

15-264
No.

Supreme Court, U.S.
FILED

JUN 29 2015

OFFICE OF THE CLERK

**In The
Supreme Court of the United States**

A.V.E.L.A., INC; X ONE X MOVIE ARCHIVE, INC.;
LEO VALENCIA,

Petitioners,

v.

FIFTY-SIX HOPE ROAD MUSIC, LTD.; ZION
ROOTSWEAR, LLC.,

Respondents.

**On Petition For A Writ Of Certiorari To The
United States Court Of Appeals For The Ninth
Circuit**

PETITION FOR WRIT OF CERTIORARI

MICHAEL R. ADELE
Counsel of Record
Technology Litigation Center
828 Marjan St., Anaheim, CA, 92806
techlitcenter@yahoo.com
(714) 342-6987
June 30, 2015

Questions Presented

This case is a fight over the right to use Bob Marley's image in commerce, which has dire ramifications for copyright holders, trademark owners, and the public at large.

In the present case, the Nevada District Court found Respondent Fifty-Six Hope Road Music, Ltd. ("56 Hope"), a company formed approximately 15 years after Bob Marley's death, acquired Bob Marley's purported "persona rights." On the basis of 56 Hope's claimed right in Marley's persona, the District Court found Petitioners liable under a Lanham Act 15 U.S.C. § 1125(a) false endorsement claim for all net profits derived from the sale of t-shirts bearing Bob Marley's name and/or likeness. 56 Hope did not possess a right of publicity in Bob Marley, did not allege copyright ownership for any of the Marley images at issue, and did not own a trademark in Marley's face or depiction. Through this ruling, Respondents effectively gained a monopoly over the use of all images and likenesses of Bob Marley, to the detriment of Marley copyright owners, Marley public domain images, and trademark owners in Marley's name or likeness.

In the Ninth Circuit, a § 43(a) celebrity-plaintiff must demonstrate that the defendant's product imitates a distinctive attribute of the celebrity-plaintiff's identity. *Waits v. Frito-Lay, Inc.*, 978 F.2d 1093, 1110 (9th Cir. 1992), *abrogated on other grounds by Lexmark Int'l, Inc. v. Static Control Components, Inc.*, 134 S. Ct. 1377, 1385, 1391 (2014). The Ninth Circuit applied this same standard to the

deceased Bob Marley's persona-successor. Thus, Respondents only had to prove that Marley's image is distinctive of Bob Marley, not that Marley's image has acquired secondary meaning signaling 56 Hope as the source of the t-shirts' sponsorship or approval. Here, Respondents did not establish that Marley's image acquired secondary meaning signaling Respondents as the source of sponsorship or approval.

Moreover, in determining whether a defendant's merchandise is likely to confuse consumers as to a plaintiff's sponsorship or approval, the Ninth Circuit does not require a § 43(a) plaintiff prove that its sponsorship or approval would have affected consumers' purchasing decisions. Here, Respondents did not demonstrate that their sponsorship or approval would have any consequence to purchasers. Accordingly, this petition presents two questions:

1. Does Lanham Act § 43(a) protect a deceased celebrity's persona-successor without it showing that the celebrity's persona acquired secondary meaning so that it identifies the persona-successor as the source of sponsorship or approval?

2. Does a Plaintiff satisfy 43(a)'s "consumer confusion" requirement even without evidence that its sponsorship or approval would have any consequence to purchasers?

List of Parties

A.V.E.L.A., Inc., X One X Movie Archive, Inc., and Leo Valencia are the petitioners. Fifty-Six Hope Road Music, Ltd. and Zion Rootswear, LLC are the respondents. In addition, Central Mills, Inc. and Jem Sportswear appeared below both as Defendants-Appellants and Defendants-Appellees.

Corporate Disclosure Statement

A.V.E.L.A., Inc., X One X Movie Archive, Inc., and Leo Valencia are the petitioners. No publicly held company owns ten percent or more of the corporations' stock.

Table of Contents

QUESTIONS PRESENTED.....	ii
CORPORATE DISCLOSURE STATEMENT.....	iv
TABLE OF AUTHORITIES.....	vii
OPINIONS BELOW.....	1
JURISDICTION.....	1
STATUTORY PROVISIONS INVOLVED.....	1
I. STATEMENT OF THE CASE	2
1. Introduction and Summary.....	2
a. Introduction to the Case.....	2
b. Introduction to the Law.....	4
2. Background of the Case.....	8
3. Proceedings Below.....	10
a. District Court.....	10
b. Court of Appeals.....	11
II. REASONS FOR GRANTING THE PETITION..	12
1. THE NINTH CIRCUIT'S JURISPRUDENCE CONFLICTS WITH THE APPROACHES OF OTHER CIRCUITS AS WELL AS THIS COURT'S SAMARA BROS. DECISIONS...15	
2. THE NINTH CIRCUIT'S NO-IMPACT TEST CONFLICTS WITH THE LANHAM ACT'S PURPOSE.....	20
3. CONSTITUTIONAL AND RIGHT OF PUBLICITY CONCERNS.....	22
III. CONCLUSION.....	24

