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COMMENTS

Measuring Fame: The Use of Empirical Evidence in Dilution Actions

I. INTRODUCTION

Even prior to the formal adoption of the dilution doctrine, intellectual property scholars believed that the protection of trademarks offered by the Lanham Act¹ was sufficient and that additional protection would be “unnatural.”² Trademark³ purists⁴ strongly opposed the addition of protection from dilution to the Lanham Act because the product or service bearing the authorized mark is not required to compete with the product or service bearing the unauthorized mark in order to secure protection.⁵ Therefore, opponents claim, adoption of the dilution doctrine unduly hinders competition and allows a trademark holder a quasi-monopoly or property right interest in its trademark despite the trademark owner’s failure to illustrate the harm that may result from the unauthorized use of a trademark for a non-competing product.⁶

A great deal of the opposition to the dilution doctrine stems directly from the fact that the parameter of protection offered by dilution is gradually encompassing a greater number of trademarks.⁷ Specifically, the failure of

1. 15 U.S.C. §§ 1051–1127 (1994 & Supp. V 1999).

2. See, e.g., Kenneth L. Port, *The “Unnatural” Expansion of Trademark Rights: Is a Federal Dilution Statute Necessary?*, 18 SETON HALL LEGIS. J. 433 (1994), reprinted in 85 TRADEMARK REP. 525 (1995).

3. For a primer on trademark law, see SHELDON W. HALPERN ET AL., FUNDAMENTALS OF UNITED STATES INTELLECTUAL PROPERTY LAW: COPYRIGHT, PATENT, AND TRADEMARK 275–358 (1999).

4. Trademark purists reject dilution, in part, because the doctrine steers trademark law away from tort law and toward the law of real property. See Port, *supra* note 2, at 529–30.

5. See *id.* at 529. See also Kenneth L. Port, *Protection of Famous Trademarks in Japan and the United States*, 15 WIS. INT’L L.J. 259, 274 (1997) (“In the United States, a dilution cause of action is the only method for protecting famous marks beyond the scope of goods or services claimed and used by the trademark registrant or user.”).

6. See Port, *supra* note 2, at 538. A finding of dilution provides a trademark holder with the exclusive right to use that mark. Dilution, in essence, provides the holder with an exclusive property right. See *id.* at 556.

7. See, e.g., Gregg Duffey, *Trademark Dilution Under the Federal Trademark Dilution Act of 1995: You’ve Come a Long Way Baby—Too Far, Maybe?*, 39 S. TEX. L. REV. 133 (1997)

courts to consistently apply the test for determining whether a mark is famous,⁸ despite the enumeration of eight factors in the Lanham Act,⁹ has created a multitude of subjective standards for the determination of fame.¹⁰ The failure to adopt and consistently apply a single test for determining whether a trademark is famous has created uncertainty among trademark owners and subsequently encouraged litigation as trademark owners seek to define the parameters of fame and enforce their trademark rights.¹¹

This piece proposes that empirical evidence is available and must be used to quantify the fame of a trademark and thus qualify a famous mark for protection from dilution. This piece further proposes that use of empirical evidence to determine whether a trademark is famous would reduce the number of marks that are eligible for protection through a dilution action and thereby eliminate many dilution actions. Part II of this piece analyzes the creation and adoption of the dilution doctrine and the corresponding statutory construct. Part III explains that dilution is not a misguided concept inserted

(opining that protection from dilution provides a remedy despite the absence of a wrong).

8. See Susan L. Serad, *One Year After Dilution's Entry Into Federal Trademark Law*, 32 WAKE FOREST L. REV. 215, 234 (1997) (stating that "unless a mark is clearly famous, either party may be successful depending upon how a court chooses to interpret these factors."). Compare *Wawa, Inc. v. Haaf*, 40 U.S.P.Q.2d (BNA) 1629, 1637 (E.D. Pa. 1996) (finding WAWA famous because the mark was used continuously for 90 years), *aff'd*, 116 F.3d 471 (3d Cir. 1997), with *Nabisco, Inc. v. PF Brands, Inc.*, 191 F.3d 208, 51 U.S.P.Q.2d (BNA) 1882 (2d Cir. 1999), *aff'g* 50 F. Supp. 2d 188, 201 (S.D.N.Y. 1999) (finding the plaintiff's mark was famous without engaging in a fame analysis, but conducting a distinctiveness analysis to determine whether the plaintiff's mark was distinctive for the protection provided under the Lanham Act).

9. See 15 U.S.C. § 1125(c)(1)(A)–(H) (Supp. V 1999). The factors consist of:

- (A) the degree of inherent or acquired distinctiveness of the mark;
- (B) the duration and extent of use of the mark in connection with the goods or services with which the mark is used;
- (C) the duration and extent of advertising and publicity of the mark;
- (D) the geographical extent of the trading area in which the mark is used;
- (E) the channels of trade for the goods or services with which the mark is used;
- (F) the degree of recognition of the mark in the trading areas and channels of trade used by the marks' owner and the person against whom the injunction is sought;
- (G) the nature and extent of use of the same or similar marks by third parties; and
- (H) whether the mark was registered under the Act of March 3, 1881, or the Act of February 20, 1905, or on the principal register.

Id.

10. See Brendan Mahaffey-Dowd, *Famous Trademarks: Ordinary Inquiry by the Courts of Marks Entitled to an Extraordinary Remedy*, 64 BROOK. L. REV. 423, 435 (1998).

11. See, e.g., *Wawa*, 40 U.S.P.Q.2d (BNA) 1629; *Hershey Foods Corp. v. Mars, Inc.*, 998 F. Supp. 500 (M.D. Pa. 1998); *Tiffany & Co. v. Tiffany Prods.*, 188 N.E. 30 (N.Y. 1933); *Ringling Bros.–Barnum & Bailey Combined Shows, Inc. v. Utah Div. of Travel Dev.*, 170 F.3d 449, 50 U.S.P.Q.2d (BNA) 1065 (4th Cir. 1999), *cert. denied*, 528 U.S. 923 (1999); *Wedgwood Homes, Inc. v. Lund*, 659 P.2d 377, 222 U.S.P.Q. (BNA) 446 (Or. 1983) (holding that WEDGWOOD was famous despite the court's failure to identify any evidence supporting its determination).

into the Lanham Act, but, when applied properly, is tailored to trademark law through the use of quantitative measures congruent with the statutory intent of the dilution doctrine.¹² Part IV sets forth the need for empirical evidence to be obtained and presented so that courts may reach consistent and equitable fame determinations. Part V examines famous marks as determined by the courts in dilution actions through the use of empirical data and related studies. Part VI sets forth an empirical test that can be used to expose the distinction between a famous mark eligible for protection from dilution and a mark that does not qualify for such protection. Part VII identifies the elements of an acceptable empirical test, the implementation of an empirical fame survey, and analyzes the parade of horrors that may occur if dilution were removed from the trademark protection arsenal. Finally, Part VIII reiterates the continued need for protection from dilution to ensure that trademarks registered in the United States are afforded the protection necessary to thrive in the global marketplace. Part VIII also describes the threat posed by dilution opponents attempting to erase dilution from the Lanham Act.

II. THE CONCEPT OF DILUTION

A. Creation of the Dilution Doctrine

Frank I. Schechter is generally given credit for conceptualizing dilution¹³ based on his intense belief that famous trademarks require a means of protection from "gradual whittling away or dispersion of the identity and hold upon the public mind of the mark or name by its use upon non-competing goods."¹⁴ Contrary to widespread belief, Schechter did not coin the term "dilution."¹⁵ Instead, Schechter referred to his theory as one that advocated

12. See Federal Trademark Dilution Act of 1995, 141 CONG. REC. H14,317 (1995) (enacted) (statement of Rep. Moorhead):

The legislation sets forth a number of specific criteria in determining whether a mark has acquired the level of distinctiveness to be considered famous. These criteria include: First, the degree of inherent or acquired distinctiveness of the mark; second, the duration and extent of the use of the mark; and third, the geographical extent of the trading area in which the mark is used.

Note that "degree," "duration," and "extent" are all quantitative terms.

13. See JANE C. GINSBURG ET AL., *TRADEMARK AND UNFAIR COMPETITION LAW* 735 (2d ed. 1996).

14. Frank I. Schechter, *The Rational Basis of Trademark Protection*, 40 HARV. L. REV. 813, 825 (1927), reprinted in 22 TRADEMARK BULL. 139, 152 (1927), and in 60 TRADEMARK REP. 334, 342 (1970).

15. Although Schechter is generally regarded as the architect of the dilution discourse, the doctrine has been "traced back to a German case involving a mouthwash manufacturer, Judgement [sic] of Sept. 11, 1924, Landgericht Elberfeld, 25 Juristische Wochenschrift [sic] 502, XXV Markenschutz und Wettbewerb (M.U.R.) 264." Kenneth L. Port, *The Illegitimacy of Trademark*

"[P]reservation of the uniqueness of a trademark." [Schechter] argued that "uniqueness or singularity" is the essential trademark right and also that the right to preservation of the trademark's uniqueness or singularity amounted to a property right belonging to the trademark owner, but only in cases of coined or unique marks.¹⁶

Although Schechter's position that a trademark could qualify for individual ownership and was therefore eligible for treatment congruent with real property rights has since been largely dismissed,¹⁷ the idea of dilution garnered enough support to be codified in 1996.¹⁸ Dilution was promulgated "to supplement the trademark law to protect against the appropriation of famous marks regardless of the presence of a likelihood of consumer confusion."¹⁹ Despite incessant denigration and endless academic prose questioning the validity of dilution,²⁰ the doctrine has remained a judicious, if not essential, addition to the Lanham Act.²¹

At present, dilution is codified under section 43(c) of the Lanham Act.²² Dilution is divided into three categories. The first category is blurring, the classic "whittling away of an established trade-mark's [sic] selling power and value through *its* unauthorized use by others upon dissimilar products."²³

Incontestability, 26 IND. L. REV. 519, 556 n.202 (1993). However, "American dilution law can be traced to the landmark British case of *Eastman Kodak Co. v. Kodak Cycle Co.*, 15 R.P.C. 105 (1898) . . ." Lynda J. Oswald, "Tarnishment" and "Blurring" Under the Federal Trademark Dilution Act of 1995, 36 AM. BUS. L.J. 255, 261 n.23 (1999).

16. GINSBURG, *supra* note 13, at 735. Schechter's vision of trademark dilution is impressive because he never asserted that dilution of a trademark would result in the loss of consumers or profits, only that the distinctive nature of the trademark would gradually be whittled away through use of a mark on other goods or services, regardless of the fact that those goods or services are not in direct competition with the famous mark. *Id.*

17. See Port, *supra* note 2, at 462-70. Of course, trademarks can be owned and transferred together with the goodwill associated with the mark.

18. See generally J. Thomas McCarthy, The Fifth Annual Herbert Tenzer Distinguished Lecture in Intellectual Property: The 1996 Federal Anti-Dilution Statute (Oct. 28, 1997), in 16 CARDOZO ARTS & ENT. L.J. 587 (1998).

19. Kimbley L. Muller, *A Position of Advocacy in Support of Adoption of a Preemptive Federal Antidilution Statute*, 83 TRADEMARK REP. 175, 177 (1993).

20. See, e.g., Port, *supra* note 2; Duffey, *supra* note 7; James Robert Hughes, *The Federal Trademark Dilution Act of 1995 and the Evolution of the Dilution Doctrine—Is it Truly a Rational Basis for the Protection of Trademarks?*, 1998 DET. C.L. REV. 759 (1998).

21. Dilution is a vital addition to the Lanham Act because it fills a void. The void exists for famous trademarks unable to sustain an infringement claim against the user of their mark on a non-competing product or service. The addition of protection from dilution improves the ability of the Lanham Act to protect trademarks. See *Elvis Presley Enters. v. Capece*, 950 F. Supp. 783, 797 (S.D. Tex. 1996) (citing *Tiffany & Co. v. Boston Club, Inc.*, 231 F. Supp. 836, 844, 143 U.S.P.Q. (BNA) 2, 8 (D.C. Mass. 1964), *rev'd*, 141 F.3d 188, 46 U.S.P.Q.2d (BNA) 1737 (5th Cir. 1998)); HALPERN, *supra* note 3, at 333-34; Oswald, *supra* note 15, at 260.

22. 15 U.S.C. § 1125(c).

