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## Breakfast with Batman: The Public Interest in the Advertising Age

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In an acquisitive society, the drive for monopoly advantage is a very powerful pressure. Unchecked, it would no doubt patent the wheel, copyright the alphabet, and register the sun and the moon as exclusive trade-marks.<sup>1</sup>

When Ralph Brown published *Advertising and the Public Interest* in 1948, the law of trade symbols was entirely a creature of the federal general common law. The new Lanham Trademark Protection Act had taken effect only months earlier;<sup>2</sup> the federal courts' interpretation of the code had yet to be written. Commercial television was still undergoing beta testing.<sup>3</sup> There was no Internet—not even in the pages of science fiction.<sup>4</sup> Computers barely existed. The ENIAC had just been built; the UNIVAC was yet to come.<sup>5</sup> In 1948, commercial advertising was entitled to no First Amendment protection whatsoever.<sup>6</sup> Neither the world of commercial advertising that matured along with the baby boom generation nor the legal

<sup>†</sup> Professor of Law, Wayne State University. Writing an Essay in tribute to Ralph Brown is both difficult and painful. Ralph was a mentor, a friend, and an extraordinary influence on my work. He wrote many things that I admired enough to wish that I had written something that spoke half so truly or so well. His *Advertising and the Public Interest* is no exception. Every time I read it, I find something new that is perfectly phrased and piercingly true.

1. Ralph S. Brown, *Advertising and the Public Interest: Legal Protection of Trade Symbols*, 57 YALE L.J. 1165, 1206 (1948).

2. Act of July 5, 1946, ch. 540, 60 Stat. 427 (1946) (codified as amended at 15 U.S.C. §§ 1051-1127 (1994)). The Lanham Act's effective date was July 5, 1947, one year after enactment. *See* 60 Stat. 444.

3. Although a few commercial stations had started broadcasting television signals as early as 1939, and the Federal Communications Commission issued a handful of licenses in 1941, wide deployment was delayed by World War II. Ed Sullivan and Milton Berle went on the air in 1948, but it was not until the early 1950s that communities outside of the largest cities had local television stations. *See* ERIK BARNOUW, *TUBE OF PLENTY: THE EVOLUTION OF AMERICAN TELEVISION* 89-148 (rev. ed. 1982).

4. Science fiction essentially missed the significance of networked digital technology until after the early computer networks were up and running. *See* THOMAS M. DISCH, *THE DREAMS OUR STUFF IS MADE OF* 214-16 (1998). Science fiction computers tended to be robots, *see id.*, at least until the mid-1960s, when novels featuring "The Big Computer" started to appear. *See, e.g.*, ROBERT A. HEINLEIN, *THE MOON IS A HARSH MISTRESS* (1966).

5. John W. Mauchly and J. Presper Eckert completed ENIAC in 1946; they went on to build UNIVAC I in 1951. *See* 16 ENCYCLOPEDIA BRITANNICA 641-42 (1990).

6. *See* *Valentine v. Chrestensen*, 316 U.S. 52 (1942). For a discussion of the early history of First Amendment protection of commercial speech, *see* Jonathan Weinberg, Note, *Constitutional Protection of Commercial Speech*, 82 COLUM. L. REV. 720, 722-30 (1982).

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framework within which we would try to constrain it was more than a possibility. Fifty years later, it seems remarkable how presciently Ralph's article described the policies and the arguments that would come to dominate the debate over the law of trade symbols today and how incisively it appraised them.

The past fifty years have seen fundamental changes in the nature of advertising and the value our society attaches to it. The legal boundaries of our protection and regulation of advertising have expanded as it has grown to be an ever more pervasive feature of our environment. Normative arguments that may have seemed uncontested in 1948 appear more controversial in 1998. It would be surprising if a legal argument framed fifty years ago remained as persuasive today. But Ralph's analysis seems even more compelling, now that we have had a chance to see the world of advertising grow in the intervening years.

In Part I of this Essay, I recount Ralph Brown's justification for the rule that trade symbols' legal protection should be limited to cases of likely consumer confusion. Broader protection of trade symbols, affording legal armor to advertising's persuasive function, would yield no benefits to consumers and would disserve the public interest by shielding firms from healthy competition. In Part II, I discuss the expansion of trade symbol law over the past fifty years, as courts and Congress increasingly have disregarded Ralph's advice. In Part III, I describe shifts in American culture, legal attitudes, and business practices that accompanied—and to some degree explain—that doctrinal change. In particular, I point out that trade symbols have become enormously valuable, outshining in importance the products they identify. In Part IV, I urge that the independent value of trade symbols and advertising atmospherics today does not supply reasons for protecting them under the trademark laws. Rather, as I explain in Part V, a critical look at the role of advertising in our lives today reaffirms the importance of Ralph Brown's original prescription: Legal protection for trade symbols, in the absence of confusion, disserves competition and thus the consumer. It arrogates to the producer the entire value of cultural icons that we should more appropriately treat as collectively owned.

### I. ADVERTISING AND THE PUBLIC INTEREST

In *Advertising and the Public Interest*, Ralph argued that decisions about what legal protection to afford trade symbols should be driven by an analysis of the degree to which advertising itself served the public interest. The public's chief interest lay in the promotion of competition through advertising, Ralph insisted, by providing information to potential consumers about the products they might choose to consume. Where the law enhanced or protected advertising's informative function, it encouraged competition and advanced the public interest.<sup>7</sup> Of course,

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7. See Brown, *supra* note 1, at 1186.

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advertising was designed by merchants who used it to do more than just supply useful information:

Advertising has two main functions, to inform and to persuade. With qualifications that need not be repeated, persuasive advertising is, for the community as a whole, just a luxurious exercise in talking ourselves into spending our incomes. For the individual firm, however, it is a potent device to distinguish a product from its competitors, and to create a partial immunity from the chills and fevers of competition. The result of successful differentiation is higher prices than would otherwise prevail.<sup>8</sup>

Advertising, thus, made use of trademarks, trade names, and other trade symbols combining informational and persuasive elements. Legal protection of the informational function of trade symbols benefited the public; legal protection of symbols' persuasive power provided no public benefit and some detriment in the form of higher prices and diminished competition.<sup>9</sup>

Trade symbols in and of themselves were worthless to the public, Ralph argued; the public's interest inhered in the ability of trade symbols to inform and to prevent confusion. The law should protect the integrity of trade symbols in order to prevent consumer confusion or deception; that would protect the ability of product sellers to supply information through advertising. The law should not, however, extend additional protection to trade symbols' persuasive function as well, since that would further encourage sellers' understandable tendency to use trade symbols to disadvantage their competitors, with no corresponding public benefit.<sup>10</sup> Additionally, the impulse to select and develop trade symbols with the greatest possible persuasive function would not require any encouragement.<sup>11</sup>

Ralph's argument was, as he put it, a "conservative" one:<sup>12</sup> Rather than proposing a new approach to the law of trade symbols, he articulated an inspired rationale for the way that the majority of courts had decided the cases that had come before them. The common law of unfair competition protected most trade symbols in most cases from confusing use by competitors, but it had not gone so far as to accord the owner of a trade symbol the exclusive right to use it in the course of trade.<sup>13</sup> Courts interpreting the Lanham Act in the ensuing years drew the same distinction: Despite language in the statute giving owners of registered trademarks the "exclusive right to use the registered mark in commerce on or in connection

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8. *Id.* at 1183.

9. *See id.* at 1183-84, 1190.

10. *See id.* at 1190, 1201.

11. *See id.* at 1177-78.

12. *Id.* at 1206.