INDEX TO APPENDIX

Order, denying A.V.E.L.A., et al.'s Petition for Rehearing and Petition for Rehearing en banc – Ninth Circuit Court of Appeals – No. 12-17595 (Apr. 02, 2015)	App. 1
Published Opinion, affirming District Court's Judgment after a jury trial on Lanham Act claims – Ninth Circuit Court of Appeals – No. 12-17595 (Feb. 20, 2015)	App. 4
Order, denying A.V.E.L.A., et al.'s Renewed Motion for Judgment as a Matter of Law, or in the Alternative, Motion for New Trial or Amendment of Judgment – District of Nevada - 2:08-cv-00105 (Oct. 12, 2012)	App. 55
Partial Monetary Judgment and Permanent Injunction, finding against A.V.E.L.A., et al. Plaintiffs' Lanham Act unfair competition claim and Plaintiffs' interference with prospective economic advantage claim - District of Nevada - 2:08-cv-00105 (Feb. 14, 2011)	App. 57
Order, granting Plaintiffs' Motion for an Award of Defendants' Profits - District of Nevada - 2:08-cv-00105 (Jul. 03, 2012).....	App. 66
Order and Memorandum Opinion, granting A.V.E.L.A., et al.'s Motion for Summary Judgment as to Plaintiffs' Lanham Act trademark infringement claim and common law trademark infringement claim but denying A.V.E.L.A.'s Motion as to Plaintiffs' Lanham Act unfair competition claim, Nevada right of publicity claim, and intentional	

interference with prospective economic advantage claim – District of Nevada - 2:08-cv-00105 (Feb. 25, 2010) App. 70

Order and Memorandum Opinion, granting A.V.E.L.A., et al.'s Motion for Summary Judgment as to Plaintiffs' Nevada right of publicity claim – District of Nevada - 2:08-cv-00105 (Nov. 02, 2010) App. 116

Table of Authorities

Cases

<i>AMF, Inc. v. Sleekcraft Boats</i> , 599 F.2d 341 (9th Cir. 1979)	5
<i>Cairns v. Franklin Mint Co.</i> , 107 F. Supp. 2d 1212 (C.D. Cal. 2000)	5, 6
<i>Cairns v. Franklin Mint Co.</i> , 24 F. Supp. 2d 1013 (C.D. Cal. 1998)	6
<i>Cairns v. Franklin Mint Co.</i> , 292 F.3d 1139 (9th Cir. Cal. 2002)	7
<i>Dastar Corp. v. Twentieth Century Fox Film, Corp.</i> , 539 U.S. 23 (2003)	14, 22, 23
<i>Downing v. Abercrombie & Fitch</i> , 265 F.3d 994 (9th Cir. 2001)	5
<i>ETW Corp. v. Jireh Publ'g, Inc.</i> , 332 F.3d 915 (6th Cir. 2003)	7, 15
<i>Kimble v. Marvel Entm't, LLC</i> , 576 U.S. ____ (2015)	22
<i>Milton H. Greene Archives, Inc. v. Marilyn Monroe LLC</i> , 692 F.3d 983 (9th Cir. Cal. 2012)	3
<i>Pirone v. MacMillan, Inc.</i> , 894 F.2d 579 (2d Cir. 1990)	8, 15
<i>Pom Wonderful LLC v. Coca-Cola Co.</i> , 134 S.Ct. 2228 (2014)	13, 20

<i>Qualitex Co. v. Jacobson Products Co.</i> , 514 U.S. 159 (1995)	17
<i>Two Pesos, Inc. v. Taco Cabana, Inc.</i> , 505 U.S. 763 (1992).	15
<i>Waits v. Frito-Lay, Inc.</i> , 978 F.2d 1093 (9th Cir. 1992), abrogated on other grounds by <i>Lexmark Int'l, Inc. v. Static Control Components, Inc.</i> , 134 S. Ct. 1377, 1385 (2014).	passim
<i>Wal-Mart Stores v. Samara Bros.</i> , 529 U.S. 205 (U.S. 2000)	13, 16, 17, 18

Statutes

15 U.S.C. § 1052.....	15
15 U.S.C. § 1114.....	10
15 U.S.C. § 1125(a)	passim

Other Authorities

ARTICLE: THE MERCHANDISING RIGHT:

FRAGILE THEORY OR FAIT ACCOMPLI?*, * ©

2005 Stacey L. Dogan & Mark A. Lemley., 54

Emory L.J. 461

McCarthy on Trademarks and Unfair Competition §

24:12 (4th ed. 2014).....

McCarthy on Trademarks and Unfair Competition §

28:15 (4th ed.).....

Opinions Below

The published memorandum disposition of the court of appeals is available at 778 F.3d 1059 (9th Cir. 2015). (App. B at 4a-54a.) The district court's published summary judgment disposition is available at 688 F. Supp. 2d 1148 (D. Nev. 2010). (App. F at 70a-115a.) The district court's unpublished summary judgment disposition in regards to Respondents' right of publicity claim can be found at 2010 WL 4539543. (App. G at 116a-119a.) The district court's other decisions are unreported. (App. C at 55a-56a; App. D at 57a-65a; App. E at 66a-69a.)

Jurisdiction

The court of appeals denied Petitioners' petition for rehearing on April 2, 2015. (App. A at 1a-3a.) The jurisdiction of this Court is invoked under 28 U.S.C. § 1254(1).