23. *Mead Data Cent., Inc. v. Toyota Motor Sales, Inc.*, 875 F.2d 1026, 1028, 10 U.S.P.Q.2d

The second category is tarnishment, which “occurs when there is no connection between the two products but the second user of the trademark has attached it to a product of lesser quality or of dubious background thus detracting from the good name and reputation of the first user’s product.”²⁴ The final category of dilution is alteration, which “occurs when one entity in the process of comparative advertising alters the trademark of another and presents it to consumers in that altered form whether or not it is coupled with the intent to tarnish.”²⁵

Though dilution appears to have the potential for broad application as a method of trademark protection, the statutory requirement that the trademark protected from dilution rise to a level of fame curtails reliance on dilution.²⁶ Therefore, the Lanham Act, while providing trademarks protection from dilution, significantly restricts the availability of dilution remedies by limiting the applicability of the doctrine to famous marks.²⁷ The current test for determining whether a trademark is famous for purposes of protection from dilution requires evaluation of the eight factors to fashion a test that reeks of subjectivity,²⁸ thereby forming what has become the principal reason for the

(BNA) 1961, 1965 (2d Cir. 1989) (citation omitted) (emphasis in original). Rather than trespass, a real property concept, dilution employs the tort principle of theft through the gradual “whittling down” of the ability of the mark to identify a product or prevent consumers from being confused, even if unconsciously. See Jonathan E. Moskin, *Dilution Law: At a Crossroad? Dilution or Delusion: The Rational Limits of Trademark Protection*, 83 TRADEMARK REP. 122, 131–32 (1993). Dilution is not a trespass, it is the “impairment of [a trademark’s] selling power,” analogous to a trademark’s identifying indicia being “carried away stone by stone.” *Id.*

24. Ughetta Manzone, *I. INTELLECTUAL PROPERTY: C. Trademark: 1. Domain Name: b) Dilution*: Panavision International, L.P. v. Toeppen, 13 BERKELEY TECH. L.J. 249, 253 (1998). See also Academy of Motion Picture Arts & Sciences v. Creative House Promotions, Inc., 944 F.2d 1446, 19 U.S.P.Q.2d (BNA) 1491 (9th Cir. 1991). “If the Star Award looks cheap or shoddy . . . the Oscar’s distinctive quality as a coveted symbol of excellence . . . is threatened.” *Id.* at 1457, 19 U.S.P.Q.2d (BNA) at 1500.

25. HALPERN, *supra* note 3, at 333–34 (citing Deere & Co. v. MTD Prods., Inc., 41 F.3d 39, 32 U.S.P.Q.2d (BNA) 1936 (2d Cir. 1994)).

26. See 15 U.S.C. § 1125(c)(1) (Supp. V 1999) (“The owner of a *famous* mark shall be entitled . . . after the mark has become *famous* . . .”) (emphasis added).

27. A trademark that has “acquired its fame in connection with one type of good or service . . . [is] so famous as to be entitled to protection against dilution when used on or in connection with an unrelated good or service.” H.R. REP. NO. 104–374, at 8, *reprinted in* 1995 U.S.C.C.A.N. 1029, 1035 (1995). Fame is defined as “[g]reat renown” and famous is defined as “[w]ell or widely known.” THE AMERICAN HERITAGE COLLEGE DICTIONARY 493 (3d ed. 1997). The Second Circuit has extended this to mean that the “mark must be ‘very famous’ in the sense that it ‘has a distinctive quality for a significant percentage of the defendant’s market.’” J. THOMAS MCCARTHY, MCCARTHY’S DESK ENCYCLOPEDIA OF INTELLECTUAL PROPERTY 127 (2d ed. 1995) (quoting Mead Data Cent., Inc. v. Toyota Motor Sales, Inc., 875 F.2d 1026, 1031, 10 U.S.P.Q.2d (BNA) 1961, 1966 (2d Cir. 1989)) [hereinafter MCCARTHY’S DESK ENCYCLOPEDIA].

28. See 15 U.S.C. § 1125(c)(1). This test is flawed and should be replaced with a test that considers empirical information. A proposed empirically-based fame test would have provided:

(c)(1) The owner of a famous mark registered under the Act . . . or on the principal register

sharp criticism that has been leveled against dilution—the inability to accurately forecast the outcome of a dilution action.²⁹ An empirical test with rational, predictable boundaries complete with a standardized methodology for establishing such boundaries is likely to be met with less disdain and a greater degree of acceptance due to the fundamental standards for determining fame that the empirical measures would promote. At present, despite eight enumerated factors for consideration of whether a mark is famous,³⁰ in many cases the fame of a mark is determined on an intuitive basis.³¹ Intuitive determinations of fame generate uncertainty and skepticism because they disregard the factors promulgated by the Lanham Act to arrive at a determination that may be unsupported, or even contradicted, by empirical evidence.³²

... shall be entitled, subject to the principles of equity, taking into account, among other things, the good faith use of an individual's name or an indication of geographic origin, to an injunction against another person's use in commerce of a mark, commencing after the registrant's mark becomes famous, which causes dilution of the distinctive quality of the registrant's mark, and to obtain such other relief as is provided in this subsection. In determining whether a mark is famous and has distinctive quality, a court shall weigh the following and other relevant factors:

- (A) whether the mark is inherently distinctive or has become distinctive through substantially exclusive and continuous use;
- (B) whether the duration and extent of use of the mark are substantial;
- (C) whether the duration and extent of advertising and publicity of the mark are substantial;
- (D) whether the geographical extent of the trading area in which the mark is used is substantial;
- (E) whether the mark has substantial renown in its and the other person's trading area and channels of trade; and
- (F) whether the same or similar marks are being used substantially by third parties.

S. REP. NO. 100-515 (1988), *reprinted in* 6 J. THOMAS MCCARTHY, MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION, Appendix A5, 25–26 (4th ed. 1996). *See also* Elliot B. Staffin, *The Dilution Doctrine: Towards a Reconciliation with the Lanham Act*, 6 FORDHAM INTELL. PROP. MEDIA & ENT. L.J. 105 (1995). Concerns for the First Amendment rights of advertisers precluded enactment of the proposed test. *See* Port, *supra* note 2, at 525.

29. The Lanham Act promulgates eight factors to determine whether a trademark is famous, but fails to provide guidance as to the application or weight of the factors. *See, e.g.,* Siegrun D. Kane, *Trademark Infringement Litigation 1999: You've Got Mail*, *reprinted in* PRACTICING LAW INSTITUTE, COPYRIGHT & TRADEMARK LAW FOR THE NONSPECIALIST 1999: UNDERSTANDING THE BASICS; A SATELLITE PROGRAM 409, 448–50 (1999).

30. *See* 15 U.S.C. § 1125(c)(1).

31. *See* Mahaffey-Dowd, *supra* note 10. For a firsthand view of such reasoning, compare *B.V.D. Licensing Corp. v. Body Action Design, Inc.*, 846 F.2d 727, 728, 6 U.S.P.Q.2d (BNA) 1719, 1721 (Fed. Cir. 1988) (taking judicial notice of the fame of the mark without engaging in any objective analysis), with *Hard Rock Café Licensing Corp. v. Elsea*, 48 U.S.P.Q.2d 1400, 1409 (T.T.A.B. 1998) (refusing to take judicial notice of fame).

32. *See, e.g.,* *Tiffany & Co. v. Tiffany Prods., Inc.*, 188 N.E. 30 (N.Y. 1933); *Playboy*

In fact, the Lanham Act was amended to include the dilution doctrine, in part, to provide a measure of congruency³³ to trademark law that was inundated with state anti-dilution statutes that had steadily burgeoned throughout the nation.³⁴ "The courts with a few exceptions, however, failed to follow th[e] lead[]" of the state legislatures.³⁵

B. Application of the Dilution Doctrine

Through the newly adopted dilution doctrine, courts set forth rulings in several cases that had a substantial bearing on the present dilution landscape.³⁶ However, "[p]erhaps because of the newness of the doctrine . . . its application by courts has been confused at best."³⁷ Judicial interpretation of anti-dilution statutes changed after the ruling in *Allied Maintenance Corp. v. Allied Mechanical Trades, Inc.*³⁸ *Allied* validated the dilution doctrine and provided courts with a measure of comfort when examining and identifying dilution.³⁹

Hesitation by courts to embrace the dilution doctrine has resulted in very few significant holdings.⁴⁰ Though dilution opponents may contend that the nominal number of trademarks that have obtained protection from dilution

Enters., Inc. v. Chuckleberry Publ'g, Inc., 486 F. Supp. 414, 206 U.S.P.Q. (BNA) 70 (S.D.N.Y. 1980), *aff'd*, 687 F.2d 563, 215 U.S.P.Q. (BNA) 662 (2d Cir. 1982).

33. "The federal remedy provided in H.R. 1295 against trademark dilution will bring uniformity and consistency to the protection of famous marks and is also consistent with our international obligations in the trademark area." H.R. REP. NO. 104-374, at 3, *reprinted in* 1995 U.S.C.C.A.N. 1029, 1030 (1995).

34. *See* GINSBURG, *supra* note 13, at 735.

35. *Id.*

36. *See, e.g., Mead Data*, 875 F.2d 1026, 10 U.S.P.Q.2d (BNA) 1961; *Ringling Bros.—Barnum & Bailey Combined Shows, Inc. v. Utah Div. of Travel Dev.*, 955 F. Supp. 605, 42 U.S.P.Q.2d (BNA) 1161 (E.D. Va. 1997), *aff'd*, 170 F.3d 449, 50 U.S.P.Q.2d (BNA) 1065 (4th Cir. 1999); *Revlon Consumer Prods. v. Jennifer Leather Broadway, Inc.*, 858 F. Supp. 1268, 32 U.S.P.Q.2d (BNA) 1659 (S.D.N.Y. 1994), *aff'd*, 57 F.3d 1062 (2d Cir. 1995).

37. HALPERN, *supra* note 3, at 335. A significant amount of confusion results from the initial requirement of a dilution action; whether the trademark seeking protection from dilution is famous.

38. 369 N.E.2d 1162, 198 U.S.P.Q. (BNA) 418 (N.Y. 1977).

39. *Allied* brought the dilution doctrine to the forefront of conversation in academic circles. As many of the early trademarks which sought protection from dilution were not distinctive, the era of dilution was ushered in with a thoroughly under-whelming arrival. Had dilution been examined in connection with a trademark that maintained a greater degree of commercial visibility, it is plausible that the dilution era would have been welcomed with less discontent.

40. Holdings that WAWA, COBRA, and CHICKEN FINGERS have been diluted indicates that the fame requirement for dilution is either disregarded or incorrectly determined. *See Wawa, Inc. v. Haaf*, 40 U.S.P.Q.2d (BNA) 1629, 1637 (E.D. Pa. 1996), *aff'd*, 116 F.3d 471 (3d Cir. 1997) (WAWA diluted); *Babbitt Elecs., Inc. v. Dynascan Corp.*, 38 F.3d 1161, 33 U.S.P.Q.2d (BNA) 1001 (11th Cir. 1994) (COBRA diluted); *Burger King Corp. v. Pilgrim's Pride Corp.*, 15 F.3d 166, 30 U.S.P.Q.2d (BNA) 1173 (11th Cir. 1994) (CHICKEN TENDERS diluted).

indicates the failure of the dilution doctrine as a theory of law, it also indicates that dilution, as intended, is not applied expansively to all trademarks which seek protection. Instead, dilution is applied only to the limited number of trademarks that are famous and thus entitled to increased protection.

Dilution has a common basis with a likelihood of confusion determination. Dilution is intended to prevent confusion among consumers by prohibiting unauthorized multiple uses of the trademark.⁴¹ In fact, dilution is intended to ensure that famous trademarks retain their distinctiveness and uniqueness as source identifiers, which, in turn, prevents the likelihood of confusion.⁴² The enactment of the dilution doctrine was based, in part, on the need to protect the distinctiveness of trademarks.⁴³ Dilution is necessary because section 2(d) of the Lanham Act does not provide the owner of a famous mark with a remedy for infringement because there may not be confusion between the non-competing products or services.⁴⁴ Section 2(d) is limited by its own constructive definition because protection is unavailable for trademarks used on products or services that do not compete, even though those marks may lose their distinctiveness.⁴⁵ Extending protection from dilution to all trademark holders would render the concept of confusion useless. Dilution required an amount of tailoring to maintain consistency with the foundation of trademark protection. Granting protection from dilution to all trademark holders would undermine the trademark law by affording "real" property status to a trademark. The Lanham Act was amended to protect only famous trademarks in order to avoid unrestrained protection.⁴⁶ Limiting protection from dilution to famous marks ensured that the availability of the dilution doctrine will be limited to a narrow group of marks.⁴⁷

41. This type of protection from dilution is called "blurring." See HALPERN, *supra* note 3, at 333. The result is that the trademark will never create consumer confusion through multiple uses of the same mark, even though the marks may not be competing. The existence of several product lines which utilize the same trademark is itself conclusive evidence of potential confusion. Additionally, it should be noted that confusion is not required; the likelihood of confusion suffices.

42. See MCCARTHY'S DESK ENCYCLOPEDIA, *supra* note 27, at 127.

43. See H.R. REP. NO. 104-98, at 2-3 (1995), reprinted in 1995 U.S.C.C.A.N. 1029, 1030.

44. When determining whether there is infringement, "courts will be most concerned with the amount of direct competition between goods." HALPERN, *supra* note 3, at 344-45. As such, § 2(d) may not provide the owner of a famous trademark with a remedy if the junior mark is not in direct competition with the famous mark.

45. Famous trademarks may be even more prone to a loss of distinctiveness because non-competing marks are available to dozens of other products or services.

46. This approach is ingenious and grossly under-recognized because it significantly limits the marks eligible for protection from dilution. Nevertheless, the goals of dilution: prevention of consumers unconsciously transferring the qualities associated with one well-known product or service to another and the reduction of a trademark's distinctiveness, are still achieved.

