-on uses, especially to prevent kinds of expression they disapprove. And licensors may charge fees that prevent many or most artists from gaining access to original works. Of course, that is all well and good if an artist wants merely to copy the original and market it as his own. Preventing those uses—and thus incentivizing the creation of original works—is what copyrights are for. But when the artist wants to make a transformative use, a different issue is presented. By now, the reason why should be obvious. “Inhibit[ing] subsequent writers” and artists from “improv[ing] upon prior works”—as the majority does today—will “frustrate the very ends sought to be attained” by copyright law. *Harper & Row*, 471 U. S., at 549. It will stifle creativity of every sort. It will impede new art and music and literature. It will thwart the expression of new ideas and the attainment of new knowledge. It will make our world poorer.