Statutory Provisions Involved

The statute relevant to Question 1 and Question 2 is § 43(a)(1) of the Lanham Act, 15 U.S.C. § 1125(a)(1), which provides:

Any person who, on or in connection with any goods or services, or any container for goods, uses in commerce any word, term, name, symbol, or device, or any combination thereof, or any false designation of origin, false or misleading description of fact, or misleading representation of fact, which-

(A) is likely to cause confusion, or to cause mistake, or to deceive as to affiliation, connection, or association of such person with another person, or as to the origin, sponsorship, or approval of his or her goods, services, or commercial activities by another person, or

(B) in commercial advertising or promotion, misrepresents the nature, characteristics, qualities, or geographic origin of his or her or another person's goods, services, or commercial activities,

shall be liable in a civil action by any person who believes that he or she is likely to be damages by such act.

I. Statement of the Case

1. Introduction and Summary

A. Introduction to the Case

Dead celebrity merchandising is big business. In 2013 Forbes estimated that the top 13 dead celebrities brought in \$363.5 million.¹ With this large of a market, companies will do whatever they can to capitalize on dead celebrities in order to capture the maximum market share possible in a deceased celebrity.

¹<http://www.forbes.com/sites/dorothypomerantz/2014/10/15/michael-jackson-tops-forbes-list-of-top-earning-dead-celebrities/>

Since the marketplace for many of the most popular dead celebrities has been fractured, merchandising companies have focused on changing the legal landscape surrounding their products to gain market share; those with any relationship to a dead celebrity (no matter how tenuous) have made increasingly aggressive attempts to gain monopolies over the use of that celebrity's name, image, and persona.

Initially, merchandisers acquired and utilized copyright and trademark registrations related to the deceased celebrity to exclude competitors. However, copyright and trademark registrations provide limited protection against very specific uses by purported infringers. Moreover, copyright and trademark registrations were not free; merchandisers soon found they could not cost-effectively prevent all competing products through copyrights and trademarks alone. Merchandisers also attempted to utilize right of publicity laws to gain market control, but this too had drawbacks² since only fourteen states recognize a statutory post-mortem right of publicity. Furthermore, these states typically limit the duration that a post-mortem right of publicity can last.

With the Ninth Circuit's decision, Respondents have been allowed to utilize false endorsement law under 15 U.S.C. § 1125(a)(1), § 43(a) to shield their products from all competition,

² *E.g. Milton H. Greene Archives, Inc. v. Marilyn Monroe LLC*, 692 F.3d 983, 986 (9th Cir. Cal. 2012) (finding against Monroe LLC on reconsideration after change in California law following Monroe LLC's significant lobbying efforts in California because New York right of publicity law applied).

despite the fact that Respondents did not have copyright protection, trademark protection, or any right of publicity.

If allowed to stand, the Ninth Circuit's ruling could eviscerate federal copyright protection, federal trademark rights and the public's right to use public domain images of dead celebrities in the Ninth Circuit. Worse still, the Ninth Circuit's ruling gives monopoly control to "persona rights" holders, which effectively supersedes federal copyright law, federal trademark law and federal public domain law, and which will have a staggering impact on commerce in the \$360 million industry of products bearing the names and images of dead celebrities.

So too, the Ninth Circuit's ruling furthers a split in the circuits regarding "persona rights" and their interplay with copyrights and trademarks, and fails to follow this Court's *Samara Bros.* and *Dastar* decisions. The Ninth Circuit's ruling should not and cannot be allowed to stand.

B. Introduction to the Law

In 1992, the Ninth Circuit (the so-called "Hollywood Circuit") first extended the rationale of early false endorsement cases involving merchandise licensing to provide § 43(a) trademark protection to living celebrities on the theory that a celebrity's persona can "amount to an unregistered commercial 'trademark.'" *Waits v. Frito-Lay, Inc.*, 978 F.2d 1093, 1110 (9th Cir. 1992), *abrogated on other grounds by Lexmark Int'l, Inc. v. Static Control Components, Inc.*, 134 S. Ct. 1377, 1385, 1391 (2014).

First, to have standing, it required the

celebrity-plaintiff show the product imitated the celebrity-plaintiff's persona (i.e. a distinctive attribute of the celebrity's identity). *Waits*, 978 F.2d at 1110. This requirement accorded with § 43(a)'s purpose of protecting marks that identify and distinguish that source from other sources because a celebrity's unique physical characteristics inherently distinguishes the celebrity (i.e. the source of the product's sponsorship).

Second, the Ninth Circuit required that the celebrity-plaintiff demonstrate that consumers were likely to be confused as to the celebrity-plaintiff's sponsorship of the goods bearing the celebrity's distinctive attribute. The Ninth Circuit applied its eight factor *Sleekcraft* test to determine likelihood of confusion. *Downing v. Abercrombie & Fitch*, 265 F.3d 994, 1007–08 (9th Cir. 2001) citing *AMF, Inc. v. Sleekcraft Boats*, 599 F.2d 341, 348-49 (9th Cir. 1979).

While the Ninth Circuit's test worked to some extent for living-celebrity plaintiff cases, in the early 2000's the circuit grappled with whether a deceased celebrity's purported successor-in-interest could pursue a 43(a) false endorsement claim. *Cairns v. Franklin Mint Co.*, 107 F. Supp. 2d 1212, 1215 (C.D. Cal. 2000) ("although it is clear that living celebrities have broad rights in preventing others from using their image to imply endorsement, it is not clear that a deceased celebrity's [successors] posse[ss] the same scope of endorsement rights").