47. Certainly, the "fame" requirement conveys a message to the courts that only a limited number of highly recognized marks are worthy of protection from dilution.

tarnishment area; and (5) the dilution doctrine would lead to an undesired monopolization of language.⁵³

Dilution protects a famous mark such as BUICK or KODAK⁵⁴ from being used on other products even if those products are not competing with the famous trademark and there is no likelihood of confusion according to the *Polaroid* factors.⁵⁵ The broad protection allotted to a famous mark is considered too expansive for many who practice in the field of trademark law.⁵⁶ In fact, many practitioners view dilution as providing "a second layer

53. Staffin, *supra* note 28, at 154.

54. See HALPERN, *supra* note 3, at 334.

55. See *id.* at 339 (citing *Polaroid Corp. v. Polarad Elecs. Corp.*, 287 F.2d 492, 128 U.S.P.Q. (BNA) 411 (2d Cir. 1961)). The *Polaroid* factors for likelihood of confusion are as follows:

- 1) Strength of the plaintiff's mark;
- 2) The degree of similarity of the marks;
- 3) The proximity of the products or services in the marketplace;
- 4) The likelihood that the plaintiff will bridge the gap (narrowing significant market differences);
- 5) Evidence of actual confusion;
- 6) Defendant's good faith in adopting the mark;
- 7) The quality of the defendant's product or service; and
- 8) The sophistication of the buyers.

HALPERN, *supra* note 3, at 339. The eight enumerated factors are not exclusive as evidenced by each circuit's adoption of subtle variations of the factors. See *id.* at 340-43.

56. See, e.g., Port, *supra* note 2. In a competitive economic society, trademarks have become a valuable contrivance to attract and retain consumers. Quantifying the precise economic benefit derived from an individual trademark is nearly impossible given the variables that surround each mark. Nevertheless, it is indisputable that a trademark has an economic benefit related to the visibility and renown of the mark. Therefore, a trademark is a valuable intangible asset that must be protected as any other asset to ensure that the asset maintains its value. See generally GORDON V. SMITH, TRADEMARK VALUATION (1997). See also Oswald, *supra* note 15, at 256 n.3 (noting that MARLBORO is valued at \$44.6 billion, COCA-COLA at \$43.4 billion, and MCDONALD'S at \$18.9 billion). For an interesting discourse on trademark valuation, see Kurt Badenhausen et al., *Most Valuable Brands*, FINANCIAL WORLD, Sept./Oct. 1997, at 62.

Financial World's brand valuations are based on a formula that resembles the one used by London-based Interbrand, the world's foremost brand valuation firm.

The first step in the valuation process involves determining the sales and earnings for the brand. Next, [Financial World] estimate[s] how much capital was employed to produce the brand's sales, then multipl[ies] this by 5%, since a generic brand should have at least a 5% profit on the capital employed to produce the product. By subtracting this number from the brand's earnings, [Financial World] arrive[s] at the earnings attributable to the brand.

To that earnings figure, [Financial World] then appl[ies] the maximum corporate tax rate. Finally, [Financial World] multipl[ies] the net income figure for the brand by its strength multiple, provided by Interbrand. These multiples take into account seven factors: leadership, stability, market, internationality, trend, support[,] and protection.

For service and high-tech brands, [Financial World] use[s] only a percentage of the brand's earnings, and not all the aftertax [sic] earnings.

Furthermore, despite views to the contrary, evaluating the effectiveness of a law based only on the number of times it is used offensively to prohibit dilution of a mark is an inaccurate assessment of the success of the doctrine.⁴⁸ Instead, a law may accomplish its intended purpose of protecting famous trademarks from dilution passively because it deters would-be infringers from attempting to dilute the mark. Therefore, the limited number of reported dilution judgments may indicate that dilution *is* protecting famous trademarks through the potential sanctions infringers face for dilution.⁴⁹

III. THE CRITICISM OF DILUTION

Despite codification, dilution has not obtained unanimous acceptance.⁵⁰ The failure of trademark practitioners to embrace dilution is both confusing and disturbing.⁵¹ Dilution has never gained the acceptance other trademark protections have obtained.⁵² Criticisms of the dilution doctrine include

(1) the dilution doctrine is too ephemeral, does not address a real injury, and is incapable of empirical proof; (2) the dilution doctrine is unnecessary given the development of the “related goods” doctrine under traditional trademark infringement law; (3) the dilution theory is inequalitarian because it only protects strong marks; (4) the dilution doctrine poses serious First Amendment problems particularly in the

48. The success of dilution must be based not on the number of instances in which the doctrine is used to enjoin the dilution of a trademark, but on whether the doctrine facilitates the primary functions of trademark law.

49. The offensive/defensive paradigm is not unique to dilution. Nearly all laws, rules, and statutes are promulgated with the primary intent of prohibiting a particular action from occurring rather than providing the judiciary with the means to prosecute the action after the bad act has occurred—a visible example is the promulgation of laws governing pornography as it relates to children and the Internet. Though a law may in some cases fail to convict a large number of individuals, the mere presence of the law serves to prohibit the conduct governed by the law. To that end, the most effective laws may be those which are never used because the law prevents wrongdoing before it occurs. *See, e.g., Free Speech Coalition v. Reno*, 198 F.3d 1083, 1087 (9th Cir. 1999) (“The Protection of Children Against Sexual Exploitation Act had its problems. According to the Final Report of the Attorney General’s Commission on Pornography, only one person was convicted under the Act[] . . .”).

50. *See, e.g., Port, supra* note 2.

51. The failure to embrace dilution is confusing because trademark law is concentrated towards the creation and protection of marks that identify products and producers. As such, because dilution is a means of facilitating trademark goals, it is difficult to understand why scholars have disputed the usefulness of the doctrine. And yet, exactly this criticism has been leveled against dilution. Dilution is unique in that the criticism leveled against the doctrine has not been limited to those practicing in academic settings, but has been denounced by many practitioners as well. *See generally Port, supra* note 2.

52. Two examples of trademark protections that, although not inherently the product of common law, have been accepted and largely unquestioned since their inception consist of 15 U.S.C. § 1051(b) (1994 & Supp. V 1999) (intent to use) and 15 U.S.C. § 1065 (1994 & Supp. V 1999) (incontestability).

of protection rather than an alternative to Lanham Act claims.”⁵⁷ The universal acceptance of the fact that a trademark right does not amount to a property right in the trademark itself⁵⁸ does little to increase support for dilution because dilution inversely creates a property right or quasi-monopoly in the trademark.⁵⁹ Furthermore, practitioners have decried the fame requirement by pointing out that a famous mark requires even less protection by virtue of the fact that it is famous to begin with, and thus unlikely to become confused with other marks by consumers.⁶⁰

To comprehend the importance of the dilution doctrine, it is imperative to understand the potential effects if the doctrine were to be discarded. Without dilution, an individual could design a line of clothing named BUICK.⁶¹ The BUICK line of outerwear would not compete with the BUICK line of automobiles; consumers could purchase outerwear and automobiles of each brand without affecting the sales of the other. Without a likelihood of confusion,⁶² BUICK, the automobile, need not be afforded any protection from BUICK clothing. The prominence of the BUICK mark may persuade an individual designing a line of home furnishings to adopt BUICK as the trademark for their line of products. Again, there is no competition, therefore no confusion, and the BUICK mark could be adopted. The success of the BUICK mark on automobiles, clothing, and home furnishings may entice an individual with a new power tool to adopt BUICK as well. Next, a manufacturer of mechanical pencils, a pickle producer, a software designer, and a recycling company; all may adopt the BUICK mark for their products or services until BUICK has become as pervasive as AMERICAN or UNITED.⁶³

Id. at 63.

57. Julie Arthur Garcia, *Trademark Dilution: Eliminating Confusion*, 85 TRADEMARK REP. 489, 490 (1995).

58. See Port, *supra* note 2, at 463 (citing *Whitehall Constr. Co. v. Washington Suburban Sanitary Comm’n*, 165 F. Supp. 730, 732 (D. Md. 1958); *Kuchenig v. California Co.*, 233 F. Supp. 389, 391 (E.D. La. 1964); *Peterson v. Conlan*, 119 N.W. 367, 369–70 (N.D. 1909)).

59. See *supra* note 6 and accompanying text.

60. This question becomes an exercise of the “chicken/egg” debate. That is, has the fame of a trademark been maintained as a result of the protections afforded to the mark, or is the fame a result of the protection. See *Nabisco, Inc. v. PF Brands, Inc.*, 191 F.3d 208, 216, 51 U.S.P.Q.2d (BNA) 1882, 1887 (2d Cir. 1999) (“Many famous marks are of the common or quality-claiming or prominence-claiming type—such as American, National, Federal, Federated, First, United, Acme, Merit or Ace.”).

61. The line of clothing would likely consist of items intended for dull, stoic individuals—similar to the market for the automobile. “Buick today is the automotive equivalent of a nice, tall glass of prune juice.” Richard Truett, *Buick Introduces Bengal: Will the Retro-themed Bengal Roadster Help Buick Win Young Admirers?* (Jan. 1, 2001), at http://cnfn.com/2001/01/09/home_auto/q_truett_buick/index.htm.

62. See *supra* text accompanying note 44.

63. As a result of protection from dilution, the statement “My father works for Buick”

As dilution protects the uniqueness of a trademark, it must be determined why protection from dilution is important in an American society that is decidedly opposed to monopolies—the very concept that protection from dilution appears to disregard. Dilution opponents claim that dilution should not be recognized as a form of trademark protection because trademarks are not property. The same opponents reiterate that Locke's labor theory⁶⁴ has been soundly rejected and that the dilution doctrine serves no valid purpose because the absence of competition between goods or services used in connection with the same mark dictates that there can be no consumer confusion to undermine the purpose of trademark law.⁶⁵

Opponents of protection from dilution fail to view dilution in relation to trademark law in its entirety, particularly section 2 of the Lanham Act.⁶⁶ Section 2 denies trademark protection to marks that are substantially similar to another mark so as to cause confusion among consumers.⁶⁷ Criticism of the theory of dilution condemns the validity of dilution in addition to the provisions contained in section 2. A successful challenge against dilution opens the door to a successful challenge of section 2 of the Lanham Act.

In fact, "Congress recognized that a national economy required a national trademark law" when it stated that

[T]rade [sic] is no longer local, but is national. Marks used in interstate commerce are properly the subject of Federal regulation. It would seem as if national legislation along national lines securing to the owners of trademarks in interstate commerce definite rights should be enacted and should be enacted now.⁶⁸

Undeniably, it has "been recognized that a merchant may have a sufficient economic interest in the use of his mark outside the field of his own exploitation to justify interposition by a court. His mark is his authentic seal; by it he vouches for the goods which bear it"⁶⁹ The trademark carries the

creates less ambiguity than the statement "My father works for American." Furthermore, a trademark is only required to be famous, not unique, in order to obtain protection from dilution. See RICHARD L. KIRKPATRICK, *LIKELIHOOD OF CONFUSION IN TRADEMARK LAW* 3-7 (1999). Alternatively, as stated by Schechter: "If you allow Rolls Royce restaurants and Rolls Royce cafeterias, and Rolls Royce pants, and Rolls Royce candy, in 10 years you will not have the Rolls Royce mark any more." Hearings Before the House Comm. On Patents, 72d Cong. 15 (1932) (quoted in Robert N. Klieger, *Trademark Dilution: The Whittling Away of the Rational Basis for Trademark Protection*, 58 U. PITT. L. REV. 789, 866 n.134 (1997)).

64. For a review of Locke's theory see GOPAL SREENIVASAN, *THE LIMITS OF LOCKEAN RIGHTS IN PROPERTY* (1995).

65. See *supra* text accompanying note 44.

66. 15 U.S.C. § 1052 (1994 & Supp. V 1999).

67. See *id.*

68. Muller, *supra* note 19, at 177 (citation omitted).

69. *Id.* (citing Judge Hand in *Yale Elec. Corp. v. Robertson*, 26 F.2d 972, 974 (2d Cir.

goodwill with it; allowing someone else to use the mark renders the original trademark owner unable to control the quality associated with it.⁷⁰

IV. THE NEED FOR EMPIRICAL EVIDENCE

Dilution is codified in accordance with the primary goals of trademark law: avoidance of consumer confusion, protection against the misappropriation of products or services, and the promotion of competition and economic efficiency for the benefit of the consuming public.⁷¹ To effectuate these goals, the Lanham Act bars the registration or use of a mark that resembles a previously registered⁷² mark to the extent that the mark is famous.⁷³ Despite these admirable intentions, the Lanham Act fails to adequately identify what constitutes a famous mark.⁷⁴ Additionally, the Lanham Act fails to provide guidance—outside of a general, nonexclusive test—for the determination of whether a mark is famous.⁷⁵ Without an acceptable standard listing the requirements of fame, a mark must be examined according to either the intuition of the courts⁷⁶ or the generalized eight-prong test set forth in the Lanham Act.⁷⁷ The combination of these two methods has produced an array of incongruent determinations as to whether a trademark is famous.⁷⁸ To avoid inconsistent and incorrect determinations, an

1928)).

70. See Muller, *supra* note 19, at 177.

71. See HALPERN, *supra* note 3, at 288–89; Oswald, *supra* note 15, at 260.

72. While the trademark must be registered in order to bring a dilution action, the mark need not be registered to be diluted. However, as a practical matter, a trademark that is arguably famous is more likely that not to be registered.

