

Sixth Circuit

TRADEMARKS / TRADE DRESS

1. What are the standards for nominative fair use of a mark in your Circuit?

In the Sixth Circuit, plaintiffs carry a threshold burden to show that the defendant is using a mark “in a ‘[] trademark’ way” that “identifies the source of their goods.” See *Sazerac Brands, LLC v. Peristyle, LLC*, 892 F.3d 853, 859 (6th Cir. 2018); *Grubbs v. Sheakley Grp., Inc.*, 807 F.3d 785, 793–94 (6th Cir. 2015); *Hensley Mfg. v. ProPride, Inc.*, 579 F.3d 603, 610–12 (6th Cir. 2009); *Interactive Prods. Corp. v. a2z Mobile Office Sols., Inc.*, 326 F.3d 687, 695 (6th Cir. 2003). The Sixth Circuit’s “trademark use test” asks whether the defendant is using the mark to commercially identify products, or just to describe them in a noncommercial manner. *Sazerac Brands, id.* at 859. Referring to a name, location, or set of ingredients that accurately describe an association or objective fact about a product, for instance, amounts to permissible non-trademark “descriptive” use under Sixth Circuit caselaw. *Id.*; see also *Heaven Hill Distilleries, Inc. v. Log Still Distilling, LLC*, 575 F.Supp.3d 785 (W.D. Ky. 2021). Otherwise the “trademark infringement and false designation of origin laws do not apply.” *Interactive Prods. Corp.*, 326 F.3d at 695. Only after the plaintiff clears this threshold test do courts then proceed to the conventional likelihood-of-confusion analysis and fair use defense, among other defenses.

This “trademark use” test has drawn criticism. See *Kelly–Brown v. Winfrey*, 717 F.3d 295, 305–08 (2d Cir. 2013); *Rosetta Stone Ltd. v. Google, Inc.*, 676 F.3d 144, 168–70 (4th Cir. 2012); see also 4 J. Thomas McCarthy, McCarthy on Trademarks and Unfair Competition § 23:11.50 (5th ed. 2018) (arguing that the Sixth Circuit’s “eccentric and peculiar view is erroneous because it finds no support either in the Lanham Act or in precedent”). However, the Sixth Circuit has responded that such criticism “exaggerate the consequences” of this approach. “The trademark use test resembles in nearly every particular the fair use defense...There is little daylight between the ‘non-trademark use’ the [Sixth] Circuit test requires and the ‘descriptive use’ that the statute requires. So it will often be the case that a claim that fails our threshold trademark use test will also be vulnerable to a fair use defense. *Sazerac Brands, id.* at 859-60.

Subject to this threshold test, which frequently subsumes a fair use analysis, courts in the Sixth Circuit have held that a defendant may raise the affirmative defense of fair use by establishing that the use of the name, term, or device charged to be an infringement is a use, otherwise than as a mark, of the party’s individual name in his own business, or of the individual name of anyone in privity with such party, or of a term or device which is descriptive of and used fairly and in good faith only to describe the goods or services of such party, or their geographic origin. See *Hensley Mfg. v. ProPride, Inc.*, 579 F.3d 603 (2009); *Audi AG v. D’Amato*, 469 F.3d 534, 547 (6th Cir. 2006). Under the fair use

doctrine, “the holder of a trademark *cannot* prevent others from using the word that forms the trademark in its *primary* or *descriptive* sense.” *Herman Miller, Inc. v. Palazzetti Imports and Exports, Inc.*, 270 F.3d 298, 319 (6th Cir. 2001). “In evaluating a defendant’s fair use defense, a court must consider whether [the] defendant has used the mark: (1) in its descriptive sense; and (2) in good faith.” *ETW Corp. v. Jireh Pub., Inc.*, 332 F.3d 915, 920 (6th Cir.2003).

2. Does your Circuit hold that the Lanham Act can be used to impose an injunctive on conduct outside the United States?

No recent decisions of the Sixth Circuit squarely address the imposition of injunctive relief under the Lanham Act outside the United States. Thus, the Sixth Circuit has not “taken sides” in the split between circuits concerning the extraterritorial reach of the Lanham Act, particularly when applied to foreign defendants. See *Hetronic International v. Hetronic Germany, GmbH*, 10 F.4th 1016 (10th Cir. 2021) (collecting cases discussing differences among Circuits). However, a few district courts have addressed the question, at least in part. In *Libbey Glass, Inc. v. Oneida Ltd.*, 61 F.Supp.2d 720, 722 (N.D. Ohio 1999), the court held that to establish whether “circumstances call for extraterritorial application of the Lanham Act,” courts have traditionally considered: “(1) whether the defendant’s conduct has a substantial effect on commerce in the United States; (2) whether the defendant is a citizen of the United States; and (3) whether there exists a conflict between defendant’s trademark rights established under foreign law, and plaintiff’s trademark rights established under domestic law.” *Id.* (citing *Vanity Fair Mills v. T. Eaton Co.*, 234 F.2d 633, 641 (2d Cir. 1956) and *Steele v. Bulova Watch Co.*, 344 U.S. 280 (1952)).