The *Cairns* District Court found that purported successors could theoretically assert two types of deceased celebrity false endorsement claims. The first could occur where the successor-plaintiff

shows that the advertising "falsely suggests a particular product was endorsed by the celebrity before his or her death." *Cairns v. Franklin Mint Co.*, 24 F. Supp. 2d 1013, 1032 (C.D. Cal. 1998).

Second, successor false endorsement could occur where the defendant's use of a particular deceased celebrity's persona "is likely to cause confusion as to the... sponsorship of the defendants' goods by the [purported successor-plaintiff]." *See id.*

The *Cairns* District Court dismissed the plaintiffs' false endorsement claim on summary judgment based on the court's second theory because "[d]efendants' use of the image of Princess Diana on their products... does not imply endorsement by plaintiffs, [the Estate of Diana and trustees of the Diana... Memorial Fund]." *Cairns*, 107 F. Supp. 2d at 1216; see also 5 McCarthy on Trademarks and Unfair Competition § 28:15 (4th ed.) ("the [*Cairns*] court, referring to Andy Warhol paintings of Campbell soup cans and Marilyn Monroe... appeared to say that the use of the name and image of a deceased celebrity on jewelry, plates and dolls is not a use that conveys an [implied] endorsement by the estate of the deceased.")

Additionally and alternatively, *Cairns* granted summary judgment because it found no likelihood that consumers would be confused about plaintiffs' endorsement. *Id.* In its likelihood of confusion analysis, the District Court added a ninth factor: "the strength of the association between the [deceased celebrity's attribute] and the plaintiff." *Id.* at 1217.

On review, the Ninth Circuit disregarded the

District Court's impressive standing analysis and instead merely affirmed the District Court's finding of no likelihood of confusion. *Cairns v. Franklin Mint Co.*, 292 F.3d 1139, 1150 (9th Cir. Cal. 2002). In addition, it adopted the District Court's ninth likelihood of confusion factor to cases involving deceased celebrities.

Similar to living celebrity-plaintiffs, then, a deceased celebrity's persona-successor presumably has standing because the Ninth Circuit assumes that products that imitate the deceased-celebrity's distinctive attribute inherently distinguish and/or automatically identify that deceased-celebrity's successor as the source of the product's sponsorship and/or approval.

Other circuits have similarly struggled applying § 43(a) in cases where the plaintiff is not the celebrity herself. For example, in analyzing ETW Corporation's § 43(a) false endorsement claim, the Sixth Circuit analyzed the viability of ETW's claim (a corporation that had acquired Wood's publicity rights) as whether "the presence of Woods's image in Jireh's print implies that [Woods] has endorsed Jireh's product"; the Sixth Circuit's dicta failed to look at whether Wood's image implied *ETW's* (the actual plaintiff) sponsorship. See *ETW Corp. v. Jireh Publ'g, Inc.*, 332 F.3d 915, 922 (6th Cir. 2003). The Sixth Circuit ultimately dismissed ETW's § 43(a) false endorsement claim on other grounds. *Id.*

The Second Circuit, for its part, does a better job achieving § 43 (a)'s trademark-like goals. For example, the *Pirone* Court declined to extend § 43(a) false endorsement protection to Plaintiff Pirone in order to prohibit Babe Ruth pictures in a 1988

baseball calendar because no “consumer [could] reasonably believe Ruth... sponsored the calendar since the photographs [do not] indicate... its source.” *Pirone v. MacMillan, Inc.*, 894 F.2d 579, 585 (2nd Cir. 1990). Thus, unlike the Ninth Circuit, the Second Circuit did not presume that Pirone had standing based on the presence of Ruth’s distinctive characteristics.

Unfortunately, even the Second Circuit’s more forward-thinking approach had its deficiencies – like *ETW*, *Pirone* looked at whether Babe Ruth, instead of the actual plaintiff, sponsored the baseball calendar published 40 years after his death. See *Pirone*, 894 F.2d at 585. Thus, *Pirone* analyzed only the first of the *Cairns* District Court’s proposed two theories of endorsement. *Pirone* did not determine whether Ruth’s image implied Plaintiff Pirone’s sponsorship.

In the decade and a half since *Cairns*’ analysis, the circuits have failed to reconcile this mired area of law in order to bring it in line with § 43 (a)’s trademark-like purposes. Predictably, cases and litigation threats brought by deceased-celebrity’s purported successors have increased exponentially, especially within the Hollywood Circuit, as companies fight for market share in interstate commerce.

2. Background of the Case

This petition centers on the right to use copyrighted and public domain images of Bob Marley, which Petitioners enhanced and refurbished for use on a variety of merchandise. Bob Marley was a transcendent musician and a celebrity icon. He was

also one of the most photographed musicians of his generation. His personal life received similar fame. During his lifetime, Bob Marley had at least eleven children; four of those were with Bob's wife, Rita Marley. Bob Marley died intestate in 1981 as a non-U.S. domiciliary.

In 1992, the Ninth Circuit first specifically articulated that celebrities could theoretically hold "trademark-like" persona rights under the Lanham Act. *Waits*, 978 F.2d at 1106, 1110. Marley did not explicitly pass down any "trademark-like" persona rights upon his intestate death in 1981.