73. See 15 U.S.C. § 1052(d).

74. See Xuan-Thao N. Nguyen, *The New Wild West: Measuring and Proving Fame and Dilution Under the Federal Trademark Dilution Act*, 63 ALB. L. REV. 201, 209 (1999). The language found in the Lanham Act leads to more questions than answers regarding dilution. See *id.*

75. Despite the presence of the subjective eight-prong test promulgated by the Lanham Act, the dilution doctrine fails to draw the line as to where the determination of fame lies. See Muller, *supra* note 19, at 187. See also PATTISHALL & HILLARD, TRADEMARKS, TRADE IDENTITY AND UNFAIR TRADE PRACTICES § 5.3 (1974). Indeed, a great deal of the criticism directed at the dilution doctrine is the product of the doctrine's inability to determine which trademarks are famous, and how such a determination should be fashioned. See *id.*

76. An analysis of whether a trademark is famous should be premised on principled reasoning rather than a subjective determination resting upon individual life experiences and lifestyles. As such, judicial notice of fame is inappropriate under the dilution doctrine.

77. 15 U.S.C. § 1125(c)(1)(A)–(H).

78. Although examples of judicial findings of fame are prevalent, the means for arriving at such conclusions are inconsistent and based upon various methods according to a court's whim rather than a strictly construed test.

The following marks were found famous under the Act: Times Mirror Magazines, Inc. v. Las Vegas Sports News L.L.C., 212 F.3d 157, 54 U.S.P.Q.2d (BNA) 1577 (3d Cir.

2000) (THE SPORTING NEWS famous in niche market); Panavision, Int'l LLP v. Toeppen, 141 F.3d 1316, 46 U.S.P.Q.2d (BNA) 1511 (9th Cir. 1998) (PANAVISION); Eli Lilly & Co. v. Natural Answers, Inc., 86 F. Supp. 2d 834 (S.D. Ind. 2000) ("The product [PROZAC] has achieved extraordinary fame in American culture."); New York State Soc'y of Certified Pub. Accountants v. Eric Louis Assocs., Inc., 79 F. Supp. 2d 331 (S.D.N.Y. 1999) (NYSSCPA famous in the accounting channel of trade in the New York trading area); Consolidated Cigar Corp. v. Monte Cristi de Tabacos, 58 F. Supp. 2d 188 (S.D.N.Y. 1999) (MONTECRISTO); Nabisco, Inc. v. PF Brands, Inc., 50 F. Supp. 2d 188 (S.D.N.Y.) (GOLDFISH; discussing seven factors), *aff'd*, 51 U.S.P.Q.2d (BNA) 1882 (2d Cir. 1999); American Dairy Queen Corp. v. New Lines Prods., Inc., 35 F. Supp. 2d 727 (D. Minn. 1998) (DAIRY QUEEN); PepsiCo, Inc. v. Reyes, 50 U.S.P.Q.2d (BNA) 1696 (C.D. Cal. 1999) (PEPSI); Brown v. It's Entertainment, Inc., 34 F. Supp. 2d (BNA) 854, 49 U.S.P.Q.2d (BNA) 1939 (E.D.N.Y. 1999) (childrens' cartoon character Arthur); Ohio Art Co. v. Watts, 49 U.S.P.Q.2d (BNA) 1957 (N.D. Ohio 1998) (ETCH A SKETCH "well known to the Court and to the American public"); Danjaq LLC v. Sony Corp., 49 U.S.P.Q.2d (BNA) 1341 (C.D. Cal. 1998) (undisputed that JAMES BOND mark is distinctive and famous), *aff'd*, 165 F.3d 915 (9th Cir. 1998) (unpublished decision); America Online, Inc. v. IMS, 24 F. Supp. 2d 548, 48 U.S.P.Q.2d (BNA) 1857 (E.D. Va. 1998) (AOL); Minnesota Mining and Mfg. Co. v. Taylor, 21 F. Supp. 2d 1003, 48 U.S.P.Q.2d (BNA) 1701 (D. Minn. 1998) (POST-IT); Mattel, Inc. v. Jcom, Inc., 48 U.S.P.Q.2d (BNA) 1467 (S.D.N.Y. 1998) (concluding that, "by any measure," BARBIE is a famous mark); Pirelli Armstrong Tire Corp. v. Titan Tire Corp., 4 F. Supp. 2d 794 (C.D. Ill. 1998) (PIRELLI and ARMSTRONG found to be famous; court reasons only that "[t]he trademarks have been registered for over 80 years and are incontestable"); Jews for Jesus v. Brodsky, 993 F. Supp. 282, 46 U.S.P.Q.2d (BNA) 1652 (D.N.J. 1998) (JEWS FOR JESUS); Toys "R" Us, Inc. v. Abir, 45 U.S.P.Q.2d (BNA) 1944 . . . (S.D.N.Y. 1997) (TOYS "R" US); Polo Ralph Lauren L.P. v. Schuman, 46 U.S.P.Q.2d (BNA) 1046 (S.D. Tex. 1998) (POLO); Hotmail Corp. v. Vans\$ Money Pie, Inc., 47 U.S.P.Q.2d (BNA) 1020 (N.D. Cal. 1998) (HOTMAIL); Sporty's Farm, LLC v. Sportsman's Market, Inc., [202 F.3d 489, 53 U.S.P.Q.2d (BNA) 1570 (2d Cir. 2000)] (SPORTY'S, federally registered and used for 30 years, famous for aviation products and has general name recognition); Intermatic, Inc. v. Toeppen, 947 F. Supp. 1227, 40 U.S.P.Q.2d (BNA) 1412, *adopted in full*, 41 U.S.P.Q.2d (BNA) 1223 (N.D. Ill. 1996) (INTERMATIC); Porsche Cars N.A., Inc. v. Manny's Porshop, Inc., 972 F. Supp. 1128, 43 U.S.P.Q.2d (BNA) 1475 (N.D. Ill. 1997) (PORSCHÉ on preliminary injunction motion likely famous); TeleTech Customer Care Mgt., Inc. v. TeleTech Co., 977 F. Supp. 1407, 42 U.S.P.Q.2d (BNA) 1913 (C.D. Cal. 1997) (TELETECH apparently famous, on preliminary injunction motion); Lozano Enters. v. La Opinion Pub. Co., 44 U.S.P.Q.2d (BNA) 1764 (C.D. Cal. 1997) (LA OPINION distinctive and famous for Spanish language newspaper).

The following marks were not found famous under the Act: Avery Dennison Corp. v. Sumpton, 189 F.3d 868, 51 U.S.P.Q.2d (BNA) 1801 (9th Cir. 1999) (AVERY and DENNISON); I.P. Lund Trading ApS v. Kohler Co., 163 F.3d 27, 49 U.S.P.Q.2d (BNA) 1225 (1st Cir. 1998) (high-end faucet trade dress found not famous; "There is little to suggest that this product design, itself unregistered and not inherently distinctive, is so strong a mark and so well publicized and known that it has achieved the level of fame Congress intended under the Act."); BigStar Entertainment, Inc. v. Next Big Star, Inc., 54 U.S.P.Q.2d (BNA) 1685 (S.D.N.Y. 2000) (BIG STAR and bigstar.com); Best Cellars, Inc. v. Grape Finds at Dupont, Inc., 90 F. Supp. 2d 431, 54 U.S.P.Q.2d (BNA) 1594 (S.D.N.Y. 2000) (wine store trade dress used for four years, advertising did not focus on trade dress, limited geographic trading area, trade dress unregistered); PostX Corp. v. docSpace Co., Inc., 80 F. Supp. 2d 1056 (C.D. Cal. 1999) (logo of PostX Corporation); Hasbro, Inc. v. Clue Computing, Inc., 66 F. Supp. 2d 117, 52 U.S.P.Q.2d (BNA) 1402 (D. Mass. 1999)

empirically derived test must be created to determine whether the trademark seeking protection from dilution maintains the requisite fame to qualify for solace under the dilution doctrine.⁷⁹

As courts tire of designing new tests for fame and comparing their tests

(CLUE); *Carnival Corp. v. SeaEscape Casino Cruises, Inc.*, 52 U.S.P.Q.2d (BNA) 1920 (S.D. Fla. 1999) (FUN SHIP); *New York Stock Exchange, Inc. v. New York Hotel LLC*, 69 F. Supp. 2d 479, 52 U.S.P.Q.2d (BNA) 1884 (S.D.N.Y. 1999) (NEW YORK STOCK EXCHANGE and facade of Stock Exchange building); *Conopco, Inc. v. Cosmair, Inc.*, 49 F. Supp. 2d 242 (S.D.N.Y. 1999) (ETERNITY perfume bottle) (preliminary injunction decision); *Alltel Corp. v. Actel Integrated Communications, Inc.*, 42 F. Supp. 2d 1265, 50 U.S.P.Q.2d (BNA) 1508 (S.D. Ala. 1999) (treatise cited) (ALLTEL); *Washington Speakers Bureau, Inc. v. Leading Authorities, Inc.*, 33 F. Supp. 2d 488, 49 U.S.P.Q.2d (BNA) 1893 (E.D. Va. 1999) (WASHINGTON SPEAKERS BUREAU not famous; not well-known through its customer base; “courts should be discriminating and selective in construing marks as famous”); *Scholastic, Inc. v. Speirs*, 28 F. Supp. 2d 862, 49 U.S.P.Q.2d (BNA) 1420 (S.D.N.Y. 1998) (finding that no reasonable jury could find marks skull in a circle, SKULLY, SKULLMAN, and SLOW LEAK “at all strong, let alone famous”); *CIT Group, Inc. v. Citicorp*, 20 F. Supp. 2d 775 (D.N.J. 1998) (finding THE CIT GROUP “far from famous”); *Lane Capital Mgmt., Inc. v. Lane Capital Mgmt., Inc.*, 15 F. Supp. 2d 389 (S.D.N.Y. 1998) (LANE CAPITAL MANAGEMENT not famous for purposes of summary judgment motion), *aff’d on other grounds*, 192 F.3d 337, 52 U.S.P.Q.2d (BNA) 1094 (2d Cir. 1999); *Breuer Elec. Mfg. Co. v. Hoover Co.*, 48 U.S.P.Q.2d (BNA) 1705 (N.D. Ill. 1998) (TORNADO and TORNADO and design mark on vacuum cleaners not famous, have not acquired a sufficient degree of recognition); *Hershey Foods Corp. v. Mars, Inc.*, 998 F. Supp. 500 (M.D. Pa. 1998) (trade dress of Reese’s Peanut Butter Cups not famous); *Michael Caruso & Co. v. Estefan Enters., Inc.*, 994 F. Supp. 1454 (S.D. Fla. 1998) (BONGO not famous; fifteen years generally insufficient for mark to become famous); *S Indus., Inc. v. Diamond Multimedia Sys., Inc.*, 991 F. Supp. 1012, 45 U.S.P.Q.2d (BNA) 1705 (N.D. Ill. 1998) (STEALTH for sporting equipment, toys, etc.); *Appleseed Found. v. Appleseed Inst., Inc.*, 981 F. Supp. 672 (D.D.C. 1997) (APPLESEED for public advocacy foundation); *King of the Mountain Sports, Inc. v. Chrysler Corp.*, 968 F. Supp. 568 (D. Colo. 1997) (KING OF THE MOUNTAIN not famous; no evidence of sales, advertising or marketing), *aff’d on other grounds*, 185 F.3d 1084, 51 U.S.P.Q.2d (BNA) 1349 (10th Cir. 1999); *Sports Authority, Inc. v. Abercrombie & Fitch, Inc.*, 965 F. Supp. 925, 42 U.S.P.Q.2d (BNA) 1662 (E.D. Mich. 1997) (AUTHORITY not famous, extensive third-party usage; summary judgment for defendant); *Columbia Univ. v. Columbia/HCA Healthcare Corp.*, 964 F. Supp. 733, 43 U.S.P.Q.2d (BNA) 1083 (S.D.N.Y. 1997) (COLUMBIA for university not famous; numerous third party uses); *Knaack Mfg. Co. v. Rally Accessories, Inc.*, 955 F. Supp. 991, 42 U.S.P.Q.2d (BNA) 1649 (N.D. Ill. 1997) (WEATHER GUARD for truck and van storage boxes not famous); *Genovese Drug Stores, Inc. v. TGC Stores, Inc.*, 939 F. Supp. 340 (D.N.J. 1996) (slogan WE’LL TAKE GOOD CARE OF YOU by itself not famous where only in use for nine years and only used in association with store name).

2 JEROME GILSON, *TRADEMARK PROTECTION & PRACTICE* § 5.12[1][f][iii] n.30.18 (2000) (emphasis in original). Indeed, it has long been speculated that “Courts [a]re [i]ncapable of [m]aking [m]eaningful [d]eterminations as to [w]hich [m]arks [a]re [s]ufficiently [d]istinctive to [w]arrant [p]rotection.” Muller, *supra* note 19, at 184.