13. *See, e.g.,* California Fruit Growers Exch. v. Sunkist Baking Co., 166 F.2d 971 (7th Cir. 1947). *See generally* EDWARD S. ROGERS, GOODWILL, TRADEMARKS & UNFAIR TRADING 51-54 (1914) (describing the scope of common-law trademark protection); WILLIAM D. SHOEMAKER, TRADE-MARKS 8-11, 109-11 (1931) (same).

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with the goods or services specified in the registration,”<sup>14</sup> courts required a showing of likelihood of consumer confusion before finding infringement under the Act.<sup>15</sup> Trademarks, the courts insisted, could not be owned in gross.<sup>16</sup> Trademarks should not be considered freestanding items of property, but instead were only symbols, mere repositories of the goodwill that accumulated around the products that they distinguished.<sup>17</sup>

That principle bears repeating: Trademarks could not be owned in gross. They were appurtenant to the trade in the products they distinguished. An attempt to transfer or license a mark detached from the associated product goodwill was not only ineffective, it worked an abandonment of the mark itself.<sup>18</sup> Divorced from the product it differentiated and that product’s goodwill, a trademark was valueless, or, at least, treated by the trademark law as if it were valueless.<sup>19</sup>

That model of trade symbol law, of course, incorporated some premises about real-world marketplaces that may never have been factually accurate. Trademarks sometimes do have some intrinsic worth; trademarks often acquire value that is separate from and independent of the goodwill in the products they differentiate.<sup>20</sup> The rule may well have been counterintuitive from the outset,<sup>21</sup> but it captured an important principle: Enforceable trademark rights were limited to rights to protect the identifying, informative function that marks performed. Trademark laws did not permit the mark owner to appropriate a word or symbol from the public domain and control its further use, but only to prevent his competitors from using a confusingly similar word or symbol likely to deceive consumers about the source of the competing products.<sup>22</sup> The law of trade symbols sought to advance the public interest by using the trademark law as a device to snooker merchants into policing each other’s abuses and thus into protecting consumers from deception.<sup>23</sup> It rooted that effort in the principle that trademark rights were, at bottom, merely rights to act as a surrogate for consumers’ interest, and not rights to be protected from competition.

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14. Lanham Act § 33, 15 U.S.C. § 1115(a) (1994).

15. See, e.g., *Dawn Donut Co. v. Hart’s Food Stores*, 267 F.2d 358 (2d Cir. 1959); *Hyde Park Clothes v. Hyde Park Fashions*, 204 F.2d 223 (2d Cir. 1953); *S.C. Johnson & Son v. Johnson*, 175 F.2d 176 (2d Cir. 1949).

16. See, e.g., *United Drug Co. v. Theodore Rectanus Co.*, 248 U.S. 90, 97 (1918); *Industrial Rayon Corp. v. Dutchess Underwear Corp.*, 92 F.2d 33, 35 (2d Cir. 1937).

17. See, e.g., *Prestonettes Inc. v. Coty*, 264 U.S. 359 (1924).

18. See, e.g., *Pepsico, Inc. v. Grapette Co.*, 416 F.2d 285 (8th Cir. 1969); *Industrial Rayon Corp. v. Dutchess Underwear Corp.*, 92 F.2d 33 (2d Cir. 1937); *Uncas Mfg. Co. v. Clark & Coombs Co.*, 132 U.S.P.Q. (BNA) 683 (D.R.I. 1962); RESTATEMENT (FIRST) OF TORTS §§ 755, 756 (1938).

19. See, e.g., *Macmahan Pharmacal Co. v. Denver Chem. Mfg.*, 113 F. 468 (8th Cir. 1901).

20. See Stephen L. Carter, *The Trouble with Trademark*, 99 YALE L.J. 759, 762-63 (1990); Alex Kozinski, *Trademarks Unplugged*, 68 N.Y.U. L. REV. 960, 962-63 (1993).

21. See, e.g., *United Drug Co.*, 248 U.S. at 95-98.

22. See, e.g., *Prestonettes*, 264 U.S. at 368-69.

23. See *Registration of Trade-Marks: Joint Hearings Before the Comms. on Patents*, 68th Cong., 2d Sess. 49-52 (1925) (testimony of Edward S. Rogers).

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Ralph's analysis articulated the normative policy underlying those premises. Black letter law drew the distinctions it did because its purpose was not the protection of trademark owners, but the promotion of competition.

### II. THE EXPANSION OF TRADE SYMBOL LAW

Fifty years after the publication of *Advertising and the Public Interest*, the world of advertising has grown more pervasive and more complex. The law of trade symbols has evolved along with it. Today, the principle that trade symbols may not be owned in gross, and that they are protected only to the extent necessary to prevent consumer confusion, is still good law—but only barely. It remains the case that trademarks are not property in the usual sense. Plaintiffs in trademark infringement suits remain obliged to predicate any recovery on consumer deception. Proctor and Gamble's registered trademark gives it no right to prevent anyone from discussing "Tide" the mark, Tide the detergent, or tide, the lunar phenomenon. Proctor and Gamble cannot lawfully sell off the mark without also selling the product line to which it is attached.<sup>24</sup> It cannot license someone—say the Coca Cola Company—to use the mark to market "Tide" brand soda with no conditions save the payment of a royalty.<sup>25</sup> It has no leverage that would allow it to prevent the appearance of an orange box of Tide in a movie about people who do laundry, or people who do not, or people who should.<sup>26</sup> It cannot stop the owners of Surf detergent from airing commercials claiming that Surf is cheaper than Tide unless those commercials are untrue on their own terms.<sup>27</sup> It can demand until its directors are blue in the face that magazines, newspapers and other media never use the word "tide" without including an r-in-a-circle, but it has no legal rights that would let it enforce that request. Just as Proctor and Gamble does not own the word "tide," the Coca-Cola company does not own the word "coke"; McDonald's does not own the golden arches; Philip Morris does not own the Marlboro man; and Nike does not own the swoosh.

On the other hand, trademark owners can today enjoin a much more expansive field of behavior than was common fifty years ago. In 1948, Ralph complained that courts should view with greater skepticism advertisers who cast themselves as the public's defenders; entirely too many merchants had succeeded in extracting broad protection for their trade symbols by persuading courts to believe themselves bound to protect fictional consumers who, as a class, were far more gullible, careless, and

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24. *Cf.* *Clark & Freeman Corp. v. Heartland Co.*, 811 F. Supp. 137, 139-41 (S.D.N.Y. 1993)(holding such an assignment invalid as an assignment in gross).

25. *Cf.* *Yocum v. Covington*, 216 U.S.P.Q. (BNA) 210, 215-16 (T.T.A.B. 1982)(holding that such a license works an abandonment of rights in the mark).

26. *Cf.* *New Kids on the Block v. News America Publ'g*, 971 F.2d 302, 306-08 (9th Cir. 1992)(privileging use of mark to refer to product it designates).

27. *Cf.* *August Storck K.G. v. Nabisco*, 59 F.3d 616, 618 (7th Cir. 1995)(upholding the use of a competitor's trademark in truthful comparative advertising).