In 1995, Rita Marley and nine of Bob Marley's (at least) eleven children formed a Bahamian Corporation, 56 Hope, for the purpose of acquiring and exploiting assets, rights, and commercial interests in the late Bob Marley. For purposes of this litigation, 56 Hope claims ownership of Bob Marley's "trademark-like" persona rights under the Lanham Act, to the exclusion of Marley's remaining children. In 1999, 56 Hope granted Zion Rootswear, LLC. ("Zion," referred to herein with 56 Hope as "Respondents") an exclusive license to design, manufacture, and sell t-shirts and other merchandise bearing Marley's image.

Petitioners sold competing Marley merchandise. Petitioner A.V.E.L.A., Inc. ("A.V.E.L.A.") publishes and licenses images and other artwork for use in the retail marketplace. Petitioner X One X Movie Archive ("X One X") holds the copyrights to these images. Leo Valencia ("Valencia," collectively referred to herein with A.V.E.L.A. and X One X as the "Petitioners") serves as the president and CEO of both companies. In

2004, A.V.E.L.A. acquired Bob Marley photographs from various photographers and subsequently licensed the rights to use those images to licensees for the production of Marley t-shirts and other merchandise.

In response to Petitioner's competing products, Respondents sued Petitioners, as well as Defendants JEM Sportswear and Central Mills, Inc., asserting claims against the use of Marley's likeness. This writ involves only the Respondents' 15 U.S.C. § 1125(a) false endorsement claim. As it relates to Respondent's false endorsement claim, Respondents argued that Petitioner's use of Marley's image was likely to confuse consumers as to Respondents' sponsorship or approval of the merchandise bearing Bob Marley's image.

3. Proceedings Below

a. District Court

Respondents asserted five claims in their suit against Petitioner's use of Marley's likeness: (1) trademark infringement under 15 U.S.C. § 1114, (2) false endorsement under 15 U.S.C. § 1125(a), (3) common law trademark infringement, (4) unauthorized commercial use of right of publicity under Nev. Rev. Stat. § 597.770 et seq., and (5) intentional interference with prospective economic advantage. (App. F at 82a.)

The United States District Court for the District of Nevada granted Petitioners' motion for summary judgment as to the 15 U.S.C. § 1114 claim, the common law trademark claim, and the state law

right of publicity claim. (App. F at 93a; App. G at 119a.)

The district court allowed Respondents to try the two remaining claims to a jury. (App. F at 115a.) Respondents won on their interference claim against Petitioners only. (App. D at 59a.) The jury awarded \$300,000 in compensatory damages. (App. D at 60a.)

The jury also returned a verdict in favor of Respondents' 15 U.S.C. § 1125(a) claim with respect to all Defendants. (App. D at 59a-60a.) The district court ultimately assessed A.V.E.L.A.'s net profits at \$348,543; Jem Sportwear's at \$413,638.29; and Central Mills, Inc.'s at \$19,246.54. (App. E at 69a.)

b. Court of Appeals

The Ninth Circuit affirmed the district court's judgment across the board. The Ninth Circuit affirmed the district court's grant of summary judgment for Petitioners on the Respondents' right of publicity claim under Nevada law. (App. B at 42a-45a.) The Ninth Circuit also found the district court did not err in granting Petitioners' motion for judgment as a matter of law on the punitive damages issue. (App. B at 48a-50a.) The Ninth Circuit determined that the district court did not abuse its discretion in determining Petitioner's profits or ordering Petitioners to pay Respondents' attorneys' fees. (App. B at 27a-42a.) The Ninth Circuit found that sufficient evidence supported the jury's finding that Petitioners violated Lanham Act § 43(a). (App. B at 14a-26a.)

Judge Christen concurred in the result but did not join the reasoning in the majority's "actual

confusion” analysis. (App. B at 50a.) “In my view, the word confusion in § 43(a) must be read in light of the Lanham Act’s purpose” – “prevent[ing] consumers from being misled or tricked into making purchases through use of a trademark.” (App. B at 52a; 53a.) This lay legal opinion – that “Bob Marley” (or “the person on the shirt”) or his heirs, estate, or agents must have given permission or approval for this particular shirt to be made or put out – is “likely to be held by the majority of survey respondents every time merchandise bears a readily recognizable celebrity image.” (App. B at 51a.) “Without a showing that consumers cared whether permission had been given... the use of Marley’s image [does nothing that] runs afoul of the Lanham Act’s purpose.” (App. B at 53a.)

Although Judge Christen disagreed with the majority’s reasoning, she found enough evidence supporting the other confusion factors such that she could not conclude that the evidence permitted only one reasonable conclusion. (App. B at 54a.)

II. REASONS FOR GRANTING THE PETITION

The Ninth Circuit’s decision furthers discord between the circuits’ false endorsement jurisprudence, Congress’s Lanham Act intent and this Court’s *Samara Bros.* and *Dastar* decisions. It also fails to protect copyright holders, trademark owners and the public’s right to use public domain images, and effectively creates a monopoly in the “persona rights” successors of dead celebrities.

By allowing a plaintiff claiming rights in a deceased celebrity’s persona to recover under § 43(a),

absent any showing that the deceased persona acquired secondary meaning designating the plaintiff as the source of sponsorship, the Ninth Circuit granted protection in this case where consumers could not be confused as to sponsorship. *See Wal-Mart Stores v. Samara Bros.*, 529 U.S. 205, 210 (U.S. 2000) (“without distinctiveness [the mark] would not ‘cause confusion . . . as to the origin, sponsorship, or approval of goods.’” Moreover, some categories of marks, like colors and product design, can never be inherently distinctive because they do not “immediately signal a brand or a product source.”).