79. Although the factors set forth in the Lanham Act are intended to facilitate the judicial determination of fame, all too often these factors are brushed aside in favor of a subjective determination which is made without, and perhaps in contrast to, empirical support. See Oswald, *supra* note 15, at 275 (discussing tarnishment).

against those of their legal brethren, survey evidence must be brought by the plaintiff to illustrate that the mark is more than just well-known—it must illustrate that the mark meets the level of fame to justify the sweeping protection offered under the dilution doctrine.⁸⁰ Though fame may not be proven definitively through empirical proof, the results of an empirical survey or test will provide a strong basis for a finding of fame and will consequently enhance the credibility of judicial decisions while defining the parameters of whether a trademark is famous for future litigants.⁸¹

Several ambitious commentators have undertaken an analysis of dilution to determine whether empirical means can be utilized to determine if a trademark has been diluted.⁸² Though well-intentioned, such an analysis of dilution is necessarily vague and may be no more helpful than a determination of whether a trademark is famous based upon the factors used to determine a likelihood of dilution.⁸³ Instead, the trend has been to gather information on a registered trademark to determine if the trademark is famous.⁸⁴ Research of extensive amounts of information offers the highest assurance of whether a trademark is famous in the current legal climate.⁸⁵

Previous attempts to apply empirical evidence to the dilution doctrine have focused on developing a formula to determine dilution rather than fame. Any attempt to quantify dilution is inherently flawed because a standardized test cannot be developed before the material to be included in that test has been selected.⁸⁶ Though a mechanism may not emerge to enable courts to

80. See Alexander F. Simonson, *How and When do Trademarks Dilute: A Behavioral Framework to Judge "Likelihood" of Dilution*, 83 TRADEMARK REP. 149, 149 (1993). Although Simonson examines empirical evidence as related to whether a trademark has been diluted, his analysis, or at least its underpinnings, support the use of empirical evidence to determine whether a mark maintains the requisite fame necessary to bring a dilution action.

81. See ADAM L. BROOKMAN, TRADEMARK LAW: PROTECTION, ENFORCEMENT AND LICENSING § 9.04[E] (1999 & Supp. 2000).

82. See, e.g., Nguyen, *supra* note 74, at 209. The language found in the Lanham Act leads to more questions than answers regarding dilution and other trademark constructs. See *id.* See generally Greg Filbeck et al., *Stock Price Reaction to Trademark Related Lawsuits*, 85 TRADEMARK REP. 191 (1995) (examining whether trademark litigation affects the stock price of the concerned organizations).

83. See RESTATEMENT (THIRD) OF UNFAIR COMPETITION § 25 cmt. f (1995) (stating that direct evidence of dilution is rarely displayed by consumer behavior and it is thus difficult to obtain empirical evidence of such behavior); Moskin, *supra* note 23, at 123 (stating that dilution has never been supported by empirical evidence); Oswald, *supra* note 15, at 283 (stating that direct evidence of blurring is difficult to obtain).

84. See STEVEN H. BAZERMAN & JASON M. DRANGEL, GUIDE TO REGISTERING TRADEMARKS § 2.05[B], [C] (1999 & Supp. 2000). "Therefore, unless a mark is clearly famous, either party may be successful depending upon how a court chooses to interpret the[] fact[s]." Serad, *supra* note 8, at 234.

85. See BAZERMAN & DRANGEL, *supra* note 84, § 2.05[B].

86. Endeavors to determine a dilution formula inherently get ahead of themselves because

determine whether a trademark is likely to be diluted, a degree of certainty can be obtained by determining which marks are eligible for protection from dilution through the use of empirical evidence.⁸⁷ In addition, the difficulty of obtaining direct evidence of a likelihood of dilution invites the use of empirical evidence to determine whether a trademark is famous so as to limit the number of dilution claims that may arise under the dilution doctrine.⁸⁸

V. FAME ANALYZED IN ACCORDANCE WITH EMPIRICAL EVIDENCE

The courts, in accordance with the section 2 bars to registration, have, at times, diligently applied the eight-prong fame test⁸⁹ in compliance with the statutory requirement.⁹⁰ Despite repeated attempts, identifying a theoretical test to determine whether a trademark is famous has proven to be difficult despite the presence of the eight-prong test which serves as a guidepost.⁹¹ The difficulty in refining the factors set forth in the Lanham Act has been compounded by courts that have been pulled wayward "by requiring proof of actual economic harm to the famous mark's selling power."⁹² Instead of concentrating on whether the trademark has been diluted, the focus must first be on whether the mark is famous, and, accordingly, how to determine the presence of fame.⁹³

Undeterred, the courts have labored to follow the prescriptions of the Lanham Act despite the absence of guidance as to the measure of fame necessary for a dilution claim.⁹⁴ The eight nonexclusive factors listed in the

an attempt is made to promulgate a test before the subject matter to be tested has been determined. *See, e.g.,* Staffin, *supra* note 28, at 160–61 (setting forth the basis of an empirical test for dilution that calls for showing a consumer a famous mark without offering any explanation as to how that mark was chosen or why it is deemed famous).

87. *See* 4 MCCARTHY, *supra* note 28, § 24-108. "Without such a requirement, [as to mandate protection only for empirically determined famous marks] an anti-dilution statute becomes a rogue law that turns every trademark, no matter how weak, into an anti-competitive weapon." *Id.*

88. *See* Oswald, *supra* note 15, at 283. "Direct evidence of [dilution] generally is defined as some sort of survey of consumers that reveals a mistaken association of the junior and senior marks, and is typically difficult—indeed, some commentators would say nigh-well impossible—to obtain." *Id.*

89. 15 U.S.C. § 1125(c)(1)(A)–(H).

90. *See* 15 U.S.C. § 1125(c)(1).

91. *See* Nguyen, *supra* note 74, at 202.

92. *Id.* (citing *Ringling Bros.–Barnum & Bailey Combined Shows, Inc. v. Utah Div. of Travel Dev.*, 955 F. Supp. 605, 42 U.S.P.Q.2d (BNA) 1161 (E.D. Va. 1997), *aff'd*, 170 F.3d 449, 50 U.S.P.Q.2d (BNA) 1065 (4th Cir. 1999); *Nabisco, Inc. v. PF Brands, Inc.*, 50 F. Supp. 2d 188 (S.D.N.Y. 1999)).

93. The Lanham Act only requires a determination of fame, not a showing of actual harm. *See* 15 U.S.C. § 1125(c)(1). A determination of fame neither requires nor produces harm; rather, a likelihood of dilution is the potential for harm that may beset a famous trademark.

94. *See* Nguyen, *supra* note 74, at 202.

Act do not address what constitutes a famous mark that is eligible for protection from dilution. Instead, the factors act as a general starting point for a court to use as it deems necessary.⁹⁵ The imprecision of the eight-factor test, and the subsequent confusion generated, requires the promulgation of a concrete analysis for the determination of whether a trademark is famous. Notwithstanding the anticipation by the academic community, practitioners, and the courts; such an empirical analysis has not been forthcoming.

Despite increased dissatisfaction with the ephemeral nature of determining whether a trademark is famous, only five cases, and their progeny, have significantly addressed and relied upon quantitative measurements of fame in a dilution action.⁹⁶ These cases provide a judicial foundation for the construction of an empirical fame test.

*A. Wawa, Inc. v. Haaf*⁹⁷

One of the first dilution cases to examine the fame requirement in terms of quantitative evidence was *Wawa, Inc. v. Haaf*.⁹⁸ The court, after a cursory examination, found the plaintiff's mark, WAWA, famous for the name of a convenience store and afforded the mark protection from dilution.⁹⁹ The court found that WAWA was a famous mark because it had been used exclusively for almost ninety years¹⁰⁰ in the geographic region it served.¹⁰¹ Therefore, dilution proved to be an invaluable tool as a means of preventing HAHA, the diluting mark, from riding the tails of WAWA's goodwill.¹⁰²

The court stated that the "[p]laintiff has established without question that its mark is famous and is entitled to the protection of the federal statute."¹⁰³ Additional empirical evidence considered by the court to support the finding of fame included the fact that the plaintiff owned and operated over five hundred convenience stores located in Connecticut, Delaware, Maryland,

95. See *id.* at 212. See also 15 U.S.C. § 1125(c)(1). "In determining whether a mark is distinctive and famous, a court may consider factors such as, but not limited to—[eight factors]." *Id.*

96. See generally Nguyen, *supra* note 74, at 229.

97. 40 U.S.P.Q. 2d (BNA) 1629 (E.D. Pa. 1996), *aff'd*, 116 F.3d 471 (3d Cir. 1997).

98. 40 U.S.P.Q.2d (BNA) 1629.

99. 40 U.S.P.Q.2d (BNA) at 1631.

100. 40 U.S.P.Q.2d (BNA) at 1631.

101. The Wawa chain of convenience stores was limited to Connecticut, Delaware, Maryland, New Jersey, and Pennsylvania. See *Wawa*, 40 U.S.P.Q.2d (BNA) at 1631.

102. Goodwill is "[t]he favor which the management of a business wins from the public." BLACK'S LAW DICTIONARY 694 (6th ed. 1990). Before the Lanham Act was amended to include protection from dilution, protection of goodwill was subject to the gap between 15 U.S.C. § 1052(d) (likelihood of confusion) and 15 U.S.C. § 1052(e)(4) (surname).

103. *Wawa*, 40 U.S.P.Q.2d (BNA) at 1631.

New Jersey, and Pennsylvania.¹⁰⁴ In addition, the plaintiff maintained an advertising budget of nearly six million dollars.¹⁰⁵ The court appeared to find that WAWA was a famous mark due to the longevity of continuous use of the mark, the amount of stores maintained, and a large advertising budget.¹⁰⁶ Although these measures are valid indicators of fame, the court failed to explain why these specific measures “without question” indicate that WAWA is a famous mark.¹⁰⁷

In terms of quantitative evidence of dilution, the court utilized the survey evidence offered by the plaintiff indicating that twenty-nine percent of the respondents associated defendant’s HAHHA mark with the Wawa convenience stores.¹⁰⁸ “The court found that the survey evidence supported its conclusion that defendant’s HAHHA mark was ‘undermining the strength of Wawa . . . through dilution’”¹⁰⁹

*B. Star Markets, Ltd. v. Texaco, Inc.*¹¹⁰

The district court utilized empirical evidence to determine that STAR MARKET for grocery stores was not famous. Evidence considered by the court included the fact that since 1946 the plaintiff operated eight grocery stores in Kauai, Maui, and Oahu.¹¹¹ In addition, a survey revealed that seventy-five percent of respondents associated STAR with the grocery stores.¹¹² The plaintiff also submitted a recognition survey which indicated that ninety-six percent of the respondents recognized the plaintiff’s mark when they were asked to name any grocery store.¹¹³ Alternatively, Texaco, which utilized a stylized trademark in the shape of a star, offered evidence that, in addition to operating gas stations throughout the United States, it operated seventeen similar gas stations in Hawaii beginning in 1959.¹¹⁴ The totality of the evidence persuaded the court to hold that STAR MARKET was

104. 40 U.S.P.Q.2d (BNA) at 1631.

105. 40 U.S.P.Q.2d (BNA) at 1631.

106. 40 U.S.P.Q.2d (BNA) at 1631. The district court stated that “Wawa is also a famous mark, having been used extensively in the convenience store business for almost 90 years.” *Id.* The court further declared that “[t]here is simply no question that Wawa is a highly renowned, famous mark.” *Id.*

107. 40 U.S.P.Q.2d (BNA) at 1631.

108. *Wawa*, 40 U.S.P.Q.2d (BNA) at 1632.

109. Nguyen, *supra* note 74, at 217 (noting that the court failed to explain why 29% was a sufficient amount).

110. 950 F. Supp. 1030 (D. Haw. 1996).

111. *Id.* at 1031.

112. *Id.* at 1033.

113. *Id.* at 1035.

114. *Id.* at 1031.

not a famous trademark.¹¹⁵ Despite significant survey evidence presented by the plaintiff,¹¹⁶ the defendant, Texaco, prevailed because the district court found that STAR MARKET was not a famous mark eligible for protection from dilution.¹¹⁷

*C. Ringling Bros.—Barnum & Bailey Combined Shows, Inc. v. Utah Division of Travel Development*¹¹⁸

Evidence of fame included the fact that the plaintiff, Ringling Bros., had used the slogan THE GREATEST SHOW ON EARTH since 1872 and during that time the plaintiff had performed approximately one thousand shows, drawing twelve million viewers in nearly one hundred cities across the nation.¹¹⁹ The shows produced revenues in excess of \$103 million during this time period.¹²⁰ Additionally, the plaintiff maintained an advertising budget of approximately \$19 million,¹²¹ while the defendant spent between \$300,000 and \$450,000 annually.¹²² Survey evidence demonstrating fame of the plaintiff's trademark consisted of the fact that over forty percent of survey respondents could complete the slogan and associated that slogan with the plaintiff's circus.¹²³ In addition, survey evidence measured the association of the slogan-mark to Ringling Bros. within and outside of Utah.¹²⁴ Despite accepting all of the survey evidence, the court held that the trademark was not diluted.¹²⁵ In doing so, the court failed to specify what levels the evidence needed to reach in order to constitute a famous mark eligible for protection from dilution.¹²⁶

Ringling Bros.—Barnum & Bailey Combined Shows, Inc. v. B.E. Windows Corp., a separate but similar case, underscored the inability of courts to adopt a consistent dilution and fame analysis after the district court found that protection from dilution was warranted when a New York bar owner

115. *Star Mkts.*, 950 F. Supp. at 1036.

