

Is the Legal Test for Expressive Use of a Trademark on The Rocks? Jack Daniel's Prevails at the Supreme Court

The Bottom Line

- The U.S. Supreme Court recently decided that, when using another's trademark "as a designation of source for the infringer's own goods," one is not entitled to a First Amendment defense even if the use is a parody.
- While the decision leaves intact existing legal protections for the use of trademarks and trade dress in expressive works, it limits its applicability when the mark functions as a source identifier.
- Future cases addressing a parody or humorous use of another's mark will likely see an increased focus on what constitutes a "source-identifying" use, and whether the use is likely to cause confusion among consumers.

The U.S. Supreme Court's highly anticipated trademark decision over a dog toy was a victory for trademark owners, as it bolstered the ability to protect their trademarks and brands.

The decision in [*Jack Daniel's Properties, Inc. v. VIP Products LLC*](#), handed down June 8, 2023, unanimously overturned the U.S. Ninth Circuit Court of Appeals. The lower court found that VIP's squeaky dog toy that parodied Jack Daniel's trademark and trade dress was protected by their First Amendment. The decision reined in the First Amendment exception in situations where the parody or other expressive use is being used as a source identifier (i.e., as a trademark).

The case arose from a dispute over VIP Products' "Silly Squeakers" dog toys that resemble and parody popular brands. The toy at issue was a play on the Jack Daniel's whiskey bottle. The words "Jack Daniel's" were replaced with "Bad Spaniels" and the tagline "Old No. 7 Brand Tennessee Sour Mash Whiskey" was replaced with "The Old No. 2 On Your Tennessee Carpet." The dog toy emulated the distinctive shape and label of the Jack Daniel's bottle. Notably, in the underlying action, VIP Products argued that it owned the "Bad Spaniels" trademark and trade dress, thus conceding it was using the name, shape and appearance of the toy as source identifiers.

“Jack Daniel’s” is a registered trademark, as is “Old No. 7.” In addition, Jack Daniel’s owns the trademark of the arched Jack Daniel’s logo, the stylized label and the bottle’s distinctive shape. While VIP Products included a disclaimer that the dog toy was not affiliated with Jack Daniel’s, Jack Daniel’s argued that that, nonetheless, the toy infringed upon its various trademarks.

VIP Products argued that its Bad Spaniels toy was an “expressive work” entitled to First Amendment protection under the *Rogers* test. The *Rogers* test precludes a trademark infringement claim unless the trademark owner can show that the alleged infringing use: (1) has no artistic relevance to the underlying work; or (2) explicitly misleads as to the source or the content of the work.

The Ninth Circuit held that the *Rogers* test applied since the dog toy “communicates a humorous message” and was, thus, an expressive work. Further, the Ninth Circuit found that there was no trademark dilution because the toy was a humorous and “noncommercial” use.

The Supreme Court Decision

In a self-described “narrow opinion,” which focused on whether VIP Products’ use is “source-identifying, i.e., that it was being used to identify VIP Products and not just as a parody,” the Supreme Court reversed the Ninth Circuit. The high court concluded that a trademark owner does not need to satisfy the *Rogers* test “when an alleged infringer uses a trademark in the way the Lanham Act most cares about: as a designation of source for the infringer’s own goods.” While the Court was careful to leave the *Rogers* test intact for other uses, it explained that the test “offers an escape from the likelihood-of-confusion inquiry and shortcut to dismissal” and is thus meant to be narrowly applied.

Because VIP Products used the Jack Daniel’s marks and dress as source identifiers of its dog toy, the Court concluded that the *Rogers* test was inapplicable, and thus the traditional likelihood of confusion test applied. Accordingly, the Court sent the case back to the trial court to decide the issue of whether there was a likelihood of confusion caused by VIP Products’ use of the Jack Daniel’s trademark and trade dress. VIP Products may still be able to establish non-infringement if it establishes that there is no likelihood of confusion among consumers concerning its use.

Similarly, as to dilution, the Court held that “the noncommercial exclusion does not shield parody or other comment when its use is similarly source-identifying.”

What Does the Decision Mean?

While the Court's decision leaves intact First Amendment protection for the use of trademarks in non-source identifying expressive works, it limits the *Rogers* test's applicability to "source-identifying" uses. Accordingly, future cases concerning parodies and other expressive uses of brands will likely see an increased focus on what constitutes a "source-identifying" use, as well as increased scrutiny of whether the use is likely to cause confusion. Even so, the decision is considered a win for trademark owners, bolstering their ability to protect their marks and brands.

For More Information

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