Moreover, by granting standing here, the Ninth Circuit has furthered the divide between it and the Second Circuit. This difference is not glancing; had Respondents brought suit in the Second Circuit, the Second Circuit would not have let Respondents’ claim go to a jury.

Additionally, by finding false sponsorship liability where there is no evidence that consumers care who sponsored the product, the Ninth Circuit has moved away from § 43 (a)’s purpose – which is, as Justice Christen’s dissent points out, preventing products from misleading or tricking consumers into *making* purchases through the use of a trademark. (App. B at 52a.); *see also Pom Wonderful LLC v. Coca-Cola Co.*, 134 S.Ct. 2228, 2233 (2014). Instead, the Ninth Circuit has created a unique monopoly for persona rights successors that, in the arena of dead celebrities, destroys the carefully crafted balance of interests promoted through copyright law (which allows a monopoly for a limited time over copyrighted images, while allowing free use of images that have fallen into the public domain), and

trademark law (which protects business and consumers once the mark acquires secondary meaning). *Dastar Corp. v. Twentieth Century Fox Film, Corp.*, 539 U.S. 23, 34 (2003).

These are issues of great importance and require careful consideration of the interplay of federal false endorsement law (designed to prevent misleading use of words or images) with carefully crafted copyright law (which grants a monopoly over the use of copyrighted images for a limited duration, and allows free public use of public domain images). The Ninth Circuit's restrictions could apply even when the underlying work is no longer, or never was, copyright protected – and even though the mere use of a dead celebrity's name or image will mislead no one. The Ninth Circuit's § 43(a) jurisprudence may now give dead celebrities' successors eternal protection from copying of the dead celebrity's image, in a manner inconsistent with the durational limitation imposed by the copyright clause; so too, it eviscerates the public's ability to freely use public domain images. Both of these results conflict directly with the carefully crafted bargain established by copyright law.

The second constitutional issue concerns the role of the first amendment in construing intellectual property law. Products bearing the image of dead celebrities are one means by which consumers engage in self-expression. Consumers' choices for free expression will be severely curtailed if the Ninth Circuit's ruling is allowed to stand and persona rights holders are allowed a monopoly over the use of dead celebrities' images. Absent a properly applied secondary meaning requirement, persona rights successors can almost always (at the very least)

expect their false endorsement claim to reach the jury, significantly deterring competition by the plausible threat of a successful suit. This restriction heavily burdens, with little policy-based justification, those who wish to use public domain images, including those who would market those images on products (such as t-shirts) used by consumers for free expression. Thus, the Ninth Circuit's ruling chills free speech by limiting consumer access to products used by consumers to express themselves.

1. THE NINTH CIRCUIT'S JURISPRUDENCE CONFLICTS WITH THE APPROACHES OF OTHER CIRCUITS AS WELL AS THIS COURT'S SAMARA BROS. DECISION.

The general principles qualifying a mark for registration under § 2 of the Act, 15 U.S.C. § 1052, are for the most part applicable in determining whether an unregistered mark is entitled to protection under § 43(a). *Two Pesos, Inc. v. Taco Cabana, Inc.*, 505 U.S. 763, 768 (1992). Distinctiveness is an explicit prerequisite for registration under § 2. *See id.*

While nothing in § 43(a) explicitly requires a producer to show that its mark identify the plaintiff as the source of the sponsorship or approval, courts have almost universally imposed that requirement in some form (and with varying levels of import) in false endorsement cases. *See Waits*, 978 F. 2d at 1110; *ETW*, 332 F.3d at 922; *Pirone*, 894 F.2d at 583, 585. In showing a mark's distinctiveness under § 2 (and therefore, by analogy, under § 43(a)), a plaintiff must demonstrate that its mark is either inherently distinctive or that its mark has acquired

distinctiveness through secondary meaning. *Samara Bros.*, 529 U.S. at 211-12.

In the Ninth Circuit, courts will assume distinctiveness where a plaintiff shows that the product imitates a “distinctive attribute” of the celebrity’s identity. *Waits*, 978 F. 2d at 1110. This makes sense in living-celebrity situations: where a product uses the celebrity-plaintiff’s distinctive attribute (such as the celebrity’s image), that attribute (or image) will automatically and immediately signal in the public’s mind the “source” of the product’s sponsorship or approval – i.e. the celebrity-plaintiff.

That rationale unravels as the celebrity’s persona attenuates from the celebrity. Put simply, a deceased celebrity’s image may conjure up the celebrity in the public’s mind due to the deceased celebrity’s fame, but it does not necessarily conjure up in the public’s mind the celebrity’s “persona rights” successor – who may be wholly unknown to the public, and may have neither fame nor brand recognition. Thus, the Ninth Circuit’s assumption – that a deceased celebrity’s distinctive attribute is inherently distinctive of her ultimate successors – makes little sense in the dead celebrity context.

This case illustrates the fallacy in the Ninth Circuit’s reasoning: here, Marley’s distinctive attribute (his image) does not inherently distinguish or automatically identify the t-shirts’ sponsorship source(s) as 56 Hope or Zion (two for-profit companies, one comprised of only a portion of Marley’s children and formed nearly 15 years after Marley’s death, that, at some point along the line, purportedly acquired Marley’s persona rights). To

further prove this point, not a single survey respondent identified 56 Hope or Zion as the source of the Marley t-shirts' sponsorship or approval. (App. B at 51a.) Nevertheless, Respondents' purported persona rights superseded Petitioners' right to use copyrighted and public domain images of Marley.