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easily deceived than the more common, corporeal variety.<sup>28</sup> Recently, we have seen a great deal of the extraordinarily gullible consumer.<sup>29</sup> Courts have been generous in interpreting the scope of confusion from which today's credulous purchasers must be protected: Not only must they be shielded from confusion about the source of a product at the point of sale, they must also be protected from after-market confusion,<sup>30</sup> reverse confusion,<sup>31</sup> subliminal confusion,<sup>32</sup> confusion about the possibility of sponsorship or acquiescence,<sup>33</sup> and even confusion about what confusion the law makes actionable.<sup>34</sup>

Courts' increased willingness to find an actionable likelihood of confusion has meant that, as a practical matter, nearly any unauthorized use of a trade symbol with the potential to undermine the symbol's trademark distinctiveness may persuade a federal judge to grant an injunction. When a gay-rights group in New York City fielded a street patrol to prevent violence against gays, for example, it called its volunteers the "Pink Panther Patrol." MGM Studios, owner of the "Pink Panther" mark for movies and licensor of the Pink Panther animated character to promote Dow Corning insulation, sued the Patrol for trademark infringement. The court found confusion likely.<sup>35</sup> One would think that very few consumers would seek out the patrol's services under the illusion that the patrols emanated from the movie studio. Judge Leval expressed concern, however, that consumers might believe that the Patrol's use of the "Pink Panther" name had been licensed or approved by MGM.<sup>36</sup> In another case, McDonald's persuaded one court that a motel chain's use of "Mc" threatened confusion.<sup>37</sup> The comedian Jeff Foxworthy succeeded with the argument that only he was entitled to use the phrase "You might be a redneck" on

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28. See Brown, *supra* note 1, at 1196-97.

29. See, e.g., E. & J. Gallo Winery v. Consorzio del Gallo Nero, 782 F. Supp. 457, 463-67 (N.D. Cal. 1991).

30. See, e.g., Foxworthy v. Custom Tees, Inc., 879 F. Supp. 1200, 1214-16 (N.D. Ga. 1995); see also Blockbuster Ent. Group v. Laylco, Inc., 869 F. Supp. 505, 512-13 (E.D. Mich. 1994) (finding initial confusion actionable even though it did not persist at the point of sale).

31. See, e.g., Banff, Ltd. v. Federated Dep't Stores, 841 F.2d 486, 490-91 (2d Cir. 1988).

32. See, e.g., Playboy Enterprises v. Chuckleberry Publishing, 687 F.2d 563, 567-68 (2d Cir. 1982).

33. See, e.g., Mutual of Omaha Ins. v. Novak, 836 F.2d 397, 400-01 (8th Cir. 1987); MGM-Pathé Communications v. Pink Panther Patrol, 774 F. Supp. 869, 875 (S.D.N.Y. 1991).

34. See, e.g., Anheuser-Busch v. Balducci Publications, 28 F.3d 769, 774-75 (8th Cir. 1994).

35. See *Pink Panther Patrol*, 774 F. Supp. at 874-76.

36. See *id.* at 875. In *Anheuser-Busch*, 28 F.3d 769, a humor magazine was held liable for running a parody of a Michelob Dry ad, because survey evidence revealed that many readers believed that the humor magazine could not legally run the parody without Anheuser-Busch's permission. Their misapprehension about trademark law was therefore likely to lead them to be confused about whether Anheuser-Busch had approved the parody. See *id.* at 774-75. Parodists often fare poorly in trademark cases because of expansive applications of confusion. See, e.g., *Mutual of Omaha*, 836 F.2d at 398; *Hard Rock Cafe Licensing Corp. v. Pacific Graphics*, 776 F. Supp. 1454, 1462-63 (W.D. Wash. 1991).

37. See *Quality Inns Int'l v. McDonald's Corp.*, 695 F. Supp. 198 (D. Md. 1988); see also *E. & J. Gallo Winery v. Consorzio del Gallo Nero*, 782 F. Supp. 457, 471 (N.D. Cal. 1991) (enjoining Italy's Consorzio del Gallo Nero from use of its name on imported chianti bottle neck seals because any name or mark containing the word "gallo" on wine products would be likely to cause confusion).

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tee-shirts.<sup>38</sup> Thus, courts have assisted the owners of both highly distinctive and less distinctive trade symbols in maintaining exclusive trade use of their symbols by finding some species of confusion likely, even where confusion about a product's source seemed improbable.<sup>39</sup> As the scope of actionable confusion has grown, courts have struggled to stretch old defenses and articulate new ones to privilege behavior that, under classic trademark law, posed no meaningful likelihood of confusion and would not, therefore, have been actionable.<sup>40</sup>

Moreover, the last decade has seen the adoption of dilution theory as an adjunct to federal trademark law. Dilution law protects a trade symbol against uses that are likely to undermine the symbol's distinctiveness, even in the absence of any confusion.<sup>41</sup> "The clearest, most candid, and most far reaching claim on behalf of persuasive values," Ralph wrote,

is summed up in the word dilution. The dilution theory is based on the fact that the more widely a symbol is used, the less effective it will be for any one user. The color red, for example, may be more striking on a package than other colors, but if half the boxes on the super-market shelf are red, its power is thereby dissipated.<sup>42</sup>

In 1995, the trademark bar persuaded Congress to enhance the rights of trademark owners by incorporating a dilution remedy into the federal trademark

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38. *Foxworthy v. Custom Tees*, 879 F. Supp. 1200, 1204, 1220 (N.D. Ga. 1995); *see also Boston Athletic Ass'n v. Sullivan*, 867 F.2d 22, 25, 35 (1st Cir. 1989) (prohibiting sale of tee-shirts bearing a picture of runners and the legend "1987 Marathon/Hopkinton-Boston" without a license from the Boston Athletic Association, owner of the registered "Boston Marathon" mark).

39. *See, e.g., Elvis Presley Enters. v. Capece*, 141 F.3d 188, 193-205 (5th Cir. 1998); *Pebble Beach Co. v. Tour 18 I Ltd.*, 942 F. Supp. 1513, 1541-42 (S.D. Tex. 1996), *aff'd*, 155 F.3d 526 (5th Cir. 1998); *E. & J. Gallo Winery*, 782 F. Supp. at 462-68.

40. *See, e.g., Rock & Roll Hall of Fame & Museum v. Gentile Prods.*, 134 F.3d 749, 753-56 (6th Cir. 1998) (finding non-trademark use); *Vornado Air Circulation Sys. v. Duracraft Corp.*, 58 F.3d 1498, 1509-10 (10th Cir. 1995) (permitting use of product configuration where significant components of invention subject to utility patent); *Sega Enters. Ltd. v. Accolade Inc.*, 977 F.2d 1510, 1530-32 (9th Cir. 1993) (*as amended*) (permitting use of functional features); *New Kids on the Block v. News Am. Publ'g*, 971 F.2d 302, 307-09 (9th Cir. 1992) (inventing nominative fair use defense); *Rogers v. Grimaldi*, 875 F.2d 994, 998-1002 (2d Cir. 1989) (requiring courts to show greater sensitivity to First Amendment values in cases demonstrating only small likelihood of confusion).

41. Calls to make dilution an actionable wrong as part of the trademark law began in the 1920s. *See Brown, supra* note 1, at 1192-93; Beverly W. Pattishall, *Dawning Acceptance of the Dilution Rationale for Trademark-Trade Identity Protection*, 74 TRADEMARK REP. 289, 289-90 (1984); Frank I. Schechter, *The Rational Basis of Trademark Protection*, 40 HARV. L. REV. 813, 825 (1927). These calls seemed at the time to be responding to a significant limitation in causes of action based on consumer confusion. Courts' construction of the requisite confusion in the early part of the century was narrow. If products did not compete and were not closely related, confusion was held to be unlikely as a matter of law. *See, e.g., Aunt Jemima Mills Co. v. Rigney & Co.*, 247 F. 407, 409-10 (2d Cir. 1917); *Borden Ice Cream Co. v. Borden's Condensed Milk Co.*, 201 F. 510, 513-15 (7th Cir. 1912). A number of states enacted dilution statutes, but most courts construed them narrowly. *See Mead Data Cent., Inc. v. Toyota Motor Sales U.S.A.*, 875 F.2d 1026, 1028-31 (2d Cir. 1989); *Allied Maintenance Corp. v. Allied Mechanical Trades, Inc.*, 42 N.Y. 2d 538, 543-46 (1977). To be protected against dilution, marks were required to be highly distinctive, *see id.* at 545, indeed, unique. *See Mead Data Central*, 875 F.2d at 1027, 1030-31.