116. Clearly, the survey evidence presented in *Star Markets* was broad and one-sided. Perhaps for this reason, the court declined to rely strictly on the statistics presented. Though the studies were primarily "recognition" or "recall" exercises, the outcome of *Wawa* may have influenced the decision of *Star Markets, Inc.* to present their studies in such a partisan manner.

117. *Star Mkts.*, 950 F. Supp. at 1037.

118. 955 F. Supp. 605, 42 U.S.P.Q.2d (BNA) 1161 (E.D. Va. 1997), *aff'd*, 170 F.3d 449, 50 U.S.P.Q.2d (BNA) 1065 (4th Cir. 1999).

119. 955 F. Supp. at 609, 42 U.S.P.Q.2d (BNA) at 1163.

120. *Id.*, 42 U.S.P.Q.2d (BNA) at 1163.

121. *Id.* at 610, 42 U.S.P.Q.2d (BNA) at 1163–64.

122. *Id.* at 611, 42 U.S.P.Q.2d (BNA) at 1164.

123. *Id.* at 612, 42 U.S.P.Q.2d (BNA) at 1165.

124. *Ringling Bros.*, 955 F. Supp. at 612, 42 U.S.P.Q.2d (BNA) at 1165.

125. *Id.* at 622, 42 U.S.P.Q.2d (BNA) at 1173.

126. *Id.*, 42 U.S.P.Q.2d (BNA) at 1173.

pronounced his establishment THE GREATEST BAR ON EARTH.¹²⁷ In the absence of protection from dilution, section 2(d) would be unable to provide injunctive relief because there was no competition between the defendant's bar and the plaintiff's circus.¹²⁸

In a third case, *Ringling Bros.—Barnum & Bailey Combined Shows, Inc. v. Celozzi—Ettleson Chevrolet, Inc.*, the district court relied upon the fact that THE GREATEST SHOW ON EARTH had been used for over 120 years by the plaintiff.¹²⁹ Furthermore, the Seventh Circuit ultimately determined that the plaintiff's business had a national reputation because it spent in excess of \$10 million on annual advertising and promotional services.¹³⁰ The Seventh Circuit's holding indicates that empirical evidence is available for courts to consider should a court choose to engage in the exercise of determining fame before undertaking a likelihood of dilution analysis.

*D. Hershey Foods Corp. v. Mars, Inc.*¹³¹

Evidence of a famous trademark in *Hershey* focused on the business practices of the parties; specifically, the court noted that the evidence presented indicated that the trademark was famous because ninety-four percent of respondents surveyed recognized REESE'S packaging.¹³² Evidence also revealed that the orange, yellow, and brown packaging had been used for fifty years¹³³ and that over \$120 million had been spent on advertising since 1990.¹³⁴ In relation to the dilution claim, a survey was presented in which fifty-one percent of the respondents identified the M&Ms product for the Reese's Pieces product, with forty-nine percent of the respondents attributing their response to the color scheme of the M&Ms.¹³⁵ Having reviewed the survey evidence presented, the court held that the REESE's packaging was not famous.¹³⁶ As in *Wawa*, the court in *Hershey* failed to explain what level the survey evidence would need to attain in order

127. 969 F. Supp. 901, 44 U.S.P.Q.2d (BNA) 1455 (S.D.N.Y. 1997).

128. Though some readers of this piece may take exception to that notion.

129. 855 F.2d 480, 8 U.S.P.Q.2d (BNA) 1072 (7th Cir. 1988).

130. *Id.* at 481, 8 U.S.P.Q.2d (BNA) at 1073. In dicta, the court bemoaned in a semantical fracas when it added that "[i]f Celozzi—Ettleson had used the slogan 'The Greatest Used Car Showroom on Earth' it might have had a plausible argument that its slogan was laudatory and descriptive; but it used the word 'Show,' not 'Showroom,' and, unlike the circus, the used car business is not literally a show." *Id.* at 484, 8 U.S.P.Q.2d (BNA) at 1076.

131. 998 F. Supp. 500 (M.D. Pa. 1998).

132. *See id.* at 501.

133. *Id.* at 516.

134. *Id.*

135. *Id.* at 518.

136. *Hershey Foods*, 998 F. Supp. at 517–18.

for the court to arrive at the opposite conclusion.

*E. Mead Data Central, Inc. v. Toyota Motor Sales, Inc.*¹³⁷

"The most detailed judicial analysis to date of the dilution theory may be found in Judge Sweet's concurring opinion in *Mead Data Central, Inc. v. Toyota Motor Sales, Inc.*"¹³⁸ In this case, Mead Data claimed that LEXIS was a famous mark and was diluted by Toyota's LEXUS automobile. The survey commissioned by Mead "show[ed] that 87% of attorneys and 76% of accountants associated LEXIS either with the attributes of the Mead service or with nothing at all."¹³⁹ In addition, the survey commissioned by the defendant, Toyota, revealed "that 72% of the general population associates LEXIS either with Mead's service or with nothing at all."¹⁴⁰ It can be seen that as far back as 1989 empirical evidence was used, though apparently discarded by the Second Circuit in this case,¹⁴¹ for actions which included a dilution claim. The holding illustrates that empirical evidence can be obtained to determine fame when a court requires it to be presented for consideration.¹⁴² To that end, when facing the dilemma of line drawing, including the determination of whether a mark is famous, a court should place its reliance upon empirically gathered evidence, rather than intuition, to guide its decisions.¹⁴³

What propelled the decision in *Mead Data* to such prominence and resultant commentary on dilution is that the Second Circuit confined its

137. 875 F.2d 1026, 10 U.S.P.Q.2d (BNA) 1961 (2d Cir. 1989).

138. Moskin, *supra* note 23, at 139. "The test for whether or not the injunction contemplated under Section 43(c) should issue was first articulated in a concurring opinion [by Justice Sweet]." HALPERN, *supra* note 3, at 335. The test was thereafter referred to as the *Sweet* factors. The factors consist of "Renown of the senior mark"; "Similarity of marks"; "Similarity of products"; "Predatory intent"; "Renown of junior mark"; and the "Sophistication of buyers." *Id.*

139. *Mead Data*, 702 F. Supp. 1031, 1037, 9 U.S.P.Q.2d (BNA) 1442, 1447 (S.D.N.Y. 1988), *rev'd*, 875 F.2d 1026, 10 U.S.P.Q.2d (BNA) 1961 (2d Cir. 1989).

140. *Mead Data*, 702 F. Supp. at 1037, 9 U.S.P.Q.2d (BNA) at 1447.

141. It is worth noting that the WAWA chain of convenience stores was limited to Connecticut, Delaware, Maryland, New Jersey, and Pennsylvania. In contrast Mead Data Services (since purchased by Reed, Elsevier, a British-Dutch publishing conglomerate which combined Mead Data with several other companies to form Lexis Publishing), operated the Lexis research service on a nationwide level. Lexis was utilized by a miniscule segment of the professional population comprised of accountants and highly sophisticated attorneys. In fact, the court found that Lexis users accounted for less than 1% of the population. See *Mead Data*, 875 F.2d at 1028, 10 U.S.P.Q.2d (BNA) at 1963.

142. The difficulty, it would appear, is not for a court to obtain empirical data, but to wade through the voluminous amounts of empirical data presented by the parties. Without an empirical test that sets forth standards to follow, courts find themselves "swimming in a sea of . . . paper." Telephone Conversation with Alan S. Wachs, Partner, Holland & Knight LLP.

143. See Muller, *supra* note 19, at 187.

analysis to the definition and intent of the dilution doctrine rather than viewing the case before them as an opportunity to be the first circuit to wield the never before swung dilution sword. The decision in *Mead Data* is also important for what it does not accomplish. Toyota was not precluded from using LEXUS for automobiles¹⁴⁴ even though there is no doubt that LEXUS (Toyota) and LEXIS (Mead Data) are almost phonetically and visually identical.¹⁴⁵ In turn, Mead Data was left with only the theory of dilution to acquire protection for its mark. The court concluded that LEXIS is not a famous mark and was therefore ineligible for protection against dilution.¹⁴⁶ The court's decision is especially significant because it set the tone for future determinations of fame.¹⁴⁷

The examined cases underscore the principle that empirical evidence can be, and has been, successfully instituted in dilution actions to facilitate a court's determination of whether a trademark is famous. In addition, the examined cases illustrate that a court will be receptive to survey results when the results are presented in a coherent, organized, and reliable manner.

The availability of empirical evidence has not prevented courts from intermittently returning to their penchant for relying on an intuitive test¹⁴⁸ to determine whether a mark is famous or mistaking a fame analysis with a distinctiveness and secondary meaning analysis.¹⁴⁹

One thing that remains "clear, however, [is] that as survey techniques for demonstrating dilution improve and courts begin to understand the advantages of direct evidence over application of the *Sweet* factors, litigants will rely increasingly on survey evidence as dispositive and decisive proof of

144. *Mead Data*, 875 F.2d 1026, 1040, 10 U.S.P.Q.2d (BNA) 1961, 1966.

145. The court was only able to distinguish the word marks through slight visual and pronunciation differences that, although undeniably present, are forced and unconvincing. *See id.* at 1029-30, 9 U.S.P.Q.2d (BNA) at 1447.

146. *See id.* at 1031, 10 U.S.P.Q.2d (BNA) at 1966.

147. *See, e.g., Deer & Co. v. MTD Prods.*, 41 F.3d 39, 32 U.S.P.Q.2d (BNA) 1936 (2d Cir. 1994); *Hormel Foods Corp. v. Jim Henson Prods.*, 73 F.3d 497, 37 U.S.P.Q.2d (BNA) 1516 (2d Cir. 1996); *Wawa*, 116 F.3d 471 (3d Cir. 1997); *Breuer Elec. Co. v. Hoover Co.*, 48 U.S.P.Q.2d (BNA) 1705 (N.D. Ill. 1998); *Ringling Bros.*, 955 F. Supp. 605, 42 U.S.P.Q.2d (BNA) 1161 (E.D. Va. 1997), *aff'd*, 170 F.3d 449, 50 U.S.P.Q.2d (BNA) 1065 (4th Cir. 1999); *Eli Lilly & Co. v. Natural Answers, Inc.*, 86 F. Supp. 2d 834 (S.D. Ind. 2000).

148. *See generally Jerome Gilson & Andrew Hartman, Federal Circuit Trademark Roundup*, 42 AM. U. L. REV. 1071, 1089 (1993).

149. *See Nguyen, supra* note 74, at 214 (citing *Axiom Corp. v. Axiom, Inc.*, 27 F. Supp. 2d 478 (D. Del. 1998), as an example of a confused judicial analysis of whether a mark is famous). *See also Nabisco, Inc. v. PF Brands, Inc.*, 191 F.3d 208, 216, 51 U.S.P.Q.2d (BNA) 1882, 1887 (2d Cir. 1999) (requiring fame and distinctiveness for a trademark to obtain protection from dilution). The Fourth Circuit has even gone so far as to require economic harm to the trademark owner. *See Nguyen, supra* note 74, at 202 (citing *Ringling Bros.-Barnum & Bailey Combined Shows, Inc. v. Utah Div. of Travel Dev.*, 170 F.3d 449, 50 U.S.P.Q.2d (BNA) 1065 (4th Cir. 1999)).

trademark [fame].”¹⁵⁰ Courts that have examined whether a trademark is famous in a systematic, empirical manner have arrived at rationally derived results demonstrating that empirical evidence can and should be used to determine whether a trademark is famous.¹⁵¹

VI. FUNDAMENTAL REQUIREMENTS OF AN EMPIRICAL TEST

As the cases examined in Part V reveal, empirical evidence provides a consistent and objective means for determining whether a mark rises to a level of fame to qualify for protection from dilution. Despite the tidiness of empirical evidence, a significant drawback to an empirical determination of fame is the lack of uniform standards: neither Congress nor the courts have created such a standard.¹⁵² The employment of empirical data, though undoubtedly reliable if the correct questions are asked and the evidence is properly admitted, is essentially useless unless it is based upon a common set of principles and standards to ensure that determinations of fame are consistent despite being based upon the same tangible measures.¹⁵³ To avoid such a pitfall, a uniform test must be promulgated that sets forth minimum, or at the very least a range of, requirements for a determination of fame and subsequent protection from dilution. Although other commentators have half-heartedly attempted to devise an empirical test,¹⁵⁴ a common set of standards

150. Patrick M. Bible, *Defining and Quantifying Dilution Under the Federal Trademark Dilution Act of 1995: Using Survey Evidence to Show Actual Dilution*, 70 U. COLO. L. REV. 295, 313. As techniques for gathering survey evidence improve, empirical data will be indispensable for illustrating the fame of a mark in addition to the severity of the likelihood of dilution and the need to immediately issue an injunction to prevent consumers from prolonged exposure to the diluting mark.