3. Are there any recent trends in your District or Circuit regarding the application of trade dress law, including with respect to functionality (utilitarian and aesthetic), color and color schemes, and the line between trade dress and patent protection?

The Sixth Circuit has observed that trade dress “refers to the image and overall appearance of a product. It embodies that arrangement of identifying characteristics or decorations connected with a product, whether by packaging or otherwise, that makes the source of the product distinguishable from another and promotes its sales. Trade dress involves the total image of a product and may include features such as size, shape, color, or color combinations, texture, graphics, or even particular sales techniques.” *Leapers, Inc. v. SMTS, LLC*, 879 F.3d 731 (2018) (citing *Abercrombie & Fitch Stores, Inc. v. Am. Eagle Outfitters, Inc.*, 280 F.3d 619, 629 (6th Cir. 2002)). To prevail on a claim for trade dress infringement based on a product’s design, a plaintiff must show that its design is (1) nonfunctional, (2) has acquired a secondary meaning, and (3) is confusingly similar to the allegedly infringing design. *Id.* at 735-6 (citing *Gen. Motors Corp. v. Lanard Toys, Inc.*, 468 F.3d 405, 414 (6th Cir. 2006)). Summary judgment will be granted if the plaintiff “fails to present sufficient evidence for a reasonable jury to find in its favor on any one of the three elements.” See *Groeneveld Transp. Efficiency, Inc. v. Lubecore Int’l., Inc.*, 730 F.3d 494, 503 (6th Cir. 2013).

The nonfunctionality requirement “channel[s] the legal protection of useful designs from the realm of trademark to that of patent.” *Groeneveld*, 730 F.3d at 508. “Such channeling ensures that the high public costs of monopoly are not imposed without an assurance that the design satisfies the rigorous requirements of patentability, including novelty and nonobviousness, and is protected for only a limited period of time.” *Id.* (citing *Qualitex Co. v. Jacobson Products Co., Inc.*, 514 U.S. 159, 164–65 (1995)).

In *Leapers*, the manufacturer of adjustable rifle scopes with handles that were made with a unique knurling pattern filed suit against competitor who used same pattern, alleging trade dress infringement. After the district court granted summary judgment to the defendant, the manufacturer appealed. The Sixth Circuit held that genuine issues of material fact existed as to whether the knurling pattern was purely ornamental

rather than functional. The Court noted that, while the manufacturer had admitted that knurling was a functional component of a rifle scope, it also argued that it had applied a purely ornamental design to the knurling on its rifle scopes and that that design—not knurling generally—constituted its trade dress. The Court held that while knurling pattern could be purely ornamental, at least hypothetically, a unique knurling pattern (perhaps in the shape of a company’s name or logo) might have no impact on functionality. For that reason, “[a]s long as the pattern is not ‘essential to the use or purpose’ of a rifle scope and does not ‘affect[] the cost or quality’ of a rifle scope, the knurling design confers no incidental functionality. And as long as the knurling design does not have an aesthetic function such that ‘exclusive use of the feature would put competitors at a significant non-reputation-related disadvantage,’ the design also lacks aesthetic function and can be protected as trade dress—just like the unique color of a dry cleaning pad... or the unique aesthetic of a Humvee. *Id.* at ____ (internal citations omitted). *Id.* at 738