42. *Brown, supra* note 1, at 1191 (footnotes omitted).

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statute.<sup>43</sup> Trade symbols that qualify under the statute as “famous” marks no longer need suffer even non-confusing uses of the same or similar marks when the uses cause dilution of the famous marks’ distinctive quality.<sup>44</sup>

Courts are still sorting out what federal dilution is supposed to entail. Some have construed it with breathtaking breadth;<sup>45</sup> others have read it more narrowly.<sup>46</sup> The availability of a dilution remedy has enabled owners of less renowned trade symbols to assert exclusive rights that are unrestrained by concern for confused consumers and broader than traditional trademark law would have supported. Today’s expansive law of trade symbols, including both confusion-based remedies predicated on a loose conception of confusion and dilution remedies for famous marks, allows the protection of what Ralph called the persuasive function of trade symbols.<sup>47</sup> Most notably, the law now protects the imaginary values painted by advertising campaigns independent of any features of the products they advertise.

### III. THE NEW POLITICS OF MERCHANDISING

The expansion of the law of trade symbol protection has tracked two distinct but related trends. First has been an evolution in widely held views of the public interest. Ralph argued in *Advertising and the Public Interest* that just because people paid more for products did not mean there had been any actual increase in productivity and welfare—rather, we had let ourselves be talked into paying more money for the same stuff.<sup>48</sup> That, he insisted, was obviously in the interest of the producers whose advertising had persuaded the public to pay a higher price, but was

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43. Federal Trademark Dilution Act of 1995, Pub. L. No. 104-98, 109 Stat. 985 (to be codified at 15 U.S.C. §§ 1125(c), 1127). The dilution legislation had its modern genesis in a United States Trademark Association draft of a revised trademark law, many elements of which were enacted in 1988. See *The United States Trademark Association Trademark Review Commission Report And Recommendations to USTA President and Board of Directors*, 77 TRADEMARK REP. 375 (1987); Symposium, *Dilution Law: At a Crossroads?*, 83 TRADEMARK REP. 107 (1993).

44. 15 U.S.C.A. § 1125(c) (1998). See, e.g., *Panavision Int’l v. Toeppen*, 141 F.3d 1316, 1324-27 (9th Cir. 1998). The expansion of federal trademark law to encompass dilution came at an ironic time: In the absence of any remedy for dilution, federal courts had construed confusion-based causes of action broadly enough to make dilution remedies superfluous. Even without the dilution statute, owners of famous trade symbols already had the ability to secure any relief that dilution would have supplied. Imagine a new entrant to the market—any market—who introduced a product under the “Orville Reddenbacher” mark. Orville Reddenbacher grass seed, say, or Orville Reddenbacher gowns. Consumers would indeed be likely to be confused into believing that the new product was related to the popcorn company, and the new entrant would swiftly be enjoined. In the current era of corporate product diversification, such confusion would even seem reasonable. Similarly, Kodak, Coke and Disney would have no difficulty banishing Kodak swimming suits, Coca Cola computers, or Mickey Mouse mobile homes.

45. See, e.g., *Panavision*, 141 F.3d at 1324-27 (9th Cir. 1998); *Jews for Jesus v. Brodsky*, 993 F. Supp. 282, 305-08 (D.N.J. 1998).

46. See, e.g., *Toys “R” Us, Inc. v. Feinberg*, 26 F. Supp. 2d 639, 644-45 (S.D.N.Y. 1998); *Ringling Bros.-Barnum & Bailey Combined Shows, Inc. v. Utah Div. of Travel Dev.*, 955 F. Supp. 605, 613-22 (E.D. Va. 1997).

47. See Brown, *supra* note 1, at 1180-81.

48. See *id.* at 1180-83.

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wasteful for the public at large.<sup>49</sup> Today, that once self-evident point is controversial. Productivity seems to be measured less by what people make than by what people are inclined to buy. What consumers are willing to pay has become synonymous with value. Commodification is the preeminent engine of progress. Transforming ephemeral figments into saleable property is a patriotic act, and the fact, without more, that an offer to sell something will find customers is reason enough to sanction its appropriation from the commons. There has been inexorable pressure to recognize as an axiom the principle that if something appears to have substantial value to someone, the law must and should protect it as property. Recent years have seen an explosion of cases in which courts have relied on trademark-like rubrics to uphold claims to exclusive rights in names,<sup>50</sup> faces,<sup>51</sup> voices,<sup>52</sup> gestures,<sup>53</sup> phrases,<sup>54</sup> artistic style,<sup>55</sup> marketing concepts,<sup>56</sup> locations,<sup>57</sup> and references.<sup>58</sup>

Second, the descriptive proposition that trade symbols have no intrinsic value has come to seem demonstrably inaccurate.<sup>59</sup> The use of trademarks on promotional products has evolved from an advertising device for the underlying product line to an independent justification for bringing a so-called underlying product to market. Elvis Presley's estate has earned more annually in license fees than it did in the late singer's most profitable year.<sup>60</sup> Warner Brothers has brought out a seemingly endless series of lackluster Batman sequels. Critics disliked the sequels, and their box office performances were mediocre, but the sales of Batman toys have more than made up for it.<sup>61</sup> It is hard to maintain a straight face when asserting that the "Batman" mark has value only as an indicator that Batman-branded products are licensed by Warner Brothers.<sup>62</sup> The worth of such valuable trade symbols lies less

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49. *See id.* at 1177-80.

50. *See, e.g.,* *Carson v. Here's Johnny Portable Toilets Inc.*, 698 F.2d 831, 836 (6th Cir. 1983).

51. *See, e.g.,* *Bi-Rite Enters. v. Button Master*, 555 F. Supp. 1188, 1198-201 (S.D.N.Y. 1983).

52. *See, e.g.,* *Midler v. Ford Motor Co.*, 849 F.2d 460, 463-64 (9th Cir. 1988).

53. *See, e.g.,* *White v. Samsung Elecs. Am.*, 971 F.2d 1395, 1399 (9th Cir. 1992).

54. *See, e.g., Carson*, 698 F.2d at 836.

55. *See Romm Art Creations Ltd. v. Simcha Int'l*, 786 F. Supp. 1126, 1134-40 (E.D.N.Y. 1992).

56. *See Toy Mfrs. of Am. v. Helmsley-Spear, Inc.*, 960 F. Supp. 673, 680 (S.D.N.Y. 1997).

57. *See id.*; *see also* *Pebble Beach Co. v. Tour 18 I Ltd.*, 155 F.3d 526, 541 (5th Cir. 1998) (protecting the configuration of a golf hole).

58. *See White*, 971 F.2d at 1399 (9th Cir. 1992); *Boston Athletic Ass'n v. Sullivan*, 867 F.2d 22, 34-35 (1st Cir. 1989); *Boston Prof'l Hockey Assoc. v. Dallas Cap & Emblem Mfg.*, 510 F.2d 1004, 1012 (5th Cir. 1975).

59. *See, e.g.,* *Kozinski*, *supra* note 20, at 961-62.

60. *See* A.J. Jacobs, *Wanted: Dead or Alive*, ENT. WKLY., Aug. 18, 1995, at 26, 26.

61. *Cf.* Andrea Adelson, *The Media Business: Advertising*, N.Y. TIMES, June 9, 1997, at D25; Nancy Hass, *Investing It: Marvel Superheroes Take Aim at Hollywood*, N.Y. TIMES, July 28, 1996, at C4.