151. Employment of empirical evidence can be found in *Mead Data*, 875 F.2d 1026, 10 U.S.P.Q.2d (BNA) 1961 (2d Cir. 1989); *Wawa*, 40 U.S.P.Q.2d (BNA) 1629 (1996); *Hershey Foods*, 998 F. Supp. 500 (M.D. Pa. 1998); *Star Mkts.*, 945 F. Supp. 1344 (D. Haw. 1996); *Ringling Bros.*, 955 F. Supp. 605, 42 U.S.P.Q.2d (BNA) 1161 (E.D. Va. 1997). “Most courts applying the statutory test for trademark fame have done so in cursory fashion” GILSON, *supra* note 78, § 5.12[1][f][iii].

152. See, e.g., GILSON, *supra* note 78, § 5.12[1][f][iii].

153. The level required for a trademark to be famous must be chosen carefully. It is too easy to adopt a standard merely because it provides simplicity and closure to the dispute. If a standard of fame is adopted, it must be adopted because that standard is the quintessential indicator of whether a trademark is famous, not because the standard provides a court with a simplified means of determining fame.

154. See, e.g., Nguyen, *supra* note 74, at 234 (stating that a determination of whether a trademark is famous must have “a clear percentage cut-off” that “is known to more than 40% of the defendant’s potential customers”); Bible, *supra* note 150, at 338 (listing five specific questions to pose); Moskin, *supra* note 23 (discussing, without listing, recommendations for a test); Simone A. Rose, *Will Atlas Shrug? Dilution Protection for “Famous” Trademarks: Anti-Competitive “Monopoly” or Earned “Property” Right?*, 47 FLA. L. REV. 653 (1995) (proposing an addition to the dilution statute composed of little more than incessant punctuation while offering a scathing critique of Jonathan Moskin’s recommendations); Duffey, *supra* note 7, at 163 (setting forth “a

have not been conclusively reached.¹⁵⁵

Detractors of empirically-based tests argue that the “theoretical problems make it unlikely that [fame] ever can be proven”¹⁵⁶ even though “some empirical evidence is required” to signal the presence of fame.¹⁵⁷ To truly validate a finding of fame, these theoretical concerns must be pushed aside.¹⁵⁸

At least one scholar has opined that the Federal Dilution Act facilitates the use of survey evidence through the inclusion of stronger causes of action for plaintiffs seeking judicial remedies because additional evidence can be crucial in persuading a court that a trademark is famous, likely to be diluted, and is therefore eligible for protection from dilution.¹⁵⁹ The problem practitioners face is that “[d]irect evidence . . . is seldom available because the harm at issue is a blurring of the mental associations evoked by the mark, a phenomenon not easily sampled by consumer surveys and not normally manifested by unambiguous consumer behavior.”¹⁶⁰

Often, instead of examining whether the trademark is famous, courts have rushed to apply Justice Sweet’s six-pronged test promulgated in *Mead Data* to determine whether a mark is likely to be diluted.¹⁶¹ While the *Sweet* factors may be dispositive of a likelihood of dilution, a standard for determining whether a trademark is famous requires direct evidence to ensure accuracy.¹⁶² To that end, despite the existence of the factors in the Lanham Act for determining fame, dilution jurisprudence must eventually take root in empirical realities.¹⁶³ To facilitate the utilization of survey evidence to determine whether a trademark is famous, and thereby eligible for protection from dilution, reliance on the eight-prong test set forth in section 43(c) of the Lanham Act¹⁶⁴ should be eliminated in its entirety and the following four factors should be adopted.¹⁶⁵

modified *Mead Data* test”).

155. See generally Moskin, *supra* note 23.

156. *Id.* at 130.

157. *Id.* at 132.

158. Despite the necessity of fashioning a standard test of fame, to date, very few empirical studies have been undertaken which attempt to quantify the fame of trademarks. Perhaps as a result of the failure to produce an empirical test, one commentator has professed that “no finding of dilution has been supported by meaningful empirical proof” *Id.* at 123. But see *supra* text accompanying note 154; Simonson, *supra* note 80; Filbeck, *supra* note 82, at 191.

159. See Sandra Edelman & Bruce R. Ewing, *The Federal Trademark Dilution Act of 1995: A Litigation Perspective*, 86 TRADEMARK REP. 485, 492–93 (1996).

160. RESTATEMENT (THIRD) OF UNFAIR COMPETITION § 25 cmt. f (1995).

161. 875 F.2d 1026, 10 U.S.P.Q.2d (BNA) 1961 (2d Cir. 1989) (Sweet, J., concurring).

162. See Bible, *supra* note 150, at 312.

163. See Simonson, *supra* note 80, at 149 (explaining dilution rather than fame).

164. 15 U.S.C. § 1125(c).

165. These factors are loosely based upon the eight-prong test set forth in the Lanham Act,

*A. Length and Frequency of use of the Mark*¹⁶⁶

The first factor to consider when determining whether a trademark is famous is how long the mark has been used. Although the duration of use of a trademark may have some bearing on the determination of whether the mark is famous, this test alone is inconclusive, and, in fact, may be misleading in a few, limited instances.¹⁶⁷ As a general guideline, a mark utilized for a significant period of time may rise toward the level of fame, whereas a mark utilized for only a short period of time may not approach the level of fame necessary for protection from dilution.¹⁶⁸ Indeed, evidence that a trademark has been used for a prolonged period of time is not dispositive of fame.¹⁶⁹

*B. Sales and Revenue Volume of the Mark*¹⁷⁰

In order to temper the measure of length and frequency of trademark use, an examination should be undertaken as to the commercial success of the mark. The examination must determine if the trademark has been associated with a product or service which has attained substantial commercial success, or if the mark has merely been associated with a product or service for a period of time without significant financial success. In order to completely examine this prong of the fame analysis, deference must be given to the fact that some items are inherently more expensive and consequently produce significantly more revenue per sale.¹⁷¹

with the exclusion of superfluous prongs and the modification of the prongs that are illustrative of fame.

166. The first measure is nearly identical to that of 15 U.S.C. § 1125(c)(1)(B) which examines the duration of the use of the trademark in connection with the goods or services the mark identifies.

167. For instance, AMAZON.COM and NAPSTER may be famous marks despite being relative infants in the corporate community. *But see* Times Mirror Magazines, Inc. v. Las Vegas Sports News, 212 F.3d 157, 166, 54 U.S.P.Q.2d (BNA) 1577, 1583 (3d Cir. 2000) (finding SPORTING NEWS famous, in part, because it had operated since 1886); American Express Co. v. CFK, Inc., 947 F. Supp. 310, 315, 41 U.S.P.Q.2d (BNA) 1756, 1761 (E.D. Mich. 1996) (finding DON'T LEAVE HOME WITHOUT famous, in part, because it was used since 1974).

168. Of course, a determination of fame based on the duration of use of the trademark must be tempered with the "instant fame" of Cabbage Patch dolls, Nintendo, the Superbowl Shuffle, and Who Wants to be a Millionaire?, in contrast to the longevity of CAMPBELL'S soup or LEVI'S denim trousers.

169. *But see* Mead Data, 875 F.2d 1026, 1032, 10 U.S.P.Q.2d (BNA) 1961, 1966 (Second Circuit rebuffed Mead Data's contention that LEXIS was famous despite evidence of use since 1972).

170. This measure diverges from the enumerated factor set forth in 15 U.S.C. § 1125(c)(1).

171. For instance, the producer of a popular brand of bubble gum may have a highly successful product, albeit with fairly modest revenues. In contrast, the producer of luxury aircraft may sell a handful of planes annually, but produce significant revenue. The revenue/volume dichotomy requires a careful analysis to determine whether a trademark is famous.

*C. Advertising Expenditures and Publicity of the Mark*¹⁷²

Although publicity and advertising expenditures can be indicative of fame, publicity and advertising alone do not determine whether a mark is famous. For instance, copious advertising expenditures must be considered in light of the period during which the advertising occurred. In addition, high advertising expenditures are irrelevant if they do not result in significant sales and revenues. The use of advertising expenditures has long been a simplified means for the courts to determine whether a trademark is famous.¹⁷³ Within this prong, the type of media used in addition to the size of the audience reached should be considered.

*D. Survey Evidence of Public Recognition of the Mark*¹⁷⁴

In addition to the foregoing three factors, survey evidence is the measure that has the greatest impact on the determination of fame. Survey evidence should conclusively indicate that consumers recognize the trademark and associate the mark with the product or service sold in connection with the mark. While several commentators have brazenly attempted to set a requisite standard for recognition,¹⁷⁵ this piece requires no less than seventy percent of the surveyed public to accurately identify the mark and the product or service sold in connection with that mark.¹⁷⁶ Although this standard is higher than that suggested by other commentators,¹⁷⁷ the dilution doctrine was intended to

172. This prong is based on 15 U.S.C. § 1125(c)(1)(C).

173. See, e.g., *American Express*, 947 F. Supp. at 312 (finding DON'T LEAVE HOME WITHOUT famous, in part, because organization spent \$600 million in marketing); *Ringling Bros.—Barnum & Bailey Combined Shows v. Utah Div. of Travel Dev.*, 955 F. Supp. 605, 609, 42 U.S.P.Q.2d (BNA) 1161, 1163 (E.D. Va. 1997), *aff'd*, 170 F.3d 449, 50 U.S.P.Q.2d (BNA) 1065 (4th Cir. 1999) (finding GREATEST SHOW ON EARTH famous, in part, because organization spent \$19 million in marketing); *Nabisco, Inc. v. PF Brands, Inc.*, 191 F.3d 208, 213, 51 U.S.P.Q.2d (BNA) 1882, 1885 (2d Cir. 1999) (finding GOLDFISH famous, in part, because the organization spent \$120 million in marketing). Accordingly, there is no established minimum amount which must be spent on advertising or marketing to support the conclusion that a trademark is famous.

174. This prong is based on 15 U.S.C. § 1125(c)(1)(F).

175. See *supra* text accompanying note 154.

176. The recognition requirement of 70% advanced by this piece is admittedly arbitrary, but is selected to ensure that only famous trademarks will qualify for protection from dilution. However, the requisite level of consumer recognition makes an allowance for the natural unawareness of a trademark which will occur among any given sample population due to lifestyle variations. See, e.g., *Steinway & Sons v. Demars & Friends*, 210 U.S.P.Q. (BNA) 954 (C.D. Cal. 1981). The nature of a piano as a high-end luxury good dictates that at least a portion of the public is likely to be unfamiliar with STEINWAY pianos despite the fame of the STEINWAY mark. Therefore, any fame test must require recognition standards high enough to denote fame, while allowing for the inevitable fact that fame does not require absolute recognition of a mark through survey evidence.

177. Cf. *supra* text accompanying note 154.

protect famous marks¹⁷⁸ and, as such, the determination of fame requires a higher level of recognition.

VII. IMPLEMENTATION OF AN EMPIRICAL FAME SURVEY

The Second Circuit, in *Mead Data*, stated that a "mental association may be created where the plaintiff's mark is very famous and therefore [the mark] has a distinctive quality for a significant percentage of the [consumers]." ¹⁷⁹ Applying the Second Circuit's reasoning to an empirical test to determine fame, the evidence need only show that the mark, in the mind of the relevant consumer, signifies something unique, singular, or particular as opposed to several products or services from different sources.¹⁸⁰ As such, the survey evidence must prove the "subjective mental associations and reactions of prospective purchasers."¹⁸¹ Fortunately, "the power of an effective trademark is that it connotes both conscious and unconscious associations[,] allowing conscious consumer perceptions to be surveyed."¹⁸² The focus on conscious beliefs provides a significant challenge to researchers attempting to accurately measure and convey trademark associations for presentation to a court.

A. Difficulties Obtaining Empirical Evidence

1. Unconscious Consumer Perceptions

To persuade a court that a trademark is famous, a survey must demonstrate that consumers associate a mark with a product or service available exclusively from a particular source.¹⁸³ The concept of fame is premised on the belief that the use of a mark creates an unconscious connection between the trademark and the source of the product or service sold under the mark. This relationship is confused if a trademark is used by several entities to identify different goods or services. Alternatively, fame is

178. See 4 MCCARTHY, *supra* note 28, § 24-108.

179. *Mead Data Cent., Inc. v. Toyota Motor Sales*, 875 F.2d 1026, 1031, 10 U.S.P.Q.2d (BNA) 1961, 1966 (2d Cir. 1989). Although this analysis was undertaken to determine whether a trademark was blurred, similar principles apply to the determination of whether a mark is famous. Notably, the Second Circuit made no attempt to define "significant percentage" as it relates to the mark; rather, the court required the claimant to "prove that 'it possesses an extremely strong mark.'" 4 MCCARTHY, *supra* note 28, § 24:109 n.15 (quoting *Mead Data Cent., Inc. v. Toyota Motor Sales, Inc.*, 875 F.2d 1026, 1033, 10 U.S.P.Q.2d (BNA) 1961, 1967 (2d Cir. 1989)).

180. See Beverly W. Pattishall, *Dawning Acceptance of the Dilution Rationale for Trademark-Trade Identity Protection*, 74 TRADEMARK REP. 289, 308 (1984).

181. 5 MCCARTHY, *supra* note 28, § 32-158.