This Court should require that a § 43 (a) successor-plaintiff demonstrate that the deceased celebrity's persona has acquired distinctiveness through secondary meaning, i.e. that the primary significance of the deceased's distinctive attribute, in the public's mind, is to identify the plaintiff as the source of the products' sponsorship or approval rather than just identifying the deceased celebrity. *Samara Bros.*, 529 U.S. at 211. Such a test would still grant protection to companies that truly use persona-marks to identify and distinguish its products but would effectively stop non-distinctive persona-holders from unfairly stifling marketplace competition. Moreover, this requirement is neither novel nor overly burdensome. *See Samara Bros.*, 529 U.S. at 210 (requiring showing of secondary meaning for product design marks); *see also Qualitex Co. v. Jacobson Products Co.*, 514 U.S. 159, 162-62 (1995) (requiring showing of secondary meaning for color marks).

This Court should adopt this requirement because images of deceased celebrities are unlike "certain categories of word marks and product packaging" where "the very purpose of attaching a particular word to a product or encasing it in a distinctive packaging is most often to identify the source of the product." *Samara Bros.*, 529 U.S. at 212. Instead, Petitioners (and companies like Petitioners) include images of deceased celebrities to

make the product more useful to consumers (indeed, Marley connoisseurs would find Petitioners' t-shirt useless without Marley's image). Thus, consumers are not "predisposed to regard [a dead celebrity's image] as indication of the [source]." *Id.* at 213. Rather, like color and product design, consumers are aware that the images are "intended not to identify the source, but to render the product itself more useful or more appealing." *Id.* As this Court so aptly put, "consumers should not be deprived of the benefits of competition with regard to the utilitarian and esthetic purposes that [the images of deceased celebrities] ordinarily serves by a rule of law that facilitates plausible threats of suit based upon alleged inherent distinctiveness." *Id.*

Moreover, like producers, persona-holders have "other protections [that] greatly reduc[e] any harm... that might ensue from [a] conclusion that [images of deceased celebrities] cannot be protected under § 43(a) without a showing of secondary meaning." *Id.* at 214. For example, persona-holders can obtain copyright protection and/or obtain a right of publicity, either of which would protect the persona-holder's interest but which do not grant indefinite protection.

Alternatively, the persona-holder can register or use the persona as a trademark. In fact, a persona-holder will only claim § 43(a) false endorsement protection as a last-ditch effort, when it already failed to show copyright protection, trademark protection, or a right of publicity (as was the case here).

The Ninth Circuit's analysis illustrates the need for a bright-line rule. Specifically, the Ninth

Circuit gave little examination as to whether Respondents had standing. (App. B at 15a, 16a.). Unlike the Second Circuit, the Ninth Circuit assumed that Marley's distinctive attribute identified Respondents as the source of the sponsorship or approval; in fact, the Ninth Circuit did not explicitly analyze the source-identifying function of Marley's image except as the last of nine factors in determining consumers' likelihood of confusion. (App. B at 23a.) (the fact that "Marley sold merchandise bearing his image during his lifetime, and his successors-in-interest have continued to do so, impl[ies] that his image served (and continues to serve) a source-identifying function").

The Ninth Circuit's flawed source-identification analysis begs the question: how could one reasonably infer that Marley's marginal lifetime-sale of tour t-shirts with his image could extend to, nearly 15 years after his death, a tenuously affiliated company with no right of publicity, no copyrights, and no registered trademarks, absent some showing of secondary meaning? The answer likely stems from the difficult position the court found itself in – essentially, trying to fit square-peg reasoning into a round-hole problem.

Fortunately, this Court can alleviate such problems through the articulation of a bright-line rule similar to that for product design and color: a deceased celebrity's purported persona-successor must prove distinctiveness by showing that its mark has acquired secondary meaning because a deceased-celebrity's distinctive attributes do not inherently distinguish the deceased's persona-successor as the source of sponsorship or approval.

2. THE NINTH CIRCUIT'S NO-IMPACT TEST CONFLICTS WITH THE LANHAM ACT'S PURPOSE.

This Court explained last year that it “requires no guesswork” to ascertain Congress’ intent regarding the Lanham Act. *POM*, 134 S. Ct. at 2233. Congress intended § 43(a) to prevent consumers from being misled or tricked into making purchases through the use of a non-registered trademark. (App. B at 52a.) *citing POM*, 134 S. Ct. at 2233.

The Ninth Circuit’s no-impact “likelihood of confusion” test does not require the plaintiff to make any showing that the consumer confusion would have affected consumers’ purchasing decision. This test, then, is inconsistent with Congress’ purpose in enacting the Lanham Act: to prevent marks from misleading or tricking consumers into making purchases. If consumers did not care about Plaintiff’s sponsorship or approval (i.e. consumers would have purchased the product anyways), then the mark has not misled or tricked consumers into purchasing the product.³

Through the Ninth Circuit’s recent no-impact holding, the Ninth Circuit distances itself from consumer protection, instead moving towards merely enforcing a common lay legal opinion – that a deceased celebrity (or his estate, heirs, or agent)

³ Commentators have recognized that consumer confusion as to whether Plaintiff sponsored or approved a product, absent consumer concern, does not justify a merchandising right. ARTICLE: THE MERCHANDISING RIGHT: FRAGILE THEORY OR FAIT ACCOMPLI?*, * © 2005 Stacey L. Dogan & Mark A. Lemley., 54 Emory L.J. 461, 489.

must give permission before his or her image may be used – a lay opinion that fails to recognize or comprehend that others may own copyrighted/trademarked images of deceased celebrities, and that everyone should be able to use public domain images of deceased celebrities.