62. *Cf.* *Kozinski*, *supra* note 20, at 962-66 (discussing examples of trademarks that become products completely separate from the goods or services they identify, and noting the inconsistencies thereby created with traditional trademark law principles). The claymation California Raisins were developed by the California Raisin Advisory Board (CALRAB) to promote the sale of raisins from California, but they shortly assumed importance as an independent product line, without marked effect on the sales of dried fruit. *See* Michael C. Tipping, *Pirates Taking Slice of Rich 'Raisin' Pie*, UPI, Sept. 4, 1988, available in LEXIS, Nexis Library, UPI File (reporting \$100 million in sales of raisin merchandise during the two years following the debut of the California Raisins marketing campaign).

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in their designation of product source than in their power to imbue a product line with desirable atmospherics.

Indeed, in the new orthodoxy, marketing *is* value. American industry seems to proceed on the assumption that we can make the consumer richer simply by revising a product's packaging, without having to make any changes in the product itself.

Consider the effort and expense that goes into distinguishing a Ford Taurus from a Mercury Sable and persuading customers to buy one rather than the other, when, after all, they're essentially the same car.<sup>63</sup> Buying a truck? Agonize over whether you'd rather drive a Mazda B-Series (*Get in. Be moved.*), "the official truck of the AMA Motorcross Nationals," or haul your friends to the river, kayaks in tow, in a Ford Ranger (*Built Tough. Built to Last.*). The only major difference between them is the marketing.<sup>64</sup> Auto companies can pitch their vehicles to specialized, niche markets without needing to redesign anything but the ad campaigns for their cars.<sup>65</sup>

But why not? If the illusion of a vehicle custom-built for a particular sort of buyer is worth a couple of thousand dollars to a couple of million consumers, the customers will be happier, the auto companies will be wealthier, and the American economy will keep chugging along, picking up speed without burning additional coal. Anecdotal evidence suggests that many consumers don't feel duped, or, in any event, don't mind being duped. It isn't as if anyone has tried to conceal that the Sable and the Taurus are twins, that Advil and Motrin and generic ibuprofen are the exact same stuff, or that the reason that Tylenol and not some other brand of acetaminophen is "the pain reliever hospitals use most" is that McNeil sets the hospital price of Tylenol low enough to enable it to make that claim.<sup>66</sup> At some level, most consumers know that; most of them have nonetheless settled on their own favorite advertised brands.

Moreover, there is something more going on than producers and consumers agreeing with each other to pretend that the atmospherics of product advertising are somehow reflected in the advertised products. Ask a child, and he'll persuade you that the difference between a box of Kellogg's Corn Flakes with a picture of

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63. See *Road Test—Family Sedans: Ford Taurus*, CONSUMER REP., Jan. 1996, at 56; *Road Test—Mid-sized cars: Mercury Sable*, CONSUMER REP., Feb. 1997, at 50. But see *Profiles of the 1997 Cars*, CONSUMER REP., Apr. 1997, at 26, 36 ("Oddly, the Sable has a markedly better reliability record than the Taurus."). Cf. *Profiles of the 1998 Cars*, CONSUMER REP., Apr. 1998 at 30, 35, 51 (describing the Oldsmobile Cutlass as the "corporate twin" of the Chevrolet Malibu).

64. See *Profiles of the 1998 Cars*, *supra* note 63, at 30 ("The Mazda B-Series pickup is a rebadged Ford Ranger.").

65. See Brown, *supra* note 1, at 1173 ("Even if the main drive of advertising is to decrease competition, what about the frequent fierce rivalry between advertisers? Is that not competition? Emphatically, it is not, in any economically useful sense of the word. The only kind of competition contemplated by the major cigarette manufacturers is competition for a higher degree of monopoly power, for a larger share of a market which is already insulated from the price competition of non-advertisers." (footnotes omitted)).

66. One cannot get that price in stores. See Julie Dear, *Why Hospitals Prefer Tylenol*, WASH. POST, June 9, 1987, at Z5.

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Batman on it and some other box without one is real. There is nothing imaginary about it. It has nothing to do with the way the cereal tastes. What kids want isn't a nutritious part of a complete breakfast; they want Batman to have breakfast with them. One box supplies that; the other doesn't.

An important premise underlying Ralph's analysis was that trade symbols themselves had no legitimate intrinsic value except insofar as they symbolized information about the products they accompanied. As a normative proposition, that would strike many consumers today as questionable; as a descriptive one it is demonstrably untrue. Consumers have come to attach enormous value to trade symbols, and it is no longer uncommon to see the symbols valued far in excess of the worth of the underlying products they identify. In a very real sense, trade symbols are themselves often products: Toys are designed, perfumes are compounded, and breakfast cereals are devised for no better reason than to serve as a vehicle for the trade symbol *du jour*. If we have come to value the atmospherics embodied in advertising, shouldn't our law be reformed to protect them from unauthorized imitation?

#### IV. PROTECTION AND COMPETITION

At first glance, the syllogism seems to pack powerful intuitive appeal. Ralph's argument relied on the axiom that what he called the persuasive function of trade symbols was of no value to the public at large; indeed, from the viewpoint of the public interest, the persuasive value of advertising was at best irrelevant and at worst pernicious. Affording it strong legal protection, therefore, seemed perverse. Whether or not that axiom described the U.S. economy in 1948, it seems naive in 1999. In today's world, the public has invested considerable spending dollars and a significant chunk of intangible goodwill in the atmospherics purveyed by advertisers. If society now values the persuasive function of trade symbols more than it used to, then perhaps it ought to protect that persuasive function more powerfully than it used to.

To say that many consumers seem to attach real value to atmospherics, however, doesn't itself demonstrate that those atmospherics should be afforded legal protection. Many things have value. As Ralph Brown reminded us often, the essence of any intellectual property regime is to divide the valuable stuff subject to private appropriation from the valuable stuff that, precisely because of its importance, is reserved for public use.<sup>67</sup> In the law of trade symbols, for instance, it

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67. See, e.g., Ralph S. Brown, *Civil Remedies for Intellectual Property Invasions: Themes and Variations*, 55 LAW & CONTEMP. PROBS. 45, 53, 58-59 (Spring 1992); Ralph S. Brown, *Design Protection: An Overview*, 34 U.C.L.A. L. REV. 1341 (1987) [hereinafter Brown, *Design Protection*]; Ralph S. Brown, *Eligibility for Copyright Protection: A Search for Principled Standards*, 70 MINN. L. REV. 579 (1985); see also William M. Landes & Richard A. Posner, *Trademark Law: An Economic Perspective*, 30 J.L. & ECON. 265 (1987); Jessica Litman, *The Public Domain*, 39 EMORY L.J. 965, 1012-23 (1990). Thus, copyright law

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has long been the rule that functional product features may not be protected, because they have too much value, not too little.<sup>68</sup> Value, without more, does not tell us whether a particular item for which protection is sought belongs in the proprietary pile or the public one.