182. Staffin, *supra* note 28, at 155.

183. See Bible, *supra* note 150, at 296. Failure to provide sufficient empirical survey evidence to support a determination of fame "assumes that all purchaser confusion is conscious." Staffin, *supra* note 28, at 155.

not present if a reasonable buyer is unlikely to associate a trademark exclusively with the good or service produced by a single source. If multiple associations are present, there can be no finding of fame.¹⁸⁴ Consequently, an empirical test must measure the relationship between a mark and the single source of the product or service in the mind of a consumer.¹⁸⁵

When undertaking a determination of fame, focus should be placed on the strength or weakness of the trademark rather than on the potential confusion by a consumer. In essence, the same consumer perception is examined, but from the perspective of the trademark rather than the source of the product or service.¹⁸⁶ “Some courts have recognized this fact in the traditional trademark infringement context and [have] termed the confusion created by the unconscious associations generated by an unauthorized junior use of a senior holder’s mark ‘subliminal confusion.’”¹⁸⁷

2. Threshold of Association

In order to provide persuasive empirical evidence that a trademark is famous, the evidence must prove “that the greater the number of associations a [mark] has (the less distinctive it is) the more difficult it is for the individual initially to encode the [mark] in memory or later to recall the [mark].”¹⁸⁸ The fact that the consumer may be unconsciously confused or erroneously associate the source of one product or service with another product or service sold under a similar mark is the basis for the dilution doctrine and the reason that protection from dilution subsists.¹⁸⁹ The unconscious association requires empirical evidentiary support for the mark to be protected from dilution by a court.¹⁹⁰

3. Difficulty of Measuring Conscious Perception

Thankfully, what has been referred to as the “subliminal confusion-

184. See Moskin, *supra* note 23, at 134 (citing 3 J. THOMAS MCCARTHY, MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION § 24:13[1][b], 24-109 (3d ed. 1992)). It should be noted that the creation of this test was formed with dilution, rather than fame, in mind.

185. See Moskin, *supra* note 23, at 134.

186. *Id.*

187. Staffin, *supra* note 28, at 155 (citing *Playboy Enters., Inc. v. Chuckleberry Publ'g, Inc.*, 486 F. Supp. 414, 428, 206 U.S.P.Q. (BNA) 70, 82 (S.D.N.Y. 1980), *aff'd*, 687 F.2d 563, 567-68, 215 U.S.P.Q. (BNA) 662, 668 (2d Cir. 1982) (referring to subliminal trademark association)).

188. Moskin, *supra* note 23, at 136.

189. See Staffin, *supra* note 28, at 154-55.

190. See *id.* Accordingly, “while the dilution doctrine may be rich in metaphors, it is lacking in empirical support” *Id.* Empirical evidence can even be used to illustrate psychological dissociation between a trademark and a product. See Simonson, *supra* note 80, at 149.

transference phenomenon' is susceptible to empirical proof."¹⁹¹ Despite the fact that empirical research is feasible and welcomed by the courts, "there is a dearth of empirically oriented research" for the courts to consider.¹⁹² Not only is it difficult to identify unconscious consumer perceptions of a trademark, but a party must also contend with the difficulty of measuring the unconscious effects of a trademark.¹⁹³ It is perhaps for that reason that "[t]o date, dilution has been explored almost solely by reference to intuition."¹⁹⁴ Furthermore, many of the studies undertaken have produced results more akin to marketing strategy than for purposes of proving whether a trademark is famous.¹⁹⁵ Though difficult to accomplish, if empirical evidence "can be shown, the court's task is relatively straightforward."¹⁹⁶ The availability of several types of empirical evidence which establish that a trademark is famous dictates that the failure to present a court with empirical evidence results from the inability of a party to establish that the trademark is famous, not because evidence that the trademark is famous is unavailable.¹⁹⁷

4. Empirical Measures of Consumer Behavior

One commentator has identified the relevant test for fame as that in which an experimental group exposed to a mark will have "a reduced likelihood to purchase the senior user's product[]" compared to the group unexposed to the mark.¹⁹⁸ The empirical evidence need not show the effects of dilution, it need only present a court with results to prove that a mark is famous.

B. The Necessity of Quantifying Fame

The difficulty of quantifying fame shares many characteristics with the argument against recognizing trademark dilution; that is, a junior user maintains a product or service that does not directly compete with a senior user's product or service.¹⁹⁹ An argument against protection from dilution

191. Staffin, *supra* note 28, at 159.

192. *Id.*

193. See generally Staffin, *supra* note 28; Moskin, *supra* note 23; David S. Welkowitz, *Reexamining Trademark Dilution*, 44 VAND. L. REV. 531 (1991).

194. Simonson, *supra* note 80, at 150.

195. See Staffin, *supra* note 28, at 159 (introducing evidence that an attempt to refute a false rumor causes a consumer to more deeply encode the information).

196. Oswald, *supra* note 15, at 297.

197. See *id.*

198. Moskin, *supra* note 23, at 138. Though Moskin laments the inability to obtain an adequate subject sample, this piece is not intended to address the difficulty of selecting a test group; rather, the answer to the question of whether relevant empirical data can be obtained is a resounding yes!

199. See generally Port, *supra* note 2.

precludes economic growth and expansion.²⁰⁰ The global economy requires organizations of all sizes to diversify their product lines to maximize profits and insure their businesses from a downturn in a single venture. It is precisely “the changing arena of consumer economics, with its massive advertising and expansive networks of intermediaries” that dilutes the strength of the original mark and is therefore in violation of the Lanham Act.²⁰¹ A new association “created in the mind of the consumer . . . with the original mark” is that which creates consumer confusion.²⁰² Failure to recognize, and eliminate, dilution impedes the expansion of organizations by allowing famous trademarks to be adopted by junior users.²⁰³

Three economic reasons justify trademark use beyond identification of a product: “(1) the potential for confusion; (2) external benefits of prestige, and other investments appropriated without compensating the trademark owner [investor]; and (3) investment in reputation capital.”²⁰⁴ An additional rationale is “the removal of the incentive to ‘create’ the ‘persona’ of the mark which inherently reduces search costs and provides additional quality assurance to consumers.”²⁰⁵ A mark that has been diluted “detracts from the consumer’s ability to rely on this ‘quality image’ associated with the mark.”²⁰⁶

A recent survey found that the ability to correctly identify product brands has decreased by twelve percent.²⁰⁷ Seventy percent of the respondents associated the mark with the senior user, while sixty percent associated the mark with both the junior and senior user’s products.²⁰⁸ Twenty-five percent of the respondents also identified the junior user’s product first.²⁰⁹ The results of these and other studies indicates that the dilution of a trademark results in a significant loss of selling power.²¹⁰

The relationship between the dilution doctrine and the trademark

200. Eddie Bauer produces a special edition of the Ford Explorer, Nautica has a similar agreement with Mercury for a minivan, and L.L. Bean has teamed with Subaru for an Outback. Several years ago, it would have been unthinkable that Nabisco would launch an Oreo breakfast cereal and Ralph Lauren would produce paint. Few anticipated that Coca-Cola would produce bottled water, Nike would have a line of watches, sunglasses, and golf balls, and that Tommy Hilfiger and Guess? would sell bedding.

201. Bible, *supra* note 150, at 295.

202. *Id.*

203. See *supra* text accompanying note 200.

204. Rose, *supra* note 154, at 697 n.166 (relying on WILLIAM M. LANDES & RICHARD A. POSNER, *Trademark Law: An Economic Perspective*, 30 J.L. & ECON. 265, 307–08 (1987)).

205. *Id.*

206. *Id.*

207. Bible, *supra* note 150, at 340.

208. See *id.*

209. *Id.*

210. *Id.*

continuum²¹¹ is merely a line drawn by Congress to provide protection to trademark owners at a level of trademark misappropriation one step before the exploitation of a mark reaches a level of infringement. The dilution doctrine therefore furnishes courts with a device to prevent consumers from facing brand confusion that is otherwise unavailable.²¹² The use of empirical evidence to determine whether a trademark is famous provides the most effective means of determining which marks are eligible for protection from dilution.

C. Empirical Evidence as an Incentive to Apply the Federal Trademark Dilution Act

Evidence suggests that the courts continue to hesitate in their application of the dilution statute. Between 1977 and 1994, respectively, 159 federal appellate cases were based on dilution claims.²¹³ Ten resulted in a preliminary injunction,²¹⁴ of which four warranted a permanent injunction.²¹⁵

Injunctions are warranted when “continuing use of a mark similar to plaintiff’s mark will inevitably have an adverse effect upon the value of plaintiff’s mark and that if [the plaintiff] is powerless to prevent such use, the plaintiff’s mark will eventually be deprived of all distinctiveness.”²¹⁶

Dilution is too often distinguished from confusion instead of being viewed as a precursor to consumer confusion.²¹⁷ Although dilution is distinct from confusion, the dilution doctrine is consistent with trademark laws, the ultimate goal of which is to prevent consumer confusion.²¹⁸ Specifically, confusion may occur through the psychological effect of a schema²¹⁹ or stimulus

211. See *Abercrombie & Fitch Co. v. Hunting World, Inc.*, 537 F.2d 4, 189 U.S.P.Q. (BNA) 759 (2d Cir. 1976) (setting forth the order of distinctiveness as generic, descriptive, suggestive, arbitrary, and fanciful).

212. See Simonson, *supra* note 80, at 164. The relationship between a producer and their product requires more than a perceived fit among the relevant consuming public; rather, it requires the ability of the producer to expand into a new market while retaining the goodwill accumulated through their other products or services.

213. Port, *supra* note 2, at 532.

214. See *id.*

215. *Id.*

216. Garcia, *supra* note 57, at 490 (quoting *Gilbert/Robinson, Inc. v. Carrie Beverage-Missouri, Inc.*, 758 F. Supp. 512, 527, 19 U.S.P.Q.2d (BNA) 1481, 1490 (E.D. Mo. 1991)).

217. But see Simonson, *supra* note 80, at 156 (attempting to distinguish the two doctrines).

218. See *id.* (stating that a consumer may not know there are two identical brands made by separate producers).

219. “A schema is a composite representation of a set of attributes or characteristics that seem to be stored in memory as an entire category or unit and can be evoked via one or more of the underlying characteristics.” *Id.* at 161.

generalization.²²⁰ “That consumer confusion or perception is not an issue before the court in a dilution action hides the fact that consumers directly benefit from the existence of strong undiluted marks.”²²¹ Strong marks allow consumers to discern between the “historical track record” of the identifiable producer and the competing brand.²²²

Fame of trademarks can be realized in behavioral patterns and therefore proven through empirical evidence. For empirical evidence to be obtained, the specific consumer behaviors that identify the fame of a trademark must be identified. This requires “[t]esting for [a]ssociational [s]trengths[.]”²²³ Testing can be accomplished through a recall test which measures “the percentage of who correctly recalled the product category, the percentage of people correctly recalling the product category early on (first or second) in a list of other recalled responses, and the average (or the percentiles) of consumers’ response latencies”²²⁴ This test measures the associational strengths of a mark and, when properly administered, appears sufficient to support a finding of fame by the courts.²²⁵

VIII. CONCLUSION

Currently, there is no clearly defined level of fame to which a trademark must rise in order to meet a court’s determination that the mark is famous and eligible for protection from dilution. Without the use of empirical evidence, a court is forced to follow its intuition to determine whether a trademark is famous. This is an arduous task which should not be undertaken without empirical evidence which supports the determination. Therefore, a plaintiff should prepare sufficient empirical evidence to prove the fame of a mark and to illustrate that dilution has, or will, occur due to the existence of the junior mark. Conversely, a defendant must be prepared to attack the plaintiff’s evidence or submit evidence which shows that the mark is not famous. As surveys become more sophisticated, courts will require a showing of empirical evidence in order to support a well-founded and logically based holding.

“As judges become more empirically demanding, predictions of reality will be guided less by intuition and more by real evidence and arguments based on firm behavioral underpinnings. The future of

220. “Stimulus generalization suggests that responses arising from a stimulus will likely be triggered when a similar stimulus appears perhaps even in another context.” *Id.* at 160–61.

221. Muller, *supra* note 19, at 192.

222. *Id.*

223. Simonson, *supra* note 80, at 168.

224. *Id.* at 169 (internal numeration omitted).

225. *Id.* at 171.

dilution analysis rests, therefore, with understanding and predicting these behavioral patterns so that [a court] can properly assess [whether a trademark is famous].”²²⁶

The dilution doctrine is an invaluable component of trademark law which ensures that trademark owners are provided with the opportunity to expand their operations. Despite the value of the dilution doctrine, if the doctrine is applied carelessly or inappropriately the construct will impede trademark law. In order to ensure that dilution is applied appropriately, courts must ensure that only famous trademarks are provided protection from dilution. To that end, it is imperative for courts to insist upon the presentation of empirical evidence by any party seeking protection from dilution. Requiring empirical evidence demonstrating that a trademark is famous will ensure that courts do not afford protection from dilution to marks that are not famous. Empirical evidence will also provide practitioners and trademark owners with an enhanced understanding of whether a mark is famous and whether the adoption of a potential mark will dilute another trademark. In addition, requiring empirical evidence to ascertain whether a trademark is famous will allow the dilution doctrine to “naturally” fit within existing trademark jurisprudence.

ADAM OMAR SHANTI

In memory of my best friend — T.M.H.

226. *Id.* at 149.