COPYRIGHTS

4. What are the recent rulings in your Circuit regarding the “fair use” defense?

There are few recent rulings from the Sixth Circuit that involve application of the fair use defense in copyright cases. It is well-settled that the four statutory factors guide courts in deciding cases within the purpose of the fair-use doctrine, which “is to ensure that courts ‘avoid rigid application of the copyright statute when, on occasion, it would stifle the very creativity which that law is designed to foster.’” *Zomba Enters.*, 491 F.3d at 581 (citing *Princeton Univ. Press v. Mich. Doc. Servs., Inc.*, 99 F.3d 1381, 1385 (6th Cir. 1996) (en banc), cert. denied, 520 U.S. 1156 (1997)). Defendants bear the burden of proving that their use was fair, but they need not establish that each of the factors weighs in their favor. *Design Basics, LLC v. Petros Homes, Inc.*, 240 F.Supp.3d 712 (N.D. Ohio 2017) (citations omitted). The court must consider these factors to determine whether, on the evidence identified by defendants, a reasonable jury could come to the conclusion that defendant’s alleged use of plaintiff’s design plans was fair. *Balsley v. LFP, Inc.*, 691 F.3d 747 (6th Cir. 2012). Cases in which these principles are applied include *Balsley v. LFP, Inc.*, 691 F.3d 747 (6th Cir. 2012) (affirming jury verdict and rejecting defendant’s fair use defense involving its republication of photographs depicting plaintiff, a former news anchor, in a state of undress); *Zomba Enterprises, Inc. v. Panorama Records, Inc.*, 491 F.3d 574 (6th Cir. 2007) (affirming summary judgment in favor of plaintiff against defendant that copied plaintiff’s recordings on CDs used for karaoke, expressly rejecting defendant’s fair use defense); *Castle v. Kingsport Publishing Corp.*, 2020 WL 7348157 (E.D. Tenn. 2020) (granting summary judgment to defendant newspaper, finding that its publication of photograph distributed at school board meeting constituted fair use); *Design Basics, LLC v. Petros Homes, Inc.*, 240 F.Supp.3d 712 (N.D. Ohio 2017) (denying plaintiff’s motion for summary judgment as to defendant’s fair use defense involving defendant’s alleged use of plaintiff’s architectural plans in constructing homes); *Calibrated Success, Inc. v. Charters*, 72 F.Supp.3d 763 (E.D. Mich. 2014) (granting plaintiff’s motion for summary judgment and rejecting fair use defense in case involving copying and reselling of portions of plaintiff’s instructional videos).

5. How does your District or Circuit approach claims that embedding content on one’s website using html links infringes the original author’s distribution and display rights under the Copyright Act? See *Nicklen v. Sinclair* (SDNY 2021); *Leader’s Institute v. Jackson* (2017 WL 5629514 (ND Texas 2017)).

As of this writing, no courts in the Sixth Circuit have expressly addressed this question.

6. What is necessary in your District or Circuit to prove (or disprove) that a work is “transformative” and thus fair use? (This issue is likely to be heard at the Supreme Court next term in *Andy Warhol Foundation v.*

Goldsmith.)

An important focus of the first factor is whether the use is “transformative.” *Authors Guild, Inc. v. HathiTrust*, 755 F.3d 87, 96 (2nd Cir. 2014). “A use is transformative if it does something more than repackage or republish the original copyrighted work.” *Id.* “[T]he more transformative the new work, the less will be the significance of the other factors... that may weigh against a finding of fair use.” *Campbell*, 510 U.S. at 579, 114 S.Ct. 1164. As part of the first factor, the court must also consider whether, and to what extent, defendants alleged use of plaintiff’s design plans was for a commercial purpose. *Pirro*, 74 F.Supp.3d at 617–618.

Consistent with existing Supreme Court precedent, the Sixth Circuit has stated that any fair use inquiry begins with a study of “the purpose and character of the use, including whether such use is of a commercial nature or is for nonprofit educational purposes.” In evaluating the facts under this element, the court must “consider whether the new work is ‘transformative,’ and whether the use of that work is for commercial or noncommercial purposes.” *Zomba Enters.*, 491 F.3d at 582 (citing *Campbell v. Acuff–Rose Music, Inc.*, 510 U.S. 569, 579, 114 S.Ct. 1164, 127 L.Ed.2d 500 (1994)). The issue is not just whether the “sole motive of the use is monetary gain,” but whether “the user stands to profit from exploitation of the copyrighted material without paying the customary price.” *Lexmark Int’l, Inc. v. Static Control Components, Inc.*, 387 F.3d 522, 544 (6th Cir.2004). Where “an original work is merely retransmitted in a different medium” or where the “resulting use of the copyrighted work ... [is] the same as the original use,” the new work is not “transformative.” *Balsley v. LFP, Inc.*, 691 F.3d 747 (6th Cir. 2012); *see also Kingsport Publishing Corp.*, 2020 WL 7348157 (E.D. Tenn. 2020) (granting summary judgment to defendant newspaper and holding that its publication of photograph distributed at school board meeting was transformative).