To agree to treat a class of stuff as intellectual property, we normally require a showing that, if protection is not extended, bad things will happen that will outweigh the resulting good things. But it would be difficult to argue that the persuasive values embodied in trade symbols are likely to suffer from underprotection. Indeed, the Mattels, Disneys, and Warner Brothers of the world seem to protect their atmospherics just fine without legal assistance. Not only can their target audiences tell the difference between, say, a Barbie doll and some other thirteen-inch fashion doll, but, regardless of features, they seem well-trained in the art of insisting on the Mattel product.<sup>69</sup> Nor is the phenomenon limited to the junior set. The popularity of Ralph Lauren's Polo brand shirts or Gucci handbags is an obvious example.<sup>70</sup>

To the extent that consumers want to purchase the higher-priced spread, they ought to be able to be sure that they are paying the higher price for the genuine branded article. If the concept of branding is itself legitimate, then we want to ensure consumers' protection against confusion or deception. Conventional trademark law does that. But, to stick with Lauren's Polo for a minute, what about consumers who want to pick up a polo shirt with some design on the chest at a good price? What if, instead, they want to buy this month's issue of *Polo* magazine (which follows the sport, not the fashion)?<sup>71</sup> It seems obvious why Lauren might want to hinder the first and collect a license fee from the second, so it would hardly be perplexing if his company threatened to sue.<sup>72</sup> There seems, nonetheless, to be no good reason why we should help him.<sup>73</sup>

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leaves ideas, system, processes, and facts to the public domain because they are too valuable to consign to private ownership. *See id.* at 1013-14.

68. *See* Qualitex Co. v. Jacobson Prods., 514 U.S. 159, 164-65 (1995); Brown, *Design Protection*, *supra* note 67, at 1359-74.

69. For a similar perspective, compare Boldman et al., *Doug Is In*, DISNEY ADVENTURES, Feb. 1997, at 75.

70. *See* Rosemary J. Coombe, *Left out on the Information Highway*, 75 OR. L. REV. 237, 246 (1996).

71. *See* Tom Scocca, *The Mark Is the Beast*, BOSTON PHOENIX WKLY. WIRE (July 20, 1998) <[http://weeklywire.com/ww/07-20-98/boston\\_feature\\_1.html](http://weeklywire.com/ww/07-20-98/boston_feature_1.html)>.

72. *See* Mark Babineck, *Ralph Lauren's Firm Sues Magazine To Drop Polo Name*, BOSTON GLOBE, May 27, 1998, at C3.

73. To the extent that persuasion is an exercise in exploiting the gullible consumer, there is little reason why the law should intercede to protect the turf of the exploitative advertiser against its competitors, who may, after all, turn out to be superior. To the extent that what is going on partakes less of deception than of producer-consumer collusion, it may well be harmless. If consumers willingly suspend their disbelief a little because it is pleasant to imagine that eating Snackwell's cookies will make one thin, that reading *Forbes* magazine will make one rich, or that buying the Encarta encyclopedia will make one's children smarter, perhaps it is a cheap way for folks to get a little of what they want without actually being fooled—or being fooled much. But to say that it is harmless is one thing; that doesn't, without more, justify affording it legal protection.

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If competition is still the American way of doing business, then before we give out exclusive control of some coin of competition, we need, or should need, a justification. Protecting consumers from deception is the justification most familiar to trademark law, but it does not support assigning broad rights to prevent competitive or diluting use when no confusion seems likely.<sup>74</sup> Supplying incentives to invest in the item that's getting the protection is another classic justification for intellectual property, and it is equally unavailing here. An argument that we would have an undersupply of good commercials if advertisers were not given plenary control over the elements in their ads cannot be made with a straight face. Finally, there is the perennially popular justification of desert.<sup>75</sup> Producers have invested in their trade symbols, the argument goes; they have earned them, so they're entitled to them.<sup>76</sup>

But so have we. The argument that trade symbols acquire intrinsic value—apart from their usefulness in designating the source—derives from consumers' investing those symbols with value for which they are willing to pay real money. We may want our children to breakfast with Batman. It may well increase the total utils in our society if every time a guy drinks a Budweiser or smokes a Camel, he believes he's a stud. We may all be better off if, each time a woman colors her hair with a L'Oreal product, she murmurs to herself "*and I'm worth it.*" If that's so, however, Warner Brothers, Anheuser-Busch, R.J. Reynolds, and L'Oreal can hardly take all the credit. They built up all that mystique with their customers' money and active collaboration. If the customers want to move on, to get in bed with other products that have similar atmospherics, why shouldn't they? It's not very sporting to try to lock up the atmospherics.

To the extent, moreover, that the impulse to protect something beyond any prevention of consumer confusion derives from the perception that this thing has value, that it is something people want to buy, then giving its purveyor intellectual

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74. See Landes & Posner, *supra* note 67, at 300-09.

75. See Brown, *supra* note 1, at 1200-01; Brown, *Design Protection*, *supra* note 67, at 1386-95; Wendy J. Gordon, *On Owning Information: Intellectual Property and the Restitutionary Impulse*, 78 VA. L. REV. 149, 166-67 (1992). In the trade symbol context, the desert argument goes like this: Warner Brothers created Batman—actually, its predecessor in interest, DC Comics, created Batman, or when you get right down to it, there was this guy named Bob Kane who created Batman, but he worked for DC Comics, and Warner Brothers bought DC Comics, so in some metaphysical sense, Warner Brothers represents the creator of Batman. Warner Brothers sowed, so Warner Brothers should reap.

Warner Brothers, of course, reaps lots—more than \$100 million a year even in years with no Batman movie. See Nancy Hass, *Investing It; Marvel Superheroes Take Aim at Hollywood*, N.Y. TIMES, July 28, 1996, at C4. Batman will be 60 years old this year; his copyright has another 35 years left to run. (That's 3.5 billion more 1998 dollars.) Warner Brothers' trademark rights in "Batman," meanwhile, are not time-limited. As far as the law is concerned, they may endure indefinitely. See generally Phillip Edward Page, *Licensing and Merchandising of Characters: Art Law Topic for AALS 1994*, 11 U. MIAMI ENT. & SPORTS L. REV. 421 (1994) (introducing a symposium exploring trademark law protection of characters after their copyrights expire).

76. See Brown, *supra* note 1, at 1200.

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property protection is the wrong response.<sup>77</sup> If the thing itself is valuable, if it is in some sense itself a product, then we want other purveyors to compete in offering it to consumers in their own forms and on their own terms. Competition is, after all, the premise of the system. Without competition, none of the rest of the rules make any practical sense.

### V. RETHINKING THE LAW OF TRADE SYMBOLS

The ascendance of the persuasive power of trade symbols and the power of atmospherics in advertising may indeed justify a different approach to the law of trade symbols. There is no particular reason to think, however, that the reflexive decision to accord more legal protection to any aspect of advertising with enhanced economic value is the right response. Instead, an effort to reformulate advertising law to better suit today's advertising realities requires a critical look at the role advertising plays in our lives.

One reason that Ralph's premise—that from the public's point of view, advertising's value lies in its ability to convey information—may seem quaint today stems in part from the way consumers have come to view advertising. Advertising is utterly pervasive, and consumers' relation to the ads they see and hear is complex. Most obviously, to the extent that advertising seeks to convey bald information, that information is possibly false and almost certainly slanted in misleading ways.<sup>78</sup> It is difficult to select an antacid or pain reliever on the basis of dueling commercials, each of which insists that its brand is faster, stronger, and safer than the competition.<sup>79</sup> Where consumers bring a well-founded skepticism to

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77. Extending enhanced legal protection to trade symbols imposes significant costs of its own. If we put to one side the expense involved in judicial resolution of trademark law disputes, we still need to confront the fact that litigation over trade symbols and advertising can be a powerful weapon to deploy against a commercial competitor. Wielded with skill, it can accomplish delay in the introduction of promising new products, the abandonment of effective advertising campaigns, massive expenditures on legal counsel, and persistent impediments to securing favorable financing. Where products seem roughly competitive, a little well-placed litigation can tilt the playing field. That characteristic is hardly unique to trademark law. Whenever we rely on a private attorney-general mechanism to induce commercial actors to police one another, we are necessarily inviting them to use the tools we give them for their own purposes rather than ours. As long as the scope of the public interests constrains their ability to prevail, however, the risks of the private attorney-general solution seem acceptable. The only payoff to consumers from enforcing rights in persuasive elements of advertising—in the absence of confusion—is to enhance producers' incentives to field more persuasive advertising. Meanwhile, broad protection entails the very real risk that some products and some producers will be knocked out of the marketplace for no better reason than that a weapon came readily to hand.