Thus, in this case, the district court ordered disgorgement of all of Petitioner's net profits because consumers, as they are wont to do, mistakenly believed that a readily-recognizable celebrity must have given permission for merchandise bearing that celebrity's image, see *McCarthy on Trademarks and Unfair Competition* § 24:12 (4th ed.) (describing survey in which 91.2% of consumers agreed with the statement: "No product can bear the name of an entertainer, cartoon character, or some other famous person unless permission is given for its use by the owner of the name or character"),⁴ even though the profits were entirely attributable to Petitioner's use of a public domain image and nothing else (Respondents provided no evidence that consumers purchased merchandise based on 56 Hope's perceived approval or sponsorship). In business environments, the risk of all profit disgorgement is a strong deterrent to *any* use of deceased-celebrity public domain images.

This chilling effect on the otherwise lawful copying and use of these images derives from the inherent uncertainty surrounding deceased-celebrities' and their persona rights. Common businesses are not privy to information

⁴ Indeed, such surveys are argumentative in their wording because they (erroneously) assume that there is "an owner" of an entertainer's name or likeness post-mortem.

demonstrating who legitimately possesses a deceased-celebrity's persona rights. Moreover, the Ninth Circuit's judicially constructed persona right lacks a clear standard illustrating how and to whom these rights descend. In light of this uncertainty and the fact that § 43(a) plaintiffs can almost always expect its false endorsement claim to (at least) reach the jury, the common businesses' only safe course is to simply not use the public domain material (or pay "persona rights" holders for the right to use public domain images of the dead celebrity) – a result contrary to the policies of the Copyright Act, the Patent and Copyright clause, and the First Amendment.

3. CONSTITUTIONAL AND RIGHT OF PUBLICITY CONCERNS.

As this Court extolled, the rights of a copyright holder are part of a "carefully crafted bargain" such that, unless a copyright protects the image, it will be subject to copying. *Dastar*, 539 U.S. 23 at 33; *see also* *Kimble v. Marvel Entm't, LLC*, 576 U.S. ____ (2015) ("patents endow their holders with certain superpowers, but only for a limited time"). By preventing competitors from copying a "source-identifying mark," this "bargain" balances the most-efficient functioning in the marketplace of goods and ideas against reducing the customers' costs of shopping and making purchase decisions. When courts protect a mark that fails to identify the source, this carefully crafted bargain gets thrown out of balance. Thus, this Court has cautioned the circuits to avoid "over-extension of trademark" into areas traditionally occupied by copyright. *Dastar*, 539 U.S. at 34.

Here, the Ninth Circuit “over-exten[ded]” trademark law, thereby throwing this Court’s “carefully crafted bargain” out of balance. The effects of the Ninth Circuit’s decision cannot be overstated: Respondents obtained a de-facto monopoly over Marley images, a purported \$20 million industry,⁵ to the exclusion of Marley’s other children and all other users. Consumers will suffer the largest cost – increased prices and decreased quality – without a competitive market to keep such merchandise in check.

Moreover, the decision extends the Copyright Act’s constitutionally limited term of protection so that a plaintiff may now be able to hold a deceased celebrity’s image rights in perpetuity. Consumers will not stand as the only casualty – copyright owners lose their copyright protections and speakers lose their speech protections. Bob Marley images will forever avoid the public domain.

Finally, the Ninth Circuit’s holding comes dangerously close towards creating a federal right of publicity. In 1989, Congress explicitly declined to include a federal right of publicity in its amendments to the Lanham Act, despite heavy pressure from specific interest groups.

In its majority opinion, the panel upheld the district court’s false endorsement ruling, holding that § 43(a)’s “likelihood of confusion” element distinguishes it from state right of publicity claims. (App. B at 25a-27a.) However, consumers will almost always believe that a readily-recognizable celebrity (or his estate) must have given permission for

⁵ <http://www.forbes.com/pictures/mfl45elikj/bob-marley-7/>

merchandise bearing that celebrity's image. While theoretically distinct, the circuit has created a system whereby deceased-celebrities' successors can assert a de facto federal right of publicity and exclusively control any use of that celebrity's image in commerce in perpetuity.

In order to regain balance of this Court's "carefully crafted bargain," this Court must impose some check. Absent this Court's intervention, purported persona-holders will utilize the Ninth Circuit's ruling to effectively eviscerate free use of public domain images of deceased celebrities and, in the process, strike a devastating blow to the efficient functioning of the free market, to consumers' ability to choose among competing products and to the copyright system itself.

III. CONCLUSION

For the foregoing reasons, this Court should grant this petition for writ of certiorari.

Respectfully submitted,

/s/ Michael R. Adele
MICHAEL R. ADELE,
Technology Litigation Center,
828 Marjan St., Anaheim, CA, 92806,
techlitcenter@yahoo.com, (714) 342-6987,
Counsel of Record
June 30, 2015