78. See, e.g., *Southland Sod Farms v. Stover Seed Co.*, 108 F.3d 1134, 1140 (9th Cir. 1997); *Abbott Lab. v. Gerber Prods. Co.*, 979 F. Supp. 569, 571 (W.D. Mich. 1997) ; *Coors v. Anheuser-Busch*, 802 F. Supp. 965, 968-69 (S.D.N.Y. 1992); *Selling It*, CONSUMER REPORTS, Apr. 1998, at 91.

79. As this Essay is being written, the producers of Tagamet HB and Pepcid AC are running commercials insisting on the superiority of one product to the other in preventing heartburn. The producers of Duracell and Eveready batteries are playing commercials, each of which claims that its battery will last longer than the other. The purveyors of a variety of herbal remedies from St. John's wort to ginkgo biloba have fielded television commercials promising that their proprietary formulations of herbs will improve

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the advertising they encounter, the information content of an ad is unlikely to be its most convincing or memorable feature. If an advertisement's claims are dubious, though, then the purchasing decision had best be made on some other basis, be that price, pretty packaging, or affecting atmospherics.

Additionally, the pervasiveness of advertising has transformed our environment. The effluvia of advertising makes up an increasingly significant portion of the landscapes around us and the entities who populate our world.<sup>80</sup> The Budweiser frogs and Taco Bell Chihuahua (“*Yo quiero Taco Bell*”) are public figures every bit as ubiquitous in some circles as Oprah Winfrey, Leonardo DiCaprio, or William Jefferson Clinton. The Marlboro Man is an instantly recognizable symbol, embodying both the goodwill of a distinct brand of cigarette and a medley of associations related to smoking and tobacco.<sup>81</sup> Trade symbols have wormed their way into everyday language, precisely as their owners probably intended.<sup>82</sup> As happens with language, speakers and writers have imbued these trade symbols with connotations distinct from and sometimes unrelated to their significance as designators of product source.<sup>83</sup> Professor Rochelle Dreyfuss has observed:

Apparently, the graduates of the American educational system are no longer acquainted with the classic literature that in the past formed the basis for rhetorical and literary allusion. Betty Crocker has replaced Hestia in the public consciousness. Accordingly, it is not surprising that speakers

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memory, temperament, and mental acuity. Warner-Lambert's commercial for its Quanterra brand of ginko biloba is especially notable—it features an endorsement by Hector Elizondo, who is not a doctor but plays one on TV. See Quanterra, *Take Your “Q”* (visited Jan. 17, 1999) <[http://www.takeyourq.com/secondary/advertising\\_index.html](http://www.takeyourq.com/secondary/advertising_index.html)>.

80. See, e.g., Rosemary J. Coombe, *Objects of Property and Subjects of Politics: Intellectual Property Laws and Democratic Dialogue*, 69 TEX. L. REV. 1853, 1861 (1991) (“In a century that has seen the intrusion of saturation advertising, glossy magazines, movie spectaculars, and television, our collective sense of reality owes as much to the media as it does to the direct observation of events and natural phenomena.”); Naomi Abe Voegtli, *Rethinking Derivative Rights*, 63 BROOK. L. REV. 1213, 1213 (1997) (“Copyrighted works are increasingly turning into ‘raw materials’ that we use to engage in expressive activities”).

81. The California Department of Health Services exploited these associations by putting up a series of anti-smoking billboards, featuring cowboys who were unmistakably Marlboro Men saying things like “Bob, I’ve got emphysema.” See Andrea Adelson, *Is Anybody Getting the Picture?*, N.Y. TIMES, July 17, 1997, at D1.

82. *But see* Hormel Foods Corp. v. Jim Henson Prods., 73 F.3d 497, 503 (2d Cir. 1996) (involving a suit by Hormel against the Muppets for tarnishment of its “Spam” trademark).

83. Wendy’s made the slogan “Where’s the beef?” famous. Walter Mondale appropriated it for his own purposes in the 1984 Presidential campaign. See Greg Farrell, *Dancer Fitzgerald Sample Wendy’s*, ADWEEK SOUTHWEST, Nov. 9, 1998, at S214. The eight million dollar ad campaign, with the boost it got from Mondale, generated more than 30 million dollars in licensed “Where’s the beef?” merchandise sales. See *Sometimes Just a Tag Line*, LICENSING LETTER, Apr. 20, 1998, 1998 WL 9856377. George Lucas brought us “Star Wars” the movie and “Star Wars” the toys, and he brought a trademark infringement suit—unsuccessfully—when the media picked up the “Star Wars” phrase and used it to denominate President Reagan’s proposed Strategic Defense Initiative. See *Lucasfilm Ltd. v. High Frontier*, 622 F. Supp. 931, 932-33 (D.D.C. 1985).

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and writers are drawn to those devices that are, by dint of heavy advertising, doubtlessly universally familiar.<sup>84</sup>

“Mickey Mouse,” “Twinkies,” “Star Wars,” and “Spam” are trade symbols, but they are also now metaphors with meanings their proprietors would not have chosen. They got that way in spite of any advertising campaigns because the general public invested them with meaning.<sup>85</sup>

The value of persuasive trade symbols, in short, results from mutual investment by producers and consumers. Nor is it merely the case that a particular child helps to invest the “Bugs Bunny” mark with meaning and value when she chooses to brush her teeth with Bugs Bunny toothpaste. Rather, the simple data point that she wants a picture of Bugs Bunny on her toothpaste tube has itself become a saleable commodity.

Since Ralph Brown published *Advertising and the Public Interest*, the media world has made a crucial transition. The old paradigm was the delivery of content to consumers. The new paradigm is the delivery of eyeballs to advertisers. *We* have become the product.<sup>86</sup> Packagers amass information about our characteristics, habits and purchases—where we live, what we read, what we watch, what we buy—to

84. Rochelle Cooper Dreyfuss, *Expressive Genericity: Trademarks as Language in the Pepsi Generation*, 65 NOTRE DAME L. REV. 397, 424 (1990).

85. See, e.g., Jere Longman, *Corporate Backer Tells I.O.C. To Come Clean*, N.Y. TIMES, Jan. 13, 1999, at D2 (“All this Mickey Mouse stuff about \$5,000 payments and escort services, no one really cares about what it was.”); Edward Rothstein, *Can Twinkies Think, and Other Ruminations on the Web as a Garbage Depository*, N.Y. TIMES, Mar. 4, 1996, at D3; see also Michelle Slatalla, *Gingerly, Letting Kids Taste the Web*, N.Y. TIMES, Dec. 24, 1998, at G6 (“Although my AOL address is just one of four I use regularly . . . it receives almost all of my spam.”); Garry Wills, *Reagan’s Legacy: It’s His Party*, N.Y. TIMES, Aug. 11, 1996, § 6, at 30 (“While we were imagining our own impossible Star Wars missile defense, we fantasized that they already had what we could barely imagine.”).

86. Feature films are now opportunities for extended ads, and product makers pay dearly for the privilege of being the candy that ET eats or the sunglasses that the Men in Black wear. See Stuart Elliott, *Advertising: The Spot on the Cutting-Room Floor; Reebok’s Suit over ‘Jerry Maguire’ Shows Risks of Product Placement*, N.Y. TIMES, Feb. 7, 1997, at D1; Ruth La Ferla, *A Star Is Worn: For Fashion Designers, the Big Screen Becomes a Celluloid Runway*, N.Y. TIMES, Dec. 14, 1997, § 9, at 1. For some time, it has been common to use advertising to promote one’s advertising services to potential advertisers. See, e.g., *In re Forbes, Inc.*, 31 U.S.P.Q. 2d (BNA) 1315, 1315 (T.T.A.B. 1994). Today, there are even commercials to promote advertising to its prospective targets. Proprietors of advertising-supported home pages on the World Wide Web have taken to purchasing television and print-media ads to draw viewers to their sites to see the banner ads displayed there. See Melanie Wells, *Net Competitors Take Their Sales Pitch off Line*, USA TODAY, Nov. 20, 1998, at 1B. What makes this more remarkable than the familiar ads for advertiser-supported television or print publications is the nature of the content (or lack thereof) at the advertised web sites. Most of them are portals that collect a bunch of hyperlinks leading to other web sites that do contain content (and often their own banner ads). Meanwhile, major players in the mass media, computer software, computer hardware, and consumer electronics industries are racing to become the entity with control of what the trade press has come to call “the first screen”—the home page of the combined television, telephone, personal assistant, voice mail, email, Internet, and home shopping medium that will dominate our future. See Mike Yamamoto & Brooke Crothers, *Tuning in: View to a Kill*, CNETNEWS.COM, (visited Nov. 18, 1998) <<http://www.news.com/SpecialFeatures/0,5,28533,00.html>>.

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differentiate better among eyeballs.<sup>87</sup> The *New York Times* web site funnels targeted advertising to subscribers based on their demographics and on what pages of the *Times* they look at.<sup>88</sup> Type a query into any of the major search engines and see what banner ads appear. Several companies promise free Internet access and email accounts to any subscribers who supply detailed demographic information and then promise to look at the targeted ads that arrive as part of the free service.<sup>89</sup> Data mining—the collection, extraction, correlation, categorization, and sale of identifying personal data—claims to be a new engine of breathtaking economic growth. The miners are seeking intellectual property protection for their collections of information about whose eyeballs are valuable to whom.<sup>90</sup> It is no wonder that advertisers feel proprietary about our eyeballs. From their viewpoint, those are their eyeballs. They paid for them.

Of course, I paid for that tube of toothpaste with Bugs Bunny's picture on it. The value of the "Bugs Bunny" mark reflects my participation (and that of millions of other consumers) as well as Warner Brothers's. The building of a brand that becomes its own product is a collaborative undertaking; the investment of both dollars and imagination flows both ways. There is no particularly good reason to adopt a rule permitting the producers of the brands to arrogate all of that collaboratively created value to themselves. The icons that embody the persuasive force of those brands, I suggest, should properly be viewed as collectively owned. The public's use of those icons is no more a case of free riding than is Warner Brothers's use of the customer base for Batman-branded products to extract a license fee for Batman's guest appearances on Kellogg's cereal boxes or MCI phone cards.<sup>91</sup>

Why then, have we assumed that the owner of a trade symbol should have exclusive control of its use? Intellectual property rights may be like money: The

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87. See generally ANNE WELLS BRANSCOMB, WHO OWNS INFORMATION? (1994) (discussing the collection and sale of information about consumers); JOEL REIDENBERG & PAUL SCHWARTZ, DATA PRIVACY (1995) (examining laws regulating collection, use, and sale of personal data).

88. See *The New York Times on the Web: Privacy Information* (visited Jan. 18, 1998) <<http://nytimes.com/subscribe/help/privacy.html>>.

89. See, e.g., *Hotmail* (visited Nov. 24, 1998) <<http://www.hotmail.com>>; *Welcome to Juno's Website* (visited Nov. 24, 1998) <<http://www.juno.com>>; *Yahoo!* (visited Nov. 24, 1998) <<http://www.yahoo.com>>.

90. See *Hearing on H.R. 2652, The Collections of Information Antipiracy Act, Before the Subcomm. on Courts and Intellectual Property of the House Comm. on the Judiciary*, 105th Cong. (1998) (statement of Robert E. Aber, Senior Vice President & Gen. Counsel, Nasdaq).

91. See Melissa Levy, *Marketing: Muscular Effort To Market 'Hercules,'* MINNEAPOLIS STAR TRIB., June 25, 1997, at 1D (describing merchandising tie-ins related to Disney's *Hercules*, Warner Brothers' *Batman and Robin*, and Universal Studio's *The Lost World Jurassic Park*). Warner Brothers' *Batman* and *Bugs Bunny* are protected by the copyright laws as well as by the trademark laws. There may be a variety of policy reasons for allowing Warner Brothers to use licensing to exploit its copyright interests, subject to the limitations incorporated in the copyright law. See generally 1994 AALS Symposium, *Licensing and Merchandising of Characters*, 11 U. MIAMI ENT. & SPORTS L. REV. 421 (1994) (exploring the legal protection of characters after their copyrights expire). My argument here is that the trademark law and the policies underlying it do not themselves support Warner Brothers in a claim to exercise plenary control over its trade symbols.

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more one has, the more one craves, and the more one comes to believe that one is entitled to. From expanding the ambit of a producer's interest in a trade symbol beyond the ability to prevent even a broadly construed likelihood of confusion to the right to prevent dilution, it is not a very large step for the producer to assert that it owns the symbol for all purposes. And, if we begin with the assumption that someone must own the symbol, it is easy to focus on the producer as if it were the sole creator of a trade symbol's goodwill, simply because only the producer is uniquely identifiable. The American system has little tolerance for the collective ownership of property.<sup>92</sup>

But who said that we should treat it as anyone's property? If what we are trying to accomplish is the promotion of competition, classic trademark rules remain well-suited to that goal. Protecting the nondeceptive, informative, and source-designating functions of trade symbols assures that buyers who are persuaded by advertising that they want products of a particular brand can be confident that they are buying them. In addition, the purveyors of that advertising will be sure that the customers they persuade to seek out their product will not be deceived into buying some competing brand. They are entitled to no more than that. While there is nothing wrong with encouraging Warner Brothers to sell the public on atmospherics and to devise clever ways to exploit those atmospherics commercially, neither incentive theory nor moral desert offers a reason to protect them from competition.

Ralph Brown reminded us that, in devising the rules of trade symbol law, we need to keep our eyes, first and foremost, on competition. The enforcement of trade symbol rights is not costless.<sup>93</sup> As the realm of protection expands, it necessarily does so at the expense of competition. Competition, though, is the basis for the rationale underlying any protection of trade symbols. If we do not want to encourage producers of different products to compete with one another for consumers' dollars, then we do not really need to protect trade symbols at all.

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<sup>92</sup> The American predilection for concentrating property rights in as few hands as possible has recently inspired scholars to write about the problems arising from the "anti-commons." See, e.g., Keith Aoki, Neocolonialism, Anticommons Property, and Biopiracy in the (Not-So-Brave) New World Order of International Intellectual Property Protection, 6 *Indiana J. Global L. Stud.* 11 (1998); Michael A. Heller, The Tragedy of the Anti-Commons: Property in Transition from Marx to Markets, 111 *Harv. L. Rev.* 621 (1998).

<sup>93</sup> See, e.g., *White v. Samsung Elecs. Am.*, 989 F.2d 1512, 1516 (9th Cir. 1993) (Kozinski, J., dissenting from the order rejecting the suggestion for rehearing en banc); Carter, *supra* note 20, at 760, 795-99; Kozinski, *supra* note 20, at 969-71; *supra* note 77.